

Annual Sustainability Report

Mellieha Holiday Centre – 2024

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Executive Summary

The Mellieha Holiday Centre is delighted to present its Annual Sustainability Report, charting our progress, achievements, and aspirations in the pursuit of environmental stewardship, social responsibility, and economic resilience. Situated amidst Malta's natural beauty, we recognize both the privilege and the responsibility of operating in an ecologically sensitive region. This report provides a transparent overview of our actions throughout the past year, in line with our mission to harmonise exceptional guest experiences with sustainable operations.

Introduction

As a prominent holiday destination on Malta's northern coast, the Mellieha Holiday Centre welcomes thousands of guests annually, converted to 155,235 guest nights (155,380 guest nights in 2023). Our commitment to sustainability stems from an understanding that tourism can, and must, be a force for good. Guided by the United Nations Sustainable Development Goals, we particularly align our initiatives with Goals 6 (Clean Water and Sanitation), 7 (Affordable and Clean Energy), 8 (Decent Work and Economic Growth), 11 (Sustainable Cities and Communities), 13 (Climate Action), and 15 (Life on Land). By embedding these principles into our daily operations, community interactions, and broader business strategy, we strive to minimize our impact while maximizing positive contributions to our locale.

Corporate Governance

A robust framework of corporate governance guides the Mellieha Holiday Centre in its pursuit of sustainability and responsible operations. Our Board of Directors maintains a comprehensive set of internal policies and procedures that govern all aspects of our business, from customer service, energy consumption to resource management, workers' and human rights, and community engagement. These policies form the foundation of our ethical approach, ensuring that every decision supports our values and long-term vision. To uphold the highest standards of transparency and accountability, these policies are reviewed annually by the Board of Directors. For the year 2024, the review was conducted on 1 October 2024. To view our policies, you could visit our website on <https://www.mhc.com.mt/our-policies/>

Environmental Responsibility

Energy Management

Renewable Energy Initiatives:

Over the past year, the Mellieha Holiday Centre has made significant progress on its new solar farm project. With all necessary government approvals now secured, the Centre is actively working to appoint a supplier for this initiative, which is slated to commence in 2025 and be completed by year-end. Once operational, this solar farm is expected to generate around 40% of our annual electricity needs, marking a substantial step forward in our efforts to reduce our carbon footprint and advance our commitment to sustainable energy solutions.

Energy Efficiency Initiatives:

Alongside these large-scale initiatives, we have continued our bungalow refurbishment project with a strong focus on energy efficiency. This year, improvements included the installation of state-of-the-art LED lighting throughout every bungalow, ensuring a significant reduction in electricity consumption without compromising comfort or ambiance. In addition, the kitchens have also benefited from the installation of modern induction hobs and the replacement of ovens that were over 15 years old, introducing new models that offer greater efficiency and lower energy usage.

By May 2025, we anticipate having fully refurbished 37% of our older bungalows, with the results already evident in improved comfort, energy savings, and guest satisfaction. The refurbishment project remains a cornerstone of our sustainability strategy and will continue with its third phase, scheduled to commence towards the end of 2025. These enhancements collectively reinforce our dedication to reducing environmental impact and enhancing the guest experience.

Current Electricity Consumption:

To provide greater transparency regarding our environmental performance, we have analysed our monthly electricity consumption for the year 2024 and the comparatives of the year 2023, alongside the corresponding carbon dioxide (CO₂) emissions.

Month	Electricity Consumption 2023 (kWh)	Electricity Consumption 2024 (kWh)	CO ₂ Emissions 2023 (kg)	CO ₂ Emissions 2024 (kg)
January	248,310	217,640	70,297	61,614
February	257,380	225,410	72,864	63,814
March	232,670	192,535	65,869	54,507
April	191,605	157,445	54,243	44,573
May	147,520	158,940	41,763	44,996
June	194,375	207,750	55,028	58,814
July	276,780	257,745	78,356	72,968
August	258,935	266,220	73,304	75,367
September	192,545	206,575	54,509	58,481
October	195,495	147,895	55,345	41,869
November	147,245	168,435	41,685	47,684
December	173,685	203,030	49,170	57,478
Total	2,516,545	2,409,620	712,434	682,163

In our ongoing commitment to sustainability, total electricity consumption for the centre decreased by 4.4% when comparing 2023 to 2024. This achievement reflects the effectiveness of our energy-saving initiatives and operational improvements. Notably, total CO₂ emissions per guest-night have also fallen, declining from 59 kg in 2023 to 57 kg in 2024, underscoring our progress in reducing the carbon footprint associated with each guest’s stay.

