



2022 Sustainability Report

LEADERSHIP MESSAGE



"At Ayla, we are dedicated to safeguarding the environment and we understand the pressing need to tackle climate change, pollution, and other environmental issues."

I am proud to present to you Ayla Oasis Development Company's (Ayla) first annual Sustainability Report, which gives an overview of our activities, achievements, and performances during 2022. This report is a significant milestone for our company and marks the beginning of our sustainability journey, demonstrating just how far we have come as well as the progress we still need to make. While staying true to our company's core values, mission, and vision, we have implemented new initiatives over the year and taken new measures to incorporate sustainability into our operations.



At Ayla, we are dedicated to safeguarding the environment and we understand the pressing need to tackle climate change, pollution, and other environmental issues. We have a responsibility to reduce the impact we have on the environment while also contributing to a prosperous future through our business activities.

Responsibly planned and managed tourism operations provide support for job creation, promote inclusive social integration, and enable us to protect our natural resources. Achieving this is a continuous process which requires constant monitoring and the introduction of new initiatives and measures to enhance our operations so that they align with our sustainability goals. We are proud to have been awarded three Blue Flag certifications on B12 Beach Club, Hyatt Regency La Plage Beach Club, and Ayla Marina. Additionally, we are working toward achieving the Green Key certification. This reflects our commitment and contribution to protecting our environment and the communities who depend on it.

In 2022, we made significant progress in continuing to expand our operations. We successfully established our destination wedding and Meetings, Incentives, Conferences, and Exhibitions (MICE) concept, increasing our footfall by more than 12,000 and contributing around JOD 1.1 million to Ayla's financial performance, as well as providing more employment opportunities.

We continue to operate Makarem Academy, which trains local Jordanians on a variety of hospitality and other skills, including

entrepreneurship, food and beverages services, quantity surveying, and renewable energy. Together, these initiatives have increased employment and training opportunities for local Jordanians.

We have been actively involved with the communities in which we operate, from investing in local suppliers to local initiatives that aim to increase the strength and resilience of local communities. We are proud that an impressive 92% of our suppliers are from local communities and we have invested JOD 9.4 million in these local partnerships, contributing to the growth of our community. In addition, we were involved in over 50 corporate social responsibility (CSR) initiatives during 2022, which included a visually and hearing-impaired service providers course, a clean-up the world campaign, and a back-to-school campaign, among others.

On behalf of the entire team, I would like to express our gratitude for your continued and unwavering support and trust in all our endeavours. We are privileged to serve you and remains dedicated to providing quality service while upholding the principles of sustainability, transparency and accountability.

I am pleased to invite you to follow our company's sustainability journey detailed in this report and to partner with us by providing your feedback and suggestions.

Sahl Dudin

Managing Director



AYLA FACTS AND FIGURES



4.3Mn m²
Total area



361
Hotel rooms



0.75Mn m²
Area of lagoons



2
Beach clubs



1.2Mn m²
Area of golf course



58
Operational shops in Marina Village



500,000 m²
Area of roads



2
Entertainment venues



0.35Mn m²
Area of developed land



400
Marina berthing capacity (wet & dry)



1.5Mn m²
Area of future development



7
Mega events



31,634 m²
Common areas at residential districts



55
Number of vehicles



329
Residential units

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ABOUT THIS REPORT

We are pleased to present Ayla's first annual Sustainability Report. This report provides an overview of our activities, achievements, and performances in the areas of Environment, Social, and Governance (ESG) throughout the year 2022.

This report has been developed with reference to national and international standards, goals and priorities, including the Global Reporting Initiative (GRI) Standards and the United Nations Sustainable Development Goals (UN SDGs).

The scope of this report covers all of Ayla's operations in Jordan, including Amman and Aqaba. Data regarding external contractors and suppliers are not included in this report, unless stated otherwise.

Reporting Period

The report covers the calendar year from 1 January 2022 to 31 December 2022, unless stated otherwise.

Inquiries and Feedback

For any inquiries, feedback, or suggestions, please send your comments to: info@ayla.com.jo or visit <https://www.ayla.com.jo/>

Forward-looking statements

This report contains statements that may be deemed as "forward-looking statements" that express the way in which Ayla intends to conduct its activities. Forward statements could be identified by the use of forward-looking terminology such as "plans", "aims", "assumes", "continues", "believes", or any variations of such words that certain actions, events or results "may", "could", "should", "might", "will", or "would" be taken or be achieved.

Ayla has made every effort to ensure that this report is as accurate and truthful as possible. However, by their nature, forward-looking statements are qualified to inherent risks and uncertainties surrounding future expectations that could cause actual results to differ materially from these projected or implied statements. Such statements are subject to risks that are beyond Ayla's ability to control and therefore do not represent a guarantee that events implied in these forward-looking statements will actually occur.

AYLA AT A GLANCE

Ayla Oasis was established in 2003, with our headquarters based in Amman and Aqaba. Our operations stem from a unique vision that the company had for a 4.3 million square metres of land in Aqaba. This vision entailed building an environmentally, socially, and economically sustainable destination to support Jordan's aggressive economic growth strategy while demonstrating Jordanian hospitality and generosity.

The initial challenge was that this allocated borderland was heavily mined and required us to collaborate with the Jordanian Armed Forces and an international organisation to prepare the land for construction work. Despite the challenging inception, in 2014, this ambitious dream became a reality when the operational phase commenced.

By seamlessly combining elements of design, art, culture, entertainment, and hospitality we aim to deliver a seaside destination that provides memorable experiences for all our tenants and visitors.



What We Offer

Ayla is a development of significant scale and quality objectives, unfolding in a phased manner. The initial phase concluded in 2012 in which the infrastructure was completed, and the lagoons were flooded. During the second phase in 2016, the construction of the first residential area was completed. This was followed by a third phase that came to conclusion in 2020 whereby the first hotel and commercial hub were developed. Ayla has many facilities and services which aim to provide quality experiences to both visitors and residents. Some of these services have been outlined below.

Marina Village: Our Marina Village offers a range of dining, shopping, recreational, and leisure experiences. Ayla has many restaurants, cafes, and bars that provide a unique culinary experience to satisfy every tastebud. We also provide a range of recreational and leisure experiences including traditional Jordanian experiences, and health care services.

Ayla Marina: One of the leading marinas along the coast of the Red Sea and holds a blue flag award. Ayla's Marina currently has around 231 berths for vessels up to 40 metres long, which is set to expand to include up to 341 berths, 118 boats storage facilities, and a wide range of maintenance and support services.

Outdoor Pursuits: Ayla's Signature Golf Club is home to Jordan's first 18-hole championship course and 9-hole floodlit academy course, where both beginners and experts alike can enjoy our eco-friendly golf course. Moreover, we provide a range of other sporting and outdoor activities including cycling and water sports, as well as access to several pristine beaches.

In addition to these facilities and services, Ayla also offers a luxury hotel and Hotel Apartments, and beachside, island, and golf-course residences.



AYLA MARINA

Ayla Marina

- Market access to everyone, including retail & local shops
- Water, electricity, and internet shore connection
- Utility pedestals controlled via smart key activation and pay system
- Full CCTV security coverage
- Parking spaces, plazas, and a pedestrian promenade
- 24/7 control & security room
- Fuel dock
- Black & grey water pump-out

Marina Operations

- Highly experienced friendly dock staff assistance
- Comprehensive daily boat checks
- Dry stack workshop and facilities
- 24/7 access to Marina Management Office
- Delivery and pick-up service to boats
- Full CCTV monitoring
- Fuel Marine Station
- Sewage and oil pump station

RESTAURANTS

Marina Village Restaurants

- 35 restaurants

B12 Beach Restaurant

Silica - Golf Course Restaurant

APARTMENTS & HOTELS

Island Apartments

- 150 apartments, 15 buildings

Marina Village Apartments (Cloud 7) - Not operated by Ayla

- 75 hotel apartments

Golf Apartments

- 179 apartments, 11 buildings

Beach apartments - Azur (under construction)

- 191 apartments

Hyatt Regency Hotel - Not operated by Ayla

LAGOONS/BEACHES

B12 Beach

Beach apartments (private)

La Plage - Hyatt Regency Beach

ACADEMIES

Makarem Academy

Golf Academy

SPORTS

The Courts

- Tennis
- Basketball
- Paddle
- Football

Golf Courses

- 2 golf courses

Rise Adventure
Park

Wake Park

ENVIRONMENTAL NURSERY

Small scale garden nursery for
experimental planting

Coral nursery

FUTURE PROJECTS

Pulse Hotel

- under development

Island apartments expansion

- phase 2 & 3

17 Beaches

- already exists but not
under operation

Golf apartments
expansion (Golf Hills)

- phase 2 & 3

Mama Gaia Beach &
Restaurant

- to be launched in 2023

Vision, Mission and Values

Our core principles are embedded in all areas of our operations and aim to steer our company toward a future rooted in responsible and sustainable practices. The principles underpin

our decision-making processes and actions, leading to positive and lasting impacts on both the society and the environment.



