

A stylized world map in a light beige, textured paper-like material is centered on a background of light blue wavy shapes representing oceans. The map shows the continents of North America, South America, Europe, and Africa.

# InnovACTION X-PACE

## Ecosystem Policy

ILUNION Hotels

## INTRODUCTION

The Management Committee of ILUNION Hotels S.A., ('ILUNION Hotels' or 'Company'), within the framework of its general and non-delegable competence to determine the general policies and strategies of the Company, and after review and proposal by the Innovation Department, has approved the present **InnovACTION X-PACE Ecosystem Policy** (hereinafter, the 'Policy') on 17 January 2025.

The aim of this Policy is to establish and articulate the general framework of collaboration (membership and participation) in the InnovACTION X-PACE Ecosystem, in order to develop projects and actions of Innovation with Purpose that meet the needs of ILUNION Hotels, in order to respond to the challenges of a sector that is called to be increasingly sustainable, more efficient, more competitive and to offer new experiences to the customer and the employee.

## PURPOSE OF THE POLICY

The Company's commitment to innovation is one of the strategic pillars for **inspiring change through business and social transformation**, fostering creative thinking in a diverse and inclusive environment.

The Company conceives innovation as an open process, with a clear vocation to involve all its stakeholders.

With this InnovACTION X-PACE Ecosystem Policy, **the call to action to innovate (#InnovACTION)** is promoted, based on the concept of co-creation. Therefore, the entire team of the Company and its stakeholders are part of the innovation process.

In the InnovACTION X-PACE Ecosystem, innovation projects and actions will be carried out together with the stakeholders, with the aim of building a better world with everyone included.

In addition, ILUNION Hotels' innovation strategy will be disseminated, **positioning the Company as a unique and inspiring model for all companies and stakeholders** who wish to contribute to a better world.

In this way, it contributes to the achievement of the Sustainable Development Goals (SDGs) approved by the United Nations.

## SCOPE OF APPLICATION

This Policy **applies to ILUNION Hotels and to all entities belonging to the Company**, regardless of their geographical location.

It is also applicable, where appropriate, to joint ventures or spin-offs in which the Company has a majority shareholding or assumes its management.

Furthermore, this Policy is valid for **external collaborators and ambassadors interested in developing Innovation with Purpose projects and actions** that meet the needs of ILUNION Hotels.



## FUNDAMENTAL PRINCIPLES OF POLITICS

To achieve the aforementioned objectives, both the Company and its external collaborators and ambassadors assume and promote the following principles of action:

- 1.Foster collaboration:** promote cooperation between all members of the ecosystem, including employees, customers, suppliers, investors, regulators and society in general.
- 2.Encourage co-creation:** facilitate the active participation of all stakeholders in the innovation process, from ideation to implementation.
- 3.Encourage creativity and disruptive thinking:** stimulate the generation of innovative ideas that challenge the status quo and provide novel solutions to challenges in the tourism and/or hospitality sector.
- 4.Develop an inclusive environment:** create a space where all ideas are heard and valued, encouraging diversity and inclusion in all innovation initiatives.
- 5.Facilitate knowledge transfer:** foster the exchange of ideas, experiences and best practices among members of the ecosystem and with external entities.
- 6.Ensure transparency and communication:** maintain open and transparent communication on innovation initiatives, their progress and results.
- 7.Foster training and development:** provide training and continuous development opportunities for all members of the ecosystem, strengthening their innovation skills and competences.
- 8.Promote sustainability:** ensure that all innovation actions and projects contribute to sustainability (good governance, environmental, social and economic) with a positive impact.
- 9.Ensure the protection of intellectual property:** protect the intellectual property rights generated in the ecosystem and respect the assets of third parties.

## DEFINITIONS

The **fundamental concepts** related to the InnovACTION X-PACE Ecosystem are defined below:

**InnovACTION:** call to action to innovate to all ILUNION Hotels' stakeholders, where the concept of co-creation refers to "innovation is carried out with all stakeholders".

**Innovation with Purpose:** collaborative innovation that, through the culture of the organisation, brings tangible value, not just economic value, to stakeholders, and does so with new ideas/solutions that truly transform the organisation.

**InnovACTION X-PACE Ecosystem:** a collaborative environment designed to foster Innovation with Purpose. Its objective is to identify ideas/solutions and develop innovative projects/actions that meet the needs of ILUNION Hotels.

**'SPACE':** symbolises a specific space where innovation can develop, representing an inclusive and holistic ecosystem that encompasses all members of the ILUNION Hotels innovation community and all facets of Innovation with Purpose, from ideation to implementation.

