



### Welcome

More than two decades ago, the Ayla Oasis Development Company (Ayla) set out to build an environmentally, socially and economically sustainable destination on the shores of Jordan.

In this 2023 Sustainability Report, we share an overview of progress against this vision, including environmental, social, and governance (ESG) data. The report covers the calendar year from 1 January 2023 to 31 December 2023, unless stated otherwise.

The 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).

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

#### We welcome all feedback:













#### 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 forwardlooking statements will actually occur.

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### Chairman's Message



Through responsibly planned and managed tourism operations and our investment in environmental protection, employment and community development, we are playing an important role in a flourishing Jordanian society. Our legacy as a responsible business extends far beyond Ayla, putting Aqaba firmly on the map as the Kingdom's beacon of green innovation and economic resilience.

Good corporate governance remains the heart of our success as Ayla's board lead with integrity, transparency, and a long-term outlook. This is reflected throughout the organisation, with the Ayla culture characterised by respect, honesty, and fairness. In this workplace, our people can enjoy continuous professional growth. This year, our workforce expanded by over 21%, with increases in Jordanian nationals, women, and young employees aged 18 to 30

At a time of socioeconomic uncertainty in the region, payment breaks were offered to all tenants towards the end of the year, reflecting the loss of visitors to the region due to geopolitical events and we will continue to assist where possible. We have also increased our supplier base, investing JOD 9.4 million with suppliers—96% of which were local businesses.

ESG risk management is a growing consideration for the board and our investors. Our processes ensure that these risks – from climate change to corruption – are systematically identified, assessed, and managed as part of the company's risk management strategy.

While managing risk, we embrace opportunities presented by innovation and collaboration, recognising that smart solutions and partnerships are central to our ability to compete and to achieving our environmental goals. In 2023, we continued to maintain investment in cuttingedge research and development to maintain momentum.

The board and I look forward to the year ahead, in which responsible practices will become even more firmly entrenched throughout our operations and our stakeholder relationships. In turn, we hope to set new benchmarks in sustainable living, tourism and hospitality in Jordan and more widely.

### Khaled Masri

Chairman



### Managing Director's Message



Reducing water consumption by 23%, energy use by 9%, and greenhouse gas emissions by 84% has not only delivered clear benefits for local ecosystems but also resulted in cost savings through more efficient and innovative practices. Our environmental initiatives saw an expanded use of technologies last year – from solar photovoltaic (PV) and e-scooters to smart building controls and water-saving robotics. With the support and supervision of our newly established Energy Efficiency Committee, we have been able to promote energy conservation and efficiency across the organisation through targeted initiatives and coordinated efforts.

Climate change is one area in which we are bringing together our risk management and innovation capabilities to protect the resort's infrastructure and environmental assets from potential storm surges, flooding, and other extreme weather events. Alongside local and international agencies including the Marine Science Station and Marine Forces, we are using real-time data and advanced monitoring systems to track climate variables and prepare for risk exposures.

At our Golf Club, Silica became the Middle East's first restaurant to be awarded the Green Key ecolabel, while the environmental Blue Flag was raised at three more Ayla locations.

Our mission is to deliver memorable experiences in an unparalleled seaside destination while providing the best services for our customers and tenants, reflected in a customer satisfaction rate in 2023 of 4.75 out of 5. Over the past year, we also continued to give generously to our community partners through financial and inkind contributions, with JOD 251,360 allocated across projects related to education, community outreach, environment, social economy, and sport. Such social responsibility, combined with responsible sourcing practices, has provided a much-needed boost to regional economic development and resilience. Local sourcing has reduced lead times by 20%, which in turn reduced carbon miles and transportation costs by As we look forward, the imperative for a responsible approach to business is paramount to supporting the Jordanian economic vision for a Better Future. The business case for sustainability is compelling, with competitive advantages evidenced throughout this report. We welcome all views and feedback as we continue to build a blueprint for sustainable destinations.

#### Sahl Dudin

Managing Director



## 2023 Highlights

### **Accountability and Governance**



100%

of our employees had anti-corruption policies communicated to



96%

spent on local suppliers



Zero

data security breaches



95%

security awareness rate



JOD

12.924 million

spent on suppliers

### **Yielding Environmental Sustainability**



23%

reduction in water consumption overall



9%

reduction in energy consumption



5%

increase in the amount of waste diverted from disposal



84%

reduction in GHG emissions

### Lively and Professional Workplace



### **Triple**

the amount of health and safety training hours for employees





100%

of customers' complaints were resolved

**Authentic and Hospitable Experiences** 

4.75 out of 5

customer satisfaction score



10%

increase in female employees



JOD

251,360

on community investment



91%

of national employees



58%

increase in training for middle management



### **Ayla Oasis: The Destination**

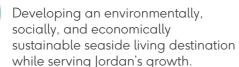
Founded in 2003, Ayla Oasis Development Company operates from its headquarters in Amman and Agaba, driven by an ambitious vision to transform 4.3 million square meters of land in Agaba into a sustainable and thriving destination.

This vision aimed to create an environmentally, socially, and economically sustainable community that supports Jordan's economic growth while reflecting the nation's renowned hospitality and warmth. Overcoming significant challenges, including the clearance of heavily mined borderland in collaboration with the Jordanian Armed Forces and international organisations, Ayla successfully transitioned from vision to reality.

By 2014, the operational phase began, marking the realisation of this groundbreaking project.

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

### Vision



### **Values**



- Credibility • Inclusion & Belonging
- Sustainability
- Excellence
- Creativity & Innovation
- Passion

> Learn more about what we offer

### Mission



To inspire and enrich people's lives by delivering memorable experiences in an unparalleled seaside destination through a blend of art, music, sports, well-being, recreation, and other unique entertainment activities



### Pioneering In Sustainablity

At Ayla, sustainability is one of our six corporate values. As we transform Agaba into a thriving destination, we want to showcase a blueprint for sustainable urbanisation.

The Ayla Sustainability Framework is based on four strategic pillars designed to make a material impact on the issues that matter most in today's changing world:

#### **ESG** Vision

Elevating Agaba from a commerce hub to a thriving seaside destination that offers a memorable and hospitable experience for its customers, promotes environmental sustainability, all the while supporting Jordan's economic growth and the professional development of our people.



#### Accountability and Governance

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









### Yielding **Environmental** Sustainability

- Water Management
- **Biodiversity** Conservation
- **Energy Management**
- Waste Management
- Climate Change
- Sustainable **Buildinas**









### Health, Safety and Well-being

- Talent Attraction, Retention and Development
- Diversity and Equal **Opportunities**

**Professional** 



### and Hospitable Experiences

Customer Relations

**Authentic** 

Community Outreach



Our strategy is delivered by a dedicated Sustainability department and governed by the authorised committees within the organisation

> Learn more about sustainability at Ayla

### **Strategic Priorities**

The priorities shown in our Sustainability Framework are rooted in a materiality assessment that was undertaken to identify ESG impacts, risks and opportunities as deemed important to our business and stakeholders. The outcomes of this process are shown below, with 16 topics identified:

The process involved analysis of our business model, as well as sector peer reviews, assessment of global and local sustainability standards and stakeholder consultation.



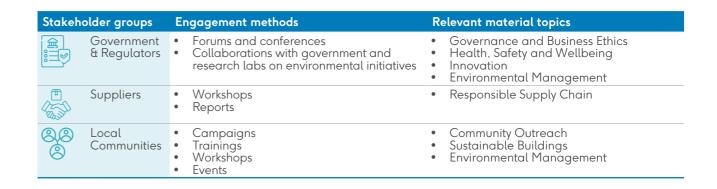
#### Material sustainability topics

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

### Stakeholder engagement

We engage with our internal and external stakeholders to determine our material ESG topics throughout the year to ensure we are continually improving our approach

Stakeh	older groups	Engagement methods	Relevant material topics
\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	Board of Directors	<ul><li>Experts' engagements to share insights</li><li>Quarterly meetings</li></ul>	<ul><li>Governance and Business Ethics</li><li>Economic Growth</li><li>Environmental Management</li></ul>
220	Employees	<ul> <li>Annual employee evaluation</li> <li>Annual employee survey</li> <li>Training and health and safety workshops</li> <li>Employee of the month</li> <li>Ayla Chat meetings</li> </ul>	<ul> <li>Talent Attraction, Retention and Development</li> <li>Health, Safety and Wellbeing</li> <li>Diversity and Equal Opportunities</li> </ul>
	Customers	<ul><li>Customer service centre</li><li>Monthly newsletter</li><li>Surveys</li></ul>	<ul><li>Customer Relations</li><li>Data Privacy</li></ul>



### Alignment with UN SDGs

Since their introduction in 2017, the UN SDGs have served as a universal call to action, aiming to promote social, economic, and environmental sustainability, and provide a fairer society.