Looking ahead, the completion of our solar farm project end of 2025 marks a significant milestone in our sustainability journey. With this major investment in renewable energy, our ambition is to further cut CO₂ emissions from electricity consumption.

Current Fuel Consumption:

At Mellieha Holiday Centre, we utilise two main types of fuel to meet our operational needs: LPG (liquefied petroleum gas) and diesel. LPG is primarily used for heating the indoor swimming pool during the colder months, typically spanning from mid to late November through to mid or late April, ensuring a comfortable environment for our guests regardless of the season. Diesel, on the other hand, powers our operational vehicles such as tractors, as well as our standby electricity generator, providing reliable energy and support for essential services across the centre.

Fuel Type	2023 Consumption (litres)	2024 Consumption (litres)
LPG	8,636	30,870
Diesel – for tractors	3,175	3,252
Diesel – for standby generator	262	511

The data for LPG consumption in 2024 shows figures that are broadly consistent with typical annual usage at the Mellieha Holiday Centre. The noticeably lower LPG consumption recorded in 2023 can be attributed to the unusually warm winter season that year, which resulted in pool heating commencing later than usual, as outdoor temperatures remained mild throughout the colder months. Regarding diesel usage for the standby generator, our generator undergoes routine testing throughout the year; however, in the summer of 2024, Malta faced several power outages caused by surges in grid demand. Consequently, the standby generator was deployed more frequently during this period, leading to higher diesel consumption for that year.

In addition, for a clearer understanding of our environmental impact, we present below an analysis of the CO₂ emissions per guest night resulting from all sources of energy consumed at the Mellieha Holiday Centre. This data provides valuable insight into the carbon footprint associated with our operations and supports our ongoing efforts to enhance sustainability across the resort.

Year	CO ₂ / Guest Night (kg)
2023	62.14
2024	60.78

Water Conservation

Water Sources:

At Mellieha Holiday Centre, our primary source of fresh water is produced on-site using a reverse osmosis (RO) plant, which transforms seawater into high-quality potable water for our guests and operations. This self-sufficient approach significantly reduces our reliance on external supplies. The secondary source of water for the resort is the government water network; however, this is only utilised when the RO plant undergoes maintenance or during periods of exceptionally high demand when the facility cannot meet consumption needs on its own.

For irrigation purposes, our primary source of water is rainwater, which we collect and store in a dedicated reservoir during the rainy season. This approach enables us to make optimal use of natural precipitation for landscape maintenance. When additional irrigation water is needed, we supplement the reservoir supply with second class water provided by the government’s sewage treatment plant. On occasions when the sewage treatment plant is unable to supply us with water, we utilise our borehole as a contingency source to ensure that irrigation needs are consistently met.

In addition to our energy-focused initiatives, our commitment to resource stewardship was put to the test in August 2024, when we identified a significant water leak within the Centre’s infrastructure. Recognising the potential for both environmental and operational impact, we immediately launched a comprehensive pressure testing programme across the entire site. This rigorous process enabled us to pinpoint a number of leaks, some minor and swiftly rectified while others more substantial and requiring complex intervention. As we continue this methodical assessment, our team remains dedicated to ensuring every section of our water network is thoroughly examined and restored. The project is ongoing and will persist until our full water infrastructure has been addressed, safeguarding the integrity of our resources and enhancing our sustainability performance.

To provide further transparency, below we present a comparison of our monthly water consumption from 2023 to 2024 where one can see the increase in water consumption.

