

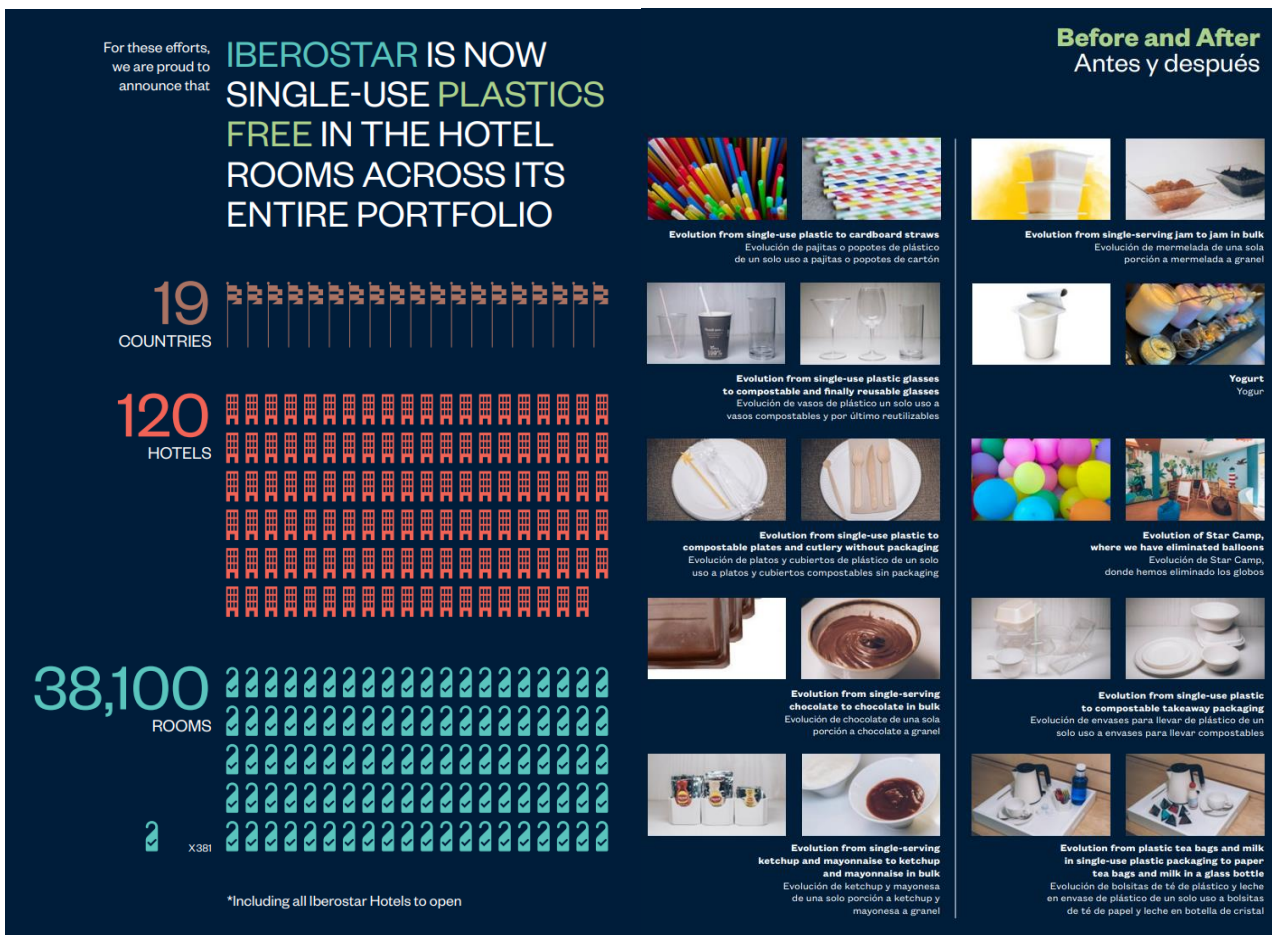


WAVE OF CHANGE

Iberostar Group leads with purpose in its pursuit to set the standard for responsible tourism. Iberostar's pioneering responsible tourism movement, Wave of Change, consists of three pillars - moving beyond plastics and towards a circular economy, promoting the responsible consumption of seafood and improving coastal health.