OUR HIGHLIGHTS IN 2022

Accountability and Governance



Zero
incidents of Corruption



30%
increase in investment in innovation compared to 2021

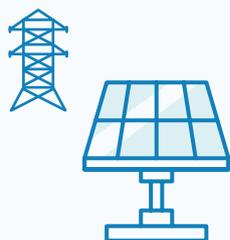


Zero
data security breaches and complaints concerning customer privacy

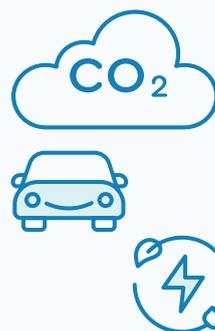


92%
of our suppliers are local

Yielding Environmental Sustainability



Installation of PV Phase III power wheeling system contributing
1.86 MW
to our energy infrastructure



Conducted the first Scope 1 and 2
GHG Inventory



Blue Flag
certifications were received by the B12 Beach Club, Hyatt Regency La Plage Beach Club, and Ayla Marina



21%
decrease in water consumption compared to 2021

Lively and Professional Workplace



9%
decrease in work-related injuries compared to 2021



19%
of our full-time employees are women



Employee health and safety training hours **doubled** compared to 2021



34%
of the new hires are women



47%
of our full-time employees are in the 30-18 age group

Authentic and Hospitable Experiences



Community investments reached **JOD 373,787;** an %11 increase compared to 2021



50 CSR projects were implemented



All customer complaints were resolved

OUR APPROACH TO SUSTAINABILITY MANAGEMENT



At Ayla, we are committed to adopting sustainable business practices with the goal of lowering our emissions and energy use and safeguarding our environment while ensuring that we encourage and maintain sustainable economic growth. To support this, we have conducted a materiality assessment to identify our impact on the economy, environment, and people and prioritise the topics that matter most to us and our stakeholders. Through internal stakeholder engagement and the outcomes of our materiality assessment, we have established a sustainability framework that provides a foundation for our ESG vision.

Sustainability is an integral part of our business strategy and a means to ensure long-term success and resilience. At Ayla, sustainability is managed through a

dedicated Sustainability department and governed by the authorised committees within the organisation. They oversee the development and implementation of sustainability policies, monitor performance, and ensure alignment with the company's values and objectives. Regular reporting mechanisms are in place to communicate sustainability efforts to key stakeholders.

At Ayla, we believe in a holistic approach that integrates environmental and social sustainability, creating a lasting legacy for the benefit of both our local and international stakeholders.

Stakeholder Engagement

We have categorised our stakeholders into two categories: external stakeholders and internal stakeholders, taking into consideration their main concerns and interests. These stakeholders can affect our business and can be affected by it. We have engaged with them through different

methods such as employee evaluation and surveys, utilising the customer service centre for direct interactions, and by conducting campaigns, workshops, events, forums, and conferences.

EXTERNAL STAKEHOLDERS

- Customers
- Government and Regulators
- Suppliers
- Local Communitities

Please refer to Appendix B for detailed stakeholders' map with specified methods of engagements with each stakeholder and their key ESG interests.

Materiality Assessment

Our materiality assessment exercise involved firstly understanding our organisation's context by conducting an analysis of our corporate profile and our ESG commitments and aspirations. We then examined global and local standards, conducted a benchmarking exercise of several regional and global peers, and incorporated the interests of our stakeholders to identify our impact on the economy, environment, and people. Subsequently, we assessed the significance of our impacts, which was influenced by the nature of our business activities and our relationships with the different stakeholders.

As a result, we have identified and prioritised, based on significance of the impact, 16 material topics spanning over three categories: Environmental, Social, and Governance. These material topics present focus areas where our impact is more significant, enabling more strategic and organised management opportunities for each focus area. The material topics formed the basis of our sustainability framework.

INTERNAL STAKEHOLDERS

- Board of Directors
- Employees

| Material sustainability topics | | |
|--------------------------------|--|----------------|
| ● | Governance and Business Ethics | Most Important |
| ● | Customer Relations | |
| ● | Economic Growth | |
| ● | Water Management | |
| ● | Data Privacy | Very Important |
| ● | Biodiversity Conservation | |
| ● | Energy Management | |
| ● | Health, Safety and Well-being | |
| ● | Talent Attraction, Retention and Development | Important |
| ● | Waste Management | |
| ● | Climate Change | |
| ● | Innovation | |
| ● | Diversity and Equal Opportunities | |
| ● | Community Outreach | |
| ● | Responsible Supply Chain | |
| ● | Sustainable Buildings | |

● Environmental ● Social ● Governance

Sustainability Framework

Sustainability framework is an important tool that helps guide strategic decision-making, stakeholder engagement, and reporting. As part of our sustainability management approach, we have established a four-pillar sustainability framework that covers our material sustainability

topics. This framework aligns with our business strategy and has enabled us to define our ESG vision for the future, empowering us to solidify and express our sustainability commitments.



ACCOUNTABILITY AND GOVERNANCE



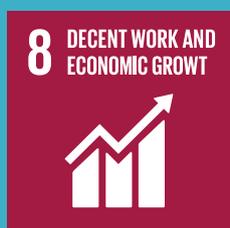
Here at Ayla, we are committed to transparency and aspire to lead our unique development guided by ethical principles. Our aim is to firmly position ourselves as a trusted and innovative tourism hub that is recognised for its efforts in fostering a responsible supply chain. In doing so, we contribute significantly to Jordan's Gross Domestic Product (GDP), by creating

new jobs, attracting local and foreign investments, and positioning Aqaba as a sought-after tourist destination. Our vision extends beyond individual success, aiming to elevate the region as a whole within Jordan's Golden Triangle, a term coined to describe the magical connection between Aqaba, Petra, and Wadi Rum.

Material topics

- Governance and Business Ethics
- Economic Growth
- Data Privacy
- Innovation
- Responsible Supply Chain

Alignment with SDGs



Governance and Business Ethics

Our system of corporate governance includes the board of directors, board committees, and executive management, with each of their roles and responsibilities clearly defined. We have achieved this by developing and implementing an internal bylaw and articles of association. We keep up to date with all new legislation and regulation that may affect the company by monitoring legislative news and reports issued by governmental agencies, in addition to continuous monitoring of industry developments,

regulatory changes, and emerging sustainability issues. Our board of directors actively engages in regular reviews of sustainability issues and decisions that have an impact on the economy, environment, and people, reflecting our dedication to responsible and ethical business practices. This involves assessing decisions related to financial impacts, environmental considerations, and social responsibility, as well as resource allocation.

BOARD OF DIRECTORS



Mr. Khaled Masri
Chairman



Mr. Kamil Sadeddin



Ms. Sirin Masri



Mr. Sahl Dudin



Mr. Ghassan Akeel

AYLA OASIS DEVELOPMENT COMPANY'S BOARD AND COMMITTEES*

| | Composition | Roles and Responsibilities |
|--|--|--|
| Board of Directors  | <p>The board consists of five members serving for a period of four years. Two members are elected by the Saudi owned Arab Supply & Trading Company (ASTRA) and three members are elected by the Bahraini owned Al-Maseera International Company.</p> | <p>The board oversees strategic planning, decision-making, sets the company's direction, approves major decisions, and ensures financial transparency and compliance.</p> |
| Audit and Risk Committee  | <p>This committee consists of two non-executive members and two executive members. The committee is appointed for a period of three years.</p> | <p>This committee enhances and protects organisational value by providing risk-based and objective assurance, advice, and insight. Responsibilities and duties are related to financial statements, internal controls, and compliance.</p> |
| Steering Committee  | <p>This committee is comprised of the Chairman, two board members, two external members/board advisors and one executive director.</p> | <p>The committee guides and oversees a specific project or initiative within our company. It is charged with providing strategic direction, making key decisions, and allocating necessary resources. The committee ensures that the projects align with organisational goals.</p> |

*Board members and members of all committees have the appropriate academic qualifications, professional experience, and a sound knowledge of the business, objectivity, and good judgement.

We consistently provide board members with relevant trainings to ensure they remain updated with evolving practices. We also prioritise the enrichment of their soft skills, offering them training on aspects such as emotional intelligence.

| Board of Directors | 2022 |
|---|------|
| Total number of board members | 5 |
| Total number of independent members | 2 |
| Total number of non-independent members | 3 |
| Total number of executive members | 2 |
| Total number of non-executive members | 3 |
| Total board seats occupied by women (%) | 20 |
| Total board seats occupied by men (%) | 80 |

ETHICAL BUSINESS CONDUCT

At Ayla, we adhere to a comprehensive code of business conduct. We foster a culture of respect for individuals and have established a robust framework for reporting code violations, prohibiting retaliation, defining procedures for waivers and enforcement, emphasising compliance with applicable laws, addressing conflicts of interest, and safeguarding confidential information.

VOICING CONCERNS

At Ayla, we foster a culture of open communication and encourage employees at all levels to report and address concerns. For more details, refer to the diversity and equal opportunities section. Moreover, concerns pertaining to potential negative impacts on stakeholders and business conduct are also formally conveyed during the quarterly board meetings. Meeting minutes are meticulously documented, and all resolutions are formulated and issued in alignment with the decisions reached during each meeting.



Zero

incidents of
corruption



RISK MANAGEMENT

We emphasise a culture of risk awareness at all organisational levels and ensure that sustainability-related risks are systematically identified, assessed, and managed within the comprehensive context of the company's risk management strategy.