**'X' in X-PACE:** has a multifaceted meaning:

- **eXploration:** constantly searching for new frontiers and exploring innovative ideas that can transform the tourism and/or hotel sector.
- **eXperience:** creating innovative experiences for customers and employees, using innovation as a key tool.
- **coneXion:** a meeting point where different disciplines, technologies and organisations intersect, creating a collaborative and enriching space.



## ROLES IN THE X-PACE INNOVATION ECOSYSTEM

Defining the **roles within the InnovACTION X-PACE Ecosystem is fundamental to ensure a clear and efficient structure** that facilitates collaboration and the development of innovative projects. Each role within ILUNION Hotels has specific responsibilities that contribute to the success of the ecosystem, allowing for an organised and effective management of innovation initiatives:

- **Committee:** they define the strategic vision of innovation.
- **Ambassadors:** transmit the innovation strategy and needs.
- **InnoLeaders:** lead innovation projects.
- **Pioneers:** hotel managers, area managers and head office managers. They transmit the innovation strategy and lead the identification and implementation of innovations.
- **Dynamisers:** innovation network. They connect the entire innovation community.
- **Drivers:** heads of hotel departments and heads of head office. They identify, manage and implement innovations in their areas.
- **Creators:** operational staff and head office technicians. Their experience and knowledge are fundamental to identify innovations.
- **Mentors:** innovation department. They lead and facilitate from the innovation area.

There are also roles external to ILUNION Hotels:

- **Collaborators and Ambassadors (external):** people or organisations external to ILUNION Hotels, who participate by supporting and collaborating in innovation initiatives.

## PARTICIPATION REQUIREMENTS

All **individuals or organizations seeking to advance organizational transformation through Innovation with Purpose** are welcome to participate in the InnovACTION X-PACE Ecosystem.

The individual or external organization expresses interest in engaging with the InnovACTION X-PACE Ecosystem to collaboratively advance Innovation with Purpose alongside ILUNION Hotels and its network.

## AREAS OF COLLABORATION AND STRATEGIC INITIATIVES

Within the context of the X-PACE InnovACTION Ecosystem, the parties may engage in collaboration across the following areas and lines of action:

- **Training and Development Initiatives:**
  - Develop training and capacity-building programs in Innovation with Purpose, tailored to the specific needs of the tourism and/or hospitality sector.
  - Cultivate a culture of innovation among employees and collaborators, nurturing an environment of ongoing and creative learning.
  - Implement targeted training programs for the tourism and/or hospitality sector, tailored to the needs and challenges of both the national and international markets.
- **Collaboration for Knowledge Transfer:**
  - Engage to facilitate knowledge transfer, share best practices, and foster collaboration on innovation projects.
  - Encourage the involvement of students and scholars in ecosystem initiatives, fostering applied research and the creation of innovative solutions.
  - Develop internship programs and capstone projects in partnership with academic institutions, incorporating students into the innovation ecosystem.

- **Development of Pioneering Initiatives:**

- Encourage the establishment and advancement of innovative initiatives that tackle particular challenges within the tourism and/or hospitality industry.
- Foster collaboration in innovation initiatives that yield a beneficial impact on society and the environment.
- Facilitate the adoption of new technologies and innovative solutions within the tourism sector.

- **Participation in Events and Activities:**

- Engage in fairs, conferences, seminars, and other relevant events pertaining to Innovation with Purpose.
- Facilitate events and activities that foster collaboration and the exchange of ideas among ecosystem participants and other pertinent stakeholders.
- Encourage engagement in national and international events within the tourism and hotel sectors to broaden the network of contacts and collaborative opportunities.

- **Dissemination and Awareness:**

- Disseminate the ecosystem's initiatives and accomplishments through diverse communication channels, including social networks, websites, and media outlets.
- Promote awareness of the significance of Innovation with Purpose within the tourism and/or hospitality sector.
- Facilitate the sharing of information and best practices among ecosystem participants and other pertinent stakeholders.

- **Alternative Courses of Action:**

- Develop additional initiatives and actions that the parties mutually agree upon, always within their competencies and in accordance with the foundational principles of the ecosystem.
- Foster collaboration with other organizations and entities that align with similar objectives and values, thereby enhancing the reach and impact of the ecosystem.
- Promote open innovation and co-creation with organizations across various sectors on a global scale to develop innovative solutions that address the challenges faced by the tourism and/or hospitality industry.