Wave of Change is designed in line with Objectives 12 and 14 of the Sustainable Development Goals (SDGs) established by the United Nations, "Responsible Consumption and Production" and "Life Below Water," respectively. Oceans are home to more than 80% of life on the planet and Iberostar is committed to protecting the oceans.

Through Wave of Change, Iberostar is now single-use plastics free in the hotel rooms across its entire portfolio and single-use plastic free in its entire operations by the end of 2020. Iberostar will expand on these achievements through its commitment to become waste free by 2025 and carbon neutral by 2030.



Through its coral restoration program, Wave of Change has established three coral nurseries (one in the Dominican Republic and two in Mexico) and built a fully functional on-land coral reef laboratory at

its hotel, Iberostar Bavaro, in the Dominican Republic. This, in addition to other coastal health programs, is to ensure that all ecosystems surrounding Iberostar properties are in improving ecological health by 2030.

We needed to expand this research within our own operations at Iberostar.

IN 2019, WE COMPLETED THE CONSTRUCTION OF IBEROSTAR'S **FIRST** **ON-LAND CORAL LAB** IN THE DOMINICAN REPUBLIC



This serves as

1



a genetic bank
for coral

2




an outreach center for
employees, clients, and
the community

3



a state-of-the-art
climate control system to
recreate bleaching events

On World Oceans Day, Iberostar launched one of the sector's most ambitious roadmaps to 100% responsible sourcing of seafood by 2025. Included in that roadmap is a path to source 45% of Iberostar's total seafood volume from responsible sources by the end of 2020.



marea	ASTIR RESTAURANTS	CA'S MENESTRAL	GRAN CLAVEL DESIGN	PAPA negra	LE TOURBILLON	L'atelier
SPAIN				DOMINICAN REPUBLIC		MEXICO
MSC-C-56777 ASC-C-01934	MSC-C-56782 ASC-C-01938		MSC-C-56686 ASC-C-01970	MSC-C-57423 ASC-C-02393	MSC-C-57215 ASC-C-02212	MSC-C-57197 ASC-C-02210

In 2020, Iberostar announced its agenda working towards 2030:

1	Iberostar's operations are single-use plastic free by 2020, waste free by 2025, and carbon neutral by 2030	Todos los hoteles Iberostar estarán libres de plástico de un solo uso en todas sus áreas a finales de 2020, libres de residuos para 2025 y neutrales en emisiones de carbono para 2030
2	Iberostar's seafood consumption is 100% responsible by 2025	El consumo de pescado y mariscos en Iberostar será 100% de fuentes responsables para 2025
3	All ecosystems that surround Iberostar properties are improving in ecological health alongside profitable tourism by 2030	Iberostar invertirá en la salud de los ecosistemas en torno a todos sus hoteles comprometiéndose a haberla mejorado en 2030, aumentando la calidad turística de los destinos
4	Wave of Change is recognized by 90% of clients in-stay by 2023 and is a major driver for 60% of clients to choose Iberostar by 2025	El 90% de los clientes alojados en Iberostar conocerán el movimiento Wave of Change para 2023 y este supondrá uno de los principales factores para que el 60% de los clientes escojan Iberostar en 2025
5	Iberostar's own certification or verified partner certifications for responsible tourism are adopted by 2x the number of hotels Iberostar manages by 2030	El doble de hoteles que Iberostar tenga en portafolio habrán adoptado la certificación de turismo responsable propia de Iberostar o de partners verificados para 2030

Please visit www.waveofchange.com for more information or follow us on social media: [Facebook](#), [Twitter](#) and [Instagram](#)



Iberostar Group is a 100% family-owned multinational Spanish company, dedicated for more than 60 years to tourism, and with origins in the footwear industry dating back to 1877. The main line of business is **Iberostar Hotels & Resorts** with a portfolio of over one hundred 4 and 5-star hotels and more than 34.000 rooms in 16 countries. The Group has a global workforce above 34,500 people of 91 nationalities. There are two other business entities: a holiday Club, The Club, and travel and inbound services, World2Meet.