As part of recognising our duty to influence and contribute positively to the UN SDGs. We are integrating these goals into our business practices and are actively engaging in initiatives that support their fulfilment, as outlined in the sections below

#### UN SDGs Highlight of Ayla's contribution/alignment



- Health and Safety Executive Policy implementation ISO 45001-compliant safety management system
- Tripling of health and safety training hours
- 24/7 emergency security and safety hotline



- Smart irrigation systems and water-efficient fixtures
- Reverse osmosis plant for brackish water purification Wastewater recycling for landscape and golf course irrigation
- pH injection system for plant health and water conservation
- Expansion of solar PV systems (PV Phase 3 project)
- LED street lighting retrofit
- Building Management System (BMS) for optimised energy usage
- 9% reduction in energy consumption
- Establishment of Energy Efficiency Committee
- 21% increase in employment, with a focus on national talent
- 96% local procurement spend to support local businesses
- Competitive compensation ratios (1.5:1 for entry-level wages)



- Investment in R&D with a 34.9% increase over three years
- Smart building controls for energy efficiency
- Green Key and Blue Flag certifications for infrastructure sustainability



- Increased female workforce by 10%
- Initiatives for women in non-traditional roles (e.g., female greenkeepers) Equal pay policies ensuring parity in salary ratios



- Sustainable urban development integrating eco-friendly infrastructure
- Zero-emission transportation via electric scooters
- Destination wedding and event initiatives promoting local culture



- Organic waste composting through EDAMA
- Switching from plastic to eco-friendly materials (e.g., bamboo straws, wooden cutlery)
- 5% increase in waste diverted from disposal



- 84% reduction in GHG emissions (Scope 1 and 2)
- Integration of the PV3 project into the PV wheeling system
- Green certifications to reduce carbon emissions
- Climate resilience initiatives including drainage and infrastructure upgrades



- Artificial reef projects to restore marine habitats
- Memorandum of Understanding with the Jordan Society for marine conservation
- Beach clean-up campaigns under Blue Flag initiatives



- Strong corporate governance with transparent financial reporting
- Code of Business Conduct promoting anti-corruption and ethical behaviour
- Zero incidents of corruption for two consecutive years
- Employee awareness programs on anti-corruption and whistleblowing mechanisms



# ACCOUNTABILITY AND GOVERNANCE



### **Governance and Business Ethics**

The Board of Directors steers decision-making in line with our founding values. This includes evaluating decisions related to financial impacts, environmental considerations, social responsibility and resource allocation, as well as assessing the overall effects of the company's business activities.

#### **Corporate Governance Structure**

	Composition	Roles and Responsibilities
Board of Directors	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.	The board oversees strategic planning, decision-making, sets the company's direction, approves major decisions, and ensures financial transparency and compliance. Integrate sustainability into core business strategies by assessing decisions' environmental and social impacts.
Audit and Risk Committee	This committee is comprised of three members that are non-executive, and the chairman is appointed by the board of directors for a period of three years.	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. Proactively address risks, including those related to ESG factors.
Steering Committee	This committee is comprised of the Chairman, two board members, two external members/board advisors and one executive director.	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. Serve as a bridge between operational teams and the Board to facilitate the successful execution of projects that support ESG priorities.

The Board composition remained stable throughout 2023, consisting of five members: two independent members providing impartial oversight and guidance, two executive members offering operational and strategic insights, and one female member reflecting the company's commitment to diversity and inclusion.

This diverse structure supports balanced decision-making, enhancing the company's adaptability to evolving business challenges.

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#### **Ethical Conduct**

Our code of business conduct encourage a culture of respect for individuals, supported by a framework that prioritises legal compliance, safeguards confidential information, defines procedures for waivers and enforcement, prohibits retaliation, manages conflicts of interest, and ensures effective reporting of code violations.

Ayla has a code of conduct that applies to all employees and members of the company. The code covers essential topics such as ethical behaviour, compliance with laws, respect for diversity, anti-corruption measures and guidelines for reporting misconduct. It is designed to ensure that all stakeholders understand their responsibilities and adhere to the highest standards of integrity in their actions.

Ayla continues to provide an annual orientation program for all new employees, ensuring they have a thorough understanding of the policies detailed in the bylaws and employee handbook. This program also highlights the importance of workplace engagement, fostering a passion for their roles, and encouraging active collaboration with colleagues and departments.



At Ayla, we focus on open communication and encourage employees at all levels to report and address concerns. For more details, refer to the <u>diversity and equal opportunities section</u>. 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.

Concerns continue to be communicated through quarterly meetings with the Board of Directors. In addition to thorough documentation of these sessions, we have enhanced our reporting process to include real-time updates and feedback mechanisms. This ensures that resolutions are not only based on past decisions but also reflect ongoing discussions and emerging issues.

In 2023, Ayla has implemented several enhancements to the process for reporting and addressing concerns. Based on feedback and identified needs, we have streamlined our reporting mechanisms to make them more accessible and user-friendly. In addition, we have introduced a tool for anonymous reporting, ensuring that all employees feel safe and empowered to voice their concerns. Training sessions have also been conducted to raise awareness about the reporting process and to encourage open dialogue about issues that may arise.

#### 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.

The Audit and Risk Committee continues to support the Board of Directors in effectively managing statutory and financial reporting, internal control systems and risk management processes. We have also strengthened our policies regarding anti-discrimination, and whistleblowing, which remain integral parts of the employee handbook and Ayla bylaws. These documents are provided to all employees during onboarding and are acknowledged through a signed agreement. In addition, we have introduced training sessions to ensure all employees understand these policies and their importance.



Sustainability in Action

Managing Climate Risk

The impacts of climate change pose physical and financial risks to our assets, bottom line, revenue, license to operate and reputation. Such risks are exacerbated by rising energy prices. Taking action to harness the opportunities of a low-carbon, energy-efficiency economy presents advantages to our business in terms of long-term savings, energy security, stakeholder relationships and competitive gains over our peers.

At Ayla, we manage climate risk as part of the company's risk management strategy. This means continuously monitoring and mitigating risks, while bolstering the case for investment in climate change mitigation measures.



Ayla Oasis: The Destination

Pioneering In Sustainablity Accountability and Governance

Lively and Professional

Yielding Environmental

Authentic and Hospitable

Data and Disclosures

#### **Anti-Corruption**

We aim to prevent corruption through our code of business conduct by establishing clear ethical standards and guidelines. The code is communicated to employees at the orientation phase, and all employees are required to sign it before joining our company. In line with the Jordanian Labour Law, it outlines the legal consequences of unethical actions, and enforces compliance with anti-corruption regulations.



communicated to

96

96%

spend on local suppliers

### **Economic Growth**

Our business growth plan highlights how we invest in local jobs, skills and supply chains. We maintain strong financial controls and transparent reporting 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, and cost management.

In 2023, our ability to attract and retain customers drove financial success. To boost footfall, we diversified our offerings to attract domestic, regional, and international tourists, while generating additional revenue streams through sponsorships. A key target market was the meetings, incentives, conferences, and exhibitions (MICE) segment, which included weddings, events, and activations. During the year, we welcomed over 36 businesses from this segment, generating more than IOD 828,653 in revenue.

We also established Ayla as a destination for weddings, hosting several large-scale and private events. This initiative has strengthened our offerings, contributed over JOD 200,000 in revenue, and enhanced Ayla's reputation as a premier event destination. By providing world-class hospitality and facilities, we continue to attract both local and international clients.

Ayla continues to solidify its position as a one-stop destination that caters to visitors of all ages and interests. Through our diverse offerings and world-class facilities, we successfully hosted over 60 functions and activations, including hospitality and other assets, with a total revenue contribution of JOD 2.9 million and approximately 19,000 FF. In 2023, Ayla has organised more than six major activations, along with two small-sized concerts and one mega concert, creating vibrant experiences that have significantly boosted tourism. These events have not only attracted domestic visitors but have also drawn in regional tourists.

These events directly contributed over JOD1 million to Ayla's financial growth. By consistently investing in high-quality entertainment and large-scale events, Ayla continues to elevate Aqaba's status as a premier leisure and entertainment hub.

We have remained a steady and reliable partner to our suppliers during a challenging year, increasing our supplier base to 3,049 businesses with a 96% local procurement spend rate

### Total Spending in Local Supplier (JOD million)

2021	12.395
2022	9.383
2023	12.343

> Jump to Responsible Supply Chair

### Tax Transparency

We ensure accurate, transparent, and reliable financial reporting. We adhere to ethical tax practices, by strategically managing tax planning to align with our financial sustainability goals.

Our tax planning strategies and tax and transfer pricing principles enable us to:

- Facilitate consistent and standard conformance of the Tax and Transfer pricing implementation to the applicable laws, regulations, policies, standards, and quality requirements;
- Improve transparency, communication, accountability, efficiency, and controls in executing the all-tax related transactions;
- Provide clarity on the interactions and nature of communication required between Ayla and the Tax Department while implementing the Accounting Department's processes.

### **Data Security**

Privacy and security management is an important topic for Ayla, we are aligned with the recommended practices of the ISO 27001 certification standards. As we work towards obtaining this certification, we have initiated studies along with developing an enhanced data privacy framework privacy policy.

We conduct regular internal and external audits, including an annual IT audit covering all operations and systems. Biannually, we conduct security assessments, penetration testing, and vulnerability assessments, supported by a robust cyber insurance policy. We also deliver a comprehensive security awareness initiative designed to safeguard company assets and data, and enhance overall privacy practices while mitigating IT security risks.

