

Barceló

GROUP

2023 ANNUAL REPORT



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2023 Annual Report



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Letter from the Co-Chairs



Simón
Barceló Tous



Simón Pedro
Barceló Vadell

Dear friends:

We are pleased to share the *Barceló Group's Annual Report for 2023*, a year defined by the industry's remarkable recovery that surpassed all expectations and filled us with optimism for the future.

This year's success is a testament to the unwavering dedication and hard work of our entire team. We extend our heartfelt gratitude to the more than 38,000 people who make up the **Barceló Group** for their tremendous ability to adapt and overcome new challenges.

The **Barceló Group** ended the year with a turnover of €6,700 million and a net profit of €193.9 million after achieving record results in the hotel division and a strong recovery in the travel division.

The consolidated net debt on 31 December 2023 was €57 million, with a net debt to EBITDA ratio of less than 0.1, allowing us to continue growing with a very moderate debt level.

Making progress towards regenerative tourism

Our purpose is deeply intertwined with the company's commitment to help create more regenerative tourism, the main goal of our **Barceló ReGen** sustainability strategy.

Therefore, one of our top priorities is to bolster our sustainability strategy through the Ser Barceló management and training system, whose sustainability standards were recently verified by the Global Sustainable Tourism Council (GSTC). This extraordinary recognition makes us the first Spanish hotel chain whose sustainability standards are backed by the GSTC. With this ambitious corporate transformation project, we aim to consolidate our commitment to having a positive impact on the destinations where we operate and supporting the local economy by taking care of people and the environment.

Focus on international expansion

Alongside our efforts to spearhead more responsible and sustainable tourism, 2023 has also been a critical year for the **Barceló Hotel Group's** expansion plan. The hotels opened in Huesca, Barcelona, Murcia, Granada, Benidorm, Pamplona, Valladolid and Lanzarote confirm our commitment to continuing to grow in Spain, and the new establishments in Portugal, Poland, Malta, Slovenia, Morocco, Sri Lanka and the Maldives reflect the company's focus on expanding internationally.

We strive for our hotels to be increasingly environmentally friendly and also contribute to the economic, social and cultural development of destinations by being economically sustainable and ethically responsible.

Barceló
GROUP

€193.9 M

**Barceló Group
consolidated net profit**

€6,700 M

turnover

+38,000

employees



+5,500

professional workers

+1,645

points of sale

29

specialised brands

Barceló
HOTEL GROUP

300

hotels

30

new hotels

28

countries

We plan to continue investing in improving and repositioning our establishments and opening new hotels in countries where we are already present and in other destinations, particularly the MENA (Middle East and North Africa) region, where we are the Spanish hotel chain with the strongest presence. Additional targets include entering the Cape Verde and Zanzibar markets, expanding further in Southeast Asia through new destinations like Thailand, and growing in Mexico, where we have projects in Cozumel, Playa del Carmen and several city destinations.

A year of awards

This year, we have received several national and international accolades. Specifically, we would like to highlight that the **Barceló Hotel Group** appeared in the independent consulting firm Brand Finance's annual report as one of the top 10 most valuable and strongest hotel brands in the world, and that we have once again been named the World's Leading Hotel Management Company at the 2023 World Travel Awards, known as the Oscars of the tourism industry.

The renovation and transformation projects for three of our hotels were selected by the ReThink Hotel Awards as some of the best hotel sustainability and restoration plans carried out in Spain. Also worth noting is the extraordinary Canfranc Station project in Huesca, which protects the valuable architectural and cultural heritage of an emblematic building dating back more than 90 years that was declared an Asset of Cultural Interest in 2002 and transformed into Aragon's first 5-star Grand Luxury hotel.

We understand the importance of culinary tourism for a destination's economic development and ability to create close ties with the local culture and identity. The **Barceló Hotel Group** has positioned itself as the Spanish hotel chain with the most Michelin-starred restaurants in Spain, earning seven stars in total. Highlights include the star awarded to Canfranc Express, the restaurant housed in the emblematic Royal Hideaway Canfranc Estación 5* GL hotel in Huesca, at the 2024 MICHELIN Guide Gala; and the Canary Islands' first green star, which was given to MuXgo, the restaurant located in the Royal Hideaway Santa Catalina 5* GL hotel in Las Palmas de Gran Canaria.

In summary, the year has been filled with major achievements and recognitions. However, more importantly, the people who make up the **Barceló Group** have shown an incredible team spirit and desire to improve daily. This makes us stronger to face future challenges eagerly. Thank you to everyone.

Yours faithfully,

Simón Barceló Tous | Simón Pedro Barceló Vadell

Co-Chairmen of the Barceló Group

1. Conscious governance model

- 1.1. The Barceló business model
- 1.2. Our economic sustainability: the group's strategy
- 1.3. Organisational structure and corporate governance
- 1.4. Governance and risk management
- 1.5. Ethical commitments in the development of the business

RELATED SDG

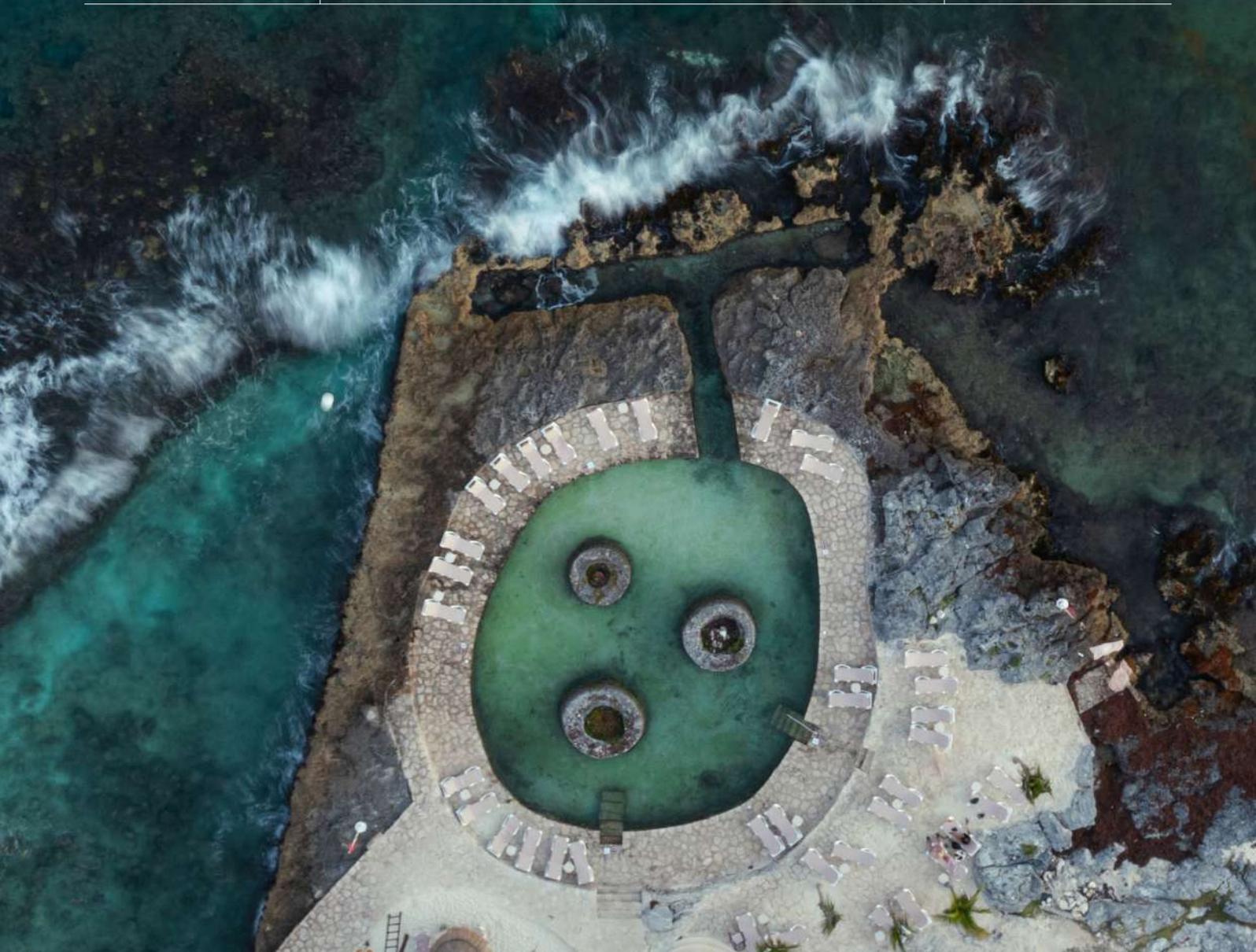


MATERIAL TOPICS

- Business ethics, compliance and transparency.
- Conscious governance: corporate governance management.
- Data protection and cybersecurity.
- Economic performance.
- The company's social role. Commitment to human rights.
- Diversity, equality and inclusion of people

GRI CONTENT

2-1, 2-6, 2-9, 2-11,
2-13, 2-23, 2-24, 2-26,
2-28, 3-3, 201-1, 201-
4, 205-1, 205-2, 205-3,
405-1, 406-1, 418-1



1.1. The Barceló business model

1.1.1. The Barceló Group in 2023

2023 has been a year that exceeded expectations. The key indicators show that the **Barceló Group's** operations have fully recovered, with over €533.7 million in EBITDA and 17% more revenue than in 2022.

FINANCIAL

€6,700.9 M ↑ 17%
Turnover

€533.7 M ↑ 26%
EBITDA (w/ NIIF 16)

€193.9 M ↑ 14%
Profit after tax (with IFRS 16)

€57.0 M ↓ 72%
Net financial debt

€102.6 ↑ 6%
ADR

€75.9 ↑ 16%
REVPAR

BUSINESS

300 ↑ 8%
Hotels

+5.5 M ↑ 27%
my Barceló members

56
Customers NPS

7
Michelin stars

*Local suppliers are businesses located in the same country as the hotel.
**0 km suppliers are businesses located within a 100-km radius of the hotel.

PEOPLE

38,067 ↑ 10%
Average workforce

38.68 ↑ 0,28%
Average age of employees

82% ↑ 2%
Employees with permanent contracts

569,991 ↑ 35%
Hours of training

63% ↑ 7%
Workforce covered by collective agreement

SOCIETY

€5,598.8 M ↑ 29%
Social cash flow

Barceló Foundation
€2.4 M ↑ 41%
Invested in projects

€+1.7 M ↑ 153%
Donations from hotels (estimated value)

92%
Local suppliers*

30%
0 km suppliers**

ENVIRONMENT

7.4
kg CO₂/stay
Emissions (scopes 1 and 2)

100%
hotels in Spain with green energy

32.1 ↓ 5%
kWh/stay
Intensidad energética

0.78 ↓ 6%
m³/stay
Intensity of water consumption

2.15 ↓ 8%
kg/stay
Waste intensity

Barceló Playa Blanca (Lanzarote, Spain)



Note about the reach and scope of this report

As in previous years, we have used a global business approach to determine the scope/reach of this report, thereby consolidating all the data for the Group's two divisions: The **Barceló Hotel Group** includes hotels that are owned, leased or managed, and all the **Ávoris Corporación Empresarial** business units.

This report excludes environmental and human resources data for hotels in Tunisia because there is only partial control over how those hotels are managed.

The environmental indicators exclude data for unbranded hotels (because they are implementing the **Barceló Hotel Group's** standards), Crestline hotels (because of the limited access to data) and hotels operating less than six months in the chain. Additionally, due to limited access to management data, the report does not include data for hotels that operated throughout the year but exited the portfolio during the reporting period.

Human resources indicators exclude data for Cuba (due to the special features of employee contracts in the country) and certain Crestline data (specified throughout the report) because their hotel systems do not allow this information to be obtained. In addition, there may be other exclusions relating to certain indicators, or to information that may be identified throughout the report.



Significant milestones in 2023

Each action reflects our commitment to sustainable development and position in the tourism industry.

NEW HOTELS **AWARDS** **ALLIANCES** **EXPANSION** **BUSINESS** **SUSTAINABILITY** **BARCELÓ FOUNDATION**

JANUARY

- Grand opening of Canfranc Estación, a Royal Hideaway Hotel, highlighted by Condé Nast as one of the best new hotels in 2023.
- Recognition by the ReThink Awards for our progress and contribution to global solutions based on sustainability criteria in the refurbishment of our hotels.
- **Ávoris Corporación Empresarial** joins the United Nations Global Compact.

FEBRUARY

- The **Barceló Foundation** receives the Responsible and Sustainable Tourism Award for the Hospitality category from the InterMundial Foundation and the Instituto Tecnológico Hotelero.
- We renew the Barceló Group Scholarship with the Reina Sofia School of Music.
- **CATAI** transforms the brand with the message 'Discover the world you imagine'.
- **Iberobus** adds eight new vehicles to its fleet.

MARCH

- The **Barceló Foundation** completes the construction of a water well in Haiti thanks to the AGUAY+ Project.
- We add six new hotels in Portugal and Spain: Barceló Funchal Oldtown, Occidental Murcia Agalia, Allegro Murcia Azarbe, Allegro Barcelona, Hotel Albahía and Occidental Pueblo Acatilado.
- The restaurant at La Bobadilla, a Royal Hideaway Hotel re-opens with its first Michelin star, the first and only in the Granada province.
- **The Barceló Hotel Group** signs a strategic alliance with the Fuertes Group to manage its hotel division.

APRIL

- Two new hotels in Ibiza are added to our portfolio: Cala San Miguel Hotel Ibiza, Curio Collection by Hilton and The Club Cala San Miguel Hotel Ibiza, Curio Collection by Hilton.
- 22nd Annual EMEA Directors Convention attended by more than 180 executives from the **Barceló Hotel Group**.
- **Ávoris Corporación Empresarial** and **Viajes Carrefour** sign a technology alliance in which Ávoris will make its CRM and booking platform available to the Carrefour Group.

MAY

- We hold the first Sustainability Committee with **Ávoris Corporación Empresarial**.
- We increase our presence in Sri Lanka with Occidental Eden Beruwala, our second hotel on the island.
- The consulting firm Brand Finance names the **Barceló Group** one of the top 3 strongest Spanish brands in the world for 2023.

JUNE

- We open a new hotel in Poland, Barceló Warsaw Powiśle, as well as Occidental Mar Menor in Spain, Barceló Guadalajara in Mexico and Farah Casablanca in Morocco. We also open Palacio Gran Vía, a Royal Hideaway in Granada, following a comprehensive restoration project.
- **The Barceló Group**, new sponsor of the Teatro Real in Madrid.
- **Iberojet** increases its flight frequency with Costa Rica to three per week.

NEW HOTELS AWARDS ALLIANCES EXPANSION BUSINESS SUSTAINABILITY BARCELÓ FOUNDATION

JULY AND AUGUST

- The **Barceló Foundation** is honoured at the 2023 Illes Balears ONCE Social Group Solidarity Awards.
- **Ávoris Corporación Empresarial** acquires the flight consolidator Mundígea Vuelos. With this, Ávoris becomes a shareholder of GEA, an independent agency management group that helps member agencies significantly increase the added value they receive.
- We open the new Barceló Whale Lagoon Maldives hotel located on the southern end of Ari Atoll and reopen Barceló Carmen Granada following a comprehensive renovation.
- We add MuXgo, a restaurant featuring the renowned chef Borja Marrero, to the dining alternatives available at Santa Catalina a Royal Hideaway Hotel.

SEPTEMBER

- **Ávoris Corporación Empresarial** becomes a member of Green & Human, a non-profit collaborative association, joining forces with other industry entities to help create a sustainable tourism model.
- Five of our establishments in Spain are winners at the 2023 World Travel Awards.
- The **Barceló Hotel Group's** team in Morocco assists victims of the Al Houz earthquake through the #MarocSolidaire initiative.
- **Ávoris Corporación Empresarial** will fully manage the 2023-2024 Imsero travel programme.
- Grand opening of Occidental Ljubljana, our first hotel in the capital of Slovenia, and Barceló Fortina Malta, located in the heart of the Mediterranean.
- The **Barceló Foundation** builds several wells for livestock in the Turkana region in northwest Kenya.
- **Ávoris Corporación Empresarial** becomes a partner of the BCD Group in Portugal.

OCTOBER

- **Iberojet** resumes flights using sustainable aviation fuel (SAF), well ahead of the 2% legal minimum required for this type of fuel by 2025.
- **Ávoris Corporación Empresarial** joins UN Tourism, previously known as the United Nations World Tourism Organization (UNWTO).
- The **Barceló Group** signs an agreement with IESE Business School - University of Navarra and becomes a founding member of the Institute for Sustainability Leadership.
- The **Barceló Hotel Group** acquires two new hotels in Casablanca and Rabat.
- Grand opening of the Barceló Benidorm Beach and Occidental Pamplona hotels.

NOVEMBER

- The **Barceló Hotel Group** signs an important strategic agreement with Omran Group OM and partners with Hotelbeds to expand our global presence.
- We receive recognition for Barceló ReGen, our project for responsible and regenerative tourism, at the Capital Awards, and the UGR/ Employment Award from the University of Granada. Additionally, five of the chain's hotels are honoured at the World Luxury Hotel Awards, where they are ranked amongst the best in the Travel and Hospitality industry worldwide.
- The **Barceló Foundation** helps build drinking water wells in the Haitian towns of Moreau and Bel Air.
- **Iberojet** celebrates its tenth anniversary.
- The Alejandro Da Silva Foundation gives the **Barceló Foundation** an award for its 30 years of work.

DECEMBER

- The Global Sustainable Tourism Council (GSTC) certifies the sustainability standards of the corporate management system implemented by the **Barceló Hotel Group**.
- The **Barceló Hotel Group** is named the World's Leading Hotel Management Company at the 2023 World Travel Awards.
- The **Barceló Group** further supports culture through a new agreement with the Gran Teatre del Liceu in Barcelona.
- The **Barceló Hotel Group** celebrates its 25-year presence in Turkey.
- Barceló Playa Blanca opens its doors on the island of Lanzarote and we add a new hotel in Valladolid, Felipe IV.
- Canfranc Express restaurant at Canfranc Estación, a Royal Hideaway Hotel, earns its first Michelin star.

Barceló is the only Spanish brand in the top 10 ranking for the strongest hotel brands in the world.

The Barceló Group is one of the three strongest brands in the country (ranked second in the tourism category).

Awards and recognitions received

According to the Brand Finance [Hotels 50 2023](#) report, which analyses the 50 most valuable and strongest hotel brands in the world, the **Barceló Group** is one of Spain's most valuable hotel brands. Its value has nearly doubled since 2022 (+97%), making it the fastest-growing company in the Spanish sector and the third fastest-growing internationally.

The report includes Barceló as one of the 10 strongest brands in the world (ranked 10th) and the 17th most valuable (the 2nd in Spain). This past year, we increased our brand value by 77% (compared with 2022) to reach the 4th position in the ranking.

BRANDS THAT GREW THE MOST IN 2023



TOP 10 STRONGEST HOTEL BRANDS IN 2023



Source: Graphs extracted from the Brand Finance Hotels 50 2023 Report.



2023 ReThink Awards

- Best hotel restoration and sustainability projects: [Barceló Fuerteventura Beach Resort](#), [Barceló Tenerife](#) and [Canfranc Estación, a Royal Hideaway Hotel](#).

World Luxury Hotel Awards

- Luxury Adults Only Hotel and Luxury Seaside Hotel: [Barceló Tegui Beach](#)
- Luxury Sustainable Resort: [Barceló Tenerife](#)
- Luxury Coastal Resort, Beach Resort and Spa Resort: [Royal Hideaway Sancti Petri](#).
- Luxury Design Hotel and Luxury Hotel: [Royal Hideaway Corales Resort](#).

2023 Condé Nast Traveler Awards

- Best Culinary Hotel in Spain: [Royal Hideaway Corales Resort](#).

2023 Condé Nast Johansens

- Best dining experience: [Royal Hideaway Corales Resort](#).

Travelling for Happiness

- Best Environmental Initiative: [La Bobadilla, a Royal Hideaway Hotel](#).

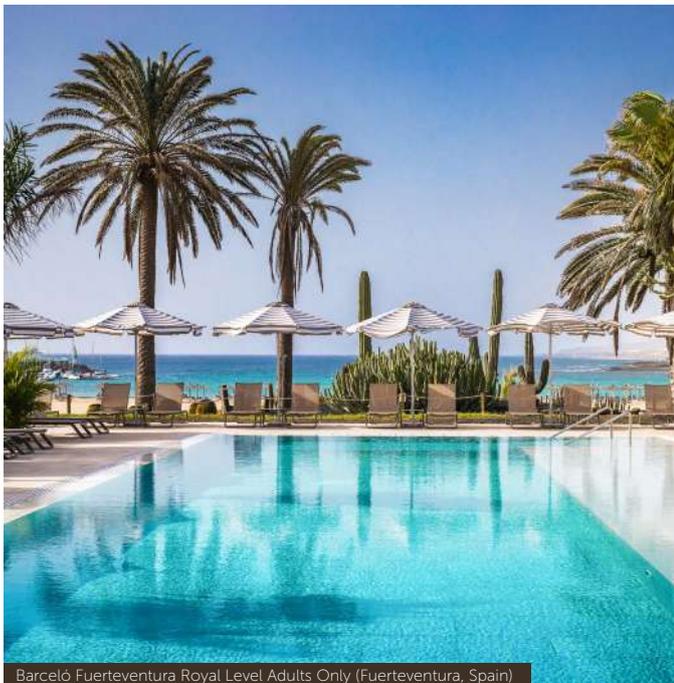
2023 Travellers' Choice

- 117 award-winning **Barceló Hotel Group** establishments in 19 countries worldwide, with 33 more mentions than in 2022.



Named the World's Leading Hotel Management Company at the 2023 World Travel Awards

- The **Barceló Hotel Group** has been named the World's Leading Hotel Management Company at the 2023 World Travel Awards, viewed as the Oscars of tourism. The annual World Travel Awards, which marked their 30th anniversary in 2023, recognise excellence in tourism and hotel operations for over 100 categories.
- This accolade is in addition to the recognitions earned by five of the hotel chain's establishments in Spain at the 2023 World Travel Awards: [Royal Hideaway Corales Resort](#) (Spain's Leading Luxury Hotel Villa 2023), [Barceló Lanzarote Active Resort](#) (Spain's Leading Sports Resort 2023), [Barceló Fuerteventura Beach Resort](#) (Spain's Leading Beach Resort 2023), [Barceló Sevilla Renacimiento](#) (Spain's Leading Conference Hotel 2023) and [Barceló Isla Canela](#) (Spain's Leading All-Inclusive Resort 2023).



Barceló Fuerteventura Royal Level Adults Only (Fuerteventura, Spain)

2023 Traveller Review Awards (Booking.com)

- The reviews and scores given by our guests on Booking.com have resulted in 112 **Barceló Hotel Group** hotels in 17 countries throughout Europe, North Africa, the Middle East and Latin America being recognised.

National Geographic Traveller Hotel Awards

- Unique space award: [Canfranc Estación, a Royal Hideaway Hotel](#)

La Razón

- Best Sustainable Hotel Award: [Canfranc Estación, a Royal Hideaway Hotel](#)
- Best Hotel Award for its sustainable fine dining [La Bobadilla, a Royal Hideaway Hotel](#).

10th Edition of the Capital Awards

- Best CSR Policies Capital Award: The **Barceló Hotel Group** for Barceló ReGen.

One2One

- The **Barceló Group** received the One2One Award for hotel development in Costa del Sol.

British Airways Holidays Customer Excellence Award

- Three of our hotels in Spain received the British Airways Holidays Customer Excellence Award. [Barceló Bilbao Nervión](#), [Barceló Hamilton Menorca](#) and [Barceló Málaga](#) received the award that is given annually to the top-rated hotels according to customers.

Our primary mission focuses on more regenerative tourism, responsibly.

To do so, we maximise our positive impact on society by contributing to a fairer development of the local and global economy and protecting the environment and people.



1.1.2. The Barceló business model

We are a family business that operates at every level of the hotel sector's value chain, characterised by the complementary nature of our businesses and the geographical diversification and balance of our portfolio.

Throughout the 90 years of our history, we have shaped our own model, adapting to the different stages of development and realities in which we have found ourselves during our process of expansion.

Business model for **Barceló** GROUP

Barceló HOTEL GROUP

Avoris CORPORACIÓN EMPRESARIAL



**LATAM/ EMEA
/APAC**

USA

LUXURY
ROYAL HIDEAWAY
LUXURY HOTELS & RESORTS

UPPER UPSCALE
Barceló
HOTELS & RESORTS

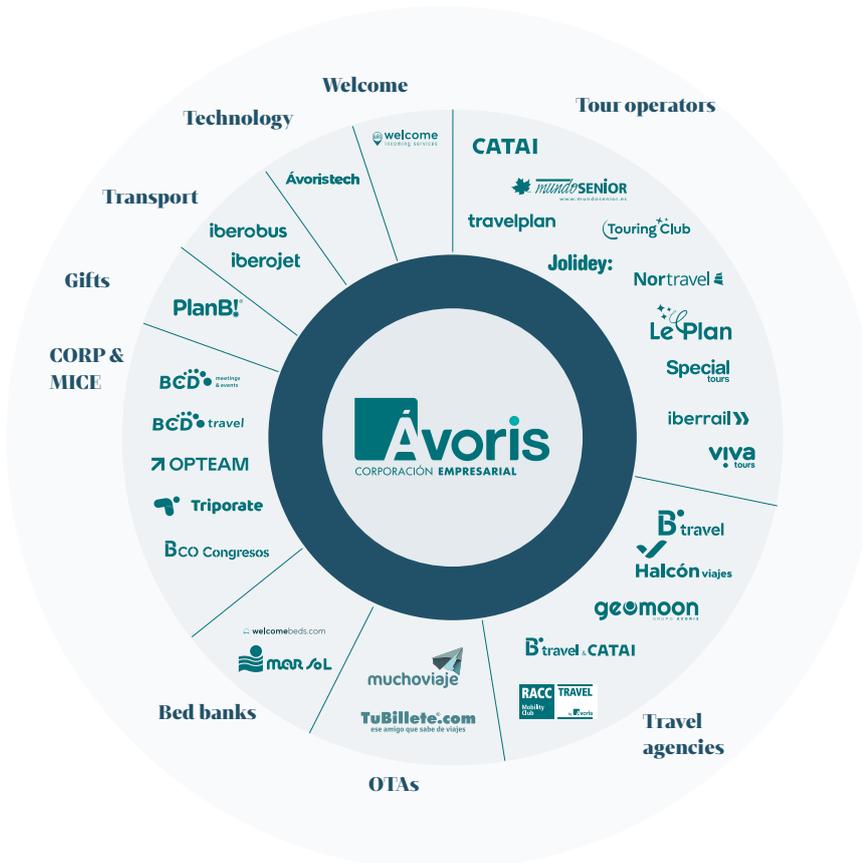
UPSCALE
Occidental
HOTELS & RESORTS

UPPER MIDSACLE
allegro
HOTELS

CRESTLINE
HOTELS & RESORTS

Purely a hotel management company.
Operates under international, third-party and independent brands

HOTELS & RESORTS





Named the World's Leading Hotel Management Company at the 2023 World Travel Awards

Barceló Hotel Group

Barceló Hotel Group, the **Barceló Group's** hotel division, is ranked 2nd chain in Spain and one of the 30 largest in the world in terms of the number of rooms. Currently, it has 300 four- and five-star city and holiday hotels, and more than 65,204 guest rooms spread over 28 countries and marketed under four brands. Royal Hideaway Luxury Hotels & Resorts, Barceló Hotels & Resorts, Occidental Hotels & Resorts and Allegro Hotels & Resorts is also part of the group, an independent hotel company with 129 establishments in the U.S.



Luxury

The art of fine moments

Destination hotels to experience the art of special moments.

Brand attributes

Elegant and eclectic
Cultured and select
Genuine
Respectful and attentive



Upscale Midscale

Enjoy life

Happy soul hotels. A place where everyone is welcome to enjoy life

Brand attributes

Cheerful and optimistic
Flexible and relaxed
Full of life
Spontaneous and fun



Upper Upscale

Live up to more

Inspiring and impressive hotels that invite guests to feel better than at home

Brand attributes

Creative and imaginative
Impressive and inspiring
Innovative and nonconformist
Friendly and ambassador



Upscale

Living your way

Hotels that prove another way to travel is in fact possible

Brand attributes

Responsible and committed
Trustworthy and empathetic
Honest and simple
Open and aware

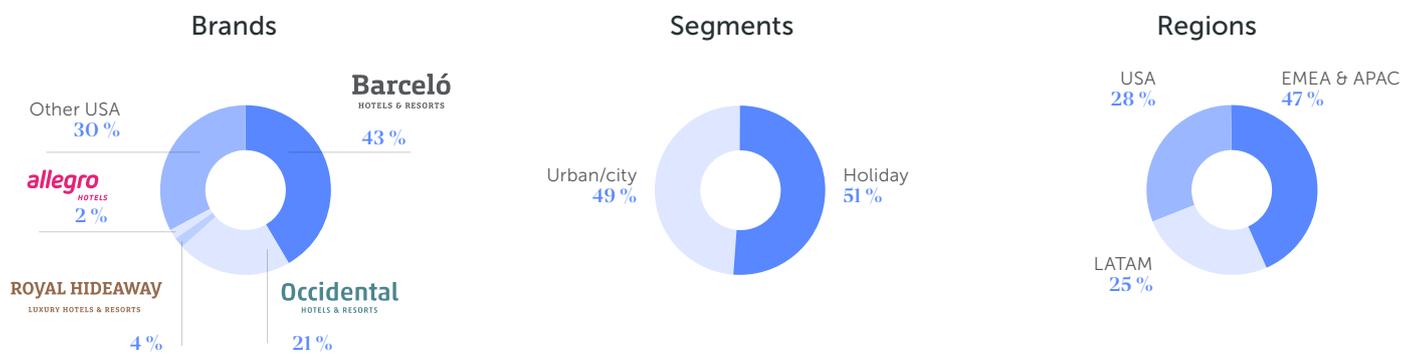
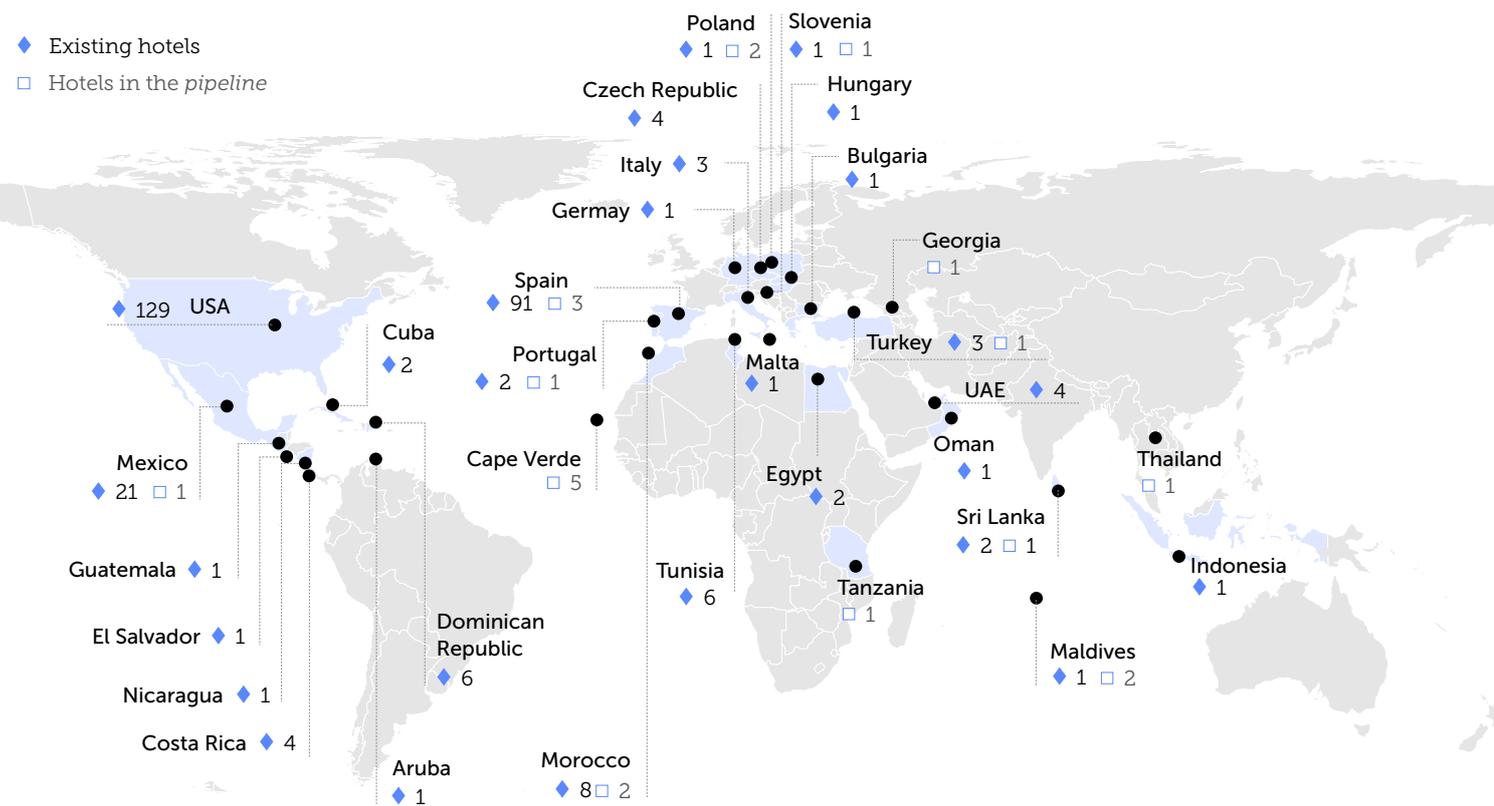
Royal Level

An exclusive experience inside a resort

A boutique hotel inside a resort that guarantees privacy, enhanced quality and personalised service. Royal Level allows guests to enjoy separate private spaces in exquisite settings with the best views, exclusive services and a peaceful atmosphere. It is a place for people who want the sensation of having it all, feeling pampered, being at ease with everything under control and discovering the joy of the little things that come together to create a better experience.

It offers an exclusive experience with perks, personalised services, the best rooms, private spaces and fine dining. A select paradise inside a hotel, where contemporary luxury brings guest stays to the next level.

BARCELÓ HOTEL GROUP HOTEL PORTFOLIO



Note: % on the basis of number of rooms.



	2021	2022	2023
Management	44%	43%	41%
Lease	26%	27%	28%
Franchise	1%	1%	1%
Owned	29%	29%	30%

Note: % on the basis of number of rooms.

The **Barceló Hotel Group's** business model combines decentralisation and geographic specialisation, and although these are not differentiating elements on their own, together they create a flexible and efficient model:

- **Decentralisation:** our structure shifts decisions to business units, backed by a corporate structure containing strategic departments to create economies of scale through centralisation. Decentralisation allows us to be highly efficient and adapt to different markets and surroundings.
- **Geographic specialisation:** although the industry leans towards *asset-light* models, the **Barceló Hotel Group** has tailored its profile according to the regions where it operates. In this way, we cover every link in the value chain from franchising companies to full life cycle operators (Latin America), by way of pure management (USA) and high-risk hotel operation in the Europe, Middle East and Africa regions.

Ávoris Corporación Empresarial

Ávoris Corporación Empresarial the travel group owned by Barceló, focuses primarily on retail and wholesale travel agencies, and inbound, air transport and ground transportation services for passengers. As a global tourism operator, it has evolved towards vertical integration with specialised brands that offer a **unique experience tailored to each customer**.

All the **Ávoris Corporación Empresarial** brands pursue the same approach of complete customer satisfaction through corporate values: **commitment to customers, personal growth, teamwork, passion, responsibility and innovation**. **Ávoris Corporación Empresarial** is particularly committed to innovation in its services and products, adapting to market developments with a view reinventing itself and being a pioneer in the sector.

Focusing on the Spanish and Portuguese markets, **Ávoris** has a direct presence in the United Kingdom, Colombia, Cuba, the Dominican Republic, Mexico and India.

Business operations focus on designing trips that **add value** to customers in five business segments:



1. DISTRIBUTION

Ávoris Corporación Empresarial's distribution division is divided into three specialised sub-segments:

Holiday segment



The holiday segment includes the top brands **B travel** and **Halcón Viajes**, and a vast network of 1,275 travel agencies in Spain and 57 in Portugal. Both have a long tradition in the holiday segment and provide services to over three million travellers. **B travel** and **Halcón Viajes** are undoubtedly the main retail travel agency networks in Spain and Portugal, but they also offer their services through multiple channels, including through their respective web portals for those customers who prefer to book online.



It also includes **RACC Travel by Ávoris**, **Wäy** (specialising in travel for millennials), brands specialised according to product or region, and **Geomoon**, a brand specialising in member agencies that belong to GEA (an independent agency management group) that offers third-party agencies all the benefits of belonging to a large vertical group whilst keeping their management independence and own identity.

Corporate segment

BCD and Bco Congresos lead the division with a presence in Spain and Portugal for corporate travel, events, conventions, incentives and conferences. In total, there are more than 1,450 employees, over 5,000 customers and a turnover that surpasses €860 million in Spain.



BCD Travel Spain and BCD M&E Spain are market leaders in Spain and Portugal thanks to an agreement with the **BCD Group**, the third-largest business travel management company in the world, with a presence in more than 170 countries and a customer loyalty rate of 98%, the highest in the industry. **BCD M&E Spain** has three lines of business—Pharma, Events and Sports—and is the clear leader in Sports. The corporate segment also includes **Opteam**, a brand specialising in personalised corporate travel and events. It is backed by **BCD Travel's** technology and has a special employment centre.



Bco Congresos is the division specialising in professional conference planning. Its exclusive value proposition has positioned it as one of the leading companies in this sector. Having organised over 2,000 conferences in Europe and Latin America throughout its 30-year history, it fully arranges and manages over 50 conferences each year.

Lastly, **Triporate** applies artificial intelligence to corporate travel, approaching the management of these trips in a way that allows a very intensive automation of the processes involved, so that the travel agents can concentrate on the more personal and creative aspects.

Online segment



For the online segment, **Ávoris Corporación Empresarial** relies on **Muchoviaje.com** and **Tubillete.com**, its online travel agencies, to strengthen its focus on e-commerce. The company also markets package trips through the **Iberojet.es** online portal, linked to the group's airline. All these channels allow **Ávoris Corporación Empresarial** customers to find a varied and unrivalled offer of travel to the Caribbean, as well as tours, grand tours and any combination they could wish for.

2. TOUR OPERATION

It is made up of mainstream tour operators with over 40 years of experience in Spain and Portugal, and can handle all types of short, medium and long-distance trips. Its products are available at all the agencies in Spain and Portugal.



Mainstream Brands

- **Travelplan and Jolidey:** Although both are present in the Caribbean, Travelplan is also the market leader in Spain for the Balearic Islands, the Canary Islands and Europe.
- **Notravel:** Top tour operator in Portugal.



Specialised Brands

- **CATAI:** Leading tour operator for grand tours from Spain and Portugal.



- **Viva Tours:** Tour operator established through the strategic alliance between Ávoris and Iberia.



- **Special Tours:** The leading brand for Spanish-speaking travellers visiting Europe, the Middle East and the Far East.



- **LePlan and Touring Club:** Tour operators specialising in trips to Disneyland® Paris as the park's official distributors.



- **LeSki Xpertravel:** Brand with ski, sports and adventure alternatives.



- **Iberrail:** Train + hotel programmes.



- **Mundosenior:** More than 25 years of experience in senior tourism. Its Social Tourism programme manages the IMSERSO programme.



- **Bed bank:** The global online distribution platform for hotels, transfers, tours and services worldwide. **Welcomebeds** and **Marsol** have over 150,000 hotels in their portfolio, a multilingual *call centre* service and exclusive deals with the best prices on the market. Whereas **Welcomebeds** is a B2B platform for bookings, transfers and experiences, **Marsol** markets hotel products and circuits in Spain, France and Portugal to the retail network.

3. TRANSPORT

Iberojet, airline



Iberojet is the brand that includes **Orbest** (Portugal) and **Evelop** (Spain). With 490 highly qualified employees and a fleet of six long-distance and one medium-distance aircraft, it serves over 700,000 passengers annually. It manages two types of business units:

- Regular flights.
- Charter flights to holiday destinations, with a strong presence in the Caribbean and the Indian Ocean region. Two destinations (Orlando and Bangkok) were added in 2023, which also marked the first anniversary of the new route between Madrid and Palmerola International Airport (Honduras), the only direct flight connecting Europe with this Central American airport. This route has carried over 66,000 passengers in a total of 208 flights.

FUTURE CHALLENGES

Iberojet will launch its cargo services with Summerwind Cargo in 2024. This new agreement is an opportunity to improve profitability compared to 2023. Adding cargo operations is a strategic move for the company, allowing it to diversify and strengthen its presence in the global market. Summerwind Cargo will provide access to this market through beneficial alliances with other carriers.

THE ÁVORIS FLEET IS MADE UP OF 7 AIRCRAFT¹

2
2 A350-900
with **432 seats**

3
long-haul A330-300 with **388 seats**

1
A330-900Neo with **388 seats**

1
mid-haul A-320 with **180 seats**

Iberobus, a road passenger transport company

Backed by more than 40 years of history in the Spanish market, it currently focuses on two types of business units:

- Private transport
- School transport



Aside from having the best safety features, its vehicles are equipped with all the comforts passengers expect: Wi-Fi, USB ports, and individual screens and audio. Five of the new vehicles acquired have a platform for people with reduced mobility and space for six wheelchairs.



4. SERVICES AT THE DESTINATION

Ávoris Corporación Empresarial offers inbound tourism services through the Welcome Incoming Services and B Destination Services brands. This allows it to say that it covers the entire travel value chain, thereby ensuring the quality of the comprehensive service. Thanks to this global service distribution platform and the group's internal and third-party inbound products, it offers a real and agile solution for booking and buying accommodation, *transfers*, tours, multilingual professional guides and services at hotels for all types of groups, individuals and personalised private services. **B Destination Services** specialises in corporate clients. The two brands serve over four million customers at their destinations and focus on proprietary products with added value.



5. EXPERIENCES, EMOTIONS AND TECHNOLOGY

PlanB! is the leading brand for travel and experience gift boxes. They are grouped into four categories: food and wine, wellness, leisure and adventures, getaways and grand tours.



2022 also witnessed the creation of **Ávoristech**, which, with the eagerness of a start-up, the maturity of **Ávoris Corporación Empresarial** and the ambition of a top team, has the mission of democratising access to technology, serving as a benchmark for digitalisation and contributing to the technological development of all travel businesses.

¹In late 2023, a contract was signed to expand the fleet by adding a state-of-the-art Airbus A330-900Neo. The aircraft, with a cabin configuration that includes 18 business and 353 economy class seats, will bolster Iberojet's operating capacity and improve passengers' travel experiences.

1.2. Our economic sustainability: the group's strategy

1.2.1. Creating shared value

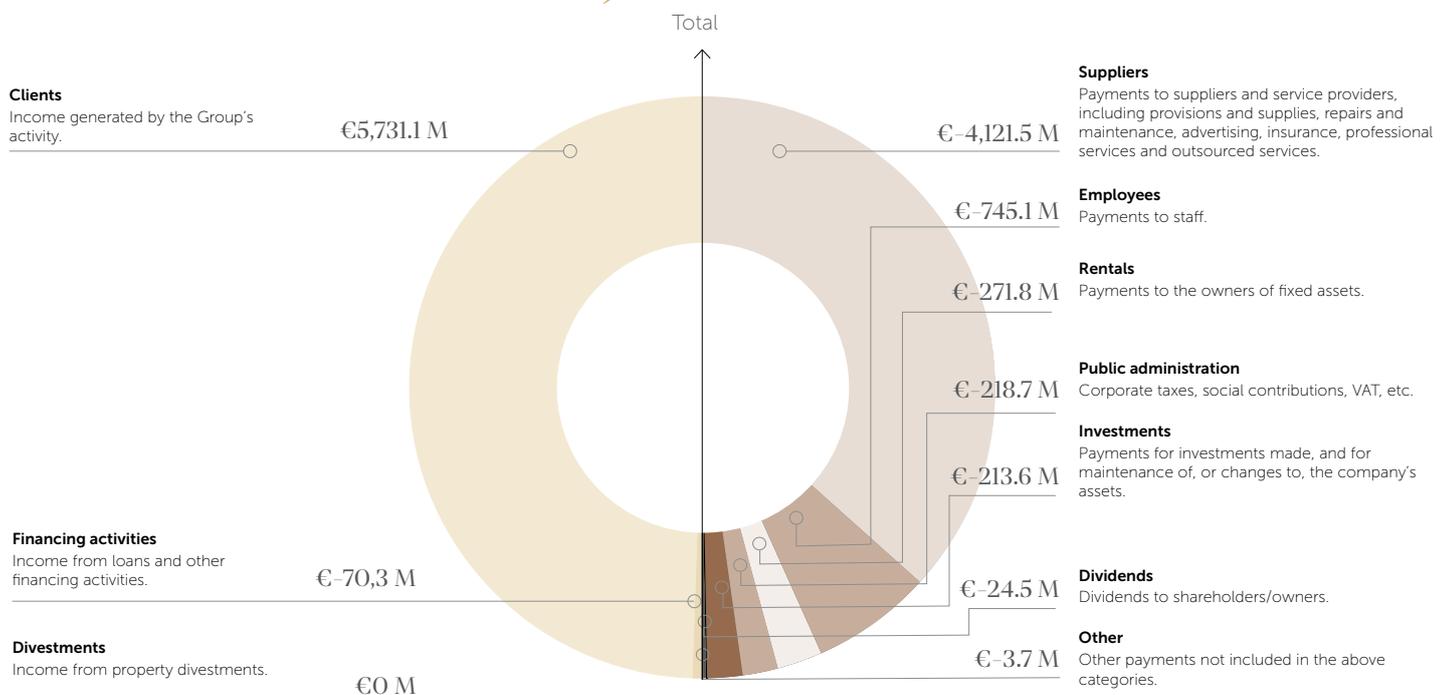
Tourism makes a significant contribution to the economic and social development of destinations, by generating direct, induced or distributed growth for society. So that we can demonstrate how we redistribute the wealth generated among our stakeholders, we have prepared a social cash flow, in which we detail the income we have received and the payments we have made. This allows us to track the inward and outward flow of funds that have an impact on society and on each interest group.

The aim of this graphic is to explain and demonstrate that the impact we generate for our destinations goes far beyond the volume of business that we generate as a company – since our activity helps to drive the economies of the countries in which we operate, as we invest, buy in products and services, hire staff and pay taxes, among other things.

Cash Flow 2023

VALUE GENERATED BY THE COMPANY:

€5,660.7 M



TOTAL OUTFLOW (AMOUNT DISTRIBUTED)

€-5,598.8 M

AMOUNT WITHHELD*

€62 M

*The difference between 'inbound' and 'outbound' is the value withheld.

1.2.2. Financial data

KEY ECONOMIC INDICATORS (MILLIONS OF EUROS)

	2021	2022	2023		2021	2022	2023
Turnover	2,822.2	5,729.8	6,700.9	Occupancy (%)	49.0	67.6	74.0
Net sales	1,698.2	3,553.7	4,274.9	ADR (Euros)	80.4	97.1	102.6
EBITDA (w/o IFRS 16)	36.4	309.0	415.0	RevPAR (Euros)	39.4	65.6	75.9
EBITDA (w/ IFRS 16)	146.0	422.6	533.7	Net financial debt	365.1	205.3	57.0
BDI (w/o IFRS 16)	-23.4	184.5	193.7	Net Financial Debt / EBITDA	10.0	0.7	0.1
BDI (con NIIF 16)	-45.6	170.1	193.9				

In 2023, all divisions of **Barceló Group** produced improved results in comparison with 2022:

- The turnover stands at €6,700.9 million, higher than 2022's figure of €5,729.8 million.
- The RevPAR (Revenue Per Available Room) for 2023 was €75.9, an improvement of the 2022 figure of €65.6.
- The net profit with IFRS was €193.9 million, an improvement on 2022 when the figure was €170.1 million.
- The non-IFRS was €193.7 million, an improvement on 2022 when the figure was €184.5 million.
- Also in 2023, we reduced the net financial debt which now stands at €57 million, as opposed to €205.3 million in 2022. With a net debt to EBITDA ratio of 0.1.

To provide some context for these financial results, it is worth highlighting relevant factors:

- The improved year-over-year results of the Hotel Division and the Travel Division (Ávoris). This improvement continues in 2024 in the Hotel Division and the Travel Division.
- We have also improved the balance, with a net debt to EBITDA ratio of 0.1, which allows us to continue growing with a low debt ratio.
- We have revamped our MARF (Alternative Fixed Income Market) promissory note, linked to our sustainability objectives. This is a pioneering programme in the tourism industry in Spain, by means of which we commit to meet two objectives: reducing CO₂ and increasing our contribution to environmental and social initiatives.

These satisfactory economic results allow us to continue growing and fulfilling our commitments to public and financial institutions, employees, suppliers and clients.

1.2.3. Tax information²

At **Barceló Group**, we are committed to contributing economically to the development of the countries and destinations where we have a presence. The following table shows the detail of the benefit after tax (and before minority interests), by country:

Profit after taxes (and before minority interests) by country (thousands of euros):	2021	2022	2023
Spain	-78,076	5,528	85,659
Mexico	24,689	87,818	59,645
Dominican Republic	-1,944	23,195	21,223
Aruba	1,389	7,904	11,701
USA	2,242	3,267	1,838
Costa Rica	2,218	1,436	5,280
Czech Republic	287	2,254	2,117
Guatemala	-451	1,532	2,442
Egypt	130	2,143	2,034
Portugal	-28,038	-29,701	-10,081
Italy	-6,244	1,716	2,859
Other	-5,965	6,571	10,041
Total	-89,763	113,664	194,757

*The main difference between the 2022 and 2021 financial years is due to the recovery of hotel activity following the pandemic, which has led to an increase in the amount of tax paid.

The Group paid €76.4 million in net corporate tax in 2023.

In its corporate tax return submitted in July 2023, the Group checked the Social Causes box (as is standard practice for the Group), which means that 0.7% of its tax liability is allocated to non-profit initiatives.

TOTAL CORPORATE TAX PAID (MILLIONS OF EUROS)

11.0	43.8	76.4
2021	2022	2023

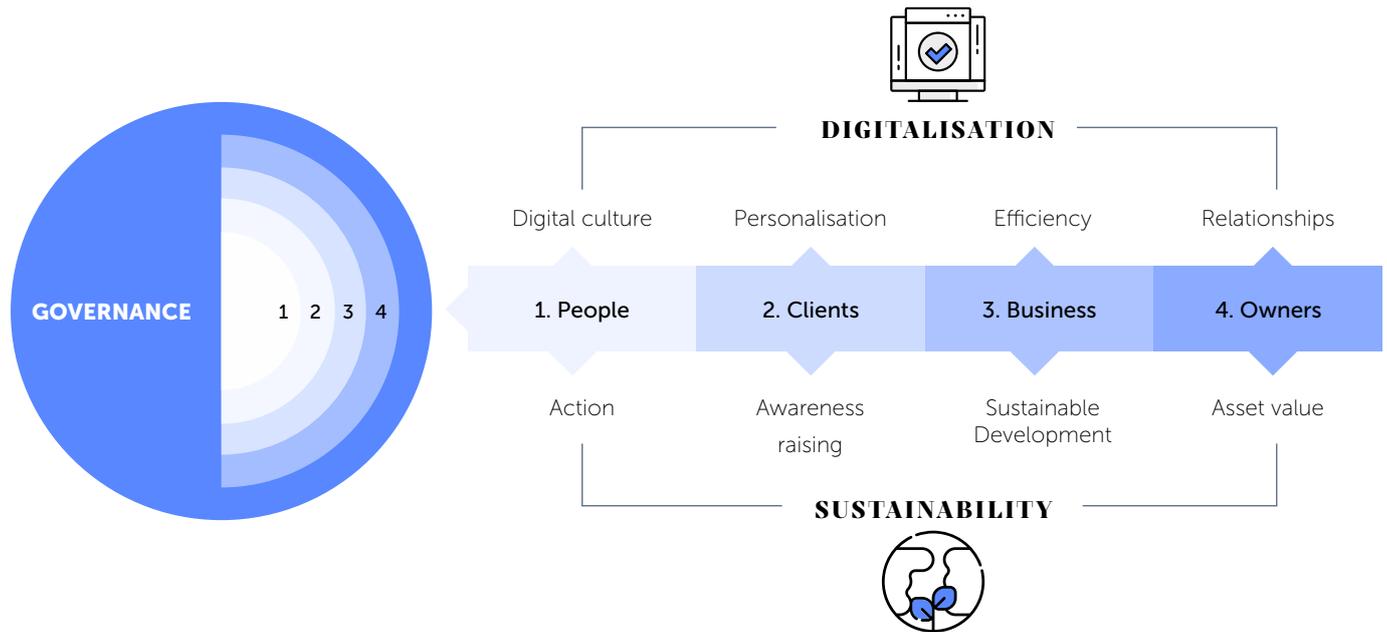
In 2023, the Group received €0.8 million in public subsidies (€5.7 million in 2022).

²All the financial and fiscal information can be seen in the Group's Annual Financial Statements.

1.2.4. Barceló and Ávoris strategy and expansion

Our current challenge is the need to once again evolve towards a medium-term and long-term vision in a post-pandemic scenario with new needs.

The Barceló Hotel Group's strategic pillars



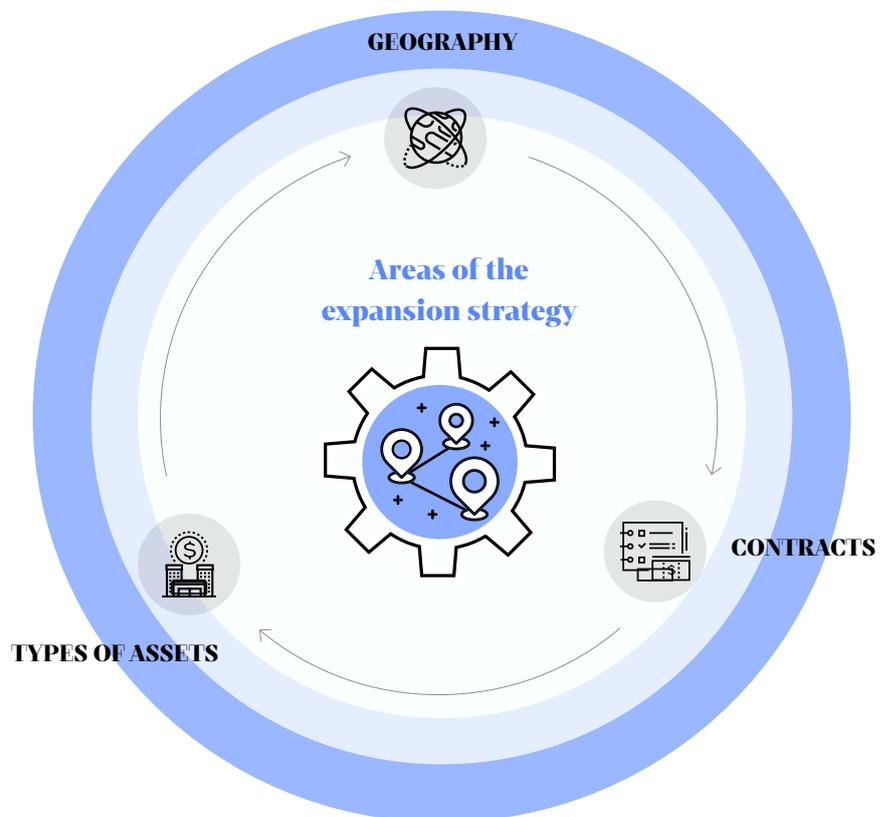
Strategic approaches

- **People:** improving the employee experience by promoting training plans (we invest 60% more in training than the industry average) through programmes that improve team satisfaction and create new management and communication tools.
- **Customers:** achieving excellence in the guest experience and customer loyalty through personalisation and recognition.
- **Business:** driving strong business development to boost direct sales.
- **Owners:** consolidating our commitment as an efficient and responsible management company to maximise the value for our partners.
- **Digitalisation:** developing a data-driven cultural ecosystem within the organisation by structuring the architecture of data systems, processes and governance to make standardisation possible and allow for real-time decision-making.
- **Sustainability:** continuing the sustainable and responsible transformation of our business from a global perspective, addressing every aspect (taking care of people and the environment, and having a positive impact on the regions where we operate).

- **Governance:** ensuring that we have a governance structure that maximises coordination and communication.

We have defined objectives, goals, key projects and indicators for each pillar to analyse the evolution and fulfilment of the strategic lines defined earlier.

As far as the expansion strategy, we drive our growth through a corporate and regional team that was strengthened significantly in 2023 through the creation of the Expansion Department, a specific committee focused on three aspects:



Regarding the regions where we are present

We aim to consolidate our position in the areas where we are present and enter new markets by using strategic assets and creating critical mass.

In relation to types of contract

We are flexible in regard to level of risk, the maturity of the hotel market, and the level of control of the owner.

In terms of the types of assets

We are looking for 4- or 5-star urban hotels, with over 150 rooms, in strategic locations in capital and major cities. We are also looking for 4- or 5-star holiday hotels, with over 250 rooms, in strategic and privileged locations in major holiday destinations.



Barceló Funchal Oldtown (Madeira, Portugal)

30 new hotels

in 2023

In 2023, we added 30 new hotels to the portfolio, including the hotels managed by Crestline³:

- Canfranc Estación, a Royal Hideaway Hotel (Huesca, Spain).
- Allegro Barcelona (Barcelona, Spain)
- Allegro Murcia Azarbe (Murcia, Spain)
- Barceló Funchal Oldtown (Madeira, Portugal)
- Hotel Albahía (Alicante, Spain)
- Occidental Murcia Agalia (Murcia, Spain)
- Occidental Pueblo Acantilado (Alicante, Spain)
- Cala San Miguel Hotel Ibiza, Curio Collection by Hilton (Ibiza, Spain)
- The Club Cala San Miguel Hotel Ibiza, Curio Collection by Hilton (Ibiza, Spain)
- Occidental Eden Beruwala (Beruwala, Sri Lanka)
- Barceló Guadalajara (Guadalajara, Mexico)
- Hotel Farah Casablanca (Casablanca, Morocco)
- Occidental Mar Menor (Murcia, Spain)
- Barceló Warsaw Powiśle (Warsaw, Poland)
- Palacio Gran Vía, a Royal Hideaway Hotel (Granada, Spain)
- Barceló Whale Lagoon Maldives (Bodufinolhu Island, Maldives)
- Barceló Fortina Malta (Sliema, Malta)
- Occidental Ljubljana (Ljubljana, Slovenia)
- Barceló Benidorm Beach (Alicante, Spain)
- Occidental Pamplona (Pamplona, Spain)
- Barceló Playa Blanca (Lanzarote, Spain)
- Fairfield Inn & Suites Fairmont WV (USA)
- Sheraton Denver Tech Center (USA)
- Hampton Inn & Suites – Frisco (USA)
- The Delphi Hotel (USA)
- Miami Waldorf Towers (USA)
- Marriott Rochester Airport (USA)
- Nordic Lodge Steamboat Springs (USA)
- Hyatt Place Keystone (USA)
- Ohio University Inn & Conference Center (USA)

FUTURE CHALLENGES

In 2024, we will continue to make progress in our expansion plan, which includes adding new hotels in Spain and other countries where we are already present, like the United States. We are also exploring opportunities in new destinations, such as Cape Verde, Thailand and Tanzania.

³This report does not include environmental data and certain human resources data for hotels managed by Crestline due to limited access to management data.

Ávoris Corporación Empresarial's strategic pillars

In the travel business, we have identified 10 strategic priorities for 2023:

- **PEOPLE:** **Ávoris Corporación Empresarial's** greatest asset is the employees who work for the company.



- **CUSTOMERS AND SOCIETY:** the customer must be at the centre of all decisions. We will improve society's brand awareness of **Ávoris Corporación Empresarial** as Spain's leading tourism group.
- **BUSINESS:** An efficient and profitable company.
- **DISTRIBUTION AND MARKETING:** We are establishing partnerships that will strengthen the market presence of our tour operator products and improve our online presence.
- **TOURISM AND NON-TOURISM SUPPLIERS:** Bolstering the value chain by establishing stable alliances.
- **LEISURE AGENCY:** Travel agencies will seek to be associated with emotions and transformative life milestones (trips, tickets, events, experiences, etc.), and agents are trusted consultants.
- **BRAND ARCHITECTURE:** an analysis of the structure of the brands, so that we can adapt them according to the needs of the market, the needs of B2B and of B2C.

- **IBEROJET:** the establishment of a basis to guarantee an efficient and profitable airline.
- **TECHNOLOGY AND INNOVATION:** the launch of Ávoristech to promote and strengthen the group's technical position.
- **SUSTAINABILITY AND GOOD GOVERNANCE:** We continue to support environmental awareness and ensure our operations have a positive impact on society.

Objectives and concrete goals have been defined for each of these strategies, so that we can evaluate how far the commitments have been met.

1.3. Organisational structure and corporate governance

1.3.1. Barceló Group Board of Directors

This is the body to which the shareholders delegate the broadest functions of strategic direction and management of the company. The Board supervises, monitors and approves annual budgets; analyses and authorises strategic plans; and decides on investment and growth opportunities, etc. In general, the Board has the final say on the submitted proposals.

Barceló Group Board of Directors

Gabriel Barceló Oliver*
Honorary Chairman

Simón Barceló Tous
Co-Chair, Barceló Group

Simón Pedro Barceló Vadell
Co-Chair, Barceló Group

Guillermo Barceló Tous
Member

Pedro Fernández-Martos
Member

*Without the right to vote.

ECB shareholders with more than 5% of capital*

Jaime Torrens*
Independent adviser, non-board member

Joan Vilà*
Independent adviser, non-board member

Raúl González*
Secretary, non-board member

Vicente Fenollar*
Vice-Secretary, non-board member

Ávoris Corporación Empresarial Board of Directors

Vicente Fenollar
Executive Chairman

Raúl González
Member

Valentín Costa
Member

Belén Alonso
Secretary, non-board member

Board of Directors of Crestline

Simón Pedro Barceló Vadell
Co-Chair, Barceló Group

James Carroll
President & Chief Executive Officer Crestline

Vicente Fenollar
General Economic and Financial Manager, Barceló Group

Ed Hoganson
Chief Financial Officer Crestline

Monica Bernstein
Senior VP, General Counsel & Secretary

1.3.2. Barceló Group Audit Commission

The Audit Commission supervises the process of preparing financial information and internal control systems, and ensuring they comply with legal regulations and the procedures defined by the Group.

Barceló Group Audit Commission

Pedro Fernández-Martos
Chairman of the
Commission

Jaime Torrens
Member

Guillermo Barceló Tous
Member

Antonio Darder
Secretary

The Commission is attended by: Simón Barceló Tous (Co-Chairman), Simón Pedro Barceló Vadell (Co-Chairman), Raúl González (EMEA CEO) and Vicente Fenollar (Executive Vice President of Finance), in addition to any other internal or external individuals deemed necessary by the Group.

Audit Commission of Ávoris Corporación Empresarial

Vicente Fenollar
Executive Chairman

Andrés Montané
Ávoris Internal Audit
Director of Ávoris

Juan Carlos González
General Director

Antonio Darder
Internal Audit Director of the
Barceló Hotel Group

Valentín Costa
Economic and Financial General Manager



1.3.3. The Group's Steering Committee

The Steering Committee's mission is to coordinate the departments within the Group, to ensure all resources and efforts are focused on reaching our strategic objectives, and to offer an experienced perspective that supports decision making.

Barceló Group Steering Committee

Simón Barceló Tous
Co-Chair, Barceló Group

Raúl González
CEO, Barceló Hotel Group EMEA
and Secretary to the Committee

Simón Pedro Barceló Vadell
Co-Chair, Barceló Group

Vicente Fenollar
Executive Chairman of Ávoris
Corporación Empresarial and Chief
Financial Officer of the Barceló Group

There are also Management Committees for the various areas of the business:

Barceló Hotel Group LATAM Management Committee

Simón Barceló Tous
Co-Chair, Barceló Group

Alfonso Benito
Corporate Manager
for Administration and
Systems

Fernando Gómez
General Director,
Caribbean

José Brichs
Corporate Commercial
and Marketing Manager

Miguel Ángel Guardado
General Director, Mexico

Guillermo Cabrer
General Director,
Central America

Barceló Hotel Group EMEA Management Committee

Simón Pedro Barceló Vadell
Co-Chair, Barceló Group

Sara Ramis
Chief Marketing, Customer
and Sustainability Officer

Ángel Esquinas
Chief Operating Officer
Morocco and Tunisia

Raúl González
CEO Barceló Hotel
Group EMEA

Pilar Parejo
Chief Operating Officer
Canary Islands, Madeira
and Cape Verde

Gaspar Sáez
Chief Operating Officer
Andalusia and Levante

Bernardo Campins
Chief Financial Officer

José Canals
Chief Operating Officer
Mediterranean, Middle
East, Asia

Lucía Prieto
Chief of Staff and
Strategy*

*Acts as Secretary.

M.ª Carmen Oliver
Chief Human
Resources Officer

Rafael Asuar
Chief Operating Officer
Northern Spain and Europe

Barceló Hotel Group Expansion Committee EMEA

Simón Pedro Barceló Vadell
Co-Chair, Barceló Group

Rafael Asuar
Chief Operating Officer
Northern Spain and Europe

Marisa Frontera
Business Development
Regional Senior Manager
Mediterranean, Middle East and Asia

Jaime Torrens
Council Advisor

Ángel Esquinas
Chief Operating Officer
Morocco and Tunisia

Duarte Vasconcelos
Manager, Huelva Area

Raúl González Rodríguez
CEO, Barceló Hotel Group
EMEA

Gaspar Sáez
Operating Officer
Andalucía y Levante

Carlos Domínguez
Director of Business
Development Middle
East and Asia

Vicente Fenollar
General Economic and
Financial Manager, Barceló
Group

Pilar Parejo
Chief Operating Officer
Canary Islands, Madeira
and Cape Verde

Antonio La Calle Gil
Business Development
Regional Senior
Manager Northern
Spain and Europe

Juan Manuel Gordillo
Chief Constructions
Officer

Antonio Oliver
Chief Legal and
Compliance Officer

David Fernández
Regional Director Sri
Lanka, Maldives and
Southeast Asia

Eva Vigil
Chief Tax and Business
Development EMEA*

Bernardo Campins
Chief Financial Officer

Hind Lahlou
Director of Expansion
Morocco and Tunisia

Jose Canals
Chief Operating Officer
Mediterranean, Middle
East and Asia

Eduardo Gispert
Director of Business
Development for Urban
Hotels Europe

Nicolás Jover
Director of Business
Development

Begoña Olascoaga
Lawyer

*Acts as Secretary.

Crestline Management Committee

James Carroll
President & Chief
Executive Officer

Aaron Olson
Executive Vice
President of Operations

Deanne Johnson-Anderson
Senior Vice President of
Human Resources

Edward Hoganson
Executive Vice President,
Chief Financial Officer &
Chief Investment Officer

Kyle Hamill
Senior Vice President of
Sales & Marketing

Marta Barceló Fontirroig
Business Development
Manager

Monica Bernstein
EVP & General Counsel

Laura Mack
Senior Vice President
of Accounting &
Finance

Ávoris Corporación Empresarial Management Committee⁴

Simón Pedro Barceló Vadell
Co-Chair, Barceló Group

Valentín Costa
Executive Vice
President of Finance

Juan Miguel Morales
General Director
Distribution

Vicente Fenollar
Executive Chair, Ávoris
Corporación Empresarial

Joan Vargas
Executive Vice President
of Human Resources

Ignacio Lugo
Managing Director Iberojet

Juan Carlos González
General Director

Javier Castillo
Director General Tour
Operators

Additionally, the Group has had an internal **Global Compliance Commission** since 2023. The commission, which is responsible for ensuring that all activities comply with regulations, is made up of the following members:

Global Compliance Commission

Antonio Oliver
Commission President
and Director of Regulatory
Compliance

M.ª Carmen Oliver
Member

Belén Alonso
Member

Antonio Deyá
Commission Secretary
and member

Belén Juárez
Member

Joan Vargas
Member

The Global Compliance Commission supervises two important committees

Compliance Committee for Corporate and Barceló Hotel Group EMEA Hotels

Antonio Oliver
President

Elena Navarro
Member

Ana Domínguez
Member

Antonio Deyá
Secretary and
member

Belén Juárez
Member

Lucía Prieto
Member

Ávoris Corporación Empresarial Compliance Committee

Antonio Oliver
President

Llucía Ferrer
Member

José María Puerta
Member

Antonio Deyá
Secretary and
member

Ana Moranta
Member

**Gonzalo Hernández
de Castro**
Member

⁴Management Committee as of the end of fiscal year 2023.

1.4. Governance and risk management

1.4.1. Sustainable governance

Barceló is committed not only to sustainability but also to active and conscious regeneration, defining a path towards a more sustainable and responsible future in the tourism industry.

The **Barceló Group** is currently in a dynamic phase of defining its strategy for the **Sustainability Master Plan**, which stands out for its holistic and structured view. This approach aims to cover all the corporate and operations aspects to create an action plan that is aligned with our sustainability goals, which we would like to advance over the course of 2024.

The Sustainability Plan's **definition of governance** is key for ensuring its successful implementation by identifying roles and responsibilities within the organisation. The following aspects will be included as the Board's responsibilities, per the requirements in the CSRD Directive.

- **Duties:** We will define the Board's duties and tasks regarding sustainability.
- **Material facts:** In terms of impacts, risks and opportunities, we will establish metrics, goals and supervision.
- **Management:** We will determine the frequency, content and responsibilities of the Board regarding how these matters are managed, establishing fluid relations with and supervising the executive management team on sustainability matters.
- **Internal control:** We will establish a supervisory process for the internal controls for non-financial reporting and define the goals of our **Barceló ReGen** strategy for senior management.
- **Corporate strategy:** We will consolidate the sustainable perspective in our strategy, including stakeholders.

The holistic view we are implementing evaluates the existing aspects in our organisation and identifies areas for improvement and opportunities. This entails carefully analysing how the units, departments and duties contribute to sustainability overall, and how they can be optimised to improve performance.

Barceló is committed not only to sustainability but also to active and conscious regeneration, defining a path towards a more sustainable and responsible future in the tourism industry.

1.4.2. Risk management

Risk management in the **Barceló Group** is a global and company-wide process that includes all the units and operations, and the Board of Directors is responsible for its supervision. Our risk management policies aim to identify and analyse the risks we face, and establish limits, measures and controls to mitigate their potential impact.

The methodology followed in the design of the risk map was as follows:

1- Identify the risks: We evaluated and classified the risks we are exposed to in all of our operations, taking into consideration sustainability aspects and risks associated with climate change. More than 30 interviews were conducted with all **Barceló Group** departments, industry benchmarks and internal document analysis.

2- Evaluate and organise hierarchically the risks: We performed a detailed analysis of each risk identified, evaluating its probability of occurrence and potential impact on our operations and stakeholders.

3- Analyse controls: We identified and analysed the existing mitigation measures to evaluate the existing risks.

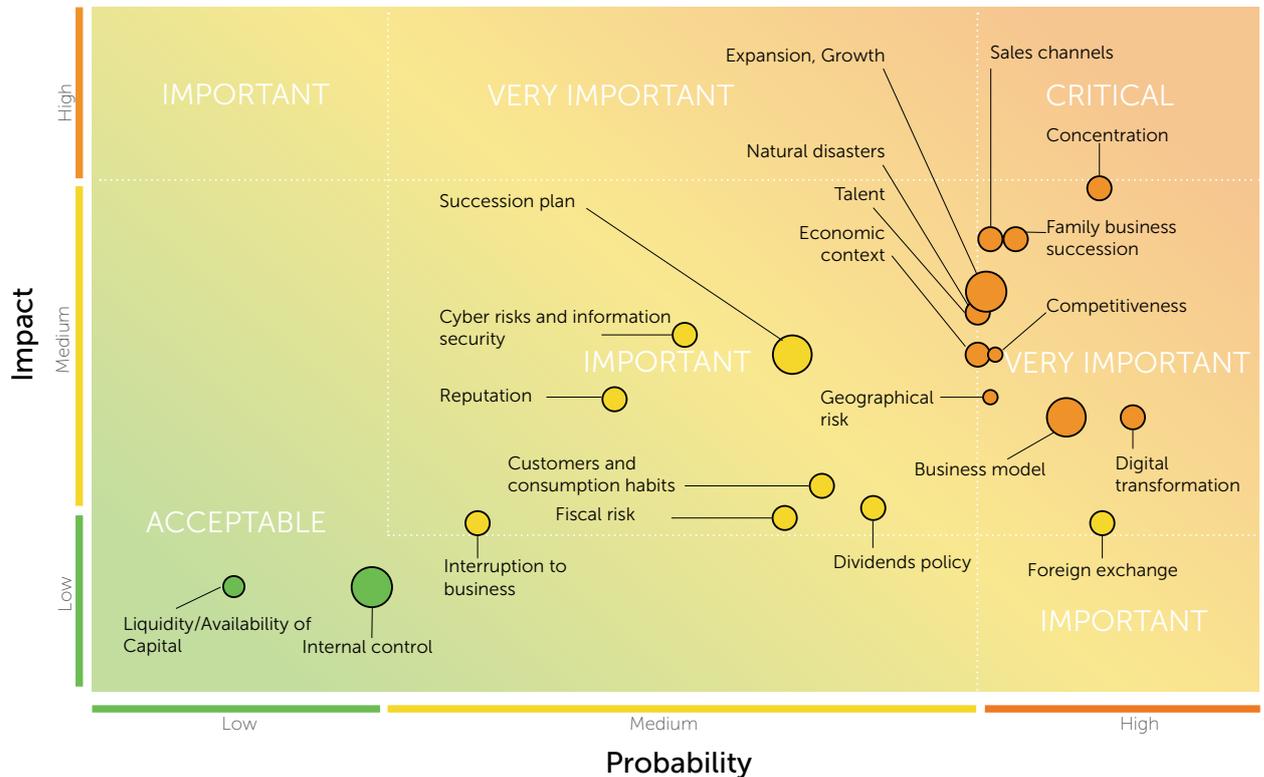
4- Action plan: We established specific controls and measures to mitigate and manage the risks identified, with clear limits and specific actions to handle them.