Iberostar is owned by the **Fluxà family** and **chaired by Miguel Fluxà Rosselló**, founder of the Group's current hotel unit and the Iberostar Hotels & Resorts brand. His daughters Sabina y Gloria are the Company's two Vice-Chairwomen. **Sabina Fluxà is also the Group's CEO** and **Gloria Fluxà holds the post of Chief Sustainability Officer**.

The company has positioned itself as an international benchmark in **responsible tourism** by promoting a more sustainable business model focused on the care for people and the environment, and boosting circularity policies. It pursues its own **2030 Agenda** aimed at eliminating waste, neutralizing carbon emissions and improving the health of the ecosystems surrounding its hotels, among other targets. The



Wave of Change movement reflects this commitment and the company's effort to share it with all of society.

Evolution of the Iberostar Group

1.3

History of the Iberostar Group: from footwear to tourism, an entrepreneurial endeavour

1.3.1

The Iberostar Group is a 100% family-owned Spanish company. It was founded in 1956 when a small travel agency was acquired by a Majorcan footwear company with origins stretching back to 1877.

Currently, the company is continuing to grow and evolve. Its efforts are focused on sustainability, the innovation of its products and services and technological development.

EVOLUTION OF THE IBEROSTAR GROUP (1877-2018)

 1877 Mr Antonio Fluxà founds a footwear business in Majorca	 1973 The Iberojet tour operator was created	 2005 Sabina and Gloria Fluxà join the company	 2014 The Club is launched
 1930 The Viajes Iberia travel agency is founded	 1979 Iberostar expands to England and signs an exclusive agreement with Neckermann and Intasun	 2006 The Group sells its issuing companies to focus on the hotel business	 2015 NT Incoming and New Travellers are acquired and merge to become Worldclass; Almundo is acquired
 1956 Mr Lorenzo Fluxà acquires Viajes Iberia, with 8 offices and 40 employees	 1983 Mr Miguel Fluxà creates the Iberostar brand with the first hotels in Majorca and the Canary Islands	 2007 Launch of the luxury brand The Grand Collection	 2016 The Group celebrates its 60th anniversary and opens its first hotel in New York
 1962 Mr Miguel Fluxà joins Viajes Iberia	 1993 The hotels begin to expand abroad in the Caribbean	 2009 The expansion of urban hotels begins	 2018 Launch of the new brand

Organisational objectives and strategies

1.2.1

Organisational objectives and strategies include:

- 1 Being leaders in quality.
- 2 Being a point of reference for responsible tourism.
- 3 Directed toward profitability.
- 4 Focus on digital development and innovation, with a culture based on ethics, communication and transparency.

As a whole, collaboration and transparency are fundamental to achieving the company's objectives. At the same time, the business model seeks to

positively influence the communities where the Group operates by creating jobs and preserving their cultural identity.

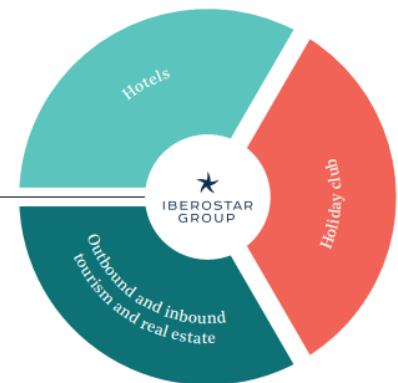
Business areas of the Iberostar Group

1.2.2

The company's three business areas are: hotels; holiday clubs; and travel and inbound and real estate.