As a direct outcome, we have achieved zero instances of data security breaches and have received no complaints concerning customer privacy for the last two years. We have also recorded a 95% internal security awareness rate.



### Innovation

Innovating through technology and smarter processes is a key aspect of how we deliver seamless customer experiences and are future-ready to serve tomorrow's visitors, tenants and wider stakeholders. Digital transformation continued to play a pivotal role in our environmental sustainability during 2023, while enhancing data security also enabling more efficient, streamlined processes for an enhanced customer experience.

Our focus was on customer service-focused innovations. We launched chatbot services designed to deliver intelligent solutions for enhanced engagement, seamless support, and efficient lead generation.

Over the last three years, we have steadily increased research and development investment related to innovation. Between 2021 and 2022, the increase amounted to 30%, with consistent investment maintained in 2023.

#### Investment In Research and Development Related to Innovation (IOD)





At Ayla, we are gradually going paperfree. Deploying smarter ways of working and cutting-edge technologies, we are saving natural resources, storage space and costs, while also making things easier for colleagues and customers.

In 2023, we launched a comprehensive initiative to transition all paper-based documents into a digital archiving system. This has significantly reduced paper consumption and waste, as well as printing and physical storage requirements. With advanced search and indexing capabilities, the new online system also enhances accessibility and speed of retrieving files.

Meanwhile, we have shifted our standard operating procedures to a centralised secure online portal. This has optimised workflows, enhanced data protection and supported our compliance obligations. This project has required extensive training and support to build internal capacity in digital task management.



### Responsible Supply Chain

Our principles of ethical and transparent business conduct extend to our supply chain. We expect high standards of our suppliers with regard to ESG practices and we make these expectations clear from contract tender through to our day-to-day interactions over the long term. Performance against metrics on efficiency, quality, and adherence to sustainability practices is closely monitored.

In line with our goal to enabling a flourishing Jordanian economy, in 2023 we increased our supplier base to 3,049, marking a 15.75% increase and of which 96% was with local businesses. During a period of economic volatility in our region, these are notable achievements.

#### **Total Number Supplier**

2021	2,321
2022	2,673
2023	3,049

> Jump to Databook

Through responsible sourcing practices, we extend ethical values into the local economy, while also safeguarding our own operations from supply chain risks, including and inadequate labour standards, human rights abuses, and Scope 3 GHG emissions. Introducing advanced digital tools to streamline supplier management and monitoring is assisting in supply chain risk management.

We intend to elevate our procurement policy and procedures by formalising ESG evaluation criteria for suppliers. We have embarked on this work by rolling out enhanced supplier training covering ESG compliance. Meanwhile, we have piloted green procurement projects, and we will report back on these in our next report.

The establishment of any contract with suppliers is under the law of The Hashemite Kingdom of Jordan, including the zero tolerance of forced labour.



### Sustainability in Action Sourcing Locally

We are proud to partner with Jordan's diverse local businesses in the sourcing of our goods and services. By sourcing locally and responsibly, we not only boost regional economic development but also enhance our own supply chain resilience and sustainability. For example, local sourcing has reduced lead times by 20%, in turn reducing carbon miles and transportation costs by 25%.



20% reduction in lead times

25%

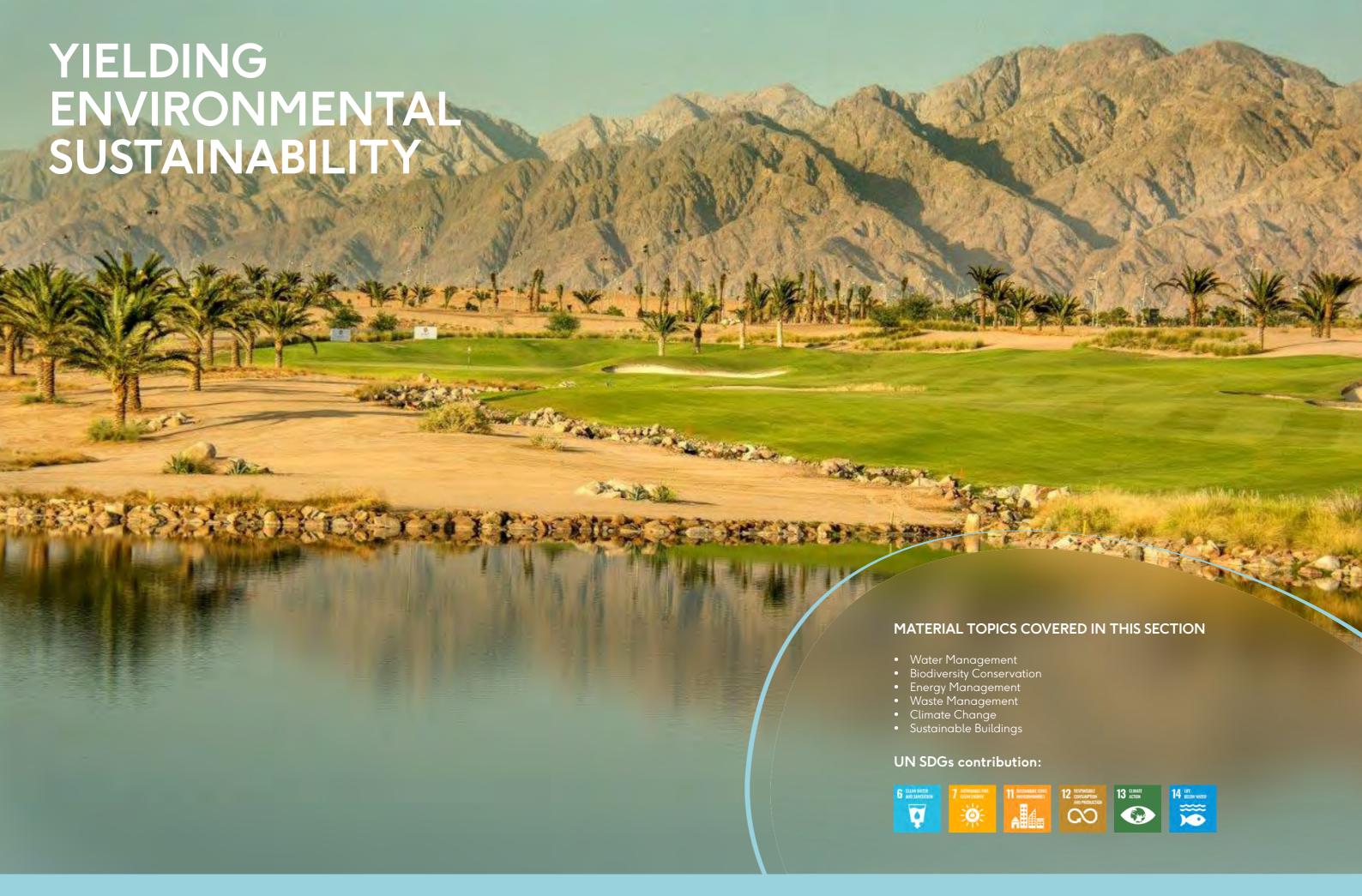
reduction in carbon miles

Furthermore, by considering the seasonality of food and beverage ingredients, we reduce carbon miles while also supporting local businesses to find markets for their fresh produce.

Where there is limited capacity in local markets, we work closely with Jordanian entrepreneurs to fill any gaps, including building capacities and fostering innovation. We have mapped our supply chain to identify any gaps and opportunities to further increase local sourcing towards 100%.

Ensuring our contracts with suppliers are long term provides additional security to local businesses.





### Water Management

We are acutely aware that we operate in a region of extreme and growing water scarcity. As part of Ayla's Environmental Policy and Environmental Management System, we have systems, technologies and targets in place to monitor, report and improve water consumption and quality, covering drinking, irrigation and wastewater. Our approach is in line with UN SDG 6 (Clean Water and Sanitation) and UN SDG 14 (Life Below Water), aiming to reduce water consumption, prevent pollution, and protect the local water ecosystem.

Regular audits and assessments are conducted to ensure compliance with environmental standards, mitigate risks, and continuously improve environmental performance.

In 2023, we saw the continued efficacy of our water efficiency measures, achieving a 23% reduction in water consumption overall . We have successfully reduced water consumption by more than JOD 37,000.

### **Total Water Consumption** (m³)

3.132.874



2022

2.488.461



1.921.501



Our performance to date is testament to the water conservation and recycling initiatives we have in place at our sites. These include sustainable landscape designs, which incorporate native plants that require less water, irrigation systems that minimise consumption and leakage and closed system water features so the amount of water used is minimal. We also operate a Reverse Osmosis plant that purifies brackish water from golf courses for irrigation water.

#### **Water Conservation Initiatives**

In the last year, we continued to scale our efforts around:

#### Water-Saving Technologies:



Including smart irrigation systems and water-efficient fixtures in all facilities. We operate a Reverse Osmosis plant that enhances quality of groundwater extracted from golf course wells, ensuring that treated water is used efficiently for landscaping while reducing the need for freshwater.

#### Low-Flow Fixtures:



Including taps, showerheads and toilets in guest rooms and public areas. These fixtures help to reduce overall water consumption without compromising comfort or service quality.