Throughout the evaluation process, we identified 21 risks in the hotel division (including corporate) and 21 risks in the travel division. These risks were grouped into 27 global risks for a more holistic understanding of our exposure.



Barceló Bávaro Beach (Punta Cana, Dominican Republic)

Since 2014, we have had a risk map that serves as the company's main risk management tool.



In addition to the global risk map, the **Barceló Group's** governing bodies also consider other industry-specific risks:

1- Industry challenges: These risks are linked to the industry's key challenges, such as changes in consumer habits, seasonality, accessibility to and reliance on modes of transportation, distribution channels, etc.

2- Situation in countries: We consider the risks associated with the situation in the countries where we operate, including factors such as the climate, natural disasters, the political situation, pandemics, etc., that could affect our operations.

3- Legislative changes and regulatory framework: We also evaluated the risks linked to legislative changes and uncertainty in light of new regulatory frameworks that could impact our business operations.

In January 2020, we approved the updating of the map of Barceló Group's strategic and business risks. Given the need to keep the risk map updated in volatile settings, we plan to revise it in 2024.

FUTURE CHALLENGES

In 2024, as part of the ongoing process to conform the Barceló Group's Compliance Model to the highest regulatory standards, the criminal and regulatory risks will be analysed in detail to ensure the risks and the processes and procedures for their prevention are kept updated.



1.5. Ethical commitments in the development of the business

The need to communicate the corporate ethical culture to all interest groups (both internal and external) means that we must have a [Code of Ethics](#) that encourages the development of an ethical, efficient and competitive business model. The aim of this is to develop, formalise and implement the Group's values, so that it can serve as a guide to professional behaviour in carrying out the company's operations in any part of the world.

The rules and guidelines set out in the Code are closely related to our company's most deeply rooted cultural values, which have enabled us to become a leading, recognised company in our business sector, and which must continue to contribute to our sustainable growth in the future.

Conscious of the significant potential of the tourism industry to contribute to economic and social development, and of our own role in this regard, we reject any kind of tourism activity or anything linked to it that could harm human rights or people's dignity, with special attention paid to children and minors.

To ensure that the Code is adhered to at all times, there is a **Control and Monitoring Committee** responsible for overseeing compliance with the principles and rules of conduct enshrined within it.

1.5.1. Culture and compliance

In 2023, we reviewed, updated and improved our **Compliance and Criminal Risk Prevention Model**. This model is the set of bodies, procedures and controls that exist to prevent, detect and strongly react to criminal, unlawful and irregular behaviour, and it considers measures against corruption and money laundering. It is made up of the following elements:

The three lines of defence system

The **Barceló Group** has a decentralised governance model with three lines of defence:

- The first line of defence is made up of the steering committees in the **Barceló Group's** hotel and travel business units and the executives responsible for the business and support units that report to those committees.
- The second line of defence consists of the **Global Compliance Commission**, which is led by the Group's Chief Compliance Officer, and the **Hotels and Corporate Compliance Committee** and the **Ávoris Corporación Empresarial Compliance Committee**.
- The third line of defence is auditing, which is overseen by the **Barceló Group's** Internal Audit Commission.

The role of compliance

This consists of the **Global Compliance Commission**, which is led by the Chief Compliance Officer, and two committees: the **Hotels and Corporate Compliance Committee** and the **Ávoris Corporación Empresarial Compliance Committee**. The members of the **Global Compliance Commission** were appointed by the Board of Directors of the **Barceló Group's** parent company at its meeting on 24 May 2023. In turn, the members of the two **Compliance Committees** were appointed by the **Global Compliance Commission** at its meeting on 10 July 2023. All of the appointments were based on the experience and professional qualifications of the appointees, and their knowledge of the areas within the Group affected by compliance matters.

Specifically, the **Global Compliance Commission** is the governing body responsible for periodically supervising and monitoring the Model to ensure the primary criminal risks are identified, managed and properly reported within the Group.

In short, the **Global Compliance Commission** will perform the duties specified in Article 31 bis. 2. 2nd of the Penal Code, on the orders of the Board of Directors of the **Barceló Group's** parent company. The duties performed by this **Global Compliance Commission** include, but are not limited to:

a. Identifying and evaluating the criminal risks associated with the activities and processes carried out by the business and support units, reviewing them regularly and if there are significant modifications to the structure or operations, if regulations are breached or in the event of precedents or applicable legislative changes.



b. Identify and evaluate appropriate control measures to prevent the identified criminal risks and regularly monitor these measures across various areas of the organization.

c. Establish annual criminal compliance objectives and develop a plan to achieve them: action plan and indicators to measure their attainment.

d. Promote a culture of ethics and compliance through training and dissemination of principles, values, and guidelines (Code of Ethics, policies, standards, etc.): annual training and awareness plan.

e. Ensure continuous monitoring of the Model by implementing or coordinating the necessary procedures throughout the organization, including the involvement of area managers, for the adoption, implementation, maintenance, and continuous improvement of the Model. All **Barceló Group** employees are required to cooperate with the Compliance Function.

f. Managing reports submitted by any of the Group's members (executives, employees, suppliers and other business partners linked to the core activity) about potential breaches, internal regulations or applicable legislation, as per the **Internal Whistleblower Protection and Information System Policy**.

g. Proposing to the governing bodies the perfection, continuous improvement and necessary updates of the policies, procedures and guidelines, as per regulatory changes and best practices.

h. Ensuring that documents created for their control duties (samples and evidence) are kept for 10 years.

i. Promoting that criminal compliance responsibilities be included in management job descriptions.

j. Reporting annually to the Board of Directors of the **Barceló Group's** parent company the results of compliance initiatives, criminal risk assessments,

training provided, incidents and reports managed, etc., and immediately informing the Board of Directors of any incidents that could entail criminal liability, as deemed necessary by the **Global Compliance Commission**.

The Hotels and Corporate Compliance and Ávoris Committees may perform the duties assigned by the Global Compliance Commission and report to the corresponding governing bodies of their divisions.



Regulatory compliance documents

The Compliance and Criminal Risk Prevention Model is based on the following documents:

The Code of Ethics. The **Barceló Group's** Code of Ethics was approved by the Board of Directors in September 2013 and updated in May 2023, and it applies to all the companies that form part of the **Barceló Group**. The **Barceló Group's** Code of Ethics defines the guiding principles according to the company's values, and summarises the professional conduct that is expected of all Barceló employees. This Code must be followed by board members, executives and employees, regardless of their hierarchical level, geographic location or role. The Code of Ethics is expected to be updated in 2024 to ensure it reflects the best applicable standards.

The Barceló Group's Regulatory Compliance and Criminal Risk Prevention Policy. This document establishes the fundamental elements at the Group's disposal to prevent, detect or respond appropriately to unlawful and, in particular, criminal acts. It is also a public statement that we fully reject any conduct that goes against our principles and values or is unlawful. The updated version of this document was approved by the Board of Directors of the **Barceló Group's** parent company at its meeting on 24 May 2023 and it covers the general principles of conduct for the people who form part of the **Barceló Group** as well as the basis for the Model.



Occidental Taksim (Istanbul, Turkey)



Barceló Lanzarote Royal Level (Lanzarote, Spain)

The whistleblowing channel is part of the Internal Information System and is completely confidential.

The Internal Whistleblower Protection and Information System Corporate Policy and the Internal Information System Procedure – Whistleblowing Channel. The two documents approved on 24 May 2023 by the Board of Directors of the **Barceló Group's** parent company describe the organic and procedural configuration of the **Barceló Group's** Internal Information System, and particularly the Whistleblowing Channel. They include the regulatory requirements set forth by Law 2/2023 of 20 February on the protection of people who report regulation violations and the fight against corruption.

Compliance and Criminal Risk Prevention Manuals. For the **Barceló Group's** hotel division and travel division. These manuals, whose updates were approved by the Board of Directors of the **Barceló Group's** parent company at its meeting on 24 May 2023, describe the internal policy and consequently the **Barceló Group's** model for the organisation, prevention, management and control of compliance, corruption and criminal risks, on a corporate level and for its hotel and travel businesses, in relation to the criminal liability system of legal entities, including corruption risks.

Economic-Financial Management Model and Resources. The **Barceló Group** has a series of financial and economic controls and procedures to ensure the transparency and accuracy of its accounting ledgers, transactions, and in general, the Group's economic management. Additionally, on a budgetary level, there is an entry that is revised annually to ensure effective and proper compliance with the Model, and the people who work with it.

Internal Whistleblower Protection and Information System: the Whistleblowing Channel The **Barceló Group** has implemented an instrument that is available to all employees, third parties and stakeholders through which they can and should report and/or submit any knowledge, questions or suspicions of conduct that is unlawful and/or could result in a compliance risk. This completely confidential channel is part of the Internal Information System and is handled by the **Global Compliance Commission**, which delegates its management and processing to the Chief Compliance Officer, as per our Internal Whistleblower Protection and Information System Policy and other internal regulations.

This channel, which complies with the requirements set forth by Law 2/2023 of 20 February on the protection of people who report regulation violations and the fight against corruption, made it possible to submit 31 reports in 2023, most regarding alleged instances of workplace harassment, sexual harassment or gender-based harassment. All the reports underwent the corresponding processing and resolution.

Of the 31 reports⁵ received, none were related to customer privacy violations and/or lost data, corruption and other criminal conduct. No reports



were submitted in 2022. The rise in the number of reports submitted in 2023 is due to the updated compliance model, specifically the management of the whistleblowing channel that has allowed us to how different types of cases are received and analysed.

Of the reports received, 20 were for sexual harassment in the workplace or gender-based harassment, and the existence of harassment was ruled out in 17 of those instances. The existence of workplace or sexual harassment was identified in the three remaining cases, resulting in wage-related disciplinary measures (termination). Nevertheless, when the existence of harassment was not confirmed but less serious interpersonal conflicts were identified, efforts were made to improve the workplace atmosphere and relationships. The remaining reports were essentially related to employment matters such as scheduling and discrimination. Upon completing the corresponding procedure, these reports were ruled out.

Training employees and distributing the model

For the model to be effective, it must be accompanied by a robust training plan for all **Barceló Group** executives and employees. Therefore, as part of the onboarding process at the **Barceló Group**, all new employees are informed of the mandatory model, particularly the Code of Ethics, and the existence of a Whistleblowing Channel through which they can and should report regulation violations.

Because the model was updated and improved, training was delivered to the Hotel Steering Committee (EMEA) in 2023. Members of the Global Compliance Commission, the Hotels and Corporate Compliance Committee and the Ávoris Compliance Committee also received training.

FUTURE CHALLENGES

Training for hotel general managers and assistant general managers, as well as for all corporate department and business unit executives throughout the Group, is expected to be completed in 2024.

⁵Reports currently being processed: 3. Reports that have been processed: 28.

1.5.2. Cybersecurity and the protection of personal data

Cybersecurity is a priority issue for all kinds of companies, but particularly for those in our sector, the risk of cyber attacks being one of the main risks that we need to bear in mind, and on which we need to have defined preventative measures. Therefore, the security of information and the protection of the personal data of employees, customers and suppliers is one the most important issues facing us, and to this end we have designed a complete control and management ecosystem.

We have a **Privacy Policy**, which has been formally approved by the Management Board. The policy's objective is to define the lines of action required to comply with the General Regulations for the Protection of Data (GRPD), and the current protection of data legislation, which is supported by the following key elements to safeguard information (and particularly the personal data for which we are responsible):

- Personal data must be protected in accordance with its susceptibility, value and criticality.
- All **Barceló Group** employees and third-party partners are responsible for protecting the personal data that has been entrusted to them.
- Personal data protections make it possible to run the business, and the corresponding protection measures should be implemented in accordance with a risk assessment.

In order to comply with the **Privacy Policy**, a Governance Model was created to define the roles and responsibilities of everyone involved in ensuring the **Privacy Policy** is followed as well as the duties for fulfilling the corresponding obligations.



To oversee compliance with the Privacy Policy, we have a **multi-disciplinary team** which is supported by the data protection officer (DPO). The team is responsible for implementing the mechanisms required to guarantee the privacy of customer and employee data.

The main duties carried out in 2023 were:

- Assisting hotels with any data protection queries.
- Managing and responding to the rights exercised by the Group's customers. Customers can exercise their rights by sending a message to dpo@barcelo.com, where upon analysing and verifying that the regulatory requirements have been met, they receive a response with the applicable resolution.
- Handling potential security breaches, and defining and implementing the action plan.
- Reviewing all contracts signed by the group as well as customer communications and processes carried out by departments to assess the impact on data protection.

In terms of specific cybersecurity aspects, work was done primarily on the following three major initiatives in 2023:

- Implementing centralised **workstation** management and security.
- Designing and evaluating a **Cybersecure Hotel Model** that defines the technological controls and measures recommended by cybersecurity standards.
- Executing a cybersecurity **Training and Awareness Plan** for all employees.

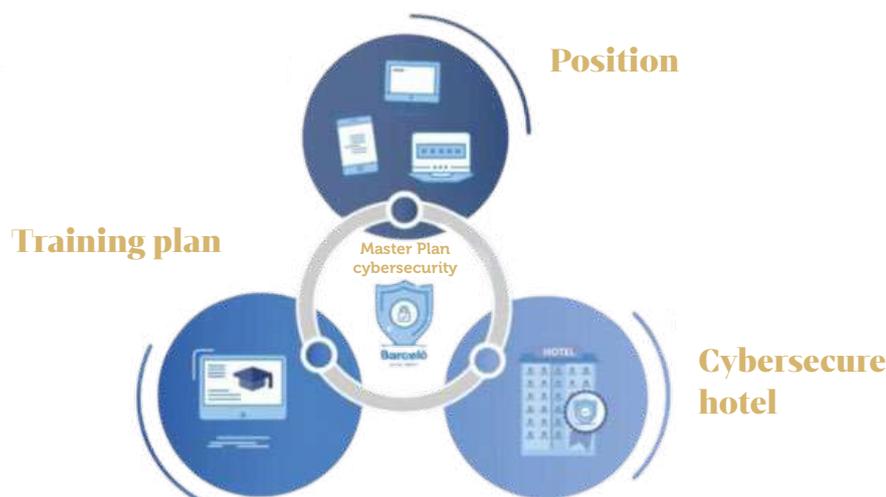
FUTURE CHALLENGES

The goals for 2024 are:

- Ensuring the implementation of the **Cybersecure Hotel Model** at all of the company's hotels.
- Ensuring the roll-out of **centralised workstation management across the company**.
- Continuing the employee **Training and Awareness Plan**.
- Improving **critical system recovery capabilities**.
- Improving and **continuing our cybersecurity monitoring and incident management service**.
- Implementing the **defined recommendations and guidelines to prevent information leaks**.

In addition to the aforementioned projects, work has also been done on the following initiatives:

- Defining guidelines to prevent information leaks.
- Improving critical system recovery capabilities.
- Improving and updating our cybersecurity monitoring and incident management service.



1.5.3. Barceló culture and values

FRESH is the word that defines our Group and summarizes the values that determine who we are and how we work: **Flexibility, Responsibility, Excellent Service and Hospitality**. These values inspire our culture and Code of Ethics, and apply in all the countries where we operate.

Proof of our duty to responsible tourism is our firm commitment to the international entities and institutions that promote protecting human rights, eliminating forced or mandatory labour, effectively abolishing child labour, and supporting ethical and fair corporate practices.

The [Barceló Hotel Group](#) has been a member of the **United Nations Global Compact** since 2002, [BCD Travel](#) (the Ávoris corporate travel division) since 2019, and [Ávoris Corporación Empresarial](#) since 2023. Members are committed to complying with, and promoting, the 10 principles of conduct that provide a management framework in relation to respect for human rights (in line with the Universal Declaration of Human Rights); rules and labour relations aligned with the ILO Declaration on fundamental principles and rights in the workplace; the prevention of any kind of environmental impact, in accordance with the Rio Declaration on Environment and Development, and finally, the fight against any type of corruption as defined in the United Nations Convention on Corruption. In addition (following the approval in 2015 of the **Sustainable Development Goals** through our participation in the Global Compact and in line with the Sustainable Development Goals), we are working to raise the tourism sector's positive impact.



**Members of the United Nations
Global Compact since**

2002

Barceló Hotel Group

2019

BCD Travel (Ávoris' corporate travel division)

2023

Ávoris Corporación Empresarial

Since 2023, [Ávoris Corporación Empresarial](#) and the [Barceló Hotel Group](#) have teamed up with 21 other entities to create the tourism task force of the United Nations Global Compact, aimed at promoting specific actions that increase the positive impact of tourism on sustainability.

Ávoris also joined the [Green & Human](#) network, a collaborative non-profit association made up of businesses that share the common goal of promoting a new tourism model focused on sustainability by working together on new projects and exchanging ideas and knowledge.

Since 2011, we have been committed to complying with the ten articles of the [World Tourism Organisation's Global Code of Ethics for Tourism](#), a basic benchmarking framework for responsible and sustainable tourism which is designed to orientate all the leading players in tourism development, because it is geared towards governments, tourism companies, communities, and tourists. So, at Barceló, we share and take ownership of the objectives of the Global Code of Ethics for Tourism:

A key duty in our industry is to protect children against sexual exploitation at our destinations, and this commitment is reflected in our **adhesion to the Code of Conduct for the Protection of Children from Sexual Exploitation**

in Travel and Tourism in the Americas (ECPAT - The Code) since 2007. We carry out specific training with all our teams to enable them to identify situations where there may be a risk of sexual exploitation.

Since 2022, in [Barceló Hotel Group](#) we have been members of the [Global Sustainable Tourism Council \(GSTC\)](#), an independent organisation that establishes and manages worldwide sustainability standards. Its stated mission is "To be an agent of change in the world of sustainable travel and tourism by fostering the increased knowledge, understanding, adoption and demand for sustainable tourism practices". In 2023, we designed a sustainable management system that was certified by GSTC.

We have teamed up with other hotel chains, the [World Travel & Tourism Council](#) and the [Sustainable Hospitality Alliance](#) to work on a pioneering initiative to create a shared definition of sustainability hospitality criteria to promote responsible travel and tourism. In 2022, the [Basic Sustainability Framework](#) was launched to offer a common starting point for hotel sustainability that is within reach of all the players involved in the global hospitality industry, has a positive impact on the planet and people, and sparks change by stimulating the demand for responsible travel. Our future goal is to work on defining the verification model to adopt the Basic Sustainability Framework at our hotels.

In 2023
our teams received
more than **13,000**
hours of training
on respecting
human rights and
corporate social
responsibility.



13,389

Hours of training on
human rights and CSR

Men

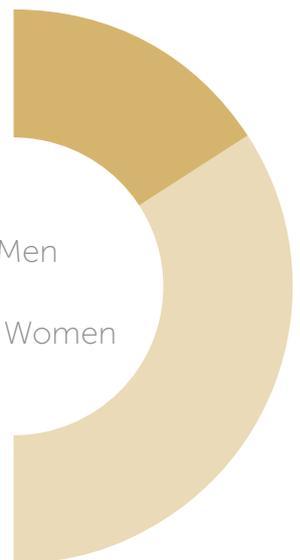
4,241.5

Women

9,147.5

31.68% Men

68.32% Women



2. We listen to progress towards regenerative tourism

- 2.1. Tourism in light of 21st-century challenges
- 2.2. Barceló ReGen
- 2.3. Strategic listening at Barceló
- 2.4. Engagement with stakeholders

RELATED SDGs



MATERIAL TOPICS

- The company's social role.
- Commitment to human rights.

GRI CONTENT

- 2-23, 2-29, 3-1,
- 3-2, 3-3



2.1. Tourism in light of 21ST-century

Customers are becoming increasingly aware of the economic and environmental footprint their actions create.

The tourism industry is actively committed to sustainability, a fact demonstrated by the plethora of sustainable tourism initiatives, both within Spain and internationally. This new predisposition invites us to think of a tourism management model that not only seeks to mitigate the negative impacts but also create a net positive contribution.

The **Barceló Hotel Group** aspires to position itself as a benchmark for regenerative tourism. Each of its hotels has mature and independent management, and now the company has adopted a powerful sustainability strategy, **Barceló ReGen**, which seeks to align efforts in pursuit of common objectives and commitments.

2.1.1. Context of the tourism industry

Overall, 2023 was a positive year for international tourism, highlighting the significant recovery in Europe, the Middle East and Latin America. Although the growth has occurred globally, it remains below levels from 2019. According to the 2023 State of Travel report published by Skift Research, the Middle East is the only region that has returned to pre-pandemic performance, surpassing 2019 levels by 22%.

In EMEA, Europe was the most visited region in 2023, reaching 94% of 2019 levels thanks to intra-regional demand and travel from the United States. In turn, Africa has recovered 96% of pre-pandemic visitors. This is the case of Morocco, which despite the devastating earthquake suffered in September, welcomed 960,000 tourists that month, up 7% from the same month the previous year.

2023 has been a record year for tourism in Spain, with more than 84 million international tourists and €108 billion in spending. According to data from the Ministry of Tourism and Industry, in 2023, Spain surpassed 2019 totals by 1% for visits and 17.4% for tourism expenditure. Since 2022, the number of visitors has increased by 19% and tourism spending has risen by 23.8%.

America has recovered 90% of its results, primarily thanks to the resurgence in travel to Mexico, and boosted by strong performance in the LATAM region and the reawakened US demand for Latin America. Such was the case that Mexico welcomed 31% more US visitors in 2023 than before the crisis. Other Caribbean destinations with similar growth following the pandemic are Cancun (Mexican Caribbean), the Dominican Republic and Puerto Rico.



2023, A RECORD YEAR FOR TOURISM IN SPAIN

84 million
international tourists

108 billion
euros in spending

The Asia-Pacific region reached 65% of the levels registered before the pandemic after several of its markets and destinations reopened. However, the results have been mixed: South Asia has recovered 87% of the levels reached in 2019, whereas Northeast Asia is close to 55%.

Available data shows that several destinations (including both large, established destinations as well as small and emerging ones) reported double-digit growth in international arrivals when compared to 2019. Specifically, four sub-regions surpassed their 2019 arrival levels: Southern Mediterranean Europe, the Caribbean, Central America and North Africa.

Developing countries have grown in terms of the percentage of total international travel and the total number of trips has doubled. According to the Skift Research report, the centre of gravity in travel will shift eastward and southward in the coming years.

2.1.2. Context of the sustainable tourism industry

The hotel industry needs to reflect on the tourism we seek and reconsider how to travel more responsibly, committed to destinations, our planet and everyone who lives on it.

At the 23rd World Travel & Tourism Council (WTTC) Global Summit that took place in Kigali (Rwanda), special emphasis was placed on the interconnection between people and the planet, creating a unique opportunity for industry leaders, government representatives and stakeholders to work together on envisioning a more sustainable and resistant future for the industry.

Now, more than ever, it is imperative to guarantee the ecological growth of the tourism industry whilst minimising its environmental impact, addressing matters such as carbon emissions, nature conservation, care for people and sustainable infrastructures.

In parallel, we are witnessing the industry's transformation. This compels us to be brands with a purpose so we can have an impact wherever we are located. The **Barceló Hotel Group** is firmly committed to this goal, and 2023 has been key for establishing our **Barceló ReGen** strategy.



23rd

World Travel & Tourism Council (WTTC) Global Summit highlighted the connection between people and the planet.

2.2. Barceló ReGen



**“Best CSR Policies”
Capital Award
given to
Barceló ReGen**

The **Barceló Hotel Group** is committed to regenerative tourism, taking on the shared challenges we face today as a society and working towards an equitable, inclusive and regenerative economic model for everyone and the planet. **Barceló ReGen** has shaped this commitment into a strategy with three pillars: local investment with a global impact, fairness, and caring for people and the planet.

Barceló ReGen's strategic pillars are:



Glocal⁶

Sustainable investment in local communities, with a glocal impact. We contribute to the improvement of human, economic and local development of the communities in which operate, through activities such as stimulating the business network, generating local employment, and driving and showcasing suppliers and local businesses. In addition, we protect and strengthen the cultural and natural heritage of our destinations.



Fairness

Our social role. We generate inclusive and intergenerational employment, creating work opportunities for young people and local jobs. We develop internal talent, along with the skills of our employees, thanks to our investment in training. Our diversity makes us a better company.



Caring

A joint response to the climate and environmental crisis and its implications for people's health. We are committed to bringing about improvement in the quality of people's lives, by respecting and conserving environmental resources and biodiversity and by reducing our contribution to climate change. This also links to two other interrelated points:



- **Caring for the Planet:** our contribution to protecting the environment and biodiversity.



- **Caring for People:** we promote people's well-being through the care we take over their experience and through our contribution to encourage healthy lifestyles in our staff and customers.

Furthermore, we are conscious that to speed up the change that is needed, we must take advantage of opportunities to work with other players in the sector, both public and private, national and international, local and regional. To this end, we have a commitment to develop initiatives that will generate an active contribution to the SDG no. 17, thereby leading the way towards a regenerative tourism model. Together, we will go further and arrive sooner.

⁶Glocal is a term formed from global and local.



Allegro Playacar (Playa del Carmen, Mexico)

FUTURE CHALLENGES

Following the definition of our **Barceló ReGen** sustainability strategy, in 2024, we will implement our **Sustainability Master Plan** aimed at strengthening our commitment to sustainable and regenerative policies, incorporating knowledge and adjusting to emerging sustainability challenges.

The creation of the new **Sustainability Master Plan** will allow us to formally integrate sustainability topics into our practices in a way that is aligned with market expectations. We will begin with the criteria defined in the CSRD directive on sustainability reporting and combine them with OECD principles of corporate

governance and the Spanish international regulators and foreign regulatory institutions (CNMV, Spanish acronym) recommendations. This will serve as the basis for determining specific tasks for the **Barceló Group's** governing bodies.

Our aim is to exclusively participate in a more regenerative tourism, maximise our positive impact on society, by contributing to **FAIRER** development of the **LOCAL** and **GLOBAL** economy and by committing to **CARING** for the environment and people.

- COMMITMENT
- LEARNINGS
- SUSTAINABILITY

Strengthening our **commitment** to sustainable and regenerative practices, incorporating lessons **learned**, and adapting to emerging **sustainability** challenges.



Our own sustainability standards enable us to **measure** and **track** the impacts of hotel activities on destinations.

2.2.1. Barceló ReGen Standards: our sustainability standards

The lines of action defined in **Barceló ReGen** are the foundation on which we have built our **Barceló ReGen Standards** for sustainability. This system will allow us to measure and track the economic, social and environmental impacts of hotel operations on destinations so we can shift towards a tourism model that reduces the impact of our operations and maximises the tourism industry's positive contributions. Along these lines, **Barceló ReGen Standards** pursue the following objectives:

- Effective planning for sustainability.
- The maximisation of social and economic benefits for the local community.
- The strengthening of cultural heritage.
- Caring for people and the planet.

Since 2022, the **Barceló Hotel Group** has been a member of the [Global Sustainable Tourism Council](#) (GSTC), an independent organisation that defines and manages global sustainability standards.

Since 2023, **Barceló ReGen Standards** have been certified by the GSTC, which means that they are equivalent to GSTC criteria for the hotel industry. These criteria cover the many sustainable tourism guidelines and standards from all the continents and organise them into four categories: sustainable management, socio-economic impact, cultural impact and environmental impact (including resource consumption, pollution reduction, and biodiversity and habitat conservation).

The demands of GSTC criteria and the flexibility they allow to focus on the important aspects of each destination, as well as on people, communities and natural habitats, are what led us to choose this system over existing sustainability recognition alternatives. Additionally, since the **Barceló Hotel Group** is based on the customer-centric model, this decision allows us to tailor the system to the reality and daily operations of hotels, and therefore to guest needs. This is all done to promote **real transformation** in the business model.



Allegro Cozumel (Cozumel, Mexico)

A robust management system with an impact

The Group already has its own management system, **SER Barceló**, and a platform for its interactions between establishments. **Barceló ReGen Standards** are based on **SER Barceló**, with additional policies and procedures that take into consideration other key sustainability commitments and standards the **Barceló Hotel Group** endorses or is a member of, such as:

- The Global Sustainability Tourism Council
- The United Nations Global Compact
- The United Nations Global Code of Ethics for Tourism (UNWTO)
- The Tourism Sector Code of Conduct for the protection of children and adolescents against sexual exploitation in travel and tourism (ECPAT - The Code)

The **SER Barceló** platform provides employees with the tools and manuals of every department to implement the brand architecture and excellence in customer service. This means that the future installation of the management system backed by GSTC will guarantee that the impact of each establishment is addressed.

2.2.2. Sustainability with an impact: measure to improve

Impact measurements can be used to manage sustainability better and improve the group's positioning and communication.

Travel is not just a matter of substance, and as a company, we must ensure that expectations are met. We need to move towards a new model in which we measure and reduce our impact, all while enjoying and discovering new cultures and destinations.

The sustainability with an impact project uses data to quantify the economic, social and environmental impact that the **Barceló Hotel Group** has on its stakeholders and surroundings.

The methodology used is based on viewing impact from the value chain perspective, in which inputs and planned activities are leveraged to obtain results with long-term effects on the surroundings.



IMPACT ON THE VALUE CHAIN



Planned work

Inputs

Human, financial and organisational resources available to a company to carry out its activity.
E.g. Barceló owns and/or manages hotels in different parts of the world.

Activities

Work undertaken whereby inputs and resources are mobilised in order to obtain specific results.
E.g. Barceló offers accommodation and catering services.



Expected results

Outputs

Direct, tangible products resulting from the activity carried out.
E.g. Tourists use Barceló hotels when they want to visit a new place

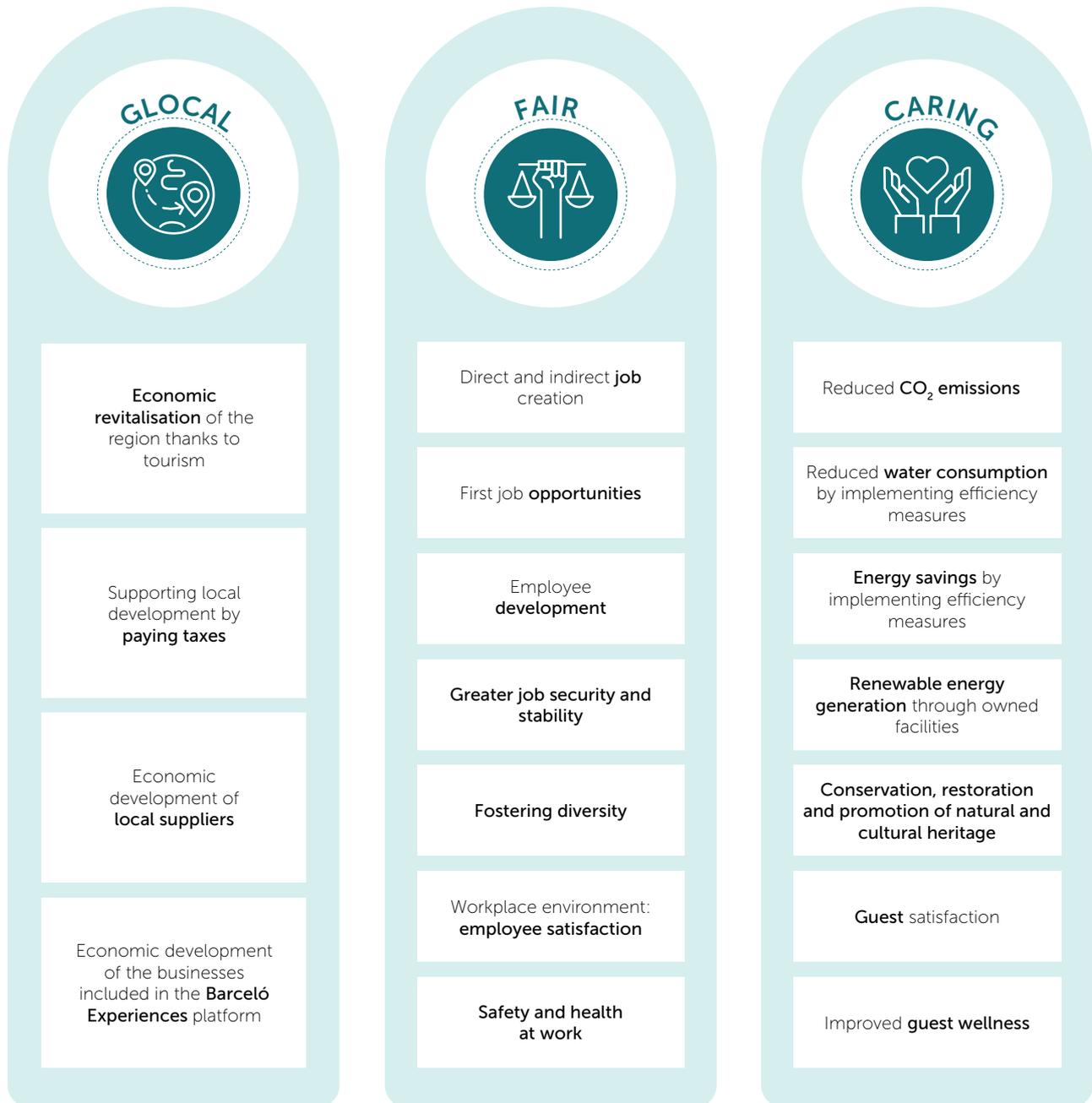
Outcomes

A result or effect that can be attributed to the implementation of a project, programme or policy.
E.g. Tourists purchase goods and services

Impacts

Positive or negative effects, primary or secondary over the longer term, produced by a direct or indirect intervention, whether intentionally or not.
E.g. Local businesses increase their sales, thereby stimulating their growth.

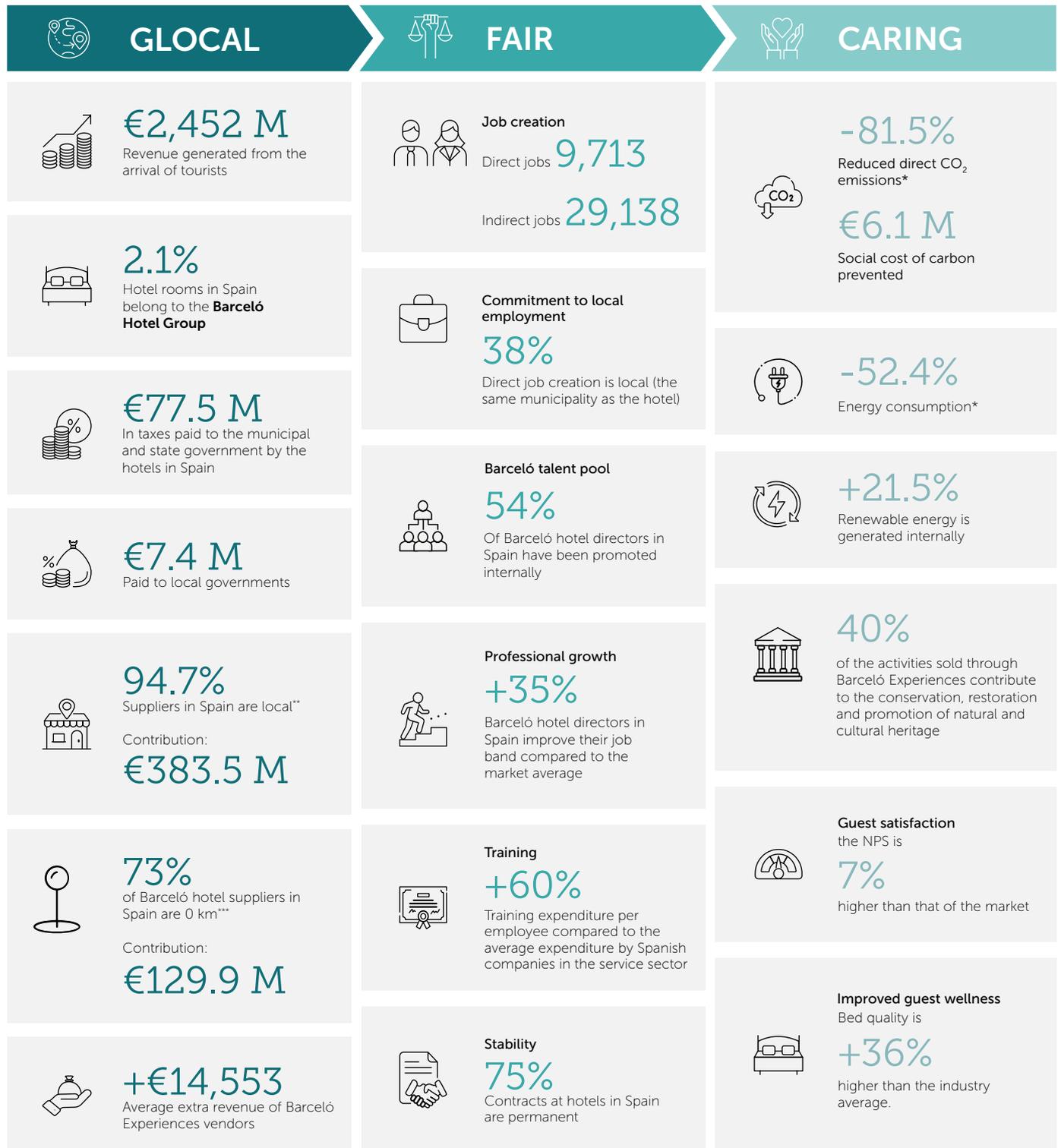
The measurement framework is arranged in three dimensions, based on the strategic pillars of **Barceló ReGen**, and covers 18 economic, social and environmental impacts:



Impact measurement results

In 2023, we conducted a pilot test to measure the impact of five of our hotels and the aggregate impact of all of our hotels in Spain in 2022. We identified transversal impacts (local job creation, economic impact, guest happiness, etc.) and specific impacts (investment attraction, revaluation of an area for tourism, etc.).

The key findings obtained from measuring the aggregate impact of Barceló hotels in Spain in 2022 are:



*Compared to the industry average.
**Local suppliers are businesses located in the same country as each hotel. This is the industry's benchmark criteria.
***0 km suppliers are businesses located within a 100-km radius of each hotel.

FUTURE CHALLENGES

In 2024, our next steps include the expansion of the impact measurement project to all hotels, digitalisation and the continuous improvement of the measurement tool to ensure the impact is tracked efficiently and accurately.

Impact project at Ávoris Corporación Empresarial

In line with the development project in the hotel division, **Ávoris Corporación Empresarial** is working on an initiative to **Measure the Social, Environmental and Economic Impact**.

The project will make it possible to measure the impact of three of our brands: **B travel, CATAL and Iberojet**. This will be done together, in the case of a package tour, and separately at a specific destination, Costa Rica.

Some of the dimensions that the impact results will fall into for the planned presentation in 2024 are the support of the local economy, tourism development in Costa Rica, climate change and the local economy, alliances with responsible and quality suppliers, and the travel experience's accessibility.

This will allow each of the three brands to understand their impact on Costa Rica and **Ávoris Corporación Empresarial** will increase their brand value for a destination that is particularly important in terms of sustainability.

FUTURE CHALLENGES

Replicate the impact project for more brands and destinations.



2.2.3. Contribution to SDGs through Barceló ReGen

The Sustainable Development Goals (SDG) as defined in United Nations Agenda 2030 is our main reference framework as we pursue a regenerative tourism model.

Below is a summary of our contribution to the SDGs in terms of our strategic pillars:

Barceló ReGen strategy pillar	Key SDG	2023 main initiatives and contribution
GLOCAL		<ul style="list-style-type: none"> Glocal experience. Barceló Experiences: <ul style="list-style-type: none"> +200 additional entrepreneurs and SMEs. +€6,000 additional annual revenue for local businesses. +850 local experiences. Barceló Foundation: <ul style="list-style-type: none"> 81 performances. €2.4 million in projects. +268,000 beneficiaries. Social investment in destinations: <ul style="list-style-type: none"> +€1.7 million in donations. +30 tonnes of food donated. 7 Michelin stars for restaurants offering local cuisine. Protection of the cultural heritage. 92% local purchases and 30% 0-km purchases. €17.8 million spent on purchases for Special Work Centres.
FAIR		<ul style="list-style-type: none"> 561,000 training hours (increase of +35% on the previous year). Average remuneration increase of 5.13%. Gross earnings gap for 2023 was 2.76% in favour of women.
CARING		<ul style="list-style-type: none"> Happy and memorable experience: 56 NPS. Encouragement of healthy lifestyles. Differentiating experiences aimed at taking care of our customers. Circular thinking. Goal of all hotels with A, B or C energy ratings in 2027. 100% of hotels in Spain with green energy €7.9 million invested in the protection and improvement of the environment 86 renewable energy systems in hotels. A reduction in the ratios of intensity for resource consumption Sustainable uniforms.
LEADERSHIP		<ul style="list-style-type: none"> International initiatives to which we are committed: United Nations Global Compact, Global Code of Ethics for Tourism, ECPAT-The Code. Members of the Global Sustainable Tourism Council (GSTC). Participation in forums and sustainability workshops Press releases with a focus on sustainability

2.3. Strategic listening at Barceló

Strategic listening makes it possible to identify challenges and opportunities, and create effective responses with a positive impact.

Barceló understands that sustainability goes beyond merely implementing environmental and social practices. We are committed to adopting a holistic perspective that considers the internal and external aspects of our business.

In this context, strategic listening is a fundamental tool for understanding and addressing the concerns and expectations of our internal and external stakeholders.

Barceló uses strategic listening as a tool for assessing double materiality, reinforcing our commitment to sustainability and the well-being of all our stakeholders.

2.3.1. Double materiality

In 2023, we performed a double materiality assessment before writing the 2023 sustainability report and also to strengthen and enrich the company's strategic approaches that make up our **Barceló ReGen** sustainability strategy.

This process has been done according to the requirements of the CSRD European directive, which establishes how to address matters with actual or potential, positive or negative impacts on stakeholders; and the double materiality approach to these topics, in other words, the relative importance for the parts and the financial perspective.

Therefore, companies should include in their sustainability reports the topics—impacts, risks and opportunities—that are relevant to this study and their management.

The double materiality assessment was done in several phases: research of secondary sources, *focus groups* for each line of business, interviews with internal and external stakeholders, and online surveys for employees and external stakeholders to understand the impact the topics have on the economy, the environment and people.

STRATEGIC LISTENING METHODOLOGY

Identifying material topics

A study was done using internal and external sources to update the material topics and identify risks and opportunities.

1

4

Matrix with double materiality research results

See next page.

Impact materiality analysis

Ad hoc research was done using several information extraction techniques.

2

3

Financial materiality analysis

Risks and opportunities that could affect the company's profit and loss statement were identified in internal sessions.

4 focus group
14 interviews
313 online surveys

Contacts with stakeholders

Total

341

Customers 74	Management 66	Employees 176	Owners 6	Suppliers 14	Others* 5
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*Media, companies in the sector, public administrations and other organizations.

Based on the results of these material topics identified, the material topics that the **Barceló Hotel Group** should report on are:



CARING FOR THE PLANET



CARING FOR PEOPLE



FAIR



GLOCAL

- | | |
|--|--|
| 1 Mitigation and adaptation to climate change | 8 Working conditions |
| 2 Biodiversity and ecosystems | 9 Employee development and training |
| 3 Water and water resource management | 10 Diversity, equality and inclusion of people |
| 4 Circular economy: consumption, production and waste management | 11 Employee recruitment and commitment |
| 5 The company's social role. Commitment to human rights | 12 Well-being and care |
| 6 The customer's carer: we help create healthy habits | 13 Business ethics, <i>compliance</i> and transparency |
| 7 Data protection and cybersecurity | 14 Conscious governance: corporate governance management |
| | 15 Destination development: driving force for the surrounding area |
| | 16 Economic performance |

2.4. Engagement with stakeholders

Giving stakeholders a voice is a strategic action for us.

We define stakeholders as all the people and groups who are directly or indirectly impacted by our current or future operations (employees, customers, owners, suppliers, governments, industry companies, media outlets and society as a whole).

At **Barceló**, we are committed to establish active listening and dialogue with our main interest groups to identify their needs and requirements, and to respond to these through a system of continuous improvement and, of course, to coordinate efforts and work in partnership towards common objectives. Our regenerative focus depends on the support of our interest groups.

The double materiality assessment performed this year plays a fundamental role because it has helped us make progress in engaging with stakeholders, and identify and better understand their expectations and concerns regarding our sustainability performance.

The primary channels to communicate and engage with each stakeholder group are summarised below:

Stakeholder	Dialogue channels	2023 Impact	
All	Group website www.barcelogrupo.com Annual report	183,646 unique visitors	228,786 sessions
	Barcelo.com	+28 M unique visitors	+44.7 M sessions 522,400 bookings made via Barcelo.com
		4,307,226 Barceló Hotel Group	1,074,251 Ávoris Corporación Empresarial
		1,475,951 Barceló Hotel Group	407,443 Ávoris Corporación Empresarial
		3,867,801 Reach	
		347,000 Barceló Hotel Group	378,410 Ávoris Corporación Empresarial
		10,446,152 Barceló Hotel Group views	
	3,401,349 Barceló Hotel Group views		

Stakeholder	Dialogue channels	2023 Impact		
Employees	B inside mail (internal email)	182 communications sent	43 more announcements than in 2022 (+31%)	
	B inside News (monthly bulletin)	12 editions	486 news (131 more news than last year, +37%)	41 news published monthly on average
	BConnect our new employee portal	6,482 sessions		
	HR consultation	13,332 tickets		
	SER Barceló Platform	3,601 Platform access	2,704 Barceló Hotel Group standards	
Clients (B2B, B2C)	Satisfaction survey	273,036 Barceló Hotel Group	34,458 Ávoris Corporación Empresarial	
	Customer reviews on consumer-opinion websites	374,328 Barceló Hotel Group		
	Newsletters and messages to customers	90 M emails sent to customers	227 campaigns	994 Ávoris Corporación Empresarial email marketing campaigns
	Advertising actions	9,586,221 Ávoris Corporación Empresarial	(15% more than in 2022). In 2023, Travel Agency (TA) and Tour Operator (TO) advertising initiatives were done jointly.	
	Barceló Hotel Group app	+380,000 new downloads	381,000 requests via the app	172 new services
	Meetings/events with tour operators	Ongoing contact, based on needs		
Owners	Management	+46,000 rooms owned by third parties	90 different owners	
	Direct communication: periodic events/ meetings	Contacto continuo, en función de necesidades	Tercer Summit de Barceló con el principal propietario de nuestros hoteles; HIP	
	Customised reports on advances in the administration of the business	Ongoing contact, based on needs		

Stakeholder	Dialogue channels	2023 Impact				
Suppliers	Direct communication in meetings	Ongoing contact, based on needs				
	Ávoris Corporación Empresarial Portal Jaggaer	271 approved suppliers				
	B-Stores	136 hotels	+283K entries for goods	+16K inventories undertaken	+150 losses and damage	+350 interdepartmental transfers
Public Administration	Industry associations Institutional relations	Ongoing contact, based on needs				
Businesses in the sector	Industry meetings Work tables End-to-end projects Industry forums and events Meetings	Ongoing contact, based on needs				
Media	Barceló Brandcenter	7,082 total users	479 new users	142,154 downloads		
	Barceló Hotel Group department of external communications	4,150 appearances in the press	39% appearances in international media	+16 billion people reached		
		21 domestic trips	+60 international trips			
Local communities / Society	Ávoris Corporación Empresarial Communication Department	126 press releases (62% more than in 2022)	314 internal announcements (21% less than in 2022)	8 media collaborations		
	Planning and participating in forums, meetings, conferences, events, etc. Periodic meetings and events	43 interviews (139% more than in 2022)	2 <i>famtrips</i> involving the press			
	Volunteering initiatives	29 Hotels have undertaken voluntary work with employees	105 volunteer initiatives at hotels			

3. We are part of our destinations

- 3.1. Developing local communities at our destinations
- 3.2. From supply chain to value chain
- 3.3. Barceló Experiences: supporting responsible tourism
- 3.4. Barceló Foundation

RELATED SDGs



MATERIAL TOPICS

- Destination development: driving force for the surrounding area.
- The company's social role.
- Commitment to human rights.

GRI CONTENT

2-6, 3-3, 203-1, 203-2, 204-1, 308-1, 414-1, 413-1



3.1. Developing local communities at our destinations

Aware of the interdependence of social and environmental impacts and with the aim of achieving the necessary systemic change, at Barceló Hotel Group, we embrace the common challenges that we face as a society.

This challenge has defined the company's operations for more than 90 years.

As part of our **Barceló ReGen** strategy, one of our fundamental pillars is **Glocal**, an approach that represents our commitment to sustainable investment in local communities with a global impact. **Our goal is to make a positive and lasting impact on local communities to support more responsible and sustainable tourism globally.**

We commit to being active agents in the construction of regenerative tourism, promoting human, economic, and local development in the areas where we operate. This translates into specific actions such as promoting the local business network, creating jobs in the community, supporting and acknowledging local businesses and suppliers, and protecting and preserving the cultural and natural heritage of our destinations to ensure their conservation and appreciation.



Group initiatives

The hotel chain participates in various initiatives aimed at promoting knowledge of the local cuisine in other places. In 2023, to position the island of Gran Canaria as a culinary destination, the [Royal Hideaway Santa Catalina](#) hotel participated in a *gastrotrip* consisting of several events in San Sebastián, Oviedo, Palma de Mallorca and Jerez de la Frontera. The team from the Michelin-starred restaurant Poemas by Hermanos Padrón designed a special four-hands menu for the occasion. Featuring local chefs from the aforementioned cities who are also listed in the red guide, attendees were able to discover the appeal of Gran Canaria's cuisine.

3.1.1. Investment in local communities

The **Barceló Hotel Group** directly and indirectly invests in the local community through donations and partnerships with associations:

Food donations	Furniture Donation	Donation of bed linen and uniforms
<p>40 hotels</p> <p>30,000 kg estimated amount of food</p> <p>€128,000 estimated value</p> <p>Beneficiary entities: local food banks and social entities like the Red Cross and Cáritas</p>	<p>8 hotels</p> <p>€20,670 estimated value</p> <p>Beneficiary entities: local foundations and associations.</p> <p>Example: The Occidental Isla Canela hotel has updated its furniture, beds and F&B items. The items in good condition were donated to local organisations.</p>	<p>25 hotels</p> <p>€90,986 estimated value</p> <p>Beneficiary entities: local foundations and associations, and educational institutions.</p> <p>Example: Occidental Cozumel donated pillows to help disadvantaged families.</p>
Donation of hotel stays and spaces	Other donations	Monetary donation
<p>33 hotels</p> <p>€101,112 estimated value</p> <p>Example: Following the earthquakes that struck Turkey in February 2023, the Occidental Ankara hotel offered emergency housing to survivors.</p>	<p>26 hotels</p> <p>€31,198 estimated value</p> <p>Beneficiary entities: local foundations and associations.</p> <p>Example: Several hotels, including Occidental Costa Cancún and Occidental Atenea Mar, donated toys for Christmas to vulnerable children.</p>	<p>31 hotels</p> <p>€97,779 donated by hotels to local foundations and associations.</p> <p>During 2023, we undertook various initiatives in our hotels in order to raise funds for Barceló Foundation projects. We raised almost €37,000 for this goal.</p> <p>Example: The 'Plato Solidario' (Plate of Solidarity) initiative at Royal Hideaway Corales Resort, through which a certain amount is donated for every special dish to help the Barceló Foundation build water wells.</p>



65

of our hotels have made donations to local entities and associations for a total estimated amount of €1.7 million.

TOTAL AMOUNT CONTRIBUTED BY THE MANAGEMENT COMPANY TO FOUNDATIONS AND INSTITUTIONS (EUROS)

1,279,975	297,356	168,000
2023	2022	2021

The significant rise in the amount contributed by the management company to foundations and other entities is due to the greater financial support provided to top institutions, such as the Teatro Real Foundation, the IESE Foundation and the Formentor Cultural Foundation. These partnerships show the management company's commitment to cultural, educational and social development, thereby increasing its positive impact on the community and bolstering its stance as a key agent in promoting collective well-being.



Barceló Maya Caribe (Riviera Maya, Mexico)



The Barceló team in Morocco assists victims of the Al Houz earthquake

All the hotels and employees in the region coordinated their efforts to support the communities affected by the September 8th earthquake in the Al Haouz province. Essential items, including food, hygiene supplies, clothing and blankets, were collected from Tangier to Agadir and then carefully delivered to the Mohamed V Foundation in Chichaoua for their subsequent distribution. Aside from the material assistance, the teams worked closely with local authorities to ensure the effectiveness of initiatives by following recommended practices in emergencies. [Barceló Palmeraie](#) became a key donation centre for those who wanted to contribute to this humanitarian cause.

Ávoris Corporación Empresarial investments in local communities

In 2023, **BCD Travel** showed its commitment to the local community through various solidarity initiatives and cultural support.

On the one hand, it decided that its Christmas gift would once again be to donate €10,000 to the [Ronald McDonald Children's Foundation in Spain](#) to cover the cost of one of the 30 rooms at the Ronald McDonald House near Hospital Universitario Niño Jesús in Madrid, thereby helping nine families over the course of the year. The foundation offers a home away from home to families that must travel far from home for the medical care their child needs. The goal is for families to lead a normal life throughout the duration of the medical treatment.

It also paid the registration fee for nine employees to participate in the 'Carrera de Empresas' corporate race, and for the fifth consecutive year, was a bronze sponsor of the Valladolid International Film Week (Seminci). This underscores its cultural commitment and local leadership.

BCD Travel Spain also participated as a *partner* in the Andalusia Management Awards, a business forum event that brought together over 360 companies in the 14th edition of this important meeting point for business owners and executives in Andalusia.

Additionally, OPTTEAM was a sponsor of the 2023 Gala Pequeño Valiente (Little Warrior Gala) to support the fight against children's cancer in the Canary Islands.

Sponsorships

During 2023, we invested over €3.9 million in sponsorship. The entire amount is for the commitment made by **Ávoris Corporación Empresarial**⁷, whose events and sports division has continued to support **Spanish sport** through the shared values of hard work, self-improvement, perseverance, equality, respect, sportsmanship, solidarity, team spirit, and individual and collective achievement. This commitment covers various sports, events and activities to support several categories of men's and women's teams.

We view sport as an opportunity for personal development that highlights a combination of talents to reach a common goal. It is an instrument for social cohesion, health and equality through which society can multiply employment, business and social opportunities. **Ávoris Corporación Empresarial** will continue to support the connection between sport and our travel business.

In 2023, **BCD Sports**, the **Ávoris Corporación Empresarial's** agency specialising in travel management for sports teams, renewed its agreement to manage the Royal Spanish Hockey Federation's travel arrangements. In football, **BCD Sports** has renewed its deal with Granada CF and signed a management and sponsorship agreement with Albacete Balompié.

BCD Travel has shown its commitment to the local community through a

€10,000

donation to the **Ronald McDonald Children's Foundation in Spain** to cover the cost of one of the 30 rooms at the Ronald McDonald House near Hospital Universitario Niño Jesús in Madrid.

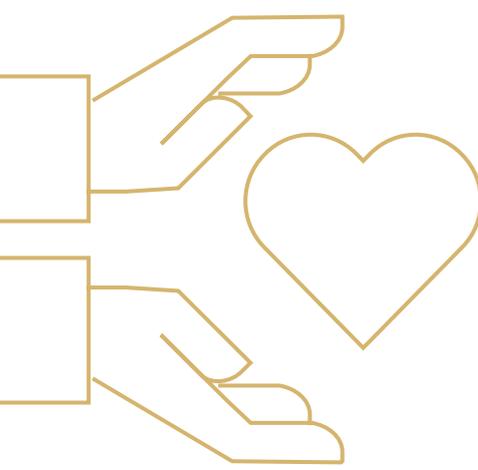
⁷The Barceló Hotel Group has not signed any sponsorships for significant amounts during the reporting period.

3.1.2. Supporting job placement

One of our main objectives is to bring in the finest professionals, as we are conscious of the impact of the **Barceló Hotel Group** on the local economic climate as a driver of the creation of employment opportunities. During our impact measurement project, we identified several impacts that contribute to meeting this general objective, and we assess our performance via a range of indicators:

- Generation of local employment (direct and indirect) thanks to the activity of the hotels.
- Generation of first job opportunities through the work experience programme, to help young people secure their first job.
- A clear commitment to the development of internal talent that has been trained in our pool to cover managerial posts in our hotels.

We also support job placement by outsourcing various sources to Special Employment Centres. At one Special Employment Centre, at least 70% of the workforce has a disability. The main aim of the centres is to provide productive work in the area where they operate, guaranteeing paid employment and the delivery of the personal and social adjustments required by the workers; this is a way of helping a great number of people with disabilities into employment. In 2023, the value of these outsourced services increased by 20% for a total of €17.8 million.



CONTRACTS WITH SPECIAL EMPLOYMENT CENTRES (MILLIONS OF €)



In this sense, the average number of employees with disabilities at the Group in 2023 was 290, 33% more than in 2022.

AVERAGE WORKFORCE WITH A DISABILITY (CORPORATE PERIMETER)





PARTNERSHIP WITH THE INTEGRA FOUNDATION:
17 people hired:

7 women

5 people
over the age of 45

3 women
who are victims of gender violence

3 people
with a disability

9 nationalities

Additionally, since 2019, all of the **Barceló Hotel Group's** travel management has been done by OPTTEAM, the **Ávoris Corporación Empresarial** travel agency with a Special Employment Centre.

In terms of job placement for people severely at risk of social exclusion, our collaboration with the [Integra Foundation](#) is worth noting. Thanks to these efforts, each year, women experiencing social exclusion find job opportunities that allow them to walk away from complicated situations and begin a decent life. Since the start of our partnership with the foundation, we have provided 295 jobs and hired 185 people.

We also partnered with the foundation's Strengthening School, through which **Barceló Hotel Group** employees volunteered to train over 50 people at risk of social exclusion in five workshops on job interview tips and how to write a *curriculum vitae*, among other aspects. With this initiative, we help people regain confidence, self-esteem and security, and to generate new support networks by enlarging their social circle.

Additionally, our collaboration with the Integra Foundation has made it possible to hire 17 people, fostering diversity in our workforce by giving opportunities to people from various social groups. This partnership has not only enriched our teams but also increased internal awareness of different social realities.

3.1.3. We support local culinary culture

The **Barceló Hotel Group** has the firm objective of safeguarding, sharing and promoting the cultural and culinary heritage of our destinations.

The Michelin Guide stars our Spanish hotels have earned are the best recognition of the hard work and perseverance of the people at the forefront of haute cuisine at the **Barceló Hotel Group**. Through hard work and passion, the company has become the Spanish hotel chain with the most Michelin stars (seven in total) and confirmed its firm commitment to regenerative tourism that highlights local talent and regional products at each destination.

MICHELIN-STARRED RESTAURANTS IN BARCELÓ HOTEL GROUP HOTELS

[HUESCA] Canfranc Estación, a Royal Hideaway Hotel.

One Michelin star. Chef: Eduardo Salanova. Sommelier and head waitress: Ana Acín.



[GRANADA] La Bobadilla, a Royal Hideaway Hotel

La Finca. One Michelin star. Chef: Fernando Arjona, advised by Pablo González.



[CANARY ISLANDS] Santa Catalina, a Royal Hideaway Hotel

Poemas by Hermanos Padrón. One Michelin star. Chefs: Juan Carlos and Jonathan Padrón.



[CANARY ISLANDS] Royal Hideaway Corales Resort

El Rincón de Juan Carlos. Two Michelin stars. Chefs: Juan Carlos and Jonathan Padrón.



MuXgo. One Green Michelin star. Chef: Borja Marrero.



San Hó. One Michelin star. Chef: Adrián Bosch.



The Inspirational Chef Program has brought the best European chefs to the Canary Islands since 2018.

Sustainable cuisine using local ingredients

Inspirational Chef Program

The Inspirational Chef Program is an original initiative aimed at bringing the best Spanish and international cuisine to the Canary Islands and showcasing the quality ingredients available on the islands. Since its launch in 2018, it has become a meeting point for European haute cuisine, featuring some of the best chefs in Europe, including Massimo Bottura, Diego Guerrero, Iván Cerdeño, Tim Boury, Ana Roš and Sebastian Frank. In 2023, Benito Gómez, chef at Bardal restaurant in Ronda (Málaga) with two Michelin stars and two Repsol Suns, prepared two exclusive dinners alongside Juan Carlos and Jonathan Padrón and the entire team at Poemas by Hermanos Padrón, a restaurant in Las Palmas de Gran Canaria.

A special culinary event was also held in Tenerife starring three chefs who have four Michelin stars in total: [Adrián Bosch Barrera](#), chef at [San Hô](#) restaurant (one star) housed in Royal Hideaway Corales Resort 5* GL; Fernando Arjona, chef at [La Finca](#) in Granada's [Royal Hideaway La Bobadilla 5* GL](#), also with one Michelin star and consulting from chef Pablo González, who has two Michelin stars at his restaurant Cabaña Buenavista in Murcia.

MuXgo, sustainable and creative cuisine using local ingredients

[Santa Catalina, a Royal Hideaway Hotel](#) opened its new restaurant, MuXgo, with a culinary concept at the forefront of sustainable cuisine using local ingredients. The project promotes sustainable cuisine that uses local and 0 km ingredients to create a menu featuring products from the Tejeda region such as millet, prickly pear and other plant species, prawn from Mogán, seasonal fish, olive wood charcoal from Tejeda and cheese made in-house. The food is served on handmade dishes by Borja Marrero at Mira Cerámica using ash from the major Gran Canaria wildfire in 2019, sand from the waterfalls in Tejeda and wool from the chef's sheep.



‘Our goal is to create a culinary experience that awakens all the senses through a melody of flavours that combine the best local ingredients and the abilities of expert artisans with excitement, magic and surprises’.

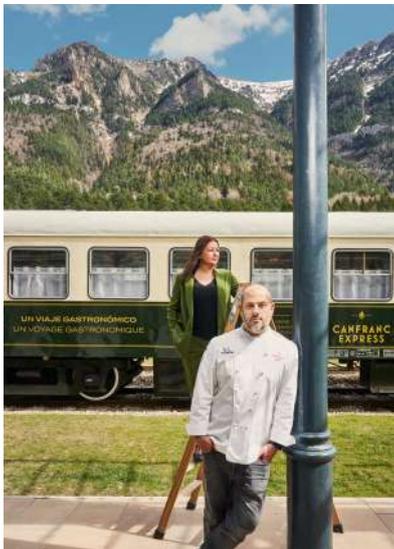
Pablo González

Chef and advisor for La Finca restaurant at the Royal Hideaway La Bobadilla hotel

Granada’s first Michelin star

La Finca restaurant at the [Royal Hideaway La Bobadilla](#) hotel in the Sierra de Loja mountains earned the Granada province’s first Michelin star at the gala for the 2023 Spain and Portugal Michelin Guide. As a tribute to the cultures near the region, this concept takes guests on a journey through the Málaga and Granada provinces by the hand of chef Pablo González. The menu showcases local ingredients and captures the essence of the two cultures, singing the praises and combining the best of each one. Highlights include traditional extra virgin olive oil from La Bobadilla and pure and sublime Riofrio caviar, a delicatessen from the region near the Sierra de Loja mountains.





Canfranc Express

Canfranc Express restaurant, housed in the [Royal Hideaway Canfranc](#) hotel, earned a Michelin star. Chef Eduardo Salanova, originally from Canfranc, reinterprets traditional Aragon cuisine using recipes linked to the station's history and placing the spotlight on local ingredients.

Canfranc Express invites diners to discover the modernist station, which experienced its gilded age in the mid-20th century, through a journey that ends in the form of a tasting menu served inside a train carriage restored to look like the train carriage restaurants that travelled through Europe in the 1920s.

'With the first Michelin star for Canfranc Express, we aim to help transform the Huesca province into a destination known for its cuisine.'

Eduardo Salanova

Chef at Canfranc Express restaurant

3.1.4. Commitment to culture

As part of our efforts to support cultural advancement, particularly literature and music, and promote the next generation of talent, **Barceló** carries out various initiatives:

Formentor Literature Prize

The Formentor Literature Prize recognises the quality and integrity of works that bring together literature's cultural influence and prestige. It seeks to foster good taste, showcase the artistic intelligence of writers and contribute to the scholarly tradition of Enlightened Europe.

Dating back to 1959, the Literary Conversations brought to Formentor authors like Vicente Aleixandre, Dámaso Alonso, Italo Calvino, Miguel Delibes, Robert Graves, Carmen Laforet and Marguerite Duras during that era.

These conversations led to the 1961 creation of the Formentor Literature Prize, a prestigious international literature award that has honoured 25 writers, including Jorge Luis Borges, Samuel Beckett, Annie Ernaux, Gisela Elsner, Liudmila Ulítskaya and Javier Marías.

As of 2011, the award was organised by the Formentor Foundation, with the **Barceló** and Buadas families as patrons.

In 2023, the award was given to the French writer Pascal Quignard at the emblematic [Canfranc Estación, a Royal Hideaway Hotel](#). Coinciding with the award ceremony, the 16th edition of the Literary Conversations was also held in Canfranc.



Santa Catalina Classics and a passion for music

The Santa Catalina Classics festival came to be thanks to the **Barceló** family's desire to support culture and carry on their patronage of classical music knowledge internationally. The event confirms the **Barceló Hotel Group's** commitment to the economic, social and cultural development of Gran Canaria that has helped position [Santa Catalina, a Royal Hideaway Hotel](#) as a top luxury hotel. It is no surprise that the hotel was named Spain's Leading Hotel at the latest edition of the World Travel Awards. This new recognition joins the long list of national and international accolades the hotel has received since its grand opening in 2019, such as Europe's Leading Cultural and Historical Hotel from the World Luxury Hotel Awards, following a comprehensive refurbishment by the **Barceló Hotel Group**. This renovation was recognised as one of the 10 best hotel restoration and sustaina-





bility projects by restoring the essence designed by the architect Miguel Martín-Fernández de la Torre in 1945, once again making the hotel the identifying symbol of Las Palmas de Gran Canaria and a meeting point for the local society.

The festival began in Mallorca in 2013 and was moved to Las Palmas de Gran Canaria's emblematic hotel in 2021 to continue sharing culture, particularly that of classical music, and to showcase the virtuosity of globally and nationally acclaimed stars whilst promoting young talent and up-and-coming artists. In 2023, music fans were treated to a gala concert by Roberto Alagna, considered to be one of the best tenors in history, accompanied by the Gran Canaria Philharmonic Orchestra conducted by Karel Mark Chichon. The Chamber Series featured a recital by the pianist Juan Pérez Floristán and the violinist Francisco Fullana, accompanied by the pianist Alba Ventura.

Patrons of the Teatro Real in Madrid and partnership agreement with Gran Teatre del Liceu

As the next step in the Barceló Group's focus on cultural advancement and expanding its patronage of musical knowledge nationally and internationally, in 2023, we signed an agreement with the Teatro Real through which we have become patrons and members of the Board of Protectors. This patronage confirms our commitment to culture by protecting and promoting the enrichment of the [Teatro Real's](#) artistic assets and defending and researching Spain's musical lyrical heritage. It will also foster the promotion, appreciation and knowledge of these arts, and encourage citizens to attend performances and activities.

We also signed an agreement to join the group of companies that partner with the Gran Teatre del Liceu Foundation and support the theatre. This reinforces our commitment to contributing to culture, particularly classical music, by supporting the Liceu and its artistic seasons, and the activities and programmes for the artistic project.

Supporting young talent and the Albéniz Foundation

Since 2014, the **Barceló Hotel Group** has maintained a fruitful partnership with the [Albéniz Foundation](#) to support the efforts of the Reina Sofía School of Music and its centre for advanced studies. This private initiative aims to stimulate and foster excellence in the training of the most prominent young musicians in Spain and promote their artistic careers on an international level. As part of this initiative, the **Barceló Hotel Group** has boosted the promising artistic career of several young musicians.

As part of our commitment to culture and education, the [Santa Catalina Classics](#) festival has featured many young artists, including Víctor and Luis del Valle, the VibrArt Trio and the young pianist Jaeden Izik Dzurko, along with many others we hope to showcase in the near future.

From our perspective, these types of superior educational and artistic spaces are essential for a country's development in the field of humanities and also in terms of its social and economic structures.

Barceló Marbella supports rising Andalusian painters



The [Barceló Marbella](#) hotel has launched a new initiative to promote local art and support the region's rising artists. Instead of opting for anonymous paintings or mass-produced prints, the hotel will exhibit unique pieces by local contemporary painters in its facilities. The first artist to showcase their work is Cindia Mera from Cádiz. Her exclusive paintings for Barceló Marbella are inspired by the sea and emotions, as well as the 'Los Orishas' collection inspired by Africa. The pieces will remain on display for one year throughout the hotel.

During the restoration, some of the bank's original artefacts were found, including five safes built in England and modernist lamps that will form part of the hotel's décor.

We design hotels with a purpose

The **Barceló Hotel Group** works hard to give every hotel a unique identity that showcases the **local culture**. The process of conceptualisation begins with a blank sheet. When writing a hotel's story, the first step is to analyse its context and circumstances, the value and conservation of the natural habitat, the culture and heritage of the destination, and the features and design of the building.

The following projects are perfect examples of preserving and promoting a destination's cultural heritage in 2023:

PALACIO GRAN VÍA, A ROYAL HIDEAWAY HOTEL

The architectural evolution of [Palacio Gran Vía](#), a Royal Hideaway Hotel in Granada, has been defined by the building's rich history and artistic value. The hotel is housed in the former headquarters of Banca Rodríguez Acosta, built in 1905 by the architect Juan Montserrat Vergés. The comprehensive renovation and restoration project has maintained the building's essence by conserving valuable architectural elements like the coffered ceilings and the layout around the central courtyard.



Palacio Gran Vía, a Royal Hideaway Hotel (Granada, Spain)

The hotel's façade has been protected and restored in a way that maintains the original elements of the local heritage, such as grilles and railings, with the addition of Nasrid-style tiles. Valuable architectural elements have also been preserved, such as the Neo-Mudéjar wooden ceilings and hydraulic cement tiles, giving the hotel a distinctive Al-Andalus touch.

To minimise the environmental impact, sustainable installation systems and materials were used, such as recycled materials, efficient HVAC systems and optimised lighting controls.

The hotel's restoration has been a collaborative process involving many professionals and local craftspeople to ensure the conservation and celebration of Granada's rich architectural legacy.

BARCELÓ CARMEN GRANADA

The [Barceló Carmen Granada](#) hotel, located in the historic quarter, is the result of a project inspired by Granada's culture. Inspiration was drawn from the Alhambra's colours and distinctive elements to create a space that conveys harmony and tranquillity through its architecture and interior design. This is reflected in the colour palette ranging from neutral beige and stone tones for the settings to an array of green, yellow and mustard hues for the decorative details. Gold is also present in various materials and textures, playing a major role in defining the hotel's atmosphere.

The contemporary reinterpretation of the Alhambra's traditional ceramic, lattice and plasterwork creates visual elements that convey the local roots and add a decorative richness and texture to the space. This unique concept was also applied to the furniture and lighting, which were specifically designed for the hotel.



Barceló Carmen Granada (Granada, Spain)

BARCELÓ WARSAW POWIŚLE, A DESIGN HOTEL IN THE HEART OF WARSAW

In 2023, the [Barceló Hotel Group](#) opened its first hotel in Poland: [Barceló Warsaw Powiśle](#). The establishment is defined by the elegant industrial design that highlights its location inside the former Elektrownia Powiśle power plant, built at the start of the 20th century.

BARCELÓ FUNCHAL OLDTOWN

The [Barceló Funchal Oldtown](#) hotel, housed in an old embroidery factory, has opted to revive Madeira's embroidery tradition. In addition to including embroidery details in the rooms, it also arranges workshops with professional *embroiderers*.

In 2023, we also partnered with the designer Joana Duarte, a professional focused on bringing back historical dressmaking techniques and adapting them to contemporary fashion. The project applies the upcycling philosophy to create an exclusive and eco-conscious collection of shopping bags that combine local craftsmanship, recycling and sustainability using old quilt fabrics from markets throughout Portugal.