Iberostar Group, three business areas

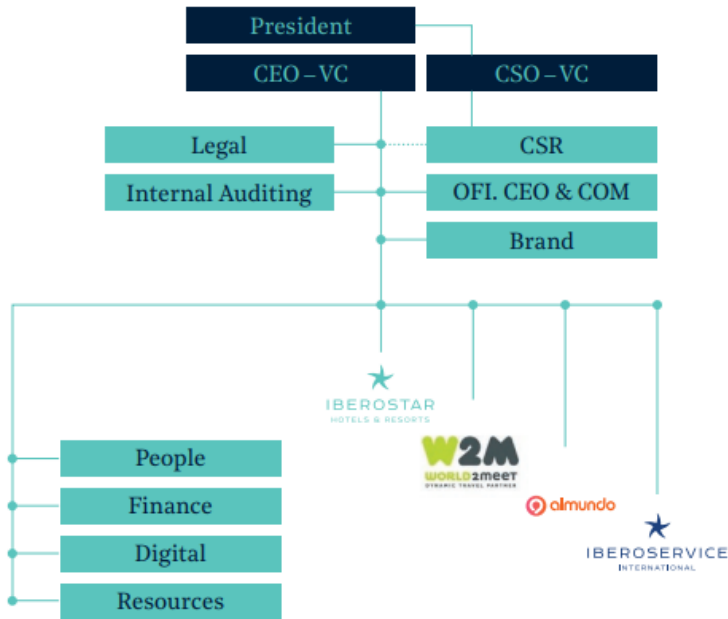
IBEROSTAR
FOUNDATION



Corporate governance

1.6

IBEROSTAR GROUP'S ORGANISATIONAL STRUCTURE



The senior governing body is the Executive Committee (EC). Its function is to define, set and implement the company's strategies, policies and initiatives. It acts responsibly based on the Code of Ethics and the Compliance Programme that it itself approved. The Committee is made up of the President, the two Vice Presidents and the Group's other senior management staff. It meets weekly and issues directives and guidelines on financial, environmental and social impact issues.

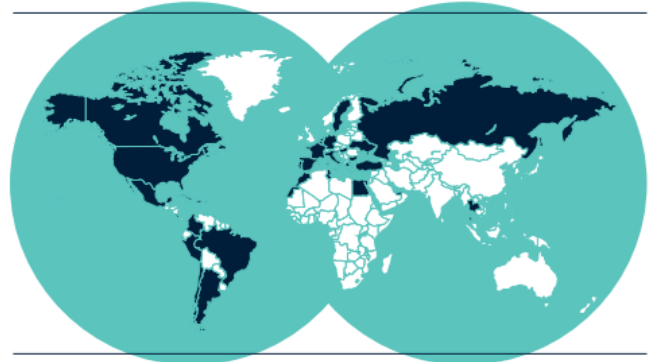
The President of this senior governing body is Mr Miguel Fluxà. The EC is led by the *Chief Executive Officer* (Ms Sabina Fluxà) and the *Chief Sustainability Officer* (Ms Gloria Fluxà). The other members of the EC are: *Chief Operations Officer*,

Chief Strategy and Finance Officer, Chief Resources Officer, Chief Human Resources Officer, Chief Digital Officer, General Counsel, Corporate Director CEO Officer.

The EC develops strategic plans and later evaluates their deployment and results. The Iberostar Group's values are not the responsibility and jurisdiction of just one department, but of every functional area of the company. That's why the CEO's role as a cohesive force is fundamental. The Executive Committee establishes the values, while the different areas of business—under the leadership of the CEO—provide strategic capabilities (brand architecture) and operational methods to put them into practice that go above and beyond customer expectations.

COUNTRIES WHERE THE
IBEROSTAR GROUP OPERATES

Operating in 35 countries



Germany, Argentina, Aruba, Belgium, Brazil, Bulgaria, Cape Verde, Canada, Chile, Colombia, Costa Rica, Cuba, Egypt, United Arab Emirates, Spain, United States, France, Greece, Hungary, Italy, Jamaica, Malta, Morocco, Mexico, Montenegro, Peru, Portugal, Dominican Republic, Russia, Sweden, Thailand, Tunisia, Turkey, United Kingdom and Ukraine.