Where legal and ethical risks are identified, our risk management approach includes providing legal protection and risk management advice especially on contract management, and liaising with all departments.

ANTI-CORRUPTION

Our code of business conduct serves as the framework for preventing corruption by establishing clear ethical standards and guidelines, emphasising integrity, transparency, and accountability. The code follows the Jordanian Labour Law and outlines clear legal repercussions of unethical behaviour and calls for compliance with anti-corruption laws and adopting a culture of honesty and fairness. The code is communicated to employees at the orientation phase, and all employees must sign the code prior to joining our company.

Economic Growth

Here at Ayla, we have aligned our economic targets with the Jordanian economic vision for a 'Better Future', which is based on the two pillars of accelerated growth and improved quality of life for all citizens. We aspire to continue to grow our company and contribute to the Jordanian GDP while also helping to improve the quality of life of the citizens of Jordan by offering significant employment and training opportunities through our Makarem Academy.

Our corporate governance maintains strong financial controls and transparent reporting which is facilitated through the streamlined preparation of quarterly and monthly performance and revenue reports. These reports are directly shared with the Board of Directors, enabling informed decision-making, cost management and long-term value creation.

We have experienced a 4% increase in revenue compared to the previous year. This positions us as a robust contributor to economic development, reinforcing its commitment to support Jordan's economic growth.

AMR DIAB CONCERT

Amr Diab's 2022 concert at Ayla significantly boosted sales and demand, offering businesses free marketing and brand exposure. Stakeholders noted its surpassing impact, positioning our company as an entertainment hotspot and attracting tourism. Despite challenges in accommodation and connectivity, the event contributed over JOD 3.5 million to Aqaba's GDP, showcasing its economic potential. The positive response from 91% of attendees expressing interest in future events has led to formulation of plans for an annual concert, with the aim of driving economic growth and community empowerment.

Data Privacy

We are committed to robust privacy and security management and as such we are aligned with the recommended practices of the ISO 27001 standards. We recognise the need for an enhanced framework and are continuing to develop a data privacy policy.

Our commitment to privacy and security management is evidenced through regular internal and external audits, including an annual IT audit covering all IT operations and systems. We also conduct biannual employee security awareness sessions to further enhance our workforce's proficiency in maintaining stringent security protocols.

Complementing these measures, we conduct annual security assessments, penetration testing, and vulnerability assessments, supported by a robust cyber insurance policy. We also run a comprehensive security awareness initiative, designed to safeguard company assets and data, and enhance overall privacy practices while mitigating ICT security risks.

As a direct outcome, we have achieved zero instances of data security breaches and have received no complaints concerning customer privacy.



Zero

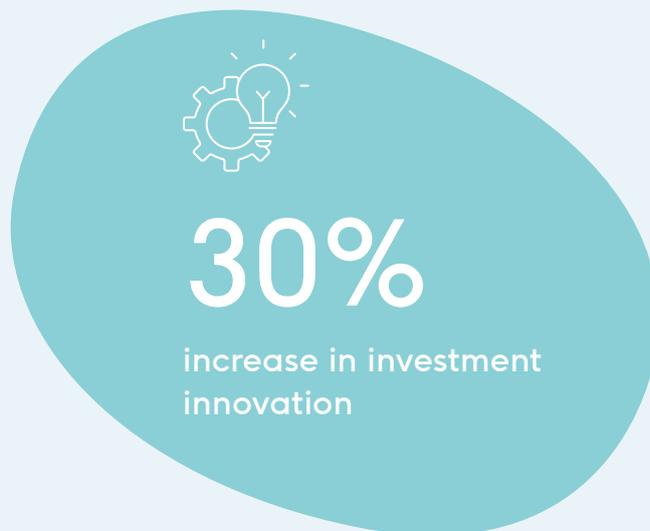
data security breaches
and complaints concerning
customer privacy

Innovation

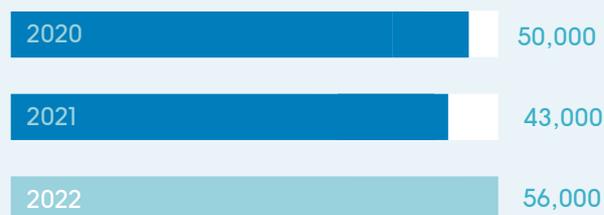
We initiated our digital transformation journey in 2017, implementing an ERP system across all operations alongside a Point of Sale (POS) system and digital payments. In 2022, we recognised the need for further efficiency and so extended our ERP system to replace traditional paper-based transaction approvals with a streamlined online workflow system. Our current ICT infrastructure includes an ERP system, Office 365 for emails and Microsoft Teams collaboration, a ticketing system for user and homeowner support, and custom-developed portals integrated with all systems to enhance overall operations.

The Digital Transformation department plays a pivotal role in managing our ICT systems, infrastructure, and solutions, including the ERP system, to facilitate and streamline business operations. This department also contributes to the implementation of solutions that increase efficiency and reduce energy and paper consumption.

In 2022, we increased our investment in innovation by 30% compared to last year.

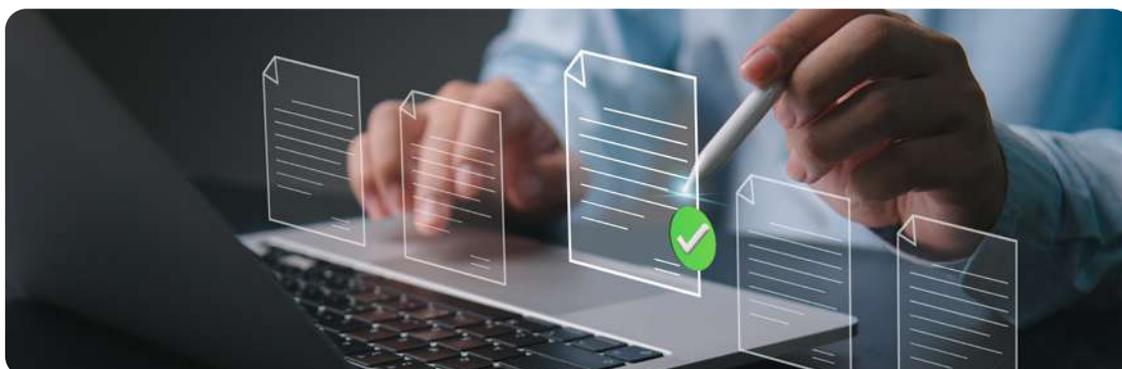


Amount of investment in research and development related to innovation (JOD)



WORKFLOW APPROVAL SYSTEM

A notable project within our digital transformation is the implementation of a workflow approval system to enhance operations and reduce process time. It involves the approval of various transactions within the ERP system, providing unified access for companies, a simplified interface, and online accessibility. The high usage of paper for signing approvals and transactions prompted the development of an online portal with unified access to all system transactions, resulting in a remarkable 65% reduction in paper usage compared to 2021. Following this success, we are focused on building additional portals and introducing initiatives that will help us to progress toward a paperless environment.



Responsible Supply Chain

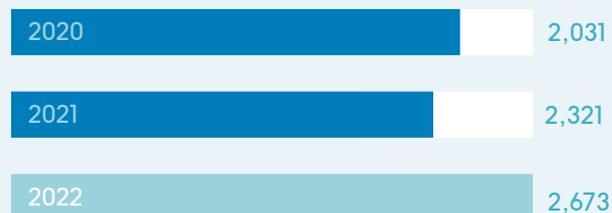
Our approach to responsible supply chain is aligned with the company’s commitment to ethical and transparent practices. This entails overseeing the end-to-end processes of sourcing, procuring, and logistics as well as focusing on supporting local suppliers who align with our commitment to responsible practices. We intend to elevate our procurement policy and procedures by incorporating ESG evaluation criteria for suppliers.

We actively seek out local suppliers that share our dedication to responsible practices. This not only reduces the carbon footprint associated with transportation but also bolsters the economic development of local communities. In addition, our Food and Beverages department considers the seasonality of the offered dishes’ ingredients, their local availability, and ease of sourcing to reduce the associated carbon footprint.

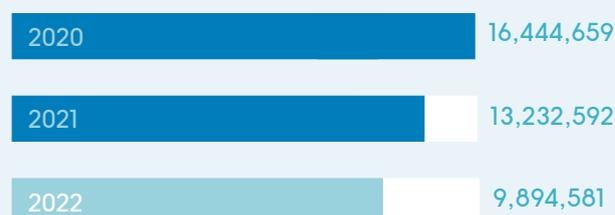
An impressive 92% of our suppliers are local. We invested an amount of JOD 9.4 million in these local partnerships, contributing to the growth of our community.



