

Annual Sustainability Report

Mellieha Holiday Centre – 2025

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 141,220 guest nights in 2025. 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).

As part of this commitment, we are currently working towards the renewal of our Travelife certification for accommodation sustainability. Following a successful audit conducted in September 2025, we are actively implementing the recommended improvements identified during the assessment. Upon completion of these actions, the certification will be renewed for the period 2025 to 2027.

This process reinforces our dedication to taking measurable action across key sustainability areas, including energy efficiency, water management, waste reduction, biodiversity protection, and fair labour practices, in line with internationally recognised standards for responsible tourism.

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 2025, the review was conducted on 7 October 2025. 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 successfully completed its solar farm project, which was officially launched on 10 December 2025. Delivered on schedule, this milestone marks a significant achievement in the Centre's sustainability journey. The solar farm is expected to generate approximately 40% of our annual electricity requirements, representing a substantial reduction in our carbon footprint and a strong advancement in our commitment to renewable energy solutions.

Energy Efficiency Initiatives:

Alongside this major development, the bungalow refurbishment project has continued with a strong emphasis on energy efficiency. During Phase 3 of the refurbishment project, the installation of state-of-the-art LED lighting has been further extended across additional bungalows, contributing to ongoing reductions in electricity consumption while maintaining comfort and ambiance.

In parallel, kitchen upgrades have continued, including the installation of modern induction hobs and energy-efficient appliances, replacing older equipment and further enhancing overall energy performance.

By May 2026, we anticipate having refurbished 79 out of 151 older bungalows (52%), reflecting steady progress in modernising our accommodation stock. The refurbishment project remains a cornerstone of our sustainability strategy, delivering continued improvements in energy efficiency, guest comfort, and environmental impact. These enhancements collectively reinforce our dedication to responsible resource management and an improved guest experience.

Current Electricity Consumption:

To provide greater transparency regarding our environmental performance, we have analysed our monthly electricity consumption for the year 2025 and the comparatives of the year 2024, alongside the corresponding carbon dioxide (CO₂) emissions.

Month	Electricity Consumption 2024 (kWh)	Electricity Consumption 2025 (kWh)	CO ₂ Emissions 2024 (kg)	CO ₂ Emissions 2025 (kg)
January	217,640	211,205	61,614	59,792
February	225,410	210,435	63,814	59,574
March	192,535	224,825	54,507	63,648
April	157,445	170,870	44,573	48,373
May	158,940	139,790	44,996	39,575
June	207,750	213,055	58,814	60,316
July	257,745	253,885	72,968	71,875
August	266,220	234,095	75,367	66,272
September	206,575	197,395	58,481	55,883
October	147,895	197,395	41,869	55,883
November	168,435	155,440	47,684	44,005
December	203,030	162,645	57,478	46,045
Total	2,409,620	2,371,035	682,163	671,240

In our ongoing commitment to sustainability, total electricity consumption for the Centre decreased from 2,409,620 kWh in 2024 to 2,371,035 kWh in 2025, representing a reduction of approximately 1.6%. This continued

improvement reflects the sustained impact of our energy efficiency initiatives and ongoing operational enhancements across the site.

Total CO₂ emissions also declined from 682,163 kg in 2024 to 671,240 kg in 2025, a reduction of approximately 1.6%, in line with the decrease in electricity consumption. While some monthly fluctuations were observed due to seasonal demand and occupancy patterns, the overall trend demonstrates steady progress in reducing the Centre's environmental footprint.

A key milestone in 2025 was the successful completion and launch of our solar farm on 10 December 2025. This major investment in renewable energy marks a significant step forward in our sustainability journey and is expected to contribute to more substantial reductions in CO₂ emissions from electricity consumption, at least 10%, in the years ahead.

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	2024 Consumption (litres)	2025 Consumption (litres)
LPG	30,870	37,527
Diesel – for tractors	3,252	3,156
Diesel – for standby generator	511	491

The data for LPG consumption in 2025 shows an increase from 30,870 litres in 2024 to 37,527 litres in 2025. This rise reflects higher operational demand, primarily linked to pool heating requirements and seasonal usage patterns, which continue to influence consumption levels throughout the year.

Diesel consumption for tractors remained broadly stable, with a slight decrease from 3,252 litres in 2024 to 3,156 litres in 2025, reflecting consistent operational activity.