The lead and parent company of the Iberostar Group is a company incorporated under the legal structure of limited liability company, under Spanish law. This parent company is the majority shareholder, direct or indirect, over the other Spanish and foreign companies in the Group that are identified as being within the consolidated corporate group.

All of the business areas are managed under the same umbrella of responsibility and commitment to good governance, with business ethics being among its main identifying characteristics. Corporate Social Responsibility and sustainability are two important elements the company promotes within the different activities and initiatives it

develops. The Iberostar Group also involves its guests, employees, suppliers, local communities, administrations, public entities, travel agencies, tour operators, business partners, ad agencies, the academic community and other social agents in the company's policies and actions, which continuously promote dialogue. All of them are considered essential for the changes that a responsible mindset can promote on a local and global scale.

In addition, the Iberostar Group has a Code of Ethics that establishes its values, principles that uphold its employees' professional behaviour, the commitments of its stakeholders, its compliance channel, its promotional and monitoring arms and the culture of values that supports it.

Additionally, Iberostar concentrates part of this commitment to responsible tourism through its foundation. The **Iberostar Foundation** was established in 2004 to manage Iberostar Group's philanthropic work and now is part of the Group's Sustainability Office. Its work is based on four areas of action: Education, People, Coastal Health and Social Innovation.. of action: Education, People and Social Innovation.

The Iberostar Foundation:
number of projects and
people benefited

200

Projects



350,000

people who have benefited



Organisations that the
Iberostar Foundation
works with



Some of the Iberostar Group's
projects include the Employee
Aid Fund, the collaboration
with UNICEF in Cuba and the
collaboration with Save the
Children for childhood support

Unicef Cuba
*A new agreement signed
with UNICEF in Cuba*



Employee aid fund
*Presentation of the fifth edition
of the "Employee aid fund"*



Save the Children
*Agreement with Save the Children to
support children in emergency situations*

The Iberostar Group also works actively for
human rights and the fight against sexual
exploitation in the tourism sector. In this
respect, in 2011, the Iberostar Group adhered to

the Global Code of Ethics for Tourism from the
WTO and the ECPAT Code of conduct for the
protection of children from sexual exploitation
in travel and tourism.



SDG 14 promotes the
conservation and preservation
of underwater life by
promoting the sustainable
use of the oceans, seas and
marine resources.

**One of the company's most ambitious
initiatives** related to this SDG is "Wave of
Change", a movement for the conservation
and preservation of the oceans and
underwater and coastal life.

Innovation and digital commitment

Iberostar Group promotes differentiation in the customer experience through constant product innovation and digital commitment. The result is a differentiated guest experience characterised by outstanding quality, imbued by the Group's DNA and associated with its brand objectives. Products and services created in this sense:

- **Star Camp:** an value-based entertainment program for children that also guarantees fun and contact with nature. With an appearance reminiscent of the Scout movement, this programme is rooted in pedagogical principles and applies Howard Gardner's Theory of Multiple Intelligences offering more than 140 activities designed for entertainment that encourage children's integral growth and development based on values that also form part of the chain's philosophy.
- **Honest Food:** wellness-based gastronomy. This consists of the consumption of fresh, natural produce prepared using homemade methods; respect for the food we eat and the environment; and the desire to discover new cultures and destinations through cuisine.
- **Aliveness:** a concept that delivers a healthy experience both inside and outside the hotel, enabling guests to reconnect with their inner selves.

Iberostar invests in **technological development and implements new processes automated and digitized** in order to tailor its offer to customers needs and preferences in a way that is both fast and effective. The latest news was the launching of a number of innovations in 2019, including voice-based room bookings, integrating part of its inventory into Google Assistant. 2019 also saw a technological-based boost for its collaborators' network. One of the highlights was the agreement with Amazon for the delivery of guests' purchases. Some other examples are the internal processes for the control of cleaning of the rooms, the facilities presents online check-in, mobile application and hotel automated control system. Also, thanks to digitization projects the company has managed to reduce the paper consumption.