Barceló Warsaw Powiśle (Warsaw, Poland)

3.2. From supply chain to value chain

In the current economic, social and environmental context, the management of the supply chain becomes more important every day. Therefore, we take care to ensure that our relationships with suppliers of goods and services are lawful, ethical and respectful, and based on communication and transparency, with the added aim of encouraging the development of innovative and sustainable solutions.

Suppliers are selected according to the **Barceló Group's Code of Ethics** and its criteria of objectiveness and transparency, balancing the company's interests in obtaining the best possible terms with the benefits of establishing stable relations with ethical and responsible suppliers.

3.2.1. Responsible procurement at the Barceló Hotel Group

FUTURE CHALLENGES

In 2024, we will continue to work towards a more sustainable procurement model by implementing a supplier certification system and using digital tools that help us integrate sustainability in the supply chain and allow us to audit progress (the Barceló Hotel Group did not audit suppliers in 2023). We aim to gain insight into how our main suppliers manage sustainability that could affect us directly, thereby ensuring regulatory compliance at all times and addressing all the risks (sustainability, compliance, finance, geopolitics, natural disasters, cybersecurity, etc.).

Our main objective is the creation of a sustainable purchasing and provisioning model: by minimising the costs of purchasing, storage and distribution in all our hotels, guaranteeing quality standards within each of the brands, and encouraging compliance with applicable regulations and with the ethical, environmental and social commitments that Barceló has entered into. To achieve this, we have several strategies:

- **A centralised purchasing system based on volume aggregation**, operating under a flexible and agile model, adapted to regional and local needs and to the standards we have identified for each of the brands.
- **Improving process management through digitalisation**. To achieve this, we launched *B-stores*, our mobile application for managing suppliers, which enables us to optimise logistical processes in our hotels.
- **Promoting local products** as a tool to encourage appreciation of the richness of the destination.

The **Barceló Hotel Group** prioritises working with local suppliers to boost the economic development of our destinations. At the end of 2023, 92% of our suppliers are local⁸ and 30% are 0 km⁹. In addition to bolstering the local economy and infusing professionalism in small businesses, 0 km sourcing helps decrease the environmental impact by significantly reducing transport emissions during distribution.

Our contracts also include a clause stating our commitment against the abuse and sexual exploitation of children and adolescents. Breaching this clause will result in the immediate termination of the contract.

⁸At Barceló Hotel Group, we define a local supplier as one whose head office is in the same country as the hotel.

⁹At Barceló Hotel Group, we define a close supplier as one whose head office is less than 100 km from the hotel (criterion established by the Slow Food gastronomic movement).

3.2.2. Responsible procurement at Ávoris Corporación Empresarial

As of the close of 2023, we have:

271

approved suppliers, accounting for 46% of the total

40

approved suppliers, accounting for 91% of the total purchases made

The Group's travel division handles supplier management through the [Procurement Management Tools](#) portal. All suppliers who wish to register must go through an approval process that collates the suppliers' commitment to comply with:

- **Applicable employment law:** rights to health and safety, a commitment to the abolition of child labour, respect for the working day, and so on.
- **Environmental legislation:** compliance with the legal requirements in all countries in which the supplier operates.
- **Ethical guidelines.**

In addition, we require suppliers to provide documentation to demonstrate their compliance with the commitments mentioned above, and to take responsibility for keeping them constantly updated. No supplier audits were done in 2023.

In 2023, **Ávoris Corporación Empresarial** added reporting for three new companies in the EcoVadis sustainability performance measurement platform: Viajes CATAI, SAU; Viajes Halcón, SAU and Sextante Viajes, SL (RACC Travel). **CATAI and Halcón Viajes** earned their first silver medal (73rd percentile). The percentile ranking compares the overall score with that of other companies from all industries. Obtaining the 73rd percentile means that the overall score for Halcón Viajes is equal to or greater than 73% of all the companies evaluated by EcoVadis. In turn, **Racc Travel by Ávoris** earned its first EcoVadis bronze medal (70th percentile).

Non-tourism suppliers are certified through the Jaggaer platform, and as part of the process, they must fill out a detailed questionnaire on sustainability.



TOTAL APPROVED SUPPLIERS



3.3. Barceló Experiences: supporting responsible tourism



16 M
users

WE WORK WITH
+200
entrepreneurs
and SMEs

850
different experiences

Barceló Experiences is our offer to guests to experience and enjoy their destination like a genuine local. It is the ideal alternative to the conventional trip, and our guests can immerse themselves in the destination they visit, by discovering its true essence.

Barceló Experiences aims to accelerate the impact on local economies and societies, and to contribute to the implementation of a more sustainable economic model - which uses the opportunities offered by technology, but without leaving people or businesses behind.

- Differentiating and adding value to hotels and destinations through guides created by local experts, reaching a total of 16 million users by the end of 2023, and with the possibility of buying a wide array of third-party and Barceló experiences online.
- Digitalising and professionalising SMEs and businesses offering experiences, by improving their competitiveness and offer. Currently, we work with over 200 entrepreneurs and SMEs, generating an estimated average annual additional income of around €6,000, thanks to the implementation of this project.
- Showcasing an area's natural, cultural and archaeological heritage, to offer our customers alternatives that will allow them to discover their destination in a more sustainable way, respecting and living in harmony with the local environment. By the end of 2023, we had nearly 850 different experiences, a number that is expected to increase over the course of 2024 when new destinations become available.
- Facilitating contact between our customers and companies that offer activities and experiences.



3.4. Barceló Foundation



81

initiatives
in 16 countries

268,278

people benefited

€2,405,912

total investment

A non-profit organisation set up by the Barceló Oliver family in 1989 with the aim of improving people's personal development and contributing to the creation of a more egalitarian society. The projects are rolled out on three themes:

- Contributing to an improvement in the personal, economic and social development of the most disadvantaged people — through health, education and personal development, with a particular focus on improving the quality of life of women.
- Contributing to the development of agriculture, and undertaking productive initiatives, whilst always paying attention to the protection of the environment.
- Encouraging cultural activity.



In light of its extensive track record, the [Barceló Foundation](#) received the following recognitions in 2023:

- 2023 Illes Balears ONCE Social Group Solidarity Awards, the Institution, Organisation, Entity NGO category, for its work with people most in need.
- Alejandro Da Silva Foundation recognised the Barceló Foundation's more than 30 years of work towards improving people's quality of life, particularly in the most disadvantaged countries where we operate.
- Responsible and Sustainable Tourism Award from the InterMundial Foundation and the Instituto Tecnológico Hotelero (ITH), in recognition of the work done in the field of sustainability. Specifically, the Barceló Group won the Hospitality category with its Alisol Project (Solidary Food), through which the Foundation distributed over 223,000 kilos of fresh food in Mallorca in 2021.

Additionally, our founder, Gabriel Barceló, was honoured at the Diario de Mallorca Career Awards.

In 2023, the Barceló Foundation continued its scholarship programme, resulting in 389 educational grants, cultural programmes, the PAYMA agricultural project in Niger, the micro-credit programme in Nicaragua, the Alisol food distribution project in Mallorca (with 7,000 kg of food distributed weekly in conjunction with 23 partner entities), and ongoing work in the following three major initiatives:

FARMASOL

This includes all health-related projects, which are centred primarily on providing medical care, medical supplies and medications to the health centres we support to prevent and treat illnesses. They take into consideration, for example, vaccination campaigns, treatments and specific campaigns such as vaccines, podoconiosis, pre-natal and post-partum care, disability care and other programmes tailored to the needs of the country and population in question.



33 projects **11** countries

180,000 beneficiaries

- 1,500 childbirths
- 2,000 malnourished children treated
- 2,500 children vaccinated
- 825 procedures
- 1,200 people with disabilities monitored
- 2,000 podoconiosis patients treated monthly



Safe Delivery Programme

Launched in 2017, this programme creates exclusive rooms for pregnant women and childbirth, and covers the childbirth and pre-natal care expenses of all the women who visit the health centre. With more than 1,400 deliveries handled annually, this programme has become a benchmark for maternal and neonatal care in Ethiopia.

In addition to Ethiopia, the Barceló Foundation has also implemented safe childbirth programmes in Uganda and soon in Tanzania as well, where special maternity wards equipped for mothers and newborns are being built.

AGUAY+

10 projects
6 countries
43,536 beneficiaries

- 58 wells built
- 155 wells restored
- 66 latrines built
- 6 watering systems installed
- Water system and network for a market and village in Burkina Faso

Initiatives to provide access to clean water by drilling and restoring wells, and building latrines, water tanks and other sanitation structures in areas where the Foundation operates.



INITIATIVES

These are projects that combine several initiatives in one country and region to see the improvements throughout the years and witness the results obtained. Working continuously in a specific region guarantees a project's success. Our initiatives currently take place in four countries: Ethiopia, Uganda, Kenya and Tanzania. A clear example of this methodology can be found in what we call the Tanzania Initiative, which includes two major achievements in the Zaragwe region of Tanzania.

Tanzania Initiative

This project encompasses several programmes that cover health, education and economic development to offer a holistic view of community development.

Since 2016, projects have been managed directly, in close collaboration with local partners (CBIDO and PCC) and the regional government. A strategic approach has been designed to empower Tanzanian communities, guarantee fair access to basic services and foster self-sufficiency in the long term.

Some of the projects we have worked on in the region since 2016 include **Farmasol**, through which we have assisted over 2,000 people and completed approximately 40 initiatives annually; the **Vocational Training Centre for girls with disabilities**, with 60 graduates each year; and **100 farms in Tanzania**, which has improved the living conditions for 600 people annually.

60
students graduate each year from the **Vocational Training Centre for girls with disabilities**

7 projects
2,730 beneficiaries



In 2023, we expanded the initiatives to supplement and increase the impact. The creation of an **abattoir** supplied with animals raised by families involved in the 100 Farms in Tanzania project and a **leather goods workshop** that employs female students trained at the **Vocational Training Centre** are proof of our ongoing commitment to sustainable development.



Success stories, like that of Joseline, a Vocational Training Centre graduate who overcame osteomyelitis and now manages her own sewing workshop, show the transformative impact of our initiatives. Additionally, the **abattoir** project has partnered with industry professionals to create meat products that have a long shelf life, such as **boti**, which is marketed successfully in the region. These achievements are also proof of the comprehensive approach and valuable collaboration with local communities.

4. We are working for fair, inclusive employment

- 4.1. Talent at Barceló
- 4.2. Main figures
- 4.3. A culture focused on supporting talent
- 4.4. Barceló Group: a diverse, intergenerational team
- 4.5. Training and development: the key to our growth
- 4.6. A quality working environment

RELATED SDGS



MATERIAL TOPICS

- Working conditions.
- Employee development and training.
- Diversity, equality and inclusion of people.
- Engagement and recruitment of talent
- Well-being and care.

GRI CONTENT

2,7, 2-30, 3-3, 401-1, 401-2, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10, 404-1, 404-2, 404-3, 405-1, 405-2



4.1. Talent at Barceló

People are **Barceló Group's** most valuable asset. We have full confidence in our team to be the driver for the growth of the company, as our people communicate their enthusiasm and their passion to our customers. Moreover, they are what enables us to reinvent ourselves and to generate more value. They are also the people with whom we are undertaking the great transformational initiative that we have embarked on, and which we are still committed to: *WAY We All You*, an initiative that demonstrates our commitment to placing the employee at the centre of all our actions and decisions.

We are still making our way along this new path built with the enthusiasm and strength of a team excited to be creating a new Barceló way of working and living. A path characterised by consistency, endeavour and common purpose that we are setting out on with pride and with one clear objective: to ensure the happiness of the more than 38,000 people who make up Barceló Group, at every stage of their career within the company.



We treasure the finest talent, and give priority to their development, so that they become the drivers of systemic change. We want to offer the best possible working environment — not just for those who are looking to join our company, but for all our employees. To this end, we are constantly working on aspects related to the retention of talent, the improvement of the working environment and a commitment to providing the best tools to enable our people to attain the highest standards of well-being.

We encourage the development of our teams, we foster a feeling of belonging, and we strengthen and unify the experience of our workforce — by optimising the processes for managing human capital. To achieve this, we adopt the finest technology on the market in order to standardise our technological ecosystem and to offer personalised experiences within the working environment.

In addition to maximising opportunities for training and development, we are continuing to implement measures focused on improving the workplace climate, the balance between work and personal life, digital disconnection, motivation, and the prevention of illnesses and symptoms linked to workplace stress — all by prioritising the care and the physical and emotional well-being of our teams.

4.1.1. Context of people within the tourism sector

Summer 2023 marked the recovery of the labour market in the tourism and hotel sector. The month of July saw growth above the levels for 2019, and in some regions of Spain the number of contracts increased by 15% in comparison with the same month in the year prior to the pandemic.

Attracting and retaining talent is the great challenge facing the sector. High staff mobility and rotation, the shortage of qualified staff and the new life priorities of people in employment are obstacles to recruitment processes within the sector: during the pandemic, many workers left the tourism sector in search of shorter working days, better wages and greater flexibility.

In addition to improving financial and workplace benefits, offering professional opportunities to all members of the workforce, including them in decision making and nurturing pride in belonging to the company are all key elements. An all-embracing sense of well-being that brings together the desired material and emotional conditions is fundamental, particularly for the younger generations whose priorities as they enter the labour market include financial incentives, greater flexibility in working hours, tele-working, training and a good workplace atmosphere.

4.1.2. Focusing on the management of employee care

In this context, seasonality and temporary work, the outflow of talent and the low qualification levels of the demand for labour are some of the main risks confronting the sector. Because of our awareness of this reality, and of the fact that talent is our greatest asset when communicating our enthusiasm to customers, we at the Group have adopted the following lines of approach:

- Investing in training and in the development of employees' skills so that they can better adapt to different roles (upskilling and reskilling).
- Offering professional opportunities for internal promotion to help retain talent.
- Offering attractive benefits, well-being programmes and a positive working environment to reduce rotation rates.
- Adopting the finest technology on the market to standardise our technological HR ecosystem. Reducing the manual workload and improving productivity.



15%

increase in the number of contracts in July 2023 in some regions of Spain, an indication of the recovery of the labour market in the tourism and hotel sector





Barceló Sants (Barcelona, Spain)

4.1.3. Main initiatives and employment policies

Since 2022, **Barceló Group's** Human Resources teams have focused on using the best technologies available to optimise their systems. The growth achieved by the company in recent years means that it is vitally important to standardise our technological ecosystem, offering personalised experiences within the working environment, and endeavouring to be more agile and effective when standardising processes and harnessing each person's knowledge and expertise.

This objective is moving ever closer to being realised, thanks to the launch of the **WAY (We All You) initiative**. This initiative acknowledges that, for **Barceló Group**, its people are a priority: we place people at the centre of all our actions and decisions, encouraging the development of teams, and valuing and bringing together our employees' experience.

In this area, **one of the most important milestones for 2023 was the training of groups directly involved in this cultural and technological change**. To this end, a range of training has been implemented to demonstrate the functionalities of the innovations and software that have been introduced. The outstanding innovation in this area is Workday, a unique Human Resources system that enables the simplification, automation and standardisation of the company's main processes. In addition, it has been integrated with other key company platforms such as online training, via **Barceló Campus**.

In the light of this, several presentations targeted at managers and heads of department (both in hotels and at corporate level) were held to introduce Workday, explaining the functionalities the system offers to employees who wish to manage their day-to-day lives within the company, as well as covering administrative matters with human resources. Five hundred and sixteen heads of department and hotel managers (91% of the total) and 135 corporate managers participated in this training.

In addition, we launched a pilot scheme in the Barcelona hotel cluster (six hotels) and in two corporate departments, digital business and systems. The objective was to review the modules and opportunities offered by Workday from the employees' perspective, in order to collate their suggestions and to implement improvements that would facilitate their management of their day-to-day work via the platform.

Finally, with the objective of complying with the regulations as well as having a tool that enables the management of staff shifts, we have this year introduced a schedule-planning tool in all our Spanish hotels, which will doubtless improve our organisation of our teams' working hours.

4.2. Main figures



Our workforce comprises all those people who (grouped in different areas and lines of the business) carry out their work in our hotels (under the umbrellas of **Barceló Hotel Group** and Crestline Hotels & Resorts) or at **Ávoris Corporación Empresarial**, our brand specialising in travel.

In 2023, the workforce (calculated as the annual average of posts) grew by 10.47% in comparison with the previous year. Our team consists of 38,067 people based in 31 countries, with 130 different nationalities represented. Workforce distribution is practically equal in terms of gender (with 51% being female and 49% male), and the average age is 39 years.



Distribution of the workforce by country

Spain is still the country with the Group's largest number of workers, who represent a third of our total workforce. Furthermore, the Spanish workforce has increased by almost 15%, thanks to the opening of nine more hotels and the growth of the tourism industry.

Similarly, the United States workforce has grown by almost 23%, because of the growth of Crestline and the addition of further hotels to its portfolio.

The workforce has expanded in all countries — apart from India, the United Kingdom and Colombia, as very few Ávoris staff are based in these countries, and in Portugal, due to the removal of Angra Marina from the portfolio.

In LATAM, although no new hotels have been opened this year, all countries show an increase in operations by Barceló.

WORKFORCE BREAKDOWN BY COUNTRY AND GENDER

Country	2021			2022			2023		
	Average workforce*	% Men	% Women	Average workforce*	% Men	% Women	Average workforce*	% Men	% Women
Germany	43	63%	37%	36	78%	22%	53	57%	43%
Aruba	189	48%	52%	193	48%	52%	197	46%	54%
Bulgaria	53	57%	43%	75	49%	51%	96	42%	58%
Colombia	-	-	-	1	100%	0%	1	100%	0%
Costa Rica	819	59%	41%	875	55%	45%	896	54%	46%
Cuba	-	-	-	-	-	-	-	-	-
Egypt	315	96%	4%	349	94%	6%	434	93%	7%
El Salvador	166	62%	38%	220	53%	47%	253	52%	48%
United Arab Emirates (UAE)	483	82%	18%	526	83%	17%	555	82%	18%
Slovenia	-	-	-	-	-	-	12	46%	54%
Spain	8,648	40%	60%	11,490	39%	61%	13,202	39%	61%
USA	3,749	36%	64%	3,977	36%	64%	4,887	36%	64%
Greece	39	45%	55%	49	47%	53%	-	-	-
Guatemala	251	53%	47%	334	50%	50%	380	51%	49%
Hungary	21	42%	58%	38	45%	55%	45	47%	53%
India	-	-	-	10	90%	10%	7	85%	15%
Indonesia	-	-	-	-	-	-	212	75%	25%
Italy	32	41%	59%	42	40%	60%	50	45%	55%
Maldives	-	-	-	-	-	-	47	88%	12%
Malta	-	-	-	-	-	-	12	68%	32%
Morocco	358	69%	31%	472	67%	33%	773	66%	34%
Mexico	6,870	60%	40%	8,821	59%	41%	8,924	57%	43%
Nicaragua	177	56%	44%	207	56%	44%	248	55%	45%
Oman	189	86%	14%	205	88%	12%	213	86%	14%
Poland	-	-	-	-	-	-	19	58%	42%
Portugal	288	35%	65%	320	33%	67%	317	34%	66%
United Kingdom	-	-	-	4	50%	50%	1	57%	43%
Czech Republic	89	50%	50%	109	46%	54%	110	39%	61%
Dominican Republic	4,702	58%	42%	5,335	55%	45%	5,628	54%	46%
Sri Lanka	-	-	-	-	-	-	179	85%	15%
Tunisia	-	-	-	527	74%	26%	-	-	-
Turkey	136	71%	29%	243	69%	31%	316	71%	29%
Total	27,617	51%	49%	34,458	50%	50%	38,067	49%	51%

*Based on the annual average of total contracts.

The above does not include data relating to Cuba, due to the special characteristics of the contractual management of the workforce in that country; nor to Tunisia, because it is only partly managed by us. Greece has not reported for 2023, because there has been a removal from the portfolio during the year, and the data is not available. In addition, there may be other exclusions relating to certain indicators, or to information that may be identified throughout the report.

DISTRIBUTION BY COUNTRY, GENDER AND CATEGORY IN 2023

Country	Management team			Middle management			Core staff		
	Average workforce	% Men	% Women	Average workforce	% Men	% Women	Average workforce	% Men	% Women
Germany	3	35%	65%	17	60%	40%	33	57%	43%
Aruba	6	44%	56%	31	57%	43%	160	44%	56%
Bulgaria	2	27%	73%	21	36%	64%	72	45%	55%
Colombia	0	0%	0%	0	0%	0%	1	100%	0%
Costa Rica	20	53%	47%	67	65%	35%	809	54%	46%
Egypt	10	100%	0%	92	93%	7%	332	92%	8%
El Salvador	5	89%	11%	21	48%	52%	228	52%	48%
UAE	19	90%	10%	137	82%	18%	398	82%	18%
Slovenia	1	0%	100%	5	62%	38%	6	41%	59%
Spain	244	72%	28%	2,323	45%	55%	10,637	37%	63%
USA	454	44%	56%	751	34%	66%	3,681	36%	64%
Guatemala	2	50%	50%	54	65%	35%	324	49%	51%
Hungary	3	29%	71%	14	44%	56%	28	50%	50%
India	1	100%	0%	0	0%	0%	5	81%	19%
Indonesia	2	100%	0%	52	77%	23%	158	74%	26%
Italy	6	67%	33%	4	75%	25%	40	39%	61%
Maldives	2	100%	0%	13	84%	16%	32	88%	12%
Malta	1	66%	34%	8	66%	34%	3	72%	28%
Morocco	31	69%	31%	198	67%	33%	545	66%	34%
Mexico	91	57%	43%	563	69%	31%	8,270	56%	44%
Nicaragua	5	20%	80%	22	82%	18%	221	53%	47%
Oman	2	100%	0%	37	83%	17%	174	87%	13%
Poland	1	16%	84%	5	66%	34%	13	59%	41%
Portugal	16	50%	50%	35	48%	52%	266	31%	69%
United Kingdom	0	0%	100%	0	0%	0%	1	67%	33%
Czech Republic	7	59%	41%	34	47%	53%	70	33%	67%
Dominican Republic	45	56%	44%	563	68%	32%	5,020	52%	48%
Sri Lanka	2	100%	0%	31	91%	9%	146	84%	16%
Turkey	12	75%	25%	53	70%	30%	250	71%	29%
Total	993	56%	44%	5,151	53%	47%	31,923	48%	52%

Distribution of the workforce by business

Barceló Group is divided into five main business groupings: Ávoris, Crestline, and the geographical regions of EMEA Spain, EMEA International and Latin America.

During this latest period, we have noted certain changes in the distribution of our global market. Firstly, Latin America is still the leading region in terms of the average workforce, representing 43% of the total. This division has lost territory to EMEA Spain, where we have registered an increase of 2%.

In addition, we have seen a slight increase (1%) at Crestline. This increase indicates a gradual strengthening of our presence in the Americas.

Distribution of the workforce by business	2021		2022		2023	
	Av.	%	Av.	%	Av.	%
Ávoris	4,304	16%	5,439	16%	5,533	15%
Crestline	3,749	14%	3,977	12%	4,878	13%
EMEA Spain	4,581	17%	6,453	19%	7,982	21%
EMEA International	1,810	7%	2,755	8%	3,219	8%
LATAM	13,173	48%	15,834	46%	16,455	43%
Total	27,617	100%	34,458	100%	38,067	100%

38,067

total workforce

Workforce in terms of gender

Men

18,508 | 49%

Women

19,559 | 51%

2022	34,458	
Men	17,074	50%
Women	17,384	50%

2021	27,617	
Men	13,971	51%
Women	13,646	49%

Workforce breakdown by age

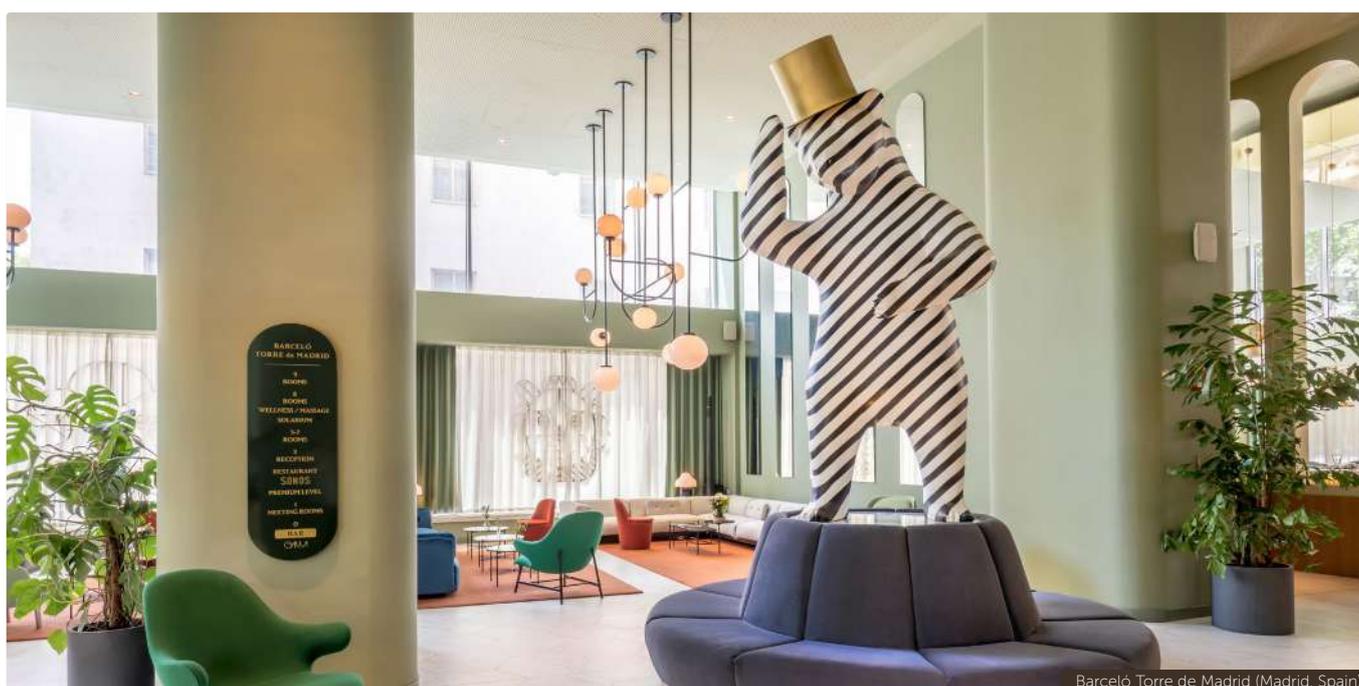
The average age of our workforce has risen slightly by comparison with the previous year, with an increase of 0.28 years, below 39 years. This increase has been seen in both male and female employees.

It is important to point out that the majority of our workforce are aged between 30 and 50 years, representing over half of the total. Although employees aged under 30 also form a significant part of our team, a greater percentage increase has been seen in the over-50 group, which demonstrates our organisation's diversity in terms of age and our commitment to retaining talent in the long term.

Furthermore, it is worth highlighting that, during the past year, there has been a positive trend in the percentage of women in our workforce, with an annual increase of 1%. This continues to reflect our commitment to gender equality in the workplace.

Workforce by gender and age	2021	2022	2023
Under the age of 30	7,709	9,221	10,369
Men	54%	52%	51%
Women	46%	48%	49%
Between the ages of 30 and 50	15,070	19,177	20,534
Men	49%	49%	48%
Women	51%	51%	52%
Over the age of 50	4,838	6,060	7,164
Men	50%	49%	48%
Women	50%	51%	52%

Workforce by average age	2021	2022	2023
Workforce by gender	40	38.51	38.68
Men	40	38.04	38.2
Women	39	38.98	39.12
Workforce by age range	27,617	34,458	38,067
Under the age of 30	28%	27%	27%
Between the ages of 30 and 50	54%	55%	54%
Over the age of 50	18%	18%	19%



Barceló Torre de Madrid (Madrid, Spain)

Workforce breakdown by professional category

During 2023, we saw that the proportion of categories remained stable, indicating a consistency in the organisational structure of our company.

The management team continues to represent approximately 3% of the total workforce. In each of the lines of the business, this management team generally consists of a manager, deputy manager and an assistant manager – as well as other posts with significant responsibilities within the organisation which report directly to the senior management team.

It is important to point out that, during 2023, we continued with the process of standardisation of posts and professional categories. This process is based on the responsibility that each member of the workforce has within their ambit of control, taking into account the particularities and specific needs of each division of the business. This explains the increase in intermediate management posts at the expense of the management team, and is a reversal of the trend noted in the 2022 fiscal year. This move towards the standardisation of posts and professional categories demonstrates our drive to achieve equity and transparency within the organisation – as well as our constant quest for efficiency and effectiveness in the management of human resources.

Workforce breakdown by professional category	2021		2022		2023	
	Av.	%	Av.	%	Av.	%
Management team	1,139	4%	1,125	3%	993	3%
Men	674	59%	620	55%	556	56%
Women	465	41%	505	45%	437	44%
Middle management	4,200	15%	4,356	13%	5,151	13%
Men	2,302	55%	2,475	57%	2,746	53%
Women	1,898	45%	1,881	43%	2,405	47%
Core staff	22,278	81%	28,977	84%	31,923	84%
Men	10,995	49%	13,979	48%	15,206	48%
Women	11,283	51%	14,998	52%	16,717	52%

Workforce distribution by type of contract

During the current period, we have maintained our commitment to create stable employment posts, and this is reflected in the fact that 82% of our workforce have a permanent contract — an increase of 2% on the previous year.

It is important to note that, within the group of female employees, we can see an even greater share of permanent contracts, up to 84%, a manifestation of our commitment to stability of employment and gender equity in the workplace.

In addition, there is a significant increase of 7% in the proportion of permanent contracts among employees aged under 30, up to 69% of this demographic group. This increase demonstrates our focus on offering stable employment opportunities to young professionals, thus encouraging their development and growth within the organisation.

Finally, we have increased the proportion of permanent contracts within the core staff, with a rise of 2% in the corporate area, a testament to our commitment to the well-being and employment security of all our employees.



Employees by contract based on gender, professional category and age range*	2023				
	Permanent		Temporary		Total
By gender					
Men	13,557	81%	3,181	19%	16,738
Women	13,784	84%	2,667	16%	16,451
By professional category					
Management team	526	97%	16	3%	542
Middle management	4,097	93%	306	7%	4,403
Core staff	22,718	80%	5,526	20%	28,244
By age range					
Under the age of 30	6,422	69%	2,936	31%	9,358
Between the ages of 30 and 50	15,735	86%	2,523	14%	18,258
Over the age of 50	5,184	93%	389	7%	5,573
Total	27,341	82%	5,848	18%	33,189

*The table shows the number of active contracts for the year. However, this data excludes Crestline because of the difference in labour relations with its workers, which can be classified as *full time or part time, hourly or exempt*, unlike what is used in the rest of the report.

Employees by contract based on gender, professional category and age range*	2022				
	Permanent		Temporary		Total
By gender					
Men	12,274	79%	3,362	21%	15,636
Women	12,114	82%	2,731	18%	14,845
By professional category					
Management team	577	96%	24	4%	601
Middle management	3,700	92%	326	8%	4,026
Core staff	20,111	78%	5,743	22%	25,854
By age range					
Under the age of 30	5,216	62%	3,133	38%	8,349
Between the ages of 30 and 50	14,687	85%	2,664	15%	17,351
Over the age of 50	4,485	94%	296	6%	4,781
Total	24,388	80%	6,093	20%	30,481

*The table shows the number of active contracts for the year. However, this data excludes Crestline because of the difference in labour relations with its workers, which can be classified as *full time or part time, hourly or exempt*, unlike what is used in the rest of the report.

Employees by contract based on gender, professional category and age range*	2021				
	Permanent		Temporary		Total
By gender					
Men	9,861	78%	2,764	22%	12,625
Women	8,839	79%	2,404	21%	11,243
By professional category					
Management team	596	94%	38	6%	634
Middle management	3,632	93%	292	7%	3,924
Core staff	14,472	75%	4,838	25%	19,310
By age range					
Under the age of 30	3,672	60%	2,488	40%	6,160
Between the ages of 30 and 50	11,780	83%	2,368	17%	14,148
Over the age of 50	3,248	91%	312	9%	3,560
Total	18,700	78%	5,168	22%	23,868

*The table shows the number of active contracts for the year. However, this data excludes Crestline because of the difference in labour relations with its workers, which can be classified as *full time or part time, hourly or exempt*, unlike what is used in the rest of the report.

Distribution of the workforce by part-time working

In the current period, we have seen the proportion workers employed part time by the Group has remained stable at 3.5%, which is the same as the level recorded in the previous year.

However, we have seen certain changes in the distribution of part-time work in relation to demographic groups. For example, we have seen a slight reduction (0.5%) in part-time working among employees under the age of 30, while the greatest increase has been seen in the range of workers aged 50 or over, an increase of almost 1%. This suggests a possible trend towards greater part-time working among older workers. In terms of the scope of consolidation, the proportion of part-time work stands at 3.8%, slightly above the average aggregate.

Nevertheless, an increase in part-time working has been recorded in regions such as EMEA Spain, EMEA International, and LATAM. An increase in part-time working has been recorded at Ávoris (+ 2.2%) and at Crestline (+ 0.3%). These changes reflect the dynamics specific to each region and area of business in relation to the distribution of the working day.

Part-time employees by line of business, based on gender, professional category and age range*	2023							
	ÁVORIS	CREST.	EMEA SPAIN	EMEA INTER.	LATAM	TOTAL		
By gender	472	432	409	18	4	1,335	3.5%	
Men	10.1%	9.2%	1.8%	0.2%	0.0%	394	2.1%	
Women	7.9%	8.6%	8.0%	1.4%	0.0%	941	4.8%	
By professional category								
Management team	0.5%	0.0%	0.0%	0.0%	0.0%	0	0.0%	
Middle management	1.4%	0.9%	1.4%	0.2%	0.0%	42	0.8%	
Core staff	10.6%	11.6%	5.9%	0.7%	0.0%	1293	4.0%	
By age range								
Under the age of 30	17.2%	13.4%	4.6%	0.9%	0.0%	273	2.6%	
Between the ages of 30 and 50	8.2%	7.6%	5.4%	40.0%	0.0%	720	3.5%	
Over the age of 50	7.2%	7.7%	4.9%	0.5%	0.0%	342	4.8%	
Total	8.5%	8.9%	5.1%	0.5%	0.0%	-	-	

* Percentage based on the annual average of total contracts.

Part-time employees by line of business, based on gender, professional category and age range*	2022							
	ÁVORIS	CREST.	EMEA SPAIN	EMEA INTER.	LATAM	TOTAL		
By gender	344	341	398	24	83	1,190	3.5%	
Men	5.0%	9.5%	1.8%	0.4%	0.4%	313	1.8%	
Women	6.9%	8.1%	10.0%	2.1%	0.7%	877	5.0%	
By professional category								
Management team	0.5%	0.2%	0.8%	0.2%	0.0%	3	0.3%	
Middle management	1.1%	0.5%	2.1%	0.1%	0.1%	36	0.8%	
Core staff	7.9%	10.8%	7.1%	1.1%	0.6%	1151	4.0%	
By age range								
Under the age of 30	16.8%	13.8%	4.4%	2.0%	0.9%	286	3.1%	
Between the ages of 30 and 50	6.2%	7.2%	7.1%	0.4%	0.3%	666	3.5%	
Over the age of 50	4.3%	7.0%	4.9%	1.0%	0.0%	238	3.9%	
Total	6.3%	8.6%	6.2%	0.9%	0.5%	-	-	

*Percentage based on the annual average of total contracts.

Part-time employees by line of business, based on gender, professional category and age range*	2021							
	ÁVORIS	CREST.	EMEA SPAIN	EMEA INTER.	LATAM	TOTAL		
By gender	324	273	274	35	52	958	3.5%	
Men	8.9%	7.9%	2.2%	1.2%	0.4%	316	2.2%	
Women	7.0%	6.9%	9.7%	4.0%	0.3%	642	4.7%	
By professional category								
Management team	0.7%	0.1%	0.8%	0.8%	0.0%	2	0.2%	
Middle management	1.4%	0.6%	1.8%	1.8%	0.0%	34	0.8%	
Core staff	9.8%	9.1%	7.2%	7.2%	0.4%	922	4.1%	
By age range								
Under the age of 30	14.9%	10.3%	5.9%	5.9%	0.6%	196	2.8%	
Between the ages of 30 and 50	6.9%	6.8%	6.6%	6.6%	0.3%	546	3.4%	
Over the age of 50	7.5%	6.2%	4.5%	4.5%	0.4%	216	4.5%	
Total	7.5%	7.3%	6.0%	1.9%	0.4%	-	-	

*Percentage based on the annual average of total contracts.

4.3. A culture focused on supporting talent

Living Barceló defines the way in which we want our team to live each stage of their career with the company. A career made up of key moments, from the employee being initially attracted to the company and the recruitment of talent through to the end of the employee-company relationship: we want each of these stages to be as positive as possible, to forge long-term links and to encourage well-being and engagement.

4.3.1. Conditions that help to attract and retain talent

As we have stated previously, finding the best talent and integrating it into the corporate culture is one of the great challenges facing the tourism and hotel sector – and is a priority for our company.

Every year, we visit the best training centres, universities and catering schools in Spain and abroad to get to know students on work experience and to bring them into the various departments of our hotels and into the corporate division. During 2023, 2099 students worked with us in this way (2019 in the more operational areas of our hotels and 80 in the corporate division).

We also participated actively in various employment events and fairs in order to increase our visibility. As part of our employer branding strategy, it is essential that we show ourselves to be active and visible in the labour market, explaining our philosophy of work and showcasing the opportunities and benefits of a career with us. Thus, in the area of Recruitment and the Management of Talent, we have since 2020 had a specific brand that offers us better visibility as employers, reaffirming our employer branding. This is Become Barceló.

Become
Barceló
WHAT WE
THINK,
WE BECOME



Allegro Madeira (Madeira, Portugal)

Recruitment and retention of talent within Barceló Hotel Group

Throughout 2023, we have continued to improve our capacity to attract talent, so that 33,071 candidates registered on the 2,272 selection processes administered by the organisation during the year.

During 2023, we introduced our new employment portal on Workday, and received 7,188 registrations for various vacancies (with an 86.2% acceptance rate of our GDPR).

Nevertheless, despite our great capacity for attracting external talent, at Barceló Hotel Group we prioritise internal applications. Thus, we always publish our employment opportunities on our communication channels, and from there we dealt with a total of 60 internal applications during the past year.

Our internship programme, an ongoing effort

We understand training as an opportunity to support young students who wish to get to know the world of the business and complete their learning. Therefore, we organise work experience programmes that are well recognised within the sector.

These programmes, which we organise in our offices as well as in the various hotels, provide students and new graduates with a vocation and an eagerness to learn the profession—these profiles arrive at the world of work with a positive attitude so that they can begin to grow with us.

Management Training Program

In our company, the hotel manager is an all-important role. We have a consolidated programme targeting young new graduates in Hotel Management whereby, for a period of between four and six months, participants undertake cross-training in each of the different departments, thus enabling them to acquire a global perspective. This is a way of providing practical training, nurturing young talent and supporting growth within the company. Once the placement has finished, we assess the performance of each candidate, and if the assessment is positive, they can go on to become part of the pool to join our Barceló Development Plan.



2,272

Total
vacancies

Hotel vacancies

2,171

Corporate vacancies

101

7,188

Total number
registered on our new
employment portal

Registered hotel vacancies

6,299

*Registered corporate
vacancies*

889

448

Total student
work experience
placements*

*Hotel work placements**

412

*Corporate work placements**

36

*Data from EMEA Spain.

For this purpose, we undertook **34** visits to different universities and catering schools (both within Spain and abroad) during 2023 in order to introduce the company and our **Management Training Program** to young talent with an ambition to be future hotel managers. During the year, we interviewed over 200 students, of whom **55** have undertaken this programme, and of these at least 20 are expected to join us as assistant hotel managers.

My first customer is you – our warm welcome

“My first customer is you” is the slogan we have been using since 2019 as we open new hotels. This provides the framework for introducing and welcoming the new team at meetings where we share all the company’s knowledge, philosophy and reality: our history, our values, organisation and structure, brands and policies in our relationship with customers, and – of course – our firm commitment to people.

Our objective with these sessions is to provide a sincere welcome from the first moment that new employees become part of the hotel and the Group, in order to instil a sense of belonging and to reaffirm the importance of every new person’s work in the hotel or employment centre. During 2023, we delivered 17 “My first customer is you” sessions, most of these face-to-face.

Our teams are the top ambassadors for their hotel, so we want to provide them with transformative experiences linked to the destination, entertainment, services, and gastronomy.



Recruitment and retention at Ávoris Corporación Empresarial

During 2023, almost 300 people undertook professional work placements at **Ávoris Corporación Empresarial**, spanning a great range of tourism-related profiles, including lawyers, tax professionals, engineers and administrators.

In addition to implementing these programmes state-wide, and for all the company's businesses, we resumed holding open-door sessions to attract young talent. These sessions took place at our Madrid head office, in partnership with Zayas y Sotomayor Institute of Higher Education, and at our Palma central offices — with a presentation of the different lines of the distribution business to students and teachers at the Felipe Morena training centre specialising in tourism.

Also in 2023, our schools project took a major step forward at **B travel and Halcón Viajes**, with a total of 23 people hired from the first day, with a six-week, full-time training plan alternating with work experience at travel agencies, which contributed to their professionalisation and built on their academic training.

With the business travel division, **BCD Travel**, we undertook two recruitment campaigns for people with no experience in business travel, these consisted of one month's intensive training, and were attended by over 60 people.

Recruitment and retention of talent at Crestline Hotels & Resorts

At **Crestline Hotels & Resorts**, we adopt a holistic approach to attract the best talent to our hotels and corporate offices. The main strategies for achieving this are based on maintaining a high visibility and presence at employment events, fairs and forums, on encouraging collaboration with local organisations, and on investment in advertising.

We ensure that our job opportunities are published in the main job centres, but we also work to establish valuable relationships with local universities and community organisations throughout the country, by attending employment fairs and talks in order to educate potential employees about the hotel industry, as well as holding training sessions to help students perfect their interview skills.

We also have a very solid recommendation programme, whereby employees are rewarded for recommending other people to the company.

We use talentReef, a candidate tracking system, to monitor all those who have presented themselves for job opportunities at **Crestline Hotels & Resorts**. In this way, we can determine what someone is looking for in their next professional opportunity, as well as important legal information and salary requirements. This system has seen a rise of 300% in the flow of candidates, at a saving of almost half the cost of the previous system.

At **Crestline Hotels & Resorts**, we offer work experience placements in our hotels to students of accredited universities throughout the United States; such students are generally between their first and third year of study.



4.3.2. Pay and the earnings gap

We work continuously to adapt our pay strategy to each market and employment climate, in accordance with our culture and values. Internal equity and external competitiveness are key elements in our organisational model, to ensure that the efforts and performance of our workforce are rewarded. As a result, our pay policy encourages a healthy and productive work environment, placing the personal and professional development of our employees at the centre.

During the latest period, we have recorded a significant increase (5.13%) in the average salary in comparison with the previous year. The management team has benefited from an 11% increase, middle management have received a 10% rise and core staff a 5% rise. These increases underline our commitment to recognise the value of work at all levels within our organisation, and to fair and competitive pay for all our employees.



Despite being a group receiving a lower average salary, employees under the age of 30 have benefited from the biggest increase in comparison with the previous year, with a rise of 8% – one example of our interest in the development and appreciation of young talent in our company.

In 2023, the Board Members and Senior Management team (as distinct from the management team who are responsible for the company's strategic leadership as well as for taking key decisions and overseeing their implementation) – made up of a total of seven people, (one less than in 2022) who are all male – received an average salary of 410,000 euros, 19% less than in the previous year when they were paid 508,000 euros.

Average salary by professional category, age range and gender	2023			
	<30	30-50	>50	TOTAL
Management team				
Men	34,761	74,888	118,215	83,904
% Var. on previous year	-6%	12%	17%	12%
Women	37,249	67,821	83,578	66,256
% Var. on previous year	7%	11%	11%	10%
Middle management				
Men	17,948	28,415	36,497	29,330
% Var. on previous year	18%	18%	12%	18%
Women	26,550	27,158	30,934	28,046
% Var. on previous year	20%	4%	-2%	5%
Core staff				
Men	11,759	15,668	21,310	14,716
% Var. on previous year	26%	15%	0%	17%
Women	13,363	17,590	21,688	16,683
% Var. on previous year	14%	10%	1%	10%
2022				
Average salary by professional category, age range and gender	<30	30-50	>50	TOTAL
Management team				
Men	37,103	66,718	101,358	74,764
% Var. on previous year	-10%	25%	37%	27%
Women	34,707	61,049	75,310	60,319
% Var. on previous year	-14%	14%	8%	9%
Middle management				
Men	15,232	24,129	32,597	24,860
% Var. on previous year	52%	23%	0%	23%
Women	22,120	26,087	31,687	26,786
% Var. on previous year	58%	5%	-13%	7%
Core staff				
Men	9,364	13,668	21,388	12,585
% Var. on previous year	17%	3%	-17%	5%
Women	11,762	16,047	21,467	15,140
% Var. on previous year	-3%	-10%	-17%	-8%

Average salary by professional category, age range and gender	2021			
	<30	30-50	>50	TOTAL
Management team				
Men	41,154	53,505	74,122	59,031
% Var. on previous year	16%	8%	-3%	5%
Women	40,292	53,719	69,725	55,291
% Var. on previous year	11%	8%	15%	11%
Middle management				
Men	9,989	19,584	32,511	20,167
% Var. on previous year	41%	15%	21%	18%
Women	13,975	24,758	36,427	25,129
% Var. on previous year	57%	28%	30%	35%
Core staff				
Men	7,975	13,284	25,842	11,975
% Var. on previous year	6%	9%	27%	-47%
Women	12,096	17,856	25,858	16,440
% Var. on previous year	12%	5%	15%	6%



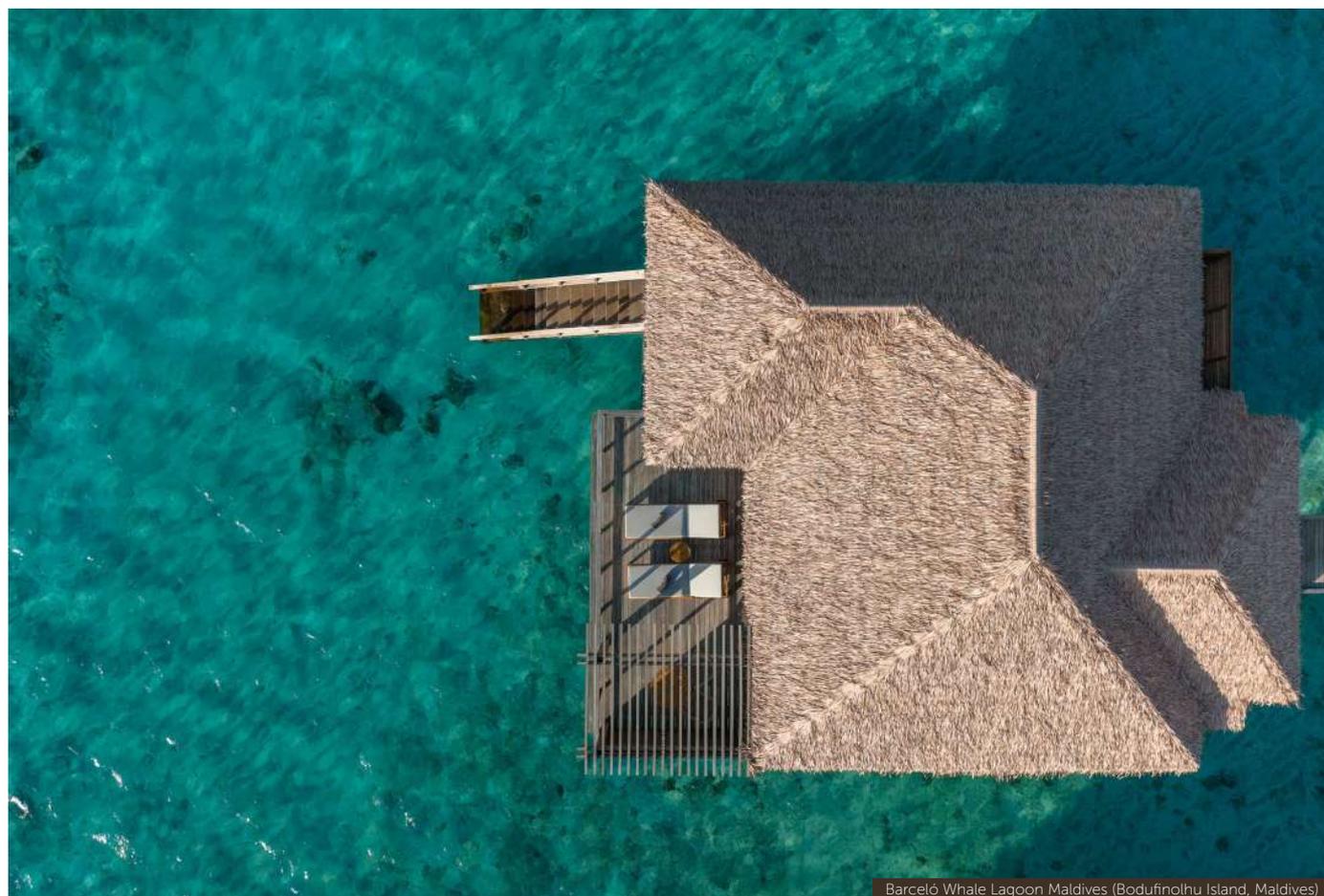
Average salary by professional category	2021	2022	2023
Management team	57,338	66,208	76,514
% variation on previous year	8%	15%	16%
Middle management	22,594	25,687	28,729
% variation on previous year	28%	14%	12%
Core staff	14,381	13,956	15,791
% variation on previous year	8%	-3%	13%

Average salary by age	2021	2022	2023
Under the age of 30	10,357	11,984	12,991
% variation on previous year	11%	16%	8%
Between the ages of 30 and 50	18,075	18,268	19,163
% variation on previous year	8%	1%	5%
Over the age of 50	30,438	28,251	26,506
% variation on previous year	17%	-7%	-6%

We work continuously to improve every aspect of the management of our team, by undertaking analysis by employment post and recognising each person's professional calibre, experience, dedication, and responsibility.

Wherever we operate, all our human resources policies are focused on guaranteeing gender equality and the elimination of discrimination, in line with our values and our business culture. Thus, we have reduced the earnings gap by 2.76% in favour of women, resulting in a reduction of 6.35% in comparison with the previous year.

Average salary by gender	2021	2022	2023
	Av.	Av.	Av.
Men	14,440	15,388	17,810
% variation on previous year	6%	7%	16%
Women	18,171	16,790	18,301
% variation on previous year	7%	-8%	9%



Barceló Whale Lagoon Maldives (Bodufinolhu Island, Maldives)

Earnings gap at Ávoris Corporación Empresarial

In order to achieve an equal pay policy at Ávoris Corporación Empresarial, we are implementing measures to eliminate and correct the gender earnings gap.

Using pay records and transparent earnings audits, we analyse each position to detect inequalities and apply corrective measures. Actions taken in 2023 include:

- An analysis of the salary ranges in relation to professional groups and work posts.
- An analysis of wage components (fixed and variable payments).
- A transparent application of progression using the Nuevo Ordenamiento Laboral [New Employment Rule], contained in the current state-wide travel agencies' agreement.
- A commitment to boost the promotion of women to positions of responsibility.
- Description and classification of employment posts.
- Driving forward internal training for professional advancement.
- Promoting measures to ensure a work-life balance for both genders.
- Pay records that include salaries, supplements and fringe benefits received by the workforce, disaggregated by gender and distributed by professional group, category, level and post.
- Jobs Evaluation to align vacancies with the specific skills and abilities required to fulfil each job role.

4.3.3. Work-life balance and disconnecting from work

At **Barceló Group**, we have systems that enable each employee to find out their work schedules in advance; these schedules provide for adequate rest periods and defined holiday periods.

The well-being of our people is one of our top priorities. Offering a rewarding working environment with attractive conditions that will help us to retain talent, to connect with our people and to maximise their commitment are some of the pillars of our employee experience strategy.

We are developing a **Flexible Working Hours and Remote-Working Protocol** which will offer the possibility of reconciling work with the personal needs of our employees, while guaranteeing adherence to the regulations in terms of working hours and respecting the established legal limit. In line with this

Protocol, we also have a **Remote Working in a Healthy Environment Policy** to guarantee that, just as in our on-site facilities, the working environment of each worker meets the requirements in terms of the prevention of risks in the workplace.

Likewise, we are looking to digital disconnection outside working hours, and we have equality plans that will make shared responsibility a reality.

Caring for our teams at Barceló Group

WeBalance is an innovative integrated programme set up by **Barceló Hotel Group** which aims to improve people's health and well-being; it is accessible to all work teams, both in our hotels and within the Corporate group. Aligned with our **Barceló ReGen** strategy and included in the activities of our Caring pillar, this is a 100% online, holistic well-being programme to help find mental and physical balance.



With the help of experts and with the idea that each employee should be able to follow the programme at their own pace, we have designed a programme with unique, personalised experiences to contribute to an active, healthy and balanced life. The plan comprises video tutorials with exercises from various disciplines such as pilates, yoga, calisthenics, strengthening exercises, functional movements, fitness, the Barre Method and running. All this is combined with proper nutrition, hydration and rest through the facilities offered by **Barceló Hotel Group** hotels – and always from a practical, fun and realistic approach.

Ávoris Corporación Empresarial promotes switching off from work and the work-life balance with the objective of balancing its employees' personal and working lives. We provide all employees with information on their work-life balance rights, using all the internal communication channels available, so that they know about changes in regulations and improvements introduced by the company. We also implement measures to increase awareness of, and encourage, an equitable division of responsibilities, while explicitly recognising the rights to a work-life balance – something which also applies to male employees.

Those responsible for equality are constantly offering advice and, to give one example, prioritising applications to move to another geographical area in order to care for dependants. The company provides paid leave and other support for assisted reproduction treatment, adoption leave, and leave for the death or serious illness of close relatives, in addition to flexible hours and other benefits for one-parent families.

Similarly, we offer increased leave for infant nursing and we allow workers a reduction in working hours on full pay after the birth of a child. With the aim of achieving a work-life balance and improving quality in their working lives, the company offers all breastfeeding mothers a comfortable, practical and hygienic area for their use during working hours. In relation to this, we provided a new breastfeeding room in 2023 at the Ávoris Building in Palma de Mallorca, which is available to the entire workforce.

As part of its work-life balance programme, companies belonging to **Ávoris Corporación Empresarial** guarantee priority in the booking of holiday leave for parents with children of school age. Leave of absence has also been extended for those caring for relatives, an employees are allowed to apply for a reduction in working hours after temporary illnesses; it has also been determined that absences during the later stages of pregnancy will not affect the absence calculation.

We consistently guarantee the right to digital disconnection outside working hours and we adjust meeting schedules so that they do not exceed the working day. All these actions and measures reaffirm our commitment to the well-being of our employees, and support an ethos that values and respects their lives outside the workplace.



Benefits for the team

At **Barceló Group**, we focus our efforts on obtaining the greatest benefits so that our employees can enjoy them and share them with their families and close relatives. Caring for those who work for us is the main reason we apply benefits plans and policies in our company to bolster the well-being of the people who work for us.

So, we look for benefits that will have a positive impact on their health, in the broadest sense of the word. To that end, we offer our workers a comprehensive health insurance and a wide-ranging medical team that also provides social and fiscal benefits. To these benefits, we can add the discounts and special offers that we make available to our employees, both in terms of hotel stays and travel. In addition, we are constantly searching for new ways to boost the satisfaction of our teams.

At **Crestline Hotels & Resorts**, we continue to offer competitive benefits to all staff, including free time, care for their health and well-being, financial support, and pet insurance.

Long service

The recognition of long service is one of the most well-established events at **Barceló Group**. This is an annual celebration which recognises the careers of people who have completed 10 or 25 years with the company – as well as those who are going on to enjoy a well-deserved retirement. It expresses our gratitude for the service of our employees who have devoted part of their working lives to us.

In 2023, four long-service celebrations were held. Dinners in Andalusia, the Canary Islands and the Balearic Islands (as well as one in Morocco) took place to recognise those working in our hotels. The gala dinner in honour of 96 workers from mainland Spain took place at the [Barceló Sevilla Renacimiento](#) hotel. The Canary Islands event was held in the [Santa Catalina, a Royal Hideaway Hotel](#) to honour 68 people. In Morocco, 37 people were recognised, and, lastly, the [Barceló Illetas Albatros](#) hotel in Palma hosted the Balearic Islands' long-service event to honour 49 people. In total, 250 workers in 2023 received the personal thanks from Simón Pedro Barceló Vadell (joint president of the Group) and Raúl González (EMEA CEO). These celebrations recognise the value of the daily efforts from those who have grown alongside the Group and who, through their work, have helped us to move forward, united and constantly improving.



250

workers in 2023 received the personal thanks from **Simón Pedro Barceló Vadell** (joint president of the Group) and **Raúl González** (EMEA CEO).



Barceló Dylan Hotel (New York, USA)

Long service at Crestline Hotels & Resorts

The Company has a President's Club where, every year, we recognise the company's most outstanding staff. At the same time, we celebrate significant work anniversaries (including one, five, ten, fifteen or twenty years with the company), and individuals are rewarded with a gift voucher at these milestones. All are named in our newsletter so that the rest of the workforce can congratulate them too.

4.3.4. Internal communication

We have specific internal communication channels for everyone in **Barceló Group**. These multi-channel platforms enable us to disseminate our messages, and to share information about hotels, benefits, changes, and training with our teams. In addition, we have channels designed exclusively to receive direct feedback from all staff.

In order to build a united, cohesive workforce (with committed people who feel that they are part of the business), we organised activities throughout the year to strengthen the sense of belonging to the company, and we offered benefits linked to improving well-being.

182

communications sent via |B|inside mail
(+ 31% in respect of 2022)

12

ordinary editions of the internal magazine |B|inside news in 2023

486

news items published
(a 37% increase in comparison with 2022)

|B|inside, strengthening internal communication

|B|inside is our internal communication brand. It has two main channels through which we disseminate different communications, depending on the target and the type of information concerned: |B|inside Mail and |B|inside News.

During 2023, we sent a total of 182 messages via |B|inside Mail, 43 more than in 2022. Those which awakened the greatest interest and achieved the most single openings, were on the themes of training, well-being, benefits for employees, and announcements on changes to systems.

Our internal magazine, |B|inside News, was published in 12 ordinary editions in 2023, and contained a total of 486 news items, 131 more than the previous year. An average of 41 news items per month have been published, and the most read were the January, February and April editions.

| B | CONNECT

|B|Connect, our new employee portal

In 2023, we created a new employee portal |B|Connect with the aim of providing a simple, central access point to all tools and services required by employees in their day-to-day work.

This is an innovative *online* platform which makes it possible to manage tasks in a much more efficient way, and to stay up-to-date with news from both the Group and from its hotels and teams. With |B|Connect, we aim to improve the experience of those who work with us so that colleagues will be connected better than ever with the company network. In addition, each person can create workspaces on |B|Connect by personalising their dashboard with those tools, programs and applications that they use most in their daily work, or by activating the alerts that most interest them.

What is on |B|Connect?

- **Latest developments:** news items, important company announcements, and any other relevant information about the organisation.
- **Applications:** frequently-used applications and tools in a single location, with direct access to other tools to provide easier and more agile use of different processes.
- **Documents:** a virtual library that stores manuals, internal policies, standard operating procedures, forms, reference guides and other types of important documents.
- **Events:** meetings, conferences, training, celebrations and other important events organised by the company – with details of dates, schedules and locations, as well as the option for the user to add events to their calendar.
- **Reporting channel:** a channel for communicating concerns about improper behaviour that is contrary to the Group's principles and values; it also enables users to consult internal regulations or the [Code of Ethics](#).
- **Frequently asked questions (FAQs):** from the FAQs search engine, users can find quick answers to the most common queries on subjects related to the company's policies, procedures and practices.

Our Consultation Channel

Our relationship with our teams is not confined to formal or one-directional channels. We believe it is crucial to listen to our people and to be able to communicate with them without barriers. To confront this challenge, we have a team that addresses the requests of the staff working in all our hotels via the Consultation Channel.

The human resources Consultation Channel is available to all [Barceló Hotel Group](#) staff to resolve queries and issues, particularly those that relate to the workplace. During 2023, we have dealt with 13,318 *tickets* (140% more than the previous year) – a variation that reflects alterations to the new tools related to the cultural change mentioned previously. The most common questions have been linked with the use of these new technological applications.

During 2023, we created email profiles for all those staff with operational posts who did not already have them. In this way, more fluid communication with the entire team has been achieved.



Internal communication at Ávoris Corporación Empresarial

The communication infrastructure at **Ávoris Corporación Empresarial** has been meticulously designed to be both inclusive and efficient. The corporate departmental email accounts function like a lighthouse, guiding colleagues towards more organised and effective communication, ensuring that every voice is heard and every contribution valued. In addition, specialised systems, such as the internal reporting channel, underline our commitment to transparency and integrity, guaranteeing a fair and safe working environment for all.

We believe in communication for preventative purposes, as we are always seeking to anticipate the needs of everyone in the team, thus guaranteeing a working environment where well-being and professionalism are the priorities.

In 2023, **Iberojet** created **Modo Avión**, a meeting space for sharing important company news with employees, with the aim of strengthening internal communication. This space has several sections, including news, reports and the airline's achievements.

Communication at Crestline Hotels & Resorts

The corporate culture of the **Crestline Hotels & Resorts** business division always takes our teams' opinions into account. Listening is essential: we undertake an annual survey to measure and analyse our employees' satisfaction and commitment, and we take measures to improve the workplace atmosphere.

This **Survey of Employee Commitment** enables us to take the pulse of the working environment and to assess the level of commitment and general satisfaction. Those areas of the business that score a result below the reference point are asked to hold feedback meetings with a regional Human Resources manager, who will work in partnership with the managing director to produce an action plan.

In addition, the corporate HR team and the regional vice-presidents of operations attend contact meetings with a group of employees from randomly selected hotels throughout the year.

We also have a direct telephone line to the company which employees can use to communicate any concerns they may have about the working environment, so that it can be addressed by the appropriate managers. The Estates and Corporate departments have a minimum of one meeting per month. The Estates department holds round-table meetings with the general managers, as well as monthly-three-monthly events where employees are recognised and their birthdays celebrated. At corporate level, there are monthly events as well as a quarterly corporate call led by the CEO/president.

They also have social communication channels, such as *Yammer*, which serves as an informal communication network among staff. This is a space where events and news can be posted, and successes can be shared and recognised. The objective of this tool is to encourage engagement with the company and a team spirit.



Charity collection of toys for the Red Cross at the Santa Catalina, a Royal Hideaway Hotel. (Las Palmas, Spain)

4.3.5. Corporate volunteering and other initiatives

During 2023, we undertook various voluntary work activities with employees. These activities do more than just support the organisations we work with: they also allow us to demonstrate our commitment to everyone who belongs to **Barceló Group**. They also allow and encourage the development of skills and interpersonal competencies (personal and social responsibility, confidence, the capacity for reflection, proactivity, passion, self-motivation and empathy). They foster a pride in belonging and a commitment to the organisation, in addition to promoting our FRESH values.

Hotels

The hotels that form part of **Barceló Hotel Group** have carried out over 330 initiatives focused on contributing not merely to the well-being of people apart from those who work in them.

Over 42,000 workers have taken part in activities launched by **Barceló Hotel Group**. These initiatives are divided into six groups, and include activities linked to the work-life balance, human rights, disconnecting from work, equality, and inclusion (as well as other voluntary and charity activities).

A total of over 100 activities of a social nature are grouped under the name of volunteering and social initiatives — representing almost 32% of the total — as well as those relating to disconnecting from work. One of the most typical examples are the initiatives linked to cleaning and protecting the environment, particularly of beaches close to our hotels, and donations of food, toys and homewares (blankets, pillows and quilts) to vulnerable people. Another outstanding development is the increase in activity linked to physical and mental health, such as the eye health campaign, pilates classes, and paddle tennis and volleyball competitions, all aimed at our employees.

Corporate

In the corporate area, our office workers took part in the “Tree of Dreams” charity initiative, sponsored by CaixaBank, to support vulnerable children in Mallorca. The main objective of this initiative is to deliver handwritten letters from the children to organisations willing to work in partnership to purchase presents for them at Christmas. The workforce at Barceló’s corporate offices received a total of 20 personal letters expressing the children’s wishes, and over 40 staff came together to purchase the gifts chosen by the youngest, so that they could be distributed on 22 December by the *Projecte Naüm* association.

This year, we worked with the Barceló Foundation in a charity campaign to collect Golden Products. Through this campaign, we aim to help meet the needs of the most vulnerable individuals and families, enabling them to enjoy a happier and more comfortable Christmas by donating Golden Products – food that is less frequently donated but nevertheless essential, such as olive oil, follow-on baby milk and Christmas products (*turrón* [Spanish nougat], biscuits, and so on).

The collection campaign was held between 19 December and 9 January, following which all the food that had been collected was passed to the **Barceló Foundation**, which then distributed them to SOS Mamás¹⁰, an organisation it works with. Some employees also took part in the handover on 18 January.

To end the year, we promoted an activity to encourage **awareness of the importance of happiness and well-being** at work. We know that there exists a direct link between relationships, happiness and health, and we try to encourage this link as far as possible in the working environment. Setting up initiatives to promote happiness offers an opportunity to create a more productive workplace, in which people can thrive and grow. To achieve this, we have launched a scheme focused on tightening links with colleagues and showing them gratitude. Under the slogan **#TogetherForHappiness**, we suggested to employees that they should recognise anyone who has made them happy at a particular moment, with the aim of creating a fun chain reaction focused on gratitude to others and on personal and emotional recognition. The campaign was undertaken in 53 EMEA hotels and in the corporate division.



Together For Happiness

Share the little things that make you happy at the workplace.

Write a thank you, appreciation or fun message to a colleague who makes the workplace a more enjoyable and happy place to be.

Be part of this chain of happiness!

#TogetherForHappiness

Barceló
GROUP

¹⁰About SOS MAMÁS: the charity was founded to help mothers-to-be who lacked resources such as clothing for their babies or other vital essentials. Currently, SOS MAMÁS also provides support to families with children and to elderly people who live alone. They have a feeding centre in Palma where they help people in need, and in the future they plan to open other feeding centres for children and elderly people in Calvià, Ca'n Picafort, and Manacor.

Corporate volunteering at Avoris Corporación Empresarial

In October 2023, **BCD Travel** held a charity day when its workers volunteered at the El Plantío Red Cross centre in Madrid. During the morning, a charity *gymkhana* was organised to raise awareness of projects relating to first aid, road safety, and international cooperation. They also visited the Red Cross headquarters, as well as some of the organisation’s emergency services. With this activity, **BCD Travel** helped the Red Cross to provide 900 afternoon teas for vulnerable young people.



4.4. Barceló Group: a diverse and intergenerational team

Our commitment to diversity, inclusion and multiculturalism is a fundamental pillar of our corporate culture. We are convinced that this is a key factor in weaving a network of diverse talent capable of understanding our customers' needs, of innovating, and of being a faithful reflection of society within the company.

We want to create positive work environments by building diverse teams formed by people with different profiles, cultures, origins and experience, all within an inclusive business culture that supports equality of opportunity and zero tolerance of any kind of discrimination.

The recruitment of workers into the company is undertaken with the objective criteria of capacity building, training, experience, and other factors in mind, regardless of the age or nationality of candidates. In addition, we promote inclusion by reserving employment posts for people with disabilities, and by hiring people at risk of exclusion and/or victims of gender violence.

4.4.1. Equality and inclusion at Barceló Hotel Group

We therefore foster more diverse and inclusive working environments where all staff feel encouraged in their professional development. This is a way of raising awareness and preventing any kind of discrimination, and is a philosophy that characterises our company's corporate culture.

During November 2023, we worked with the majority unions at national level in order to put forward the proposal to begin negotiating a single Equality Plan at Group level. The planned itinerary includes a schedule of actions with the aim of producing an Equality Plan that will apply to all sections of the Group within the sphere of EMEA hotels during 2024.

We are working to enable our entire workforce to develop its professional potential, and to guarantee that no discriminatory practice occurs to deprive people in our teams of the same opportunities for professional development. Furthermore, we depend on training to ensure that these values of respect and equality are firmly embedded in our culture, through activities and awareness-raising with the different teams.



Workforce in terms of gender

Men	Women
49%	51%

2022	34.458
Men	50%
Women	50%

2021	27.617
Men	51%
Women	49%



Protocols to combat sexual harassment and gender-based harassment at Barceló Hotel Group

We work to prevent harassment, abuse and sexual exploitation at work by implementing an internal policy against sexual or other gender harassment. We incorporate mechanisms to prevent these kinds of situations from arising in the day-to-day work and, ultimately, we have procedures whereby such cases are dealt with as soon as possible — such as the use of the reporting channel which is available to all staff.

In Spain, the current Protocol for conduct and prevention in the face of psychosocial conflict is published on our corporate portal. It aims to inform and raise awareness among the team of the consequences of this type of behaviour, and provides the means of identifying it, correcting it, and introducing changes to ensure that it does not recur.

4.4.2. Equality and inclusion at Ávoris Corporación Empresarial

At **Ávoris Corporación Empresarial** we believe in, and practise, respect towards the people who make up the company. Our commitment therefore is to:

- Offer a safe, respectful and trustworthy environment.
- Contribute to full professional development and promote equality of opportunity, without discriminating on the grounds of sex, gender, sexual orientation, race, belief, nationality, civil status, age, or any other differentiating factor.
- Work to make diversity and inclusion a major value of the group.
- Drive forward best practice in the management of people.

To strengthen this commitment, we are working to guarantee fair access to opportunities for professional development for all by encouraging learning and continuous improvement, and we work to create safe spaces where there is no room for harassment or violence.



Since 2019, we have been working on this principle of equality in several companies. **Ávoris Retail División, S.L.** had its first Equality Plan in 2019, which remained in force until 2022. This, for the first time, represented a commitment to bring together the entire workforce in the task of achieving more effective and real equality between men and women in all areas of the business – selection, promotion, pay policy, training, conditions of work and employment, occupational health, arrangements for work and-life balance, action in cases of sexual harassment and harassment due to gender, and the promotion of neutral and non-discriminatory language.

The second step towards achieving a business culture that is more equitable in treatment and in opportunities for men and women was taken with the signing of the **Ávoris Central División** First Equality Plan (2021-2024), which provided the framework for a process of continuous improvement in working for a balance between professional progression and personal life for both male and female employees. It improved the measures to ensure work-life balance in respect of the Travel Agents' Agreement.



Dukes The Palm, a Royal Hideaway Hotel (Dubai, United Arab Emirates).

In 2022, the Group's equality policy was strengthened with the signing of the First Equality Plan for **Sekai Corporate Travel**, the start of negotiations for the Second Equality Plan for **Halcón Viajes** (signed in January 2023), and the commencement of the process of updating the Second Equality Plan for **Ávoris Retail División**, also approved in January 2023.

All the measures and actions (brought together in these three latest plans and designed to achieve more real and effective equality in terms of treatment and opportunity for men and women in our working environment) have resulted in the current **Avóris Corporación Empresarial Equal Opportunities Policy**, approved in May 2023.

We disseminated the entire package of detailed measures to the whole team, so that it can be applied to improve equality of treatment and of opportunities for men and women (in addition to the reconciliation of work with family and personal life) and so that it can demonstrate the Group's commitment to achieving true and effective equality, including zero tolerance of any kind of discrimination and/or sexual or gender harassment, and a comprehensive guarantee of protection and of the right to sexual freedom.

This commitment will be a guide for the direction of all human resources policies and for internal and external communication by the company for the coming years. At **Ávoris Corporación Empresarial** we look forward to the implementation of these equality measures as an improvement in our system of management as well as in our pay policy, which will contribute to the social progress that will enable equality between men and women to be achieved.

In 2023, as part of the commitment contained in this Group policy to train and raise awareness of all male and female employees about equality of opportunity in the working environment, we launched a new equality course developed ad hoc for **Ávoris Corporación Empresarial**. For this, we invited various experts in the subject as well as people from other companies to share their experiences of good practice in Equality.

As part of this commitment, in May 2023 we signed the **European Diversity Charter**, along with over 1,500 other Spanish companies, to demonstrate a commitment to the inclusion of people with disability, sexual diversity, generational diversity, and cultural diversity. This project, launched across 26 EU countries, is organised by the European Commission, and promoted in Spain by the Diversity Foundation.

We also signed up to the **2023 Pride Campaign**: our commitment to the LGBTQIA+ community was disseminated for the whole week via corporate screens in Palma and Madrid and via **Ávoris Corporación Empresarial's** social channels. On the Employee Portal, we included the training unit "LGBTQIA+ Movement: Towards an inclusive workplace".