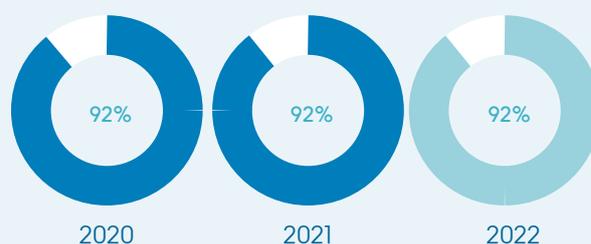
Total number of suppliers



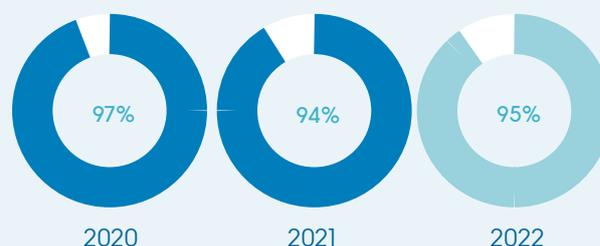
Total spending on suppliers (JOD)



Percentage of local suppliers (%)



Percentage of spending on local suppliers (%)



YIELDING ENVIRONMENTAL SUSTAINABILITY



At our core, we have an unwavering commitment to safeguarding our ecosystems and championing environmental sustainability. We have a multifaceted approach to protecting marine environment and wildlife, managing waste generation and water resources, and harnessing solar energy. These endeavours represent a concerted effort toward shaping a

sustainable, ecologically conscious future. By prioritising the preservation of biodiversity and adopting responsible resource management practices, we not only fulfil our immediate environmental responsibilities but also contribute proactively to the broader global movement for a greener and more sustainable planet.

Material topics

- Water Management
- Biodiversity Conservation
- Energy Management
- Waste Management
- Climate Change
- Sustainable Buildings

Alignment with SDGs



Certificates and Awards



Water Management

In our commitment to effective water management, we strive to ensure sustainable water use, conservation, and efficiency. Ayla receives its freshwater directly from the Aqaba Water Company via our internal water network. This freshwater is used for various purposes across our company, including residential needs, cleaning, swimming pools, and water features. Water features are designed as closed systems, so the amount of water used is minimal. Using freshwater prioritises guests' safety who have access to those areas. Tertiary treated effluent water, also supplied by the Aqaba Water Company, is specifically allocated for use in our golf courses and landscape irrigation. A mix of brackish groundwater, sourced from wells and treated water, is used for irrigation purposes, contributing to our overall water management strategy.

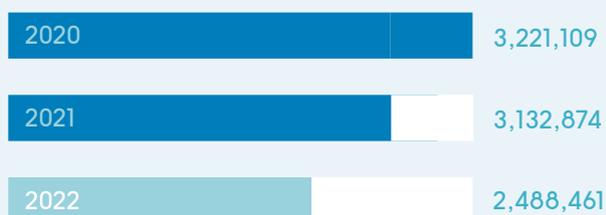
We have initiated water conservation and recycling programmes, most notably with the installation of a Reverse Osmosis (RO) plant. please update as below:

The primary objective of this plant is to enhance the water quality from the golf brackish water wells, making it suitable for irrigation purposes. Additionally, we conducted a study on irrigation network efficiency to help improve future water management practices. Our approach includes adopting a site-based plant water demand strategy, allowing for watering based on actual water demand per plant kind.

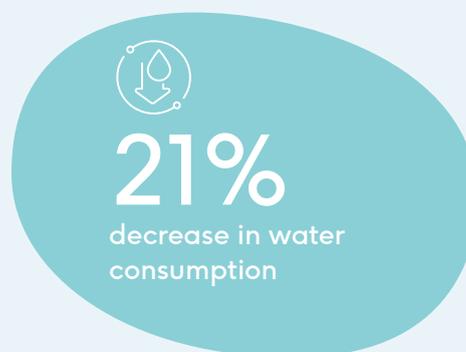
We activate and integrate the water management system with our ERP and Systems, Applications, and Products (SAP) systems. This allows for remote data collection and a fully automated billing process.

To ensure the quality of the water, we conduct regular tests through third-party entities responsible for testing the lagoons' and golf wells' water quality. Third-party assessments guarantee the adherence to water quality standards and inform if any further actions are required for water conservation and sustainability. In 2022, we experienced a 21% decrease in water consumption.

Total water consumption (m³)¹



¹This number does not include drinking water, it includes facility water consumptions (toilets, ablution, etc.).



PHOTOVOLTAIC (PV) ROBOTIC SYSTEM

We focused on changing the cleaning process from manual cleaning to a robotic system to reduce both water consumption and the manpower required. The manual cleaning process was time consuming and slowed down the cleaning cycle, subsequently affecting the energy generated through the PV system. A robotic cleaning system on the other hand, covers more area in less time, ensures consistent thorough cleaning without missing difficult spots, and can be programmed for more frequent cleaning cycles preventing dust, dirt, and debris accumulation which might reduce the panels' efficiency over time. We made an agreement with a third-party to customise new robots for cleaning to fit with our PV structure and requirements. This helped to reduce the cleaning cycle time and the water consumption for cleaning, while increasing PV production efficiency.



Biodiversity Conservation

Our company is nestled along the Gulf of Aqaba surrounded by nature and is home to a variety of wildlife and plants. As such, we are committed to understanding the ecological significance of this environment. We are working hard to preserve Jordan's natural wildlife and resources for future generations by focusing on marine environments, terrestrial ecosystems, and sustainable landscape management. This commitment aligns with the goal of creating a unique seaside experience in the Gulf of Aqaba, where sustainability and environmental stewardship are integrated into every facet of our operations.

In 2022, we initiated a key project to enhance marine biodiversity; the Coral and Reef Balls Plantation. The transplantation of corals aims to

strengthen the local marine ecosystem, fostering a more vibrant undersea world. Our approach to marine life conservation specifically targets the increase of underwater life, encompassing fish and corals. To assess the success and impact of these initiatives, regular checks and evaluations are conducted. Ayla Lagoons and Marina, acting as a protected area, play a crucial role in fisheries by contributing to the increase of commercially important species. A comprehensive survey revealed that nearly 199,000 fish individuals, representing 103 fish species from 38 families, constituting about 50% of shallow water fish species, are in the Gulf of Aqaba.

CORAL AND REEF BALLS PLANTATION

To restore gulf reef ecosystems and protect natural reefs, we employ artificial reef technologies, primarily using "Reef Balls" as reef modules. These artificial structures provide habitats for marine life. The process involves extracting coral segments or live coral larvae, nurturing them in a nursery, and subsequently replanting them into the Reef Balls.



We are also dedicated to terrestrial biodiversity conservation through collaboration with The Royal Society for the Conservation of Nature (RSCN). A spectacular birdwatching trail has been established within our grounds which

makes Ayla home to the most remarkable birdwatching trail in Jordan. This collaboration aims to protect and promote the diversity of bird species in the region.

Energy Management

At Ayla, we are dedicated to effective energy management. As such, we have implemented energy efficient systems, including the continuous improvement of our PV systems to increase capacity.

In the initial stages of our commitment to renewable energy, we successfully installed PV Phase I and II to meet specific energy needs. PV Phase I (net metering system), operational since 2015, has a capacity of 3.2MW of power, primarily supplying electricity to our Sea Water Replenishment System Pumping Station. Subsequently, PV Phase II (power wheeling system), operational since 2016, contributes to an additional capacity of 2.65MW to fulfil the energy requirements for our Golf Course and District Cooling.

In 2022, we installed PV Phase III (power wheeling system) which contributes 1.86MW to our energy infrastructure. All of our PV systems are monitored 24-hours a day and we deploy a robotic cleaning system for PV panels to enhance the cleaning process and overall system efficiency.

Moving forward, the introduction of a Building Management System (BMS) will facilitate efficient control and monitoring of energy

usage, along with transitioning the HVAC system from a non-inverter to an inverter system.

Our District Cooling Plant is designed to cater to the cooling needs of the various structures that are a part of Ayla's Marina Village. Chilled water is produced by hermetic centrifugal chillers and sea water is used for cooling. The sea water is pumped from the existing lagoons to the chillers' condensers which results in direct condensation. Following this, the water is discharged back into the lagoon via nozzles located beneath the pedestrian bridge, creating a dynamic water feature.

In addition, we transitioned to LED lighting for streetlights to reduce our energy consumption. We strive to promote eco-friendly transportation options and as such we have installed electric car charging stations in the public Marina Village parking space. In addition, we have also pioneered environmentally conscious commuting within our community by entering into agreements with Hop-on and Rush Adventure Sports, enabling the rental of scooters and bicycles which are distributed all around the Marina Village, Golf & Island Residences, and Golf Academy.

| Energy Management | 2022 |
|---|-----------|
| Direct energy consumption | |
| Total petrol consumption (Litres) | 82,499 |
| Total diesel consumption (Litres) | 93,727 |
| Total direct energy consumption (GJ) | 6,473 |
| Indirect energy consumption | |
| Total electricity purchased from the grid (kWh) | 9,190,107 |
| • including from renewable energy wheeling (kWh) | 6,943,818 |
| Total renewable electricity produced and consumed onsite (net-metering) (kWh) | 5,335,745 |
| Total indirect renewable and non-renewable energy consumption (GJ) | 52,293 |
| Total direct and indirect energy consumption (GJ) | 58,766 |

Waste Management

At Ayla, we take waste management measures very seriously, from both an environmental and an aesthetic perspective. Our Facility Management department oversees the daily waste collection processes across our premises and supervises the outsourced service providers. We strive to maintain ultimate cleanliness in regular operation times as well as in major events, adapting with the increase of visitor numbers.

We collect solid waste daily from across our company, while green waste is collected three times per week. Once collected, the waste is sent to a landfill area that is located outside of the site.