#### Water Conservation and Efficiency:



Monitoring consumption and detecting leaks to prevent unnecessary losses and ensure optimal distribution across the resort. For example, we replaced the old filtration systems with new sand filtration units to ensure that irrigation water remains clean and free from blockages.

Wastewater Treatment and Recycling: Reusing treated water for landscape irrigation and golf courses, reducing reliance on freshwater sources for nonpotable purposes.

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### Protection of Water Quality and Ecosystems:

Sustainable drainage systems to prevent runoff pollution, particularly from golf courses and landscaped areas and ensuring that all wastewater is properly treated before it is discharged.



**Employee Training and Awareness:** Emphasising water-conscious practices in daily operations and outside of work.

## Sustainability in Action Water-Efficient Robots

In 2023, following the successful installation and testing of robotic cleaning systems at the end of 2022, we achieved significant improvements in our cleaning processes and water conservation. The solar-powered cleaning robots increased the efficiency and quality of cleaning, covering more area in less time with consistent and thorough results.

By increasing the frequency of cleaning cycles, the new technology significantly reduced losses caused by dust accumulation, bird droppings, and soft sand. The automated solution is fast enough to clean around 1 MWp-DC in under an hour, compared to the manual cleaning process, which previously took approximately one week.

Additionally, the robots helped achieve remarkable water savings of around 90% compared to manual cleaning methods. We are currently customising new robots to align with our solar PV structure and operational requirements.



#### Sustainability in Action

### Optimising irrigation networks

With high pH levels in our irrigation system causing plant stress, Ayla's technical teams have installed a pH injection system with real-time monitoring and automatic adjustment of water acidity levels. The system is successfully improving plant nutrient absorption resulting in healthier and more vibrant plants.

We have also introduced an irrigation maintenance plan, addressing leaks and blockages promptly. This has involved replacing the outdated filtration system with a modern sand filtration system and replacing all irrigation valves and aged components to ensure consistent water flow. Our irrigation system software has been enhanced with centralised controls improving irrigation schedules and water distribution across Ayla.

All fresh water comes from the Aqaba Water Company. 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.

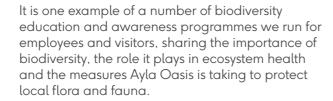
To ensure the quality of the water, we conduct regular tests through third-party entities responsible for testing the lagoons' and golf wells' water quality. Third-party assessments guarantee the adherence to water quality standards and inform if any further actions are required for water conservation and sustainability. In 2023, we upgraded our sand filtration system, resulting in significantly improved water quality. This has extended the lifespan of emitters and irrigation pipes by reducing the buildup of sediments and debris, ultimately leading to more efficient irrigation and reduced maintenance costs. Finally, cleaning boats are deployed to maintain the cleanliness of the water bodies on site.



### **Biodiversity Conservation**

The Gulf of Aqaba is home to a rich marine and terrestrial habitat. We are privileged to play a role in protecting and enhancing these ecosystems and have policies in place focused on protecting and enhancing biodiversity within the resort, including efforts to conserve local ecosystems, wildlife habitats, and coral reefs.

In 2023, we signed a memorandum of understanding with the Jordan Society for the Conservation of Turtles and Tortoises to protect and conserve marine life surrounding our sites through collaborative initiatives. We continued to promote the Ayla "Feather Trail" in partnership with the Royal Society for the Conservation of Nature. This educational initiative raises awareness about Aqaba's role in global bird migration.



Our sustainable landscaping practices include the use of native plants and the establishment of wildlife corridors. We have implemented soil tests to assess the needs of plants found within our grounds. Based on the results, we have minimised the use of fertilisers, thereby reducing the risk of soil and water pollution. Meanwhile, our irrigation water pH controls are not only saving water but also reducing the need for chemical fertilizers and pesticides. Furthermore, maintaining this optimal pH range has significantly reduced plant losses and the need for replacements on-site, contributing to healthier plant growth and reduced operational costs.





#### Blue Flag Beaches Six Years in a Row

The Environmental Blue Flag was raised at three Ayla locations in 2023. The Blue Flag programme is one of the environmental education programs of the Foundation for Environmental Education, represented in Jordan by the Royal Marine Conservation Society for the Protection of Marine Environment. It grants beaches and participating boat parks this certificate to achieve high standards in the four categories of water quality, environmental management, environmental education, and safety. The evaluation was also done by a national committee that includes key stakeholders such as the Agaba Special Economic Zone Authority, the Ministry of Tourism, the Ministry of Education, the Jordan Hotel Association, the Royal Scientific Society, and the Agaba Water Company.



B12 Beach Club, La Plage Beach at the Hyatt Regency Hotel and the Ayla Marina all achieved compliance with international environmental and health standards

"Raising the Blue Flag in three locations within Ayla will contribute to promoting Jordan as a tourist destination. Ayla prioritises achieving the concept of sustainable development, preserving biodiversity, and reducing the impacts of climate change" Alia Qatawneh, Royal Society for the Royal Marine Conservation Society



While we are not located directly within any official protected areas, we are in close proximity to regions that are recognised for their high biodiversity value. Our artificial reef projects and other marine conservation efforts aim to enhance and protect the nearby natural marine habitats. For example, we are increasing coral reef cover in the lagoon through innovative artificial reef technologies. Comprehensive monitoring of 166 reef balls distributed across the lagoons ensures continuous assessment of habitat status and coral health, allowing for proactive interventions.

Our "reef balls" initiative involves extracting coral segments or larvae from live corals, nurturing them in nurseries, and replanting them into modules that mimic natural reef structures, creating vital habitats for marine life. In collaboration with marine biologists and environmental experts, we have successfully transplanted and evaluated corals, including inspections to confirm healthy coral conditions on the reef ball. Monitoring has also identified areas for improvement, such as the planned relocation of reef balls to optimise growth conditions and address challenges like coral bleaching.

Several key components have been strategically established to enhance coral restoration and marine biodiversity. In 2023, one nursery has been established in the Upper Lagoon. Additionally, two metal structures have been integrated into the aquacultural system, offering extra substrates for coral attachment and promoting biodiversity. A total of 42 reef balls are planned to be transferred to be strategically placed near the discharge weir in the Upper Lagoon, where optimal water flow and temperatures foster healthy coral growth.

To sustain future growth, recommendations include the installation of additional nurseries in the Tidal Lagoon, targeting areas of coral die-off. At the coral nursery of Upper Lagoon, the intensity for nursery decreased following the use of corals for transplantation in 2021 to the new locations at Tidal Lagoon. A replenishment process for the nursery is planned in 2024. These nurseries will support the recovery of the ecosystem and improve coral transplantation success rates.

Broader ecological surveys of the lagoon and marina revealed the presence of nearly 103 fish species, representing about 50% of shallow water fish species. This initiative reflects our alignment with global environmental goals, including UN SDG 14 (Life Below Water) and UN SDG 15 (Life on Land), ensuring long-term ecological sustainability in the region.



### **Energy Management**

Ayla has formed an Energy Efficiency Committee under the directive of our Managing Director, the committee signifies our collective dedication to managing, preserving, and enhancing energy efficiency. It is a testament to our proactive stance in addressing the escalating challenges posed by rising energy costs and environmental concerns. In 2023, the committee's efforts resulted in remarkable savings of over JOD 123,000, including a reduction of more than JOD 86,000 in electricity consumption. For 2024, the committee has developed an implementation plan focused on clean energy integration, technological updates, and further optimisation measures.

A range of policies support our efforts to optimise energy use, reduce consumption and promote the integration of renewable energy sources:

- Energy Efficiency and Conservation Policy:
   Promotes energy consumption through energy efficient technologies, systems and practices
   with a focus on lighting, heating, ventilation,
   and air conditioning (HVAC) systems, water
   pumping and renewable energy integration.
   The policy mandates regular energy audits to
   identify areas for improvement and establishes
   targets for reducing energy consumption.
- Renewable Energy Integration Policy: Guides the expansion of our PV systems and ensures that renewable energy production continues to grow as a share of the total energy mix, helping to reduce reliance on fossil fuels.

- Sustainable Infrastructure Development Policy: Ensures that all new developments, including buildings and infrastructure, incorporate energy-efficient designs and renewable energy systems
- Employee Engagement and Awareness Policy: Encourages staff to adopt energy-efficient practices such as the use of energy-efficient appliances, carpooling and sustainable commuting options.
- Monitoring and Reporting Policy: Ensures
  that all energy data is tracked, verified
  and reported accurately. It also requires
  that progress toward energy efficiency and
  renewable energy targets is reviewed regularly
  to ensure we remain on track to meet our
  sustainability goals.

### **Energy Efficiency Committee's Goals:**



In the last year, we have further scaled renewable energy infrastructure, while deploying eco-innovations to conserve energy. In 2023, Ayla achieved a 9% reduction in energy consumption, primarily attributed to the replacement of most vehicles with electric vehicles (EVs) and the activation of a new PV project, specifically PV Phase 3.