The European Diversity Charter



was signed by us, along with 1,500 other Spanish companies in May 2023, to highlight our commitment to the inclusion of people with disability, sexual diversity, generational diversity, and cultural diversity

Finally, this year we celebrated this year the inclusion of our colleague Amaya Seoane (a member of the *BCD Global Spanish Diversity Equity and Inclusion* committee) on the first list of top LGBTI leaders in Spain in the category of Top Referentes LGBTI – Impulso y Motor [Top LGBTI Role Models – Driver and Engine], highlighting the work of people who have contributed to good practice within their company in support of this community.



Barceló Montelimar (Montelimar Beach, Nicaragua)

Protocols to combat sexual harassment and gender-based harassment at Ávoris Corporación Empresarial

In the fight against discrimination and sexual harassment, **Ávoris Corporación Empresarial** published its new **Protocol on Sexual and Gender-based Harassment**. In this, it emphatically rejects conduct and behaviour that constitutes moral harassment, sexual harassment and gender-based harassment, and it takes up a commitment on behalf of the Management to establish the measures required to prevent and deal with these kinds of abuse wherever they arise, and to regulate the procedure for reporting and dealing with them.

The content of this Protocol is available on the employee portal, and is a clear example of the desire to embed prevention, safety and health at Ávoris.

4.4.3. Activities to raise awareness of diversity, equality and inclusion



We have a day-to-day commitment to eliminate male violence — which we highlight with various awareness-raising campaigns that we launch every 25 November, International Day for the Elimination of Violence against Women. The objective is to raise awareness among female employees, and to increase awareness of gender-based violence and behaviour and of the social attitudes that enable the causes to be hidden, maintained and tolerated.

This year, we worked with two awareness-raising campaigns by the [Fundación Integra](#) — “A job is so much more than work”, launched on 8 March (International Women’s Day), and the 25 November campaign.

Activities to raise awareness of diversity, equality and inclusion at Ávoris Corporación Empresarial

BCD Spain’s commitment to diversity, equality and inclusion was expressed through various activities and initiatives during 2023.

BCD Travel Spain was recognised as a partner organisation thanks to its contribution to inclusive travel organised by ASPAYM Castilla y León. This award recognises the work undertaken by BCD to adapt corporate travel to the specific needs of people with disability, and to ensure that they face fewer obstacles and can travel more comfortably.

At **Ávoris Corporación Empresarial**, within the framework of the 25 November campaign, we condemned violence against women throughout the world, and called for policies to eradicate it in all countries.

To celebrate International Women’s Day, BCD Meetings & Events Spain organised the [8M Campaign](#) with testimony from women who form part of its workforce. We also contributed to the [Second TOP WORLD LEADERS Meeting](#), organised by REDI, the Red Empresarial por la Diversidad e Inclusión LGBTI [Business Network for LGBTI Diversity and Inclusion]. This not-for-profit organisation was set up in 2018 by over 200 companies of all sizes and from all sectors, working together to raise the profile of their commitment to LGBTI respect and inclusion.

Finally, Amaya Seoane and Óscar Casas (from BCD Meetings & Events Spain’s department for Diversity Equity and Inclusion) were selected by BCD to represent Spain in the World Diversity committee, which holds various events and activities within the company throughout the year to promote diversity, equality and inclusion.

4.5. Training and development: the key to our growth

At Barceló Group, we are committed to offering opportunities for training and development to our teams throughout their career with the company, by providing them with tools for personal and professional growth.

4.5.1. A focus on the management of training

Whether it is to prepare someone for their first job or to develop our workers to take on managerial roles, we offer several training and development programmes structured according to the needs of each team, post and function.

- **Management development programmes:** here we can include the Barceló Development Programme, which was held once again in 2023, and the Management Development Programme. Both programmes are designed to complement, improve and strengthen the competencies and knowledge of our hotel management teams – by offering training in accordance with participants' years of experience and the expertise of these profiles within the company, with the content and messages always being adapted to the specific requirements of those attending.
- **Cross-cutting training itineraries:** these correspond with the types of training that bring together the company's strategy and its objectives, for example, cybersecurity, SER Barceló, Barceló Energy, WAY employee and manager, resilience. They also include training developed to support changes in the company's digital ecosystem.
- **Operational training:** this addresses needs identified in our hotels, in accordance with defined annual training plans that contribute to the development of technical and operational teams.

All this falls within the framework of the new Competence and Leadership Model (expected to be implemented in 2024), thanks to which we will standardise our language when speaking of people, becoming more inclusive with our teams' diversity and moving forwards in the meritocratic management of our people.

During 2023, a total of 560,991 hours of training were logged, evenly divided by both gender and professional category across the workforce. This represents an increase of over 145,756 hours over 2022, an annual growth of 35%.



560,991
hours of training

Hours of training in relation to gender and professional category	2021		2022		2023	
By gender	283,495		415,235		560,991	
Men	141,747	50%	220,075	53%	274,886	49%
Women	141,748	50%	195,160	47%	286,105	51%
By professional category	283,495		415,235		560,991	
Management team	2,835	1%	12,457	3%	16,830	3%
Middle management	45,359	16%	53,981	13%	78,539	14%
Core staff	235,301	83%	348,797	84%	465,622	83%

4.5.2. Training at different levels within the company

Barceló Campus

Barceló Campus, creating e-learning experiences

Training in e-learning format is embedded in our entrepreneurial business culture. Barceló Campus, our learning platform, is modern and agile, and boasts features similar to current streaming platforms. This platform allows our EMEA teams to access a varied offer of training content adapted to their employment posts and available from both their computer and mobile devices.

On Barceló Campus 2023, we have achieved:

5,115
People trained
(employees who have undertaken at least one course in the last year)

4,326
Training itineraries
undertaken by all workers throughout the year

40,299
Courses undertaken
(4.7 courses per person)

4.71 average
satisfaction rating
(score is out of five)

19,293
Hours of training
(5.6 hours per person)

+54%
people trained
+43%
courses
+15%
hours of training
in comparison with 2022

The most highly rated training was the Get to Know Workday course (with a score of 4.83), followed by Customer Experience (4.82) and ESCI Code (4.81).

Dentro de **Barceló Campus** destacamos tres formaciones realizadas en 2023:



1. Bwelcome

This is our welcome programme, training to instruct new staff in all those aspects considered relevant as they join the company. It comprises seven modules available in three languages (Spanish, English and French). In 2023, these modules were completed by 1,380 people in both our hotels and our corporate offices.

2. SER Barceló

To complete the training package for new staff (in this case in more operational posts), **Barceló Hotel Group** has designed Ser Barceló [Being Barceló] that covers our procedures as well as our identity. In 2023, this training was completed by 478 people.

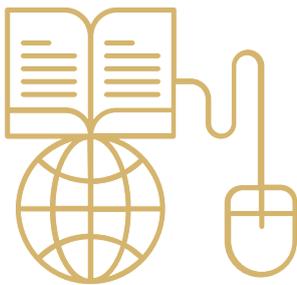
The objective is to take the professionalisation of the service and the development of internal management tools one step further, involving teams in the implementation of the strategy to improve management efficiency, customer satisfaction, and profitability.

Each team is formed on the basis of its department and employment posts in order to ensure its knowledge in relation to standards and procedures, with the overriding aim of achieving excellence in the standard of service.

During 2023, we continued with the digitalisation of the entire SER Barceló training, begun in 2021, adding SerOcio training to the portfolio to address teams' present training needs.

3. WAY

The first step for WAY was to train those groups directly involved in this cultural and technological change in order to prepare for the stage where we launch pilot tests in some areas and corporate departments. To this end, a range of training was implemented in 2023 with the objective of informing people of the scope of the WAY project and to demonstrate the functionalities of the innovations and software that have been introduced at **Barceló Group**. The outstanding innovation in this area is Workday, a unique Human Resources system that enables the simplification, automation and standardisation of the company's main processes. The training, consisting of over 14,000 hours of workshops and classes, was delivered over five face-to-face sessions and 35 online sessions, and was attended by 788 people.



Face-to-face training on WAY

- WAY, Workday, Meta 4 and cultural change for HR managers.
- WAY, Workday and cultural change for hotel management teams (agents of change).
- WAY for people, HR Meetings.

Online WAY training

- Sessions for Heads of Human Resources, focusing on each of the defined modules and processes.
- Sessions for agents of change, similarly focusing on the detail of processes.
- Sessions for hotel heads of department.
- Onboarding sessions for new HR Managers, whereby new entrants share the role and undertake detailed and specific training in processes.

Training on Barceló Campus

1. WAY for employees

A training itinerary which explains the digital transformation that is taking place at Barceló, and details the role/experience of the employee with the relevant platforms.

- Group: hotel and corporate employees
- Platforms explained: Workday, BConnect, Tamigo and SAP Concur

2. Way manager

A training itinerary which explains the WAY philosophy and the digital tools that comprise it, which the manager can use to manage their team.

- Group: hotel managers and corporate employees
- Platforms explained: Workday

3. HRBP selection

A course that explains the Workday selection module, where HR Heads have a key role in attracting the finest talent. Thanks to this course, they will be able to publish vacancies, track them and improve the experience of candidates¹¹.

- Group: HR heads and administrators
- Platforms explained: Workday (HRBP selection module)

¹¹During 2024, we will continue to bring out new Workday modules. For example, the hiring module (HCM) for HRBP roles..

Other training

1. Languages

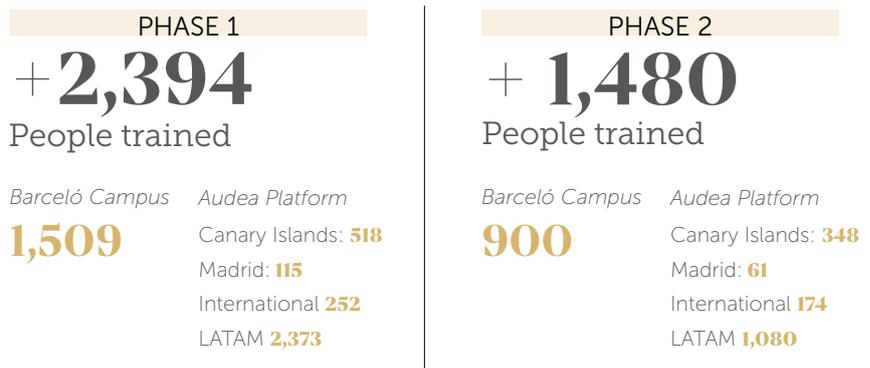
At the beginning of 2023, we launched Speexx, a languages platform that will strengthen employees' communication skills. This training was designed to ensure that we retain talent by means of a new online languages training methodology. In 2023, 119 people undertook languages training, improving their level and gaining certification. This training represents the consolidation of corporate e-learning itinerary for languages.

2. Training in cybersecurity

In the current context, cybersecurity is a priority issue, and companies, along with their workforces, will play a fundamental role in protecting organisations' systems and data. For this reason, at **Barceló Group** we designed specific training on the subject of cybersecurity, with the objective of strengthening knowledge and offering the tools needed to protect work environments against risks and cyber threats.

In the case of our hotels in Madrid and the Canary Islands (as well as those in LATAM and hotels outside Spain), a special itinerary was designed on another platform (Audea), because we received funding from the Next Generation European Fund to develop training activities on cybersecurity. In the Canary Islands hotels, the course was funded by the Ministry of Education and Professional Training. In the case of the Madrid hotels, the course was funded by the Department for the Economy, Finance and Employment, with the funding transferred by the Ministry of Education and Professional Training.

The cybersecurity course consists of two stages:



3. Open training

- In October 2023, we invited our staff to participate in the 4th edition of Campus Hotelero FORST, organised by the School of Tourism Studies with the objective of sharing the hotel sector's most up-to-date knowledge, led by recognised experts in the sector.
- On behalf of the Barceló team, and thanks to the agreement reached with the Universitat Oberta de Catalunya [Open University of Catalonia], we offered our staff a 30% discount on the modular online training, which offers the best technological resources applied to distance learning.

FUTURE CHALLENGES

In 2024, we will continue to strengthen training in all the tools that make up the WAY ecosystem (such as Workday, Tamigo, and so on.). We intend to continue offering various capacity-building programmes, including Office package, diversity, the relaunch of SER, the welcome course and training in the culture of performance assessment, for both corporate teams and those working in hotels.

Ávoris Corporación Empresarial and its commitment to training

“Times change and brands have to renew themselves. This development of the brand brings us into line with the characteristic traits of quality and safety that we have offered to our customers throughout our history, through the development of specialist skills in the entire human team that makes up the CATAI brand”

Raúl Serrano

General Manager of CATAI

Ávoris Corporación Empresarial continues in its commitment to develop its employees with the launch, in September 2023, of the Ávoris Travel Academy, which brings together the most up-to-date tourism training.

CATAI Sámaras, the new CATAI training programme

Designed to proceed alongside the process of transforming the brand, CATAI, Ávoris Corporación Empresarial's long trip tour operator, has developed a new training programme, CATAI Sámaras, made up of various training workshops targeted at travel agents. These workshops seek to stimulate creativity, awaken curiosity and, above all, discover new destinations from CATAI's authentic perspective.

Training activities undertaken in 2023 were accessed by over 7,000 travel agents throughout Spain, and consisted of:

- 64 training courses in small format throughout Spain.
- CATAI Sámaras tour: 18 courses in *premium* format. These are events with a pleasant, thoughtfully prepared setting (décor, lighting, etc.), which are attended by partners (airline companies, tourist office personnel), and interspersed with interviews. They are aspirational events that bring added value and that surprise and impress participants. We offer training on destinations, we share our knowledge and travel experiences, but we also depend on the support of special guests, whose contributions encourage us to engage in reflection. This year, our special guest was Edurne Pasabán, with whom we discussed issues such as passion, perseverance, consistency and team working. At all our training events, the materials provided to guests, (notebooks, pencils, etc.) are made using recycled and recyclable materials.
- 18 webinars on various destinations with an average of 500 travel agents participating.

This training programme comes with online support to share all the information from the workshops. It provides access to virtual training on the destinations that CATAI offers to travel agents. In a nutshell, a great training platform on worldwide destinations, available to all professionals in the sector.

Driving forward professional development at Crestline Hotels & Resorts

Crestline Hotels & Resorts' training strategies focus on strengthening the capacity and skills of its people to fill critical posts within the organisation. Learning tends to proceed in two different ways: either e-learning through live or recorded online sessions, or training undertaken in specific hotels and corporate offices. Training generally falls into the categories of development, communication of policy, compliance or security,

4.5.4. The development of new talent, career planning and promotions policy.

At **Barceló Group** we have a strong commitment to equality of opportunity and to professional development within the company. We ensure that vacancies that arise are made accessible to all employees, and we promote an atmosphere of equality and meritocracy in which people can access new opportunities according to their talents and effort in a fair and equitable way. This approach enables us to improve employee retention, improve the motivation of the workforce and promote diversity and inclusion.

In addition, at **Barceló Hotel Group**, we have an integrated development model called **B-Talent**, designed by the corporate Human Resources department, with a solid approach based on employee development. This model is based on gathering and analysing data from multiple sources to personalise and adapt the professional itineraries of members of the workforce. The three coordinating assessment tools, Assessment of Performance, Identification of Talent and Monitoring the Individual Development Plan, have a key role in this process:

1. **Performance Evaluation:** This tool quantifies and qualifies the performance of employees against the objectives established for the year. It assesses both quantitative achievements and qualitative competencies, thus providing a complete picture of the employee's performance.
2. **Identification of Talent and Potential:** This tool focuses on comparing the profile of each employee with the profile required for a specific post. It is based on key competencies and an analysis of associated behaviour: this helps to identify potential in employees as well as areas for improvement in relation to future roles.
3. **Monitoring the Individual Development Plan:** This tool measures the progress and operational learning of our future hotel managers in their current roles. It allows us to monitor the development of an individual, and to ensure that employees are progressing through their development goals.





The combination of these three approaches provides a comprehensive and personalised picture of each employee's development, and this allows the Human Resources department to adapt and create specific plans for each member of the team. It also helps us to take informed decisions about promotions, the allocation of tasks and training needs, which contributes to efficiency and success in the working environment.

Individual Development Plan

The Individual Development Programme is our effective strategy to guarantee that assistant hotel managers have a clearly defined progression route from the moment they join the company until they become hotel managers with [Barceló Hotel Group](#). A few key aspects of this programme are:

- **A defined career path:** All employees are provided with a clear vision of their professional development and expectations for growth within the company.
- **Training itinerary:** The Individual Development Programme specifies the roles and skills that assistant managers and deputy managers must acquire and master throughout the programme. This ensures that they are well prepared to take on roles involving greater responsibility.
- **Continuous Assessment:** Assessment of participants on the programme is essential in order to measure their progress and to determine areas for improvement. This guarantees that the programme is effective and can be adapted to the changing needs of the company.
- **Personalised training:** The focus on individual development means that the needs of each employee are taken into account, something which increases the effectiveness of the programme.
- **Retention of talent:** Offering employees a clear pathway within the company increases their motivation and commitment to the company over the long term.

The Individual Development Programme enables us to create a continuous work pathway thanks to our ability to assess the development of the people who form part of the Barceló squad.

This homogenous training ensures that versatile management profiles are created so that, in the future, they will be able to cover the needs of the establishments belonging to the various brands that make up the company.

Barceló Development Plan

In 2023, the setting chosen for the Barceló Development Plan event was the [Barceló Tánger](#) hotel. There, on 17, 18 and 19 October, deputy managers and assistant managers from the whole of the EMEA region embarked on a unique learning process.

An essential training commitment

This programme is recognised for its specific focus, whereby the content is adapted in accordance with the number of years of experience and the expertise of the profiles, thus guaranteeing a precise, personalised training. For the 2023 training, five modules have been designed: SER Barceló, Customer Experience I, Commercial and Revenue I, People Management II and Working Relationships, at an advanced level.

In total, 102 professional workers benefited from the training. Of the 15 participating trainers, thirteen were drawn from the internal ranks of the company, while the support for the SER Barceló module and the whole People Management II module were delivered by subject specialists.

This commitment to team training and professional development strengthens and distinguishes **Barceló Group** in the hotel sector and within the tourism industry as a whole. In our family, we consider each member unique and full of talent, with the capacity to grow and continuously improve.



Barceló Tánger (Tangiers, Morocco)

4.6. A quality working environment

At Barceló Group we are always seeking to ensure that our workplaces are pleasant, stable and safe, that equality of opportunity and professional development are a reality, and that we take care of the working conditions of our employees in every area of the business. This is not only a duty assigned to the company, but also a matter of awareness and commitment that should be assumed by those who form part of the organisation.

Given our presence in a great number of countries where very different realities prevail, we work to adapt our responses to the local needs of our employees in order to create quality working environments.

4.6.1. Health and safety, approach, policies and management mechanisms

Every year we conduct a preventative campaign with our employees on health at work based on medical check-ups. The aim of this campaign is the determine the fitness for work of each employee in relation to their job post so that they can work according to their physical and mental capabilities, if necessary by adapting their post to their state of health.

Workforce with a Health and Safety clause per business	2021		2022		2023	
	% of the workforce with a Health and Safety clause over the total average workforce	% of the workforce with a Health and Safety clause over the workforce covered by agreement	% of the workforce with a Health and Safety clause over the total average workforce	% of the workforce with a Health and Safety clause over the workforce covered by agreement	% of the workforce with a Health and Safety clause over the total average workforce	% of the workforce with a Health and Safety clause over the workforce covered by agreement
Ávoris	89%	100%	86%	100%	78%	100%
Crestline	8%	100%	0%	0%	8%	100%
EMEA Spain	100%	100%	100%	100%	100%	100%
EMEA International	7%	79%	26%	96%	21%	94%
LATAM	43%	79%	47%	91%	61%	95%
Total	52%	90%	56%	96%	61%	97%

In Spain, the four areas covered by the Law 31/1995 on Occupational Risk Prevention – Occupational Medicine, Industrial Hygiene, Workplace Safety and Ergonomics, and Applied Psychology – have their own and third-party resources through a number of prevention services. These services are responsible for implementing and guaranteeing the prevention policies, which affect the entire workforce, through two main lines of action:

- **Preventative action appropriate to the nature of our business.** Our strategy consists of undertaking regular risk assessment of conditions in relation to our buildings, our work teams and our job posts. From there, we plan preventative or, if applicable, corrective measures. We diligently inform and train our workers on the risks associated with their jobs, investigate the causes of accidents at work, and implement plans for emergencies and evacuation as appropriate to each of our establishments.
- **Taking care of our workers' health.** We facilitate initial health check-ups for staff and take measures to protect people who are especially vulnerable. In addition, we organise activities and campaigns to improve health and contribute to a preventative culture and to the adoption of healthy lifestyles.

Health and Safety at Ávoris Corporación Empresarial



In 2023 we began to conduct **psychosocial assessments** with the aim of identifying risk factors and establishing improvement measures to prevent or correct inconsistencies in the various quality fields of each work post, such as the workload, interpersonal relationships and worker participation in the organisation, all focused on reducing stress and improving well-being among the corporation's employees.

Generally speaking, psychosocial risks in companies are caused by deficiencies in the design, organisation and management of work, as well as a lack of social context for the work, and they can produce negative psychological, physical and social results, such as workplace stress, exhaustion or depression.

To date, interventions have been made at **Ávoris División Central S.L.**, **Ávoris Retail Division, S.L.**, the Madrid department of **BCD Travel** and **Evelop Airlines S.L.** (Iberojet).

To prevent these situations, we hold quarterly meetings with the health and safety committees of all the businesses that have them, which are the vast majority. At these meetings, all issues related to prevention (safety, hygiene, ergonomics, psychosociology and health monitoring) are analysed and discussed, workers' concerns are listened to, and workers are encouraged to participate in any corrective measures that may need to be applied.

Health and Safety at Crestline Hotels & Resorts

In common with many countries, including Spain, Crestline has safety committees to ensure a safe workplace. In accordance with US regulations, Crestline has an obligation to notify all accidents at work, and to work with an independent body to guarantee that, if an employee has an accident at work, they receive the treatment required to enable them to return to work.

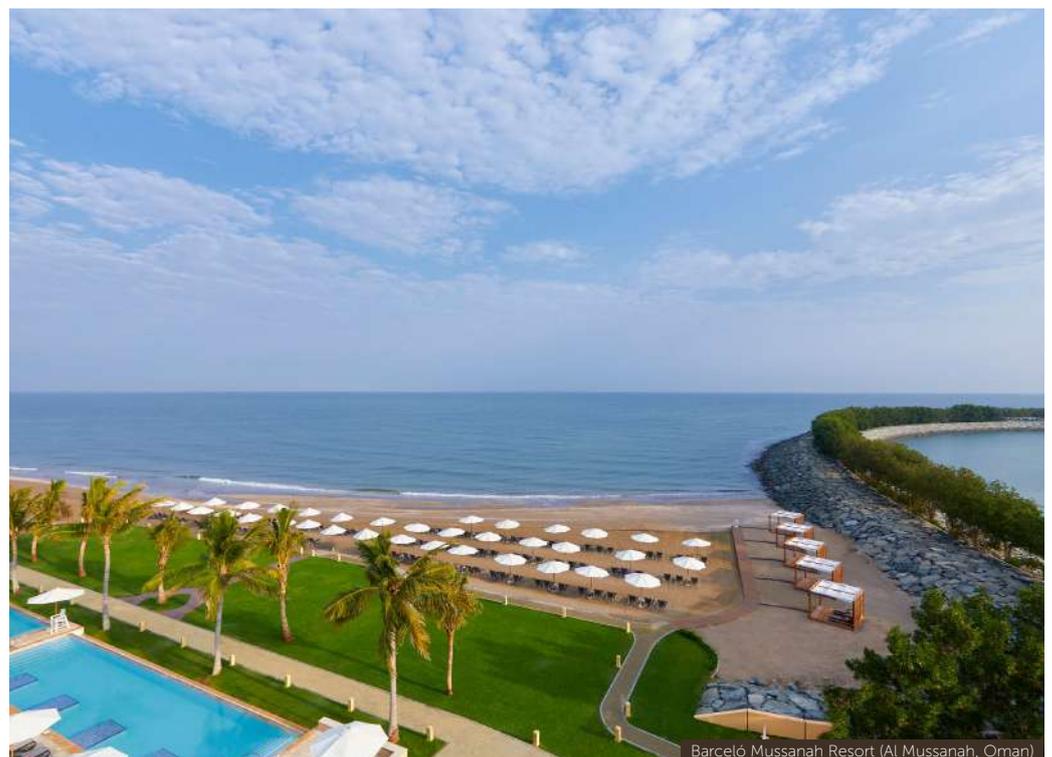
Similarly, and as is the general rule in other countries, all partners have an obligation to carry out safety training as part of the induction process for new employees.

4.6.2. Health and safety in figures

Absence

In order to calculate the percentage of absence, we have taken into account the processes and causes that occur throughout the year as they relate to the average workforce. Using this method, in 2023 the absence rate was calculated to have risen to almost 3.5 million hours, an increase of 1% in comparison to 2022.

Absence	2021		2022		2023	
	Hours	%	Hours	%	Hours	%
Total	4,569,327	7.09%	2,467,382	3.34%	3,549.42	4.33%



Distribution of hours lost to absence by gender and business	2021		2022		2023	
	Men	Women	Men	Women	Men	Women
Ávoris	24.7%	75.3%	23.4%	76.6%	18.4%	81.6%
EMEA Spain	39.6%	60.4%	39.2%	60.8%	36.8%	63.2%
EMEA International	82.8%	17.2%	47.7%	52.3%	72.6%	27.4%
LATAM	55.4%	44.6%	42.4%	57.6%	40.9%	59.1%
Total	46.2%	53.8%	40.6%	59.4%	38.6%	61.4%

The data reported excludes Crestline because the information systems at these hotels do not provide this information.

Distribution of hours lost to absence by cause and business	2021				2022				2023			
	WA+OD+TD*	MAT+PAT	Unjustified	Other**	WA+OD+TD*	MAT+PAT	Unjustified	Other**	WA+OD+TD*	MAT+PAT	Unjustified	Other**
Ávoris	23.9%	17.3%	0.0%	58.8%	73.9%	23.6%	0.0%	2.5%	88.0%	11.3%	0.7%	0.0%
EMEA Spain	82.8%	10.4%	0.0%	6.8%	83.7%	7.3%	0.0%	9.0%	91.8%	6.4%	0.3%	1.6%
EMEA International	6.4%	6.6%	21.8%	65.3%	58.5%	15.4%	13.0%	13.1%	23.8%	5.9%	2.0%	68.3%
LATAM	31.8%	5.7%	6.5%	56.0%	54.0%	17.9%	20.5%	7.6%	48.1%	18.9%	24.2%	8.8%
Total	35.8%	9.3%	4.3%	50.6%	67.7%	13.4%	10.7%	8.2%	69.9%	11.9%	9.9%	8.3%

The data reported excludes Crestline because the information systems at these hotels do not provide this information.

*WA Work-related accident, OD Occupational Diseases, TD Temporary Disability, MAT-PAT Maternity-Paternity.

**Paid leave and unpaid leave.

Absence from work is mainly due to accidents at work, work-related illness and temporary incapacity: these account for almost 70% of the corporate total.

Work-related accidents and ill health

An analysis of the data shows that, in 2023, 1,917 accidents and work-related illnesses were reported. The great majority of work-related accidents (1,402; 73.1%) occur during the working day, while 24.1% occur during travel to or from work. 2.8% are due to work-related illnesses.

Work-related accidents and ill health	2021			2022			2023		
	Total	Men	Women	Total	Men	Women	Total	Men	Women
Accidents during the working day	1034	371	663	911	415	496	1402	601	801
Commuting accidents	166	79	87	421	217	204	462	215	247
Occupational disease	5	3	2	6	4	2	53	22	31

The data reported excludes Crestline because the information systems at these hotels do not provide this information.

Where the incidence rate is concerned, it is worth mentioning that this represents the number of accidents during the working day per 1,000 employees in the average active workforce. Similarly, the number of accidents occurring during the working day is calculated by the total number of workers by 1,000.

The frequency rate is the number of processes that occurred during the workday per million hours worked, and it is calculated by multiplying the number of work-related accidents resulting in leave per million hours worked, with the number of employee hours exposed to risk as the denominator.

Finally, the gravity rate reflects the workdays lost during the workday per 1,000 hours worked, using the total number of hours worked as the denominator.

Accident rate by gender*	2021	2022	2023
Incidence rate	43.3	29.9	42.2
Men	29.4	26.5	36.1
Women	59	33.4	48.3
Frequency rate	18.8	13.1	18.5
Men	12.6	11.5	15.6
Women	26.1	14.9	21.5
Gravity rate	0.3	0.4	0.4
Men	0.3	0.3	0.3
Women	0.4	0.4	0.5

The data reported excludes Crestline because the information systems at these hotels do not provide this information.



Involuntary terminations

The end of a person's employment with the company is one of the most sensitive processes in dealing with employees. We do our utmost to make communication processes transparent and respectful, supporting the employee to face this moment.

Exit interviews are a valuable tool in the management of staff, as they provide information that can help us improve employee retention, identify areas for improvement and maintain positive working relationships. Therefore, we conduct this type of interview with everyone who leaves our organisation, for whatever reason. This process enables us to identify the specific reasons why we are losing someone, and to create strategies to alleviate the causes.

2023 saw 3,123 non-voluntary terminations of employment, a figure to be viewed in the context of a company that is constantly striving to achieve an efficient organisational structure and a good working environment. There was a reduction of 14% in employment terminations by comparison with 2022.

Involuntary terminations by gender, professional category and age range	2021		2022		2023	
By gender						
Men	1,413	57.9%	1,887	51.9%	1,735	55.6%
Women	1,028	42.1%	1,749	48.1%	1,388	44.4%
By professional category						
Management team	66	2.7%	44	1.2%	29	0.9%
Middle management	176	7.2%	229	6.3%	203	6.5%
Core staff	2,199	90.1%	3,363	92.5%	2,891	92.6%
By age range						
Under the age of 30	871	35.7%	1,422	39.1%	1,580	50.6%
Between the ages of 30 and 50	1,279	52.4%	1,789	49.2%	1,349	43.2%
Over the age of 50	291	11.9%	425	11.7%	194	6.2%
Total	2,441		3,636		3,123	

4.6.3. Health and safety: training

Training is an essential and key activity for workplace health and safety, for both business and workers. For businesses, it represents a way of contributing to a reduction in accidents, whilst for workers it is a way to gain knowledge of their workplace, of the risks to which they could be exposed and how to prevent them in an effective way.

In this context, apart from the training required to comply with those regulations aimed at preventing risks in the workplace, we offer other types of training in the area of health and safety. As an example of good practice, we can highlight the training that we deliver every year to the members of our emergency teams in first aid and extinguishing fires.

4.6.4. Actions and mechanisms to encourage social dialogue

As a hotel group, we encourage constant, effective communication with those bodies that represent our employees. This partnership is key to finding solutions and reaching agreements that are to the benefit of both parties. This dialogue enables us to be informed of the needs and concerns of our teams, and to take appropriate action, which in turn helps to improve staff well-being and work satisfaction.

At **Barceló Group**, we are committed to listening to our workers' representatives and engaging in constant dialogue with them. This dialogue has resulted in the pay deals that were reached in the Canary Islands, as well as agreements with the various company committees in relation to trade union freedoms and holidays.

Social dialogue is encouraged through regular meetings with employees' legal representatives, unions and cooperatives, in order to provide information regarding the company's position and new employees engaged, and space is provided for employees and their representatives to hold meetings, along with space on notice boards.

In addition to internal communication channels, we can highlight our negotiations with individual employees, and with their representative bodies (business committees, staff delegates, health and safety committees, majority unions) as the main channels of negotiation in work-related matters.

Social dialogue is an essential pillar for guaranteeing the rights of both the workers and the company, and ensuring that the workplace is fair and equitable for all.

% OF THE WORKFORCE COVERED BY AN AGREEMENT

Country	2021	2022	2023
Aruba	100%	100%	100%
Bulgaria	0%	0%	0%
Costa Rica	0%	0%	0%
Czech Republic	0%	0%	1%
Dominican Republic	59%	59%	59%
Egypt	0%	0%	0%
El Salvador	0%	0%	0%
Germany	77%	8%	78%
Greece	100%	100%	-
Guatemala	100%	100%	100%
Hungary	0%	0%	0%
Italy	100%	100%	100%
Malta	-	-	0%
Mexico	57%	51%	75%
Morocco	0%	0%	0%
Nicaragua	0%	0%	0%
Oman	0%	0%	0%
Portugal	74%	78%	72%
Spain	95%	95%	92%
Sri Lanka	0%	0%	0%
Tunisia	-	100%	-
Turkey	0%	0%	0%
United Arab Emirates (UAE)	0%	0%	52%
United Kingdom	-	0%	0%
United States	8%	3%	8%
Colombia	-	0%	0%
Slovenia	-	-	100%
Poland	-	-	0%
India	-	0%	0%
Indonesia	-	-	100%
Maldives	-	-	0%
Total	58%	59%	63%

Social dialogue at Ávoris Corporación Empresarial

In our continuous pursuit of operational excellence and workplace harmony, **Ávoris Corporación Empresarial** operates an open-door policy, encouraging constant and constructive dialogue and with all stakeholders. The synergy between the company's management and the employees' legal representatives is the pillar that supports the internal culture. This is cemented by mutual trust and the diversity of opinions and perspectives.

Effective collaboration is the key to addressing and overcoming challenges. It enables us to take advantage of opportunities for improvement. Therefore, dialogue is not confined to regular meetings, but is adapted to the circumstances that arise and that demand immediate attention. This philosophy of interaction allows us not only to respond to any concerns in a timely manner, but also to foresee potential situations that could affect our workforce.



Royal Hideaway La Bobadilla (Granada, Spain)

5. We promote wellness

- 5.1. A happy and memorable experience
- 5.2. Sustainable journey roadmap

RELATED SDGs



MATERIAL TOPICS

- The customer's carer: we help create healthy habits.

GRI CONTENT

3-3





Just as human activity affects the environment, so environmental factors affect human health, whether directly or indirectly. The interdependent relationship between the two is becoming more and more important, as reflected in the provisions of the United Nations' *One Health* strategy. A healthy environment is a crucial factor in promoting good health.

In this context, the comprehensive care of our customers is the engine that drives **Barceló Hotel Group's** activities, and so we focus all our efforts on boosting the well-being of all.

- Striving to ensure that our guests have a happy and memorable experience.
- Contributing to fostering healthy habits.

5.1. A happy and memorable experience

We work every day to offer our customers unique, personalised experiences, which will make an impression on them and help them to experience special moments, enjoying their stay in our hotels but with a particular respect for the local area and the community. This has been the chief aim of our company since it was founded over ninety years ago.

5.1.1. Our brands and differentiation

All **Barceló Hotel Group's** brands share the aim of **Barceló ReGen**: to build a regenerative tourism model — one that will maximise our positive impact on society, and contribute to fairer local and global economic development, and one committed to caring for the planet and for people.

Each of our brands has iconic operational standards formulated around 6 fundamental axes: guest room, reception, breakfast, **Barceló ReGen**, Wellness and the **Barcy Club**. Those standards set out the elements that characterise our facilities and experiences.

Below, we explore each of our brands, highlighting the unique identity of each, and we analyse our main gastronomic and entertainment concepts:

We believe in innovation to care for our teams and clients, enhancing their experience and well-being, and contributing to our purpose of transitioning towards regenerative tourism.

ROYAL HIDEAWAY

LUXURY HOTELS & RESORTS

Royal Hideaway Luxury Hotels & Resorts

Destination hotels where guests can discover the art of the extraordinary. They are defined by our expertise, elevated to the level of art, and emphasising our link with culture, our innate refinement, and our vocation to offer our guests unique moments that will long remain in the memory.

Brand identities

- **Art and culture** We showcase the cultural and artistic heritage of each of our destinations, understanding that there are different ways of creating art and culture – and different ways of honouring them through our storytelling and experiences.
- **Haute cuisine** Our hotels are gastronomic destinations in their own right. Our Royal Hideaway hotels are characterised by experiential luxury and differentiation through the highest expression of gastronomy. We encourage flagship innovative, sustainable, and high quality gastronomic projects in collaboration with locally, nationally and internationally renowned chefs. Currently, **Barceló Hotel Group** holds seven Michelin stars, and is the hotel chain with the highest number of awards of this type in Spain.



- **Royal Breakfast.** A new breakfast concept, in which each and every ingredient is thoughtfully chosen and prepared so that guests can connect with their destination through its gastronomy, with eco-friendly ingredients carefully selected to guarantee a healthy and delicious meal.
- **Royal Room.** Our most special rooms, coupled with the most exclusive standards, level of attention and service.
- **Royal Experiences.** Our collection of unique and iconic experiences, curated and designed to make them appropriate to each of our hotels, and to meet our guests' requirements.
- **Royal Welcome.** A welcome that sets the tone for the whole stay.
- **Royal Concierge.** We accord our guests individual, personalised attention, designed to take care of every last detail.

Barceló

HOTELS & RESORTS

Barceló Sevilla Renacimiento (Seville, Spain)



Occidental

HOTELS & RESORTS



Occidental Atenea Mar (Barcelona, Spain)

Barceló Hotels & Resorts

Urban and holiday lifestyle hotels with special, interesting touches designed to set our guests' imaginations free, and to allow them to get to know the destination in a surprising, authentic and local manner.

Brand identities

- **B-Room.** Welcoming and stylish guest rooms, designed to guarantee the maximum level of relaxation and convenience.
- **B-LikEat.** Our breakfast concept prepared from delicious, healthy, seasonal and high quality ingredients.
- **B-Locals.** Discovering the city accompanied by those who know it best. Our *Guest Experience Managers* will prepare a selection of plans and options for enjoying the destination in a different way, by discovering its true essence.
- **B-Heaven.** The brand's rooftop concept. An aesthetic experience of the city that is as close as possible to actually being in the sky. A space high up where guests can be inspired by the finest, 360° views of the destination whilst enjoying our gastronomic options.
- **B-Market.** The *Grab & Go* concept with a local flavour, whereby we bring the destination to our guests so that they return home taking something of the destination with them. A 24/7 service located in the hotel lobby, where guests can find convenience goods and a range of typical local gourmet and craft products.

Occidental Hotels & Resorts

Upscale hotels offering a friendly, welcoming service. The place that connects everyone with exactly what they had hoped for from their stay and their destination. A perfect symbiosis between hotel, destination and guest.

Brand identities

- **O!Breakfast.** Healthy, eco-friendly, artisan and local. We offer a breakfast adapted to your lifestyle, and to your style of travelling, the perfect way to explore and discover your destination. Quality and basic ingredients. Fresh products and well-known brand names that you can trust.
- **O!Market.** This is the Occidental Hotels & Resorts brand's *Grab & Go* experience. One single display located in the lobby. *Fast and easy* food and drink from well-known brands. 24h, a concept designed for all types of hotels, to allow you to go at your own pace and to get out and explore.

allegro HOTELS

Allegro Hotels

Hotels buzzing with energy, designed to radiate joy and to inspire active leisure in unique destinations where enthusiasm, freedom, and fun are the prevailing themes.

Brand identities

- Comfortable, pleasant rooms with a unique design and aesthetic that ranges from the special aroma that permeates all our hotels to the explosion of colour that radiates energy throughout our establishments.
- Communal areas that are anything but common, designed to provide pleasurable experiences – from the swings in the vestibule to an interactive, augmented reality screen, and multipurpose areas and facilities where you can relax.
- Our way of doing things is fresh and natural, and this is reflected in the food and drink we offer, which allow guests to enjoy a fun, varied diet which is, crucially, free of timetables or ties.

Cross-cutting gastronomic concepts applying to all brands:

Breeze. The pool snack bar concept, by means of which we aim to improve the customer's experience at this point of sale, by standardising the classic *snacks* and raising the concept of the traditional *snack*.

Cocoa Café. All-day-dining cafeteria concept. We take our inspiration from Parisian-style cafés where, at any time of day, customers can enjoy anything from a simple coffee to a casual meal or an after-work interlude enjoying a cocktail.

Arrozante A new gastronomic line led by the finest rice chefs, with rice as the star ingredient. Yet another indication of our intention to be a flagship for the gastronomic culture of the various cities where this trend has been established.



Allegro Agadir (Agadir, Morocco)



La Santa María. Part of a travelling concept, whereby we have taken this most transcendental spirit and made it into our insignia — a journey that could well take us to discover the New World. An invitation to discover and feel the heartbeat of the city, to become immersed in its exciting history and gastronomy.

Champs Sports Bar An innovative restaurant-bar-cafeteria concept, with carefully prepared Tex-Mex gastronomy and a sporting character and ambience. Guests can enjoy a game of billiards, a dinner or just a beer in a great atmosphere, with screens showing a wide range of sports. In addition, there is superb live music every evening.

México Lindo The colours, aromas and flavours of Mexico inspired us to create México Lindo, our new gastronomic concept and a way of enjoying the most authentic and best-loved traditional dishes in an establishment where the interior décor evokes the cultural essence of this Latin American country.

Cross-cutting concepts in leisure and entertainment:

Barcy Club. As we are mindful of the importance of raising awareness of the need to care for the planet among children too, our hotels' Barcy Clubs organise games and workshops to encourage good environmental practice through exploration, adventure, discovery of the planet, and the care of water as the most precious resource while the children interact with the mascot Barcy, a friendly drop of water.



WeHappy. Our differentiating hotel entertainment concept based on activities to improve well-being and happiness. Designed to reflect the theories of various authors who, supported by empirical studies, have demonstrated that activities in a group, in nature, relaxing or participating in sports have a positive effect on happiness levels. A plethora of options available to our customers to ensure they enjoy their holidays to the full.

Happy Minds: A children's entertainment programme unique to **Barceló Hotel Group**, inspired by the U.S. psychologist Howard Gardner's Theory of Multiple Intelligences, which emphasises that there is no single intelligence: each person is capable of developing different types. An offer of activities that enable our youngest customers to discover music, become wizards, enjoy games that will teach them how to care for the environment, perform experiments in laboratories... A programme that entertains them while at the same time stimulating their creativity.

Teens Club ONE. A safe space for teenagers where they can spend time together whilst playing video games, enjoy a game of table football or start out as DJs, along with many other individual and team activities.

Barceló Experiences. Our digital platform of authentic experiences in our destinations, whereby we put guests into contact with local providers of 100% genuine activities connected with the destinations where our hotels are located.

WeBalance. An innovative 360° well-being programme designed by our holistic coach, comprising a series of recommendations and tutorials for guests' well-being and health. Content includes training routines that can be practised directly from our app and without leaving the hotel room.

WeBalance

WeBalance is supported by three fundamental pillars: mind (rest and breathing), body (nutrition and movement), and spirit (meditation and positive thinking).



THE PILLARS OF WEBALANCE

MIND

Rest and breathing

Maintaining a rested, balanced mind is vital if we are to enjoy good health. By means of simple exercises, we can learn to relax, breathe correctly and raise our self-esteem, contributing to enhanced well-being.

BODY

Nutrition and movement

Listening to, hearing and loving our body is one of the secrets of happiness. Using self-care routines, balanced nutrition and an active life, we will be helping our immune system and our metabolism to function better and to face each day with positive energy.

SPIRIT

Meditation and positive thinking

The pace of modern living prevents us from experiencing feelings that are key to a full life, such as peace, satisfaction and inner harmony. For that reason, the programme treats thoughts and feelings as the pillars of our health and well-being.

5.1.2. Our value offer

We are convinced that improving customer experience and providing a differentiating and innovative value offer is our only path towards sustainable growth. We should never do anything without first considering the impact on customers, and all of our thoughts should be centred on them, their preferences and their needs.

FRESH is the word that defines our Group and summarizes the values that determine who we are and how we work: **Flexibility, Responsibility, Excellent Service and Hospitality**. The sum of all these factors is present in every one of **Barceló Group's** brands, although each brand champions a particular value:

<p style="text-align: center;">allegro <small>HOTELS</small></p> <p style="text-align: center; font-size: 1.2em; font-weight: bold; color: #c00000;">Flexibility</p> <p>Allegro is Flexibility Adaptability is needed in order to offer unique experiences for every guest. Freedom is what inspires Allegro and enables us to be dynamic, adjust our pace and evolve according to the situation.</p>	<p style="text-align: center; font-size: 1.2em; font-weight: bold; color: #007060;">Occidental</p> <p style="text-align: center;"><small>HOTELS & RESORTS</small></p> <p style="text-align: center; font-size: 1.2em; font-weight: bold; color: #007060;">Responsibility</p> <p>Occidental is Responsibility Our principles and commitment to a more sustainable and responsible world define us. Occidental is the standard-bearer for this commitment. It is what drives us to go further than expected to protect the environment and the local economy, as well as in the realm of social action.</p>	<p style="text-align: center; font-size: 1.2em; font-weight: bold; color: #8b4513;">ROYAL HIDEAWAY</p> <p style="text-align: center;"><small>LUXURY HOTELS & RESORTS</small></p> <p style="text-align: center; font-size: 1.2em; font-weight: bold; color: #8b4513;">Excellent Service</p> <p>Royal Hideaway is Excellent Service Because exceeding guest expectations is our purpose as a group, and Royal Hideaway is committed to this in body and soul, always going beyond an attention to detail. We work as a team and channel every ounce of our passion and enthusiasm towards providing the best customer service.</p>	<p style="text-align: center; font-size: 1.2em; font-weight: bold; color: #4b4b4b;">Barceló</p> <p style="text-align: center;"><small>HOTELS & RESORTS</small></p> <p style="text-align: center; font-size: 1.2em; font-weight: bold; color: #4b4b4b;">Hospitality</p> <p>Barceló is Hospitality Our mission is to create a place where guests can feel, even, better than at home. Barceló strives to be the best destination ambassadors by pleasantly surprising and inspiring our customers with our in-depth knowledge of the local culture and its secrets, and with creative and innovative itineraries.</p>
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Through our listening processes, we track how our guests' expectations have changed, and how they are now seeking regenerative tourism.

SER Barceló is the emblem of professionalism of **Barceló Hotel Group** that guarantees quality, efficiency and consistency in the standards of service offered by the Group in all its hotels.

Using a range of knowledge, training and certification tools, SER guarantees that our brands offer the customer an experience that is in keeping with their values, standards and processes. It is the scalable and efficient delivery channel for communicating our expertise to all those who form part of **Barceló Hotel Group**.

In a nutshell, it is the common mark of identity that inspires, validates and improves what we do and how we do it. A form of intelligence that makes our hotel management model recognisable throughout the world.

5.1.3. Improving customers' experiences through digitalisation

At **Barceló Hotel Group** we depend on technology to build more personalised experiences for our customers, employees, collaborators and partners.

We are committed to a digital transformation that will place people at the centre of our strategy. To realise our aim, we are implementing smart technological systems and management tools to measure our impact.

The use of data, artificial intelligence, virtual reality or the IoT (Internet of Things) will contribute to making destinations better connected and adapted to people's needs. Developments like these have huge potential in the sector and, of course, they also require us to redouble our efforts in the area of cybersecurity – and to guarantee that we meet the highest standards in both ethical management and the protection of personal data.

Some of the most important digital transformation projects we worked in during 2023 were:

Barceló Experience Assistant (Bea)

During 2023, we cemented the implementation and adoption of **Bea**, the **Barceló Experience Assistant**, our end-customer CRM based on Salesforce technology, across all of the company's hotels. Bea is a colleague to our hotel teams: it knows and recognises our guests, and allows us to improve their experience by making their stay more personalised.

Moving into 2024 with Bea having been adopted by our hotel teams, we can focus on its contribution to the business through capturing the qualitative preferences of our customer profiles. The objective is to move forward with greater personalisation and customer satisfaction.



2023 SUCCESS



152
hotels already
working with Bea

+1,000
users

+200
hours of
training

+80%
actions resolved
with customers

Barceló App, the customer experience in the hotel, at their fingertips

Our guests can find all the up-to-date information about their hotel and book any service offered by our facilities online and also at their destination (Barceló Experiences), directly from their smartphone, wherever they may be.

Among the main new features of our app in 2023 are:

- Integration with Salesforce Marketing Cloud, allowing us to communicate with customers at any point in their journey, whether before, during, or after their stay.
- Through the app, our customers can access more exclusive and personalized offers.

2023 SUCCESS

+380,000
new downloads (+25% vs 2022)

172
new services activated
(restaurants, room service, spa...)

381,000
service reservations
completed (+96% vs 2022)

9.4/10
Customer rating of
the app:

New Iberojet app

With the objective of offering our customers a better user experience, Iberojet has improved its website application for mobile devices, and now makes an online chat available to resolve customer queries. Iberojet also implemented a new chatbot on both its website and the app, which will improve interaction with customers by offering quick and efficient responses.

Digital check-in service

The digital check-in service enables our customers to cut waiting time in reception and to access our hotels in a more agile way, by offering priority access to those customers who have completed the digital check-in.

2023 SUCCESS

99
hotels offering the
digital check-in
service

+4,000
hours saved for
reception teams

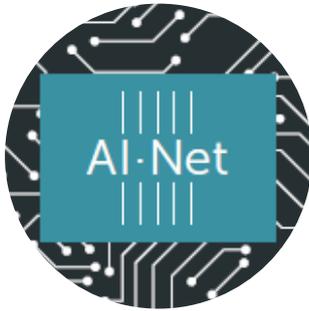
193,000
digital check-ins
completed (+28% vs 2022)

25%
of customers provide
their email address
and telephone

90/100
customer rating of
the service

AI-Net

This is a powerful optimisation and *online pricing* application with *machine learning* technology, which applies the best available tariff with the aim of maximising production and profitability across all the hotel's sales channels.



2023 SUCCESS

26

hotels in service
+4 hotels in the process of validation

55%

online quota
+4 points in comparison with 2022

31%

quota for our own channels +4 points in comparison with 2022

+28%

increase of income in guest rooms
Premium on

Reach: Hotels with PMS QuoHotel, all holiday hotels in Spain and LATAM.

Digital call centre

2023 has been a period of technological consolidation and growth for **Barceló Hotel Group's** Contact Centre. Our team, comprising five contact centres located across LATAM and EMEA, already has over 100 agents who have managed a volume of almost one million incoming calls, consolidating our position as a benchmark booking and customer service provider in the hotel sector.

We have continued to invest in improving our processes through technology. This year, we have implemented AI technologies such as a *Speech Analytics*, with the objective of offering more personalised and efficient service to our guests. Looking ahead to the future, we will maintain our commitment to projects that will help us with the continuous improvement of our customers' experience, of efficiency and of the generation of new lines of income.

In this respect, this year we have seen our main business metrics grow:

2023 SUCCESS

+7.4%

volume of incoming calls

+1.6pp

percentage of calls answered

+3.3pp

conversion rate

+40%

check-in sales

In addition, we have strengthened our commitment to quality of service, earning above-average ratings for the tourism sector with indicators such as NPS and CSAT. This milestone recognises the professionalism of our teams and our customer care standards.

B-stores

B-stores is a mobile application that we have developed to improve optimisation and efficiency in logistical processes in the hotels, and facilitating inventory tasks — as well as in the receipt and delivery of goods within the hotel. For example, it eliminates manual processes and creates synergies with other departments such as administration for the management of invoices and delivery notes, feeding automatically into systems or into the audit department.

B-stores enables us to track, in real time, the entry and exit of goods and to monitor the traceability of products. In 2023, we expanded the functionality of managing shrinkage and breakages, so that breakages can be recorded on a mobile device and include photographic evidence and the signature of the person who informed us of the breakage. It also allows us to record inter-departmental transfers (the movement of products between the hotel's stores including the quantities transferred), processes that were previously undertaken on paper.

2023 SUCCESS

136

hotels that used the application

+16,500

inventories

+283,500

goods inwards

+150

Shrinkage and breakage

+350

transfers between departments*

*We began measuring these KPIs in late 2023.

5.1.4. Listening to our customers

At **Barceló** we are committed to keeping open constant communication with our customers in order to understand their needs and requirements. We endeavour to respond to these needs through a process of continuous improvement, working in collaboration towards shared objectives.

Among the initiatives that we are taking forward to listen to the needs and expectations of our customers, we undertook in 2023 a study of **double materiality** with the objective of using the knowledge gained via active listening to enrich the Group's ongoing projects and to identify opportunities for improvement in order to generate greater value for our groups of interests within our **Barceló ReGen** strategy. In this study, customers were included in the groups of interest with the aim of integrating their perspective to strengthen and enrich our sustainability strategy and its three axes of action: Glocal, Fair and Caring.

At the same time, (with the aim of finding out about our customers' preferences and about trends in the travel sector for 2024), **Barceló Hotel Group** undertook a survey of over 8,700 people from more than 20 different countries on our social channels. An initiative aligned with our client-centric strategy and its commitment to active listening to customers and to future guests.

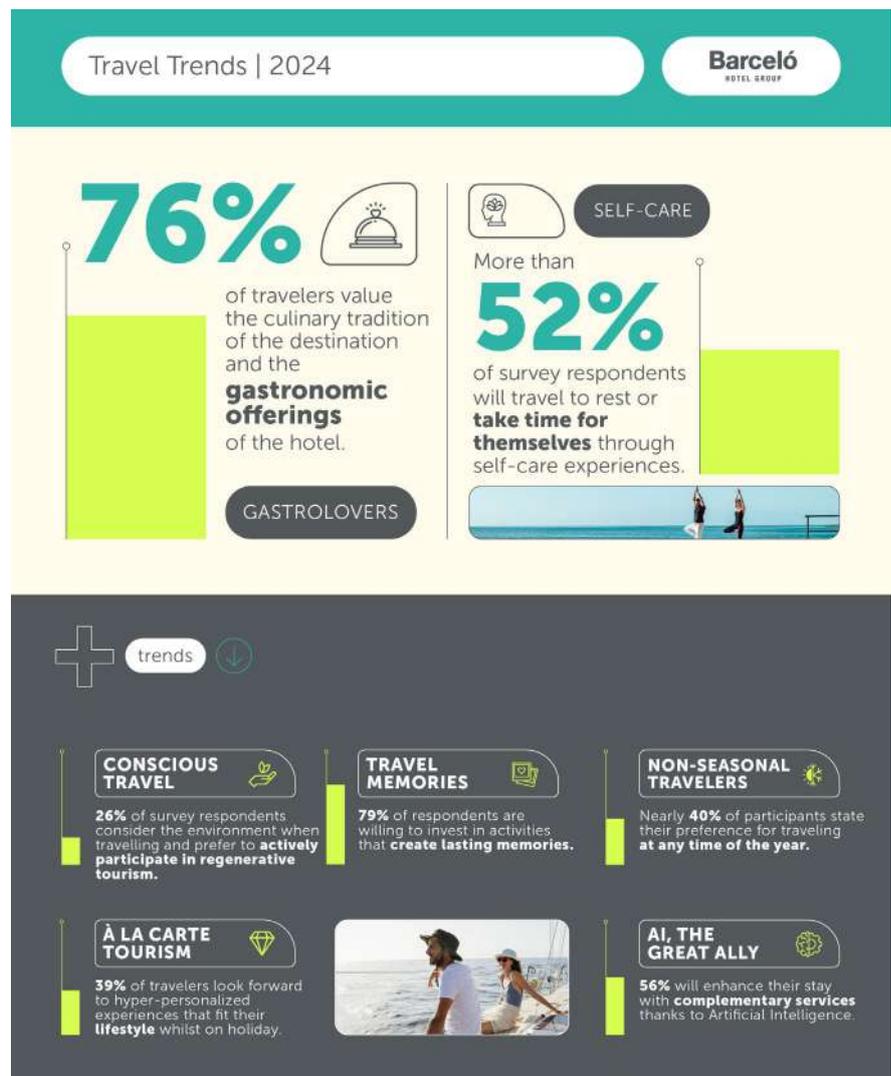
The results of this survey show that travel trends for 2024 reflect an increased awareness of mental and emotional health, exploration of the un-



known and a greater personalisation of travel experiences, all accompanied by a growing focus on sustainability and personal well-being.

One growing trend is the interest in exploring different gastronomies, with 76% of travellers wanting to discover the culinary traditions of the destinations they visit. Similarly, self care is influencing travel choices, with 52% of travellers including self-care experiences to devote time to themselves.

2024 TRAVEL TRENDS



In 2023, **B travel** presented *Radiografía de la España Sobrepasada* (Snapshot of a Burnt-out Spain), the first study to determine the level of overload on people and the need for them to relax. Over 500 communication media and digital channels were analysed, and 21 million pieces of content with 128 million interactions were processed.

Continuing with this 2023 campaign concept, *Déjate Llevar* (Switch off), **B travel** showed that 70% of Spaniards want to “disconnect by travelling”.

+5.5 M members

on the my Barceló programme

27% increase in comparison with 2022



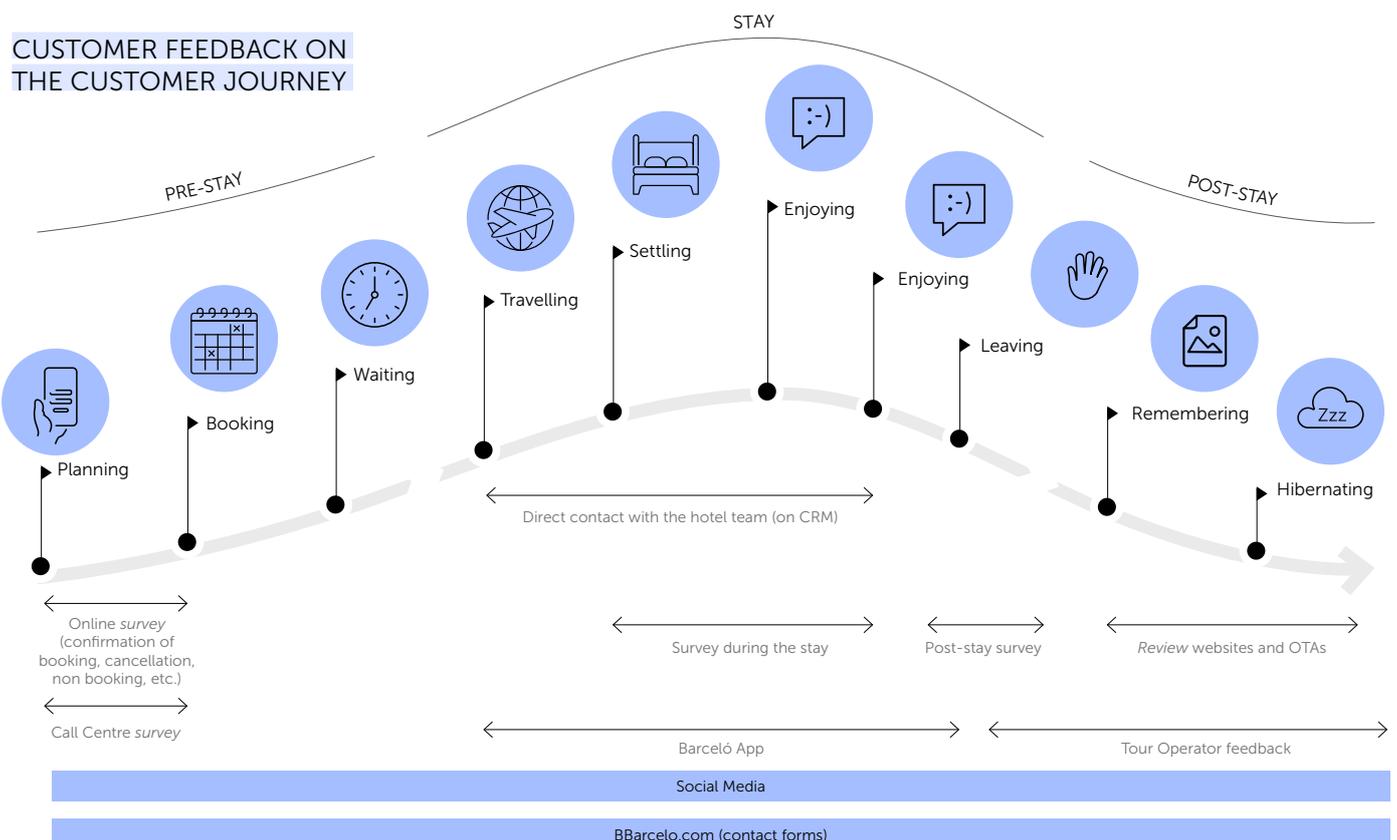
my Barceló, our most loyal customers

My Barceló is **Barceló Hotel Group's** loyalty scheme, which offers unique benefits to our best customers, access to the most exclusive offers, and experiences specially designed to enable them to derive more enjoyment from their stays. This programme recognises and rewards customer loyalty on every stay with benefits such as discounts on booking, priority check-in and check-out, a welcome gift and courtesy water in the room, discounts on hotel services, and more.

In 2024, we will relaunch the **my Barceló** scheme with the main objective of strengthening emotional loyalty and increasing the frequency with which our most valuable customers stay with us. This effort will focus on continuously enriching their experience, with special attention during their stays. We will endeavour to consolidate the positioning of the programme and optimise our communication – in order to ensure an exceptional, personalised service. In addition, we will adjust the levels and benefits of the programme to align them with the expectations and consumption habits of our key customers, to ensure their long-term interest and participation.

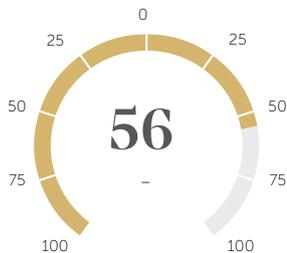
Measuring the Barceló Hotel Group customer experience

A key aspect of the continuous improvement of the customer experience is measuring customers' experience in every interaction with **Barceló Hotel Group** throughout the Customer Journey.





Net Promoter Score®

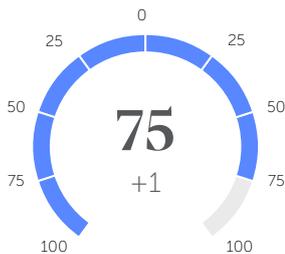


At **Barceló Hotel Group**, we consider that the indicator that best measures the experience of customers in our hotels, and particularly their loyalty and the likelihood that they would recommend us to their relatives and friends is the *Net Promoter Score* (NPS)¹². Furthermore, both the question we ask our customers and the calculation of the result is a standard indicator, which enables us to analyse how it changes and to compare results between similar hotels and competitors' hotels.

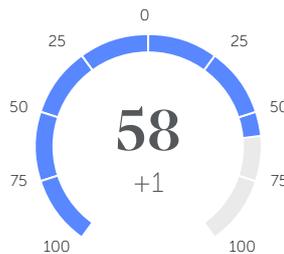
In 2023, we achieved an NPS of 56.1, an improvement of almost 40 points above the average score for the sector, which, according to a recent study by Qualtrics XM Institute, stands at 10.



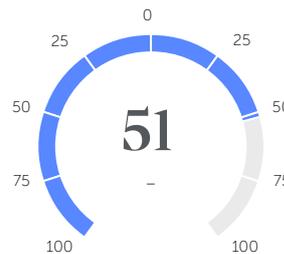
Net Promoter Score®



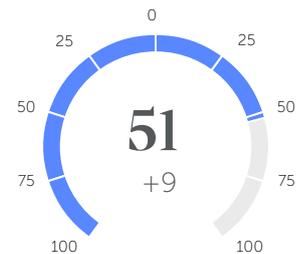
Net Promoter Score®



Net Promoter Score®



Net Promoter Score®



+110,000
customers would recommend

80%
hotels in the portfolio with an NPS > 40

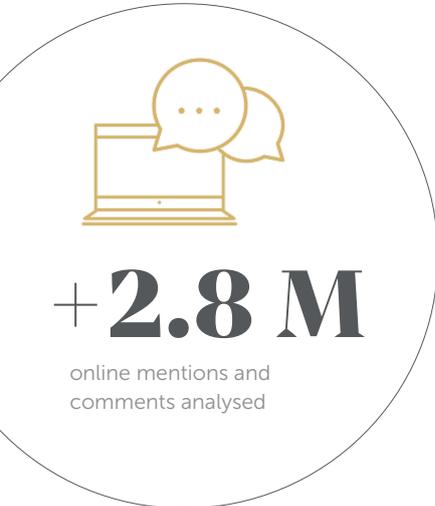
167
Barceló Hotel Group hotels that have received the 2023 TripAdvisor Travellers' Choice prize, 6 of them have been awarded the 2023 *Best of the best* prize

Top 10 hotels by NPS

2023

La Bobadilla, a Royal Hideaway Hotel	88.4
Royal Hideaway Corales Suites	86.6
Barceló Imagine	85.4
Palacio Gran Vía, a Royal Hideaway Hotel	84.0
Royal Hideaway Corales Beach	81.1
Barceló Aracena	80.9
Barceló Carmen Granada	80.0
Barceló Emperatriz	79.7
Barceló Istanbul	79.6
Barceló Funchal Old Town	79.0

¹²The NPS is an indicator calculated on the basis of responses to the survey question "How likely are you to recommend our hotel to your relatives and friends?", with a standard response scale of 0-10 (with 10 being "very likely"). The indicator is calculated as the percentage of customers who would recommend (giving a score of 9 or 10) minus the number of customers who would not recommend (giving a score between 0 and 6). The value of the NPS can range from 100 (all customers would) to -100 (all customers would not recommend).



At **Barceló Hotel Group**, we have a strong commitment to listening to our customers in order to identify areas for improvement, so that we can guarantee that our guests will enjoy a memorable stay at our hotels. In line with this active listening policy, we analyse over 2.8 million online mentions and comments made by customers via satisfaction surveys and review portals.

Using artificial intelligence and data analysis, we assess by each customer segment what our strong points are and where we have areas that need improving; we identify new trends and needs; and we evaluate the adequacy of the changes we introduce.

In addition, we have digital communication channels and, of course, we draw on our direct contact with our teams, by means of which customers can raise any issue, suggestion or comment on any aspect of their stay. Any written complaint made by a customer in relation to any of our services generates a case, and a specialist team analyses all the cases and ensures that the customer always receives a reply from us.

97% of contacts

raised were resolved

During 2023, **Barceló Hotel Group** received a total of 26,185 contacts from customers¹³, of which 97% were resolved. The increase compared with the previous year is mainly due to the increase in our use of the end customer CRM (Bea) in our hotels, as well as the larger number of hotel establishments that adopted this tool in 2023 (compared with 2022).

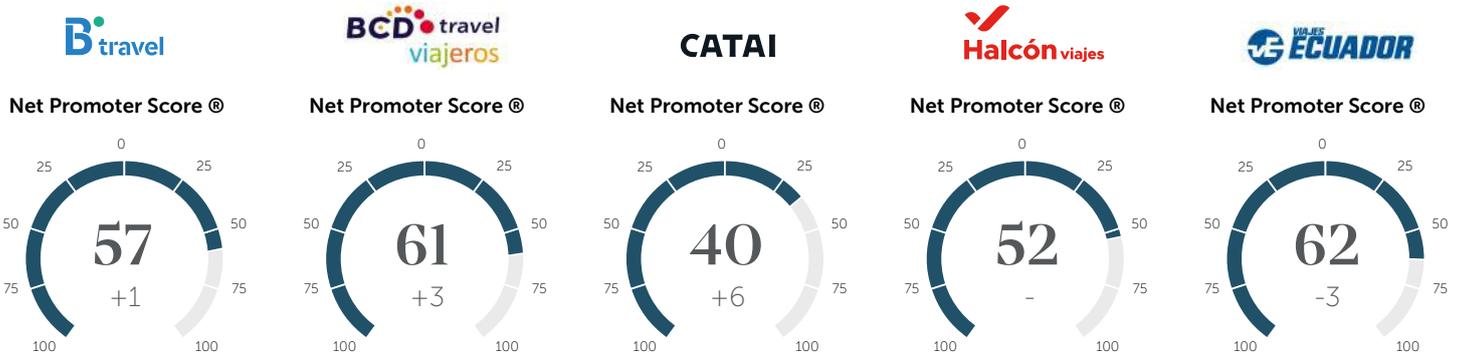


Barceló Maya Grand Resort (Cancun, Mexico)

¹³Complaints and claims.

Measuring the experience at Ávoris Corporación Empresarial

As with the hotels business, to find out about customers' experiences with different services, we send out a survey. In the case of the holiday retail side, once the trip/service has been completed, in the corporate area the survey is sent out by the travel manager. Finally, in the case of the airline, travellers have the opportunity to provide feedback during the flight via the entertainment screens. We use the Net Promoter Score (NPS) to measure our customers' satisfaction with their experience:



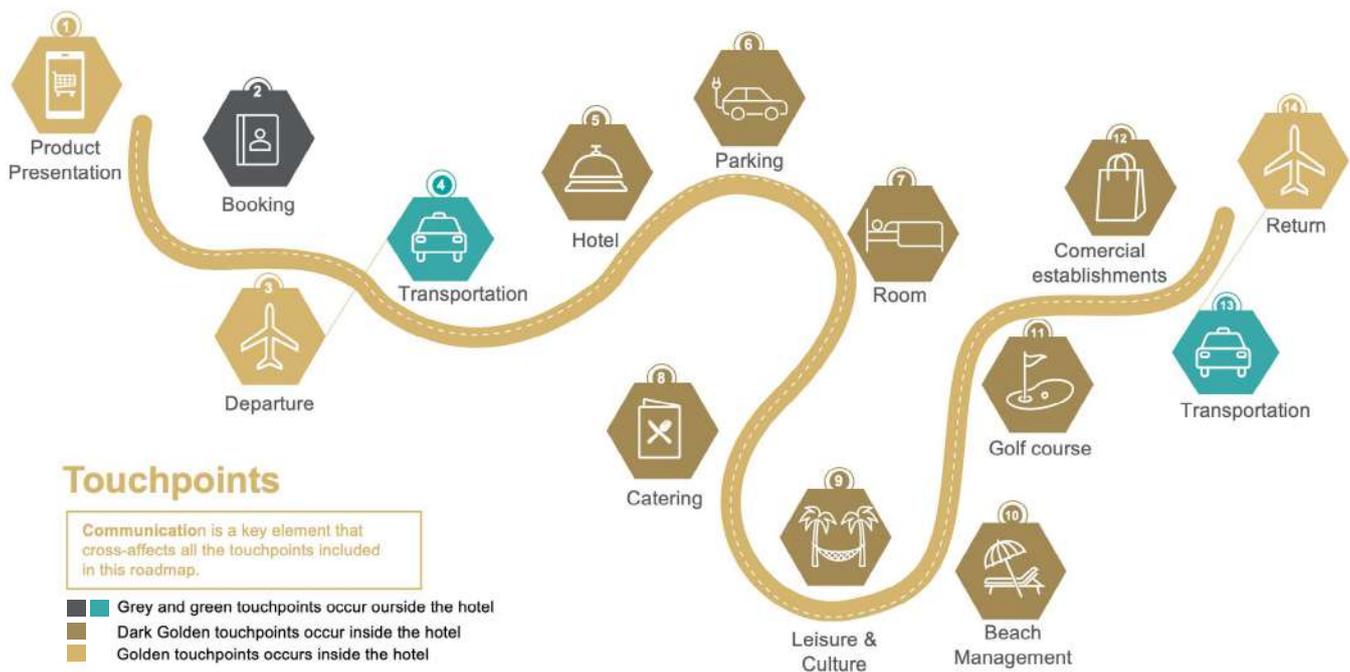
Digitalisation is being consolidated at **Ávoris Corporación Empresarial**. *Greemko, Jaggaer, Gladtolink and Zendesk* are just a few of the digital tools that assist the sustainability, purchasing, and customer service departments respectively to manage their processes more efficiently. In 2023, we successfully integrated the consumption of electricity by our head offices and network offices, making it possible to report scope 2 emissions in a quicker, more accessible and more reliable way. This is a consumption and waste measuring project that we will continue to develop in 2024.

In 2023, the purchasing department improved its efficiency thanks to the *Jaggaer* platform which enables in-depth approval of suppliers. In aiming for excellence, we planned that throughout 2024, we would incorporate a risk analysis into the supply chain with sustainability criteria, using this same platform.

Finally, in 2018, we implemented the *Zendesk* tool for the claims area, and we continue improving it year by year. Internally, we adapted it to our operating system (implementation of concrete KPIs, for example). And externally, we are offering *Imsero* consumers the possibility of registering a claim online.

5.2. Sustainable journey roadmap

At **Barceló Hotel Group**, we create programmes to encourage tourism that respects settings and communities. Through our sustainability roadmap, we create value for our guests throughout their stay, by providing an environment in which they can actively participate in the improvement of Barceló's sustainability standards.



The moments of contact experienced by customers during their stay occur inside and outside the hotel – from the presentation of the product and transport to their room to the leisure activities and the cultural offer. Therefore, communication plays an essential, crosscutting role in raising guests' awareness of sustainability.

One initiative in this area is the **“Let's take care of the places that make us happy”** campaign. We used this slogan throughout 2023 in our communications on different channels, with the objective of raising awareness among travellers of ways of travelling that take better care of destinations, and that contribute to local development and communities. We return to the classic maxim of “Leave the world better than you found it” to remind our guests of the need to respect their surroundings and to advocate for regenerative tourism.