In addition, we have signed a Memorandum of Understanding (MoU) with EDAMA to improve the organic waste management throughout our facilities. Food and organic waste are separated, collected, and transported from our hotels and projects to a composting pilot plant, thus reducing our environmental impact. A waste collection system and separation areas

were established to facilitate the recycling process for mechanical workshop leftovers. Moreover, all used cooking oil is collected for recycling and reusing.

In 2022, we also established a partnership with a local charity to make sure that any waste food products were not thrown away needlessly. All waste products are now collected and stored before being distributed to a local animal sanctuary to feed stray cats and dogs.

We have also implemented a soil test to assess the specific needs of the plants found within our grounds. Based on the results, we have minimised the use of fertilisers, thereby reducing resource wastage and minimising the risk of soil and water pollution.

In addition to waste management on land, we have deployed cleaning boats to maintain the cleanliness of the water bodies on site, which reaffirms our dedication to preserving the ecosystem of Ayla.

Waste generated (Litres)



Waste directed to disposal (Litres)



Waste diverted from disposal (Litres)



Almost all of our waste is non-hazardous waste.

Climate Change

In our commitment to climate change adaptation, we hold joint cross-departmental and management discussions on the topic, with the aim of leveraging diverse experiences and perspectives and fostering innovative solutions to mitigate identified risks.

We have conducted the first Scope 1 and 2 GHG Inventory for Ayla, spanning our operations and activities. We aim to build on this inventory on an annual basis to enhance our GHG accounting methodologies.

Wheeled electricity, generated at our two wheeling PV stations, is delivered to us through the grid. This practice of wheeling solar energy contributes to the greening of Jordan's electricity mix by increasing the share of renewables in the grid energy mix. We do not yet hold the certification to claim our wheeled renewable energy, however, we benefit from a reduced grid emission factor. For clarity and to highlight reduced impact from use of renewable energy, we have included an additional metric to show our emissions with consideration to the wheeled renewable energy.

| GHG Emissions | 2022 |
|--|-------|
| Direct GHG emissions (Scope 1) (metric tonnes of CO ₂ eq) | 996 |
| Indirect GHG emissions (Scope 2) (metric tonnes of CO ₂ eq) ¹ | 4,214 |
| <ul style="list-style-type: none"> Indirect GHG emissions (Scope 2) considering wheeled renewable electricity (metric tonnes of CO₂eq)² | 1,030 |
| Total GHG emissions (metric tonnes of CO ₂ eq) | 5,209 |

¹Scope 2 calculated in alignment with GHG Protocol guidance where renewable energy from PV system cannot be claimed by Ayla.

²Scope 2 calculated with consideration to wheeling PV stations where wheeled renewable energy is accounted as zero emissions.

At Ayla, we recognise the potential physical risks associated with climate change, for example, the direct impact of rainwater on our infrastructure. Enhancing our drainage network and implementing other improvement initiatives are key components of fortifying our defences against such risks. Additionally, we actively cooperate with official bodies, such as the Marine Science Station and the Royal Jordanian Navy (RJN) and Jordanian Maritime Authority (JMA), to measure wind speed, track wave movement, and monitor rainfall. This enables us to recognise any immediate threats and take swift and informed measures to safeguard lives and assets.

In 2022, we allocated JOD 5,000 to climate-related infrastructure, resilience, and product development. This investment was much less than in previous years, however the large expenditure in 2021 was due to the damage incurred in the seawater bell mouth screen, a result of exceptionally high waves and wind speeds. This incident underscores the necessity for ongoing investments to address vulnerabilities and enhance climate resilience in our infrastructure.

Total amount invested in climate-related infrastructure, resilience, and product development (JOD)

| | |
|------|--------|
| 2020 | 50,000 |
| 2021 | 70,000 |
| 2022 | 5,000 |

ECOLOGY UNITS

Ecology units have been installed in all Food & Beverage shops within the Marina Village, enhancing air quality by effectively filtering emissions from hood fans. The Kitchen Ecology Unit (KEU), also referred to as the Pollution Control Unit (PCU), represents a comprehensive filtration system designed to eliminate smoke, grease particles, and manage odours from the exhaust air stream of kitchen hoods and exhaust fans. Widely recognised as an ideal solution for commercial kitchens serving hotels, restaurants, and the food industry, the ecology units contribute to a cleaner and healthier environment.



Sustainable Buildings

We are dedicated to integrating the latest technology and design criteria to reduce our carbon footprint and enhance resilience to climate change in construction projects.

In 2022, we obtained three Blue Flag certificates on Ayla Marina, B12 Beach Club, and Hyatt Regency Hotel La Plage Beach. We are one of the first developments of the multi-purpose walled tourist community categories with three Blue Flag certificates in the region—an internationally recognised eco-label for sustainable beaches. We are also committed to using recycled materials where possible, such as hoarding for the main fence. In addition, intelligent technologies, including ventilation systems and HVAC upgrades, have been implemented to enhance indoor air quality and occupant comfort. There are ongoing efforts directed at achieving the Excellence in Design for Greater Efficiencies (EDGE) Certification for specific buildings and construction projects.

We continuously update and adopt energy-efficient cutting-edge technologies, including but not limited to smart HVAC systems using seawater in district cooling, advanced building automation systems, dimming systems, room management systems in hotels, passive infrared sensors, and door switches. These technologies optimise energy use and enhance overall efficiency.

The implementation of high-efficiency air filtration systems is a notable initiative, strategically installed to remove pollutants and improve indoor air quality. Additionally, we focus on natural ventilation strategies by designing buildings with features that promote airflow and enhance air circulation, contributing to a comfortable and healthy indoor environment for occupants.

We also incorporate specific green materials in construction and renovation projects. Low-VOC (volatile organic compound) paints are a prime example of this as they are chosen to minimise indoor air pollution during and after construction. Furthermore, we emphasise the use of sustainable insulation materials, including recycled denim or cellulose, to enhance eco-friendliness. All glass used in construction is selected for its insulation properties, further aligning with our commitment to sustainable building practices.

In the future, we are aiming to achieve the Green Key certification, which is a leading standard of excellence in the field of environmental responsibility and sustainable operation within the tourism industry.

LIVELY AND PROFESSIONAL WORKPLACE



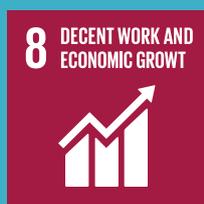
At Ayla, we provide an exemplary workplace environment that safeguards the health, safety, and well-being of all our employees. Our commitment to our workforce goes beyond mere employment by cultivating a setting that recognises and appreciates every individual and nurtures continuous professional growth. To meet this goal, we foster a culture that embraces diversity and

ensures equal opportunities across all facets of employment while celebrating the unique perspectives and talents each individual brings to our company. In doing so, we strive to build a workplace that not only values excellence in professional endeavours but also champions the growth, diversity, and well-being of our people.

Material topics

- Health, Safety and Well-being
- Talent Attraction, Retention and Development
- Diversity and Equal Opportunities

Alignment with SDGs



Health, Safety and Well-being

We endeavour to provide and maintain a safe environment for employees, visitors, and guests. As part of this commitment, the health and safety regulations of both Jordan and Ayla are strictly observed. We adhere to all Jordanian laws and regulations, including the Jordanian Labour Law, to ensure the well-being of all our employees.

We have implemented a health and safety executive (HSE) policy with the goal of “Zero Harm to People”. Additionally, we adhere to a Safety Management System (SMS) that is based on ISO 45001.

We ensure that the standards of working procedures are clearly defined, employees are appropriately trained, and personal protective equipment (PPE) tools and equipment are suitable for the task. We conduct thorough risk assessments to develop and implement standard operating procedures to minimise the occurrence of incidents. This involves confining and effectively controlling hazards across all facilities. We have developed a comprehensive risk reduction plan that outlines specific actions and time frames for implementing risk mitigation measures. The effectiveness of these measures is closely monitored through regular inspections. Also, workers report all work-related incidents and near misses through the 24/7 emergency security and safety hotline.

Our HSE committee was formed to drive the reduction of injuries and maintain safety rules

in the workplace and operation facilities while developing a thorough understanding of our company’s actions towards HSE concerns. Every contractor is required to participate in the HSE meeting on a monthly basis. In addition, each department must send a manager or their representative to attend the meeting.

To raise the efficiency of our security and safety team, we have implemented trainings and exercises, through joint internal cross-departmental drills or with official authorities such as the Aqaba Civil Defence Directorate, the Royal Navy, and the Jordanian Maritime Authority. These training programmes such as heat-related stress management and interpersonal skills for effective communication, ensure that our team is well-prepared to handle safety and security challenges in a professional manner.

The implementation of effective safety measures along with our training programme has significantly improved our employees' safety, with a 9% decrease in work-related injuries reported. Additionally, our commitment to enhancing employee well-being is evident in the doubling of health and safety training hours delivered. As a result, there have been zero fatalities recorded for the last three years, covering both employees and contractors. In 2022, there were zero cases of recordable work-related ill health.