Month	2023 Fresh Water Consumption (m ³)	2024 Fresh Water Consumption (m ³)
January	3,974	5,474
February	3,767	5,940
March	3,663	6,087
April	5,252	6,842
May	5,632	6,754
June	6,448	8,323
July	8,117	7,790
August	6,861	8,940
September	6,440	8,545
October	6,407	8,982
November	5,406	8,836
December	4,848	8,858
Total	66,814	91,372

In reviewing our total water consumption, we note that in 2024 the usage reached 91,372 m³, compared to 66,814 m³ in 2023; a rise of approximately 36.8%. Notably, total water consumption per guest night also increased, climbing to nearly 8 m³ in 2024 from 5 m³ in 2023. The primary factor contributing to this significant rise is the suspected water leaks referred to earlier. Addressing these infrastructure issues will be a critical focus in the coming year as we work towards greater operational efficiency and resource conservation. Once all leaks are identified and repaired, we anticipate achieving water savings equivalent to, at least, the increase observed this year.

In addition to potable water usage, our irrigation needs are met through a combination of second-class water and borehole sources. The aggregate volume of water used exclusively for landscape irrigation is carefully monitored and recorded separately from guest-related consumption. Importantly, these figures do not include rainwater collected on-site.

Year	Second Class Water (m ³)	Borehole Water (m ³)	Total Irrigation Water (m ³)
2023	12,490	4,693	17,183
2024	2,500	19,374	21,874

Waste Management

At Mellieha Holiday Centre, a detailed waste management system addresses the wide variety of waste streams generated on site, including organic waste, recycled materials, glass, construction debris, mixed waste, Waste Electrical and Electronic Equipment (WEEE), and other hazardous waste. Each type of waste is carefully separated at the point of generation to ensure proper handling and maximum diversion from landfill. Construction waste, WEEE, and hazardous materials are managed according to regulatory requirements, ensuring safe and responsible disposal. All waste streams are systematically documented throughout the year in the Annual Environmental Report (AER), which is submitted to the Environment and Resources Authority (ERA) in line with our commitment to transparency and environmental stewardship.

Below is a comparison of non-hazardous waste streams at Mellieha Holiday Centre for 2023 and 2024:

Waste Stream (EWC)	2023 (kg)	2024 (kg)
20 03 01	38,400	62,400
15 01 01	1,950	4,322
15 01 07	3,900	7,200
20 02 01*	29,295	58,590
20 03 07	100,500	9,500
20 02 01*	147,500	382,000
17 09 04	294,000	1,070,000
20 01 25	814	876
20 01 34	-	9
Total	616,359	1,594,897

* Those two lines represent organic waste however they were separated since they were picked up by two different waste carriers.

When comparing total waste disposed of in 2023 and 2024, we recorded a notable increase in overall volume. Specifically, total waste rose from 616,359 kg in 2023 to 1,594,897 kg in 2024, reflecting a percentage increase of approximately 159%. This substantial uptick is primarily attributable to the EWC codes 20 02 01 (garden and park waste) and 17 09 04 (mixed construction and demolition waste), which surged as a direct consequence of the clearing of the solar farm site and refurbishment project initiated at the end of 2023 and ongoing through 2024. These two categories alone accounted for the majority of the overall growth in waste generated. While we remain committed to controlling and reducing operational waste wherever possible, it is anticipated that waste streams, particularly under these EWC codes, will remain elevated over the next three years as the comprehensive refurbishment project is brought to completion.

Below, we are presenting the quantities of hazardous waste generated at Mellieha Holiday Centre during 2023 and 2024. This data offers insight into the nature and scale of hazardous waste streams managed on-site across both years.

Hazardous Waste Stream (EWC)	2023 (kg)	2024 (kg)
16 02 13	570	120
20 01 35	280	391
17 06 05	183	
20 01 23	-	700
20 01 21	-	300
Total	1,033	1,511

A comparison of the annual totals reveals a notable increase from 1,033 units in the previous year to 1,511 units this year, representing a rise of approximately 46%. This significant growth can primarily be attributed to the disposal of obsolete white goods as part of our ongoing refurbishment project, with these items being replaced by more energy efficient appliances. This initiative not only contributed to the increased figures for the current period but also supports our commitment to sustainability and reduced energy consumption.

Nature and Biodiversity

Our location adjacent to Mellieha's protected landscapes inspires us to contribute to local biodiversity. As part of our obligations under the environmental permit issued by the Environment and Resources Authority (ERA), we are also required to monitor and control the growth of invasive plant species within our grounds. This important measure helps protect the local ecosystem, ensuring that native flora can thrive and that the ecological balance of Mellieha's protected landscapes is preserved.