Below, we give some examples:

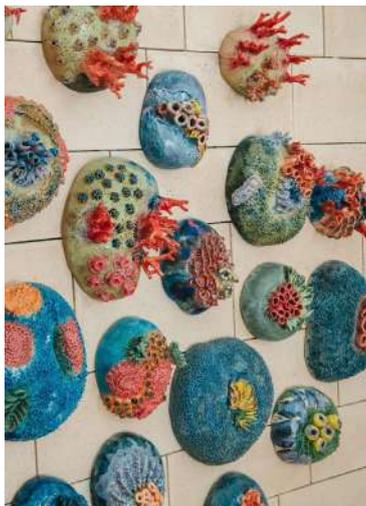


800
subscribers
to the
playlist

+1,1 M
single users

€+40 K
advertising

+425 K
people contacted on social networks



Song 4 Showering

An initiative that seeks to raise guests' awareness of water consumption and our campaign on drought. The campaign consists of a list of songs on the well-known music platform Spotify, each of which lasts 4 minutes, to help people recognise how long they spend in the shower, and thus avoid using more water than is necessary. Guests can access this playlist by using their mobile phones to scan the QR code that has been created for the campaign and is available in the showers of all our Spanish hotels.

In our hotels, water is used for human consumption, for the watering of green spaces, and for filling swimming pools. In recent years, we have implemented various measures to improve efficiency in our use of water, with the aim of mitigating any negative environmental impact and of managing this particular resource more responsibly.

Through art, Barceló Nura encourages guests to think about taking care of the sea.

In its *lobby*, the hotel displays the *Marine Oases* sculpture, which is composed of 27 handmade pieces representing the Mediterranean's undersea life. This initiative reflects our philosophy of protecting, conserving and regenerating the seas and oceans, and it encourages guests to think about caring for the ocean and its habitats. This collaboration is one example of [Barceló Nura's](#) efforts to encourage more responsible tourism, by connecting with destinations, with their inhabitants, and with their cultural and natural heritage.

Launch of the CATAI Grand Tours and Latin America, Natural Paradises catalogues.

At **Ávoris Corporación Empresarial**, CATAI launched its new [Grand Tours](#) catalogue, which expresses its value offer by paying homage to travel, discovery and curiosity; it also launched the [Latin America, Natural Paradises](#) catalogue, targeted at more well-informed travellers, and detailing tours through seven Latin American countries (Costa Rica, Panama, Ecuador, Peru, Colombia, Chile, and Argentina), to promote more responsible tourism, protect the environment and improve relations with the local community. Both are available in a virtual format, on the company's website, and in a physical format, published on recycled, 100% FCS-certified paper.

6. We are committed to the planet's health

- 6.1. Care for the environment at Barceló
- 6.2. Our pathway to net positive
- 6.3. Driving the optimisation of energy and the transition to clean technologies
- 6.4. Circular economy and waste management
- 6.5. Conscious management of water and water resources
- 6.6. Commitments to the protection of biodiversity

RELATED SDGs	MATERIAL TOPICS	GRI CONTENT
   	<ul style="list-style-type: none"> • Mitigation and adaptation to climate change. • Biodiversity and ecosystems. • Water and water resource management. • Circular economy: consumption, production and waste management. • Economic performance. 	<p>3-3, 201-2, 302-1, 302-3, 303-1, 303-3, 303-4, 303-5, 304-1, 304-2, 305-1, 305-2, 305-3, 305-4, 305-7, 306-3</p>



6.1. Care for the environment at Barceló

In recognition of the importance of preserving and protecting the natural environment in which we operate, we have adopted a series of measures and sustainable practices that reflect our commitment to the care and regeneration of the environment. From a reduction in our carbon footprint to the responsible management of natural resources, our focus in environmental terms is based on being constantly proactive and innovative to encourage a more sustainable and regenerative tourism.

6.1.1. Leaving behind a better planet

Tourism is closely related to the planet's natural wealth and biodiversity. Over half the demand for travel is driven by the desire to explore nature, and tourism depends to a great extent on natural resources and ecosystems in order to provide its services. However, the ecological footprint and human activity have in recent decades outpaced Earth's capacity for regeneration, thus compromising the future of the planet as well as damaging both the environment and human health. Mindful of the interdependence between the planet and the well-being of people, **Barceló ReGen** seeks to maximise the positive impact of our activity in society — by adopting a regenerative tourism model.

During 2023, we invested approximately €7.9 million in the prevention of environmental risks, and in the protection and improvement of the environment. These investments included certification, waste management, digitalisation of consumption, audits and other measures. In addition, during the same period, we earmarked over an additional €185 million for investment in hotel assets.

In order to minimise the environmental risks associated with our activity, we adhere to a hierarchy of mitigation which includes:

- **Avoid:** In the design of new build and refurbishment projects, we implement design criteria for architecture and installations that allow us to minimise the use of resources during the development phase.
- **Minimise:** We adopt energy efficiency measures, such as controlling outside lighting by means of twilight sensors.
- **Restore:** We carry out restorative activity (for example cleaning beaches) to reestablish the habitat after any impact from waste.
- **Regenerate:** By means of investment and environmental improvements.

In addition to these measures, we have an **environmental responsibility insurance policy** worth a total of €20 million. Collectively, these actions reflect our continuing commitment to the protection and conservation of the environment in all our operations.

In 2023, we did not receive any fines or significant sanctions arising from failure to comply with laws or regulations in relation to the environment.



€7.9 M

in investments for the prevention of environmental risks, and for the protection and improvement of the environment.

Another mechanism that helps us to integrate our aim of contributing to regenerative tourism into the company's assets is to implement the internationally recognised certifications.



Certifications at Barceló Hotel Group

In the hotel division, we hold the following certificates relating to aspects of management and operational activity:

Certificates	2021	2022	2023
Green Globe	16	16*	11
Travelife	3	3	7
ISO 14001	4	3	3
Sustainable Tourism Certificate (Costa Rica)	2	2	2
Other certification endorsed by GSTC	-	2	3



18 hotels
with BREEAM certification

Sustainable building

BREEAM (Building Research Establishment Environmental Assessment Methodology) is the sustainable construction certification that we have chosen, thanks to the amount of items it assesses and the extensive analysis it offers. This system assesses impacts across 10 categories (management, health and well-being, transport, water, materials, waste, ecological use of the land, pollution and innovation), and awards a final score after applying an environmental weighting factor that takes into account the relative importance of each area of impact. We have 18 hotels with BREEAM certification.

*Barceló Hotel Group held nine Green Globe certifications in 2022, and not 16 (error identified in the 2022 Report).

Certifications at Ávoris Corporación Empresarial

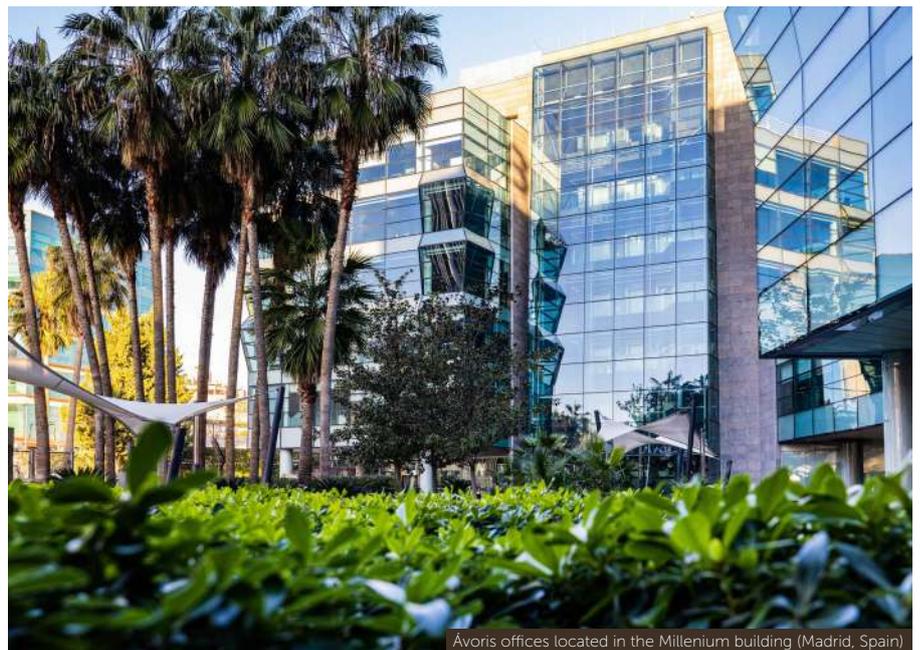
The following business areas have an environmental and quality management system certified in accordance with the ISO 14001 and ISO 9001 international standards:

- Ávoris Retail Division S.L. (BCD, B travel),
- B travel Accessible Tourism S.A.U. (OPTTEAM)
- Viajes Halcón S.A.U. (Halcón Viajes)
- Evelop Airlines, S.L. (Iberojet)
- Autocares Iberobus, S.A. (Iberobus)
- Sekai Corporate Travel S.L.U. (BCD)

As from April 2023, the whole of **Ávoris Corporación Empresarial** has held ISO 14001 multisite certification, which covers all of Ávoris; only the **Iberojet** and **Iberobus** certifications are held separately. In addition, **Ávoris Corporación Empresarial's** offices, located in the Millenium building in Madrid, hold BREEAM and LEED certification.



ISO 14001 multisite



Ávoris offices located in the Millenium building (Madrid, Spain)

ADOK certifications accredit **Iberobus**, with certificates being issued in accordance with the ISO 39001:2012 and UNE 13816:2013 benchmarks within the scope of "Regular and discretionary passenger transport by road".

Since 2017, **Iberojet** has been a member of the International Air Transport Association (IATA) and in 2018 it obtained the renewal of the IOSA (IATA *Operational Safety Audit*) certification, awarded by IATA and renewed in 2022. The scope of this certification encompasses the supply of the airline's commercial air transport service carrying passengers and goods, and demonstrates its firm commitment to improving competitiveness and efficiency in the provision of services.

6.1.2. The principle of prevention in the design of hotels

As well as complying with all current national, regional and local regulations in the planning, design and operation of each of **Barceló Hotel Group's** hotels, we define the elements required according to four different parameters:

- Brand (Royal Hideaway, Barceló, Occidental and Allegro)
- Type of hotel (urban, holiday, spa CCI and resort)
- Type of contract (owned, rented, managed or franchised)
- Language

At Barceló, we have a wide range of *expertise* in technology, activity and development of specific programmes which has equipped us to provide solutions in matters of efficiency and sustainability in refurbishments and in the building of new hotels. That is why we have the capacity to design energy-saving solutions adapted to the needs of each hotel, thus enabling the development of greenfield projects in a way that increases the energy efficiency of our operations over the long term.

In the case of newly built hotels or the renovation of existing establishments, we have defined 14 projects that encompass all the construction and facility standards by brand. All this know-how is stored in a digital platform called **Barceló Project Design Hub**.

With the objectives of making our hotels as efficient as possible and of making the most sustainable use of resources, we design our installations with a conscious environmental perspective:

- We reduce the use of diesel, gasoil and natural gas as far as is possible, giving preference to electricity.
- We are increasing our photovoltaic installations, both on site and off site.
- We choose more efficient plumbing systems that enable a more sustainable use of water resources, decreasing use from 10 to 3.8 litres per minute.
- We give preference to zero-kilometre and local materials in the décor of our hotels.

In the event of an incident of light pollution and/or noise pollution, we apply measures to mitigate the effects on the external environment.





Barceló Playa Blanca, Rethink Hotel award

one of the 10 best hotel sustainability and restoration projects in Spain during 2023.

A few of our outstanding projects include:

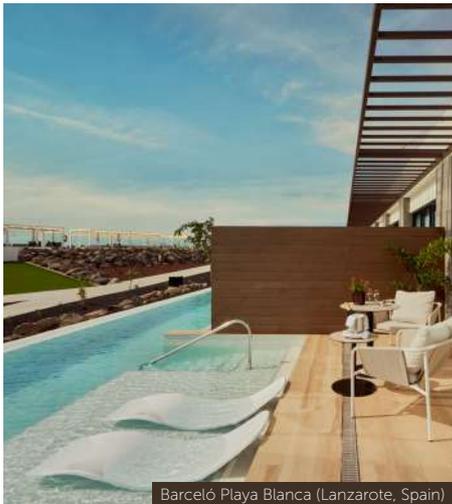
Barceló Playa Blanca. The [Barceló Playa Blanca](#) is a newly built, state-of-the-art resort, set on the beach front in one of Lanzarote's prime locations. The hotel opened last December. The architectural project was inspired by the natural setting and its design was based on the island of Lanzarote. It has become a flagship of sustainable construction and landscape integration, by showcasing the cultural legacy of César Manrique.

An expression of our commitment to regenerative tourism, the hotel was built with reference to the most rigorous efficiency and energy-saving criteria, with geothermic installations and thermal insulation, LED lighting, efficient air conditioning equipment and BMS (Building Management System), which enables the building's systems to be controlled and managed centrally, thus reducing energy consumption, minimising the environmental impact, extending the useful life of the building and providing greater comfort for guests.

Canfranc Estación, a Royal Hideaway Hotel. After a comprehensive refurbishment of the international railway station located in the Aragon Pyrenees, [Canfranc Estación, a Royal Hideaway Hotel](#), opened its doors in January 2023. In designing the building's catering facilities, one priority was to conserve the building's original aesthetic and façade, given that the station has been an Asset of Cultural Interest since 2002 as well as forming part of the Railway Cultural Historic Heritage.

However, efficiency, sustainability and innovation were also a priority, and the restaurant facilities were installed whilst applying the most demanding criteria of the **Passivhaus EnerPhit** standard — this is the first **Barceló Hotel Group** hotel to have been refurbished using this particular standard. In fact, working according to the following key factors has enabled us to make an energy saving that fluctuates between 70 and 90% by comparison with a conventional hotel.

- The building's insulation acts as a protective coat that surrounds it completely (including the roof, the façade and the base). We used a high performance insulation panel to provide thermal and acoustic comfort, which reduces heat loss in winter and heat gain in summer, optimising the energy demand used to air-condition the building.
- The windows have triple-glazed joinery, for which we carried out a previous chromatic study to define the windows' original colour and apply it to the new ones.
- Mechanical ventilation is controlled with heat recovery.
- The airtight enclosure prevents draughts.
- The elimination of thermal bridges.



Barceló Playa Blanca (Lanzarote, Spain)



Canfranc Estación, a Royal Hideaway Hotel (Huesca, Spain).



La Bobadilla, a Royal Hideaway Hotel (Granada, Spain)



La Bobadilla, a Royal Hideaway Hotel. Set in the Andalusian countryside between the Costa del Sol and Granada, [La Bobadilla, a Royal Hideaway Hotel](#) co-exists in a uniquely integrated natural environment, thanks to all the environmental and sustainability measures that have been implemented. Among the many initiatives to reduce CO₂ emissions, the hotel has HERZ biomass boilers that provide hot water to all the hotel's installations, its swimming pool and its *spa*, and the fuel used for the boilers is obtained from olive stones. Thanks to this initiative, a reduction of up to 80% in carbon dioxide levels has been achieved.

This hotel is a very good example of our contribution to sustainability – not only does it encourage collaboration with local companies and professionals, thereby strengthening the regional economy, but in addition, its design is efficiently adapted to the climatic conditions and functional needs of the locality, thus reducing its environmental impact.

Barceló Carmen Granada. The [Barceló Carmen Granada](#) hotel has incorporated a whole series of improvements to its installations with the objective of protecting the environment, the most noteworthy being:

- The general air conditioning installations have been replaced with another, more energy-efficient system, freeing up space on the roof so that guests can enjoy the spectacular views of La Alhambra.
- The installation of highly energy-efficient heat recovery units for the entire area including the hall, buffet and lounges. These recovery units renew the air in these areas, with over 82% efficiency.



Barceló Carmen Granada (Granada, Spain)

6.2. Our path towards net positive

In the Barceló Group, we are aware that the sustainability of our business cannot be understood without a strategy to advance decarbonisation and achieve becoming a net positive company.

6.2.1. Risks and opportunities derived from climate change

With the aim of continuing to progress in our activities to combat climate change, we work to identify risks and opportunities deriving from climate change that are specific to the assets owned by **Barceló Group**; these are based on the recommendations from the *Task Force on Climate-related Financial Disclosures* (TCFD) and the evaluation of these, and in accordance with their impact and the probability of them occurring according to the climate scenarios published by the *Intergovernmental Panel on Climate Change* (IPCC).

Identifying and assessing those risks and opportunities involved the following phases:

1. Selecting the SSP2-RCP4.5 scenario in accordance with the TCFD recommendations, which considers an average temperature increase of between 1.7°C and 3.2°C and includes the most recent legislative actions and commitments in the fight against climate change.
2. Studying the geographies in which the **Barceló Hotel Group** has hotels and analysing the main physical and transition risks in the countries where it owns assets in accordance with the SSP2-RCP4.5 scenario.
3. Identifying, assessing and managing the risks based on the time horizon, the probability of occurrence and the impact.
4. Preparing the matrix for identifying climate risks and opportunities according to their severity.
5. Estimating the economic impact based on theoretical and practical approaches to assess the cost of the impact of climate, physical and transition risks, as well as the estimated revenues from the climate opportunities identified.

For the risk analysis, we started from a universe of physical risks (e.g. rising sea levels, occurrence of extreme weather events, increase in ambient

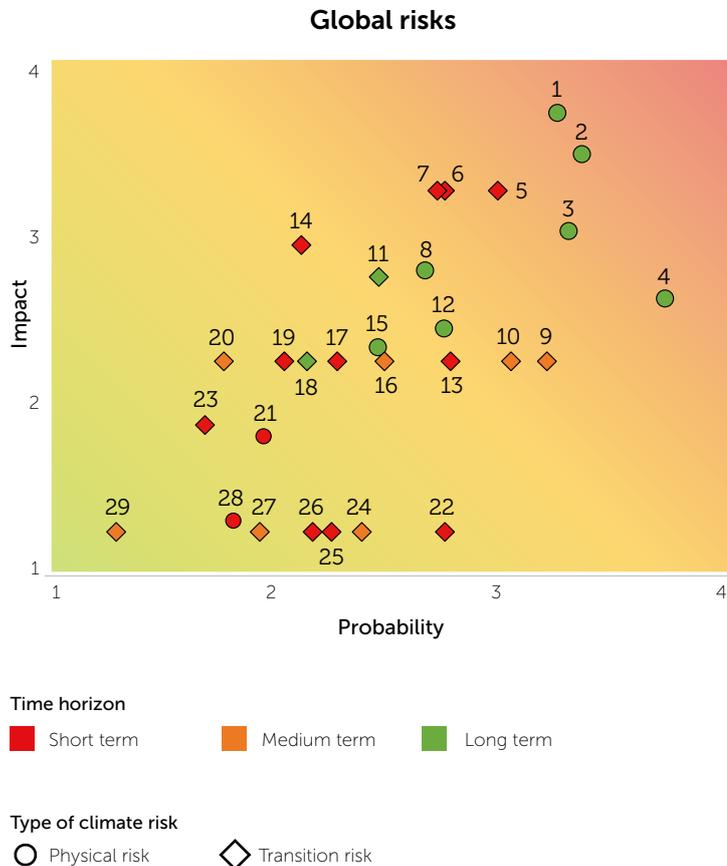


Royal Hideaway Corales Beach, (Tenerife, Spain)

temperatures, etc.) and transition risks (e.g. tax rates on greenhouse gas emissions, transition to low-emission technologies, changes in customer behaviour and preferences, etc.). We analysed the magnitude of these identified risks based on:

Time horizon of significant risk materialisation		Probability of occurrence or likelihood of a risk or opportunity materialising		The potential inherent impact, i.e. the consequences caused by the materialisation of the risk, or the residual impact, considering the mitigation measures in place	
Short term	0-5 years	Level 1	Unlikely	Level 1	Low impact
Medium term	6-15 years	Level 2	Possible	Level 2	Medium impact
Long term	16-30 years	Level 3	Probable	Level 3	High impact
Unknown	>30 years	Level 4	Certain or near-certain	Level 4	Critical impact

We identified a total of 29 climate risks, of which nine are physical risks and 20 are transition risks:

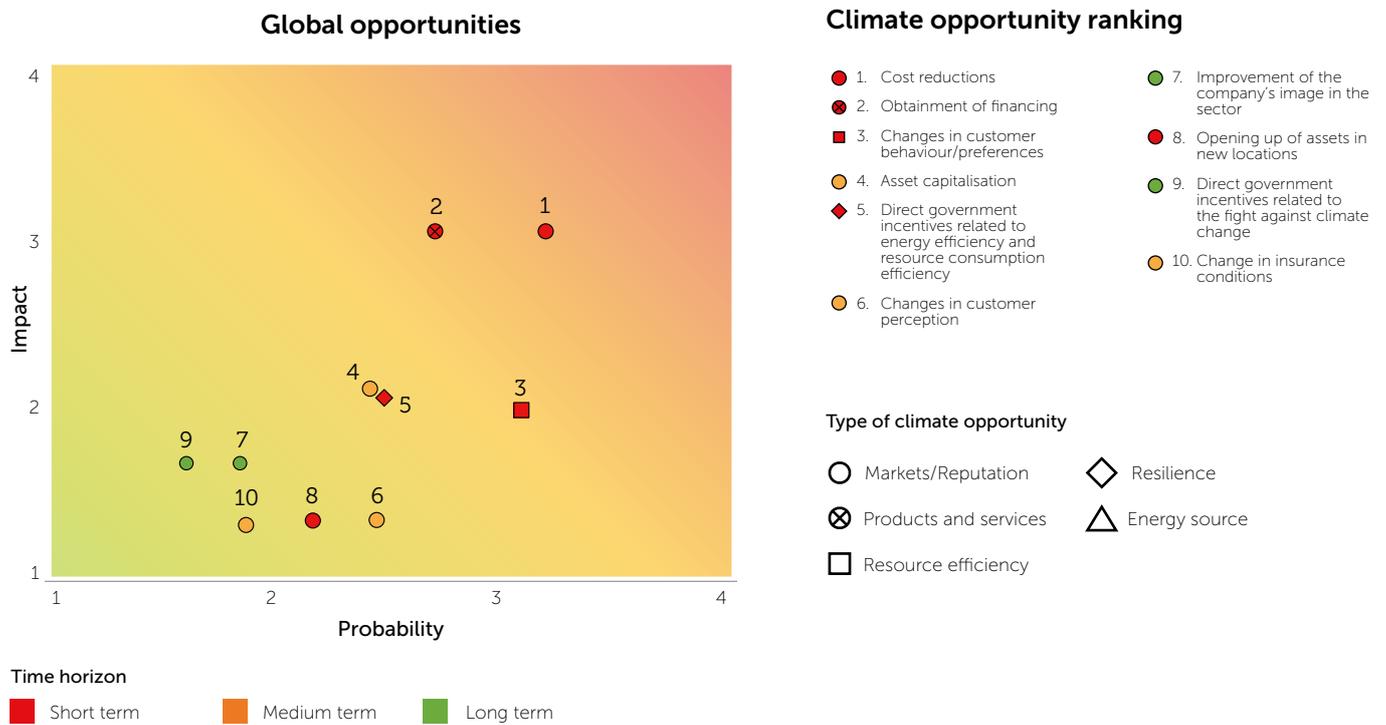


Climate risk ranking

- 1. Rising sea levels
- 2. Extreme weather events: cyclones, hurricanes, typhoons and tornadoes
- 3. Extreme precipitation: torrential rain, hailstorms, snowfall, etc.
- 4. Rising ambient temperatures
- 5. Fees linked to GHG emissions
- 6. Transition to low-emission technologies
- 7. Changes in customer behaviour/preferences
- 8. Extreme coastal events
- 9. Inadequate insurance coverage
- 10. New legal requirements regarding infrastructure security
- 11. Geopolitical and social instability
- 12. Rain and river flooding
- 13. New legal requirements regarding energy efficiency
- 14. Failure to meet climate targets
- 15. Reduction in water resource availability
- 16. New legal requirements regarding waste management
- 17. New legal requirements regarding GHG emission reduction and climate risk management
- 18. Change in resource availability
- 19. Increased stakeholder concerns or negative feedback from stakeholders
- 20. Change in insurance conditions
- 21. Forest fires
- 22. Increased exposure to environmental litigation/violations
- 23. Changes in customer perception
- 24. Increased operational difficulties of equipment and facilities
- 25. Image degradation through use of resources/services
- 26. New information reporting requirements
- 27. New legal requirements regarding environmental protection
- 28. Rapid alteration of the land morphology
- 29. Difficulties in obtaining financing

To obtain the climate opportunity matrix, we used external information sources and internal knowledge, and employed the same methodology as for the risks.

Climate opportunity matrix



We are committed to continue progressing with adding these risks to the Group's global risk map. To do that, we will draw up a plan of these identified risks and analyse the financial impact of such risks on **Barceló Group**.

In addition, **Ávoris Corporación Empresarial** will adapt those measures taken by **Barceló Hotel Group** that are compatible with its activity.



Barceló Nura (Menorca, Spain)

6.2.2. Carbon footprint of Barceló Hotel Group

In line with our ambition to become a company with positive impact, we have progressed with identifying our global carbon footprint, as a first step to setting objectives to reduce it. To this end, we have calculated our emissions in accordance with the *Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard*, counting as direct emissions 100% of emissions arising from the activities over which the company has a financial control (hotels owned by the company). At the same time, we counted as indirect those emissions over which we have no financial control (rented and managed hotels).

To calculate the footprint, we included the greenhouse gas emissions (GHG) that are emitted by all the **Barceló Hotel Group's** activities: CO₂, CH₄, N₂O and HFCs associated with refrigerant gas leaks, in accordance with the following scopes:

- **Scope 1:** direct GHG emissions from sources that are our priority, and deriving from the burning of combustible fuels (natural gas, propane, LPG, and so on).
- **Scope 2:** indirect emissions from the generation of purchased electricity.
- **Scope 3:** indirect emissions that are a consequence of our activities, but which come from sources that we do not own or control. The categories identified as material for the **Barceló Hotel Group** were as follows:
 - The purchase of products, goods and services (which make up 70% of the scope 3 emissions)
 - Fuel and energy activities not included in scope 1 and 2
 - Upstream transportation
 - Downstream transportation
 - Waste management
 - Upstream leased assets
 - Investments

In order to set ourselves objectives for the reduction of emissions, we took 2019 as our baseline year, and calculated the emissions for that year in accordance with the methodology described above.



50%

Our target is to **reduce the absolute emissions of Scope 1, 2 and 3 GHGs** by 50% by 2030, starting from the base year of 2019, and by 90% by 2040.

CARBON FOOTPRINT OF BARCELÓ HOTEL GROUP* (tCO₂)



Global carbon emissions in 2023

29.1
(kg CO₂/per stay)
and 30.3 kg CO₂ in 2022

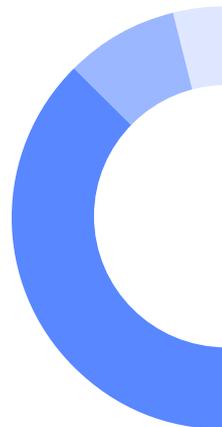
Carbon emissions taking into account scopes 1 and 2 in 2023

7.4
(kg CO₂/per stay)
and 7.6 kg CO₂ in 2022

*The 2021 carbon footprint is not shown, as it is not comparable with the data reported for 2022 and 2023, since the methodology for the calculation has been updated to include all the applicable categories for scope 3.

**Location-based emissions: 109,928 tCO₂

***The method used to calculate the emissions for category 5 (waste) has been *spend-based* and an emissions factor applied.



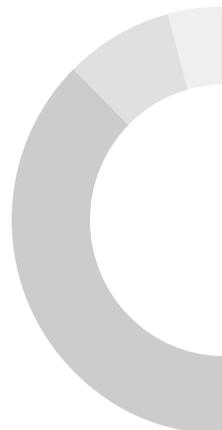
2023

50,877 Scope 1

107,187 Scope 2 (market based)**

467,265 Scope 3***

625,329 tCO₂
Total



2022

52,503 Scope 1

96,322 Scope 2 (market based)**

445,779 Scope 3***

594,604 tCO₂
Total

In order to calculate Scope 3 emissions, we have used the calculation method based on spend (spend-based), which estimates emissions along the supply chain, based on the organisation's spending. In order to achieve greater precision, we are planning to move towards a hybrid methodology during 2024, which will progressively include the calculation of emissions based on activity.

FUTURE CHALLENGES

Our objective is to continue working towards identifying a transition plan to enable us to become a *net positive* company. To achieve this, we will validate and register our science-based objectives (SBTi), and try to progress in calculating the carbon footprint of our main suppliers on the basis of activity data.

Also in 2024, we wish to move forward in defining long-term objectives for each hotel to achieve a 50% reduction in our carbon footprint by 2030. Similarly, we hope to continue moving forward in the field of green finance.

6.2.3. Carbon footprint of Ávoris Corporación Empresarial



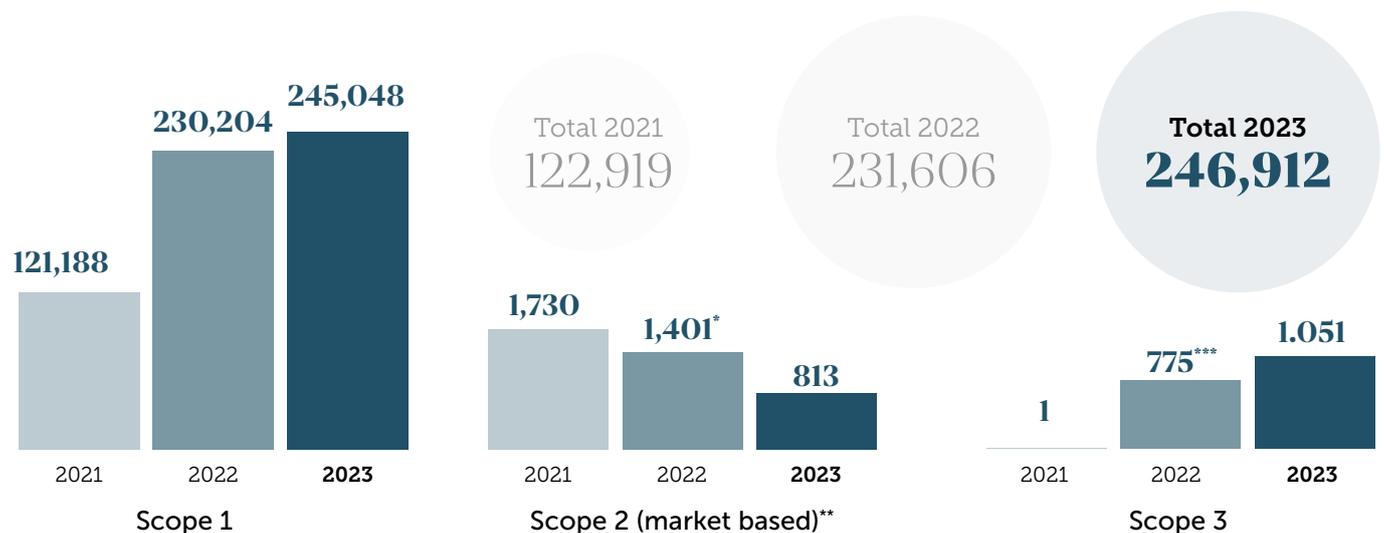
At **Ávoris Corporación Empresarial**, the **scope 1** emissions generated directly correspond with the consumption of jet fuel by **Iberojet** aeroplanes (99 %) and by **Iberobus** buses (0.9%). Regarding **Iberojet** emissions, due to its operations and as per the applicable legislation, it is assigned emission rights, which were not surpassed in 2023.

The **scope 2** emissions are those derived from the consumption of electricity in **Ávoris Corporación Empresarial's** offices and travel agencies (location-based and market-based being the same) as they have no guarantee of renewable energy. At the head office of Gremi Fusters, on the other hand, electricity guaranteed to come from renewable origins was consumed throughout the whole of 2023, and the consumption of renewable energy has been boosted thanks to the installation of almost 400 solar panels on the building's roof.

Finally, **scope 3** emissions correspond only to the calculation of the emissions from the business travel of all the **Ávoris Corporación Empresarial** companies in 2023. As in previous years, we have planned to offset these emissions (1.051 tCO₂) by supporting various offsetting projects (reforestation, the quest for renewable energies, etc.), prioritising projects in the Balearic Islands or, where this is not possible, in the rest of Spain.

Using this approach, we offset the equivalent of 600 tonnes of scope 3 CO₂ emissions in corporate travel throughout 2022 with the REDD+ Bosques Castañeros (Nut Collectors) in Peru, working through Climate Trade. In a second activity, we offset the equivalent of 200 tonnes of CO₂ emissions with the repopulation project in Borela, Pontevedra, registered with Miteco (Spain's Ministry for the Environment), through projects accredited by CO₂ Revolution.

CARBON FOOTPRINT OF ÁVORIS CORPORACIÓN EMPRESARIAL (tCO₂)



*The difference between the emissions from electricity consumption in 2022 and 2021 is due to an update of the emission factor considered.

**Location-based emissions: 942 tCO₂

***The scope 3 emissions derived from corporate travel in 2022 were 775 tCO₂ (error identified in the 2022 Report).

INTENSITY OF IBEROJET EMISSIONS

0.47 tCO₂
per passenger transported

The emissions from direct energy consumption correspond to 99% of those generated by the kerosene used by the **Iberojet** aircraft. The increase in emissions generated is directly attributable to the number of flights and passengers carried. In 2023, the intensity ratio for emissions stood at 0.47 tCO₂ per passenger transported, a decrease of 11% on the previous year.

With the objective of continuing on the path towards decarbonisation, in 2023 **Iberojet** resumed its flights with sustainable aviation fuel (SAF), anticipating the legal obligation to use 2% of this type of fuel which is due to come into force for 2025. This initiative represents a significant step forward towards sustainability and a reduction in the carbon footprint. It was also a demonstration of team working, as several departments from the company's central services worked together to bring it about and were able to depend on the cooperation of our crews. All this activity falls within the framework of our commitment to achieve carbon neutral status by 2050, as part of the Fly Net Zero initiative.

FUTURE CHALLENGES

During 2024, we will progress with our calculation of our scope 3 carbon footprint at Ávoris Corporación Empresarial. Currently, scope 3 is limited to business travel, so only emissions generated from this activity are taken into account.

Furthermore, **Iberojet** is implementing new technological solutions (based on artificial intelligence, automated learning and massive data algorithms) to undertake an exhaustive analysis of flight data, and to discover significant fuel-saving opportunities. Through this initiative, **Iberojet** is positioning itself to significantly optimise fuel consumption and to reduce its environmental impact.

In addition to the CO₂ emissions, and as a result of the combustion of Jet A1 fuel by the **Iberojet** aircraft, the following nitrogen and sulphur oxide emissions were generated:

tNOx			tSOx		
608	1,139	1,216	38	72	76
2021	2022	2023	2021	2022	2023

With regard to acoustic emissions produced by **Iberojet** aircraft, and with the aim of mitigating the noise impact of our operations, we follow the operational procedures set down by the Spanish Civil Aviation Authority: limiting the use of auxiliary engines in airports, and following the routes established by air traffic control when entering and leaving airports. Furthermore, the A350-900 Airbus is not only more efficient with regard to fuel consumption, but also generates less noise than other aircraft.

6.3. Driving energy optimisation and transition to clean technologies

Conscious of the importance of reducing our environmental footprint and promoting more sustainable business practices, we have prioritized initiatives that encourage the efficient use of energy and the adoption of clean technologies in all our operations.

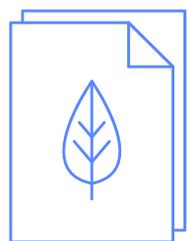
6.3.1. Energy optimisation at Barceló Hotel Group

€3.3 M

Investment in energy efficiency measures

100%

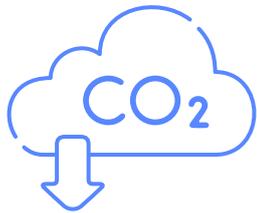
of green energy supplied to our hotels in Spain



Our energy management system challenges us to manage energy consumption efficiently in order to advance our commitment to achieving Net Positive. In this context, we have implemented measures to allow us to improve our management of this resource, thanks to a total investment of around €3.3 million during 2023.

Some of the measures implemented:

- In all our hotels, we have an **energy manager** whose main role is to optimise energy consumption, to encourage the efficient use of energy, and to encourage energy saving — thus improving the competitiveness of the business as well as contributing to the regeneration of the natural environment.
- Exhaustive control and **monitoring of energy consumption**, for which we have a digital tool that centralises all the meters and provides continuous monitoring and analysis of all consumption (for example, comparing the same consumption with previous periods, analysing the ratios per stay or making comparisons with similar hotels). In addition, monthly Energy Monitoring Commission meetings are convened at each hotel where we assess compliance with energy saving measures.
- In 2023 we confirmed our commitment, and moved ahead with the **ABC project**, an initiative by means of which we hope to bring all our active hotels into at least energy band C in 2027. The energy rating is the index that shows how efficient the building is on a letter scale ranging from A for the highest energy efficiency to G for the least efficient buildings.
- We focused on identifying hotels that are likely to install some form of renewable energy. In total, we have **86 renewable energy installations** (photovoltaic, thermo-solar, geothermal or biomass, among others), in 57 of our hotels.

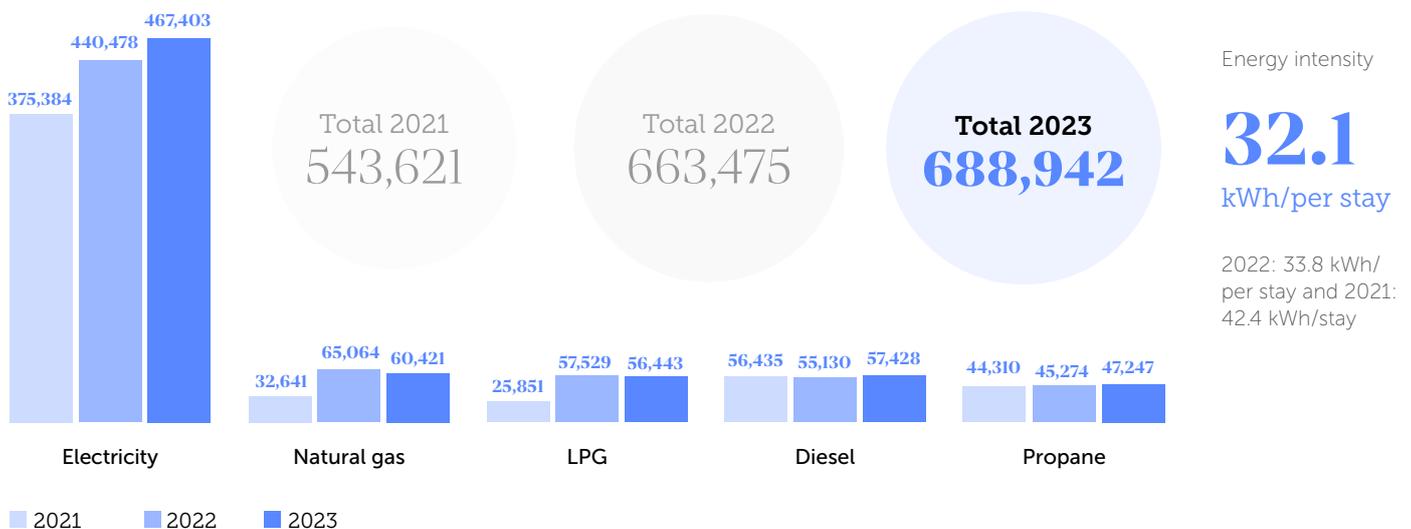


THE HOTEL OCCIDENTAL JANDÍA RESORT IS COMMITTED TO THE USE OF RENEWABLE ENERGY

The Occidental Jandía Resort has taken a significant step towards clean energy by installing almost 3,500 solar panels, thus boosting the environmental commitment of **Barceló Hotel Group**. This installation will generate 1,980 MWh of clean energy annually: equivalent to a reduction of 16 million kilometres in vehicle emissions or the planting of 103,216 trees during its lifetime (estimated at around 25 years). This measure will prevent over 540 tonnes of CO₂ being released into the atmosphere.

- 100% green energy is supplied in all our hotels in Spain: in other words, over 139 million kWh (29% of **Barceló Hotel Group's** total energy consumption).
- With the objective of continuing to encourage our customers to accompany us on the path to regeneration, 69 hotels have **charging points for electric vehicles**, a total of 227 installations of this type.
- The gradual replacement of fossil fuels with more sustainable alternatives – at the Canfranc Estación, a Royal Hideaway Hotel for example which, following its refurbishment, is 100% powered by electricity.
- Implementation of measures for more efficient lighting and energy consumption:
 - LED lights at 80% of the hotels in the portfolio.
 - Installation of motion sensors and time switches in over almost 60% of our hotels.
 - Installation of more efficient equipment.
 - Other initiatives at an operational level include adjusting opening hours and allocating rooms based on occupation – not forgetting the importance of raising awareness among both our teams and our customers, who are key agents on our march towards more conscious and rational consumption.

TOTAL ENERGY CONSUMPTION BY SOURCE (IN MWh)



6.3.2. Energy optimisation at Ávoris Corporación Empresarial

In 2023, **Ávoris Corporación Empresarial** implemented the first phase of its Greemko platform to measure the consumption of electricity, fuel, paper, and other resources (such as water, natural gas and waste). At the same time, the platform allows emissions to be calculated and plans for reduction designed.

In terms of energy use, **Ávoris Corporación Empresarial** uses three main sources of energy: aviation kerosene, diesel for its buses, and electricity in its offices and travel agencies.

Aviation kerosene (Jet-A1)

Aviation kerosene (Jet-A1) is consumed by the airline **Iberojet**. It is estimated that fuel accounts for around 30% of an airline's costs.

The consumption of aviation kerosene (Jet-A1) in **Iberojet's** flight operations depends on the number of flights, the distance and the number of passengers carried. In 2022, we launched the **Flight Operations Energy Efficiency Programme** with the aim of reducing fuel consumption by more than 500 tonnes and, therefore, greenhouse gas emissions by more than 1,500 tonnes. Those reductions will be achieved by implementing a number of measures, including applying optimum speed on all our flights and planning dynamic flight routes, using air routes that save time and fuel for **Iberojet** aircraft by employing PBN (*Performance Based Navigation*) concepts and CDA (*Continuous Descend Approach*) trajectories in the flight's final phases.



JET-A1 (MWh)

457,259	867,420	915,284
2021	2022	2023

KG JET-A1/PASSENGER

146	165	150
2021	2022	2023

The ratio of fuel consumption per passenger has been reduced by 9% in 2023 in comparison with 2022, and is approaching the levels recorded in 2021. This fall can be attributed to the agreement signed in 2022 with Sociedad Estatal de Correos y Telégrafos (Spain's postal service) to implement the transportation of goods and parcels exclusively on cargo flights, without passengers. In 2023, these cargo flights were suspended so that all flights carried passengers, which contributed to the levelling of the ratio.



Diesel consumption for Iberobus buses

Optimising routes and logistics by using the available fleet and carrying out fleet preventive maintenance ensure efficient consumption. On the other hand, using the *AdBlue* additive considerably reduces the emissions generated by neutralising nitrogen oxides by up to 90%.

In addition, Iberobus in 2023 partially renewed its fleet of coaches with eight new vehicles with 56, 60 or 70 seats (plus a guide and a driver, depending on the model). These boast the most advanced safety and comfort systems on the market, as well as a reduction in the environmental impact, as the vehicles are fitted with engines that comply with the Euro 6 Step E standard, together with Selective Catalytic Reduction (SCR) systems, gas recirculation (EGR), diesel particulate filters (DPF), and diesel oxidation catalysts (DOC). Moreover, five of these vehicles have the extra feature of a platform for people with limited mobility, with six spaces for wheelchairs.

FUTURE CHALLENGES

For 2024, it is planned to acquire another five vehicles to replace the oldest models, resulting in a fleet with a presence in different parts of Spain.

DIESEL CONSUMPTION (L)



*Consumption from April to December 2021 (Iberobus became part of Ávoris Corporación Empresarial in April).

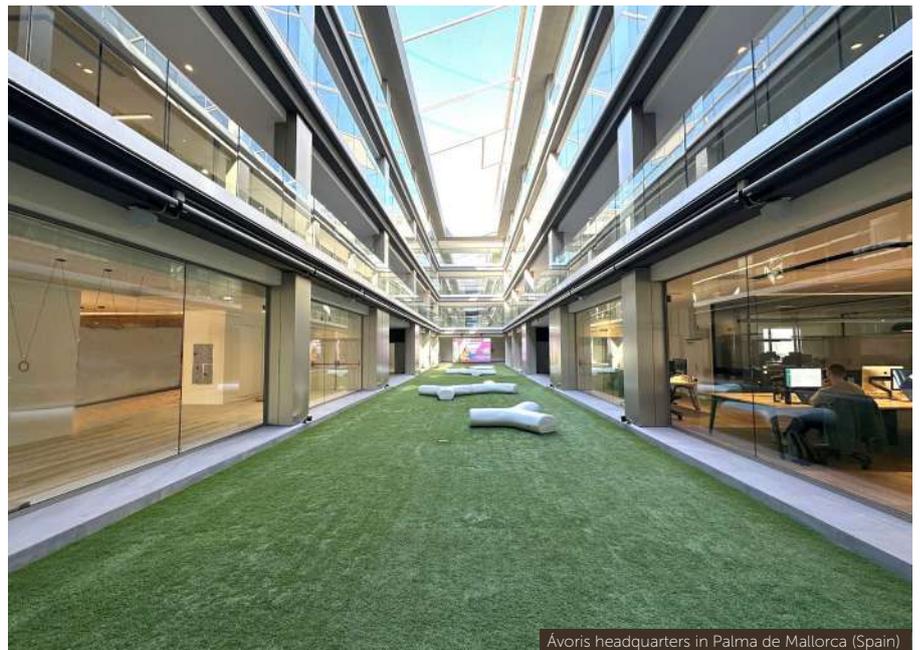
LITRES OF DIESEL/KM TRAVELLED



Electricity at offices and travel agencies

In **Ávoris Corporación Empresarial's** remaining operations and businesses, the main energy consumption is electricity in its offices and travel agencies. A total of 6,284 MWh was consumed in 2023, a reduction of 30% compared to the previous year. It is worth pointing out that this significant variation is to a great extent due to the change in the calculation methodology, with the estimated reading being dropped in favour of a true reading. We have now incorporated new digital tools that enable us to obtain a much more precise figure for annual consumption than previously.

ELECTRICITY IN OFFICES AND TRAVEL AGENCIES (MWh)



Ávoris headquarters in Palma de Mallorca (Spain)

Estimated reduction in emissions

120 tCO₂/year

In 2023, photovoltaic panels were installed on the roof of the corporate head office in Palma de Mallorca, with an estimated reduction in emissions of 120 tonnes of CO₂ per year. In addition, the head office has throughout the entire year used electrical energy from guaranteed renewable origins. This means that energy comes from renewable sources or low carbon emission sources, thereby helping to reduce the carbon footprint.



Occidental Paradise Dambulla (Dambulla, Sri Lanka)

6.4. Circular economy and waste management

We are conscious of the importance of the circular economy and the waste management in the transition to a regenerative tourism.

These strategies encourage the reuse of resources, the reduction of waste, and the conservation of the environment. Not only do these benefit the planet: they also offer opportunities to make savings and new synergies between different agents.

6.4.1. Circular economy and waste management

To achieve the transition towards a model of regenerative hotel growth, it is vital to be able to rely on a circular value chain in which the waste we generate can be converted into new resources. A clear example of this commitment is to reuse organic waste to generate compost for fertilising the hotels' gardens and green areas. In 2023, we produced over 270,000 kg of compost and we estimate that we avoided dumping (in accordance with the efficiency ratings published by Ecoembes) over 900,000 kg of organic waste.



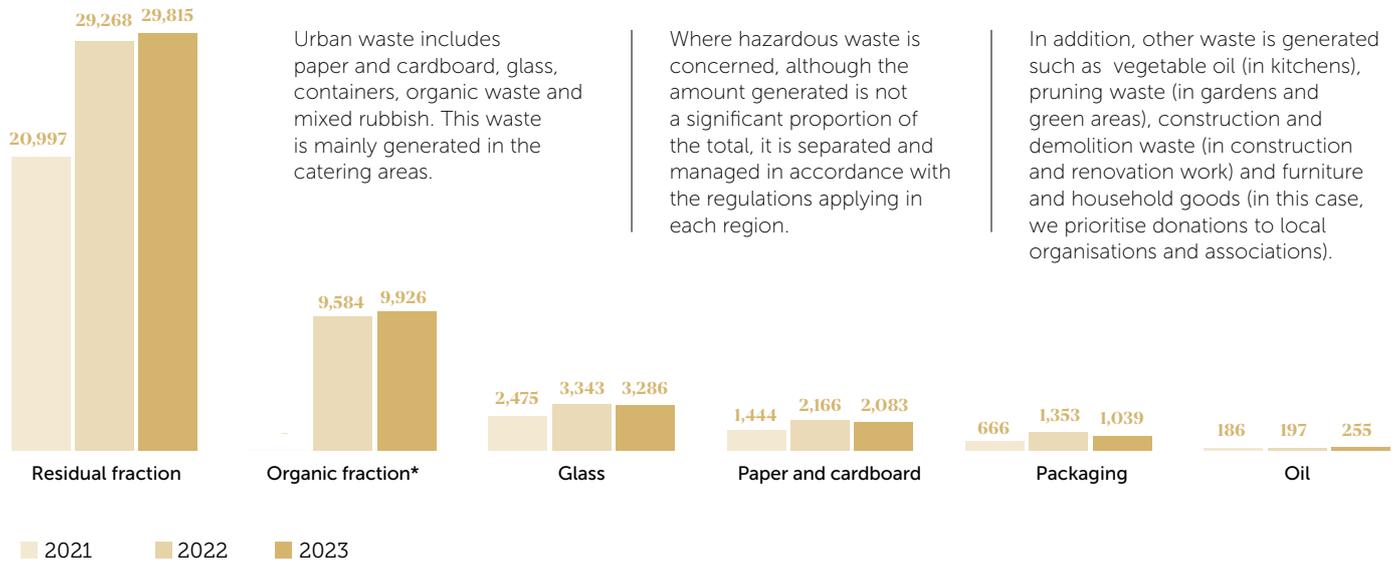
+270,000 kg
of compost generated

+900,000 kg
of organic waste avoided

At the same time, with the objective of mitigating the effects of the waste generated, we moved forward with the following initiatives:

- The separation of waste depending on origin, which allows and facilitates recycling and subsequent useful life.
- One of the main challenges we face in relation to waste management is that, at a large number of hotels, the collection and subsequent recovery of waste is carried out by the local public administration without the hotel having data on the amount of waste generated. In relation to this, in 2023 we implemented a system of digitalisation of waste management generated by type in 100% of our hotels in Spain. This measure will enable us to better monitor the amount of waste generated by type and, above all, assess the impact of the minimisation actions implemented on the total volume.
- Identification of opportunities for reusing municipal solid waste.

MAIN TYPES OF WASTE GENERATED IN OUR HOTELS (TONNES)



*The first year for which we have data for organic fraction separated from the total residual fraction is 2022.

In 2023, the intensity of waste generation per stay stood at 2.15, a reduction of 8% in relation to the data for the previous year.

This year, we have included the data for the generation of hazardous waste in the report – although it is an insignificant amount with a generation intensity in 2023 of 3.8 grams per stay.

GENERATION OF HAZARDOUS WASTE (TONNES)

	2023
Paint and varnish containers	16.3
Containers for chemical products	14.8
Waste from electrical devices	14.8
Absorbent materials	8.1
Batteries	8.0
Fluorescent materials	5.1
Other	15.8*

*This category includes, for example, activated sludge.

Elimination of single-use plastics

We are continuing to work on our ongoing plan to eliminate single-use plastics in our hotels, taking into account issues such as:



- What plastics we can stop using. For example, we have stopped using plastic carrier bags to wrap slippers and straws (as well as replacing straws with non-plastic ones), and we have minimised their use by providing them only if requested by the customer. In addition, remaining personal care items (brushes, combs, etc.), have been replaced by environmentally-friendly packs, with packaging made from recycled cardboard, and organic soya inks, with embellishments made from wheat straw. Furthermore, these products are also provided at the request of the customer, making for more responsible consumption.
- Regarding the plastics that we have not been able to eliminate, we seek and implement more sustainable alternatives. One of the biggest milestones in the plastic substitution plan is the implementation of new toiletries at our hotels: we have eliminated all individual bottles for shampoo, shower gel, etc., and replaced them with 300-ml ecopump dispensers that contain around 10 times more product and the bottles are made of recycled plastic. With this new standard, it is estimated that our EMEA hotels will stop consuming over 3.7 million individual containers, i.e. 24,000 kilograms of plastic per year; this change will prevent the emission of over 43,000 kilograms of CO₂ into the atmosphere. This measure will not only reduce the amount of plastic waste, but will also reduce the pollution generated in the manufacturing of the plastic and emissions of greenhouse gases.
- In parallel, we work with suppliers to minimise plastics in packaging and foster a recovery culture among our customers.
- We work with projects and brands that share our commitment to take care of the natural world that surrounds us. One example of this type of collaboration are the partnerships taken forward by the [Barceló Nura](#) hotel.

Barceló Nura

At the [Barceló Nura](#) hotel in Minorca we launched two initiatives that aim to raise awareness among our customers about the importance of circularity: In addition to the partnerships which we have developed over several years with [RIA Menorca](#) and with [Tula + Tye](#), in 2023 we joined the **Conscious Jewellery by Blanca Alcañiz** initiative. This exclusive, capsule collection of jewellery made from old cutlery, which is transformed into pieces of jewellery with mounted microplastics. This activity is in line with the Barceló Nura's commitment to keep alive the island's natural heritage, and to raise awareness of the importance of taking care of our seas.



Conscious Jewellery by Blanca Alcañiz

We do not yet have information in relation to **Ávoris Corporación Empresarial's** generation of waste for 2023, but we are working to obtain it for 2024. However, it is worth pointing out that the amount of waste generated by the company's offices and travel agencies is not significant.

Looking ahead to steps aimed at prevention, recycling, reuse and other forms of waste management, in 2024 we will adopt measures to encourage the separation of waste according to its origin, and a reduction in waste production, among other initiatives. We have initiated this process by incorporating a specific clause in our Environmental Policy, as well as delivering training programmes in sustainability, and disseminating messages seeking to raise awareness of the importance of proper separation of waste.

6.4.2. Consumption of other resources

We continue to search for alternatives to replace the main products we use in our hotels with more sustainable options.

Paperless project

As part of the company's strategic digital transformation initiative, Barceló is committed to investing in technological developments and integrations that enable us to gradually reduce our paper dependency, while making our teams' operational processes more efficient and making life easier for our customers, personalising their experience and adapting to their needs in an increasingly digital environment.

TOTAL PAPER CONSUMED



PAPER CONSUMPTION AT BARCELÓ HOTEL GROUP (KILOS)



PAPER CONSUMPTION AT ÁVORIS CORPORACIÓN EMPRESARIAL (KILOS)



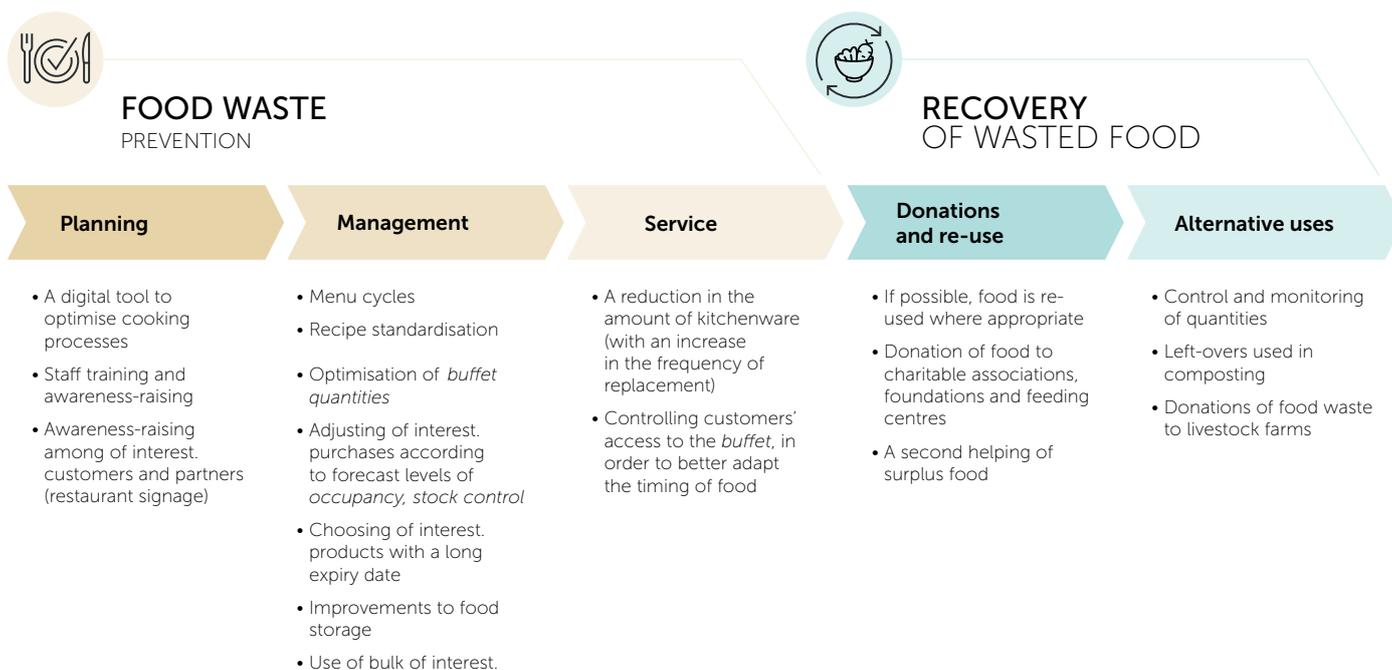
The increase in the consumption of paper can be attributed, in part, to the growth of the number of hotels in the portfolio. In this context, the ration has remained stable, at an average of 11 grams per stay. When considering paper consumption at **Ávoris Corporación Empresarial**, it is important to note that this year, unlike in 2022, consumption generated by the retail network Viajes Halcón has been included in the global total.

All notebooks used by the BCD Travel, BCD M&E and OPTTEAM brands are manufactured with FCS certified paper.

Prevention of food waste¹⁴

In line with the new requirements of the Spanish Law on Food Loss and Waste Prevention, we have made progress in recent years by implementing initiatives to prevent food loss and waste by identifying the areas in our operational processes where the loss occurs.

The initiatives we have implemented are summarised in the following diagram:



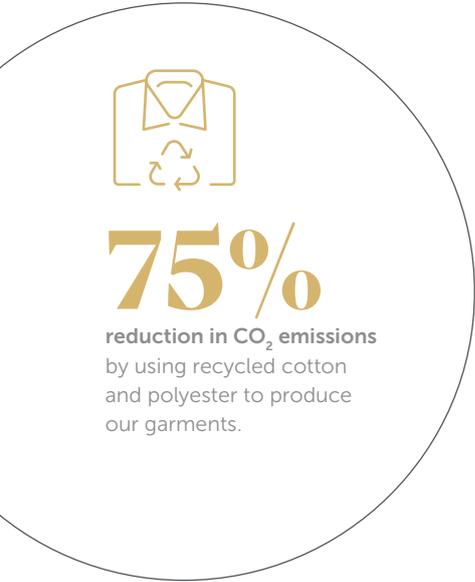
FUTURE CHALLENGES

We are seeking to improve the tool for measuring the waste generated, which will allow us to make a precise assessment of its impact on our operations.

As part of the food waste prevention actions shown in the previous diagram, we highlight the launch and implementation at our hotels of a new **digital tool** to optimise the kitchen processes, which enables us to considerably reduce waste by standardising recipes (digitising the cost structures and products) and improve the schedules for the services and tasks according to customer needs and volumes.

We will also continue to foster our alliance with [Too Good To Go](#), focusing on providing value to the surplus by helping the hotel to reduce its CO₂ footprint and collaborating with the local area by offering healthy food. In 2023, 22 of our hotels participated in this initiative, and succeeded in preventing the generation of 6,222 kilos of waste (an 18% increase on the previous year), meaning that the equivalent of 16,800 kilos of CO₂ were not released into the atmosphere; the initiative also contributed to saving over 5,000 m³ of water.

¹⁴Due to the nature of its business activity, food waste is not an important concern for Ávoris Corporación Empresarial.



Uniforms made from more sustainable fabrics

The garments are made from recycled cotton and polyester. Recycled PET plastic fibres are used to manufacture the garments, thus reducing our uniforms' environmental footprint (75% reduction of CO₂ emissions and contribution to the circular economy), and making them an iconic and key element in our brand image.

In addition, the fabric is certified with the *Global Recycled Standard*, which guarantees that it is made from plastic bottles and recycled cotton from cutting waste or leftover material. It also guarantees the absence of certain toxic additives and good wastewater management. On the social side, it ensures compliance with decent working conditions for workers in textile factories.



Environmentally-friendly cleaning products

We currently use approximately 33% of products with some form of certification that the product is sustainable (e.g. Ecolabel). Around 69% of the cleaning products used are environmentally friendly (FSC-certified cardboard, reduction in the volume of plastic used, etc.).

We foster animal welfare

We give priority to the use of cage-free eggs to promote animal well-being. Currently, in our hotels, 30% of the eggs we use are from uncaged hens, an increase of 20% on the previous year. Consumption of liquid egg remains at 13%, as in 2022. However, we are committed to gradually increasing this percentage.

6.5. Conscious management of water and water resources

Water is a vital resource. We all have a duty to take care of it, particularly the tourism sector, which needs to manage water resources in a responsible and regenerative manner.

In this context, **Barceló Hotel Group** has implemented various measures to improve efficiency in our use of water — with the aim of mitigating any negative impact and of managing this particular resource more responsibly in the areas where we operate, particularly in areas where there is a shortage of water.

6.5.1. Water management

At our hotels, water is used for human consumption and for the irrigation of green areas and swimming pools. We have implemented measures such as:

- **Exhaustive control and monitoring of water consumption**, for which we have a technological tool that centralises all the meters and provides continuous monitoring and analysis of all consumption (for example, comparing the same consumption with previous periods, analysing the ratios per stay, making comparisons with similar hotels, etc.).
- **Energy Efficiency Committees**: Internal audits of the users of installations are regularly held in hotels in order to review the processes and the condition of the installations and to identify inefficient uses of water resources.
- **Invested in improving installations in over 80% of the company's hotels** (over €1,570,000¹⁶ in 2023), including:
 - Installation of pressure and flow reducers
 - Installation of presence sensors on taps
 - The optimisation of installations, such as the work of checking swimming pools in order to minimise water leakage.
 - The acquisition of systems for reusing water.
- There are different aspects that we take into consideration when we design and refurbish hotels:
 - Inclusion of facilities that reuse rainwater and wastewater (grey water) to irrigate the green areas. In 2023, we estimate that we avoided the consumption of 1.3 million cubic metres of water through these systems at several of our hotels.
 - Planting green areas with native plants and with plants that require less water.

+€1,570,000

investment in upgrading the facilities in 2023

+80%

of hotels have been improved in terms of efficiency

¹⁶The investment includes several comprehensive improvements, which explains the significant rise in the amount as compared with previous years.

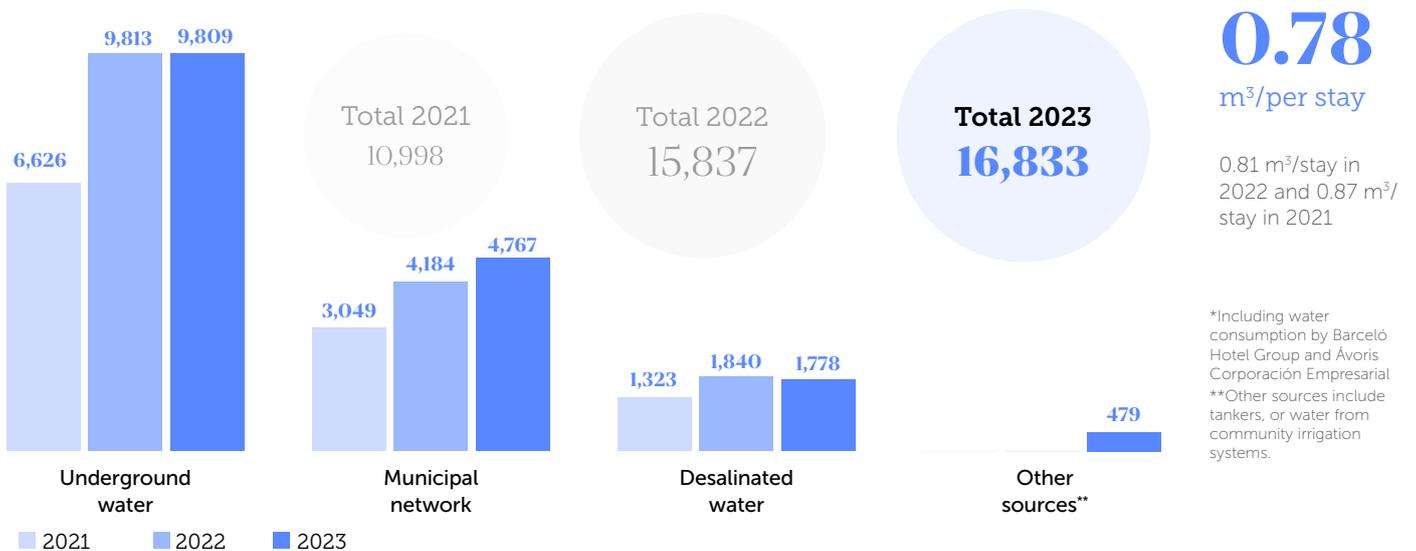
FUTURE CHALLENGES

In order to continue adjusting water consumption to the level of hydric stress that exists in many places, we are working to make our installations more fit for purpose and to provide information on possible measures to highlight the need to reduce consumption. In the same vein, we worked during 2023 on cataloguing and recording the implementation status of measures to reduce consumption in each of our hotels, with the main objective of coming up with future plans to invest in the sustainable use of water resources and actions to reduce consumption.

- **Awareness-raising measures:** We implement measures to encourage a reduction in water consumption in our hotels, and our hotels can adjust to the level of hydric stress caused by the location of the hotel. These measures include the use of information posters, regular staff meetings to contribute ideas and measures, reviewing the code of good practice per job post, providing information to guests, and so on.

In addition, we are carrying forward a review of the **standard for daily washing of sheets and towels** in our Spanish hotels – with the aim of reducing water consumption and optimising cleaning processes without affecting either the quality of the service or levels of customer satisfaction. The benchmark in some areas sets the frequency of changing sheets and towels by category (in four- and five-star hotels, every 3 days). Guests are informed that towels and sheets will not be changed unless they request it. However, it is planned that for long stays, sheets and towels will be changed at least every seven days.

TOTAL WATER CONSUMPTION BY SOURCE (THOUSANDS OF M³)*



Despite the increase in total water consumption, the intensity of consumption per stay has fallen to 0.78 m³, a trend over two consecutive years, suggesting a possible positive effect of our initiatives to encourage responsible use.

6.5.2. Waste water

The water used at hotels is primarily discharged through the public sewage network, septic tanks or the sea (after being treated). In the case of city hotels, the amount consumed is similar to the amount discharged. On the other hand, the difference between the amount consumed and the amount discharged is greater at leisure hotels. In all cases, the discharge is managed and treated in accordance with the regulations in force in each region.

6.6. Commitments to the protection of biodiversity

The United Nations Biodiversity Conference (COP15), held in December 2022, reached a global agreement on nature: the Global Biodiversity Framework. It sets out an ambitious action plan to transform society's relationship with biodiversity with the aim of halting and reversing biodiversity loss to 30% of the planet and 30% of degraded ecosystems by 2030 and ensuring that society can 'live in harmony with nature' by 2050. That framework includes 23 concrete targets to be achieved by 2030, including that companies 'assess and disclose biodiversity risks and impacts, from local to global, and progressively reduce negative impacts'.



This major milestone is in line with our firm commitment to move towards regenerative tourism, considering the importance of preserving and recovering biodiversity in the destinations where we are present and bearing in mind that in many places tourism appeal is not understood without an appreciation and respect for nature and ecosystems.

In this line, we start from the premise that all the initiatives included above (for example, the design and refurbishment of hotels with sustainability criteria, the implementation of energy efficiency measures and the minimisation of water consumption) contribute directly or indirectly to the care of the environment and of people. In addition, we carry out actions specifically focused on protecting the environment and nature.

6.6.1. Enhancing the natural environment

Our aim is to raise awareness about the importance of nature and ecosystems and how they should be respected and cared. This is an essential aspect of the customer experience at our hotels. Below, we review some examples:



San Blas Environmental Reserve (Tenerife, Spain)

Barceló Tenerife

[Barceló Tenerife](#) is located in the San Blas Environmental Reserve, an area of great ecological value in the south of Tenerife. The reserve maintains the main endemic species, in terms of both flora and fauna, and brings together a host of geological, historical and archaeological values. The hotel has implemented various measures to drive conservation and the sustainable use of water from oceans, seas and sea resources and to encourage the protection and sustainable use of terrestrial ecosystems.

The best way to get to know the value of a natural space is to enjoy it in an entertaining but environmentally-friendly way. As a result, a specific plan for restoring and highlighting the importance of the San Blas Environmental Reserve has been designed to include everything from improving paths and accessibility, to installing a drip irrigation system, rebuilding the dam area and creating a nature classroom. Special attention has also been paid to sports and personal care, so a crossfit circuit, an adventure zone, a bike park, a Kablovey field and a paintball field, among other items, will be installed.

In 2023, [Barceló Tenerife](#) introduced the Esculdi concept, which includes all the activities within its Entertainment and Leisure programme, in line with the pillars of Canary Island Essence (ES), Canary Island Culture (CUL), and fun (DI). This includes initiatives such as street markets with local craftspeople, tastings of regional cheeses, star-gazing trails with local experts, botanical trails to explore the island's endemic flora, and the San Blas Environmental Reserve, which is where the hotel is located. This reserve, considered a natural heritage site of great ethnographic value in the Canary Islands, forms an integral part of the experience offered by the hotel.



Occidental Caribe (Punta Cana, Dominican Republic)

The Occidental Caribe hotel organises a clean-up of the shore

To commemorate World Environmental Education Day on 26 January, the hotel [Occidental Caribe](#) organised a clean-up of the beach on its coastline and surrounding areas, including the lake. Both staff and guests volunteered for this initiative, and collected a range of waste including plastics, cans and cartons. This activity has formed part of the worldwide celebration of the Day since 1975, and is aimed at raising awareness of the importance of conserving and protecting the environment, in addition to encouraging participation in conservation initiatives.

"VIP of the Day" programme at the Barceló Mussanah Resort



500

trees planted in Oman

Barceló Mussanah Resort collaborates with global reforestation

The Oman hotel introduced its "VIP of the Day" programme in association with One Tree Planted, an organisation working to promote global reforestation. As part of its commitment to sustainability and its *The Future is Green* initiative, the resort promised to plant over 500 trees in Oman by the end of 2023. This programme not only helps to offset the resort's carbon footprint, but also contributes to improving the conservation of the soil and water, by providing natural habitats for wildlife, and by strengthening resistance to climate change. In addition, the [Barceló Mussanah Resort](#) is to fund the planting of 500 trees in Africa in 2023, supporting projects to encourage restoring the soil and to improve life for local communities by demonstrating a firm commitment to the environment.

6.6.2. Flora and fauna protection

- We foster the planting of autochthonous plant varieties which, in addition to protecting the local ecosystem, are less water-demanding species.
- Regarding fauna, at hotels located in sea turtle nesting spots, the nests are monitored and looked after, and the turtles are released, always respecting the nesting period and adjusting hotel operations during this season.



The loggerhead sea turtle, the hawksbill turtle and the green turtle, all at risk of extinction, find a safe refuge on these beaches.

Programmes to conserve and protect turtles

In our [Occidental Cozumel](#), [Allegro Cozumel](#) and [Riviera Maya](#) hotels (located in the Arrecife de Cozumel National Park), we have conservation and protection programmes for the species of turtles that nest on our beach. The objective of this initiative is to increase the sea turtle population by 10% annually, and to guarantee their survival to adulthood. These programmes comprise:

- Training sessions: Annual training sessions are held so that the hotel teams can prepare to receive the turtles during the nesting season, ensuring compliance with Mexican law as well as protecting the nests from possible damage. The training includes sea turtle protection and conservation criteria, as well as measures for the protection of these animals at the hotel. Theoretical training is complemented by practical training on the beaches to identify tracks, species and nests, as well as gathering eggs to transfer them to pens.
- Tagging and monitoring: Tracking the tagging of nests as each species arrives. The hatching dates are monitored, and the release of the turtles on the hotel beach is tracked.

- Information and awareness raising Through voluntary awareness-raising activities, the hotels share the importance of conserving these species with guests, partners and visitors, strengthening their commitment to protective marine life, and the creation of a sustainable tourism setting in Cozumel and the Riviera Maya.
- Participation in the massive beach clean-up prior to the start of the nesting season (May to September).