Iberostar portfolio

Destinations: Iberostar Hotels & Resorts operates in 16 countries: Spain, Portugal, Hungary, Greece, Montenegro, Tunisia, Morocco, Cape Verde, México, Dominican Republic, Cuba, Jamaica, Brazil and USA.

The chain's portfolio comprises **one hundred four and five-star hotels** in the best locations which offer excellent service with its own personality thanks to the people who take care of the customers and the places. Iberostar portfolio is grouped into 3 segments:

- **City hotels:** hotels situated in the centre of several of the world's finest tourist cities. Examples include Havana, Rome and Barcelona.
- **Beachfront resorts:** beachfront hotels and resorts.



- Historic hotels known as **Iberostar Heritage**: hotels that invite guests to explore the traditions of unique destinations, enabling them to delve into their wealth of culture, art and past at their leisure.

The beachfront resorts, which make up the majority of the portfolio, are in turn divided into three categories: **Iberostar**, **Iberostar Selection** and **Iberostar Grand**. The city hotels and historic hotels are included in two of these categories: Iberostar and Iberostar Grand.

Iberostar resumes operations: How We Care

Iberostar provides a responsible, diversified customer experience through its care for the environment and people. As a result, the company has incorporated health safety as another pillar to its business model and customer and employee experience.

Working closely with its **Medical Advisory Board** consisting of renowned experts in public health, health security, virology and epidemiology, the Majorcan company has designed more than 300 sanitary safety measures grouped under the four principles of **How We Care: safe environment, hygiene standards, innovative experience and social spaces**. All of these have been designed while maintaining its commitment to the circular economy policy driven by the Wave of Change movement, aimed at protecting the environment and our oceans. The hotel chain is also working closely with its partner SGS, the world leader in inspection, verification, analysis and certification services, which has endorsed the disinfection and sanitization protocols for the hotels. The fundamental objective of these measures is to innovate in the field of health and safety in order to build long-term resilience while offering an excellent experience.



Wave of Change in the press:

[When We Can Travel Again, This Hotel Is On The Right Path To Sustainability](#) - **Forbes** (March 26, 2020)

[Iberostar implements over 300 measures as hotels reopen](#) - **Business Traveler** (June 11, 2020)

[Iberostar Group joins GSSI as its first tourism funding partner](#) - **Seafood Source** (May 28, 2020)

[Science and storytelling: How Iberostar is engaging staff and guests with ocean issues beyond plastics](#) - **Edie** (February 13, 2020)

[COULD TOURISM BE THE KEY TO GUARANTEEING THE FUTURE OF OUR OCEANS?](#) - **EURONEWS** (July 10, 2020)

[World Oceans Day: Iberostar's Roadmap to 100% Responsible Seafood](#) - **FTNNEWS** (June 5, 2020)

[How One Hotel Chain Plans To Be Carbon-Neutral by 2050](#) - **Forbes** (December 17, 2019)

[Global hotel chain is teaching tourists to be more sustainable with seafood consumption](#) - **FTNNEWS** (October 15, 2019)

[Hotel chain raises the bar on ocean conservation and coastal health](#) - **GreenBiz** (January 7, 2019)

[This international hotel's attempt to move to sustainable fish is a lesson in the hard path to sustainability](#) - **Fast Company** (October 30, 2019)

[What Makes Iberostar's Sustainability Charge So Special](#) - **Forbes** (October 29, 2018)

[Iberostar's commitment to sustainability, and coral research](#) - **Travel Weekly** (August 6, 2019)

[Iberostar Sponsors Coral Restoration Event](#) - **Travel Agent Central** (December 17, 2018)

[Iberostar Hotels & Resorts Commits To Serving Certified, Traceable Seafood](#) - **Perishable News** (June 20, 2019)



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