### **Energy Consumption** (GJ)

2022 58,766 2023 53,579

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### **Energy Efficiency Initiatives**

In 2023, we continued to enhance our Energy Management Strategy by implementing a series of initiatives focused on reducing energy consumption and increasing energy efficiency. These included:



HVAC Upgrade: Prior to 2023, we continued replacing our traditional non-inverter HVAC systems with energy-efficient inverter-driven models. This process continued in 2023 as we systematically replaced any remaining older units. The inverter-driven systems provide enhanced energy efficiency by dynamically adjusting to real-time cooling and heating needs.



LED Street Lighting: We successfully completed the retrofit by replacing traditional HPS lighting with energy-efficient LED lights, achieving energy savings of over 50%. The LED retrofit has been implemented across most facilities and landscape areas, significantly reducing overall energy consumption while providing superior illumination quality. Additionally, the street and landscape lighting have been integrated into the SCADA system, allowing for centralized control and monitoring.



BMS Enhancements: Including advanced features, improving energy monitoring and control of HVAC, lighting, and other systems. The BMS allows for real-time tracking of energy usage, helping to identify areas of inefficiency and adjust systems dynamically to minimize energy consumption without compromising comfort or operational performance.

Through these initiatives, we have enhanced our contribution to UN SDG 7 (Affordable and Clean Energy).



Employee Campaigns: Energy-saving awareness campaigns encouraged staff to turn off lights and equipment, minimise unnecessary heating or cooling and use energy-efficient appliances. This campaign was supported by training and regular reminders.



Energy-Efficient Landscaping and Water Management: Including low-energy irrigation systems and smart controllers that optimise water usage based on real-time weather data. These changes reduced the overall energy consumption associated with landscape irrigation.



Energy Consumption Validation:
Including energy audits, smart meters and continuous monitoring through energy management software. These tools allowed us to assess energy consumption patterns, identify areas for improvement, and ensure that energy-saving measures were delivering tangible results.





Ayla took a significant step towards sustainable and eco-friendly transportation by launching an innovative zero-emission mobility solution in collaboration with the Saudi-based company, HopOn. As part of this project, Ayla has introduced over 70 electric scooters strategically distributed across key locations within the destination. These scooters provide residents and visitors with a convenient, efficient, and environmentally friendly alternative to cars, significantly reducing carbon emissions within Ayla. By minimising car usage and encouraging micro-mobility, this initiative has transformed the way people navigate Ayla, offering a seamless and enjoyable transportation experience while promoting sustainability and innovation at the heart of Ayla's development.

In 2023, we expanded the use of electric scooters for employees, offering a more sustainable alternative to traditional gaspowered vehicles. These scooters are used for commuting around the resort, reducing traffic congestion and the resort's carbon footprint.



We also increased the number of electric scooters and bicycles available for quests, providing more eco-friendly transport options to explore Ayla Oasis. This not only offers convenience for quests but also supports the resort's sustainability goals by encouraging low-emission travel.

In our vehicle fleet, we began the transition to EVs with additional charging stations strategically placed in high-traffic areas, including the Marina Village, Cloud 7 Hotel and recreational zones.



Sustainability in Action

#### Smart Building Controls at Marina Village and Cloud 7

A BMS was successfully established at Marina Village and Cloud 7 Hotel in 2023. It is optimising energy use and reducing operational costs through a number of cutting-edge mechanisms:

Smart lighting and HVAC: Centralised controls enable real-time adjustments while maintaining comfort levels.

Real-time monitoring: Allows for rapid identification of inefficiencies and predictive maintenance helps reduce downtime and improve long-term asset management.

Climate controls: Maintains optimal indoor climate conditions, improving guest comfort and reducing energy consumption.

Remote access: Provides flexibility for operators to manage systems remotely and ensure optimal performance.

### Waste Management

A waste management system forms part of the Ayla Environmental Management System, with systems and technologies in place to monitor segregation, recycling, and disposal of waste.

We diligently manage daily waste collection across all premises while closely supervising outsourced service providers to ensure high standards of cleanliness. This extends beyond routine operations to major events, where waste management efforts are scaled to accommodate increased visitor numbers.

To enhance organic waste management, we have partnered with EDAMA through a memorandum of understanding. Food and organic waste from our hotels and projects are segregated, collected, and transported to a composting pilot plant, contributing to a reduction in our environmental footprint. Additionally, a dedicated waste collection and separation system has been established to streamline the recycling of mechanical workshop waste. Used cooking oil is also collected and repurposed through recycling initiatives.

Over the past year, we reported a 5% increase in the amount of waste successfully diverted from disposal.

### **Waste Generated**



#### Waste Diverted from Disposal (Liters)

2021	564,000
2022	597,000
2023	629,000

### **Waste Directed to Disposal**

(Liters)

2021	17,560,800
2022	17,560,800
2023	17,560,800

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### **Waste Management Initiatives:**

In 2023, we took a number of actions to conserve materials and avoid waste, including:

- Switching from plastic to glass water bottles and introducing a new local water brand (Clara water)
- Ensuring all used cooking oils are collected for reuse as frying oil
- Replacing guest paper bracelets with fabric bracelets
- Replacing paper/plastic straws with bamboo
- Switching from plastic take-away cutleries to wooden cutleries
- Donating food leftovers to animal shelters
- Transitioning to reusable fabric bags for collecting green waste, significantly reducing our reliance on plastic bags
- Implementing a waste separation programme, including contributing small quantities of landscaping waste to EDAMA for fertilizer production

Risks

### Climate Change

We recognise the risk that climate change poses to our assets, as well as the opportunities associated with energy conservation.

Our climate strategy is integrated into the company's broader sustainability initiatives and operational framework, aligning with our commitment to reducing environmental impacts and enhancing long-term resilience to climate change in alignment with UN SDG 13 (Climate Action). The strategy is delivered through three mechanisms:

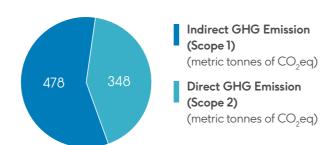
- 1. Climate Risk Management Framework: Outlines roles, responsibilities and response plans to address the identified risks.
- 2. Sustainability and Climate Action Plan: Sets clear targets for reducing emissions, improving resource efficiency and enhancing climate resilience across the resort's operations. Key actions include investing in renewable energy, improving water and waste management, and enhancing the resilience of infrastructure.
- 3. Monitoring and Reporting: Progress is tracked against set objectives and integrated into our annual sustainability reporting, aligned with international standards such as the Task Force on Climate-related Financial Disclosures (TCFD).

Our current focus is on tracking emissions, setting reduction targets, and implementing measures to achieve carbon neutrality by 2050. In 2023, we achieved an 84% reduction in total GHG emissions, primarily driven by a significant decrease in electricity consumption, reflected in an 89% reduction in Scope 2 emissions compared to 2022. This achievement was further supported by the integration of the PV3 project into our existing PV wheeling system, enhancing our renewable energy capacity.

#### **Total GHG Emissions** (metric tonnes of CO<sub>2</sub>eq)







- <sup>1</sup> Scope 2 calculated in alignment with GHG Protocol guidance where renewable energy from PV system cannot be claimed by Ayla.
- <sup>2</sup> Scope 2 calculated with consideration to wheeling PV stations where wheeled renewable energy is accounted as zero emissions.
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#### **GHG Reduction Initiatives**

In 2023, we continued to focus on reducing GHG emissions through a series of initiatives:



**Expansion of Solar PV:** We further expanded our solar energy infrastructure by increasing the capacity of the existing PV systems. The PV system is continuously monitored to ensure optimal performance, with efforts focused on maximising energy production during peak sunlight hours and optimising energy storage for nondaylight hours. To maintain the optimal performance, we continued to deploy the robotic cleaning system

#### **Green Certifications and Direct** Renewable Energy Purchases:



Enabling the resort to offset a portion of its carbon footprint through certified renewable energy credits. This supports our broader commitment to achieving carbon neutrality in the coming years. We also continued efforts to attain and maintain green certifications, including sustainability certifications that focus on energy efficiency and emission reduction.



Waste-to-Energy: We began exploring these solutions as part of our broader strategy to reduce landfill waste and convert organic waste into usable energy, which helps decrease GHG emissions associated with waste management.

### Managing Climate-related Risks and **Opportunities**

The company recognises that climate change poses both challenges and opportunities, and we have identified key risks and opportunities,

Flooding and Storm Events: The increasing frequency of heavy rainfall and storms presents a risk to infrastructure, particularly related to drainage and coastal areas.

Operational Disruptions: Severe weather conditions, such as extreme heatwaves or heavy rains, could disrupt daily operations and maintenance activities.

Risk Mitigation: Continued enhancement of our drainage network to improve flood resilience and reduce the likelihood of infrastructure damage. This includes proactive monitoring and maintenance programs to ensure systems are robust.

Sea-Level Rise and Coastal Erosion: Coastal erosion and rising sea levels may affect beachfront properties and infrastructure.

Water Scarcity: Increased water stress in the region could affect irrigation and water supply systems, potentially impacting landscaping and guest amenities.

Risk Mitigation: Implementing coastal protection measures, such as breakwaters and sustainable landscaping practices, and focusing on water management strategies, such as efficient irrigation systems and water recycling.

Long-Term Environmental Impacts: Climate change could significantly affect the region's natural ecosystems, potentially altering landscapes and reducing biodiversity.