An initiative linked to biodiversity: expedition to the Malgrats Islands' Marine Reserve



In June 2023, an environmental awareness-raising event targeted at workers from **Ávoris Corporación Empresarial** took place, referencing Sustainable Development Objective 14 on the protection of marine life. **Ávoris Corporación Empresarial's** sustainability department undertook its first external collaboration when it joined forces with a local organisation, [Mar de Fondo](#), a Balearic Islands company working to inform people of the importance of marine conservation through sport. In 2023, an activity was organised with the objective of raising awareness among staff of the importance of *Posidonia oceanica*.

The Blau Balear Pact

The multiple pressures to which the Balearic Sea is subject have caused the disappearance of species, the erosion of habitats and the deterioration of the conditions, putting at risk the sea's capacity to provide a healthy environment and to guarantee economic prosperity. In the light of this, both **Ávoris Corporación Empresarial** and **Barceló Hotel Group** have signed up to the [Blau Balear Pact](#), an initiative led by the Marilles Foundation to secure the conservation of the Balearic Sea a place at the centre of political action. By joining, we signed up to the five commitments proposed to guarantee the conservation of the Balearic Sea.

COMMITMENTS

To create a network of **marine sanctuaries** to dedicate

10 %
to the Balearic Sea.

To invest a minimum of

1 %
of the public sector budgets on marine conservation¹⁷.



- To design plans for the conservation and recovery of habitats and vulnerable species.
- To guarantee sustainable fishing and end poaching and fraudulent trade.
- To improve the quality of the waters around our shores.

¹⁷Expenditure related to infrastructure to improve and purify water is not included.

6.6.3. Establishments located near or in a protected habitat¹⁸



10

Establishments located within a highly valued, protected natural area.

16

Establishments located near a highly valued, protected natural area.

— Inside a natural habitat of great importance
 — Near a natural habitat of great importance

26

HOTELS. 19% OF OUR PORTFOLIO WORLDWIDE IS LOCATED IN OR NEAR A PROTECTED NATURAL AREA¹⁹

¹⁸Ávoris Corporación Empresarial does not have any offices located within a protected area.

¹⁹To analyse the hotels in our portfolio that are near or inside protected natural areas, we used the information from Protected Planet: <https://www.protectedplanet.net/en>

7. Annexes

ANNEX I. WHAT DOES OUR SUSTAINABILITY REPORT COVER?

ANNEX II. LEGAL REQUIREMENTS OF LAW 11/2018 AND GLOBAL REPORTING INITIATIVE (GRI) STANDARDS

ANNEX III. EXTERNAL VERIFICATION REPORT

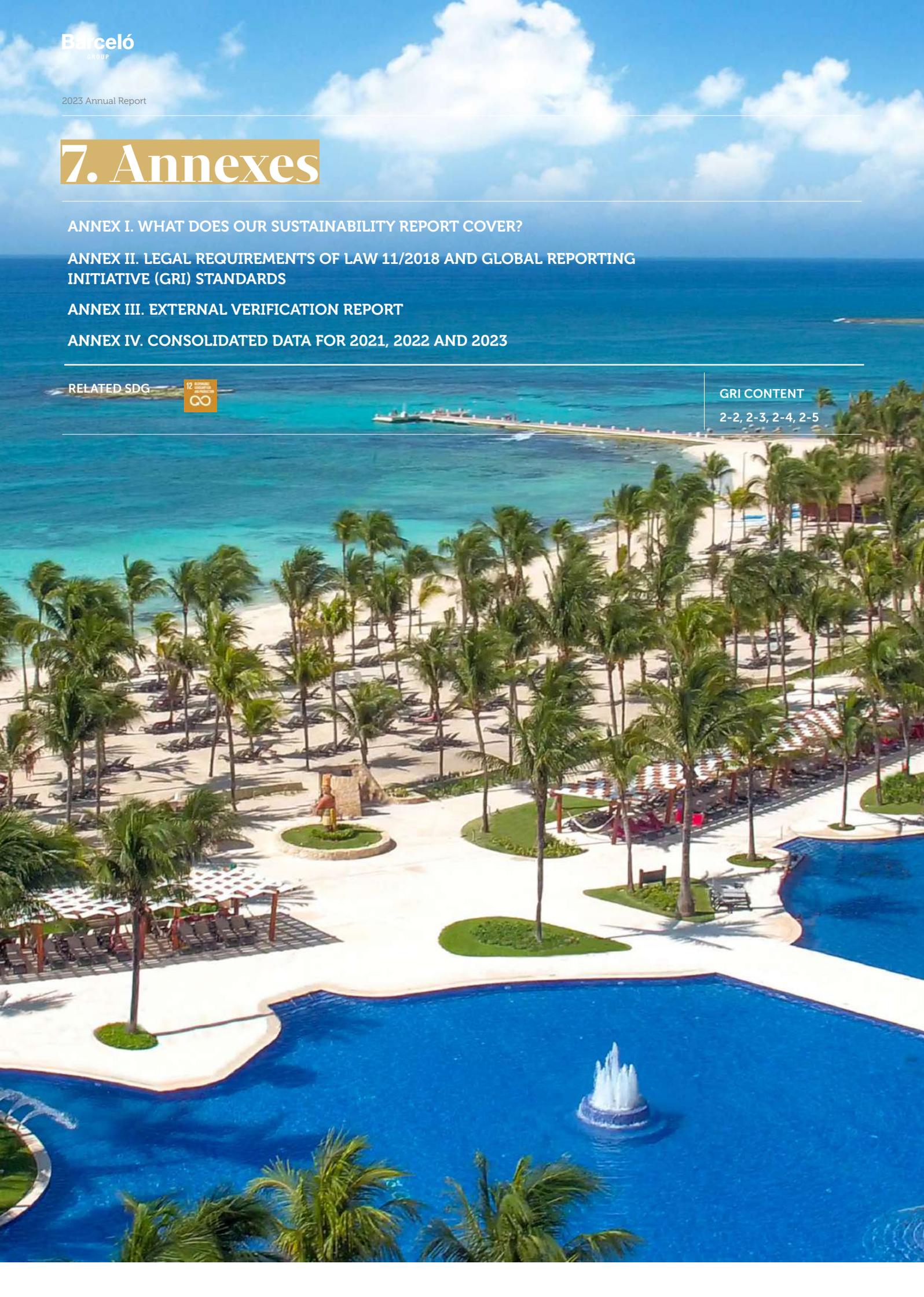
ANNEX IV. CONSOLIDATED DATA FOR 2021, 2022 AND 2023

RELATED SDG



GRI CONTENT

2-2, 2-3, 2-4, 2-5



ANNEX I. What does our sustainability report cover?

Just as in previous years, we assume the commitment of publishing information and data about our performance and evolution in terms of environmental, social and employment aspects; our ethics in managing the business; and the main challenges and opportunities we face. This report contains precise, detailed, clear, understandable and reliable information about how the **Barceló Group's** key aspects were managed (for the company and stakeholders) in 2023. It is a vital communication channel with all of our *stakeholders*.

Criteria used to prepare this report

This **Non-Financial Information Statement (NFIS)** forms part of the 2023 Consolidated Management Report of Barceló Corporación Empresarial, S.A. and fulfils the requirements of Law 11/2018 of 28 December 2018, amending the Code of Commerce, the consolidated text of the Capital Companies Act approved by Royal Legislative Decree 1/2010 of 2 July, and Law 22/2015 of 20 July on Account Auditing of non-financial information and diversity.

When preparing this report, we followed the requirements outlined in Law 11/2018 and the *Global Reporting Initiative (GRI)* Standards. Appendix II contains a correlation between the two. Additionally, European Commission Guidelines on Non-Financial Reporting (2017/C 215/01) derived from Directive 2014/95/EU were also taken into consideration.

In accordance with GRI standards, the contents of this NFIS comply with the principles of comparability, materiality, relevance and reliability, and the information included is accurate, comparable and verifiable.

This report and the previous versions are available at the Group's website www.barcelogrupo.com/.

Scope and coverage of the information

A global business approach was used for the scope/perimeter of this report, consolidating all the data of the Group's two business divisions: The **Barceló Hotel Group** includes owned, leased or managed hotels and all the **Ávoris Corporación Empresarial** business units. Additionally, this year, Appendix IV contains consolidated data tables on the performance of owned and leased hotels, offering stakeholders all the information needed to assess how we manage sustainability.

This report excludes environmental and human resources data for hotels in Tunisia because there is only partial control over how those hotels are managed.

The environmental indicators exclude data for unbranded hotels (because they are implementing the Barceló Hotel Group's standards), Crestline hotels (because of the limited access to data) and hotels operating less than six months in the chain. Additionally, due to limited access to management data, the report does not include environmental data for hotels that operated throughout the year but exited the portfolio during the reporting period.

Human resources indicators exclude data for Cuba (due to the special features of employee contracts in the country) and certain Crestline data (specified throughout the report) because their hotel systems do not allow this information to be obtained. In addition, there may be other exclusions relating to certain indicators, or to information that may also be identified throughout the report.

The financial data is consolidated as per the principles of consolidation defined in the Barceló Group's 2023 Consolidated Accounts.

Verification

To ensure the transparency and accuracy of the information, the NFIS is verified by an independent third party. The non-financial information for 2023 has been verified by the firm Ernst & Young (EY).

ANNEX II

Legal requirements of Law 11/2018 and Global Reporting Initiative (GRI) Standards

CONTENT OF LAW 11/2018	GRI CONTENT	LOCATION	PAGE
GENERAL DESCRIPTION OF THE COMPANY			
BUSINESS MODEL			
Brief description of the business model (business environment, organisation and structure)	2-1 Organisational details	1.1.2. The Barceló business model	6
	2-2 Entities included in the presentation of sustainability reports	1.3. Organisational structure and corporate governance	29
	2-9 Governance structure and composition		
	2-11 President of the highest governing body		
	2-13 Impact management delegation		
Geographic presence and markets where it operates	2-6 Activities, value chain and other business relations	1.1.2. The Barceló business model	13
		1.3. Organisational structure and corporate governance	29
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		1.2.4. Barceló and Ávoris strategy and expansion	25
		1.5. Ethical commitments in the development of the business	37
		2.2. Barceló ReGen	50
Key factors and trends that could affect its future evolution	2-6 Activities, value chain and other business relations	1.5. Ethical commitments in the development of the business	37
		14.2. Risk management	35
	2-23 Commitments and policies	2.1. Tourism in light of 21st-century challenges	48
		6.2. Our pathway to net positive	169
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	2-3 Period covered by the report, frequency and touchpoint		
	2-4 Information updates		
	2-5 External verification		
Materiality	2-29 Approach for stakeholder involvement	2.3.1. Double materiality	59
	3-1 Process for determining material facts		
	3-2 List of material subjects		

CONTENT OF LAW 11/2018	GRI CONTENT	LOCATION	PAGE
POLICIES			
A DESCRIPTION OF THE POLICIES APPLIED BY THE GROUP IN RELATION TO CERTAIN ISSUES, WHICH WILL INCLUDE:			
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CONTENT OF LAW 11/2018	GRI CONTENT	LOCATION	PAGE
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Important elements of greenhouse gases generated as a result of the company's activities, including the use of the goods and services it supplies. Measures implemented to adapt to the consequences of climate change	305-1 Direct (Scope 1) GHG emissions.	6.2.2. Carbon footprint of Barceló Hotel Group	172
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ANNEX III. External Verification Report



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INDEPENDENT LIMITED ASSURANCE REPORT ON THE CONSOLIDATED NON-FINANCIAL INFORMATION STATEMENT

Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails.

To the shareholders of BARCELÓ CORPORACIÓN EMPRESARIAL, S.A.:

Pursuant to Article 49 of the Code of Commerce we have performed a verification, with a limited assurance scope, of the accompanying Consolidated Non-Financial Information Statement (hereinafter NFS) for the year ended December 31, 2023, of BARCELÓ CORPORACIÓN EMPRESARIAL, S.A. and subsidiaries (hereinafter the Group) that forms part of the Consolidated Management Report of the Group.

The content of the NFS includes additional information to that required by prevailing mercantile regulations in relation to non-financial information that has not been subject to our verification. In this regard, our assignment has been exclusively limited to the verification of the information shown in Annex II. "Legal requirements of Law 11/2018 and Global Reporting Initiative (GRI) Standards" included in the accompanying NFS.

Responsibility of the Board of Directors

The preparation of the NFS included in the Consolidated Management Report of the Group, and its content, is the responsibility of the Board of Directors of BARCELÓ CORPORACIÓN EMPRESARIAL, S.A. The NFS has been prepared in accordance with the content required by current mercantile regulations and in conformity with the criteria outlined in the selected *Sustainability Reporting Standards of Global Reporting Initiative (GRI standards)*, as well as other criteria described in accordance with that indicated for each subject in Annex II. "Legal requirements of Law 11/2018 and Global Reporting Initiative (GRI) Standards" of the mentioned NFS.

The Board of Directors are also responsible for the design, implementation and maintenance of such internal control as they determine as necessary to enable the preparation of an NFS that is free from material misstatement, whether due to fraud or error.

They are further responsible for defining, implementing, adapting and maintaining the management systems from which the information necessary for the preparation of the NFS is obtained.

Our independence and quality management

We have complied with independence and other ethical requirements of the International Code of Ethics for Accounting Professionals (including international independence standards) issued by the International Ethics Standards Board for Accountants (IESBA), which is based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

Our Firm applies International Standard on Quality Management 1 (ISQM 1), which requires us to design, implement and operate a system of quality management including policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.



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The engagement team consisted of experts in the review of non-financial information and, specifically, information on economic, social, and environmental performance.

Our responsibility

Our responsibility is to express our conclusions in an independent limited assurance report based on the work performed. Our review has been performed in accordance with the requirements established in the current International Standard on Assurance Engagements 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" (ISAE 3000 Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and the guidelines for verifying Non-Financial Statement, issued by the Spanish Institute of Chartered Accountants (ICJCE).

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower.

Our work consisted in making enquiries of Management and the various Group units participating in the preparation of the NFS, reviewing the process for gathering and validating the information included in the NFS, and applying certain analytical procedures and selective tests by means of sampling as described below:

- ▶ Meetings with Group personnel to obtain an understanding of the business model, policies and management approaches applied, the main risks related to these matters and obtain the necessary information for our external review.
- ▶ Analysis of the scope, relevance and integrity of the content included in the NFS for the year 2023 based on the materiality analysis made by the Group and described in the chapter 2.3.1. "Double Materiality", considering the content required by prevailing mercantile regulations.
- ▶ Analysis of the processes for gathering and validating the data included in the 2023 Non-Financial Information Statement.
- ▶ Review of the information on the risks, policies and management approaches applied in relation to the material aspects included in the 2023 NFS.
- ▶ Check, through tests, based on a selection of a sample, the information related to the content of the 2023 NFS and its correct compilation from the data provided by the information sources.
- ▶ Obtaining a representation letter from the Board of Directors and Management.



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Conclusion

Based on the limited assurance procedures conducted and the evidence obtained, nothing has come to our attention that causes us to believe that the Group NFS for the year ended December 31, 2023 has not been prepared, in all material respects, in accordance with the contents required by current commercial regulation and the criteria of the selected GRI standards, as well as other criteria, described as explained for each subject matter in Annex II. "Legal requirements of Law 11/2018 and Global Reporting Initiative (GRI) Standards" of the aforementioned NFS.

Use and distribution

This report has been prepared as required by current mercantile regulation in Spain, thus it may not be suitable for any other purpose or jurisdiction.

ERNST & YOUNG, S.L.

(Signature on the original in Spanish)

Antonio Capella Elizalde

April 9th, 2024

ANNEX IV. Consolidated data for* 2021, 2022 and 2023

* The consolidated data includes the results for owned and leased hotels (and excludes those for managed hotels). This perspective allows us to offer a view of how sustainability is managed for the assets over which we have the most operations control.

1. Conscious governance model

1.1. The Barceló business model

1.1.2. The Barceló business model

Barceló Hotel Group Hotel Portfolio	2021	2022	2023
Number of hotels	112	115	131
Number of rooms	33,742	34,400	37,611
Lease	48%	48%	49%
Owned*	52%	52%	51%

* % on the basis of number of rooms

Brands				
63% Barceló	29% Occidental	3% Royal Hideaway	3% Allegro	2% Other

Segments	
30% Urban	70% Holiday

Regions	
60% EMEA	40% LATAM

4. We work to create fair employment

4.2. Key figures

BREAKDOWN OF THE WORKFORCE BY COUNTRY

Country	2021			2022			2023		
	Average workforce*	% Men	% Women	Average workforce*	% Men	% Women	Average workforce*	% Men	% Women
Germany	43	63%	37%	36	78%	22%	53	57%	43%
Aruba	189	48%	52%	193	48%	52%	197	46%	54%
Bulgaria	-	-	-	-	-	-	-	-	-
Colombia	-	-	-	1	100%	0%	1	100%	0%
Costa Rica	671	59%	41%	765	54%	46%	744	55%	45%
Cuba	-	-	-	-	-	-	-	-	-
Egypt	98	92%	8%	118	87%	13%	149	81%	19%
El Salvador	166	62%	38%	220	53%	47%	253	52%	48%
UAE	-	-	-	-	-	-	-	-	-
Slovenia	-	-	-	-	-	-	-	-	-
Spain	8,329	39%	61%	10,915	38%	62%	12,161	38%	62%
United States	3,748	36%	64%	3,977	36%	64%	4,878	36%	64%
Greece	-	-	-	-	-	-	-	-	-
Guatemala	251	53%	47%	334	50%	50%	380	51%	49%
Hungary	21	42%	58%	38	45%	55%	45	47%	54%
India	-	-	-	10	90%	10%	7	85%	15%
Indonesia	-	-	-	-	-	-	-	-	-
Italy	32	41%	59%	42	40%	60%	50	45%	55%
Maldives	-	-	-	-	-	-	-	-	-
Malta	-	-	-	-	-	-	-	-	-
Morocco	173	62%	38%	215	62%	38%	219	56%	44%
Mexico	6,638	60%	40%	8,494	59%	41%	8,351	57%	43%
Nicaragua	177	56%	44%	207	56%	44%	248	55%	45%
Oman	-	-	-	-	-	-	-	-	-
Poland	-	-	-	-	-	-	-	-	-
Portugal	288	35%	65%	320	33%	67%	273	32%	68%
United Kingdom	-	-	-	4	47%	53%	1	57%	43%
Czech Republic	89	50%	50%	109	46%	54%	110	39%	61%
Dominican Republic	4,702	58%	42%	5,335	55%	45%	5,628	54%	46%
Sri Lanka	-	-	-	-	-	-	-	-	-
Tunisia	-	-	-	-	-	-	-	-	-
Turkey	136	71%	29%	194	66%	34%	255	70%	30%
Total	25,751	49%	51%	31,525	48%	52%	34,003	47%	53%

*Based on the annual average of total contracts.

2023 BREAKDOWN BY COUNTRY, GENDER AND PROFESSIONAL

Country	Management team			Middle management			Core staff		
	Average workforce	% Men	% Women	Average workforce	% Men	% Women	Average workforce	% Men	% Women
Germany	3	35%	65%	17	60%	40%	33	57%	43%
Aruba	6	44%	56%	31	57%	43%	160	44%	56%
Bulgaria									
Colombia	0	0%	0%	0	0%	0%	1	100%	0%
Costa Rica	15	56%	44%	47	68%	32%	682	54%	46%
Egypt	4	100%	0%	33	83%	17%	111	80%	20%
El Salvador	5	89%	11%	21	48%	52%	228	52%	48%
UAE									
Slovenia									
Spain	208	72%	28%	2,148	44%	56%	9,806	36%	64%
United States	451	44%	56%	748	33%	67%	3,679	36%	64%
Guatemala	2	50%	50%	54	65%	35%	324	49%	51%
Hungary	3	29%	71%	14	44%	56%	28	50%	50%
India	1	100%	0%	0	0%	0%	5	81%	19%
Indonesia									
Italy	6	67%	33%	4	75%	25%	40	39%	61%
Maldives									
Malta									
Morocco	9	89%	11%	46	68%	32%	164	51%	49%
Mexico	85	58%	42%	499	70%	30%	7,768	56%	44%
Nicaragua	5	20%	80%	22	82%	18%	221	53%	47%
Oman									
Poland									
Portugal	14	55%	45%	29	49%	51%	229	28%	72%
United Kingdom	0	0%	100%	0	0%	0%	1	67%	33%
Czech Republic	7	59%	41%	34	47%	53%	70	33%	67%
Dominican Republic	45	56%	44%	563	68%	32%	5,020	52%	48%
Sri Lanka									
Turkey	9	68%	32%	44	66%	34%	202	71%	29%
Total	878	54%	46%	4,353	50%	50%	28,772	46%	54%

WORKFORCE BREAKDOWN BY BUSINESS

Workforce breakdown by business	2021		2022		2023	
	Av.	%	Av.	%	Av.	%
Ávoris	4,304	17%	5,439	17%	5,533	16%
Crestline	3,749	15%	3,977	13%	4,878	14%
EMEA Spain	4,262	17%	5,877	19%	6,943	20%
EMEA International	642	2%	836	3%	928	3%
LATAM	12,794	50%	15,396	49%	15,721	46%
Total	25,751	100%	31,525	100%	34,003	100%

WORKFORCE BREAKDOWN BY AGE AND GENDER

Workforce by gender	2021		2022		2023	
Men	12,631	49%	15,037	48%	15,818	47%
Women	13,120	51%	16,488	52%	18,185	53%
Total	25,751		31,525		34,003	

Workforce by gender and age	2021	2022	2023
Under 30 years	7,139	8,467	9,176
Men	52%	51%	49%
Women	48%	49%	51%
Between 30 and 50 years	13,994	17,407	18,274
Men	48%	46%	45%
Women	52%	54%	55%
Over 50 years	4,618	5,651	6,553
Men	49%	48%	46%
Women	51%	52%	54%

Workforce by average age	2021	2022	2023
Breakdown of the workforce by gender	38.96	38.59	38.83
Men	38.53	38.13	38.39
Women	39.37	38.99	39.21
Workforce by age range	25,751	31,525	34,003
Under the age of 30	28%	27%	27%
Between the ages of 30 and 50	54%	55%	54%
Over the age of 50	18%	18%	19%

WORKFORCE BREAKDOWN BY PROFESSIONAL CATEGORY

Workforce breakdown by professional category	2021		2022		2023	
	Av.	%	Av.	%	Av.	%
Management team	1,007	4%	1,027	3%	878	3%
Men	575	57%	547	53%	474	54%
Women	432	43%	480	47%	404	46%
Middle management	3,891	15%	3,915	13%	4,353	13%
Men	2,072	53%	2,147	55%	2,181	50%
Women	1,819	47%	1,768	45%	2,172	50%
Core staff	20,853	81%	26,583	84%	28,772	84%
Men	9,984	48%	12,343	46%	13,163	46%
Women	10,869	52%	14,240	54%	15,609	54%

WORKFORCE BREAKDOWN BY TYPE OF CONTRACT

Employees by contract based on gender, professional category and age range*	2023				
	Permanent		Event.		Total
By gender					
Men	11,579	82%	2,470	18%	14,049
Women	12,767	85%	2,309	15%	15,076
By professional category					
Management team	417	98%	10	2%	427
Middle management	3,452	96%	153	4%	3,605
Core staff	20,477	82%	4,616	18%	25,093
By age range					
Under the age of 30	5,708	70%	2,455	30%	8,163
Between the ages of 30 and 50	13,970	87%	2,030	13%	16,000
Over the age of 50	4,669	94%	293	6%	4,962
Total	24,346	84%	4,779	16%	29,125

*The table shows the number of active contracts for the year. However, this data excludes Crestline because of the difference in labour relations with its workers, which can be classified as *full time or part time, hourly or exempt*, unlike what is used in the rest of the report.

Employees by contract based on gender, professional category and age range*	2022				
	Permanent		Temporary		Total
By gender					
Men	10,635	78%	2,967	22%	13,602
Women	11,455	82%	2,491	18%	13,946
By professional category					
Management team	488	97%	15	3%	503
Middle management	3,318	93%	268	7%	3,586
Core staff	18,284	78%	5,175	22%	23,459
By age range					
Under the age of 30	4,701	62%	2,893	38%	7,594
Between the ages of 30 and 50	13,242	85%	2,339	15%	15,581
Over the age of 50	4,146	95%	227	5%	4,373
Total	22.090	80 %	5.458	20 %	27.548

*The table shows the number of active contracts for the year. However, this data excludes Crestline because of the difference in labour relations with its workers, which can be classified as *full time or part time, hourly or exempt*, unlike what is used in the rest of the report.

Employees by contract based on gender, professional category and age range*	2021				
	Permanent		Temporary		Total
By gender					
Men	8,768	78%	2,518	22%	11,286
Women	8,479	79%	2,237	21%	10,716
By professional category					
Management team	477	95%	27	5%	504
Middle management	3,357	93%	257	7%	3,614
Core staff	13,413	75%	4,471	25%	17,884
By age range					
Under the age of 30	3,328	59%	2,329	41%	5,657
Between the ages of 30 and 50	10,851	83%	2,152	17%	13,003
Over the age of 50	3,068	92%	274	8%	3,342
Total	17,247	78%	4,755	22%	22,002

**The table shows the number of active contracts for the year. However, this data excludes Crestline because of the difference in labour relations with its workers, which can be classified as *full time or part time, hourly or exempt*, unlike what is used in the rest of the report.

BREAKDOWN OF THE PART-TIME WORKFORCE

Part-time employees by line of business, based on gender, professional category and age range.

Part-time employees by line of business, based on gender, professional category and age range*	2023							
	ÁVORIS	CREST.	EMEA SPA.	EMEA INTER.	LATAM	TOTAL		
By gender	472	432	360	15	2	1281	3.8%	
Men	10.1%	9.2%	1.8%	0.7%	0.0%	383	2.4%	
Women	7.9%	8.6%	8.1%	3.0%	0.0%	898	4.9%	
By professional category								
Management team	0.5%	0.0%	0.0%	0.0%	0.0%	0	0.0%	
Middle management	1.4%	0.9%	1.3%	0.6%	0.0%	38	0.9%	
Core staff	10.6%	11.6%	6.0%	2.1%	0.0%	1243	4.3%	
By age range								
Under the age of 30	17.2%	13.4%	4.7%	3.3%	0.0%	262	2.9%	
Between the ages of 30 and 50	8.2%	7.6%	5.5%	1.0%	0.0%	689	3.8%	
Over the age of 50	7.2%	7.7%	4.8%	1.3%	0.0%	330	5.0%	
Total	8.5%	8.9%	5.2%	1.6%	0.0%			

*Percentage based on the annual average of total contracts.

Part-time employees by line of business, based on gender, professional category and age range*	2022							
	ÁVORIS	CREST.	EMEA SPA.	EMEA INTER.	LATAM	TOTAL		
By gender	344	341	362	24	82	1153	3.7%	
Men	5.0%	9.5%	1.8%	1.6%	0.4%	305	2.0%	
Women	6.9%	8.1%	10.1%	4.7%	0.8%	848	5.1%	
By professional category								
Management team	0.5%	0.2%	0.8%	0.0%	0.0%	3	0.3%	
Middle management	1.1%	0.5%	1.9%	0.3%	0.1%	32	0.8%	
Core staff	7.9%	10.8%	7.1%	3.5%	0.6%	1118	4.2%	
By age range								
Under the age of 30	16.8%	13.8%	4.6%	7.4%	0.9%	283	3.3%	
Between the ages of 30 and 50	6.2%	7.2%	7.0%	1.3%	0.3%	639	3.7%	
Over the age of 50	4.3%	7.0%	5.0%	2.2%	0.0%	231	4.1%	
Total	6.3%	8.6%	6.2%	2.8%	0.5%			

*Percentage based on the annual average of total contracts.

Part-time employees by line of business, based on gender, professional category and age range*	2021							
	ÁVORIS	CREST.	EMEA SPA.	EMEA INTER.	LATAM	TOTAL		
By gender	324	273	262	35	52	946	3.7%	
Men	8.9%	7.9%	2.2%	4.1%	0.4%	313	2.5%	
Women	7.0%	6.9%	10.0%	7.5%	0.4%	633	4.8%	
By professional category								
Management team	0.7%	0.1%	0.8%	0.0%	0.0%	2	0.2%	
Middle management	1.4%	0.6%	1.7%	0.0%	0.0%	32	0.8%	
Core staff	9.8%	9.1%	7.4%	6.9%	0.4%	912	4.4%	
By age range								
Under the age of 30	14.9%	10.3%	6.3%	17.4%	0.6%	194	3.1%	
Between the ages of 30 and 50	6.9%	6.8%	6.7%	1.7%	0.3%	537	3.6%	
Over the age of 50	7.5%	6.2%	4.6%	2.7%	0.4%	215	4.6%	
Total	7.5%	7.3%	6.1%	5.4%	0.4%			

* Percentage based on the annual average of total contracts.

4.3. A culture focused on taking care of talent

4.3.2. Remuneration and wage gap

AVERAGE SALARY BY PROFESSIONAL CATEGORY, AGE RANGE AND GENDER

Average salary by professional category, age range and gender	2023			TOTAL
	Under the age of 30	Between the ages of 30 and 50	Over the age of 50	
Management team				
Men	35,609	79,007	123,993	88,876
Year-over-year var. (%)	-3%	15%	18%	15%
Women	37,980	70,043	85,520	68,593
% Var. on previous year	8%	12%	12%	11%
Middle management				
Men	18,327	29,180	37,248	30,313
% Var. on previous year	21%	19%	11%	19%
Women	27,861	27,202	31,281	28,319
% Var. on previous year	23%	3%	-2%	4%
Core staff				
Men	11,741	15,907	21,970	14,919
% Var. on previous year	25%	12%	-2%	15%
Women	13,180	17,564	21,943	16,659
% Var. año ant.	12 %	8 %	0 %	9 %

2022

Average salary by professional category, age range and gender	Under the age of 30	Between the ages of 30 and 50	Over the age of 50	TOTAL
Management team				
Men	36,703	68,601	105,481	77,437
% Var. on previous year	-11%	25%	38%	28%
Women	35,173	62,425	76,568	61,548
% Var. on previous year	-16%	13%	6%	8%
Middle management				
Men	15,207	24,562	33,613	25,478
% Var. on previous year	53%	25%	3%	26%
Women	22,715	26,526	31,996	27,258
% Var. on previous year	63%	7%	-13%	8%
Core staff				
Men	9,423	14,212	22,358	12,954
% Var. on previous year	15%	4%	-16%	5%
Women	11,723	16,207	22,002	15,263
% Var. año ant.	-4 %	-11 %	-17 %	-9 %

2021

Average salary by professional category, age range and gender	Under the age of 30	Between the ages of 30 and 50	Over the age of 50	TOTAL
Management team				
Men	41,311	55,032	76,334	60,576
% Var. on previous year	15%	5%	-3%	3%
Women	41,850	55,140	72,036	56,946
% Var. on previous year	12%	8%	15%	10%
Middle management				
Men	9,936	19,597	32,587	20,165
% Var. on previous year	42%	15%	20%	18%
Women	13,946	24,816	36,796	25,234
% Var. on previous year	57%	28%	31%	36%
Core staff				
Men	8,170	13,631	26,627	12,317
% Var. on previous year	8%	9%	27%	9%
Women	12,254	18,178	26,466	16,721
% Var. año ant.	13 %	5 %	15 %	6 %

Average salary by professional category	2021	2022	2023
Management team	58,924	69,933	80,018
Year-over-year variance (%)	6%	19%	14%
Middle management	22,657	26,278	29,331
% variation on previous year	28%	16%	12%
Core staff	14,719	14,227	15,893
% variation on previous year	8%	-3%	12%

Average salary by age	2021	2022	2023
Under the age of 30	10,569	11,006	12,909
% variation on previous year	12%	4%	17%
Between the ages of 30 and 50	18,450	17,678	19,223
% variation on previous year	8%	-4%	9%
Over the age of 50	31,156	27,363	27,029
% variation on previous year	17%	-12%	-1%

Average salary by gender	2021	2022	2023
Men	14,824	15,801	18,047
% variation on previous year	7%	7%	14%
Women	18,477	16,961	18,296
% variation on previous year	7%	-8%	8%

4.4. Barceló Group: a diverse and intergenerational team

Breakdown of the workforce by gender	2021		2022		2023	
Men	12,631	49%	15,037	48%	15,818	47%
Women	13,120	51%	16,488	52%	18,185	53%
Total	25,751		31,525		34,003	

Equal opportunities by age	2021		2022		2023	
Under the age of 30	7,139		8,467		9,176	
% Men	52%		51%		49%	
% Women	48%		49%		51%	
Between the ages of 30 and 50	13,994		17,407		18,274	
% Men	48%		46%		45%	
% Women	52%		54%		55%	
Over the age of 50	4,618		5,651		6,553	
% Men	49%		48%		46%	
% Women	51%		52%		54%	
Total	25,751		31,525		34,003	

Average employees with a disability	2021		2022		2023	
Total	169		212		275	

4.5. Training and development: the key to our growth

4.5.1 Approach for managing training

Hours of training by gender and professional category	2021		2022		2023	
By gender	276,006		396,521		512,123	
Men	138,003	50%	206,191	52%	245,819	48%
Women	138,003	50%	190,330	48%	266,304	52%
By professional category	276,006		396,521		512,123	
Management team	2,760	1%	11,896	3%	15,364	3%
Middle management	44,161	16%	51,548	13%	66,576	13%
Core staff	229,085	83%	333,078	64%	430,183	84%

Hours of training on human rights and CSR	Hours	%
Men	3,111.35	26.02%
Women	8,844.90	73.98%
Total	11,956.25	100%

4.6. Quality working environment

4.6.1 Health and safety: approach, policies and management mechanisms

Workforce with health and safety conditions in collective agreement by business	2021		2022		2023	
	% of the workforce with a Health and Safety clause over the total average workforce	% of the workforce with a Health and Safety clause over the workforce covered by agreement	% of the workforce with a Health and Safety clause over the total average workforce	% of the workforce with a Health and Safety clause over the workforce covered by agreement	% of the workforce with a Health and Safety clause over the total average workforce	% of the workforce with a Health and Safety clause over the workforce covered by agreement
Ávoris	89%	100%	86%	100%	78%	100%
Crestline	8%	100%	0%	0%	8%	100%
EMEA Spain	100%	100%	100%	100%	100%	100%
EMEA International	13%	71%	15%	81%	11%	72%
LATAM	42%	76%	49%	91%	63%	95%
Total	54%	89%	58%	96%	63%	97%

4.6.2 Health and safety in figures

Absenteeism	2021		2022		2023	
	Hours	%	Hours	%	Hours	%
Total	4,361,511	7.26%	2,309,797	3.37%	3,215,528	4.37%

Breakdown of absenteeism hours by gender and business	2021		2022		2023	
	Men	Women	Men	Women	Men	Women
Ávoris	24.7%	75.3%	23.4%	76.7%	18.4%	81.6%
EMEA Spain	39.4%	60.6%	38.9%	61.1%	36.0%	64.0%
EMEA International	47.8%	52.3%	38.2%	61.8%	48.5%	51.5%
LATAM	55.9%	44.1%	42.7%	57.3%	40.8%	59.2%
Total	45.6%	54.4%	40.3%	59.7%	36.2%	63.8%

Breakdown of absenteeism hours by cause and business	2021				2022				2023			
	WA+OD +TD*	MAT+ PAT	Unjust.	Other**	WA+OD +TD*	MAT+ PAT	Unjust.	Other**	WA+OD +TD*	MAT+ PAT	Unjust.	Other**
Ávoris	23.9%	17.3%	0.0%	58.8%	73.9%	23.6%	0.0%	2.5%	88.0%	11.3%	0.7%	0.0%
EMEA Spain	82.3%	10.7%	0.0%	7.0%	84.7%	7.3%	0.0%	7.9%	93.1%	6.6%	0.3%	0.0%
EMEA International	22.5%	66.8%	5.7%	5.1%	57.6%	17.5%	13.4%	11.6%	47.3%	19.1%	1.6%	32.0%
LATAM	31.0%	5.3%	6.7%	57.0%	53.7%	17.8%	21.0%	7.5%	47.7%	19.0%	24.3%	9.0%
Total	35.4%	9.3%	4.1%	51.2%	67.7%	13.6%	11.2%	7.6%	72.1%	12.8%	10.7%	4.5%

The data reported excludes Crestline because the information systems at these hotels do not provide this information.

*WA Work-related accident, OD Occupational Diseases, TD Temporary Disability, MAT-PAT Maternity Paternity.

**Paid leave and unpaid leave.

Work-related accidents and ill health	2021			2022			2023		
	Total	Men	Women	Total	Men	Women	Total	Men	Women
Accidents during the working day	1,007	360	647	873	400	473	1328	563	765
Commuting accidents	164	77	87	402	200	202	428	196	232
Occupational disease	5	3	2	5	3	2	6	3	3

Accident rate by gender*	2021	2022	2023
Incidence rate	45.8	31.7	45.1
Men	31.9	29.4	39.7
Women	60.4	33.9	50.0
Frequency rate	20	13.9	19.9
Men	13.7	12.7	17.3
Women	26.7	15.1	22.3
Gravity rate	0.4	0.4	0.5
Men	0.3	0.4	0.4
Women	0.5	0.4	0.6

Involuntary terminations by gender, professional category professional and age range	2021		2022		2023	
By gender						
Men	1,383	57.6%	1,825	51.4%	1,663	55.4%
Women	1,019	42.4%	1,723	48.6%	1,337	44.6%
By gender						
Management team	61	2.5%	43	1.2%	24	0.8%
Middle management	169	7.0%	221	6.2%	183	6.1%
Core staff	2,172	90.4%	3,284	92.6%	2,793	93.1%
By age range						
Under the age of 30	859	35.8%	1,399	39.4%	1,541	51.4%
Between the ages of 30 and 50	1,261	52.5%	1,747	49.2%	1,274	42.5%
Over the age of 50	281	11.7%	402	11.3%	185	6.2%
Total	2,402		3,548		3,000	

4.6.4. Actions and mechanisms for promoting social dialogue

% WORKFORCE COVERED BY COLLEC

Country	2021	2022	2023
Aruba	100%	100%	100%
Bulgaria	-	-	-
Costa Rica	0%	0%	0%
Czech Republic	0%	0%	1%
Dominican Republic	59%	59%	59%
Egypt	0%	0%	0%
El Salvador	0%	0%	0%
Germany	77%	86%	78%
Greece	100%	100%	100%
Guatemala	0%	0%	0%
Hungary	100%	100%	100%
Italy	-	-	-
Malta	59%	53%	78%
Mexico	0%	0%	0%
Morocco	0%	0%	0%
Nicaragua	-	-	-
Oman	74%	78%	68%
Portugal	95%	95%	91%
Spain	-	-	-
Sri Lanka	0%	0%	0%
Tunisia	-	-	-
Turkey	-	0%	0%
United Arab Emirates (UAE)	8%	3%	8%
United Kingdom	-	0%	0%
United States	-	-	-
Colombia	-	-	-
Slovenia	-	0%	0%
Poland	-	-	-
India	-	-	-
Indonesia	61%	60%	65%
Maldives	-	-	0%
Total	58%	59%	63%

6. We are committed to the planet's health

6.1. Environmental protections at Barceló

6.1.1. Leaving behind a better planet

Certifications	2021*	2022	2023
Travelife	-	3	7
GreenGlobe	-	9	11
ISO 14001	-	2	2
Breem	-	8	16
Sustainable Tourism Certificate (Costa Rica)	-	1	1

*2021 consolidated data not available.

6.2. Our path towards net positive

6.2.2. Carbon footprint of Barceló Hotel Group

Carbon footprint of Barceló Hotel Group* (tCO ₂)	2021	2022	2023
Scope 1	-	52503	50877
Scope 2 (market-based)	-	96322	107187
TOTAL			
Carbon emission intensity only considering the scope 1 and 2 of the carbon footprint (kgCO ₂ /stay)	-	8.7	8.5

*Carbon footprint data for 2021 is not included because it is not comparable with the data reported in 2022 and 2023 due to the updated calculation method. Scope 3 consolidated data is also not reported due to limitations of the calculation method use.

6.3. Driving the energy optimisation and transition to clean technologies

6.3.1. Energy optimisation at the Barceló Hotel Group

Hotels with renewable energy systems	2021	2022	2023
TOTAL	41	45	58

Hotels with electric vehicle charging points	2021	2022	2023
TOTAL	39	51	52

Total energy consumption by source (MWh)	2021	2022	2023
Electricity	306,521	374,072	387,698
Natural gas	27,901	56,002	50,238
LPG	-	48,704	47,758
Diesel	50,719	48,292	49,456
Propane	43,124	43,550	45,682
TOTAL	428,265	570,619	580,831
Energy intensity (kWh/stay)	39.5	33.5	31.2

6.4. Circular economy and the management of waste

6.4.1. Circular economy and the management of waste

Waste generation by type (t)	2021	2022	2023
Residual fraction	10,048	26,628	25,489
Organic fraction*	-	8,087	8,578
Glass	1,050	2,997	2,545
Paper and cardboard	840	1,963	1,706
Packaging	298	1,262	899
Oil	135	167	204

*The first year for which we have data for organic fraction separated from the total residual fraction is 2022.

Hazardous waste generation by type (t)*	2021	2022	2023
Paint and varnish containers	-	-	14.7
Chemical product containers	-	-	12.0
Electrical device waste	-	-	14.1
Absorbent material	-	-	7.8
Batteries	-	-	7.1
Fluorescent materials	-	-	4.7
Other	-	-	15.7

*We reported hazardous waste data for the first time in 2023.

Paper consumption (kg)	2021	2022	2023
Total paper consumed	-	183,348	259,158

6.5. Conscious water and water resource management

6.5.1 . Water management

Total water consumption by source (thousands of m ³)	2021	2022	2023
Underground water	6,626,315	9,813,285	9,795,196
Municipal network	2,432,043	3,327,723	3,622,304
Desalinated water	1,105,220	1,606,000	1,539,182
TOTAL m³	10,163,578	14,747,008	14,956,683
m ³ /per stay	0.94	0.87	0.80

Consolidated Annual Accounts 2023

AUDIT REPORT OF THE CONSOLIDATED ANNUAL ACCOUNTS
CONSOLIDATED ANNUAL ACCOUNTS



**Audit Report on the Consolidated Annual Accounts
issued by an Independent Auditor**

**Barceló Corporación Empresarial, S.A. and subsidiaries
Consolidated Annual Accounts and Management Report
for the year ended December 31, 2023**



**Building a better
working world**

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AUDIT REPORT ON ANNUAL ACCOUNTS ISSUED BY AN INDEPENDENT AUDITOR
Translation of a report and annual accounts originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails (See Note 40)

To the shareholders of BARCELÓ CORPORACIÓN EMPRESARIAL, S.A.:

Opinion

We have audited the consolidated annual accounts of BARCELÓ CORPORACIÓN EMPRESARIAL, S.A. (the Company) and subsidiaries (the Group), which comprise the consolidated statement of financial position at December 31, 2023, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated cash flow statement, and the consolidated notes thereto for the year then ended.

In our opinion, the accompanying consolidated annual accounts give a true and fair view, in all material respects, of the consolidated equity and financial position of the Company as at December 31, 2023 and of its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with the International Financial Reporting Standards, adopted by the European Union (IFRS-EU), and other provisions of the applicable regulatory framework for financial information in Spain.

Basis for opinion

We conducted our audit in accordance with prevailing audit regulations in Spain. Our responsibilities under those regulations are further described in the *Auditor's responsibilities for the audit of the consolidated annual accounts* section of our report.

We are independent of the Group in accordance with the ethical requirements, including those related to independence, that are relevant to our audit of the consolidated annual accounts in Spain as required by prevailing audit regulations. In this regard, we have not provided non-audit services nor have any situations or circumstances arisen that might have compromised our mandatory independence in a manner prohibited by the aforementioned requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Most relevant audit issues

Most relevant audit issues are those matters that, in our professional judgment, were the most significant assessed risks of material misstatements in our audit of the consolidated annual accounts of the current period. These risks were addressed in the context of our audit of the consolidated annual accounts as a whole, and in forming our audit opinion thereon, and we do not provide a separate opinion on these risks.

Valuation of Property, Plant and Equipment

Description The Group has a Property, Plant & Equipment investment of over 2,044 million euros relating to hotel and other assets, which represent 39 of the total consolidated assets. At closing, the Group evaluates whether there is evidence of impairment of said assets, in accordance with the criteria detailed in the Notes to the consolidated accounts. When the carrying amount is higher than the recoverable amount, an impairment loss is recognised. The criteria followed in order to determine and quantify any possible impairment are detailed in Notes 2.4 and 3.8 of the Notes to the consolidated Accounts. The significance of the amounts involved and the judgements implied by the identification and quantification of the amount of impairment, have led us to consider this as a key audit matter.

Our response With regard to this area, our audit procedures have included, among others, i) analysing the reasonableness of the criteria adopted by the Group in order to identify any indication of impairment of each Cash Generating Unit (CGU) to which the hotel assets belong; ii) verifying that, for all assets with indications of impairment, the lack or presence of impairment has been adequately justified; iii) verifying the adequate methodology of the valuation used and the reasonability of the projected financial information, hypotheses and variables applied for the impairment calculation or, where applicable, for its reversal, of those impaired assets; iv) obtaining confirmation of the professional aptitude and independence of the external experts in the case that the Group has used third-party appraisals and; v) evaluating the correctness of the information regarding Property, Plant & Equipment disclosed in the Notes to the consolidated annual accounts.

Provisions for tax and legal contingencies

Description The Group undertakes its activities in sectors and countries with varying tax and legal regulations subject to interpretation. The application of interpretative criteria different from those of the tax authorities, implies the existence of administrative or legal procedures underway and appeals filed by the Group to defend its interests. These procedures are detailed in Notes 2.4, 20 and 26 of the Notes to the consolidated accounts. We consider this area as a key audit matter due to the high level of subjective evaluation and estimation involved.

Our response We have evaluated the directors' position with regard to these tax and legal issues, mainly including, the review of the related documentation, the analysis of the confirmations from the Group's external tax advisors, in order to evaluate their opinions with Management's position on the valuation and presentation of the relevant information for each of the related material contingencies. Our tax specialists have been involved in the process to help us review these material contingencies.

Other information: consolidated management report

Other information refers exclusively to the 2023 consolidated management report, the preparation of which is the responsibility of the parent Company's directors and is not an integral part of the consolidated annual accounts.

Our audit opinion on the consolidated annual accounts does not cover the consolidated management report. According to the requirements of the prevailing audit regulations, our responsibility for the information contained in the consolidated management report, consists of:

- a. Solely verifying that the consolidated non-financial information statement has been provided as stipulated by the applicable prevailing regulations and if not, disclose this fact.
- b. Evaluate and report on the consistency of the remaining information included in the consolidated management report with the consolidated annual accounts, based on knowledge of the Group obtained during the audit of said accounts. Moreover, we are required to evaluate and report on whether the content and presentation of this part of the consolidated management report are in conformity with applicable regulations. If, based on the work carried out, we conclude that there are material misstatements, we are required to disclose them.

Based on the work performed, as described above, we have verified that the information referred to in paragraph a) above is provided in the manner foreseen in the applicable regulations and that the remaining information contained therein is consistent with that provided in the 2023 consolidated annual accounts and their content and presentation are in conformity with applicable regulations.

Responsibilities of the Parent Company's directors for the consolidated annual accounts

The Parent Company's directors are responsible for the preparation of the accompanying consolidated annual accounts, in such a way that they express the Group's consolidated equity, consolidated financial position and consolidated results, in accordance with IFRS-EU and other provisions of the applicable regulatory framework for financial information in Spain, and for such internal control as they determine is necessary to enable the preparation of consolidated annual accounts that are free from material misstatement, whether due to fraud or error.

On preparing the consolidated annual accounts, the Parent Company's directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated annual accounts

Our objectives are to obtain reasonable assurance about whether the consolidated annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with prevailing audit regulations in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated annual accounts.

As part of an audit in accordance with prevailing audit regulations in Spain, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the consolidated annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors of the Parent Company.
- ▶ Conclude on the appropriateness of the Parent Company's directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the consolidated annual accounts, including the disclosures, and whether the consolidated annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.



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- ▶ Obtain sufficient and adequate evidence with regard to financial information of the companies or business activities included in the Group in order to express an opinion on the consolidated annual accounts. We are responsible for the management, supervision and performance of the Group's audit. We are solely responsible for our audit report.

We communicate with the directors of the Parent Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the significant risks communicated with the Parent Company's directors, we determine those that were of most significance in the audit of the consolidated annual accounts of the current period and are therefore the most significant assessed risks.

We describe those risks in our auditor's report unless law or regulation precludes public disclosure about the matter.

ERNST & YOUNG, S.L.

Original signed by
Juan Manuel Martín de Vidales Bennásar

**CONSOLIDATED ANNUAL ACCOUNTS
AT DECEMBER 31, 2023**

BARCELÓ CORPORACIÓN EMPRESARIAL, S.A.
AND SUBSIDIARIES

Barceló
GRUPO

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Euros	31/12/2023	31/12/2022
NON-CURRENT ASSETS	3,804,202,526	3,590,620,774
Goodwill (Note 6.1)	288,783,660	279,261,975
Right-of use assets (Note 34)	952,823,040	896,940,145
Other intangible assets (Note 6.2)	156,242,687	148,874,106
Property, plant and equipment (Note 7)	2,043,505,501	1,908,517,064
Investment property (Note 8)	6,588,713	5,981,597
Investments using the equity method (Note 9)	25,859,747	20,890,856
Other non-current financial assets (Note 10)	133,826,147	150,955,948
Deferred taxes (Note 26)	196,573,031	179,199,083
CURRENT ASSETS	1,410,665,863	1,309,987,631
Inventories	20,993,113	19,707,816
Trade receivables (Note 11)	290,606,319	344,342,540
Other receivables (Note 12)	171,348,260	116,555,417
Tax assets	54,389,677	27,097,347
Other current financial assets (Note 13)	20,308,300	22,301,507
Cash and cash equivalents (Note 16)	827,090,991	765,134,279
Prepayments (Note 17)	25,929,203	14,848,725
TOTAL ASSETS	5,214,868,389	4,900,608,405
EQUITY (Note 18)	1,798,975,286	1,593,105,475
Equity attributable to the Parent Company	1,768,838,780	1,563,453,117
Share capital	10,464,384	10,464,384
Issue premium	34,096,515	34,096,515
Reserves	1,662,372,512	1,513,310,924
Translation differences	(133,500,325)	(165,739,988)
Value adjustments	1,553,209	1,232,165
Result attributable to the Parent Company	193,852,485	170,089,117
Equity attributable to Minority Interest	30,136,506	29,652,358
NON-CURRENT LIABILITIES	1,891,207,468	2,023,527,056
Grants (Note 19)	712,712	933,633
Provisions (Note 20)	100,788,656	106,628,858
Borrowings from banks (Note 21)	381,974,577	580,860,727
Lease liabilities (Notes 23 and 34)	911,443,682	859,462,661
Other non-current liabilities (Note 22)	132,840,075	134,170,308
Deferred taxes (Note 26)	172,194,740	164,406,088
Accruals (Note 3.16 (g))	191,253,026	177,064,781
CURRENT LIABILITIES	1,524,685,635	1,283,975,874
Bank borrowings from (Note 21)	502,083,539	389,590,760
Lease liabilities (Note 34)	96,456,647	92,502,225
Trade creditors	738,095,318	630,190,976
Other current liabilities (Note 28)	122,947,547	101,944,910
Tax liabilities	32,226,851	23,496,759
Provisions (Note 20)	6,650,080	12,595,007
Accruals	26,225,653	33,655,237
TOTAL LIABILITIES	5,214,868,389	4,900,608,405

The accompanying notes form an integral part of the Consolidated Annual Accounts.

CONSOLIDATED INCOME STATEMENT

Euros	31/12/2023	31/12/2022
Operating income (Note 29.1)	3,970,510,943	3,284,424,671
Other operating income (Note 29.2)	304,369,851	269,318,250
Supplies	(2,041,015,786)	(1,717,169,064)
Personnel expenses (Note 31)	(901,082,295)	(780,101,939)
Other expenses (Note 32)	(799,086,376)	(633,909,078)
EBITDA	533,696,337	422,562,840
Amortisation and impairment (Notes 6, 7 and 8)	(242,912,579)	(225,016,488)
EBIT	290,783,758	197,546,352
Finance result (Note 30)	(44,009,281)	(47,491,950)
Net result exchange rate differences	(3,657,019)	9,938,498
Participation in results of associates (Note 9)	871,257	(1,601,211)
CONSOLIDATED RESULT BEFORE TAX	243,988,715	158,391,689
Income tax (Note 26)	(49,231,276)	(44,727,926)
CONSOLIDATED RESULT FOR THE YEAR ARISING FROM CONTINUING OPERATIONS	194,757,439	113,663,763
RESULT FROM DISCONTINUED OPERATIONS	-	-
CONSOLIDATED RESULT FOR THE YEAR	194,757,439	113,663,763
Result Attributable to:		
Minority interest (Note 18.5)	904,954	(56,425,354)
RESULT ATTRIBUTABLE TO THE PARENT COMPANY	193,852,485	170,089,117

The accompanying notes form an integral part of the Consolidated Annual Accounts.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Euros	31/12/2023	31/12/2022
CONSOLIDATED RESULT FOR THE YEAR	194,757,439	113,663,763
Other comprehensive result:		
Items to be reclassified to results		
For cash flow hedge derivatives (Notes 15 and 24)	157,137	1,387,850
Tax effect of cash flow hedges (Note 26)	(39,284)	(346,962)
Conversion differences	35,466,813	130,972,872
Long-term employee benefit liabilities (Note 20)	270,921	3,793,942
Tax effect of long-term employee benefit liabilities (Note 26)	(67,730)	(948,486)
TOTAL COMPREHENSIVE RESULT:	230,545,296	248,522,979
Attributable to the Parent Company	226,630,265	301,535,889
Attributable to minority interest	3,915,031	(53,012,910)
TOTAL COMPREHENSIVE RESULT:	230,545,296	248,522,979
Attributable to continuing activities	230,545,296	248,522,979
Attributable to discontinued activities		

The accompanying notes form an integral part of the Consolidated Annual Accounts.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Other global results							Total	Minority interest	Total Equity
	Issued capital	Share premium	Legal reserve Parent Company	Reserves in fully integrated companies and associates	Translation differences	Value adjustments	Profit and loss attributable to the Parent Company			
BALANCE AT DECEMBER 31, 2020	10,464,384	34,096,515	2,002,464	1,610,258,312	(345,324,094)	(9,571,993)	(99,387,776)	1,202,537,812	26,604,255	1,229,142,066
TOTAL RECOGNISED INCOME AND EXPENSES					83,143,754	4,090,045	(45,579,885)	41,653,914	(38,716,438)	2,937,476
Application of 2020 results				(99,387,776)			99,387,776			
Dividends									(2,213,039)	(2,213,039)
Business combination				117,690,800		5,204,915		122,895,715	18,795,307	141,691,022
Others										
BALANCE AT DECEMBER 31, 2021	10,464,384	34,096,515	2,002,464	1,628,561,336	(262,180,340)	(277,033)	(45,579,885)	1,367,087,441	4,470,085	1,371,557,526
TOTAL RECOGNISED INCOME AND EXPENSES					127,560,428	3,886,344	170,089,117	301,535,889	(53,012,910)	248,522,979
Application of 2021 results				(45,579,885)			45,579,885			
Dividends									(2,326,418)	(2,326,418)
Business combination				(104,673,401)				(104,673,401)	80,456,018	(24,217,383)
Others				33,000,410	(31,120,076)	(2,377,146)		(496,812)	65,583	(431,229)
BALANCE AT DECEMBER 31, 2022	10,464,384	34,096,515	2,002,464	1,511,308,460	(165,739,988)	1,232,165	170,089,117	1,563,453,117	29,652,358	1,593,105,475
TOTAL RECOGNISED INCOME AND EXPENSES					32,456,736	321,044	193,852,485	226,630,265	3,915,031	230,545,296
Application of 2022 results				170,089,117			(170,089,117)			
Dividends				(20,000,000)				(20,000,000)	(4,536,000)	(24,536,000)
Acquisition non-controlling interest				(1,250,254)				(1,250,254)	896,039	(354,215)
Others				222,725	(217,073)			5,652	209,078	214,730
BALANCE AT DECEMBER 31, 2023	10,464,384	34,096,515	2,002,464	1,660,370,048	(133,500,325)	1,553,209	193,852,485	1,768,838,780	30,136,506	1,798,975,286

CONSOLIDATED STATEMENT OF CASH FLOWS

Euros	2023	2022
OPERATING ACTIVITIES		
PROFIT BEFORE TAX AND MINORITY INTERESTS	243,988,715	158,391,689
Adjustments for:		
- Amortisation and impairment (Notes 6, 7 and 8)	242,912,579	225,016,488
- Finance result	44,009,281	47,491,950
- Participation in results of Associates (Note 9)	(871,257)	1,601,211
- Results from investing activities	-	-
- Provisions (Note 20)	(12,460,231)	(10,824,014)
- Other effects on results without cash flow generation	1,479,204	223,097
- Changes in debtors, creditors and other current accounts receivable	(15,773,810)	27,028,087
- Changes in other non-current liabilities	14,188,248	30,111,209
TOTAL CASH FLOWS FROM OPERATING ACTIVITIES	517,472,729	479,039,717
INVESTMENT ACTIVITIES		
- Acquisition intangible assets (Note 6)	(15,768,656)	(17,197,531)
- Acquisition Property, Plant & Equipment (Note 7)	(87,385,226)	(54,545,540)
- Acquisition investments in Associates (Note 9)	(537,500)	-
- Acquisition minority interest	(354,215)	(15,397,738)
- Acquisition other non-current financial assets (Note 10)	22,137,067	(44,611,229)
- Acquisition subsidiaries (Note 5.1)	(109,502,208)	(27,286,336)
- Proceeds from sale of Property, Plant & Equipment, Intangible Assets and Investment Property	-	33,000,000
- Income from interest	30,304,695	10,579,951
- Disposals/Proceeds from other current financial assets (Note 13)	3,338,589	(13,064,413)
TOTAL CASH FLOWS FROM INVESTING ACTIVITIES	(157,767,454)	(128,522,836)
FINANCING ACTIVITIES		
- Payment of dividends (Note 18.4)	(24,536,000)	(2,326,418)
- New financing with credit entities (Note 21)	490,778,941	605,461,243
- Amortisation and repayment of bank debt (Note 21)	(581,140,637)	(1,063,324,274)
- Interest paid	(38,001,531)	(30,993,960)
- Other non-current liabilities (Note 22)	2,249,255	(16,967,452)
- Lease payments (IFRS-16) (Note 34)	(118,490,570)	(113,468,526)
TOTAL CASH FLOWS FROM FINANCING ACTIVITIES	(269,140,542)	(621,619,387)
Cash and cash equivalents - exchange rate variations	(28,608,021)	(12,781,914)
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS	61,956,712	(283,884,420)
CASH AND CASH EQUIVALENTS AT JANUARY 1	765,134,279	1,049,018,699
CASH AND CASH EQUIVALENTS AT DECEMBER 31	827,090,991	765,134,279

The accompanying notes form an integral part of the Consolidated Annual Accounts.

1. CORPORATE INFORMATION

Barceló Corporación Empresarial, S.A (hereinafter the “Parent Company”) was incorporated on December 22, 1962, for an indefinite period of time with limited liability in Spain, under the name of Hotel Hamilton, S.A. On June 23, 2000, the Company modified its official name to the current name.

Barceló Corporación Empresarial, S.A. and its subsidiaries, which are detailed in Appendix 1 (part of Note 1) comprise the Barceló Group (hereinafter the Group). The Group’s activities are basically the management and operation of hotels under an ownership, leasing or management basis, the operation of retail travel agencies, tour operators and airlines. The Group also promotes projects broadly related to the tourist and hotel industries, owning shares in other companies. In 2023, the Group has mainly conducted its activities in Spain, the Dominican Republic, Costa Rica, Nicaragua, the United States, Mexico, Guatemala, the Czech Republic, Tunisia, Turkey, Switzerland, Morocco, Portugal, Cuba, Egypt, Italy, Germany, Aruba and El Salvador.

The Group’s registered address and head offices are located in C/ José Rover Motta, 27, in Palma de Mallorca (Spain).

2. BASIS OF PRESENTATION OF THE CONSOLIDATED ANNUAL ACCOUNTS

2.1. BASIS OF PRESENTATION

These consolidated annual accounts have been prepared from the internal accounting records of the Parent Company, Barceló Corporación Empresarial, S.A. and from the accounting records of each of the consolidated subsidiaries, duly adjusted according to the accounting principles established in the EU-IFRS, to give a true and fair view of the consolidated equity and consolidated financial position of Barceló Corporación Empresarial, S.A. and subsidiaries at December 31, 2023, and consolidated results of operations, consolidated cash flows and changes in consolidated equity for the year then ended.

The accompanying consolidated annual accounts for 2023, also include, for each individual caption of the consolidated statement of financial position, the consolidated income statement, the consolidated statement of changes in equity, the consolidated statement of cash flows and the notes thereto, comparative figures for the previous period.

The definition of these financial indicators is as follows:

- **EBITDA:** Consolidated earnings before Income Tax, finance result, exchange rate differences, participation in results of associates, amortisation and impairment of non-financial assets.
- **EBIT:** Earnings before interest and taxes.

The Group adopted IFRS-EU on January 1, 2007, and applied IFRS 1 “First-time Adoption of International Financial Reporting Standards”.

The accompanying consolidated annual accounts are expressed in euros, unless otherwise indicated.

These consolidated annual accounts are authorised for issue by the Board of Directors, and subsequently submitted for approval by the shareholders at their Annual General Meeting and are expected to be approved with no changes.

GOING CONCERN PRINCIPLE

At December 31, 2023, the Group presents negative working capital for an amount of 114 million euros and profit, before minority interest, amounting to 195 million euros (profit before minority interest of 114 million in 2022). The management of the Barceló Group manages the liquidity risk by ensuring that there is always sufficient cash to cover debt in all the Group companies and, at December 31, 2023, the Group held cash and cash equivalents for an amount of 827 million euros million euros and undrawn credit lines for an amount of 463 million euros (Note 21). Moreover, the consolidated result before tax for 2024 is expected to exceed 300 million euros. As a result, the Directors of the Parent Company have prepared the consolidated annual accounts considering the going concern principle.

STANDARDS AND INTERPRETATIONS APPROVED FOR THE FIRST TIME THIS YEAR

a. Standards and interpretations approved by the European Union and applied for the first time this year

The accounting policies used in the preparation of these consolidated annual accounts are the same as those applied in the year ended December 31, 2022, since, with the exception of the following, none of the standards, interpretations or modifications applicable for the first time this year have had an impact on the Group's accounting policies:

Modifications to IAS 12 International Tax Reform Pillar Two Model Rules

In May 2023, the IASB issued modifications to IAS 12 Income Taxes, due to the new tax standard of the Pillar Two Model Rules of the OECD's inclusive framework. These modifications provisionally introduce a mandatory temporary exception for the accounting of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules. This modification also requires additional disclosure to help users of the financial statements better understand the Group's exposure to said legislation.

The modifications related to the mandatory temporary exception and disclosure requirements are already applicable this year.

b. Standards and interpretations issued by the IASB, but not applicable this year

The Group intends to adopt the standards, interpretations and modifications to the standards issued by the IASB, that are not compulsory in the European Union, when they come into force, if applicable. Although the Group is currently analysing their impact, depending on the analysis performed to date, the Group estimates that their initial application will not have a significant impact on the consolidated annual accounts.

2.2. CONSOLIDATION PRINCIPLES

The accompanying consolidated annual accounts of the Group include the accounts of Barceló Corporación Empresarial, S.A. and subsidiaries.

The consolidation methods applied are the following:

SUBSIDIARIES

These companies are directly or indirectly controlled by the Parent company and are fully consolidated from the date said control is obtained until it is terminated. This method consists in aggregating the items which represent assets and liabilities, income and expenses and equity items generated after the control is effective. All intergroup transactions and balances are eliminated in the consolidation process.

ASSOCIATES

These are companies over which the Parent holds significant influence, owning between 20% and 50% of share capital, but does not have direct or indirect control.

These companies are consolidated by the equity method.

Appendix I includes information regarding the subsidiaries, associates and companies integrated by the joint operation method.

NON-CONTROLLING INTERESTS (MINORITY INTEREST)

Non-controlling interests in subsidiaries are recognised at the proportional part of the equity of the subsidiaries at the date of first consolidation.

Profit and loss and each component of other comprehensive income are allocated to equity attributable to shareholders of the Parent and to non-controlling interests in proportion to their investment, even if this results in a debtor balance with non-controlling interests. Agreements entered into between the Group and non-controlling interests are recognised as a separate transaction.

The increase and reduction of non-controlling interests in a subsidiary in which control is retained is recognised as an equity instrument transaction. Consequently, no new acquisition cost arises in increases nor is a gain recorded on reductions, rather, the difference between the consideration transferred or received and the carrying amount of the non-controlling interests is recognised in the reserves of the investor, without prejudice to reclassifying consolidation reserves and reallocating other comprehensive income between the Group and the non-controlling interests.

2.3. TRANSLATION OF FOREIGN COMPANIES' FINANCIAL STATEMENTS

Financial statements with a functional currency that is not the euro (the Parent Company's functional currency) are translated based on the following criteria:

- Assets and liabilities are translated at the exchange rate prevailing at closing.
- Income statement items have been translated using a weighted average exchange rate for the year.
- Equity is translated at the historical exchange rate.
- Differences generated by the application of the abovementioned criteria are included under equity in the consolidated balance sheet as "Translation differences." The translation differences accumulated at the transition date (January 1, 2007) were reclassified to full integration reserves or associates according to IFRS 1. Therefore, the translation differences included in the consolidated balance sheet relate to those generated since said date.

The only Group companies that operate in a hyperinflationary economy are those located in Turkey. According to Turkey's National Institute of Statistics, in 2023, the country's Consumer Price Index has increased by 44% (185% in the last three years). The inflationary effect on the income statement is revenue amounting to 0.5 million euros (included under the net exchange differences heading).

2.4. SIGNIFICANT JUDGEMENTS AND ESTIMATES

On preparing the Group's consolidated annual accounts, the directors have made estimates to determine the carrying value of some of the assets, liabilities, income, expenses and contingent liabilities disclosures. Moreover, despite the difficulty, under the current circumstances of uncertainty, of determining the effects of various geopolitical situations and high inflation on the Group's activities, as well as on the valuation of its assets and liabilities, these estimates have been made using the best information available at year end. However, given the inherent uncertainty, future events may arise that could result in said estimates being changed, prospectively in subsequent years.

Key assumptions regarding the future, together with other relevant data regarding the uncertainty estimate at year-end closing, which carry a significant risk of changing the value of assets and liabilities in the following year, are as follows:

IMPAIRMENT OF GOODWILL

Impairment testing of goodwill is based on calculations of the value in use applied in the discounted cash flow model. Cash flows are based on the projected results for the next five years. The post-tax discount rate used in the impairment test for the goodwill of the travel businesses has been 10.38% and the perpetual growth rate was 1%. The recoverable amount of goodwill is sensitive to the discount rate, achieving the projected cash flows, the assumptions applied and projected growth rates.

IMPAIRMENT OF PROPERTY, PLANT & EQUIPMENT AND LEASE RIGHTS

The Group recognises asset impairment losses when the recoverable amount of the assets is less than their carrying amount.

The recoverable amount is the higher of fair value less costs to sell and value in use. With very few exceptions, each hotel is considered as an independent cash generating unit. The Group mainly uses EBITDA multipliers to identify the existence of impairment in the hotels it owns. For those hotels that show signs of impairment, the cash flow discount model is used in order to determine possible impairment, based on estimated projected results for the next 5 years plus a residual value. The post-tax discount rate applied has been 9.46% for hotels in Spain and 11.61% for hotels in Latin America and the perpetual growth rate has been between 1% and 2%. For certain hotels in Spain, valuations performed by independent experts have been taken into account.

The cash flow discount rate method has also been used to estimate the impairment of transfer rights, based on the results projected for a minimum lease period. The post-tax discount rate has been applied for hotels in Spain.

To evaluate the impairment of land with no buildings, the Group has used both internal valuations and the valuations performed by independent experts based on real estate indicators.

The recoverable amount is very sensitive to the discount rate used in the cash flow discount rate model, the expected cash inflows and the growth rate used.

LEASES

The Group has entered into non-current lease agreements for hotels, aircraft and offices as a lessee. Based on the terms and conditions of each of the contracts and leased assets, Management has determined the most probable lease term. Said estimated period may vary in the future, according to changes in the evolution of the asset's results and the conditions permitted by the contract.

DEFERRED TAX ASSETS

The Group recognises assets corresponding to all the tax loss carryforwards and deductible temporary differences it expects to offset against future tax profits. Management bases this criterion on judgements and estimates with regards to future estimated results, the years in which profits are expected to be obtained, annual application limits, the statute of limitation of tax credits and future tax planning strategies.

Note 26 shows details of capitalised and uncapitalised tax losses.

NON-CURRENT EMPLOYEE BENEFIT LIABILITIES

The amount of defined benefit employment liabilities at the reporting date is determined based on actuarial calculations. The actuarial calculations are based on a number of judgements and assumptions detailed in Note 20.

PROVISIONS

The amount of the provisions for responsibilities recognised under liabilities on the balance sheet is based on judgements made by Group management, together with their lawyers and external advisors, according to their estimates regarding the degree of probability. The provisions for major repairs related to the maintenance of leased aircraft are made based on historical prices and/or those established in the maintenance contracts, considering the hours/cycles and months of operation of each aircraft. The amount of these provisions may vary due to new evidence obtained in the future.

On December 13, 2023, the National Markets and Competition Commission (Comisión Nacional de los Mercados y la Competencia) opened a file to investigate possible anti-competitive practices in the distribution of public tenders in the Travel Agency sector. The opening of this file does not prejudice the investigation's result. Since the Parent Company considers that the risks related to this inspection are not probable, no provision has been booked at December 31, 2023.

IMPAIRMENT OF FINANCIAL ASSETS

The value adjustment for client insolvencies and credit granted to third parties implies a high degree of judgment by Management and the review of individual balances based on the credit quality of the clients and debtors, current market trends, historical analysis of the insolvencies at aggregate level and the value of the underlying guarantees related to the credit.

3. ACCOUNTING PRINCIPLES

3.1. BUSINESS COMBINATIONS AND GOODWILL

Business combinations are recognised applying the acquisition method. The acquisition date is the date on which the Group obtains control of the acquiree.

The acquisition cost is the consideration transferred, which is valued at fair value on the acquisition date. Acquisition costs are recognised as an expense when incurred.

At the acquisition date the Group recognises the assets acquired and liabilities assumed (and any non-controlling interest) at fair value. Liabilities assumed include any contingent liabilities that represent present obligations arising from past events for which the fair value can be reliably measured. Non-controlling interests in the acquiree are recognised at the proportionate interest in the fair value of the net assets acquired.

Goodwill is initially measured at cost, which reflects the excess of the cost of the combination over the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. If the cost of acquisition is less than the fair value of the net assets of the acquired subsidiary, the difference is recognised directly in the income statement.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination shall, from the acquisition date, be allocated to each of the Group's cash-generating units that is expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

3.2. INVESTMENTS IN ASSOCIATES

Group investments in associates are accounted for using the equity method. An associate is an entity over which the Group does not have control but over which it does have significant influence. Significant influence is the power to participate in the financial and operating decisions of an entity but does not constitute control or joint control over the entity. The existence of potential voting rights that are exercisable or convertible at the end of each reporting period, including potential voting rights held by the Group or other entities, are considered when assessing whether an entity has significant influence.

Equity-accounted investments in associates are recorded in the statement of financial position at cost, with any changes in the net assets of the associate following acquisition of the interest. The excess of the cost of the investment over the Group's share of the fair values of the identifiable net assets is recognised as goodwill, which is included in the carrying amount of the investment. Any shortfall, once the cost of the investment and the identification and measurement of the associate's net assets have been evaluated, is recognised as income when determining the investor's share of the profit or loss of the associate for the year in which it was acquired.

The financial statements of the associate are prepared for the same accounting period as for the Parent. If necessary, adjustments are made to harmonise the accounting policies with those of the Group.

The income statement reflects the share of results of operations in the associate. This is the profit attributable to the holders of the share in the associate and therefore, it is profit after tax and minority interest in the subsidiaries of the associates. When there is a change recognised directly in the equity of the associate, the Group recognises its share of any changes and discloses this, when applicable, in the statement of changes in equity. Unrealised losses and gains arising from transactions between the Group and the associate are eliminated in proportion to the share.

Losses of an associate attributable to the Group are limited to the extent of its net investment, except where the Group has legal or constructive obligations or when payments have been made on behalf of the associate.

On each reporting date, the Group determines whether there is objective evidence of impairment of the investment in the associate. Impairment is calculated by comparing the carrying amount in the associate with its recoverable value. The recoverable amount is the higher of value in use and fair value less costs to sell. Accordingly, value in use is calculated to the extent of the Group's interest in the present value of estimated cash flows from ordinary operations and the income generated on final disposal of the associate.

3.3. JOINT ARRANGEMENTS

Joint arrangements are those in which there is a contractual agreement to share the control over an economic activity, in such a way that decisions about the relevant activities require the unanimous consent of the Group and the remaining venturers or operators. The existence of joint control is assessed considering the definition of control over subsidiaries.