EVACUATION TRAINING DRILLS

We conducted essential emergency preparedness drills to enhance the skills and expertise of our employees in handling various critical scenarios. The triple drill, encompassing fire, drowning, and water contamination scenarios, holds significant importance for employee training. Workshops like these shed light on both the strengths and weaknesses of our emergency response protocols, allowing us to address and rectify shortcomings in handling challenging situations.



| Health and Safety | 2020 | 2021 | 2022 |
|--|------|------|------|
| Workers covered by the health and safety management system (Number) ¹ | 180 | 210 | 270 |
| Employee work related injury (Number) | 16 | 11 | 10 |
| Employee work related injury rate (Percentage) | 6.09 | 3.59 | 2.54 |
| Contractor work related injury (Number) | 10 | 6 | 9 |
| Contractor work related injury rate (Percentage) | 1.32 | 0.63 | 0.85 |
| Total hours of training on health and safety (Employees) (Hours) | 12 | 24 | 48 |
| Total hours of training on health and safety (Contractors) (Hours) | 4 | 4 | 4 |

¹Workers' scope includes employees of Ayla only.



Doubling

 of health and safety training

 hours for employees



Talent Attraction, Retention and Development

For us to succeed in delivering our mission, we must have highly motivated employees who exemplify our values and ensure that their professional development aligns with our business vision and mission. To this end, we stress the importance of providing training and development opportunities for all employees at all levels.

Our general training programmes include the onboarding process that is delivered to all employees. In addition, we provide a variety of specialised trainings that are delivered when required for either an individual or a department.

Overview of trainings provided to our employees



Welcome to Ayla Orientation

This onboarding course aims to familiarise all new hires with the company's history. We also cover the present and future, including the organisational structure, policies and procedures.



Communication Skills

This course aims to enhance verbal and written communication skills, including effective listening, clear expression of ideas, and appropriate use of tone and language.



Teamwork and Collaboration

This course teaches individuals how to foster a collaborative environment and contribute positively to team dynamics.



Leadership Skills

Our leadership skills course helps individuals to develop their leadership qualities, including decision-making, motivation, and the ability to inspire and guide a team toward common goals.



Customer Service

This training aims to improve employees' skills in understanding and meeting customer needs, while ensuring effective communication, and providing excellent service.



Team Leadership

Employees undertaking this training module will learn how to manage teams effectively, including how to build a positive team culture, foster collaboration, and resolve team conflicts.

We are dedicated to investing in our employees' development and expanding our succession management programmes to reinforce our strategy of "growing our own." Our belief centres on developing our teams internally by identifying talents within the departments, starting from junior and supervisory levels. We invest in our people to equip them with the necessary skills and knowledge required for their next career growth opportunity.

We have provided a total of 312 hours of training for our total workforce, 19% of which were given for senior management, 20% for middle management, and 61% for the staff. We engaged with our employees afterwards to understand the effectiveness of these trainings.

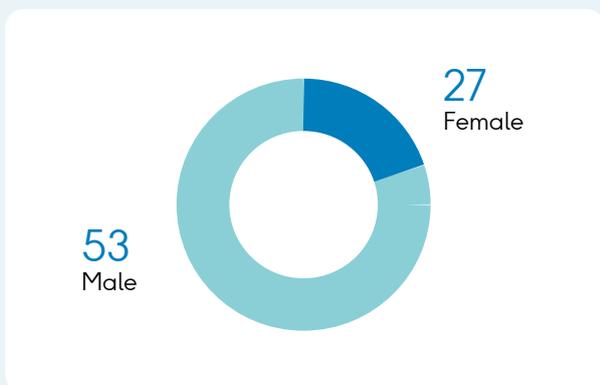
We conduct regular performance and career development reviews to track our employees' performance, their professional development, and their alignment with our aspirations and business ethics. In 2022, all our employees received performance reviews.

To ensure that our workforce is content with the work environment, we track employees' satisfaction scores. In 2022, the score stood at 73%, which provides insight on what can be enhanced and directs our efforts to provide the best possible experience for all our employees.

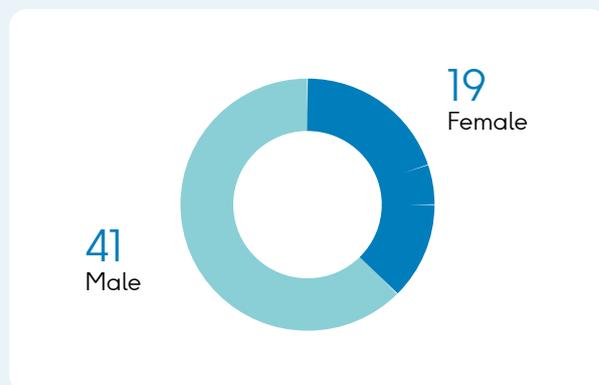
In addition, our full-time employees can take advantage of several benefits including, but not limited to, medical insurance coverage for employees and their family members, life insurance, health insurance by King Hussein Cancer Foundation (KHCF), social security, accommodation for employees hired from outside Aqaba, schooling assistance, telecommunication allowance, and transportation from/to Ayla.

A total of 80 employees joined our company in 2022, while 60 employees left.

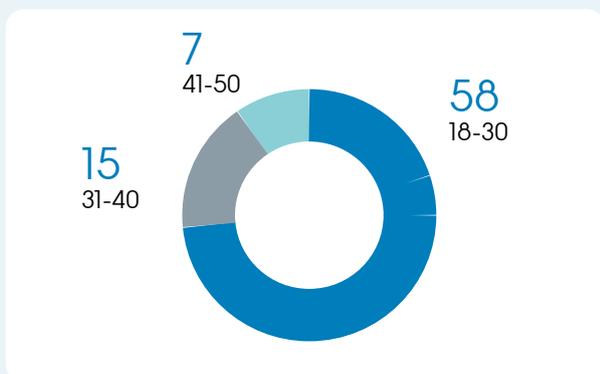
Number of new hires by gender



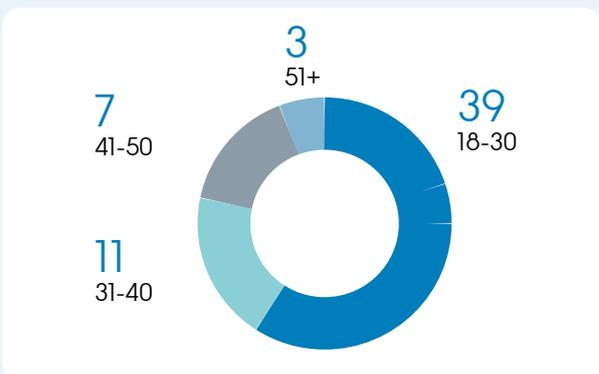
Number of employees who left by gender



Number of new hires by age



Number of employees who left by age



We follow the Jordanian Labour Law for providing parental leaves. In 2022, 24 out of the 191 employees who are entitled to parental leaves took time off and all 24 employees returned to work after the parental leave had ended. Three of whom are still employed 12 months later.

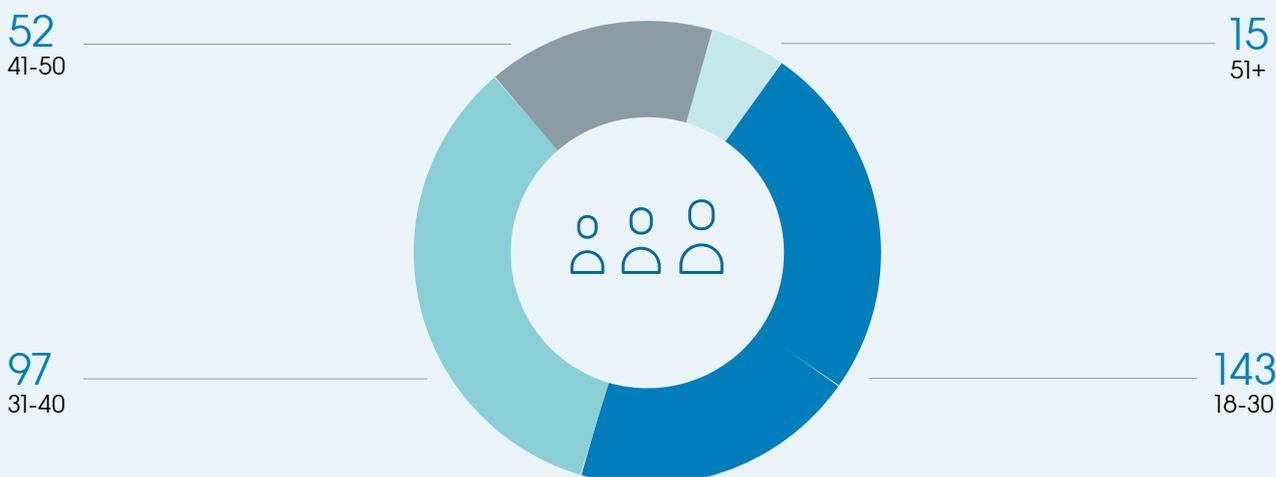
Diversity and Equal Opportunities

In 2022, we employed 307 full-time employees, 59 of which are women and 143 of which are youth (under 30 years old). This includes our seven-member senior management team, of

which one is a female. In addition, 29 people make up our middle management team, of which four are female.

| Workforce | 2022 |
|--|------|
| Full-time employees (Number) | 307 |
| Female employees (Number) | 59 |
| Male employees (Number) | 248 |
| Senior Management (Number) | 7 |
| Male employees in senior management (Number) | 6 |
| Female employees in senior management (Number) | 1 |
| Middle Management (Number) | 29 |
| Female employees in middle management (Number) | 4 |
| Male employees in middle management (Number) | 25 |

Number of Employees by Age Group



At Ayla, we are committed to embracing diversity and ensuring that we provide equal opportunities to all our employees. Our human resources policy ensures that all employees' rights are protected, and that the workplace is a safe environment, free from discrimination. We also have an additional set of regulations that protects our employees, encourage ethical behaviour, and showcases our commitment to promote diversity and equal opportunities for all. These binding documents include the code of business conduct (which covers human rights related issues), the Employee Handbook, and other internal bylaws.