Operational Cost Increases: Climate-related regulations and resource scarcity may lead to higher costs in terms of utilities, water, and waste management.

Risk Mitigation: Continued investment in renewable energy sources, sustainable water management practices, and biodiversity preservation initiatives to mitigate long-term risks.

which are now integrated into our business strategy, operations, and financial planning.

#### **Opportunities**



Sustainability Certifications: The increasing demand for sustainability in tourism presents an opportunity for Ayla to enhance its environmental certifications, which in turn can attract environmentally conscious quests.

Energy Efficiency: Opportunities to improve energy efficiency across operations by adopting renewable energy sources and energy-saving technologies.

Climate Resilience Investments: Investing in climate-resilient infrastructure and technology could open new revenue streams, such as ecotourism or sustainable event hosting.

Sustainable Tourism Growth: As the global tourism market increasingly values sustainability, Ayla has the potential to position itself as a leader in eco-friendly and climate-conscious tourism.

Green Technologies: Long-term investments in green technologies (such as solar power, energyefficient systems, and waste-to-energy projects) can provide both cost savings and environmental benefits.



### **Investing in Climate Resilience**

Based on the risk mapping, to protect both infrastructure and environmental assets we have enhanced our risk management processes in close cooperation with local and international agencies, leveraging data and technology to identify and assess climate-related risks to the resort's infrastructure and operations. Highlights in 2023 included:

- Monitoring critical climate-related factors alongside the Marine Science Station and Marine Forces, to provide real-time data on risks relating to storm surges, flooding, and other extreme weather events.
- Deploying advanced monitoring systems to track climate variables and identify emerging trends in weather patterns.
- Integrating climate data is being integrated into risk management strategies

- Conducting risk assessments on infrastructure, water systems and coastal ecosystems, including the potential for sea level rise and increased storm frequency. These have been followed by adaptive strategies and measures, such as reinforced building structures and enhanced drainage systems.
- Establishing rapid response and evacuation plans for extreme weather events, ensuring the safety of guests and staff.

We continue to invest strategically in the climateresilience of our assets. These include drainage and flood systems, in close cooperation with the Marine Science Station and the Royal Jordanian Navy and Jordanian Maritime Authority.

### Sustainable Buildings

As a regional leader in sustainable, iconic coastal developments, we are deploying the latest technologies and systems to ensure our properties and surrounding are cutting-edge when it comes to eco-credentials.

Starting on the construction site, we use 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 actively upgrade energy-efficient technologies to optimise resource use and drive operational efficiency. Our initiatives include smart HVAC systems integrated with seawater district cooling, advanced building automation solutions, dimming and room management systems in hotels, passive infrared sensors, and door switches.

A key aspect of our sustainability efforts is the implementation of high-efficiency air filtration systems designed to capture pollutants and enhance indoor air quality. We also prioritise natural ventilation by incorporating architectural designs that promote airflow and improve air circulation, fostering a healthier and more comfortable environment for occupants.

Our construction and renovation projects are guided by sustainable material choices. We select low-VOC (volatile organic compound) paints to limit indoor air pollution and use eco-friendly insulation materials such as recycled denim and cellulose to further reduce environmental impact. Additionally, energy-efficient glass with superior insulation properties is installed.

We use durable, sustainable materials that are specifically selected for their ability to withstand extreme weather conditions exacerbated by climate change. For example, permeable paving in parking lots and walkways allows stormwater to infiltrate and reduce risks of flooding.



### Sustainability in Action Trailblazing the Green Key ecolabel

At our Golf Club, Silica became the Middle East's first restaurant to be awarded the Green Key ecolabel in 2023. This internationally recognised certification is awarded to establishments that meet stringent environmental standards in areas such as water conservation, energy efficiency, waste management, and environmental education. It serves as a symbol of our dedication to sustainable tourism and responsible operations, showing that we go beyond traditional hospitality to protect and preserve the environment.

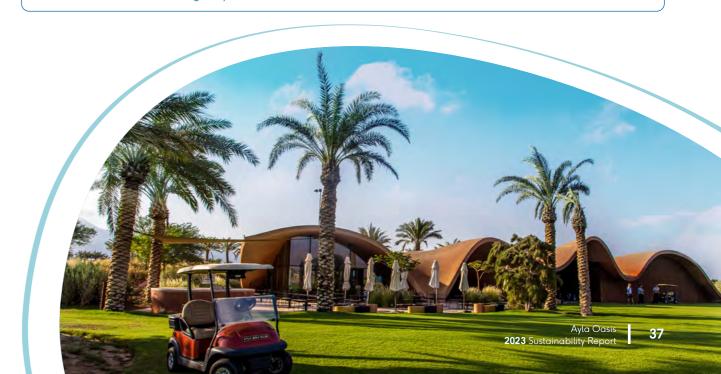
Silica's Green Key ecolabel adds to a string of successes, including the raising of the Blue Flag at several of our facilities.



The Royal Marine Conservation Society of Jordan, Jordan's national green key player, assessed for the Green Key label. The evaluation was also conducted by a national committee.

"This award for Silica, one of the top restaurants in Ayla Oasis, is a major achievement towards achieving sustainable tourism requirements and sustainable development through encouraging projects and initiatives related to reducing climate change. The Jordanian government prioritises this field and integrates all sectors to actively contribute and act upon this issue -nationally and globally." Executive Director of The Royal Marine Conservation Society, Mohammed Salem Al-Tawaha

A note on environmental compliance: Ayla takes proactive measures to prevent non-compliance and mitigate any potential risks, ensuring the sustainable operation of the resort while maintaining a positive relationship with local authorities and regulatory bodies. No significant fines or non-monetary sanctions were imposed on Ayla in 2023 for non-compliance with environmental laws or regulations. The company has not faced any legal actions or penalties related to environmental matters during the year.





### Health, Safety and Wellbeing

We seek to provide and maintain a safe environment for employees, visitors, and quests, ensuring adherence to health and safety regulations set by both Jordan and Ayla. While there was a slight rise in employee work-related injuries, we conducted thorough analyses of all incidents to ensure key lessons were learned and corrective actions were implemented. Notably, contractor work-related injuries almost halved to five.

378

Workers covered by the health and safety management system (Number)



**Employee work related injuries** 

(Number)



Contractor work related injuries (Number)

(14011ber)	
2021	6
2022	9
2023	5

In 2023, health and safety training hours for employees almost tripled, while those for contractors rose by 50%.

Health and Safety Training (Hours): **Employees** 

2021	24
2022	40
2022	48)
2023	183

Health and Safety Training (Hours):

Contractors	
2021	4
2022	4
2023	6

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

We prioritise maintaining well-defined working procedures, ensuring that all employees receive proper training and have access to task-specific personal protective equipment (PPE) and tools. Comprehensive risk assessments are conducted to establish and implement standard operating procedures aimed at minimising potential incidents and ensuring the safe management of hazards across all facilities. Additionally, a 24/7 emergency security and safety hotline enable workers to promptly report work-related incidents and near misses

Our risk management strategy is guided by a detailed risk reduction plan that specifies actionable steps and defined timelines for mitigating identified risks. The effectiveness of these mitigation measures is continuously evaluated through routine inspections and assessments.

Meeting quarterly, our HSE committee drives the reduction of injuries and maintain safety rules in the workplace and operation facilities. Every contractor is required to participate in the HSE meeting on a monthly basis, and each department must send a manager or their representative to attend the meeting.

Conducted a total

of three emergency drills during 2023



Sustainability in Action A safety-first culture

By engaging our business partners in joint security and HSE drills, we aim to prepare and equip teams to effectively respond to emergencies and handle incidents when they occur. In 2023, employees were involved in shaping the risk assessment process and sharing information about implemented control measures.

Security and safety teams undergo joint internal cross-departmental drills or with official authorities such as the Agaba Civil Defence Directorate, the Royal Navy, and the Iordanian 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.



### **Talent Attraction, Retention** and Development

As a growing business, we create significant societal value through employment and skills opportunities. In 2023, we successfully deployed recruitment and retention strategies, expanding our headcount by 21.5% to 373 full-time employees. This included a 20.2% increase in national employees, a 10.2% increase in women employees and a 23.1% increase in younger employees (aged 18-30). At a time of socioeconomic uncertainty in the region, these trends signify our deep devotion to Jordanian's talent base and wider society.

#### Full-time employees (number)

(110111201)	
2022	307
2023	373

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In 2023, Jordanian employees made up 91% of our workforce (a 20% increase versus 2022). All senior management were filled by local people.

#### Number of full time national employees

2022	282
2022	000

### Number of female national employees



#### Number of male national employees



### Training and Satisfaction

For two years in row, all employees received performance reviews. These reviews are important to measure and address employee performance and professional development, as well as alignment with our aspirations and business ethics. We also provided 312 hours of training overall.

Ongoing quarterly leadership training programs to our directors and managers are conducted to ensure that Ayla's leadership remains committed to improve working environment and innovative.

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.

To ensure that our workforce is content with the work environment, we monitor employee satisfaction. In 2023, the score stood at 83%, which provides insight on what can be enhanced and directs our efforts to provide the best possible experience for all our employees.