Diesel usage for the standby generator also showed a marginal reduction, decreasing from 511 litres in 2024 to 491 litres in 2025. The generator continues to undergo routine testing throughout the year, with usage primarily linked to occasional grid fluctuations or maintenance-related requirements, in line with standard operational needs.

Furthermore, to facilitate a comprehensive assessment of our environmental impact, we provide an analysis of CO₂ emissions per guest night based on all energy sources consumed and waste generated at the Mellieha Holiday Centre. This metric offers meaningful insights into our operational carbon footprint and informs our continued commitment to advancing sustainability and resource efficiency throughout the resort.

Year	CO ₂ / Guest Night (kg)
2024	75.84
2025	74.44

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 remains rainwater, which is collected and stored in a dedicated reservoir during the rainy season, allowing us to make optimal use of natural precipitation for landscape maintenance.

Due to regulatory amendments implemented in 2025, the use of second-class water for irrigation is prohibited within our operations, restricting its utilisation exclusively to licensed farmers. Consequently, our irrigation approach has shifted to alternative sources. When additional water is necessary, we draw from our borehole supply, which yields saline water, and supplement it with reverse osmosis (RO) water to lower salinity and ensure appropriate quality for irrigation purposes.

In addition to our energy-focused initiatives, our commitment to responsible resource management was tested in August 2024, when a significant water leak was identified within the Centre's infrastructure. In response, a comprehensive pressure testing programme was immediately launched across the entire site. This process enabled the identification of multiple leaks, ranging from minor issues that were swiftly rectified to more substantial cases requiring targeted intervention.

The major leak has since been successfully addressed, significantly improving overall system performance. We continue to monitor the water network closely and carry out remedial action where necessary to ensure any emerging issues are promptly detected and resolved. This ongoing vigilance forms part of our wider commitment to safeguarding water resources and strengthening the resilience of our infrastructure.

To provide further transparency, below we present a comparison of our monthly water consumption from 2024 to 2025 where one can see the increase in water consumption.

Month	2024 Fresh Water Consumption (m³)	2025 Fresh Water Consumption (m³)
January	5,474	9,487
February	5,940	9,176
March	6,087	10,592
April	6,842	10,696
May	6,754	9,583
June	8,323	5,539
July	7,790	7,697
August	8,940	7,096
September	8,545	5,911
October	8,982	4,901
November	8,836	4,699
December	8,858	4,594
Total	91,372	89,971

Upon examination of our overall water consumption, it was observed that usage declined from 91,372 m³ in 2024 to 89,971 m³ in 2025, reflecting a reduction of approximately 1.5%. Although the initial months of 2025 experienced higher consumption compared to the corresponding period in 2024, a marked decrease emerged from July onwards. This downward trend is attributable to the successful remediation of a major water leak within the Centre's infrastructure, resulting in total water consumption for those six months decreasing from 52 thousand m³ in 2024 to 28 thousand m³ in 2025.

Total water consumption per guest night also improved over the year, reflecting the stabilisation of the system after the leak was addressed.

Regarding irrigation water, the following data presents our total consumption for the year.

Looking ahead, we will continue to monitor the water infrastructure and water flow across all areas of the Centre, ensuring that any irregularities are identified and addressed promptly. Through this ongoing monitoring and targeted remedial action, we aim to further reduce overall water consumption by at least an additional 1% compared to the previous year.

Year	Second Class Water (m ³)	Borehole Water (m ³)	Total Irrigation Water (m ³)
2024	2,500	19,374	21,874
2025	0	11,279	11,279

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 Environmental Permit.

Below is a comparison of non-hazardous waste streams at Mellieha Holiday Centre for 2024 and 2025:

Waste Stream (EWC)		2024 (kg)	2025 (kg)
20 03 01	Mixed waste	62,400	151,340
15 01 01	Recycle waste	4,323	4,323
15 01 07	Glass waste	7,200	7,200
20 02 01	Organic waste	440,590	335,646
20 03 07	Bulk waste	9,500	111,000
17 09 04	Construction waste	1,070,000	625,500
20 01 25	Edible oil	876	943
20 01 34	Batteries	9	9
Total		1,594,897	1,235,961

The figures presented in the table above highlight a significant shift in waste generation between 2024 and 2025. Overall, the total waste recorded decreased from 1,594,897 kg in 2024 to 1,235,961 kg in 2025, marking a reduction of approximately 22%. This downward trend suggests that the peak waste output seen in 2024, largely attributable to the solar farm project where a major part of the construction waste was generated from the site clearance and preparation.