We encourage reporting any known or suspected violations of our code of business conduct, and prohibit retaliation against anyone who, in good faith, seeks help or reports violation. We practice an open-door policy for addressing grievances and employees can also voice their concerns and grievances through an Engagement Survey, one-on-one meetings, and Ayla Chat meetings. Employees are informed of the grievance process as part of their orientation process. We monitor the effectiveness of our grievance process through employee's satisfaction, absenteeism, and productivity.

Percentage of National Employees by Gender



Our employment process is designed to be equitable and ensure fairness, and as such is centred around candidates' competencies. However, we do encourage local employment and support youth and women empowerment. For example, the Golf Maintenance department actively sought to engage the local community in their employment process by hiring unskilled labourers and providing them with the necessary training.

There are 282 Jordanian employees, making up 92% of our workforce. There are 25 employees of other nationalities working alongside our national workforce. All of our senior management are Jordanian.

Zero
incidents of discrimination

| Employee Wages and Benefits | 2022 |
|---|--------|
| Ratio of male entry level wage to minimum wage | 1.25:1 |
| Ratio of female entry level wage to minimum wage | 1.25:1 |
| Ratio of basic salary/renumeration of women to men | 1:1.03 |
| Ratio of basic salary/renumeration of women to men in senior management | 1.3:1 |
| Ratio of basic salary/renumeration of women to men in middle management | 1:1.11 |

AUTHENTIC AND HOSPITABLE EXPERIENCES



Dedicated to providing an unforgettable and exceptionally hospitable experience, we carefully attend to every detail within our expansive and inspirational waterfront destination. Our commitment extends beyond the boundaries of our establishment, contributing to the community in which we operate in a positive and meaningful manner. Through our unwavering dedication

to excellence and community engagement, we ensure that every visitor to our waterfront destination enjoys an enriching and memorable encounter.

Material topics

-  Customer Relations
-  Community Outreach

Alignment with SDGs



Certificates and Awards



Food and Beverage department has successfully earned the HACCP certificate



Customer Relations

At Ayla, our mission is to deliver memorable experiences in an unparalleled seaside destination and to provide the best services for our customers and tenants.

We offer a wide range of experiences for our customers and tenants, from a variety of accommodation choices to sports activities, events and culinary experiences.

Our recreational offerings include, but not limited to, 'Rise' outdoor adventure park in the Marina Village, 10 sports courts, an 18-

hole championship golf course, a 9-hole golf academy, cycling lanes, cable wakeboarding park, non-motorised water-based sports and activities, authentic Zarb culinary experience, and many other culinary offerings.

In 2022, we established and implemented the wedding and Meetings, Incentives, Conferences, and Exhibitions (MICE) destination concept, increasing our footfall by more than 12,000 guest(s)/tourist(s) and contributing around JOD 1.1 million to our financial performance.





To improve the satisfaction of our tenants, we have introduced and implemented a new leasing policy at our Island Apartments and Golf Residence, reducing daily rental rates by 60%. Moreover, we have also introduced rules and regulations which have reduced conflicts by 50%. All electricity invoices and utility bills can now be billed automatically, which not only saves time but also reduces errors and improves accuracy, resulting in enhanced customers' experiences.

We have also increased the number of staff at our service centre and extended their working hours to provide enhanced support to our customers. We make sure that our customers can contact us using a variety of channels including WhatsApp, phone, and in person. All feedback

is followed up on and we plan to introduce a survey to help us track feedback better.

A total of 4,399 customer service requests were raised, of which 147 were later cancelled. In total, we received 18 complaints in 2022, all of which were successfully resolved.



Community Outreach

Here at Ayla, we support our local communities through CSR initiatives, which can be grouped into four main themes: Education, Community Outreach, Environment, and Sport. In the future, we aim to establish a dedicated volunteering team.

We have participated in several campaigns focused on sustainability, highlighting our dedication to social and environmental responsibility. A total of 50 CSR projects were undertaken in 2022, up from 42 in the previous year. Some of these initiatives include:

COMMUNITY OUTREACH

- **Proposal Writing and Attracting Funds Training Programme:** 74 Community-based Organisations (CBO) from Aqaba, Wadi Araba, and Wadi Rum took part.
- **Mother's Day:** We honoured 25 outstanding women from the local community.
- **Ramadan Campaign:** We distributed 200 clothing coupons and 185 food coupons, and organised Iftar events for children.
- **Visually and Hearing-impaired Service Providers Course:** We implemented two training courses for visually and hearing-impaired service providers in Aqaba, focusing on Braille reading and sign language.
- **Mosaic Basics Workshop:** We held the first training workshop on mosaic art in Aqaba.
- **Hayat Educational Fund Programme:** Several training courses were offered to 40 outstanding university students to support them entering the labour market.
- **Handcrafts Training in Partnership with Princess Basma Centre:** Our two-month handcrafts training workshop trained 25 women in Aqaba's local community.
- **Providing First Aid Kits for Fishing Boats:** 120 kits were provided for 120 boats.
- **Supporting local businesses:** We covered start-up CAPEX cost along with introducing Ayla Souq by the sea which gives the local community the opportunity to rent kiosks at affordable prices.



ENVIRONMENTAL ACTIVITIES

- **Clean-up the World Campaign:** In cooperation with the Royal Marine Conservation Society “JREDS” a dive campaign and an environmental recycling competition were organised.
- **Beach Conservation Initiative:** Dedicated to cleaning Aqaba’s beaches, concurrently raising local awareness about the importance of beach conservation.
- **International Day of Migratory Birds:** We partnered with RSCN and the Aqaba Bird Observatory to launch the ‘Dim the night lights to save migratory birds’ campaign, demonstrating our dedication to reducing light pollution and protecting bird habitats.
- **World Environmental Day Collaborative Cleaning Campaigns:** In partnership with Hyatt Regency Aqaba, we carried out two impactful cleaning campaigns on Ayla beaches.

- **Ad Campaigns with a Purpose:** We launched 24 ad campaigns, which reached 18 million people. Notably, several of these campaigns were centred around sustainability.
- **Marine Science Station Lab Maintenance:** We sponsored the maintenance work of a lab dedicated to marine biology studies at the “Marine Science Station”.
- **Plant Trees in Palestine:** In collaboration with APNature, planted 500 trees in Jericho and over 3,000 trees in Jenin.



EDUCATIONAL ACTIVITIES

- **Back to School Campaign:** We covered school tuitions and provided scientific equipment for public schools.
- **Integrating the “First Digital Lab in Jordan”:** The initiative aims to use modern digital technology to support education.

SPORTS

- **Ayla Dead2Red Running Race:** 300 participants completed this race which aimed to encourage youth to take part in sports and physical activity.
- **Ayla Triathlon and Duathlon:** With 230 professional players participating from 34 countries.
- **Ayla Red Sea Half Marathon:** With 1,815 people participating.
- **Aqaba Youth Club Support:** 6 consecutive years of support, with the aim of empowering the sports sector.

In addition to our initiatives, we also conduct regular meetings with all Marina Village shops to discuss their current and future business performance and ways to enhance it, including providing special exemptions during difficult periods.

We are also committed to supporting local talent and designers by contributing to their shops fit-out cost to reduce risks and provide attractive offerings. In 2022, we increased our community investment to support the affected community from the repercussions of the Covid pandemic.



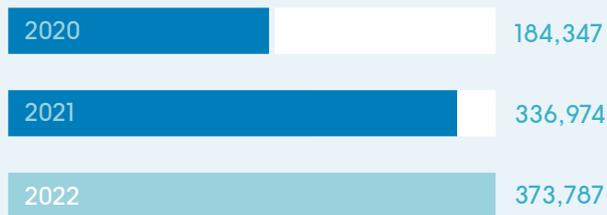


MAKAREM ACADEMY

Taking its name from the Arabic word Makram which means “generosity” and reflecting its essence, we established the Makarem Academy to train local Jordanians on a variety of hospitality skills, preparing them for employment in the tourism and hospitality industry. The trainings cover entrepreneurship, food and beverages services, diplomas in quantity surveying, and a renewable energy programme.

Takreem, one of the Academy’s initiatives, was established in 2017, providing a platform for the local community to present and implement their entrepreneurial ideas to the society. The initiative has a dedicated theme for each season, with specific categories. For the fifth season of this initiative the following themes were chosen: community leadership, applications and software, productive agricultural solutions.