#### Total number of training for senior management

2022	60
2023	67

#### Total number of training for middle management

2022	62
2023	98

#### Total number of training for non-managerial level

2022	190
2023	147

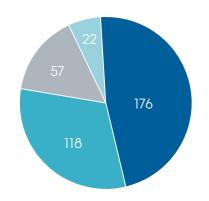


### Diversity and Equal Opportunities

At Ayla, our hiring process is built on fairness and equality, focusing on selecting candidates based on their skills and qualifications. In addition to this, we actively promote local employment and prioritise opportunities that support the empowerment of youth and women.

In 2023, it was positive to see a 10.2% increase in female full-time employees and a 21.5% increase in our workforce aged 18-30.

#### Workforce by age group



■ 18-30 ■ 31-40 ■ 41-50 ■ 51+ 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.

### Number of female employees







We 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.

The ratio of male and ratio of female entry-level wage compared to the minimum wage stand at 1.25:1, showcasing fair compensation practices. Additionally, across all levels of management, our aim is to maintain women to men basic salary/remuneration ratio close to parity.



In the golf industry, female greenkeepers are a rare sight. At Ayla, we are determined to reverse this trend by proactively creating opportunities for women to access these roles.

Ayla Golf Course Management is leading change by opening new pathways for women in turfgrass management. In the heart of Aqaba, where opportunities for women are often limited, our golf maintenance team is fostering local talent, creating meaningful opportunities for women to excel in this emerging field.

One inspiring example of this success is the journey of a local woman who joined our team with no prior experience in golf or turf maintenance. As the eldest of five siblings, she had long demonstrated resilience while supporting her family and pursuing her aspirations. Upon joining Ayla, she was given the opportunity to participate in a comprehensive training program tailored to develop her skills and build her confidence in a role traditionally considered unconventional for women.

Through dedication and hard work, she quickly advanced from learning the basics to mastering the operation of sophisticated turf maintenance equipment, including the largest and most critical machines in our fleet. Her progress reflects how access to the right resources, training, and guidance can unlock potential and enable women to thrive in challenging environments.

Her journey represents more than personal achievement-it marks a broader shift toward inclusivity and empowerment within the community. By progressing from entry-level tasks to more complex responsibilities, she has become a role model, inspiring others in Aqaba to break through barriers and explore opportunities in fields previously out of reach.

At Ayla Golf, we believe that when talent is nurtured, it has the potential to transform not only individuals but entire communities. By investing in local women and providing them with the support they need, we are not only maintaining a world-class golf course but a future rooted in diversity, opportunity, and growth.



### **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.

We are here to support tenants and customers during good times and bad. Due to the volatile situation in the region, a decision was made to exempt all tenants from rent and/or revenue share for November and December 2023. These payment breaks reflect the loss of visitors to the region due to geopolitical events and we will continue to assist our tenancies where possible.

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.

Upon completion of the requested services, we distribute surveys to homeowners to ensure we maintain exceptional service standards. In 2023, a total of 4,313 customer service requests were processed, achieving a customer satisfaction score of 4.75 out of 5. Additionally, we received one complaint during the year, which was successfully resolved.

Throughout the year, we also efficiently opened, tracked, and resolved over 10,000 cases in collaboration with relevant departments, ensuring that every concern was addressed swiftly and effectively.



4.8
average rating on TripAdvisor from 370 reviews



### **Community Outreach**

In 2023, we continued to give generously to our community partners, contributing JOD 251,360 through financial and in-kind donations.

### Community Investment

(JOD)

2021	336,974
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2022	373,787

2023 251,360



Our CSR priorities are five-fold: Education, Community Outreach, Environment, and Sport. Below are highlights from the year .









#### Education

Back to School for disadvantaged youth in five schools

- Covered the tuition of 37 high school students unable to cover fees
- Provided 150 seats in Agaba schools
- Distributed more than 375 school bags with essential stationary

Mother's Day and International Women Day Initiative

• Celebrated at 50 school in Aqaba Governorate, engaging 1,400 schoolteachers.

Takreem Noun Competition

• This cultural and cognitive challenge, sponsored by Ayla, encourages ideas to be shared between public and private institutions.

Hayat Educational Fund Youth Development Courses

· Aims to enhance youth skills in English, graphic design and digital marketing, as well as soft skills.

Associations and Schools Additional Support

- Providing Patriarch school with robot kits
- Maintenance for Al Baraa School











#### Community Outreach

Agaba Forum for Calligraphy and Islamic Ornamentation

 Hosted event under the patronage of the Ministry of Culture represented by Dr. Hussain Al-Dghaimat, organised by the Aqaba Directorate of Culture and Amwaj Association for Culture and Arts, in conjunction with the national celebrations of Independence Day.

Polymer clay handicrafts Training

• 20 local women participated in a handcrafts training workshop, in cooperation with Princess Basma Center for Human Development

Children's Park at Dar Al Wifaq Al Osari Home

• Completed: The project aims to ensure social and economic development in the community. More than 50 beneficiaries were recorded in 2023.

Ramadan & Eid Al- Adha Campaigns

- More than 475 people benefited from the distribution of food supply vouchers to local charities, orphans Iftar, border guards iftar and more.
- Salah al-Din al-Ayyubi Mosque maintenance

Winter Campaign

- Five house maintenance services
- 250 winter clothing vouchers distributed

Other support

- Nutritional empowerment training programme sponsored alongside Al-Hayat Association
- Gym equipment funded for the Navy and Royal Boats.
- "Save your Eyes Initiative" sponsored to assist the elderly to restore their vision through operating Cataracts surgery
- Hosted iPARK's Investment Readiness Program for Aqaba's entrepreneurs and startups to become more capable in the field of investment and business building.









#### Environment

Clean Up the World Campaign

Royal Marine Conservation Society dive clean-up involved more than 70 divers recovering waste

Environmental Recycling Competition

• Interactive activities with school students and educational events under the banner of "Think Green"

Our Green Footprint Initiative

• In partnership with the Environmental Committee of Al-Aqaba Secondary School for Girls and Queen Zein Al-Sharaf Secondary School for Girls in Aqaba, the camp aimed to raise awareness about climate change

Al-Rabee Society for the Protection of Nature and Animals:

• Donated to contribute to protecting the environment in the governate, in line with agreement with the Jordan Society for the Conservation of Turtles and Tortoises

ProjectSea voluntary initiative

• Hosted "Golf Day" event to integrate diving and volunteerism to collect marine waste from the sea

World Environment Day

- Collaborated with Hyatt Regency Aqaba Ayla and local schools, organising targeted cleaning initiatives to protect Ayla's coral reefs
- Expanded the Beach Conservation Initiative, organising three large-scale cleanup campaigns across Aqaba's beaches.







#### Sports

Water Sports Carnival

Alongside the Royal Marine for Sports Federation, we hosted this event which included the second underwater
photo shoot championship with 16 participants from the Middle East. This championship highlighted the
underwater life as the participants took photos while diving for Agaba Coral reefs.

Junior Golf League support

 120 junior golfers funded to participate in the league and develop their skills, alongside the Jordan Golf Federation

Chess Championship

• Organised by Aqaba Youth Centre and hosted by Ayla at the Courts, we funded 20 youngsters to develop their problem-solving skills, enhance their memory, develop their patience and reduce their stress.

Aqaba Youth Club Support

• Highlighting the creative talents and energies of young people in Aqaba.

Walk the Talk

• Organised by the World Health Organisation in partnership with the National Women's Health Care Centre, 280 Ayla colleagues ran the 1.4 km route in Ayla for better health for everyone.

Football Session for Syndrome kids

 Several sessions were provided for 24 down syndrome kids in collaboration with Bloom 21 Academy to coach football skills.

Junior Summer Camp Support

 Ayla Golf Club arranged a five-day activity for 18 prospective junior golfers to enjoy active time away from school



### **Databook**

#### **Environment**

Water Management	2021	2022	2023
Total water consumption (m3)	3,132,874	2,488,461	1,921,501
Water consumption intensity (m3/m2)	0.73	0.58	0.45

Waste Management	2021	2022	2023
Waste generated (Liters)	18,124,800	18,157,800	18,189,800
Waste diverted from disposal (Liters)	564,000	597,000	629,000
Waste directed to disposal (Liters)	17,560,800	17,560,800	17,560,800

Energy Management	2022	2023
Direct energy consumption		
Total petrol consumption (Litres)	82,499	58,795
Total diesel consumption (Litres)	93,727	78,062
Total direct energy consumption (GJ)	6,473	5,045
Indirect energy consumption		
Total electricity purchased from the grid (kWh)	9,190,107	1,041,934
including from renewable energy wheeling (kWh)	6,943,818	8,451,531
Total renewable electricity produced and consumed onsite (net-metering) (kWh)	5,335,745	5,389,741
Total indirect renewable and non-renewable energy consumption (GJ)	52,293	23,154
Total direct and indirect energy consumption (GJ)	58,766	53,579
What is the area of Ayla Oasis (m2)	4,300,000	4,300,000
Energy Intensity (GJ/m2)	0.014	0.012