These results demonstrate that while specific waste categories may fluctuate due to operational activities, overall waste management efforts are beginning to yield reductions as large-scale projects conclude, and attention shifts towards routine operations and sustainability initiatives.

Below, we are presenting the quantities of hazardous waste generated at Mellieha Holiday Centre during 2025 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)		2024 (kg)	2025 (kg)
16 02 13	Appliances	120	2,060
20 01 35	Electrical equipment	391	0
17 06 05	Asbestos	0	550
20 01 23	Fridges	700	1,295
20 01 21	Tubes	300	0
Total		1,511	3,905

A review of hazardous waste disposal figures for 2025 compared with those of 2024 reveals a substantial overall increase in total quantities handled, rising from 1,511 kg in 2024 to 3,905 kg in 2025. The most pronounced change is observed in the 'Appliances' category, which recorded a significant jump from 120 kg to 2,060 kg, reflecting the impact of ongoing refurbishment efforts and the replacement of outdated equipment with newer, more efficient models. In contrast, certain streams such as 'Electrical equipment' and 'Tubes' saw reductions or no waste disposed of in 2025, suggesting improved management or decreased need for disposal in these areas. Asbestos disposal also increased from zero in 2024 to 550 kg in 2025, indicating targeted removal activities during the period. Collectively, these figures highlight a shift in hazardous waste profiles, strongly influenced by project-specific activities and a commitment to updated infrastructure and compliance with environmental standards.

Nature and Biodiversity

Our location adjacent to Mellieha's protected landscapes continues to inspire our commitment to supporting local biodiversity. As part of our obligations under the environmental permit issued by the Environment and Resources Authority (ERA), we actively monitor and manage invasive plant species within our grounds to protect the surrounding ecosystem and ensure native flora can thrive.

During 2025, a comprehensive biodiversity management plan focusing on the control and eradication of invasive species was developed and submitted to ERA and awaiting approval. The plan outlines a structured approach over a four-year period to progressively eradicate invasive species, with clear phases covering implementation and ongoing monitoring. If approved, this would mark a significant step forward in strengthening our environmental stewardship and aligning our practices with regulatory requirements.

In parallel, our solar farm project has also contributed positively to local biodiversity: approximately 350 new trees were planted across the site, including 200 *Pistacia lentiscus*, 100 oleander, and 50 olive trees. These additions support habitat enhancement, landscape integration, and increased ecological value within the Centre's surroundings.

Building on our broader commitment to sustainable landscaping, the introduction of drought-tolerant species such as *Carissa Grandiflora* continues to support both biodiversity and water conservation, contributing to a more resilient and environmentally responsible landscape.

Social Responsibility

Local Community Engagement

We believe that sustainability includes supporting the vibrancy and wellbeing of the local community. During 2025, Mellieha Holiday Centre continued to strengthen its community engagement through a range of meaningful initiatives.

Donations were collected once again from staff and management and contributed to the Inspire Foundation, an organisation that supports individuals with disabilities to thrive in an inclusive society.

In addition, the Centre hosted a dedicated event for children in need, in collaboration with *Fondazzjoni Sebħ*. This fun day, held at our premises, included a variety of activities and entertainment, providing an enjoyable and supportive experience for all children and carers.

Looking ahead, we will continue during the coming year to contribute positively to our community by organising similar initiatives and strengthening our collaboration with local organisations and charitable foundations.

Through these efforts, we aim to create meaningful experiences, support those in need, and reinforce our commitment to being an active and responsible member of the community we serve.

Employee Wellbeing and Development

At Mellieha Holiday Centre, we deeply value our employees, who form the cornerstone of our operations and are essential to delivering a consistently high-quality guest experience. Excluding top and middle management, all staff, apart from outsourced team members are employed under our collective agreement, and every individual has the right to join any workers' union of their choice. This commitment to fair employment practices reflects our belief that a motivated, respected, and supported team is fundamental to sustainable success.

During 2025, we further strengthened our focus on employee wellbeing and engagement through the continued promotion of our annual employee opinion survey, encouraging open feedback and active participation in shaping the workplace experience. In addition, we delivered health and safety refresher training across various departments to reinforce safe working practices and ensure ongoing compliance with best standards.