Community investment (JOD)



APPENDICES

Appendix A. Acronyms

| | | | |
|--|-------|--|---------|
| Arab Supply & Trading Company | ASTRA | Jordanian Dinar | JOD |
| Building Management System | BMS | Royal Marine Conservation Society of Jordan | JREDS |
| Capital Expenditures | CAPEX | Kitchen Ecology Unit | KEU |
| Community Based Organisation | CBO | King Hussein Cancer Foundation | KHCF |
| Corporate Social Responsibility | CSR | Light-emitting Diode | LED |
| Excellence in Design for Greater Efficiencies | EDGE | Meetings, Incentives, Conferences, and Exhibitions | MICE |
| Enterprise Resource Planning | ERP | Memorandum of Understanding | MoU |
| Environment, Social, and Governance | ESG | Pollution Control Unit | PCU |
| Gross Domestic Product | GDP | Point of Sale | POS |
| Greenhouse Gases | GHG | Personal Protective Equipment | PPE |
| Global Reporting Initiative | GRI | Photovoltaic | PV |
| Hazard Analysis Critical Control Points | HACCP | Royal Jordanian Navy | RJN |
| Health and Safety Executive | HSE | Reverse Osmosis | RO |
| Heating, Ventilation, and Air Conditioning | HVAC | Royal Society for the Conservation of Nature | RSCN |
| Information and Communication Technology | ICT | Systems, Applications, and Products | SAP |
| International Organisation for Standardisation | ISO | Safety Management System | SMS |
| Information Technology | IT | United Nations Sustainable Development Goals | UN SDGs |
| Jordanian Maritime Authority | JMA | Volatile Organic Compound | VOC |

Appendix B. Stakeholder Engagement

| STAKEHOLDER | ENGAGEMENT METHOD | KEY INTERESTS |
|-------------------------|---|--|
| Board of Directors | <ul style="list-style-type: none"> • Experts' engagements to share insights • Quarterly meetings | <ul style="list-style-type: none"> • Governance and Business Ethics • Economic Growth • Environmental Management* |
| Employees | <ul style="list-style-type: none"> • Annual employee evaluation • Annual employee survey • Training and health and safety workshops • Employee of the month • Ayla Chat meetings | <ul style="list-style-type: none"> • Talent Attraction, Retention and Development • Health, Safety and Well-being • Diversity and Equal Opportunities |
| Customers | <ul style="list-style-type: none"> • Customer service centre • Monthly newsletter • Surveys | <ul style="list-style-type: none"> • Customer Relations • Data Privacy |
| Government & Regulators | <ul style="list-style-type: none"> • Forums and conferences • Collaborations with government and research labs on environmental initiatives | <ul style="list-style-type: none"> • Governance and Business Ethics • Health, Safety and Well-being • Innovation • Environmental Management* |
| Suppliers | <ul style="list-style-type: none"> • Workshops • Reports | <ul style="list-style-type: none"> • Responsible Supply Chain |
| Local Communities | <ul style="list-style-type: none"> • Campaigns • Trainings • Workshops • Events | <ul style="list-style-type: none"> • Community Outreach • Sustainable Buildings • Environmental Management* |

*Environmental Management in the table refers to all or some of these topics: Water Management, Energy Management, Climate Change, Waste Management, and Biodiversity Conservation.

Appendix C. GRI Content Index

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|------------------|--|
| STATEMENT OF USE | Ayla has reported the information cited in this GRI content index for the period 1st January 2022 to 31st December 2022 with reference to the GRI Standards. |
| GRI 1 USED | GRI 1: Foundation 2021 |

| GRI STANDARD | DISCLOSURE | LOCATION AND/OR DIRECT ANSWER |
|---------------------------------|--|---|
| GRI 2: General Disclosures 2021 | 2-1 Organizational details | 3, 6 - 10 |
| | 2-2 Entities included in the organization's sustainability reporting | 5 |
| | 2-3 Reporting period, frequency and contact point | 5 |
| | 2-4 Restatements of information | This report has no restatements |
| | 2-5 External assurance | This report has not been externally assured |
| | 2-6 Activities, value chain and other business relationships | 7 - 9, 43, 44 |
| | 2-7 Employees | 39 |
| | 2-8 Workers who are not employees | 36, 39 |
| | 2-9 Governance structure and composition | 19, 20 |
| | 2-10 Nomination and selection of the highest governance body | 19, 20 |
| | 2-11 Chair of the highest governance body | 19 |
| | 2-12 Role of the highest governance body in overseeing the management of impacts | 19 |
| | 2-13 Delegation of responsibility for managing impacts | 14, 19 |
| | 2-14 Role of the highest governance body in sustainability reporting | 19 |
| | 2-15 Conflicts of interest | 21 |
| | 2-16 Communication of critical concerns | 21 |
| | 2-17 Collective knowledge of the highest governance body | 20 |
| | 2-18 Evaluation of the performance of the highest governance body | 19, 20 |

| GRI STANDARD | DISCLOSURE | LOCATION AND/OR DIRECT ANSWER |
|------------------------------------|--|--|
| GRI 2: General Disclosures 2021 | 2-19 Remuneration policies | Confidentiality Constraints |
| | 2-20 Process to determine remuneration | Confidentiality Constraints |
| | 2-21 Annual total compensation ratio | Confidentiality Constraints |
| | 2-22 Statement on sustainable development strategy | 1, 2 |
| | 2-23 Policy commitments | 22, 24, 35, 40, 44 |
| | 2-24 Embedding policy commitments | 22, 24, 35, 40, 44 |
| | 2-25 Processes to remediate negative impacts | 21, 40 |
| | 2-26 Mechanisms for seeking advice and raising concerns | 21, 40 |
| | 2-27 Compliance with laws and regulations | 21 |
| | 2-28 Membership associations | Not Available |
| | 2-29 Approach to stakeholder engagement | 15, 50 |
| GRI 3: Material Topics 2021 | 2-30 Collective bargaining agreements | Ayla complies with the laws and regulations applied in Jordan, in relation to collective bargaining agreements |
| | 3-1 Process to determine material topics | 15 |
| | 3-2 List of material topics | 15 |
| GRI 201: Economic Performance 2016 | 3-3 Management of material topics | 15 |
| | 201-1 Direct economic value generated and distributed | 22 |
| GRI 202: Market Presence 2016 | 202-1 Ratios of standard entry level wage by gender compared to local minimum wage | 40 |
| | 202-2 Proportion of senior management hired from the local community | 40 |

| GRI STANDARD | DISCLOSURE | LOCATION AND/OR DIRECT ANSWER |
|-------------------------------------|--|-------------------------------|
| GRI 204: Procurement Practices 2016 | 204-1 Proportion of spending on local suppliers | 24 |
| GRI 205: Anti-corruption 2016 | 205-3 Confirmed incidents of corruption and actions taken | 21 |
| GRI 302: Energy 2016 | 302-1 Energy consumption within the organization | 29 |
| | 302-3 Energy intensity | 29 |
| GRI 303: Water and Effluents 2018 | 303-1 Interactions with water as a shared resource | 27 |
| | 303-5 Water consumption | 27 |
| GRI 304: Biodiversity 2016 | 304-3 Habitats protected or restored | 28 |
| GRI 305: Emissions 2016 | 305-1 Direct (Scope 1) GHG emissions | 31 |
| | 305-2 Energy indirect (Scope 2) GHG emissions | 31 |
| | 305-4 GHG emissions intensity | 31 |
| GRI 306: Waste 2020 | 306-1 Waste generation and significant waste-related impacts | 30 |
| | 306-2 Management of significant waste-related impacts | 30 |
| | 306-3 Waste generated | 30 |
| | 306-4 Waste diverted from disposal | 30 |
| | 306-5 Waste directed to disposal | 30 |
| GRI 401: Employment 2016 | 401-1 New employee hires and employee turnover | 38 |
| | 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees | 38 |
| | 401-3 Parental leave | 38 |

| GRI STANDARD | DISCLOSURE | LOCATION AND/OR DIRECT ANSWER |
|---|--|-------------------------------|
| GRI 403: Occupational Health and Safety 2018 | 403-1 Occupational health and safety management system | 35, 36 |
| | 403-2 Hazard identification, risk assessment, and incident investigation | 35 |
| | 403-4 Worker participation, consultation, and communication on occupational health and safety | 35 |
| | 403-5 Worker training on occupational health and safety | 36 |
| | 403-8 Workers covered by an occupational health and safety management system | 36 |
| | 403-9 Work-related injuries | 36 |
| GRI 404: Training and Education 2016 | 404-1 Average hours of training per year per employee | 38 |
| | 404-2 Programs for upgrading employee skills and transition assistance programs | 37 |
| | 404-3 Percentage of employees receiving regular performance and career development reviews | 38 |
| GRI 405: Diversity and Equal Opportunity 2016 | 405-1 Diversity of governance bodies and employees | 19, 39, 40 |
| | 405-2 Ratio of basic salary and remuneration of women to men | 40 |
| GRI 406: Non-discrimination 2016 | 406-1 Incidents of discrimination and corrective actions taken | 40 |
| GRI 413: Local Communities 2016 | 413-1 Operations with local community engagement, impact assessments, and development programs | 45-48 |
| GRI 418: Customer Privacy 2016 | 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data | 22 |



SEASIDE LIVING REINVENTED