GHG Emissions	2022	2023
Direct GHG emissions (Scope1) (metric tonnes of CO2eq)	1,484	348
Indirect GHG emissions (Scope 2) (metric tonnes of CO2eq) <sup>1</sup>	4,214	478
Indirect GHG emissions (Scope 2) considering wheeled renewable electricity (metric tonnes of CO2eq) <sup>2</sup>	1,030	3,397
Total GHG emissions (metric tonnes of CO2eq)	5,210 <sup>3</sup>	826

<sup>&</sup>lt;sup>1</sup>Scope 2 calculated in alignment with GHG Protocol guidance where renewable energy from PV system cannot be claimed by Ayla. <sup>2</sup>Scope 2 calculated with consideration to wheeling PV stations where wheeled renewable energy is accounted as zero emissions <sup>3</sup> Number restated due to clerical error

Environmental Expenditure and Training	Unit	2021	2022	2023
Environment/sustainability related annual spending	JOD	25,000	25,000	45,000
Please share if environment and/or sustainability training provided to employees and contractors	Hours	10	15	19

#### Social

CSR 2021	2022	2023
Community investment (JOD) 336,974	373,787	251,360
Workforce	2022	2023
Full-time employees (Number)	307	373
Female employees (Number)	59	65
Male employees (Number)	248	308
Senior Management (Number)	7	7
Male employees in senior management (Number)	6	6
Female employees in senior management (Number)	1	1
Middle Management (Number)	29	29
Female employees in middle management (Number)	4	3
Male employees in middle management (Number)	25	26
Workforce by age group	2022	2023
Number of employees between the ages of 18-30	143	176
Number of employees between the ages of 31-40	97	118
Number of employees between the ages of 41-50	52	57
Number of employees that ages 51+	15	22
New Hires	2022	2023
Total number of new employees who joined the organisation	80	169
Total number of new employees who joined the organisation (female)	27	41
Total number of new employees who joined the organisation (male)	53	128
Total number of new employees who joined the organisation (18-30)	58	128
Total number of new employees who joined the organisation (31-40)	15	36
Total number of new employees who joined the organisation (41-50)	7	4
Total number of new employees who joined the organisation (51+)	0	1
Turnover	2022	2023
Total number of employees who left the organisation	60	103
Total number of employees who left the organisation (female)	19	28
Total number of employees who left the organisation (male)	41	75
Total number of employees who left the organisation (18-30)	39	68
Total number of employees who left the organisation (31-40)	11	30
Total number of employees who left the organisation (41-50)	7	5

Training	2022	2023
Total number of training for females	N/A	120
Total number of training for males	N/A	192
Total number of training for total workforce	312	312
Total number of training for senior management	60	67
Total number of training for middle management	62	98
Total number of training for non-managerial level	190	147
Average hours of training per year per female employee	N/A	1.85
Average hours of training per year per male employee	N/A	0.62
Average hours of training per year per employee	1.02	0.84
Average hours of training per year for senior management	8.57	9.57
Average hours of training per year for middle management	2.14	3.38

Health and Safety	2021	2022	2023
Workers covered by the health and safety management system (Number) <sup>1</sup>	210	270	378
Employee work related injury (Number)	11	10	11
Employee work related injury rate (Percentage)	3.59	2.54	1.99
Contractor work related injury (Number)	6	9	5
Contractor work related injury rate (Percentage)	0.63	0.85	0.47
Total hours of training on health and safety (Employees) (Hours)	24	48	183
Total hours of training on health and safety (Contractors) (Hours)	4	4	6
<sup>1</sup> Workers' scope includes employees of Ayla only.			

Nationalisation	2022	2023
Number of full-time national employees	282	339
Number of female national employee	50	54
Number of male national employees	232	285

Employee Wages and Benefits	2022	2023
Ratio of male entry level wage to minimum wage	1.25:1	1.50:1
Ratio of female entry level wage to minimum wage	1.25:1	1.50:1
Ratio of basic salary/remunerationof women to men	1:1*	1:1
Ratio of basic salary/remunerationof women to men in senior management	1.3:1	1.29:1
Ratio of basic salary/remuneration of women to men in middle management	1:1.11	1.1:1
Total number of employees who left the organisation (41-50)	7	5
* Restated due to recalculation		

Parental Leave	2022	2023
Total number of employees that were entitled to parental leave (female)	25	22
Total number of employees that were entitled to parental leave (male)	166	179
Total number of employees that took parental leave (female)	3	2
Total number of employees that took parental leave (male)	21	18
Total number of employees who returned to work after parental leave ended (return to work) (female)	3	2

Parental Leave	2022	2023
Total number of employees who returned to work after parental leave ended (return to work) (male)	21	18
Total number of employees returned from parental leave who were still employed twelve months after return to work (retention) (female)	2	2
Total number of employees returned from parental leave who were still employed twelve months after return to work (retention) (male)	1	16

Customer Satifaction	2022	2023
Customer Satisfaction Score (out of 5)	N/A	4.75
Percentage of customers actively responding to the survey (%)	N/A	20%
customer service requests (Number)	4399	4313
Resolved cases (%)	97	100
Customer complaints received through communication channels (Number)	18	1
Resolved issues that were raised through the complaint channels (%)	100	100

### Governance

Total spending on suppliers (JOD)

Percentage of spending on local suppliers (%)

Board of Directors	2022	2023
Total number of board members	5	5
Total number of independent members/board advisors	2	2
Total number of non-independent members	3	3
Total number of executive members	2	2
Total number of non-executive members	3	3
Total board seats occupied by women (%)	20	20
Total board seats occupied by men (%)	80	80

Innovation	2021	2022	2023
Amount of investment in research and development related to innovation (JOD)	43,000	56,000	58,000
Supply Chain	2021	2022	2023
Total number of suppliers	2,321	2,673	3,049
Percentage of local suppliers (%)	92	92	94

13,232,592

94

58

9,894,581

95

12,924,666.25

96

Lively and Professional

Workplace

### **GRI Content Index**

Statement of use	Ayla has reported the information cited in this GRI content index for the period 1st January 2023 to 31st December 2023 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Disclosure	Page number/Direct answer
	2-1 Organisational details	10
	2-2 Entities included in the organisation's sustainability reporting	2
	2-3 Reporting period, frequency and contact point	2
	2-4 Restatements of information	56, 58
	2-5 External assurance	This report has not been externally assured
	2-6 Activities, value chain and other business relationships	10
	2-7 Employees	42, 57
	2-8 Workers who are not employees	42, 58
	2-9 Governance structure and composition	16, 59
	2-10 Nomination and selection of the highest governance body	16
	2-11 Chair of the highest governance body	16
	2-12 Role of the highest governance body in overseeing the management of impacts	16
	2-13 Delegation of responsibility for managing impacts	16
	2-14 Role of the highest governance body in sustainability reporting	16
	2-15 Conflicts of interest	16
	2-16 Communication of critical concerns	17
GRI 2: General Disclosures 2021	2-17 Collective knowledge of the highest governance body	Board members and members of all committees have the appropriate academic qualifications, professional experience, and a sound knowledge of the business, objectivity, and good judgeme
	2-18 Evaluation of the performance of the highest governance body	16
	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	4-7
	2-23 Policy commitments	20, 22, 26, 30, 40 , 44
	2-24 Embedding policy commitments	20, 22, 26, 30, 40 , 44
	2-25 Processes to remediate negative impacts	17
	2-26 Mechanisms for seeking advice and raising concerns	17
	2-27 Compliance with laws and regulations	16, 18, 22, 26, 37
	2-28 Membership associations	Not Available
	2-29 Approach to stakeholder engagement	12, 13
	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	12
GRI 3: Material	3-2 List of material topics	12
Topics 2021	3-3 Management of material topics	12

GRI Standard	Disclosure	Page number/Direct answer
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	18
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	45
	202-2 Proportion of senior management hired from the local community	42
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	19
GRI 205: Anti- corruption 2016	205-3 Confirmed incidents of corruption and actions taken	45
GRI 302: Energy	302-1 Energy consumption within the organisation	30, 56
2016	302-3 Energy intensity	56
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	26
	303-5 Water consumption	56
GRI 304: Biodiversity 2016	304-3 Habitats protected or restored	28, 29
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	34, 56
	305-2 Energy indirect (Scope 2) GHG emissions	34, 56
	305-4 GHG emissions intensity	56
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	33
	306-2 Management of significant waste-related impacts	33
	306-3 Waste generated	33, 56
	306-4 Waste diverted from disposal	33, 56
	306-5 Waste directed to disposal	33, 56
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	57
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	43
	401-3 Parental leave	59
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	40, 41
	403-2 Hazard identification, risk assessment, and incident investigation	41
	403-4 Worker participation, consultation, and communication on occupational health and safety	41
	403-5 Worker training on occupational health and safety	40
	403-8 Workers covered by an occupational health and safety management system	58
	403-9 Work-related injuries	58
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	43
	404-2 Programs for upgrading employee skills and transition assistance programs	43
	404-3 Percentage of employees receiving regular performance and career development reviews	43
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	44, 57, 59
	405-2 Ratio of basic salary and remuneration of women to men	58
GRI 406: Non- discrimination 2016	406-1 Incidents of discrimination and corrective actions	44
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	50-53
	413-2 Operations with significant actual and potential negative impacts on local communities	50-53
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	20

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