We also conducted human rights awareness refresher sessions to reinforce understanding and promote a culture of respect, inclusion, and ethical responsibility across the organisation. Through these initiatives, we continue to invest in the development, wellbeing, and empowerment of our employees, strengthening both our organisational culture and service excellence.

Guest Experience and Education

Sustainable Guest Choices

We recognise that effective guest engagement is essential to promoting sustainable behaviours. Communication is tailored to our audience, ensuring it is appropriate, clear, and relevant, particularly for families with children, who represent a significant proportion of our guests.

Sustainability messaging is delivered through multiple channels, including in-room information, our mobile application, and through day-to-day interactions between staff and guests, reinforcing key messages in a natural and practical way.

We actively aim to make the sustainable choice the default option wherever possible. This includes the provision of clearly accessible organic waste bins, ensuring all waste management facilities are functional and easy to use at all times, and maintaining regular clearance of waste enclaves on a daily basis. Sustainable practices are also reinforced internally, encouraging staff to lead by example through the use of reusable items over single-use alternatives.

Guest participation is further encouraged through ongoing dialogue, where visitors are invited to adopt simple sustainable behaviours during their stay, such as reusing towels and linen, and correctly sorting waste.

To further enhance awareness and appreciation of the local environment, guided nature walks are offered, showcasing Malta's natural landscapes and promoting a deeper understanding of the island's ecological value.

Feedback and Transparency

Year-to-date comparisons between 2024 and 2025 show a consistently positive performance trend, with results remaining broadly stable overall. This reflects our belief that ongoing improvement is driven by transparent and honest guest feedback.

To continuously enhance the guest experience, we conduct weekly guest satisfaction surveys, giving every booking the opportunity to evaluate our services across all departments and share feedback on any aspect of their stay at Mellieha Holiday Centre.

These surveys provide valuable insights, allowing our guests to express both appreciation and constructive observations. Results are reviewed on a weekly basis, enabling us to respond promptly to any issues identified and implement corrective actions where required. This continuous feedback loop supports our commitment to ongoing refinement and service excellence across the resort.

To ensure transparency and highlight our focus on quality, the following section presents guest satisfaction results by department, comparing performance between 2024 and 2025.

Department / Service	2024		2025	
	% Very Good + Good	% Bad	% Very Good + Good	% Bad
Restaurant	74	6	76	1
Guides	83	2	84	3
Housekeeping	85	4	85	4
IT	53	25	54	26
Maintenance	75	8	75	8
Other facilities	78	6	77	6
Reception	92	1	92	2
Supermarket	85	1	82	2

Conclusion

Sustainability remains a continuous journey for Mellieha Holiday Centre, and 2025 has marked another year of meaningful progress across environmental, social, and operational areas. Key achievements include the successful completion and launch of our solar farm, continued improvements in energy efficiency, reduced electricity consumption and CO₂ emissions, and the resolution of a major water infrastructure issue, supported by ongoing monitoring and corrective action.

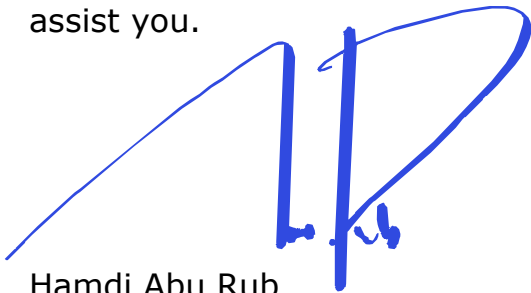
Our commitment to sustainability is further reflected in long-term initiatives such as the bungalow refurbishment project, biodiversity management planning and continued focus on waste reduction and guest engagement in sustainable practices.

We also remain focused on maintaining high standards of responsible tourism through our commitment to the Travelife certification for accommodation sustainability. Following the audit conducted in September 2025, we are actively implementing the required improvements, with the aim of renewing our certification for the 2025–2027 period.

Equally, we remain dedicated to our people and community through staff development, wellbeing initiatives, and active collaboration with local organisations and charities, strengthening our positive social impact.

Looking ahead, we stay committed to building on these foundations together with our guests, employees, and partners, ensuring continued progress towards a more sustainable future for Malta.

For any questions or further information, please contact us on info@mhc.com.mt. We welcome your feedback and are always here to assist you.



Hamdi Abu Rub

CEO

9 March 2026