JOINT VENTURES

Investments in joint ventures are accounted for using the equity method described previously.

JOINT OPERATIONS

For joint operations, the Group recognises the following in the consolidated annual accounts:

- Assets and liabilities, including its share of any assets held jointly and liabilities which have been jointly incurred with the other operators.
- Income and expenses arising from the joint operation

In sales or contributions by the Group to the joint operation, it recognises the resulting gains and losses only to the extent of the other parties' interests in the joint operation. When such transactions provide evidence of a reduction in net realisable value or an impairment loss of the assets transferred, such losses are recognised in full.

In purchases by the Group from a joint operation, it only recognises the resulting gains and losses when it resells the acquired assets to a third party. However, when such transactions provide evidence of a reduction in net realisable value or an impairment loss of the assets, the Group recognises its entire share of such losses.

The Group's acquisition of an initial and subsequent share in a joint operation is recognised following the same criteria used for business combinations, at the percentage of ownership of each individual asset and liability. However, in subsequent acquisitions of additional shares in a joint operation, the previous share in each asset and liability is not subject to revaluation.

3.4. CURRENT VERSUS NON-CURRENT CLASSIFICATION

The Group presents assets and liabilities in the balance sheet based on current/non-current classification. An asset or liability is current when it is:

- Expected to be realised or settled within 12 months after the reporting period.
- Expected to be realised, sold, used or settled in the normal operating cycle.
- A cash or cash equivalent unless restricted for at least twelve months after the reporting period.

All other assets and liabilities are classified as non-current.

3.5. INTANGIBLE ASSETS

Intangible assets are measured at acquisition or production cost.

- Intangible assets with finite useful life are amortised over the useful economic life. The amortisation expense is included under the "Amortisation and impairment" heading of the consolidated income statement.
- Intangible assets with indefinite life are not amortised but are evaluated for impairment annually either individually or at the cash-generating unit level.

Other intangible assets mainly comprise:

- Industrial property, licenses and similar items, measured at costs incurred and amortised on a straight-line basis over a period of between 3 and 10 years.
- Computer software is measured at acquisition cost and amortised on a straight-line basis over a period of three to five years. Computer software maintenance costs are charged as expenses when incurred.
- Leaseholds: Leaseholds primarily comprise measurement of a lease contract for the Barceló Sants Hotel acquired through a business combination prior to the transition to IFRS. The contract is amortised on a straight-line basis over the duration of the lease, ending in 2050.

3.6. PROPERTY, PLANT & EQUIPMENT

Property, plant and equipment is stated at cost, plus the financial and acquisition expenses related to the debt which finances the purchase of assets until they are put into use.

At transition date, the plots of land on which certain hotels are located were revalued, taking into account their fair value as an attributable cost as of the transition date as permitted in IFRS 1. The valuations of assets in Latin America were performed by American Appraisal at December 31, 2008. The valuations were performed by means of the discounted cash flow method using a discount rate ranging between 8% and 10% and taking into account the investment risk and the profitability required for comparable investments. The valuations of assets in Spain were performed by Eurovaloraciones, S.A. at December 31, 2008. The valuations were performed by calculating the net present value and the residual value. Annual discount rates ranging between 7% and 10% were used.

The increase in the deemed cost of the land at the transition date (January 1, 2007), based on the revaluations performed, is 254 million euros. At December 31, 2023, the balance of these revaluations amounts to 129.9 million euros (131.3 million euros at December 31, 2022).

For those assets in leased properties, amortisation is calculated on a straight-line basis over the estimated useful life of the assets or over the remaining period of the lease contract, whichever is lower, as follows:

	Estimated years of useful life
Buildings	33 - 35
Technical installations, machinery, furniture and other items	2.5 - 18

Repairs and maintenance are charged to expenses when they are incurred.

3.7. INVESTMENT PROPERTIES

Investment properties are accounted for at the carrying value of the real estate assets maintained in order to obtain rental income or property sale gains. These assets are measured at cost and are amortised on a straight-line basis following the same criteria used for property, plant and equipment.

3.8. IMPAIRMENT OF NON-FINANCIAL ASSETS

The Group evaluates annually whether there are indications of possible impairment losses on non-financial assets subject to amortisation or depreciation to verify whether the carrying amount of these assets exceeds the recoverable amount. In the case of hotel assets PP&E, to which almost all of this balance relates, the Group mainly uses EBITDA multiple indicators in order to identify the existence of impairment.

The Group tests goodwill, intangible assets with indefinite useful lives and intangible assets that are not yet ready to enter service for potential impairment at least annually.

The recoverable amount of the assets is the higher of their fair value less costs of disposal and their value in use.

An asset's value in use is measured based on the future cash flows the Company expects to derive from use of the asset, expectations about possible variations in the amount or timing of those future cash flows, the time value of money, the price for bearing the uncertainty inherent in the asset and other factors that market participants would reflect in pricing the future cash flows the Group expects to derive from the asset. For those assets which do not generate cash inflows that are largely independent, the recoverable amount is determined for the cash generating units to which the assets belong.

In the case of certain hotel assets, which due to their individual characteristics include a significant proportion of real estate, market indicators for real estate have been applied to measure their recoverable amount by the Group's internal department, or appraisals have been obtained from independent experts.

When assessing value in use of the hotel assets, the Group performs internal valuations using market-based discount rates. To determine the net selling price, independent experts perform valuations.

Impairment losses are recognised for all assets, and where applicable for the cash generating units containing them, when their carrying amount exceeds their corresponding recoverable amount. Impairment losses are recognised in the consolidated income statement.

At the end of each reporting period the Group assesses whether there is any indication that an impairment loss recognised in prior periods may no longer exist or may have decreased. Impairment losses on goodwill are not reversible. Impairment losses on other assets are only reversed if there has been a change in the estimates used to calculate the recoverable amount of the asset. However, the increased carrying amount of an asset attributable to a reversal of an impairment loss may not exceed the original carrying amount net of depreciation or amortisation.

3.9. LEASES

IFRS 16 establishes the principles for the recognition, valuation, presentation and information to be disclosed regarding leases.

Apart from a number of exceptions mentioned at the end of this point, all leases are recognised under a sole balance sheet model, similar to the recognition of finance leases in accordance with IAS 17.

As a general rule, on the date a lease begins, the lessee will recognise a liability for the lease payments to be made (i.e. the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e. the right-of-use asset).

The lessees must separately recognise the expense for interest corresponding to the lease liability and the expense for the amortisation of the right of use.

The standard includes two exclusions to the recognition of leases by the lessees, leases for low value assets (for example, personal computers) and current leases (i.e. lease contracts with a term of 12 months or less). These leases are accounted for as operating leases and are recognised as an expense in the income statement according to the accrual principle during the lease period.

Moreover, variable rent is not taken into account when evaluating the lease contracts under IFRS 16 and is recognised in the income statement as a lease expense, according to its accrual.

3.10. FINANCIAL INSTRUMENTS

Financial instruments are classified on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the economic substance of the contractual arrangement and the definitions of a financial asset, a financial liability and an equity instrument set out in IFRS 9.

FINANCIAL INSTRUMENTS CLASSIFIED AS ASSETS

On initial recognition financial instruments are classified as assets based on two criteria:

- Group Business Model to manage financial instruments.
- Characteristics of financial assets from the point of view of the contractual cash flows. Financial instruments classified as assets are classified in four categories:
 - Financial assets at amortised cost (debt instruments)
 - Financial assets at fair value through other comprehensive income with recycling in results (debt instruments)
 - Financial assets at fair value through profit or loss

All the financial assets are initially recognised at fair value including the directly attributable transaction costs.

Trade debtors that do not possess a significant financial component are recognised at the transaction value determined under IFRS 15.

Financial assets at amortised cost (debt instruments)

This heading includes all those assets that fulfil the following two criteria:

- Business Model: The assets are included in the Group's business model in order to pay or collect the contractual cash flows.
- Characteristics of the cash flows: the cash flows solely relate to principal and interest.

Financial assets at amortised cost are subsequently valued using the effective interest method and are subject to impairment. Profit and loss are recognised in results when withdrawn, modified or impaired.

Accrued interest from loans is recognised in the income statement in accordance with the effective rate.

Financial assets at fair value through other comprehensive income (debt instruments)

This heading includes all those assets that fulfil the following two criteria:

- Business Model: The asset is included in the Group's business model in order to pay or collect the contractual cash flows or for its sale.
- Characteristics of the cash flows: the cash flows solely relate to principal and interest.

Following initial recognition, financial assets classified under this heading are valued at fair value, recognising the profit or loss under Equity.

When this type of financial asset is partially or totally disposed of, or the profit or loss recognised under Equity is impaired, they are carried to results for the year.

In the same way as financial assets at amortised cost, interest, exchange rate adjustments and impairment are recognised in the income statement

Financial assets at fair value through profit or loss

The following assets are included under this heading:

- Available-for-sale financial assets
- Non-hedge derivatives
- Equity instruments not valued at fair value through other comprehensive income.

IMPAIRMENT OF FINANCIAL ASSETS

At the end of each reporting period the Group assesses whether there is any objective evidence of impairment regarding its financial assets not valued at fair value through profit or loss.

The Group recognises impairment for expected losses, i.e. for the difference between the cash flows according to the contract and those which the Group expects to receive.

There are two policies for the recognition of expected losses:

- Credit losses expected within 12 months: losses arising from possible events of default within 12 months. This policy can be applied to financial instruments with a low credit risk. For the hotel business clients, the Group applies impairment criteria mainly based on the age of the outstanding balance, impairing 25%, 50% and 100% of outstanding credits of more than 180, 270 and 365 days, with the exception of the balances receivable for the sale of time share rights, which, if they mature in a term of more than 90 days are impaired by 80% and are otherwise impaired by 5%.
- Credit losses expected over the instrument's life term: losses that arise from possible events of default over the instrument's life term. Applicable to finance instruments with a high credit risk or a risk that has increased since initial recognition.

FINANCIAL INSTRUMENTS CLASSIFIED AS LIABILITIES

Financial instruments are classified as liabilities in three categories:

- Financial liabilities at fair value through profit and loss
- Loans and credits
- Hedge derivatives

Financial liabilities are initially recognised at fair value and for loans, credits and accounts payable, the directly attributable transaction costs are netted.

Financial liabilities at fair value through profit or loss

This heading only includes cash flow derivatives (SWAPs) contracted by the Group, which do not fulfil the requirements to be considered as hedging instruments and the fair value of which does not favour the Group. As indicated in the heading's title, the financial liabilities are measured at closing for their fair value through profit or loss.

Loans, borrowings and accounts payable

Loans, borrowings and accounts payable relate to payment obligations of a determinable amount and date. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. The accrued interest from the loans is recognised in the income statement in accordance with the effective rate.

Hedging derivatives

The Group contracts derivatives to hedge exchange rates and jet fuel prices for its airline and travel business.

These derivative financial instruments are initially measured at fair value. Derivatives are recognised as financial assets if their value is positive and as financial liabilities if their value is negative.

The Group initially formally designates and documents the hedging relationship. Hedge accounting is only applicable when the hedge is expected to be highly effective at the inception of the hedge and in subsequent years.

The Group recognises the portion of the gain or loss on the measurement at fair value of a hedging instrument that is determined to be an effective hedge in equity. The ineffective portion and the specific component of the gain or loss or cash flows on the hedging instrument, excluding the measurement of the hedge effectiveness, are recognised with a debit or credit to finance costs or finance income.

Hedge accounting criteria ceases to be applied when the hedging instrument expires or is sold, cancelled or settled, or when the hedging relationship no longer complies with the criteria to be accounted for as such, or the instrument is no longer designated as a hedging instrument. In these cases, the cumulative gains or losses on the hedging instrument that have been recognised in equity are not taken to profit or loss until the forecast transaction or transaction to which the Group has committed affects results. However, if the transaction is no longer considered probable, the accumulated gains or losses recognised in equity are immediately transferred to the consolidated income statement.

FINANCIAL INSTRUMENTS AT FAIR VALUE

The Group classifies measurements at fair value using a hierarchy which reflects the significance of the inputs used in measurement, in accordance with the following levels:

- **Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** Variables other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3:** Variables for the asset or liability that are not based on observable market data (unobservable inputs).

The techniques used to measure interest rate, exchange rate and fuel hedges include future price models, using actual value calculations. The models include various data such as spot and forward exchange rates, yield curves and differentials between the various currencies, interest rate curves and future exchange rate curves for fuel.

The fair value of all current financial assets and liabilities is considered to be the same as the amortised cost, as the maturity date of the assets and liabilities is close to year end.

3.11. INVENTORIES

These are the assets which are consumed or sold during the hotels' ordinary activities (food and beverages, gift shops, maintenance) or which are related to gift items or the sales of the Travel division or replacement parts for the airline business. Inventories are measured at the lower of the average weighted price or realisable value.

3.12. CASH AND CASH EQUIVALENTS

All those investments with an original maturity of three months or less and which do not have any risk of change in value are considered by the Group to be cash equivalents.

3.13. CAPITAL GRANTS

Monetary grants are measured at the fair value of the amount awarded. They are taken to the income statement in accordance with the estimated useful life of the asset for which the grant is received.

3.14. PROVISIONS

Provisions are recognised when the Group has a present obligation as a result of a past event; it is probable that an outflow of Group resources will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

PROVISIONS FOR MAINTENANCE OF LEASED AIRCRAFT

In accordance with the commitments acquired in the leasing of aircraft, the Group must assume the costs of any maintenance programmed for the leased aircraft, as well as the costs related to fulfilling the return of the aircraft in the agreed condition.

The aircraft held by the Group accrue expenses for maintenance reviews included in the clauses of the contracts with the aircraft owners (general maintenance of the aircraft, engines and components). These expenses are calculated depending on the flight hours/cycles and months elapsed. The calculation of the maintenance provision is calculated based on the estimated cost for the next scheduled overhaul, using historical costs of which the Group is aware due to the knowledge of the management team and the data obtained from the aircraft manufacturer. The variations in the maintenance provisions arising from changes in the amount or temporary structure of the payments, are prospectively recognised in the consolidated income statement.

PROVISIONS FOR ONEROUS CONTRACTS

An onerous contract is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract.

Before a separate provision for an onerous contract is established, the Group recognises any impairment loss that has occurred on assets dedicated to that contract.

If the Group has a contract that is onerous, the present obligation under the contract are recognised and measured as a provision.

Note 20 shows details of the main contingencies provided for in the balance sheet.

3.15. REMUNERATION AND OTHER LONG-TERM EMPLOYMENT LIABILITIES

DEFINED BENEFIT PLANS

Defined benefit liabilities reflect the present value of defined benefit obligations at the reporting date, less the fair value at that date of plan assets.

In Spain, these defined benefit plans correspond to long-service benefits and retirement benefits related to a number of collective labour agreements in the hospitality sector and the national collective labour agreement for travel agencies.

These commitments are defined benefits and are quantified based on actuarial calculations. Income or expense related to defined benefit plans is recognised as employee benefits expense and is the sum of the net current service cost and the net interest cost of the net defined benefit asset or liability.

The remeasurement of the net defined benefit liability or asset is recognised in equity and comprises actuarial gains and losses, the net return on plan assets and any change in the effect of the asset ceiling, excluding any amounts included in net interest on the net defined benefit liability or asset.

TERMINATION BENEFIT

Termination benefits are recognised when the Group can no longer withdraw the offer and when the cost of restructuring result in the payment of termination benefits.

For termination benefits payable as a result of an employee's decision to accept an offer, the Group cannot withdraw the offer as of the moment it is accepted by the employees.

In the case of involuntary termination benefits, the Group can no longer withdraw the offer when it has communicated the plan to the affected employees or trade union representatives.

3.16. REVENUE RECOGNITION

The Group's revenue recognition policies for each revenue area are as follows:

- a. **Revenues from rendering of services relating to the activity of operating owned and leased hotels:** These revenues are recognised on an accrual basis. The Group recognises sales and operating expenses from its owned hotels and from hotels leased from third parties in profit or loss and assumes the rights and obligations inherent to the hotel business in its own name.
- b. **Revenues from rendering services in the hotel management activity:** These revenues from management fees charged are recognised on an accrual basis.
- c. **Revenues from rendering services in the activity of operating casinos:** These revenues are recognised as the difference between the amount played and the player's winnings, on an accrual basis.
- d. **Revenues from the travel agency activity:** The Travel division primarily conducts an intermediation activity in the sale of travel-related products. Revenue is presented as the margin between the selling price and the cost to sell and is recognised on the date travel documents are handed over, at which point the risks and rewards are transferred to the customer, irrespective of the date of travel or the date from which the contracted services will be rendered.
- e. **Revenues from the tour operator activity:** Sales and costs of supplies are recognised on the initial date of travel.
- f. **Revenues from the airline activity:** Revenues from air transport services rendered are recognised when the flight takes place. The amount received from clients for future flights is recognised under the "Prepayments from clients" heading on the liabilities side of the consolidated balance sheet.

The airlines recognise the ordinary income arising from the air transport services provided when the client has actually taken their flight.

The amount received for tickets sold for future flights is recognised under the "Current prepayments and accruals" on the liabilities side of the consolidated balance sheet. The "Current prepayments and accruals" balance represents the estimated liabilities for tickets sold before closing each year, which have still not been used.

- g. **Revenue from the sale of rights of use (Time Share):** From January 1, 2018 (date of entry into force of IFRS 15), the sale of Time Share rights is recognised as revenue throughout the average estimated life of the contract. The amount of the sale is recognised as deferred income under "Long-term prepayments and accruals" on the liabilities side of the consolidated

statements of financial position, in the year in which it is contracted, and is carried to results on a straight-line basis over the contract's average term. The incremental expenses incurred to obtain a contract and the other expenses necessary in order to begin the contracted service are capitalised as intangible assets and are carried to results through amortisation, also over the contract's average life. Contracts which have been signed and cancelled in the same year are recognised as revenue for the year for the amount collected in cash. Moreover, only those contracts which have been signed but not cancelled in the same year are recognised as deferred income.

3.17. INCOME TAX

The income tax expense and tax income for the year comprises current tax and deferred tax.

Current tax reflects the income tax amounts payable in the year.

Current tax assets or liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax rates and tax laws that have been enacted at the reporting date.

In general, deferred tax liabilities are recognised due to taxable temporary differences, which are differences that will give rise to larger amounts of tax payable or smaller amounts of tax recoverable in future years. A deferred tax asset is recognised when there are deductible temporary differences, tax loss carryforwards or available tax deductions that the Company expects to be able to offset against future taxable profit. For this purpose, a temporary difference is understood to be the difference between the carrying amount of the assets and liabilities and their amount for tax purposes, giving rise to smaller amounts of tax payable or larger amounts recoverable in future years.

Deferred liabilities arising from taxable temporary differences are recognised in all cases, except when:

- They arise from the initial recognition of goodwill or an asset or liability in a transaction which is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit.
- They are associated with investments in subsidiaries for which the Group is able to control the timing of the reversal of the temporary difference and it is not probable that the temporary difference will reverse in the near future.

Deferred tax assets are recognised for deductible temporary differences to the extent that:

- It is probable that sufficient taxable income will be available against which the deductible temporary difference can be used, unless the differences arise from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable income.
- The temporary differences are associated with investments in subsidiaries that will reverse in the near future and taxable profit will be available against which the temporary differences can be used.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when they are reversed, based on prevailing legislation and tax rates that have been enacted or substantively enacted and reflecting the tax consequences that would follow from the manner in which the Group expects to recover or settle the carrying amount of its assets and liabilities.

Current and deferred income tax expense and tax income is recognised in profit or loss. However, if the expense or income is related to items recognised directly in equity, it is also recognised in equity and not in the income statement.

3.18. FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currency are translated to the functional currency using the exchange rates prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies, other than each company's functional currency, have been translated into the corresponding functional currency at the closing rate, while non-monetary assets and liabilities measured at

historical cost have been translated at the exchange rate prevailing at the transaction date.

Exchange gains and losses arising on the settlement of foreign currency transactions and the translation into Euros of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

3.19. EMISSION ALLOWANCES

Emission allowances, which are recognised when the Group becomes entitled to such allowances, are measured at acquisition cost. Allowances acquired free of charge, or, at a price substantially lower than fair value, are carried at fair value. Any difference between fair value and the consideration given is recognised as a non-refundable grant associated with the emission allowances and credited to equity. Grants are carried to the consolidated income statement to the extent that the expenses arising from the gas emissions related to the subsidised emission allowances are recognised, following the same criteria as those established for grants.

Emission allowances deriving from a certified emission reduction or an emission reduction unit, generated through clean development mechanisms or joint implementation projects, are carried at cost of production using the same criteria as for inventories.

Emission allowances are not amortised.

Emission allowances acquired for the purpose of being sold are classified and measured based on the standards applicable to inventories. At December 31, 2023, the amount included under the Inventories heading of the consolidated balance sheet is of 3,397 thousand euros (6,962 thousand euros at December 31, 2022).

4. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES

The Group is exposed to credit risk, interest rate risk, currency risk and liquidity risk in the normal course of business. The main financial risks to which the Group is exposed are interest rate risk and currency risk. Group management reviews and authorises the risk management policies, as explained below:

CREDIT RISK

Most of the financial instruments exposed to credit risk are trade receivables. Such receivables are generated by the sale of services to customers. The Group's policies aim to mitigate this risk by setting a credit limit based on the customer's volume and creditworthiness. The approval of the managers of each hotel and each travel agency is required in order to increase the initially established credit limit. Each hotel regularly reviews the ageing of trade receivables and balances which could be doubtful. The Group provides for potential losses based on an assessment by management of the customer's financial position, payment history and debt ageing, in accordance with the loss expected due to bad debt. Historically, losses deriving from this risk are within the range expected by management, which is immaterial.

Moreover, in order to minimise a possible negative influence from the payment behaviour of our debtors, the Group has entered into credit insurance policies that provide prevention services. In order to grant such insurance, the insurance company performs a solvency study of the customers and if the cover is accepted, it guarantees the collection of the insured credit in the event of non-payment. The insurance company manages collection and if the process is unsuccessful it will pay the indemnity within a predetermined period.

Currently, there are no unusually high-risk concentrations. The Group's maximum exposure to risk is the carrying amount, as detailed by heading in Notes 10, 11, 12 and 13. Note 11 includes information regarding clients by age of balance.

Credit risk deriving from other financial assets, which include cash balances and current deposits, arises from the failure of a counterparty (financial institutions) to respond to these balances, with a maximum risk equivalent to the carrying amount of these instruments included in "Cash and cash equivalents" and "Other current financial assets."

The Group has granted loans to third parties which are included under the heading “Other non-current financial assets” (Note 10). The possible impairment of these loans is being assessed taking into account the credit situation of each debtor individually and, where applicable, of the value of the underlying guarantee related to the credit.

MARKET RISK

INTEREST RATE RISK

The risk of changes in market interest rates mainly has an effect on variable interest rate debt. All debt is remunerated at a variable interest rate, with the exception of a bank debt amounting to 313.2 million euros and other financial liabilities amounting to 124.1 million euros remunerated at a fixed rate.

If, at December 31, 2023, the existing interest rates during the period had been 50 basis points lower, with all other variables held constant, consolidated profit before taxes for the year would have been increased by 2,826 thousand euros. On the contrary, if the variable interest rate had been 50 basis points above the existing rates, with all other variables held constant, consolidated profit before taxes would have been decreased by 2,826 thousand euros.

At closing, the Group has signed a variable to fixed interest rate swap contract based on a notional value of 50 million euros, but maturing in April 2024 (Note 15).

In April 2022, the Group cancelled a contract signed to cover the 3-month Euribor not exceeding 0% (cap), for an initial notional value of 80 million euros, maturing in 2025 (See Note 15).

CURRENCY RISK – HOTELS DIVISION

As the Group has a large volume of investments in hotels located abroad, its consolidated results could be affected by fluctuations in exchange rates. Indebtedness is denominated in a currency which is similar to that generated by the cash flows of the hotel operations, in such way that it is considered a hedge.

The income statements of the hotels located in countries where the local currency is not the euro are affected by the US dollar and euro exchange rates. The sensitivity analysis of the income statement for 2023 and 2022 is based on the profit/loss before taxes in the local currency of the most relevant countries by turnover, calculating the net effect of variations of 5% and 10% (both above and below) of the euro with regard to each currency.

The sensitivity analysis for 2023 is as follows:

VARIATION %	USA and Latin America	Others
+10%	17,509,290	997,833
+5%	8,293,874	472,658
-5%	(7,503,982)	(427,643)
-10%	(14,325,783)	(816,409)

EXCHANGE RISK AND FUEL TRAVEL DIVISION

In the travel division hedges are contracted for the purchase and sale of currencies. The airlines also contract financial fuel hedging instruments. The contracting of said hedges is performed based on the estimated future transactions. The Group ensures the efficiency of the aforementioned financial instruments establishing coverage for a significant part of future transactions. Notes 15, 24 and 25 include detailed information on this matter.

LIQUIDITY RISK

The Group manages its exposure to liquidity risk by ensuring the availability of sufficient cash to meet its payment obligations in the normal course of business, without incurring unacceptable losses which could impair the Group's reputation.

The Group reviews its liquidity requirements according to cash budgets, taking into account the maturity dates of payables and receivables and projected cash flows. At December 31, 2023, the Group's consolidated balance sheet presents negative working capital amounting to 114 million euros (a positive amount of 26.0 million euros at December 31, 2022), but has credit policies with an undrawn amount of 463 million euros (Note 21).

CAPITAL MANAGEMENT

The Group manages its capital to maintain an adequate debt ratio which ensures financial stability, looking for investments with optimal rates of return with the aim of generating greater stability and profitability for the Group.

These ratios show that capital management follows prudent criteria since the cash flows expected for the coming years and the Group's equity position will cover the debt service.

5. CHANGES IN THE CONSOLIDATION PERIMETER

CHANGES IN THE CONSOLIDATED GROUP IN 2023

On May 16, 2023, the Group acquired 100% of the shares of the company, Servicios e Inmuebles Turísticos, S de R.L de C, the owner of the Hotel Guadalajara in México.

On November 30, 2023, the Group acquired 100% of the shares of the company, Hotel Felipe IV, S.A., the owner of the Hotel Felipe IV, in Spain.

In October 2023, the Group acquired 30% of the shares of the company, Canfranc Estación 2018 S.L, owner of the Hotel Canfranc in Spain.

In 2023, the Group acquired 51% of the shares of the company, Gea Grupo de Agencias Independiente S.L, and 100% of the shares of the company, Travelgea Tours, S.L.U.

During the year, the companies, Barceló Poland Spolka, Barceló Dejavnost Hotelov in Podov, Barceló Ocean Indian Private Limited and BBIMO, LDA., were constituted.

In 2023, the companies Deansfield Company LTD, Allegro Vacation Club Aruba NV and Occidental Vacation Club Costa Rica, S.A. have been liquidated.

CHANGES IN THE CONSOLIDATED GROUP IN 2022

On February 21, 2022, 100% of the shares of the company, Narjis d'Investissements Touristiques, S.A, were acquired. This company owns the Hotel Fès Medina in Morocco.

On September 28, 2022, 100% of the shares of the company, Graser Turismo S.L.U, were acquired. This company owns the Hotel Carmen Granada in Spain.

On December 19, 2022, 100% of the shares of the companies, Luba ITG S.L.U and Kawawa ITG S.L.U. were acquired. The latter owns the Hotel Occidental Pamplona.

During the year, the companies, Fundación Cultural Formentor, PT Barceló Group Indonesia and BAH Maroc S.A.R.L. were constituted. The companies, Occidental Costa Rica, S.A and Barceló Gestión Hoteles Italia S.R.L. was liquidated in 2022.

In 2022, the companies, Viajes Tu Billeto, S.L.U. and Wakalua Innovation Hub, S.L. were added to the consolidation perimeter of the Travel Division.

On December 1, 2022, the Group acquired 49.45% of Ávoris Corporación Empresarial, S.L. from the Globalia Group and now owns 100% of the company.

5.1. BUSINESS COMBINATION

SERVICIOS E INMUEBLES TURÍSTICOS, S. DE R.L DE C

On May 16, 2023, the Group acquired 100% of the shares of the company, Servicios e Inmuebles Turísticos, S de R.L de C, the owner of the Hotel Guadalajara in México. The cost of the business combination has been 54.9 million euros. The assets and liabilities acquired in the (provisional) business combination, at fair value, for the purchase of this company were as follows:

	Thousands of euros
Property, Plant & Equipment	55,260
Deferred tax assets	4,733
Current assets	2,518
TOTAL ASSETS	62,511
Non-current liabilities	5,780
Current liabilities	1,837
TOTAL LIABILITIES	7,617
Business combination cost	54,894

The integrated result as of the date of the business combination has been as follows:

	Thousands of euros
Operating income	345
Personnel expenses	(111)
Other operating expenses	(207)
Amortisation	(115)
Finance results	(3)
Result before tax	(91)

If the company had been integrated with effect from January 1, 2023, the operating income and negative result before taxes for the year incorporated into the consolidated income statement would have amounted to 10,536 and 1,804 thousand euros, respectively.

HOTEL FELIPE IV, S.A.

On November 30, 2023, the Group acquired 100% of the shares of the company, Hotel Felipe IV, S.A., owner of the Hotel Felipe IV in Spain. The cost of the business combination has been 9.1 million euros. The assets and liabilities acquired in the (provisional) business combination, at fair value, for the purchase of this company were as follows:

	Thousands of euros
Non-current assets	11,469
Current assets	1,330
TOTAL ASSETS	12,799
Non-current liabilities	2,516
Current liabilities	1,225
TOTAL LIABILITIES	3,741
Business combination cost	9,058

The integrated result as of the date of the business combination has been as follows:

	Thousands of euros
Operating income	456
Personnel expenses	(88)
Other operating expenses	(238)
Amortisation	-
Finance results	1
Result before tax	131

If the company had been integrated with effect from January 1, 2023, the operating income and result for the year incorporated into the consolidated income statement would have amounted to 3,354 and 953 thousand euros, respectively.

HOTEL FARAH CASABLANCA AND FARAH RABAT

In the middle of 2023, the Group acquired the Hotels Farah Casablanca and Farah Rabat, in Morocco. The cost of the business combination has been 19.8 and 17.7 million euros, respectively. The assets and liabilities acquired in the (provisional) business combination, at fair value, for the purchase of these businesses were as follows:

Thousands of euros	Farah Casablanca	Farah Rabat
Non-current assets	17,039	11,847
Current assets	94	70
TOTAL ASSETS	17,133	11,917
Non-current liabilities	-	-
Current liabilities	-	-
TOTAL LIABILITIES	-	-
Business combination cost	19,807	17,655
Goodwill (Note 6.1)	2,674	5,738

The integrated result as of the date of the business combination has been as follows:

Thousands of euros	Farah Casablanca	Farah Rabat
Operating income	1,388	1,130
Personnel expenses	(1,862)	(520)
Other operating expenses	(1,346)	(474)
Amortisation	(690)	(463)
Finance results	(6)	(8)
Result before tax	(2,517)	(335)

GEA GRUPO DE AGENCIAS INDEPENDIENTES, S.L. AND TRAVELGEA TOURS, S.L.U.

On July 27, 2023, the Group acquired 51% of the shares in the company, GEA, Grupo de Agencias Independientes, S.L. The main activity of this company is the management of related travel agencies. Moreover, at the same time, the Group acquired 100% of the shares of the company, Travelgea Tours, S.L.U. The main activity of this company is that of a consolidator of airline products. Both companies are domiciled in Torremolinos (Malaga), in Calle Las Mercedes, 28.

Although the Group acquired 51% of GEA Grupo de Agencias Independientes, S.L., 100% of the assets and liabilities have been fully consolidated. In order to consider the cost of the business combination, the amount of 49% corresponding to minority interest has been discounted.

6. INTANGIBLE ASSETS

6.1. GOODWILL

Details of movement in goodwill in 2023 are as follows:

	Balance at 31/12/2022	Additions	Withdrawals	Translation differences	Impairment	Balance at 31/12/2023
Goodwill	279,261,975	9,633,404	-	(111,719)	-	288,783,660
TOTAL	279,261,975	9,633,404	-	(111,719)	-	288,783,660

The balance at December 31, 2023, mainly relates to Viajes Deneb (176.8 million euros), Viajes Catai (46 million euros), Mayorista de Viajes (27.5 million euros), Punta Umbría Turística (6.6 million euros) and Nortravel (6.4 million euros). Additions in 2023, mainly relate to goodwill generated through the purchase of the Hotels Farah Casablanca (2.7 million euros) and Farah Rabat (5.7 million euros), detailed in Note 5.

Details of movement in goodwill in 2022 are as follows:

	Balance at 31/12/2021	Additions	Withdrawals	Translation differences	Impairment	Balance at 31/12/2022
Goodwill	282,622,347	5,587	(3,744,451)	378,492	-	279,261,975
TOTAL	282,622,347	5,587	(3,744,451)	378,492	-	279,261,975

The balance at December 31, 2022, mainly relates to Viajes Deneb (176.8 million euros), Viajes Catai (46 million euros), Mayorista de Viajes (27.5 million euros), Punta Umbría Turística (6.6 million euros) and Nortravel (6.4 million euros). The withdrawal of 3,265 thousand euros in 2022 relates to the impairment of goodwill in the company, Crestline Hotels & Resorts, LLC.

RECOVERABLE VALUE OF THE CGUS

In order to calculate the recoverable value of the CGUs, the degree of economic development in the economy in which they operate is taken into account, together with other variables such as the market quota, in those markets in which the CGUs are present, etc.

Discount rate variables (ke) and the perpetual growth rate (g) are also taken into account and are normally defined as follows:

Discount rate (ke) = the country's risk-free rate + (β * Equity risk premium).

Perpetual growth rate (g): taking into account the long-term IMF inflation forecast.

The cash flow projections of the Travel Division have taken into account the cash flows, without synergies, foreseen in the Viability Plan approved by SEPI in order to obtain the financing available (already amortised) for the first five years, while in the subsequent years the residual value is calculated establishing a perpetual income based on the cash flows of the estimates' last period, with a growth rate based on the inflation rate forecast for the geographical area in which each cash-generating unit operates. Projections are calculated in the currency in which they are generated.

The discount rate is based on the risk-free rate which, in general, relates to the effective profitability of the 10-year Spanish Government Bonds, on the country risk premium, on the sector's risk premium, calculated using the Beta coefficient of comparable entities and the market risk premium.

The cost of the debt is based on the debt's real cost at the date of the impairment test equivalent to the interest rates of the credits that the cash-generating unit is obliged to return.

The resulting post-tax discount rate applied in the impairment tests is of 10.38% and the perpetual growth rate was 2%.

SENSITIVITY ANALYSIS

Moreover, at least annually, the company evaluates the hypotheses used in the estimate of the future cash flows and updates them according to the actual results and past experience.

If there are fair variations in any of the key hypotheses, the carrying value will not exceed the recoverable value of the CGUs.

6.2. OTHER INTANGIBLE ASSETS

Details of movement in intangible assets during 2023 are as follows:

	Balance at 31/12/2022	New incorporations	Additions	Disposals	Translation differences	Transfers	Balance at 31/12/2023
Acquisition cost							
Patents, licences and similar rights	4,522,471	5,218	700,001	(3,171)	15,808	-	5,240,327
Leaseholds	32,579,220	-	-	-	-	-	32,579,220
Computer software	214,099,070	159,284	13,072,488	(384,666)	155,384	(25,706)	227,075,854
Time Share contracts (Note 3.16g)	101,406,695	-	13,418,839	-	7,122,106	-	121,947,640
Other intangible assets	52,268,871	-	1,996,167	(183,386)	(936,129)	-	53,145,523
	404,876,327	164,502	29,187,495	(571,223)	6,357,169	(25,706)	439,988,564
Accumulated Amortisation							
Patents, licences and similar rights	(4,420,041)	-	(130,990)	3,044	(10,599)	-	(4,558,586)
Leaseholds	(18,350,836)	-	(1,207,229)	-	-	-	(19,558,065)
Computer software	(186,321,055)	(152,471)	(14,859,683)	331,841	(190,670)	7,982	(201,184,056)
Time Share contracts	(24,236,428)	-	(7,289,460)	-	(1,789,186)	-	(33,315,074)
Other intangible assets	(22,673,861)	-	(3,121,420)	183,386	481,799	-	(25,130,096)
	(256,002,221)	(152,471)	(26,608,782)	518,271	(1,508,656)	7,982	(283,745,877)
CARRYING VALUE	148,874,106	12,031	2,578,713	(52,952)	4,848,513	(17,724)	156,242,687

Details of movement in intangible assets during 2022 are as follows:

	Balance at 31/12/2021	New incorporations	Additions	Disposals	Translation differences	Transfers	Balance at 31/12/2022
Acquisition cost							
Patents, licences and similar rights	4,389,581	6,122	108,408	-	15,254	3,106	4,522,471
Leaseholds	32,579,220	-	-	-	-	-	32,579,220
Computer software	196,086,332	158,531	15,811,213	(387,632)	832,359	1,598,267	214,099,070
Time Share contracts (Note 3.16g)	77,868,879	-	14,315,731	-	9,222,085	-	101,406,695
Other intangible assets	48,259,079	-	1,277,911	-	2,731,881	-	52,268,871
	359,183,091	164,653	31,513,263	(387,632)	12,801,579	1,601,373	404,876,327
Accumulated Amortisation							
Patents, licences and similar rights	(4,245,242)	(5,888)	(156,169)	-	(9,636)	(3,105)	(4,420,041)
Leaseholds	(17,143,608)	-	(1,207,229)	-	-	-	(18,350,836)
Computer software	(164,937,410)	(155,958)	(16,827,982)	359,658	(2,475,075)	(2,284,287)	(186,321,055)
Time Share contracts	(15,744,228)	-	(6,462,342)	-	(2,029,858)	-	(24,236,428)
Other intangible assets	(19,608,625)	-	(5,426,315)	-	2,378,750	(17,672)	(22,673,861)
	(221,679,113)	(161,846)	(30,080,037)	359,658	(2,135,819)	(2,305,064)	(256,002,221)
CARRYING VALUE	137,503,978	2,807	1,433,226	(27,974)	10,665,760	(703,691)	148,874,106

At December 31, 2023, the Group has totally amortised intangible assets for a value of 173.0 million euros (152.5 million euros at December 31, 2022).

7. PROPERTY, PLANT & EQUIPMENT

Details of movement in Property, Plant & Equipment in 2023 are as follows:

	Balance at 31/12/2022	New incorporations	Additions	Disposals	Translation differences	Transfers	Balance at 31/12/2023
Acquisition cost							
Land and natural resources	565,785,087	16,821,973	4,421,088	(37,583)	19,866,379	2,701,984	609,558,927
Buildings	1,582,906,203	85,404,816	10,887,077	(225,372)	47,529,578	32,229,099	1,758,731,401
Technical installations	256,197,681	3,511,773	8,478,242	(143,996)	6,596,533	2,915,472	277,555,705
Machinery	111,737,151	5,206,999	7,658,062	(297,427)	3,812,640	61,098	128,178,523
Tools	3,909,975	105,421	207,013	-	(79,961)	-	4,142,448
Other installations	119,666,729	1,515,882	6,461,621	(2,973,455)	1,972,125	210,519	126,853,421
Furniture	294,243,623	6,216,609	14,017,170	(2,225,975)	5,841,180	3,254,340	321,346,947
IT equipment	31,602,619	628,838	2,352,235	(888,009)	427,236	172,314	34,295,233
Vehicles	27,009,242	110,478	3,832,346	(771,650)	1,547,999	-	31,728,415
Other property, plant & equipment	60,980,907	1,628,920	8,236,034	(1,460,675)	718,742	1,421,110	71,525,038
Property, plant & equipment under construction	34,015,107	-	21,361,019	(10,622)	(110,467)	(43,512,168)	11,742,869
	3,088,054,323	121,151,709	87,911,907	(9,034,764)	88,121,984	(546,232)	3,375,658,927
Accumulated depreciation							
Buildings	(464,775,017)	(14,311,913)	(56,858,207)	(1,751,689)	(12,247,702)	-	(549,944,528)
Technical installations and machinery	(254,838,991)	(3,730,165)	(23,915,827)	293,793	(4,022,714)	-	(286,213,904)
Other assets	(400,681,967)	(6,754,926)	(33,254,408)	5,126,059	(3,872,643)	(7,982)	(439,445,867)
	(1,120,295,975)	(24,797,004)	(114,028,442)	3,668,163	(20,143,059)	(7,982)	(1,275,604,299)
Impairment of property, plant & equipment	(59,241,284)	-	-	3,162,311	(470,154)	-	(56,549,127)
CARRYING VALUE	1,908,517,064	96,354,705	(26,116,535)	(2,204,290)	67,508,771	(554,214)	2,043,505,501

New incorporations relate to the integration of Property, plant and equipment from the hotels Barceló Guadalajara (Servicios e Inmuebles Turísticos, S de RL de CV), Barceló Felipe IV (Hotel Felipe IV, S.A), Farah Casablanca and Farah Rabat, the purchase of which is detailed in Note 5.

Details of movement in Property, Plant & Equipment in 2022 are as follows:

	Balance at 31/12/2021	New incorporations	Additions	Disposals	Translation differences	Transfers	Balance at 31/12/2022
Acquisition cost							
Land and natural resources	511,326,783	17,260,118	67,325	(304,788)	37,435,649	-	565,785,087
Buildings	1,432,907,840	36,074,284	6,210,487	(18,028,929)	114,621,010	11,121,511	1,582,906,203
Technical installations	261,302,759	5,817,073	8,220,248	(6,694,534)	17,235,759	(29,683,625)	256,197,681
Machinery	98,624,753	658,375	2,918,346	(125,821)	9,646,827	14,671	111,737,151
Tools	3,348,537	39,694	231,648	-	290,096	-	3,909,975
Other installations	77,089,454	4,352,960	5,397,108	(1,362,323)	4,413,022	29,776,508	119,666,729
Furniture	265,487,940	4,894,469	6,576,359	(591,108)	17,597,161	278,802	294,243,623
IT equipment	28,183,413	172,848	2,250,858	(1,445,788)	1,584,505	856,783	31,602,619
Vehicles	29,586,591	-	189,336	(4,783,629)	1,971,374	45,570	27,009,242
Other property, plant & equipment	53,859,860	1,053,225	2,996,583	(55,634)	3,018,985	107,888	60,980,907
Property, plant & equipment under construction	26,181,382	5,041	19,487,243	(228,476)	(140,384)	(11,289,699)	34,015,107
	2,787,899,312	70,328,087	54,545,541	(33,621,030)	207,674,004	1,228,409	3,088,054,323
Accumulated depreciation							
Buildings	(374,551,220)	(9,092,139)	(52,301,005)	1,970,542	(30,801,195)	-	(464,775,017)
Technical installations and machinery	(253,565,461)	(5,303,618)	(25,640,516)	1,605,264	(17,014,695)	45,080,035	(254,838,991)
Other assets	(302,235,468)	(9,822,480)	(25,639,644)	5,480,275	(22,045,320)	(46,419,330)	(400,681,967)
	(930.352.149)	(24.218.237)	(103.581.165)	9.056.081	(69.861.210)	(1.339.295)	(1.120.295.975)
Impairment of property, plant & equipment	(67,719,962)	-	-	9,983,340	(1,504,662)	-	(59,241,284)
CARRYING VALUE	1,789,827,201	46,109,850	(49,035,624)	(14,581,609)	136,308,132	(110,886)	1,908,517,064

New incorporations relate to the integration of Property, plant and equipment from the hotels Barceló Fes Medina (Narjis d'Investissements Touristiques, S.A.), Barceló Carmen Granada (Graser Turismo S.L.U) and Occidental Pamplona (Kawawa ITG S.L.U.), the purchase of which is detailed in Note 5.

Withdrawals for the year mainly relate to the sale of the buildings of the Group's head offices of the Travel and Hotel Division, located in Palma de Mallorca.

The Amortisation and Impairment heading of the 2023 Consolidated Income Statement includes impairment reversal of PP&E for an amount of 3.2 million euros (impairment reversal for an amount of 10 million euros in 2022), related to the Hotel Barceló Emperatriz, due to better than expected results.

No financial expenses have been capitalised in 2023 or 2022.

At December 31, 2023, the Group has fully depreciated property, plant and equipment amounting to 543.1 million euros (477.3 million euros at December 31, 2022).

8. INVESTMENT PROPERTY

Investment property reflects the carrying amount of the assets held to generate rental income or capital gains. Details of investment property held by the Group are as follows:

2023:

	Balance at 31/12/2022	Withdrawals	Translation differences	Amortisation	Balance at 31/12/2023
Shopping centres and retail premises in Spain	65,693	-	-	(1,343)	64,350
Land in Costa Rica	5,915,904	-	608,459	-	6,524,363
TOTAL	5,981,597	-	608,459	(1,343)	6,588,713

2022:

	Balance at 31/12/2021	Withdrawals	Translation differences	Amortisation	Balance at 31/12/2022
Shopping centres and retail premises in Spain	5,058,510	(4,918,494)	-	(74,323)	65,693
Land in Costa Rica	5,247,999	-	667,905	-	5,915,904
TOTAL	10,306,509	(4,918,494)	667,905	(74,323)	5,981,597

The fair value of these assets does not differ significantly from their carrying amount. The value of these assets has been adjusted for impairment for an amount of 9,852 thousand euros (8,933 thousand euros at December 31, 2022). No impairment has been recognised in either 2023 or 2022.

There have been no withdrawals in 2023. In 2022, withdrawals related to the sale of carparking spaces in the building where the Travel Division head offices are currently located.

9. EQUITY-ACCOUNTED INVESTEEES

Movement in investments in associates in 2023 is as follows:

	Balance at 31/12/2022	Profit/(Loss)	Additions	Impairment	Balance at 31/12/2023
Santa Lucía, S.A.	1,241,115	-	-	-	1,241,115
Hotel Rívoli SA	304,800	(230,550)	-	-	74,250
Contuijo, S.L.	125,000	-	-	(125,000)	-
Caravel, S.A.	12,349,778	412,923	-	-	12,762,701
Société Financière d'Africa Palace, SA	6,870,153	600,311	-	-	7,470,464
UTE Segitur	10	-	-	-	10
Canfranc Estación 2018, S.L.	-	88,573	4,222,634	-	4,311,207
TOTAL	20,890,856	871,257	4,222,634	(125,000)	25,859,747

Movement in investments in associates in 2022 is as follows:

	Balance at 31/12/2021	Profit/(Loss)	Additions	Impairment	Balance at 31/12/2022
Santa Lucía, S.A.	1,241,115	-	-	-	1,241,115
Hotel Rívoli SA	443,787	(138,987)	-	-	304,800
Contuijo, S.L.	125,000	-	-	-	125,000
Caravel, S.A.	12,602,145	(252,367)	-	-	12,349,778
Société Financière d'Africa Palace, SA	8,080,010	(1,209,857)	-	-	6,870,153
UTE Segitur	10	-	-	-	10
TOTAL	22,492,067	(1,601,211)	-	-	20,890,856

The key indicators from the balance sheets and income statements of associates in 2023 are as follows:

(Thousands of euros)		Non-current asset	Current asset	Equity	Non-current liability	Current liability	Total revenue	Net profit/(loss)	Net profit/(loss) attributable to the Group
Santa Lucía, S.A.	50%	7,697	2,609	9,813	-	494	-	-	-
Hotel Rívoli SA	20%	19,017	2,938	725	20,810	419	8,800	(939)	(231)
Société Financière d'Africa Palace, SA	48%	28,408	4,480	3,260	24,281	5,347	16,587	(1,992)	600
Caravel, S.A.	20%	42,698	27,847	48,056	9,833	12,656	21,068	3,441	413
Canfranc Estación 2018, S.L.	30%	6,265	1,878	(45)	5,050	3,138	5,956	(33,525)	(33,525)

The key indicators from the balance sheets and income statements of associates in 2022 are as follows:

(Thousands of euros)		Non-current asset	Current asset	Equity	Non-current liability	Current liability	Total revenue	Net profit/ (loss)	Net profit/ (loss) attributable to the Group
Santa Lucía, S.A.	50%	7,973	2,729	6,861	3,838	4	-	-	-
Hotel Rívoli SA	20%	21,525	4,182	1,303	23,770	655	7,716	(2,579)	(139)
Contuijo, S.L.	33%	82	618	169	137	395	1,555	(91)	-
Société Financière d’Africa Palace, SA	48%	29,064	3,430	(121)	27,048	5,568	8,007	(2,366)	(1,210)
Caravel, S.A.	20%	45,322	17,526	45,189	13,130	4,529	16,258	1,568	(252)

The difference between the % of participation from the equity value of the investee and the value of the participation method, mainly relates to unrealised gains existing on the acquisition date of the participation and also at closing.

10. OTHER NON-CURRENT FINANCIAL ASSETS

At December 31, 2023 and 2022, the breakdown of “Other non-current financial assets” is as follows:

	Balances at 31/12/2023	Balances at 31/12/2022
Credits to associates	2,765,958	2,453,928
Deposits and guarantees	55,664,501	66,800,791
Equity instruments	140,128	139,128
Derivatives (Note 15)	128,645	561,957
Assets related to labour liabilities (Note 20.1)	6,414,163	5,279,251
Loans to third parties	30,128,938	41,551,921
Balance receivable for Time Share contracts	35,953,798	31,912,724
Prepayments for assets	2,367,198	1,980,975
Other assets	262,818	275,271
TOTAL	133,826,147	150,955,948

NON-CURRENT DEPOSITS AND GUARANTEES

This balance primarily comprises security deposits related to lease contracts for hotels and aircraft. It also includes prepayments made to the lessors of aircraft for the maintenance programme of the leased aircraft and the future amounts to be compensated by the lessors of the aircraft for an amount of 32,550 thousand euros (42,255 thousand euros in 2022).

LOANS TO THIRD PARTIES

The Loans to third parties balance mainly relates to a loan of 16.6 million given to Fundación Barceló, maturing in December 2027 and remunerated at market rate and to various loans given to the owners of hotels leased or operated by the Group. The maturities of these loans range between 2026 and 2034. During the year, impairment of 1.8 million euros has been recognised for loans to third parties.

In April 2023, the loan of 10 million to the company, Wamos, S.A. was cancelled.

BALANCES RECEIVABLE FOR THE SALE OF RIGHTS TO USE ROOMS (TIME SHARE)

The Group extends financing to customers who purchase rights to use rooms, mainly for a term between three and five years, applying a market interest rate.

11. TRADE DEBT

The breakdown is as follows:

	Balances at 31/12/2023	Balances at 31/12/2022
Trade debt	290,606,319	344,342,540
TOTAL	290,606,319	344,342,540

The balance of the bad debt provision at December 31, 2023, amounts to 74 million euros. At December 31, 2022, the balance amounted to 64 million euros. The balance of the bad debt provision at December 31, 2023 has amounted to 15.8 million euros (11.7 million in 2022).

The ageing of past-due receivables at year-end in thousands of euros is as follows:

	2023	2022
Less than 90 days	158,083	119,509
More than 90 days and less than 180	38,675	30,632
More than 180 days and less than 360	20,963	2,356
More than 360 days	4,164	4,730
	221,885	157,227

12. OTHER RECEIVABLES

Details are as follows:

	Balance at 31/12/2023	Balance at 31/12/2022
Receivables	59,965,286	11,391,673
Advances to creditors	68,996,275	61,064,980
Tax receivables - others	21,458,122	22,529,439
Tax authorities - VAT recoverable	7,324,614	4,456,500
Withholdings and payments on account	13,603,963	17,112,825
TOTAL	171,348,260	116,555,417

13. OTHER CURRENT FINANCIAL ASSETS

Details are as follows:

	Balance at 31/12/2023	Balance at 31/12/2022
Deposits, Guarantees and Others	14,255,834	17,594,423
Interest receivable	2,982,711	842,572
Derivatives (Note 15)	3,069,755	3,864,512
TOTAL	20,308,300	22,301,507

14. FINANCIAL INSTRUMENTS

The breakdown of financial instruments, by category, is as follows:

Financial assets	Equity instruments		Loans, derivatives and others		Total	
	2023	2022	2023	2022	2023	2022
Non-current financial assets						
Assets at fair value with changes in comprehensive income	140,128	139,128	-	-	140,128	139,128
Assets at fair value with changes in profit and loss	-	-	128,645	561,957	128,645	561,957
Assets at amortised cost	-	-	133,557,374	150,254,862	133,557,373	150,254,862
	140,128	139,128	133,686,019	150,816,819	133,826,147	150,955,947
Current financial assets						
Assets at amortised cost	-	-	436,806,424	435,236,189	436,806,424	435,236,189
Hedging derivatives	-	-	3,069,755	3,864,512	3,069,755	3,864,512
	-	-	439,876,179	439,100,701	439,876,179	439,100,701
TOTAL	140,128	139,128	573,562,198	589,917,520	573,702,326	590,056,648

Current financial assets at amortised cost include "trade receivables," "other receivables" and "other current financial assets" in the Statement of Financial Position, less the amounts receivable from public entities.

15. ASSETS AT FAIR VALUE

Details of the assets and liabilities measured at fair value and the hierarchy in which they are classified are as follows:

	Level 2	
	2023	2022
Derivatives - Assets		
Non-current		
- Interest rates	128,645	561,957
Current		
- Exchange rate (Notes 24 and 25)	2,026,317	-
- Fuel	1,043,438	1,770,180
- Interest rates	-	2,094,332
TOTAL ASSETS	3,198,400	4,426,469

The Group has an interest rate swap contract of the 3-month Euribor, for a fixed negative interest of 0.1% on a notional amount of 50 million euros. This swap was contracted on April 1, 2020, and matures on April 1, 2024. The change of the fair value of this derivative in 2023 amounted to 433 thousand euros and has been recognised under the Finance expense heading of the consolidated income statement (Note 30). The fair value at December 31, 2023 is 128,645 euros. In 2022, the fair value was 561,957 euros and the change in fair value amounted to 750 thousand euros and it was recognised under income.

The Group had an interest rate swap contract of the 6-month Euribor, for a fixed interest of 1.50% on a notional amount of 30 million euros, which matured in 2023. At December 31, 2022, the fair value amounted to 2,094 thousand euros.

The Group applies conservative hedging policies in its Travel Division (Avoris Corporación Empresarial, S.A. and subsidiaries) and contracts exchange rate and fuel hedging financial instruments with financial entities.

Said hedges are contracted based on the highly probable foreseen transactions, for payments to suppliers, aircraft lease payments and fuel insurance and purchases, guaranteeing their efficiency, establishing a hedging range of between 80 95% of the total needs.

The efficiency of the hedges is controlled by the Group at the beginning of the year and during the months in which the hedging instrument is contracted.

Exchange rate derivatives:

In order to determine the fair value of the exchange rate derivatives (Exchange risk insurance or Forwards), the Company uses the spot rate of the euro against the USD, together with the forward points of the currencies involved and, through cash flow discounts, determines the value of the contracted derivatives.

The fair value of the exchange rate derivatives at December 31, 2023, is a debtor balance of 1,661 thousand euros. Said balance consists of a debtor balance of 2,026 thousand euros and a creditor balance of 365 thousand euros (See Note 25). The notional value covered amounts to 241 million USD.

Fuel derivatives:

The Group company, Evelop Airlines, S.L.U., has contracted financial derivatives on the price of the metric tonne (Tm) of Jet Fuel, in order to cover the fluctuations of the price of Jet Fuel to which the purchase of fuel is referenced. The net fair value at December 31, 2023, is a credit balance of 1,013 thousand euros. It consists of a debtor balance of 1,043 thousand euros and a creditor balance of 2,056 thousand euros (See Note 25).

Fuel hedges consist of futures for the purchase of fuel by tonnes, amounts and years as detailed in the table below:

Maturity date	Tonnes of Fuel
2024	82,600

There have been no transfers between levels 1, 2 and 3 during 2023 or 2022. The measurement technique has not been modified with regard to 2022.

16. CASH AND CASH EQUIVALENTS

At December 31, 2023, the balance of this heading amounts to 827.1 million euros, 574.3 million euros (504.2 million euros in 2022) of which are related to bank accounts and 252.8 million euros (261.0 million euros in 2022) to bank deposits maturing in a period of between 3 and 12 months. 59.8 million euros of this amount is pledged as collateral for the repayments of credits.

As established in articles 42 bis, 42 ter and 52 bis of the General Regulations on Tax Management and Inspection Actions and Procedures, the Parent has the required entries in its accounts to comply with the obligation to declare its assets and rights located abroad, in accordance with the Eighteenth Additional Provision of the General Tax Law 58/2003 of December 17, 2003, the General Regulations on Tax Management and Inspection Actions and Procedures, and the development of the Shared Regulations for Procedures for Applying Taxes, approved by Royal Decree 1065/2007 of July 27.

The accounting balances of the bank accounts belonging to foreign subsidiaries of Barceló Corporación Empresarial, S.A. controlled by individuals with powers of attorney who are resident in Spain for tax purposes, are duly recognised and identified in their respective individual accounts and are included in the preparation of the accompanying consolidated annual accounts.

17. PREPAYMENTS

This heading includes payments of amounts which have not yet been accrued.

18. EQUITY

18.1. SHARE CAPITAL

At December 31, 2023 and 2022, share capital is represented by 10,464,384 registered shares of 1 euro par value each, subscribed and fully paid. All shares are of the same type, have the same rights and are not quoted on the stock exchange.

The companies SILUMAR FAMILY HOLDING S.L., SIAN PARTNERS S.L. and SAN JOSE TAMBOR S.L., hold 34.61%, 21.27% and 13.87%, respectively, of the Parent's share capital.

18.2. SHARE PREMIUM

The share premium is freely distributable.

18.3. RESERVES

LEGAL RESERVE

Spanish companies are obliged to transfer a minimum of 10% of the profits for the year to a legal reserve until this reserve reaches an amount equal to at least 20% of the share capital. This reserve is not distributable to shareholders and may only be

used to cover the debtor balance of the income statement if no other reserves are available. Under certain conditions it may be used to increase share capital provided that the balance left in the reserve is at least equal to 10% of the nominal value of the total share capital after the increase. The Parent Company has fully provided for the legal reserve.

OTHER NON-DISTRIBUTABLE RESERVES – CAPITALISATION RESERVE

Income Tax Law 27/2014 introduced as of 2015, article 25 regulating the capitalisation reserve. This article stipulates the possibility of reducing taxable income to 10% of the increase in an entity's capital and reserves, provided that a number of requirements, including the following, are met:

- That the amount of the increase in the entity's capital and reserves is maintained for a period of five years from the closing of the tax period to which this reduction pertains unless the entity has incurred accounting losses.
- That a reserve be allocated, equivalent to the amount of the decrease, which should be reflected on the balance sheet as a separate heading and will be non-distributable during the period forecast in the preceding point.

Although at December 31, 2023, the Group has 30.5 million euros of restricted capitalisation reserves, at said date, 11.2 million euros are released. Moreover, it is foreseen that an additional restricted reserve amounting to 6 million will be charged in 2024, due to the possible reduction to be undertaken in the current year's Corporate Tax.

VOLUNTARY RESERVES (OTHER RESERVES)

The voluntary reserve is freely distributable.

RESERVES IN FULLY CONSOLIDATED COMPANIES AND ASSOCIATES

This heading includes the contribution to consolidated equity of the profits generated by Group companies since their incorporation. As indicated in Note 2.3, accumulated translation differences until the date of the transition to IFRS were also classified under this heading.

18.4. DISTRIBUTION OF DIVIDENDS

At the General Shareholders' Meeting, the Board of Directors will propose that no dividends be distributed with a charge to the 2023 results.

The proposal for the distribution of the Parent Company's dividends, prepared by the Directors and approved at the General Shareholders Meeting, which took place on June 5, 2023, amounted to 20,000,000 euros (11,385,989 euros charged to the 2022 results and 8,614,011 euros charged to the 2019 reserves). This dividend was paid in June 2023.

18.5. NON-CONTROLLING INTERESTS

The most significant non-controlling interests are mainly held by Desarrollo Flamenco Riviera SA de CV and Emeraldtown - Empreendimentos Imobiliários e Turísticos, Lda.

Appendix I details the information relating to these companies.

At December 31, 2023, details of non-controlling interests are as follows:

	Thousands of Euros
Non-current assets	56,082
Current assets	11,719
TOTAL ASSETS	67,801
Equity	30,137
Non-current liabilities	31,814
Current liabilities	5,850
TOTAL LIABILITIES	67,801
Income	17,956
Profit/(loss) for the year	905

In April 2023, the Group has acquired an additional 19% of Emeraldtown – Empreendimentos Imobiliários e Turísticos, Lda, now holding 70% of the shares. Said transaction has had no effect on equity.

In July 2023, the Barceló Group has acquired 10% of Michamwi Resort Development LTD, and now holds 100% of the shares. The cost of the acquisition has amounted to 0.4 million euros. As a result of this acquisition, the consolidated equity has been reduced by the same amount.

On December 1, 2022, the Group acquired 49.45% of Ávoris Corporación Empresarial, S.L., from the Globalia Group, making the Barcelo Group the owner of 100% of the shares. The acquisition cost amounted to 24.2 million euros. As a consequence of this acquisition there was a decrease in the consolidated net equity for said amount, with a decrease of consolidated reserves of 104 million and an increase in the Minority interest balance of 80 million (See the Consolidated Statement of Changes in Equity). The result attributable to minority interest related to Ávoris Corporación Empresarial, S.L. and subsidiaries until the acquisition date of the minority interest amounted to 58.7 million of losses.

18.6. TRANSLATION DIFFERENCES

This balance includes the effects of the translation to euros of the balance sheets of those companies whose functional currency is different to the euro, in accordance with the criteria detailed in Note 2.3. In 2023, the companies Deansfield Company LTD, Allegro Vacation Club Aruba NV, and Occidental Vacation Club Costa Rica, S.A. have been liquidated without a significant effect on the income statement.

In 2022, the company Occidental Costa Rica, S.A. was liquidated without generating any significant effect on the income statement.

19. GRANTS

Capital grants were primarily extended to acquire or build hotel assets, recognising the profit or loss according to the useful life of the subsidised asset.

Movement in 2023 is as follows:

	Balances at 31/12/2022	Additions	Taken to income statement	Balances at 31/12/2023
Grants	933,633	-	(220,921)	712,712
TOTAL	933,633	-	(220,921)	712,712

Movement in 2022 is as follows:

	Balances at 31/12/2021	Additions	Taken to income statement	Balances at 31/12/2022
Grants	1,154,554	-	(220,921)	933,633
TOTAL	1,154,554	-	(220,921)	933,633

20. PROVISIONS

20.1. NON-CURRENT PROVISIONS

Movement in provisions in 2023 is as follows:

	Balances at 31/12/2022	New incorporations	Additions	Withdrawals	Transfers	Translation differences	Balances at 31/12/2023
Commitments with employees	27,031,059	-	4,035,500	(618,653)	-	723,788	31,171,694
Provisions for liabilities	32,586,454	-	7,274,699	(8,444,178)	(40,334)	107,719	31,484,360
Provisions for overhauls	47,011,345	-	7,253,974	(16,173,051)	40,334	-	38,132,602
NON-CURRENT PROVISIONS	106,628,858	-	18,564,173	(25,235,882)	-	831,507	100,788,656
Provisions for overhauls and others	12,595,007	212,724	288,645	(6,446,296)	-	-	6,650,080
CURRENT PROVISIONS	12,595,007	212,724	288,645	(6,446,296)	-	-	6,650,080
TOTAL PROVISIONS	119,223,865	212,724	18,852,818	(31,682,178)	-	831,507	107,438,736

Movement in provisions in 2022 is as follows:

	Balances at 31/12/2021	New incorporations	Additions	Withdrawals	Transfers	Translation differences	Balances at 31/12/2022
Commitments with employees	27,691,601	235,894	2,421,725	(4,675,162)	-	1,357,001	27,031,059
Provisions for liabilities	41,383,340	64,300	9,374,718	(18,669,493)	(62,456)	496,045	32,586,454
Provisions for overhauls	38,293,680	-	8,768,160	(112,951)	62,456	-	47,011,345
Non-current provisions for onerous contracts	2,062,184	-	-	(2,062,184)	-	-	-
NON-CURRENT PROVISIONS	109,430,805	300,194	20,564,603	(25,519,790)	-	1,853,046	106,628,858
Provisions for overhauls and others	12,467,123	-	2,010,757	(1,882,873)	-	-	12,595,007
CURRENT PROVISIONS	12,467,123	-	2,010,757	(1,882,873)	-	-	12,595,007
TOTAL PROVISIONS	121,897,928	300,194	22,575,360	(27,402,663)	-	1,853,046	119,223,865

COMMITMENTS WITH EMPLOYEES

The provision for long-service benefits covers the accrued liability of commitments established in a number of collective labour agreements in the Spanish hospitality sector and the national collective labour agreement for travel agencies. It also includes commitments with employees in accordance with Mexican and Aruban labour legislation, as well as the pension plan of certain employees of the US company, Crestline Hotels & Resorts, LLC.

The expense included in the 2023 consolidated income statement for this concept amounts to 3,688 thousand euros (1,541 thousand euros in 2022). The amount of revenue directly recognised in equity (Value adjustment) amounts to 271 thousand euros (3,794 thousand euros expense in 2022).

Long-service benefits in Spain:

Under prevailing employment legislation in Spain for hospitality companies, Group companies in Spain with this activity are obliged to pay employees who have completed a specific length of service, an amount equivalent to a number of monthly salary instalments in cash, in accordance with the worker's length of service and age at the end of their employment relationship. These long-service benefits are calculated based on the basic salary and the worker's personal supplements. The collective labour agreement for travel agents in Spain also regulates retirement benefits, subject to an agreement between the worker and the company. In 2023 and 2022, the required provisions have been recognised for this purpose, based on the terms of the corresponding collective labour agreements. The liabilities relating to defined benefit obligations are measured based on actuarial calculations. The method used for this calculation in 2023 and 2022, was the projected unit credit method using the PERMF2022 tables applying an interest rate of 3.67% (3.67% in 2022), an employee turnover assumption of 8.42% (8.42% in 2022), an annual salary increase rate of 1.5% and a retirement age of 65 years. The provision for this commitment amounts to 9.6 million euros at closing 2023 (9,1 million euros 2022).

Long-term remunerations in Mexico and Aruba:

The prevailing labour legislation in Mexico also includes a number of commitments from companies to their employees. At closing, the liability recognised for said commitments amounts to 12 million euros (9.5 million euros in 2022), which has been calculated using the projected unit credit method. The actuarial hypotheses used for the calculation of the related liability are EMSSAH-09/EMSSAM-09 mortality tables, staff rotation indexes depending on the age of the employee, decreasing from 19.93% at 25 years of age to 0% at 55 years, a discount rate of 9.36%, a salary increase of 5.04% and a long-term inflation rate of 4%.

Finally, Aruban labour law obliges the company to pay a minimum pension to its employees in the case that the pension contributions made by the workers do not reach the minimum legal limit. The Group has recognised a provision to cover this liability amounting to 2.6 million euros (2.6 million euros in 2022). The main hypotheses used in the calculation have been retirement at 65 years old, a discount rate of 4.6%, a salary increase of 0% (0% in 2022) and a staff rotation hypothesis of 9.50%.

Pension plan employees United States (Crestline Hotels & Resort, LLC)

The Company has an executive plan awarding additional retirement benefits to a select group of Management employees, allowing them to totally or partially defer their remuneration. The amounts contributed in these plans by both the company and the employees, together with the profit and loss attributed to these amounts are transferred to a Trust Fund. The Trust Fund is exclusively owned by the company, subject to the demand of Crestline's creditors, until the payment is made to the participating employee or their beneficiary. At December 31, 2023, the plan's assets amount to 7.1 million USD (5.6 million in 2022), and consists of cash and cash equivalents, shares and bonds. At December 31, 2023, the non-current liability for this concept amounts to 7.1 million USD (5.5 million in 2022).

PROVISIONS FOR LIABILITIES

Provisions for liabilities cover miscellaneous risks and contingencies arising from the Group's operations and litigations.

ONEROUS CONTRACTS

Provisions for onerous contracts are those derived from lease contracts. At December 31, 2022 and 2023, there is no provision for this concept. In 2022, the provision for onerous contracts amounting to 2.1 million, corresponding to 2 hotels in Italy, was reversed.

PROVISIONS FOR OVERHAULS

This heading includes the provision to cover future aircraft overhauls for the concept of programmed maintenance that, according to the stipulation of the lease contracts should be performed before the return of the aircraft.

In order to calculate said provision, the Group differentiates between overhauls that must be performed during the term of the aircraft lease contract and those that must be undertaken following the maturity of said contract. The Group makes a provision based on historical prices and those established in the maintenance contracts in the first case, and those stated in the aircraft lease contracts in the second case. In both cases, the Company considers the hours/cycles and working months of each aircraft. Charges for the year have been recognised under "Supplies" of the Consolidated Income Statement and correspond to the hours/cycles and months of operation of the aircraft based on the applicable contract price in each case. The Group recognises daily maintenance. No provision is booked for this concept under "Other operating expenses."

20.2. CURRENT PROVISIONS

At December 31, 2023, current provisions amounted to 6.7 million (12.5 million in 2022). Of this amount, 2.5 million euros relate to the provision for aircraft maintenance overhauls and the remainder to current provisions for the ordinary activities of the Travel Division.

21. BANK BORROWINGS

At December 31, 2023, the breakdown of bank borrowings, by nature and maturity are as follows:

	2023	
	Non-current maturities	Current maturities
Personal loans	381,974,577	184,272,895
Credit facilities	-	114,666,730
Promissory notes issued in MARF	-	197,400,000
Interest	-	5,743,914
TOTAL BANK DEBT	381,974,577	502,083,539
TOTAL BORROWINGS	381,974,577	502,083,539

At December 31, 2022, the breakdown of bank borrowings, by nature and maturity are as follows:

	2022	
	Non-current maturities	Current maturities
Personal loans	580,860,727	232,284,666
Credit facilities	-	-
Promissory notes issued in MARF	-	153,800,000
Interest	-	3,506,094
TOTAL BANK DEBT	580,860,727	389,590,760
TOTAL BORROWINGS	580,860,727	389,590,760

At December 31, 2023, the amount drawn down from the credit facilities is 114.7 million euros. These credit facilities are regularly renewed, accruing interest at a floating rate of Euribor plus a market-rate spread and they are all denominated in euros. Their limit amounts to 578.1 million euros.

At December 31, 2022, the credit facilities with annual maturity were not drawn down. They are regularly renewed, accruing interest at a floating rate of Euribor plus a market-rate spread and they are all denominated in euros. Their limit amounts to 593.4 million euros.

All the loans are pegged to a floating market rate, except for an amount of 65.8 million euros at a fixed interest rate (106.8 million at December 31, 2022). This amount does not include the hedge for the floating-to-fixed interest rate for a notional value of 50 million, as explained in Note 15. At both December 31, 2023 and 2022, the promissory notes issued in the MARF, are all remunerated at a fixed interest rate. Their fair value is similar to their carrying amount.

On December 16, 2022, the Group cancelled, in advance, all the debt with the Fund to Support Solvency of Strategic Companies (Fondo de Apoyo a la Solvencia de Empresas Estratégicas) and the State Industrial Ownership Corporation (SEPI), that had a limit of 320 million euros. As of said date, this line of financing ceased to exist.

On November 22, 2022, a new promissory note issue programme linked to sustainability was signed for an amount of 200 million euros, maturing on November 22, 2023. On November 22, 2023, another programme linked to sustainability was signed for an amount of 200 million euros, maturing on November 22, 2024. The outstanding issues at December 31, 2023 are as follows:

- 2.0 million euros, issued on April 5, 2023, maturing on April 4, 2024, at 3.95%.
- 1.9 million euros, issued on September 13, 2023, maturing on September 4, 2024, at 4.602%.
- 49.5 million euros, issued on October 9, 2023, maturing on January 18, 2024, at 4.843%.
- 4.7 million euros, issued on October 9, 2023, maturing on April 11, 2024, at 4.928%.
- 0.7 million euros, issued on October 9, 2023, maturing on July 11, 2024, at 4.98%.
- 1.7 million euros, issued on October 9, 2023, maturing on October 9, 2024, at 4.95%.
- 6.4 million euros, issued on October 26, 2023, maturing on February 16, 2024, at 4.911%.
- 4.4 million euros, issued on October 26, 2023, maturing on June 17, 2024, at 4.993%.
- 23.7 million euros, issued on November 13, 2023, maturing on February 16, 2024, at 4.834%.
- 4.2 million euros, issued on November 13, 2023, maturing on May 14, 2024, at 4.970%.
- 0.6 million euros, issued on November 13, 2023, maturing on September 16, 2024, at 4.939%.
- 22.9 million euros, issued on November 13, 2023, maturing on November 13, 2024, at 4.930%.
- 6.4 million euros, issued on December 11, 2023, maturing on January 18, 2024, at 4.592%.
- 53.8 million euros, issued on December 11, 2023, maturing on March 15, 2024, at 4.741%.
- 4.3 million euros, issued on December 11, 2023, maturing on June 17, 2024, at 4.815%.
- 2.8 million euros, issued on December 11, 2023, maturing on September 16, 2024, at 4.816%.
- 7.4 million euros, issued on December 11, 2023, maturing on December 16, 2024, at 4.820%.