In line with our efforts to enhance local biodiversity and environmental stewardship, during 2024 we planted over 300 Carissa Grandiflora plants across our grounds. This flowering species is particularly well-suited to our setting, not only for its ornamental value but also for its remarkable drought tolerance. Compared to many other plant varieties, Carissa Grandiflora requires significantly less water, aligning perfectly with our commitment to sustainable landscaping and resource conservation.

Social Responsibility

Local Community Engagement

We believe that sustainability includes supporting the vibrancy of the local community.

This year, Mellieha Holiday Centre:

- Donations were collected from staff and management for the Malta Community Chest Fund, which provides medical and social assistance to individuals in need.
- Donations were gathered from staff and management for the Inspire Foundation, an organisation that serves individuals with disabilities.
- Assisted the Richmond Foundation in refurbishing two of six bedrooms at their residence, which is used to accommodate patients; the Richmond Foundation offers services related to mental health wellbeing.

Employee Wellbeing and Development

At Mellieha Holiday Centre, we deeply value our employees, who form the cornerstone of our operations and are the reason we can welcome so many happy guests, time and again. Excluding top and middle management, all our staff, apart from outsourced team members, are employed under our collective agreement, and every individual enjoys the right to join any workers' union of their choice. This commitment to fair employment practices underscores our belief that a motivated and respected team is essential for the high standard of service that defines our guest experience.

This year, we invested in the ongoing development of our workforce by organising a variety of in-house and external training sessions tailored to the diverse needs of our departments. These sessions covered key areas such as housekeeping procedures, environmental and waste management, and customer service, ensuring our staff remain equipped with best practices and up-to-date knowledge. Through dedicated professional development, we continue to strengthen our employees' skills, reinforce our culture of safety and sustainability, and empower our team to deliver exceptional service.

Guest Experience and Education

Sustainable Guest Choices

We empower guests to participate in our sustainability journey. Initiatives include:

- In-room and mobile application guides for guests regarding water and energy conservation
- Scheduled cleaning policy offering service once or twice weekly, instead of daily cleaning
- Optional towel and linen reuse initiatives
- Guided nature walks showcasing Maltese natural environments

Feedback and Transparency

Continuous improvement relies on honest feedback. To further enhance the guest experience, we conduct weekly guest satisfaction surveys, ensuring that every booking has the opportunity to rate our services across different departments and to comment on any aspect of their stay at Mellieha Holiday Centre.

These surveys provide invaluable insights, as guests candidly share both positive feedback and constructive suggestions. We carefully review the results each week and proactively address any issues that may have arisen. This process of continual assessment and responsive action allows us to consistently refine our offerings and elevate the overall experience for all guests.

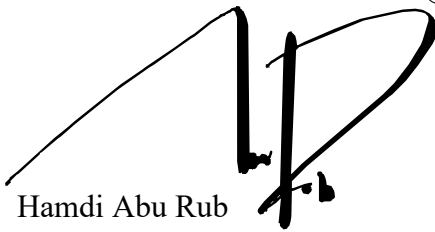
To provide greater transparency and to celebrate our commitment to service excellence, we present below the guest satisfaction results for our main departments, drawn from the year 2024 and compared to 2023.

Department / Service	2023		2024	
	% Very Good + Good	% Bad	% Very Good + Good	% Bad
Restaurant	73	7	74	6
Guides	85	2	83	2
Housekeeping	82	5	85	4
IT	51	28	53	25
Maintenance	73	8	75	8
Other facilities	77	5	78	6
Reception	92	2	92	1
Supermarket	85	1	82	1

Conclusion

Sustainability is a continuous journey. Mellieha Holiday Centre is proud of the steps taken so far and will continue to work during the coming year to achieving our environmental, social, and economic goals as per our Annual Sustainability Assessment document. By working together with guests, staff, partners, and the wider community, we are confident that we can create lasting positive change, ensuring that Malta's natural and cultural treasures can be enjoyed by generations to come.

If you have any questions or require further clarification regarding this report, please do not hesitate to contact us at info@mhc.com.mt We welcome your feedback.

A large, stylized handwritten signature in black ink, appearing to be "HAR" with a flourish.

Hamdi Abu Rub
CEO
17 April 2025