The promissory note issues in MARF that took place in 2022 are as follows:

- 6.3 million euros, issued on January 11, 2022, maturing on January 20, 2023, at 1.35%.
- 3.1 million euros, issued on February 1, 2022, maturing on January 20, 2023, at 1.35%.
- 1.2 million euros, issued on February 16, 2022, maturing on February 15, 2023, at 1.35%.
- 0.3 million euros, issued on April 4, 2022, maturing on January 20, 2023, at 1.101%
- 4.2 million euros, issued on April 22, 2022, maturing on January 20, 2023, at 1.10%
- 3.2 million euros, issued on May 5, 2022, maturing on February 15, 2023, at 0.151%.
- 7.8 million euros, issued on May 30, 2022, maturing on March 7, 2023, at 1.101%.
- 0.4 million euros, issued on June 15, 2022, maturing on March 7, 2023, at 1.102%.
- 0.5 million euros, issued on July 5, 2022, maturing on January 20, 2023, at 1.103%.
- 0.7 million euros, issued on July 27, 2022, maturing on January 20, 2023, at 1.153%.
- 6.1 million euros, issued on September 6, 2022, maturing on February 15, 2023, at 1.658%.
- 10.1 million euros, issued on September 22, 2022, maturing on January 20, 2023, at 1.457%.
- 0.4 million euros, issued on September 22, 2022, maturing on March 7, 2023, at 1.708%.
- 10.8 million euros, issued on October 7, 2022, maturing on February 15, 2023, at 1.79%.
- 1.0 million euros, issued on October 7, 2022, maturing on April 5, 2023, at 2.162%.
- 0.4 million euros, issued on October 27, 2022, maturing on February 15, 2023, at 1.862%.
- 3.7 million euros, issued on October 27, 2022, maturing on April 5, 2023, at 2.315%.
- 7.6 million euros, issued on November 10, 2022, maturing on January 20, 2023, at 2.037%.
- 18.2 million euros, issued on November 10, 2022, maturing on March 7, 2023, at 2.389%.
- 6.1 million euros, issued on December 9, 2022, maturing on February 15, 2023, at 2.526%.
- 5.7 million euros, issued on December 9, 2022, maturing on April 5, 2023, at 2.929%.
- 8.7 million euros, issued on December 9, 2022, maturing on June 9, 2023, at 3.297%.
- 2.5 million euros, issued on December 9, 2022, maturing on December 11, 2023, at 3.75%.
- 2.0 million euros, issued on December 20, 2022, maturing on December 11, 2023, at 3.752%.
- 20.9 million euros, issued on December 22, 2022, maturing on February 15, 2023, at 2.68%.
- 3.9 million euros, issued on December 22, 2022, maturing on May 15, 2023, at 3.282%.
- 10.0 million euros, issued on December 28, 2022, maturing on January 20, 2023, at 2.478%.
- 5.0 million euros, issued on December 28, 2022, maturing on January 23, 2023, at 2.478%.
- 3.0 million euros, issued on December 29, 2022, maturing on March 7, 2023, at 2.73%.

These promissory note issue programmes are registered in the Alternative Fixed Income Market (MARF) in Spain.

22. OTHER NON-CURRENT LIABILITIES

Details are as follows:

	2023	2022
Guarantees and deposits	1,873,831	1,765,357
Non-current loans	87,100,330	84,907,067
Other non-current liabilities	43,865,914	47,497,884
TOTAL OTHER NON-CURRENT FINANCIAL LIABILITIES	132,840,075	134,170,308

At December 31, 2023, the balance of non-current loans includes loans extended by various members of the Barceló family and parties related to the Group for an amount of 82.2 million euros (80.5 million euros at December 31, 2022) remunerated at a market interest rate.

The fair value of these loans, valued at amortised cost, is similar to their carrying amount. These loans are renewed annually and are presented as non-current due to the lenders' express acceptance of their extension with maturity in 2025.

The "Other non-current liabilities" balance includes the non-current deferred payment for the purchase of the shares of Punta Umbría Turística, S.L. and Canfranc Estación 2018 S.L, for an amount of 33.3 and 3.7 million euros respectively, valued at amortised cost.

23. MATURITIES OF FINANCIAL LIABILITIES

Details by maturity of non-current financial liabilities at December 31, 2023, are as follows:

	2025	2026	2027	2028	2029 and subsequent years
Personal loans	154,176,765	65,075,599	90,799,773	58,318,531	13,603,909
Credit facilities	-	-	-	-	-
TOTAL BANK DEBT	154,176,765	65,075,599	90,799,773	58,318,531	13,603,909
Guarantees and deposits	-	-	-	-	1,873,831
Other non-current loans	87,100,330	-	-	-	-
Other non-current liabilities	3,926,206	3,889,921	3,946,538	7,843,972	24,259,277
TOTAL OTHER NON-CURRENT LIABILITIES	91,026,536	3,889,921	3,946,538	7,843,972	26,133,108

Details by maturity of non-current financial liabilities at December 31, 2022, were as follows:

	2024	2025	2026	2027	2028 and subsequent years
Personal loans	213,329,816	178,240,361	72,560,753	69,900,256	46,829,542
Credit facilities	-	-	-	-	-
TOTAL BANK DEBT	213,329,816	178,240,361	72,560,753	69,900,256	46,829,542
Guarantees and deposits	-	-	-	-	1,765,357
Other non-current loans	84,907,067	-	-	-	-
Other non-current liabilities	8,509,533	3,719,185	3,775,713	3,833,163	27,660,291
TOTAL OTHER NON-CURRENT LIABILITIES	93,416,600	3,719,185	3,775,713	3,833,163	29,425,648

Movement in 2023 is as follows:

	Balance at 31/12/2022	Cash flows	Current transfers	Translation differences	Balance at 31/12/2023
Bank borrowings	580,860,727	(113,424,102)	(85,462,048)	-	381,974,577
BANK BORROWINGS	580,860,727	(113,424,102)	(85,462,048)	-	381,974,577
Guarantees and deposits	1,765,357	134,292	-	(25,818)	1,873,831
Non-current loans	84,907,067	2,193,263	-	-	87,100,330
Non-current liabilities	47,497,885	4,805,898	(8,373,593)	(64,275)	43,865,914
OTHER NON-CURRENT LIABILITIES	134,170,308	7,133,452	(8,373,593)	(90,093)	132,840,075

Movement in 2022 is as follows:

	Balance at 31/12/2021	Cash flows	Current transfers	Translation differences	Balance at 31/12/2022
Bank borrowings	1,069,648,609	(297,124,470)	(191,663,412)	-	580,860,727
BANK BORROWINGS	1,069,648,609	(297,124,470)	(191,663,412)	-	580,860,727
Guarantees and deposits	1,649,257	(13,305)	-	129,405	1,765,357
Non-current loans	103,006,852	(18,099,785)	-	-	84,907,067
Non-current liabilities	56,641,985	(7,594,567)	(1,675,172)	125,638	47,497,884
OTHER NON-CURRENT LIABILITIES	161,298,094	(25,707,657)	(1,675,172)	255,043	134,170,308

At December 31, 2023, the breakdown for non-current lease liabilities by years of maturity is as follows:

	2025	2026	2027	2028	2029 and subsequent years	TOTAL
Hotels	58,745,256	56,272,143	47,990,146	43,944,803	476,401,924	683,354,273
Aircraft	39,685,955	28,243,401	28,307,455	28,953,485	87,252,632	212,442,927
Offices	2,375,426	2,251,253	2,096,908	1,506,379	7,416,515	15,646,482
NON-CURRENT LEASE LIABILITIES	100,806,637	86,766,797	78,394,508	74,404,668	571,071,072	911,443,682

At December 31, 2022, the breakdown for non-current lease liabilities by years of maturity is as follows:

	2024	2025	2026	2027	2028 and subsequent years	TOTAL
Hotels	41,393,707	44,177,729	41,391,463	37,624,808	426,668,450	591,256,157
Aircraft	40,087,704	39,177,121	28,651,749	29,299,172	120,319,792	257,535,538
Offices	2,932,466	2,357,650	1,683,012	1,014,521	2,683,317	10,670,966
NON-CURRENT LEASE LIABILITIES	84,413,877	85,712,500	71,726,224	67,938,501	549,671,559	859,462,661

24. FINANCIAL INSTRUMENTS - LIABILITIES

The breakdown of financial instruments for liabilities is as follows:

Financial liabilities	2023	2022
Non-current financial liabilities		
Loans and payables	514,814,652	715,031,036
Lease liabilities (Note 34)	911,443,682	859,462,661
	1,426,258,334	1,574,493,697
Current financial liabilities		
Financial liabilities at fair value through profit or loss (Note 25)	-	48,420
Hedging derivatives (Note 25)	2,421,377	3,505,515
Loans and payables	1,309,238,938	1,073,627,910
Lease liabilities (Note 34)	96,456,647	92,502,225
	1,408,116,962	1,169,684,070
TOTAL	2,834,375,296	2,744,177,767

In February 2020, the Group contracted two interest rate hedging derivative financial instruments for two aircraft lease contracts indexed to the interest rate, in order to cover the fluctuation of the interest rate fluctuations between said date and the delivery date of the aircraft in July/August 2020. Since this derivative has been considered as a hedge instrument for the purchase of the lease's right-of-use, the fair value has been classified under the "Right-of-use assets" heading for the effective portion of the hedge and lease liability. At December 31, 2023, the fair value amounts to 9,957 thousand euros (11,398 thousand euros at December 31, 2022).

The Group has contracted exchange rate and aircraft fuel derivative financial instruments with a net creditor fair value, at December 31, 2023, of 2,421 thousand euros as liabilities (Note 15).

Exchange rate derivatives relate to purchase or sale operations of the following currencies in 2023:

Underlying	Nominal in foreign currency	Insurance type
241,000,000	USD	Purchase

For those derivatives that fulfilled the requirements established in the standards for applying hedge accounting, the Group has recognised hedging derivatives at fair value through changes in equity. The amount recognised in equity for variations in the fair value of hedge derivatives has amounted to 157,137 euros.

25. LIABILITIES AT FAIR VALUE

Details of liabilities measured at fair value and the hierarchy in which they are classified are as follows:

	Level 2	
	2023	2022
Non-current		
Interest rate	-	-
Exchange rate	-	-
Fuel	-	-
Current		
Interest rate	-	(48,420)
Exchange rate	(365,245)	(3,505,515)
Fuel	(2,056,132)	-
TOTAL LIABILITIES	(2,421,377)	(3,553,935)

There have been no transfers between Levels 1, 2 and 3 in 2023 or 2022. The valuation technique has not varied from the previous year.

The fair value of interest rate, exchange rate and fuel derivatives is based on the valuation techniques and models normally used in the market, such as future cash flow discounts, using the interest and exchange rate curves available in the markets. More detailed information regarding these financial instruments is included in Note 15.

26. TAXES

Companies file annual income tax returns. The profits of Spanish companies, determined in accordance with tax legislation, are subject to a tax rate of 25% in 2023. Other Group companies are subject to nominal income tax rates of between 0% (tax rate in Dubai, although in 2024, it increases to 9%) and 35%. Certain deductions may be made from the resulting tax amount.

The majority of the Group's Spanish companies have filed consolidated income tax returns.

In 2022, there were two consolidated groups in Spain. The Parent of one group was Barceló Corporación Empresarial S.A. and of the other, it was Avoris Corporación Empresarial, S.L. The subsidiaries of the latter were the companies that make up the Travel Division. (See Note 5).

Since January 1, 2023, the Avoris Corporación Empresarial, S.L. Group has been part of the tax group headed by Barceló Corporación Empresarial S.A. since, in December 2022, Barceló Corporación acquired 49.45% of the shares of Avoris Corporación, becoming the owner of 100% of the shares. In the month of December 2022, the corresponding agreements were signed.

Under this tax regime, the taxable income of Group companies is not determined by the Group's consolidated accounting profit, but by the taxable income of the Group companies, determined for individual tax returns, eliminating those results that form part of the individual taxable income of each Group company originating from intragroup transactions and including results which were eliminated in prior periods which are understood to have been realised by the Group in the tax period.

The Spanish Group companies have tax loss carryforwards available for offset against future taxable income amounting to 500.8 million euros. At December 31, 2023, of the aforementioned amount, tax losses amounting to 303.9 million euros have been capitalised resulting in a deferred tax asset of 75.99 million euros. In the case of the remaining tax losses, the accounting criteria necessary for their capitalisation are not fulfilled.

Furthermore, Spanish Group companies have various unused deductions, generated in prior years and in the current year, for an amount of 10.7 million euros, mainly corresponding to the deduction for technological innovation, of which the last limitation period is 2041.

At December 31, 2023, of the total unused deductions, deferred tax assets have been recognised for an amount of 10.7 million euros.

Moreover, there are financial expenses pending deduction for which a deferred amount of 10.1 million has been recognised.

Details of the main characteristics of Corporate Tax in other countries which are significant for the Group are detailed below.

In the Dominican Republic, Group companies are subject to the higher of one of the following two taxes: (i) Asset Tax, at 1% of total assets less investments in shares, prepaid tax and rural properties, or (ii) Income Tax on taxable income based on accounting profit with various tax and accounting adjustments, at a rate of 27%, with a minimum, in certain cases, of 2.4% of the period's revenue. It should be noted that the companies located in said country have total tax losses amounting to 3.06 million euros. Two companies domiciled in this country have taken advantage of the tax benefits regulated by Confotur for investments made in hotels they own and that imply the exemption from these taxes for 15 years as of, and including, 2018.

In 2023, Group companies resident in Mexico are subject to Income Tax on accounting profit adjusted for fiscal inflationary effects on monetary assets and liabilities and amortisation, at a rate of 30%. It should be noted that the companies located in said country have a total of 24.9 million euros of tax losses that are recoverable within 10 years of their generation. For this reason, the Group has capitalised tax credits for an amount of 6.2 million euros.

The Group companies in the EMEA area have total tax losses amounting to 214 million euros, mainly generated by subsidiaries located in Morocco, Italy, Portugal, Luxembourg and Germany. Deferred tax amounting to 1.2 million euros has been recog-

nised in Portugal.

The travel division has tax losses pending application in Portugal amounting to 79 million euros. 5.6 million euros of this amount has been recognised as a deferred tax. Moreover, the travel division has tax losses in subsidiaries located in Colombia, Mexico, the Dominican Republic and the United Kingdom for a total amount of 3.5 million euros that have not been capitalised.

In accordance with prevailing Spanish legislation, taxes cannot be considered definitive until they have been inspected and agreed by the tax authorities or before the inspection period of four years has elapsed. At December 31, 2023, the Spanish Group companies are open to inspection by the tax authorities for the last four years for all the applicable taxes.

Moreover, the Group is involved in judicial review proceedings for the following Spanish companies:

COMPANY	YEAR	TAX	STATUS OF CLAIM
Iberotours	2018-19	VAT	TEAC (Central Economic Administrative Court)
Barceló Corporación Empresarial, S.A.	2012-2014	VAT	Spanish National High Court
Orbe Travel Club Spain, S.L.	2016-2019	VAT	Canary Islands TEAC (Central Economic Administrative Court)

Barceló Corporación Empresarial, as the Head of the VAT group, has an ongoing claim before the Spanish National High Court (Audiencia Nacional) for the VAT group assessment signed on a contested basis for the years 2012-2014.

In 2022, the amount related to the 2006 Corporate Tax for the company, Inmuebles de Baleares, S.L., was paid.

The hotel division has various international tax proceedings underway in Mexico and Costa Rica, for which no provision has been made in the balance sheet since a favourable resolution is expected in both cases.

Regarding the proceedings related to VAT for the years 2016 - 2019 of the company, Orbe Travel Club Spain, S.L., an appeal was filed before the Canary Islands Central Economic Administrative Court on December 19, 2022.

In January 2022, the Spanish tax authorities began a general verification of the VAT for Iberotours S.A. in the years 2018 and 2019. In May 2023, the Company signed a tax assessment in disagreement and in July, presented an appeal before the Central Economic Administrative Court. At the preparation date of these annual accounts, the Company is pending the Resolution of said Court. Moreover, on March 15, 2024, the tax authorities have notified of the opening of sanctions proceedings for the years 2018 and 2019. The Company is preparing the corresponding allegations.

Alisios Tours S.L.U. had two proceedings underway in the Central Economic Administrative Court for VAT corresponding to the years 2013-2014 and 2015 (July) - 2016. On November 9, 2023, the Central Economic Administrative Court ruled in favour of Alisios in both cases.

In the case of the Ávoris Group's international companies, on June 26, 2023, VAT and Corporate tax proceedings began for the year 2020 in Nortravel. At the date of preparation of these annual accounts, the inspection is not yet complete.

The directors of the Parent Company and their tax advisors, do not consider that any significant tax contingencies exist that could arise, in the case of an inspection, from possible interpretations of the tax standard applicable to the transactions undertaken by the Group.

Effects of Pillar 2 on the annual accounts

The Pillar 2 legislation has been approved, or substantially approved, in certain areas in which the Group operates. It is possible that the legislation will be effective for the Group's annual accounts as of January 1, 2024. The Group has performed an evaluation to determine if it is potentially exposed to the Pillar 2 taxes.

The evaluation of the potential exposure to Pillar 2 taxes, is based on the most recent tax declarations, country by country reports and the financial statements of the entities that make up the Group. According to this evaluation, in the majority of the areas in which the Group operates, the effective Pillar 2 tax rates are above 15%. Nonetheless, there are a limited number of areas in which the safe harbour exemption is not applicable in the transition. The Group does not expect a material exposure to the Pillar 2 taxes in these areas.

The relationship between the pre-tax result of the Parent and the Corporate tax expense is as follows:

	2023	2022
PROFIT FROM CONTINUING OPERATIONS	243,988,715	158,391,689
PROFIT BEFORE INCOME TAX	243,988,715	158,391,689
Profit of equity-accounted investees	(871,257)	1,601,211
Profit of fully consolidated companies	243,117,458	159,992,900
Parent tax rate	25%	25%
Expense at Parent tax rate	60,779,365	39,998,225
At other tax rates	6,553,134	9,070,050
Permanent differences (non-deductible expenses and non-taxable income) and others	(1,131,834)	(27,479,076)
Deductions/incentives generated in the year capitalised	(2,351,600)	(5,119)
Deductions/incentives generated in previous years capitalised	(3,384,270)	(538,518)
Temporary differences from previous years capitalised in the year	(3,043,669)	-
Tax losses from prior years, capitalised during the year	(10,672,820)	-
Uncapitalised tax losses from previous years, applied during the year	(3,395,527)	(91,728)
Uncapitalised tax losses for the year	3,227,044	25,005,298
Tax expense from prior years	2,491,800	(1,231,206)
Others	159,653	-
ACCOUNTING EXPENSE	49,231,276	44,727,926

DEFERRED TAX ASSETS AND LIABILITIES

The breakdown and movement of deferred tax assets and liabilities during 2023 are as follows:

	Balances at 31/12/2022	New incorporations	Results	Translation differences	Value adjustments	Balances at 31/12/2023
Tax deductions	4,471,390	-	6,204,907	-	-	10,676,297
Tax losses	97,772,619	5,306,142	(12,332,831)	299,687	-	91,045,617
Property, plant & equipment and intangible assets	15,301,837	(741,112)	(2,567,305)	1,068,109	-	13,061,529
Hedging derivatives	(438,944)	-	23,630	-	(39,284)	(454,598)
Provisions, impairment and other	13,164,832	74,076	(3,683,402)	806,877	-	10,362,383
Advances from customers	10,406,349	103,201	2,423,265	1,105,879	-	14,038,694
Time Share	8,808,499	-	(2,197,993)	936,076	-	7,546,582
Loyalty premium	2,142,066	-	429,873	-	(67,730)	2,504,209
Lease assets and liabilities - IFRS-16	13,389,511	-	(29,932)	(59,847)	-	13,299,732
Finance expenses	8,668,007	-	1,510,277	-	-	10,178,284
Valuation reserve	304,190	-	(304,184)	-	-	6
Deductibility limitation consolidated tax losses	-	-	13,697,049	-	-	13,697,049
Others	5,208,727	95,992	5,412,365	(99,837)	-	10,617,247
DEFERRED TAX ASSETS	179,199,083	4,838,299	8,585,719	4,056,944	(107,014)	196,573,031
Intangible assets	(4,176,104)	-	1,058,162	-	-	(3,117,942)
Property, plant & equipment	(157,421,941)	(7,095,561)	5,225,994	(7,902,584)	-	(167,194,092)
Time Share	-	-	-	-	-	-
Others	(2,808,043)	-	1,019,842	(94,505)	-	(1,882,706)
TOTAL DEFERRED TAX LIABILITIES	(164,406,088)	(7,095,562)	7,303,997	(7,997,089)	-	(172,194,740)
TOTAL	14,792,995	(2,257,261)	15,889,716	(3,940,146)	(107,014)	24,378,291

The breakdown and movement of deferred tax assets and liabilities during 2022 are as follows:

	Balances at 31/12/2021	New incorporations	Results	Translation differences	Value adjustments	Balances at 31/12/2022
Tax deductions	9,748,832	288,081	(5,565,522)	-	-	4,471,390
Tax losses	114,969,033	143,498	(19,151,717)	1,811,804	-	97,772,619
Property, plant & equipment and intangible assets	8,442,300	74,612	5,817,726	967,199	-	15,301,837
Hedging derivatives	(153,570)	-	65,125	(3,537)	(346,963)	(438,944)
Provisions, impairment and other	11,284,499	-	1,297,916	582,416	-	13,164,832
Advances from customers	2,342,052	-	7,762,414	301,882	-	10,406,349
Time Share	15,108,716	-	(8,247,672)	1,947,455	-	8,808,499
Loyalty premium	3,010,189	-	80,364	-	(948,486)	2,142,066
Lease assets and liabilities - IFRS-16	6,900,261	-	6,606,089	(116,840)	-	13,389,511
Finance expenses	6,478,134	-	2,189,874	-	-	8,668,007
Valuation reserve	1,816,305	-	(1,512,114)	-	-	304,190
Other	6,200,943	7,603	(3,989,914)	2,990,096	-	5,208,727
TOTAL DEFERRED TAX ASSETS	186,147,694	513,793	(14,647,432)	8,480,476	(1,295,448)	179,199,083
Intangible assets	(4,404,640)	-	-	228,536	-	(4,176,104)
Property, plant & equipment	(146,276,450)	(3,071,010)	9,848,045	(17,922,526)	-	(157,421,941)
Time Share	-	-	-	-	-	-
Others	(1,605,767)	-	(1,279,394)	77,118	-	(2,808,043)
TOTAL DEFERRED TAX LIABILITIES	(152,286,857)	(3,071,010)	8,568,651	(17,616,872)	-	(164,406,088)
TOTAL	33,860,837	(2,557,217)	(6,078,781)	(9,136,396)	(1,295,448)	14,792,995

Deferred tax liabilities for property, plant and equipment mainly reflect the recognition at fair value of property, plant and equipment acquired through business combinations and at the deemed cost of land owned by the Group at the transition date to IFRS.

At the preparation date of these annual accounts, the ruling of the Spanish Constitutional Court related to the unconstitutionality issue, number 2577/2023, regarding Article 3, first sections one and two of the Royal Decree Law 3/2016, has established that the limit of the tax base to be offset in Spain has increased from 25% to 70%. As a result, according to the business plan of the Avoris Group in Spain, the intention is to offset as many tax losses as possible in accordance with the new limit.

INCOME TAX EXPENSE

	2023	2022
Current tax expense	65,120,992	38,649,146
Deferred tax expense	(15,889,716)	6,078,780
TOTAL INCOME TAX EXPENSE	49,231,276	44,727,926

Deferred tax expense allocated to equity (Value adjustments) amounts to 107 thousand euros (1,295 thousand euros revenue in 2022).

27. LATE PAYMENTS TO SUPPLIERS

In accordance with the second final provision of Law 31/2014, which amends Law 15/2010 of 5 July, details of the average supplier payment period in Spain for 2023 and 2022 are as follows:

	2023	2022
(Days)		
Average payment period for suppliers	40.39	38.55
Transactions paid ratio	40.07	32.38
Transactions payable ratio	50.81	135.04
(Thousand euros)		
Total payments made	2,901,086,418	2,621,110,121
Total payments outstanding	88,532,261	168,693,591
Monetary volume of invoices paid in a period less than the maximum established in arrears regulations	2,587,931,911	1,712,575,486
Percentage represented by the payments lower than said maximum of the total payments performed	89.21	65.34
(Number of invoices)		
Invoices paid in a period less than the maximum established in arrears regulations	2,090,421	1,291,643
Percentage of total invoices	74.35	59.73

28. OTHER CURRENT LIABILITIES

The breakdown is as follows:

	Balance at 31/12/2023	Balance at 31/12/2022
Spanish tax authorities	37,501,815	37,496,360
Social Security	13,964,274	7,048,441
Salaries payable	40,017,578	41,825,263
Other payables	28,113,281	11,827,111
Guarantees and deposits received	929,222	193,800
Hedging derivatives (Notes 24 and 25)	2,421,378	3,553,935
Dividends	-	-
TOTAL	122,947,547	101,944,910

29. OPERATING INCOME AND OTHER OPERATING INCOME

29.1. OPERATING INCOME

This balance reflects the revenue from hotel services and management, the Travel division's travel intermediation and tour operator travel sales and the airline activity. The amounts corresponding to the Travel Division (intermediation, tour operator and airline) for 2023 and 2022 are 2,195.3 and 1,806.4 million euros, respectively. The amounts corresponding to hospitality in 2023 and 2022 amount to 1,775.2 and 1,478.0 million euros, respectively.

In 2023, operating income by geographical market is as follows: 2,902.6 million in Spain, 723.5 million in Latin America and 344.4 million in the remaining area. In 2022, operating income by geographical market were as follows: 2,410.1 million in Spain, 636.5 million in Latin America and 237.9 million in the remaining areas.

29.2. OTHER OPERATING INCOME

Revenue recognised in 2023 includes 813 thousand euros related to public grants. The remaining revenue mainly relates to income from hotel management fees and from other revenue complementary to the normal operations.

Revenue recognised in 2022 includes 270 thousand euros related to rent waivers by lessors and, 5.7 million related to public grants, 434 thousand euros of which correspond to Social Security subsidies. The remaining revenue mainly relates to income from hotel management fees and from other revenue complementary to the normal operations.

30. FINANCE RESULT

The finance result recognised under this heading relates to finance expenses amounting to 76.0 million euros (59.3 million in 2022) and finance revenue amounting to 32.0 million euros (11.9 million in 2022).

31. PERSONNEL EXPENSES

The breakdown of personnel expenses at December 31, 2023 and 2022 as follows:

	2023	2022
Salaries and wages	734,954,417	636,577,697
Termination benefits	8,290,395	4,801,630
Social security	131,869,382	109,345,546
Other employee benefits expenses	25,968,101	29,377,066
	901,082,295	780,101,939

The average number of employees in the Group, by category, is as follows:

	2023	2022
Senior management	901	1,029
Middle management	4,513	3,924
Core staff	29,350	26,571
	34,764	31,524

At December 31, 2023 and 2022, the distribution of employees by gender is as follows:

	2023	2022
Male	19,638	15,549
Female	16,668	17,920
	36,306	33,469

The Parent Company's Board of Directors is made up of three legal representatives and one individual.

In the Spanish companies, the Group has contracted 55 employees with a registered disability of over 33% (49 in 2022).

It should be noted that, in 2023, we are continuing to homogenise professional positions and categories, taking into account the specific needs and peculiarities of each of the Company's divisions. This focus on the homogenisation of professional positions and categories demonstrates our desire for equality and transparency within our organisation, as well as our continuous pursuit of efficiency and effectiveness in our human resources management. This homogenisation process has implied changes in criteria when grouping personnel in the various categories in 2023 in comparison with 2022.

32. OTHER EXPENSES

Details of other operating expenses are as follows:

	2023	2022
Leases and royalties	153,275,647	84,431,583
Repairs and maintenance	83,517,476	67,961,576
Independent professional services	25,925,750	24,180,911
Insurance premiums	20,047,937	17,883,984
Advertising and publicity	58,124,942	50,334,956
Utilities	103,541,172	104,729,568
Others	354,653,452	284,386,500
	799,086,376	633,909,078

33. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

The main transactions undertaken by the Parent or subsidiaries with related companies are as follows:

	2023		2022	
	Associates	Joint ventures	Associates	Joint ventures
Income	2,980,652	-	1,664,083	-
	2,980,652	-	1,664,083	-

All transactions with related parties are conducted at arm's length.

At December 31, 2023 and 2022, the balances with Fundación Barceló and the members of the Barceló family and related parties and other associated entities are detailed in Note 10 and Note 22. The finance cost associated with these liabilities amounts to a 3.6 million euros in 2023 and 1.8 million euros in 2022. In 2023, the finance income associated with these assets amounts to 0.5 million euros. Moreover, the Group has client balances with associated companies for an amount of 1.7 million euros.

34. LEASES

The Group has lease contracts mainly relating to hotel properties, aircraft and offices used during the course of operations. The hotel assets mature between 2024 and 2057, the aircraft between 2024 and 2032 and the offices between 2024 and 2042. In general, Barceló has restricted rights regarding the subleasing of said assets.

The movement of right-of-use assets in 2023 is as follows:

	Hotels	Aircraft	Offices	TOTAL
DECEMBER 31, 2022	613,504,087	268,158,918	15,277,140	896,940,145
New incorporations	-	-	-	-
Additions	151,571,199	5,075,853	16,737,411	173,384,463
Withdrawals	(1,475,934)	(1,441,147)	(10,671,137)	(13,588,218)
Amortisation	(61,408,240)	(38,370,762)	(3,929,745)	(103,708,746)
Translation differences	(159,564)	-	(45,041)	(204,605)
DECEMBER 31, 2023	702,031,548	233,422,862	17,368,629	952,823,040

Additions in 2023 refer to the new contracts that have been signed, extensions of contracts and the increase in rent due to inflation during the year.

The movement of right-of-use assets in 2022 is as follows:

	Hotels	Aircraft	Offices	TOTAL
DECEMBER 31, 2021	568,090,897	309,882,429	15,721,864	893,695,191
New incorporations	-	-	-	-
Additions	102,682,861	-	6,342,543	109,025,403
Withdrawals	(3,346,516)	(1,664,082)	(246,593)	(5,257,191)
Amortisation	(54,520,144)	(40,059,429)	(6,669,751)	(101,249,324)
Translation differences	596,989	-	129,077	726,066
DECEMBER 31, 2022	613,504,087	268,158,918	15,277,140	896,940,145

Additions in 2022 also refer to the new contracts that have been signed, extensions of contracts and the increase in inflation during the year.

The movement of right-of-use liabilities in 2023 is as follows:

	Hotels	Aircraft	Offices	TOTAL
DECEMBER 31, 2022	591,256,156	257,535,538	10,670,967	859,462,661
New incorporations	-	-	-	-
Additions	151,547,039	5,075,853	16,729,423	173,352,315
Withdrawals	(1,475,934)	(1,317,217)	(7,964,703)	(10,757,854)
Interest	19,235,860	6,152,727	965,797	26,354,384
Payments	(70,415,917)	(43,206,080)	(4,868,574)	(118,490,570)
Translation difference	47,329	-	61,658	108,987
Exchange difference	-	(11,579,590)	-	(11,579,590)
Current transfer	(6,840,262)	(218,304)	51,914	(7,006,652)
DECEMBER 31, 2023	683,354,271	212,442,927	15,646,483	911,443,682
Current				96,456,647
Non-current				911,443,682

The movement of right-of-use liabilities in 2022 is as follows:

	Hotels	Aircraft	Offices	TOTAL
DECEMBER 31, 2021	537,282,612	281,649,847	10,713,535	829,645,994
New incorporations	-	-	-	-
Additions	101,018,778	-	7,934,300	108,953,078
Withdrawals	(3,475,786)	(1,664,082)	(251,014)	(5,390,882)
Interest	16,209,291	6,939,304	169,317	23,317,912
Payments	(59,771,798)	(45,367,025)	(8,329,702)	(113,468,525)
Translation difference	619,227	-	-	619,227
Exchange difference	-	16,081,188	-	16,081,188
Current transfer	(626,168)	(103,694)	434,531	(295,331)
DECEMBER 31, 2022	591,256,156	257,535,538	10,670,967	859,462,661
Current				92,505,225
Non-current				859,462,661

The effect on the income statement for the year is as follows:

	2023	2022
Amortisation rights of use	103,708,746	101,249,324
Interest lease liabilities	26,354,384	23,317,913
Variable, low value and current rent	153,275,647	84,431,583
Other expenses	(221,866)	(98,082)
Exchange differences	(11,579,590)	16,081,188
RESULT BEFORE TAX	271,537,322	224,981,926
Corporate tax	29,932	(6,606,089)
RESULT FOR THE YEAR	271,567,254	218,375,836

Lease expenses in 2023 and 2022 have been as follows:

(Thousands of euros)	2023	2022
Variable rent	153,276	84,432
Fixed rent	118,491	113,469
TOTAL RENT	271,766	197,900

The Group has hotel lease contracts containing variable rents, the majority based on the operating result and the remainder on the sales figure. The table below details the information regarding rent, differentiating between fixed and variable:

	2023		2022	
	Fixed rent	Variable rent	Fixed rent	Variable rent
Fixed rent	72,090,818	-	73,863,717	-
Variable rent with guaranteed minimum	46,399,752	19,435,639	39,604,809	11,933,431
Solely variable rent	-	133,840,008	-	72,498,152
TOTAL RENT	118,490,570	153,275,647	113,468,526	84,431,583

The Group has various contracts that include clauses with options for early cancellation or deadline extensions. These options are negotiated by Management in order to allow flexibility when managing the lease contracts portfolio, adapting them to the business' evolution. The Group exercises significant judgments in order to determine if it is reasonable to exercise the early termination or extension options.

The table below shows the possible payments of future rental payments that have not been discounted, related to periods following the exercise date if the options were not exercised for early termination that are expected to be exercised and of extension options that are not expected to be exercised and that are, therefore, included in the lease term considered for the valuation of the lease contracts in accordance with IFRS 16:

Thousands of euros	2023			2022		
	Up to 5 years	More than 5 years	TOTAL	Up to 5 years	More than 5 years	TOTAL
Contract extension options and advance termination	304,067	289,490	593,557	244,261	265,629	509,890
	304,067	289,490	593,557	244,261	265,629	509,890

35. COMMITMENTS AND GUARANTEES WITH THIRD PARTIES AND CONTINGENT ASSETS AND LIABILITIES

Royal Mediterránea, S.A., in which the Group holds a non-controlling interest, has bank loans on which the Group has extended a guarantee of 52.9 million euros. The counter-guarantees extended by Royal Mediterránea, S.A. in favour of the Group will cover potential repayments to be made by the Barceló Group should Royal Mediterránea be unable to meet its financial commitments.

Moreover, the Group has several litigations underway from which no loss or liability is expected to arise, as well as those provided for in Note 20.

36. ENVIRONMENTAL ISSUES

The Parent Company's directors consider that the environmental risks deriving from the Group's activity are minimal and adequately covered and that no additional liabilities will arise therefrom. The Non-Financial Information Statement (Note 6.1 Environmental care in Barceló), that forms part of the consolidated Management Report, details the investments made to prevent environmental risks and to protect and improve the environment.

37. INFORMATION ON DIRECTORS AND MANAGEMENT

In 2023, remuneration paid to the members of the Board of Directors of the Parent, as individuals or legal representatives, and the Group's senior management, in allowances, salaries and wages, amounted to a total of 2.9 million euros (4.1 million euros in 2022). In 2023 and 2022, the members of the Board of Directors extended loans to the Group amounting to 33.3 and 28.8 million euros, remunerated at a fixed market interest rate (See Note 22). At December 31, 2023 and 2022, the Company has no pension or similar obligations with the members of the Parent's Board of Directors or with senior management personnel. The amount of the civil liability insurance premium related to the Board members in 2023 amounted to 46 thousand euros (0.1 million euros in 2022).

At December 31, 2023 and 2022, no prepayments or credits were given to top management personnel or to members of the Parent's Board of Directors nor has it extended any guarantees on their behalf.

The Directors of the Parent and their related parties have had no conflicts of interest requiring disclosure in accordance with article 229 of the Revised Spanish Companies Act.

38. OTHER INFORMATION

At December 31, 2023, the fees accrued by the Parent's auditor for professional audit services have amounted to 722 thousand euros (336 thousand euros in 2022) and 17 thousand euros for other accounting review services (50.3 thousand euros in 2022). Fees accrued for audit services for the years ending December 31, 2023 and 2022 by other companies belonging to the international network of Ernst & Young and other audit firms have amounted to 328 and 244 thousand euros, respectively (in 2022, 241 and 567 thousand euros, respectively).

These amounts comprise the total fees for the 2023 and 2022 audits, irrespective of the invoice date.

Furthermore, fees for other services related to the years 2023 and 2022 for companies associated with the audit firms amounted to 289 thousand euros (273 thousand euros with companies related to Ernst & Young and 16 thousand euros for companies related to the other audit firms) and 400 thousand euros (219 thousand euros with companies related to Ernst & Young and 181 thousand euros to companies related to the other audit firms), respectively.

39. POST-BALANCE SHEET EVENTS

There have been no other post-balance sheet events which significantly affect these consolidated annual accounts or that should be disclosed.

40. EXPLANATION ADDED FOR TRANSLATION TO ENGLISH

These annual accounts are presented on the basis of accounting principles generally accepted in Spain. Certain accounting practices applied by the Company that conform with generally accepted accounting principles in Spain may not conform with generally accepted accounting principles in other countries.

APPENDIX I

CONSOLIDATION PERIMETER DECEMBER 31, 2023

Company	Registered office	Activity	Percentage of direct ownership	Percentage of indirect ownership	Consolidation method	Holding company
2 Dsp S.R.O.	Czech Rep	Hotel business		100.00	Fully consolidated	Unión Hotelera Barceló, S.L.
Aerosens, S.L.	Spain	Air ticket broker		100.00	Fully consolidated	Ávoris Retail Division SL
Alisios Tours, S.L.	Spain	Tour operator		100.00	Fully consolidated	Travelsens, S.L
Allegro Club de Vacaciones, SRL	Dominican Rep.	Time sharing		100.00	Fully consolidated	Occidental Hoteles Management, SL
Allegro Palm Beach, V.B.A.	Aruba	Hotel business		100.00	Fully consolidated	Holding Administrative Hotelier Limited
Allegro Resorts Marketing Corporation	USA	Marketing		100.00	Fully consolidated	Occidental Hoteles Management, SL
Altagracia Incoming Services, SRL	Dominican Rep.	Travel Agency		100.00	Fully consolidated	Travelsens, S.L and others
Asociados Corp San José S.A.	Costa Rica	Dormant		100.00	Fully consolidated	Barceló Hotel Trading Internacional, S.A.
Autocares Iberobus, S.A.	Spain	Transport		90.00	Fully consolidated	Gestión de Viajes Deneb, S.L.U.
Ávoris Business, S.A.	Spain	Holding company		100.00	Fully consolidated	Ávoris Retail Division SL
Ávoris Congress Colombia S.A.S	Colombia	Travel Agency		100.00	Fully consolidated	BCO Congress, S.L.
Ávoris Corporación Empresarial, S.L	Spain	Holding company		100.00	Fully consolidated	Barceló Trips and Travel, SL and others
Ávoris División Central, S.L.	Spain	Management services		100.00	Fully consolidated	Ávoris Retail Division SL
Ávoris Experience, S.L.	Spain	Travel Agency		100.00	Fully consolidated	Ávoris Retail Division SL
Ávoris Retail Division S.L.	Spain	Travel Agency		100.00	Fully consolidated	Ávoris Corporación Empresarial, S.L
Ávoris Travel Partner, S.L.	Spain	Travel Agency		100.00	Fully consolidated	Ávoris Retail Division SL
BAH Maroc S.A.R.L	Morocco	Hotel business		100.00	Fully consolidated	Barceló Hotels Mediterráneo, S.L.
Barceló Trips and Travel, S.L.	Spain	Holding company	100.00		Fully consolidated	Barceló Corporación Empresarial, S.A
B Travel Turismo Accesible S.A.	Spain	Travel Agency		100.00	Fully consolidated	Ávoris Retail Division SL
Barceló Arrendamientos Hoteleros, S.L.	Spain	Hotel business		100.00	Fully consolidated	Grupo Turístico Barceló, S.L. and others
Barceló Arrendamientos Península, S.L.	Spain	Hotel business		100.00	Fully consolidated	Barceló Hotels Mediterráneo, S.L.
Barceló Arrendamientos Roma S.R.L.	Italy	Hotel business		100.00	Fully consolidated	Barceló Gestión Hotelera, S.L.
Barceló Arrendamientos Turísticos, S.L.	Spain	Hotel business		100.00	Fully consolidated	Unión Hotelera Barceló, S.L.
Barceló Asian Ocean LTD	Dubai	Holding company		100.00	Fully consolidated	Barceló Hotels Mediterráneo, S.L.
Barceló Bávaro Holdings S.L.	Spain	Holding company		100.00	Fully consolidated	Barceló TVA Holdings S.L.
Barceló Business Services, S.L.	Spain	Holding company		100.00	Fully consolidated	Barceló Gestión Hotelera, S.L.
B the Travel Brand, S.L	Spain	Travel Agency		100.00	Fully consolidated	Ávoris Retail Division SL
Barceló Cabo Verde Gestao Hotéis, SA	Cabo Verde	Hotel business		100.00	Fully consolidated	Barceló Gestión Hotelera, S.L.
Barceló Cologne GMBH	Germany	Hotel business		100.00	Fully consolidated	Grundstückgesellschaft Hamburg Gmbh
Barceló Condal Hoteles, S.A.	Spain	Hotel business	56.60	43.40	Fully consolidated	Barceló Corporación Empresarial, S.A and others
Barceló Crestline Corporation	USA	Holding company		100.00	Fully consolidated	BCE BCC LLC
Barceló Dejavnost Hotelov in Podobnih Nastanitven	Slovenia	Hotel business		100.00	Fully consolidated	Barceló Gestión Hotelera, S.L.

Company	Registered office	Activity	Percentage of direct ownership	Percentage of indirect ownership	Consolidation method	Holding company
Barceló Egypt LLC	Egypt	Hotel business		100.00	Fully consolidated	Barceló Arrendamientos Hoteleros, SL and others
Barceló Expansión Global, S.L.	Spain	Holding company		100.00	Fully consolidated	Unión Hotelera Barceló, S.L.
Barceló Explotaciones Hoteleras Canarias, S.L.	Spain	Hotel business		100.00	Fully consolidated	Unión Hotelera Barceló, S.L.
Barceló Explotaciones Hoteleras Mediterráneo, S.L.	Spain	Hotel business		100.00	Fully consolidated	Unión Hotelera Barceló, S.L.
Barceló Explotaciones Insulares, S.L.	Spain	Hotel business		100.00	Fully consolidated	Barceló Hotels Mediterráneo, S.L.
Barceló Gestión Global S.L.	Spain	Management company		100.00	Fully consolidated	Inversiones Turística Globales, S.L.
Barceló Gestion Hoteles Grecia, LTD	Greece	Management company		100.00	Fully consolidated	Barceló Gestión Hotelera, S.L. and others
Barceló Gestión Hotelera Maroc SARL	Morocco	Management company		100.00	Fully consolidated	Barceló Gestión Hotelera, S.L.
Barceló Gestión Hotelera, S.A.	Guatemala	Hotel business	100.00		Fully consolidated	Barceló Corporación Empresarial, S.A. and others
Barceló Gestión Hotelera, S.L.	Spain	Management company	100.00		Fully consolidated	Barceló Corporación Empresarial, S.A.
Barceló Gestión Hoteles Roma S.R.L	Italy	Hotel business		100.00	Fully consolidated	Barceló Gestión Hotelera, S.L.
Barceló Gestión Tunisie SARL	Tunisia	Dormant		99.00	Fully consolidated	Barceló Gestión Hotelera, S.L.
Barcelo Grundstrück Berlin GMBH&CO KG	Germany	Dormant	5.00	95.00	Fully consolidated	Barceló Corporación Empresarial, S.A. and others
Barceló Grubarges Hotels, S.L	Spain	Holding company		100.00	Fully consolidated	Barceló Portfolio Holding, S.L.
Barceló Hotel Group Gulf DMCC	Dubai	Management company		100.00	Fully consolidated	Barceló Gestión Hotelera, S.L.
Barceló Hotels Mediterráneo, S.L.	Spain	Hotel business		100.00	Fully consolidated	Barceló Hotels Spain, S.L.
Barceló Hotels Spain, S.L.	Spain	Holding company		100.00	Fully consolidated	Grupo Turístico Barceló, S.L.
Barceló Hotel Trading Internacional, S.A.	Spain	Dormant		100.00	Fully consolidated	Barceló Switzerland, S.A.
Barceló Huatulco Hotels, S.L.	Spain	Holding company		100.00	Fully consolidated	Barceló Portfolio Holding, S.L.
Barceló Hungary KFT	Hungary	Hotel business		100.00	Fully consolidated	Barceló Arrendamientos Hoteleros, SL
Barceló Indian Ocean Private Limited	Maldives	Hotel business		100.00	Fully consolidated	Barceló Hotel Group Gulf DMCC
Barceló Karmina Hotels, S.L.	Spain	Holding company		100.00	Fully consolidated	Barceló Portfolio Holding, S.L.
Barceló Kukulcán Hotels, S.L.	Spain	Holding company		100.00	Fully consolidated	Barceló Portfolio Holding, S.L.
Barceló Lucía, S.L.	Spain	Holding company		100.00	Fully consolidated	Barceló Portfolio Holding, S.L.
Barceló Poland Spolka Z Ograniczona	Poland	Hotel business		100.00	Fully consolidated	Barceló Gestión Hotelera, S.L. and others
Barceló Portfolio Holding, S.L.	Spain	Holding company		100.00	Fully consolidated	Barceló Resorts, SL
Barceló Portugal Gestión Hotelera, Unipessoal LDA	Portugal	Hotel business		100.00	Fully consolidated	Barceló Gestión Hotelera, S.L.
Barceló Punta Umbría, S.L.	Spain	Hotel business		100.00	Fully consolidated	Unión Hotelera Barceló, S.L.
Barceló Raval, S.L	Spain	Hotel business		100.00	Fully consolidated	Grupo Turístico Barceló, S.L.
Barceló Resorts, S.L.	Spain	Holding company	22.75	77.25	Fully consolidated	Grubarges Inversión Hotelera, S.L. and others
Barceló Santiago Tenerife, S.L.	Spain	Hotel business		100.00	Fully consolidated	Barceló Hoteles Spain, S.L. and others
Barceló Servicios Turísticos, SA	Guatemala	Servicios Hoteleros	98.00	2.00	Fully consolidated	Barceló Corporación Empresarial, S.A and others
Barceló Switzerland, S.A.	Switzerland	Holding company	100.00		Fully consolidated	Barceló Corporación Empresarial, S.A.

Company	Registered office	Activity	Percentage of direct ownership	Percentage of indirect ownership	Consolidation method	Holding company
Barceló Títulos y Valores, S.L.	Spain	Hotel business	100.00		Fully consolidated	Barceló Corporación Empresarial, S.A.
Barceló Tucancún Beach, S.L.	Spain	Holding company		100.00	Fully consolidated	Barceló Portfolio Holding, S.L.
Barceló Turizm Otelcilik, LTD	Turkey	Hotel business		100.00	Fully consolidated	Barceló Gestión Hotelera, S.L.
Barceló TVA Holdings S.L.	Spain	Holding company		100.00	Fully consolidated	Turavia International Holidays, S.L.
Barceló Vallarta Hotels, S.L.	Spain	Holding company		100.00	Fully consolidated	Barceló Portfolio Holding, S.L.
Barceló Verwaltungs Gbhm	Germany	Holding company	100.00		Fully consolidated	Barceló Corporación Empresarial, S.A.
BBIMO, Lda.	Portugal	Hotel business		100.00	Fully consolidated	Barceló Portugal Gestión Hotelera, Unipessoal LDA
BCE BCC LLC	USA	Holding company	100.00		Fully consolidated	Barceló Corporación Empresarial, S.A.
BCLO Brisa Punta Cana, S.L.	Spain	Hotel business		100.00	Fully consolidated	Barceló Resorts, S.L.
BCO Congress, S.L.	Spain	Travel Agency		100.00	Fully consolidated	Ávoris Retail Division SL
BCO Huatulco, SRL de CV	Mexico	Hotel business		100.00	Fully consolidated	Barceló Huatulco Hotels, S.L.
BCO Kukulcán, SRL de CV	Mexico	Hotel business		100.00	Fully consolidated	Barceló Kukulcán Hotels, S.L.
BCO Lucía, SRL de CV	Mexico	Dormant		100.00	Fully consolidated	Barceló Lucía, S.L.
BCO Mismaloya, SRL de CV	Mexico	Hotel business		100.00	Fully consolidated	Barceló Vallarta Hotels, S.L.
BCO Resorts Manzanillo, SRL de CV	Mexico	Hotel business		100.00	Fully consolidated	Barceló Karmina Hotels, S.L.
BCO Tucancún, SRL de CV	Mexico	Hotel business		100.00	Fully consolidated	Barceló Tucancún Beach, S.L.
BTTB Unipessoal LDA	Portugal	Travel Agency		100.00	Fully consolidated	Escalatur Viagens e Turismo, Ltda.
Caribbean Hotels Agency, S.L.	Spain	Dormant		100.00	Fully consolidated	Grubarges Inversión Hotelera, S.L.
Catai India Private LTD	India	Travel Agency		100.00	Fully consolidated	Viajes Catai, S.A,
Condominio DO Mar, Gestao Inmobiliaria SA	Cabo Verde	Dormant		100.00	Fully consolidated	Barceló Hotels Mediterráneo, S.L.
Corporación Algard, S.A.	Costa Rica	Hotel business		100.00	Fully consolidated	Grupo Turístico Barceló, S.L.
Corporación Vonderball, S.A.	Costa Rica	Management company		100.00	Fully consolidated	Barceló Gestión Hotelera, S.L.
Cozumel Villages, SA de CV	Mexico	Hotel business		100.00	Fully consolidated	Occidental Ampersand Holding, SARL and others
Crestline Hotels & Resorts, LLC	USA	Management company		100.00	Fully consolidated	Barceló Crestline Corporation and Subsidiaries
Desarrollo Flamenco Riviera, SA de CV	Mexico	Hotel business		73.96	Fully consolidated	Occidental Ampersand Holding, SARL
Diamonds Hotels Cozumel, SA de CV	Mexico	Hotel business		100.00	Fully consolidated	Occidental Ampersand Holding, SARL and others
Diamonds Hotels Nuevo Vallarta, SA de CV	Mexico	Hotel business		100.00	Fully consolidated	Village Resorts México, S de CV and others
Diamonds Hotels Playacar, SA de CV	Mexico	Hotel business		100.00	Fully consolidated	Occidental Ampersand Holding, SARL and others
Dondear Viajes, S.L.	Spain	Travel Agency		100.00	Fully consolidated	Ávoris Retail Division SL
Emeraldtown - Empreendimentos Imobiliários e Turísticos, S.A.	Portugal	Hotel business		70.00	Fully consolidated	Barceló Portugal Gestión Hotelera, Unipessoal LDA
Escalatur Viagens e Turismo, Ltda.	Portugal	Travel Agency		100.00	Fully consolidated	Ávoris Business, S.A.
Evelop Airlines, S.L.	Spain	Airline		100.00	Fully consolidated	Ávoris Retail Division SL
Evelop Airlines Dominicana S.A.	Dominican Rep.	Airline		100.00	Fully consolidated	Evelop Airlines, SL and others
Expansión Inversora Global, S.L.	Spain	Holding company		100.00	Fully consolidated	Barceló Expansión Global, S.L.
Expansión Turística Barceló, S.L.	Spain	Holding company	0.09	99.91	Fully consolidated	Unión Hotelera Barceló, S.L., and others
Flamenco Tenerife Inmobiliaria y Obras, S.L.	Spain	Dormant		100.00	Fully consolidated	Occidental Hoteles Management, SL
Flamingo Bávaro, S.L.	Spain	Holding company		100.00	Fully consolidated	Flamingo Cartera S.L.

Company	Registered office	Activity	Percentage of direct ownership	Percentage of indirect ownership	Consolidation method	Holding company
Flamingo Cartera S.L.	Spain	Holding company	99.08	0.92	Fully consolidated	Barceló Corporación Empresarial, S.L. and others
Fundación Cultural Formentor	Spain	Holding company	33.33	33.33	Fully consolidated	Barceló Corporación Empresarial, S.L. and others
Gea Grupo de Agencias Independiente S.L.	Spain	Travel Agency		51.00	Fully consolidated	Geo Travel Partner S.L.U.
Geo Travel Partner S.L.U.	Spain	Travel Agency		100.00	Fully consolidated	Viajes Halcón, S.A.U.
Gestión de Viajes Deneb, S.L.U.	Spain	Travel Agency		100.00	Fully consolidated	Ávoris Corporación Empresarial, S.L.
Graser Turismos S.L.	Spain	Hotel business		100.00	Fully consolidated	Barceló Gestión Hotelera, S.L.
Gregal Viagens, Ltda.	Portugal	Travel Agency		99.98	Fully consolidated	Escalatur Viagens e Turismo, Ltda. and others
Grubar Hoteles, S.L.	Spain	Holding company		100.00	Fully consolidated	Expansión Turística Barceló, S.L.
Grubarges Canada, Ltd	Canada	Dormant		100.00	Fully consolidated	Unión Hotelera Barceló, S.L.
Grubarges Gestión Hotelera Integral, S.A.	Spain	Holding company		100.00	Fully consolidated	Grubar Hoteles, S.L., and others
Grubarges Gestión Hotelera Mexicana, S.A. de C.V.	Mexico	Management company		100.00	Fully consolidated	Grubarges Gestión Hotelera Integral, S.A. and others
Grubarges Inversiones Hoteleras Mexicanas SRL de CV	Mexico	Hotel business		100.00	Fully consolidated	Barceló Grubarges Hotels, S.L and other
Grubarges Inversiones Hoteleras Canarias, S.L.	Spain	Dormant		100.00	Fully consolidated	Grubarges Inversión Hotelera, S.L. and others
Grubarges Inversión Hotelera, S.L.	Spain	Comercial		100.00	Fully consolidated	Grubar Hoteles, S.L., and others
Grundstrückgesellschaft Hamburg GmbH	Germany	Hotel business	100.00		Fully consolidated	Barceló Corporación Empresarial, S.A.
Grupo Turístico Barceló, S.L.	Spain	Finance company	0.30	99.70	Fully consolidated	Unión Hotelera Barceló, S.L., and others
Holding Administrative Hotelier Limited	Malta	Holding company		100.00	Fully consolidated	Occidental Ampersand Holding, SARL
Hotel Assets Holding Limited	Malta	Time sharing		100.00	Fully consolidated	Holding Administrative Hotelier Limited
Hotel Campos de Guadalmina S.L.	Spain	Hotel business		100.00	Fully consolidated	Unión Hotelera Barceló, S.L.
Hotel El Toyo, S.L.	Spain	Hotel business		100.00	Fully consolidated	Barceló Hotels Mediterráneo, S.L.
Hotel Felipe IV, S.A.	Spain	Hotel business		100.00	Fully consolidated	Unión Hotelera Barceló, S.L.
Hotel Isla Cristina. S.L	Spain	Hotel business		100.00	Fully consolidated	Unión Hotelera Barceló, S.L.
Hotel Montelimar, S.A.	Nicaragua	Hotel business	1.00	98.00	Fully consolidated	Barceló Bávaro Holdings, S.L. and others
Hotel Royal Playacar, SA de CV	Mexico	Hotel business		100.00	Fully consolidated	Occidental Royal Holding, SARL and others
Hotelera Bávaro S.A.	Dominican Rep.	Hotel business		100.00	Fully consolidated	Grupo Turístico Barceló, S.L., and others
Hoteles e Inversiones, SA de CV	El Salvador	Hotel business	100.00		Fully consolidated	Barceló Corporación Empresarial, S.A. and others
Iberotours, S.A.U.	Spain	Tour operator		100.00	Fully consolidated	Gestión de Viajes Deneb, S.L.U.
Inmuebles de Baleares S.L.	Spain	Real estate	100.00		Fully consolidated	Barceló Corporación Empresarial, S.A.
Inmuebles en Desarrollo y Proyección, S.L.	Spain	Holding company		100.00	Fully consolidated	Inmuebles de Baleares, S.L.
Inversiones Turísticas Globales, S.L.	Spain	Dormant		100.00	Fully consolidated	Barceló Expansión Global, S.L.
Inversora Internacional Hotelera, SRL	Dominican Rep.	Hotel business		100.00	Fully consolidated	Occidental Ampersand Holding, SARL
Jack Tar Villages Resorts de México, SA de CV	Mexico	Time sharing		100.00	Fully consolidated	Occidental Hoteles Management, SL and others
Jade Travel do Oriente, Viagens e Turismo LDA	Portugal	Dormant		90.00	Fully consolidated	Nortravel Ag. Viagens e Turismo, SA
JTV RMx Limited	Malta	Dormant		100.00	Fully consolidated	Occidental Hoteles Management, SL and others
Kawawa ITG S.L.U.	Spain	Hotel business		100.00	Fully consolidated	Unión Hotelera Barceló, S.L.

Company	Registered office	Activity	Percentage of direct ownership	Percentage of indirect ownership	Consolidation method	Holding company
Las Glorias del Golfo de Cortés, SA de CV	Mexico	Personnel services		100.00	Fully consolidated	Village Resorts México, S de CV and others
Leplansens Tours, S.L.	Spain	Tour operator		100.00	Fully consolidated	Travelsens, S.L
Luba ITG S.L.U	Spain	Hotel business		100.00	Fully consolidated	Barceló Arrendamientos Hoteleros. SL
Marina Punta Piedra Amarilla, S.A	Costa Rica	Hotel business		100.00	Fully consolidated	Grupo Turístico Barceló, S.L, and others
Mayorista de Viajes, S.A	Spain	Tour operator		100.00	Fully consolidated	Ávoris Retail Division SL
Mestský dvur, sro	Czech Rep	Hotel business		100.00	Fully consolidated	Unión Hotelera Barceló, S.L
Michamwi Resort Development LTD	Tanzania	Hotel business		100.00	Fully consolidated	Barceló Gestión Hotelera, S.L.
MK Puerto Rico S.A.	Puerto Rico	Dormant		100.00	Fully consolidated	Planet Business Travel S.A.U.
M.S. Viajes, S.A.	Spain	Tour operator		100.00	Fully consolidated	Sekai Trading Services, S.L.U.
Montecastillo Sport Catering, S.L.	Spain	Hotel business		100.00	Fully consolidated	Inmuebles de Baleares, S.L.
Mundo Social, AIE	Spain	Travel Agency		100.00	Fully consolidated	Viajes Halcón, S.A.U. and others
Naviera Tambor, S.A.	Costa Rica	Shipping company		100.00	Fully consolidated	Marina Punta Piedra Amarilla, S.A and others
Narjis D'investissements Touristiques, S.A.	Morocco	Hotel business		100.00	Fully consolidated	Barceló Hotels Mediterráneo, S.L.
Nortravel Ag.Viagens e Turismo, SA	Portugal	Tour operator		100.00	Fully consolidated	Escalatur Viagens e Turismo, Ltda.
Occidental Ampersand Holding, SARL	Luxembourg	Holding company		100.00	Fully consolidated	Occidental Hoteles Management, SL
Occidental Hoteles Management, SL	Spain	Holding company	100.00		Fully consolidated	Barceló Corporación Empresarial, S.A.
Occidental Royal Holding, SARL	Luxembourg	Holding company		100.00	Fully consolidated	Occidental Hoteles Management, SL
Occidental Smeralda, SA	Costa Rica	Hotel business		100.00	Fully consolidated	Occidental Ampersand Holding, SARL
Occifitur Dominicana, SRL	Dominican Rep.	Hotel business		100.00	Fully consolidated	Occidental Hoteles Management, SL and others
Ocio y Turismo Novotours AIE	Spain	Travel Agency		100.00	Fully consolidated	Viajes Halcón, S.A.U. and others
Operadora de Servicios Varios, S.A.	Guatemala	Servicios personal		100.00	Fully consolidated	Corporación Vonderball, S.A. and others
Orbe Travel Club Spain, S.L.U.	Tour operator	Tour operator		100.00	Fully consolidated	Gestión de Viajes Deneb, S.L.U.
Orbest, SA	Portugal	Airline		100.00	Fully consolidated	Avoris Retail División, SL and others
Planet Business Travel, S.A.U.	Spain	Tour operator		100.00	Fully consolidated	Gestión de Viajes Deneb, S.L.U.
Planeta Tierra Viajes, S.A.	Spain	Travel Agency		100.00	Fully consolidated	Viajes Catai, S.A.
Poblados de Bávaro S.L.	Spain	Holding company	0.11	99.89	Fully consolidated	Grupo Turístico Barceló, S.L, and others
Promotora QVB, SA de CV	Mexico	Holding company		100.00	Fully consolidated	Grubarges Inversión Hotelera, S.L. and others
PT Barceló Hotel Group Indonesia	Indonesia	Hotel business		100.00	Fully consolidated	Barceló Hotel Group Gulf DMCC and others
Punta Umbría Turística, S.A.	Spain	Hotel business	84.97	15.03	Fully consolidated	Barceló Corporación Empresarial, S.A. and others
Quiroocan, SA de CV	Mexico	Hotel business		100.00	Fully consolidated	Promotora QVB, SA de CV and others
Restaurante Lina S.A.	Dominican Rep.	Hotel business		100.00	Fully consolidated	Barceló Bávaro Holdings, S.L. and others
See Europe Tours Limited	United Kingdom	Incoming services		100.00	Fully consolidated	Welcome Incoming Services, S.L.U.
Sekai Corporate Travel, S.L.U.	Spain	Management company		100.00	Fully consolidated	Gestión de Viajes Deneb, S.L.U.
Sekai Traveling, S.L.U.	Spain	Dormant		100.00	Fully consolidated	Viajes Halcón, S.A.U.
Sekai Trading Services, S.L.U.	Spain	Tour operator		100.00	Fully consolidated	Gestión de Viajes Deneb, S.L.U.
Servicios de Construcciones Maya, S.A de CV	Mexico	Servicios personal		100.00	Fully consolidated	Quiroocan, SA de CV and others
Servicios e Inmuebles Turísticos, S de R.L de C	Mexico	Hotel business		100.00	Fully consolidated	Barceló Vallarta Hotels, S.L. and others
Sextante Viajes, S.L.	Spain	Travel Agency		100.00	Fully consolidated	Ávoris Retail Division SL

Company	Registered office	Activity	Percentage of direct ownership	Percentage of indirect ownership	Consolidation method	Holding company
Sibba Neumo, S.L.	Spain	Dormant		100.00	Fully consolidated	BCO Congress, S.L.
Societe Palmeraie Maroc Emirats	Morocco	Hotel business		100.00	Fully consolidated	Barceló Hotels Mediterráneo, S.L.
Standard Reservation Limited	Malta	Holding company		100.00	Fully consolidated	Occidental Royal Holding, SARL
Sunsea Place Ltd	Malta	Dormant		100.00	Fully consolidated	Holding Administrative Hotelier Limited
Tagredo Investments SRL	Dominican Rep.	Dormant		100.00	Fully consolidated	Occidental Ampersand Holding, SARL
Tenedora Inmobiliaria El Salado, SRL	Dominican Rep.	Real estate		99.00	Fully consolidated	Restaurante Lina, S.A.
Títulos Bávaro, S.L.	Spain	Holding company		100.00	Fully consolidated	Poblados de Bávaro S.L.
Transporte Turístico San Miguel S.R.L.	Dominican Rep.	Transport		100.00	Fully consolidated	Altagracia Incoming Services, SRL
Trapezio S.A.	Dominican Rep.	Holding company		100.00	Fully consolidated	Grupo Turístico Barceló, S.L., and others
Travelgea Tours S.L.U	Spain	Travel Agency		100.00	Fully consolidated	Geo Travel Partner S.L.U.
Travelsens, S.L	Spain	Tour operator		100.00	Fully consolidated	Ávoris Retail Division SL
Turavia International Holidays, LTD	United Kingdom	Holding company		100.00	Fully consolidated	Unión Hotelera Barceló, S.L.
Turiempresa, CXA	Dominican Rep.	Dormant		98.80	Fully consolidated	Trapezio S.A.
Unión Hotelera Barceló, S.L.	Spain	Holding company	100.00		Fully consolidated	Barceló Corporación Empresarial, S.A.
UTE Mundosenior Plus	Spain	Travel Agency		100.00	Fully consolidated	Viajes Halcón, S.A.U. and others
UTE Turismosocial	Spain	Travel Agency		100.00	Fully consolidated	Avoris Retail División, S.L. and others
UTE Turismosocial II	Spain	Dormant		100.00	Fully consolidated	Avoris Retail División, S.L. and others
UTE Turismosocial III	Spain	Dormant		100.00	Fully consolidated	Avoris Retail División, S.L. and others
Vacaciones Barceló México, S.A.	Mexico	Travel Agency		100.00	Fully consolidated	Vacaciones Barceló, S.A., and others
Vacaciones Barceló, SA	Dominican Rep.	Travel Agency		100.00	Fully consolidated	Grubarges Inversión Hotelera, S.L.
Viagens Catai, SU LDA	Portugal	Tour operator		100.00	Fully consolidated	Viajes Catai, S.A.
Viajes Catai, S.A	Spain	Tour operator		100.00	Fully consolidated	Ávoris Retail Division S.L.
Viajes Ecuador, S.A.U.	Spain	Travel Agency		100.00	Fully consolidated	Gestión de Viajes Deneb, S.L.U.
Viajes Halcón, S.A.U.	Spain	Travel Agency		100.00	Fully consolidated	Gestión de Viajes Deneb, S.L.U.
Viajes Interopa, S.A.	Spain	Travel Agency		100.00	Fully consolidated	Ávoris Retail Division SL
Viajes Tu Billete, S.L.	Spain	Travel Agency		100.00	Fully consolidated	Sextante Viajes, S.L.
Village Resorts México, S de CV	Mexico	Holding company		100.00	Fully consolidated	Occidental Ampersand Holding, SARL and others
Wahate Aguedal, S.A.	Morocco	Dormant		100.00	Fully consolidated	Barceló Hotels Mediterráneo, S.L.
Wakalua Innovation Hub S.L.	Spain	Holding company		100.00	Fully consolidated	Sextante Viajes, S.L.
Welcome Incoming Services, S.L.U.	Spain	Holding company		100.00	Fully consolidated	Gestión de Viajes Deneb, S.L.U.
Welcome Incoming Services México, S.R.L.	Mexico	Holding company		100.00	Fully consolidated	Welcome Incoming Services, S.L.U.
Wisaces S.A.S	Dominican Rep.	Dormant		100.00	Fully consolidated	Welcome Incoming Services, S.L.U.
Associates						
Santa Lucía, S.A.	Cuba	Dormant		50.00	Proportionate consolidation	Expansión Inversora Global, S.L
Hotel Rívoli SA	Morocco	Hotel business		20.37	Proportionate consolidation	Barceló Hotels Mediterráneo, S.L.
Caravel S.A.	Tunisia	Hotel business		20.00	Proportionate consolidation	Barceló Gestión Hotelera, S.L.
Société Financière d'África Palace, SA	Morocco	Hotel business		48.00	Proportionate consolidation	Barceló Hotels Mediterráneo, S.L.
Canfranc Estación 2018 S.L.	Spain	Hotel business		30.00	Proportionate consolidation	Unión Hotelera Barceló, S.L.

CONSOLIDATED MANAGEMENT REPORT

In 2023, the Barceló Group has obtained a **Consolidated net profit attributable to the Group's Parent company of 193.9 million euros** in comparison with 170.1 in 2022.

In 2023, we have improved our results and also the recurring results of the prior year in Revenue, Ebitda and Net Profit. As a result of this improvement, we have **reduced the consolidated net finance debt** to 57 million euros in comparison with 205.3 million euros in 2022. The net consolidated finance debt is calculated as the sum of the loans and credits with banks, less the amount of cash and other equivalent financial assets.

In 2023, **the commitments with financial entities have been fulfilled** in the payment of interest and amortisation of principal. The consolidated balance has positive cash and banks for an amount of 827.1 million euros (cash and financial deposits of less than one year) and a liquidity situation of over 1,290 million euros (cash and banks plus the amount of credit policies and loans that have not been drawn down).

Thanks to this consolidated **balance sheet position**, we are confident of continuing to meet our financial commitments and consider that we have the capability for growth.

1. MILESTONES FOR 2023

1.1 HOTEL ACTIVITY

Barceló Hotel Group is the hotel division of the Barceló Group. The Group's brand architecture is made up of: Royal Hideaway Luxury Hotels & Resorts, Barceló Hotels & Resorts, Occidental Hotels & Resorts and Allegro Hotels.

The **Group has closed the year with a total of 65,204 rooms** in 300 hotel establishments located in Latin America, Europe, the United States, Africa and Asia.

Of this total number, **19,171 rooms are Group-owned**, 18,752 are leased and 27,281 rooms are managed or under franchise.

During the year, new establishments have been incorporated in the United States, Spain, Portugal, Poland, Slovenia, Malta, Morocco, Sri Lanka, the Maldives and Mexico.

In **EMEA**, occupancy was 73.3% compared to 67.3% in the previous year and the total Revpar total (total revenue per available room) was 123.0 euros compared to 106.0 euros in the previous year.

Occupancy in **Latin America** has been 74.9% in comparison to 67.9% in the previous year and the total Revpar has been 171.8 dollars compared to 150.1 dollars in the previous year.

In the **United States**, occupancy has been 71.4% in comparison to 70.4% in the previous year and the total Revpar has been 134.1 dollars compared to 128.4 dollars in the previous year.

1.2 TRAVEL ACTIVITY

Ávoris Corporación Empresarial is the Travel Group owned by Barceló. This Group's main activities are those related to retail travel agencies and tour operators, incoming services agencies and both air and land passenger transport. As a global tour operator, the Group has evolved towards vertical integration with specialised brands offering a unique experiences, tailored to each client.

All the Ávoris Corporación Empresarial brands are focused on complete customer satisfaction, sharing the company's values: commitment to the client, personal growth, teamwork, passion, responsibility and innovation. Ávoris Corporación Empresarial places a special emphasis on innovation in its services and products, adapting to market trends with the aim of reinventing and becoming pioneers in the industry.

Concentrating on the Spanish and Portuguese markets, the Group also has a direct presence in the United Kingdom, Colombia, Cuba, the Dominican Republic, Mexico and India.

Business activity focuses on creating trips that give clients added value in five business areas: distribution, tour-operating, transport, in-destination service and experiences.

2. THE GROUP'S CONSOLIDATED RESULTS

In 2023, a **Net consolidated profit of 193.9 million** has been obtained in comparison to 170.1 million euros in the previous year.

There has been an improvement of the consolidated gross **Revenue**, which amounted to 6,700.9 million euros in comparison to 5,729.8 million euros in the previous year. The consolidated gross Revenue is made up of the consolidated income from the owned and leased hotels, hotels under management contracts, and gross income without intercompany eliminations from the Travel Division.

The consolidated Ebitda has also improved in comparison with 2022, reaching 533.7 million euros in comparison to 422.6 million euros.

As a result of this improvement, the consolidated Net Finance Debt has reduced from 205.3 million euros in 2022 to 57 million euros in 2023. These debt levels include the finance debt of Ávoris.

However, it is worth noting that the consolidated balance sheet presents a **net cash and banks position of 827.1 million euros**, and a **liquidity position exceeding 1,290 million euros**, which will allow the Group to meet its commitments without any difficulties in 2024 and to continue to grow.

3. OUTLOOK FOR 2024

The goal for **2024** is to reach a consolidated EBITDA of approximately 510 million (excluding the effect of IFRS 16), a positive net consolidated profit of 258 million euros. In the first months of 2024, the Group is obtaining results in line with the budget.

4. OTHER INFORMATION

The Group's risk management policies are established to identify and analyse the risks faced by the Group, define appropriate risk limits and controls and to control risks and comply with limits. Risk management policies and procedures are reviewed regularly so that they reflect changes in market conditions and the Group's activities.

The Group's Audit Committee supervises how management controls compliance with the Group's risk management procedures and policies and reviews whether the risk management policy is suitable considering the risks to which the Group is exposed.

The Group's financial risk management policies and objectives are explained in Note 4 of the Consolidated Annual Accounts.

Note 27 of the Consolidated Annual Accounts includes the information regarding late payments to suppliers in Spain and their average payment period.

Neither the Parent nor the subsidiaries hold any own shares or Parent shares, nor did they conduct any research and development activities during 2023.

Note 39 of the Notes to the consolidated annual accounts includes information on post-balance sheet events.

Although the non-financial information report for the year 2023 has been prepared in a separate document, it forms part of this consolidated Management Report.

Barceló

HOTEL GROUP

Barceló Hotel Group

Corporate headquarters

Josep Rover Motta, 27
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Ávoris Corporacion Empresarial

Corporate headquarters

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SUSTAINABILITY

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Barceló

GROUP

