SUSTAINABILITY REPORT
Paradise Valle Taurito
2018
“PARADISE H&R”
<table>
<thead>
<tr>
<th>CODE</th>
<th>REVIEW</th>
<th>NUMBER OF PAGES</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1</td>
<td>13</td>
</tr>
</tbody>
</table>

Provided by: MAR ABIERTO S.L.  
Signed by: D. Ignacio Santodomingo Conde

**Signature:**

<table>
<thead>
<tr>
<th>Date: 4/02/2019</th>
<th>Date: 4/02/2019</th>
</tr>
</thead>
</table>

Date of Issue: February 2019
Contenido

Paradise Valle Taurito ................................................................. 1

1. Introduction ........................................................................... 4

2. Measures implemented in each of the fields of action .................. 6
   2.1. Water consumption ......................................................... 6
   2.2. Power consumption ....................................................... 7
   2.3. Waste management ....................................................... 8
   2.4. Gas consumption ......................................................... 9

3. Our impact ........................................................................... 10
   3.1. Water consumption ....................................................... 10
   3.2. Electricity consumption ............................................... 11

4. Environmental Objectives for the 2019 .................................... 12

5. Support to the Local community and employees ........................ 13
1. Introduction

Paradise Hotels & Resorts is a young hotel chain, backed by the experience of the Hermanos Santana Cazorla Business Group, which belongs to the company Mar Abierto S.L., based in San Bartolomé de Tirajana, Gran Canaria.

The company’s management is fully aware that customer satisfaction is intrinsically related to respect for and commitment to the environment. For this reason, our concept of sustainability and the protection and conservation of the environment are key elements of the strategic horizon of Paradise Hotels & Resorts. All this without forgetting our commitment to the dissemination of local culture and the contribution to cultural integration and society, which have always been part of the core values of Paradise Hotels & Resorts. As part of a strategy to start moving forward in this direction, the following manuals were integrated as milestones of 2013-2014:

a) Manual for Good Environmental Practices.


During the years 2015-2018 these new manuals have been integrated:

d) Procedure for the evaluation of labour harassment.


f) Plan of equality in Mar Abierto S.L.

g) Staff training for the safeguarding of children.

h) Sustainability training.

For us, a responsible hotel is one that cares about the ENVIRONMENT as well as the PEOPLE in the following way:
The company’s objective in environmental matters is to reduce as much as possible the negative impacts that the execution of its own activity generates on the environment. In order to promote the development of our activity within a framework of strict respect for the environment and ecological sustainability, a series of actions have been established and were aimed at:

1) The optimization of efficiency and energy saving and consequently the minimization of CO2 emissions into the atmosphere;
2) The use of renewable energy;
3) The optimization of water consumption;
4) Adequate management of the generated waste;
5) The reduction of raw material consumption.

The general objective of this sustainability report developed by Paradise Hotels & Resorts is to provide the results achieved in our environmental management in order to establish the strategic objectives to be pursued during 2017. The scope of this report is for the following hotels under the brand name PARADISE HOTELS & RESORTS:

- Hotel Paradise Lago Taurito.
- Hotel Paradise Costa Taurito.
- Hotel Paradise Valle Taurito.
- Hotel Rural Las Tirajanas.
2. Measures implemented in each of the fields of action

The environmental protection and conservation measures are divided into four fields of action: water, energy, waste management and gas consumption.

2.1. Water consumption

At Paradise Hotels & Resorts we are committed to saving water according to the following brief description of the implemented measures:

- **Water economizers.** Recently, pressure regulators have been installed in the taps of our facilities to reduce the cost of both the water used and the associated energy, achieving a more rational consumption of water resources.

- **Measures to save on washing of towels and bedding.** Every day, when our guests' rooms are cleaned, they have the option to reuse their bedding and/or towels or to order new ones. If they wish, they will be changed, but we encourage all our guests to reuse it, because this will help to save between 20% and 30% of water and help us protect the environment.

- **Xeroscaping.** In our gardens you can find, among others, species of native plants, adapted to the climate of the area, which do not require as much watering or care as the species of other climatic zones.

- **Drip or micro-spray systems.** For watering green areas and gardens instead of hoses.

- **Cleaning products.** Most of the detergents and cleaning products that we use in the cleaning and maintenance operations of our facilities are environmentally friendly.

- **Water quality control.** In our facilities we ensure that the water is suitable for all uses by way of daily control of the physical and chemical quality parameters, certifying the welfare of our guests.
The average water consumption has fallen from 0.30 m³/client in the 2014 to 0.27 m³/client in the 2018, which is a savings of approximately 4.316,7 m³, thanks to the installation of the new water economizers (pressure regulators).

Assuming a consumption of about 9 liters per minute that would spend a device without limit of flow, the amount of water saved in the 2018 equals the expense of a faucet open constantly for about 7,994 hours (333 days). Likewise, it implies a total mean reduction of CO2 emissions of 10,64% (avoided CO₂ emissions), which implies a total reduction of 3,40 t CO₂ eq in 2018\(^1\).

\[^1\text{Emission factor (Kg CO}_2\text{ eq/m}^3\text{) of water = 0,788}\]

### 2.2. Power consumption

In addition to the savings in water consumption, we have implemented a series of measures to make our customers’ comfort compatible with the saving of electrical energy:

- **Energy awareness stickers.** In our commitment to reducing energy consumption, we have placed these stickers in the rooms to inform guests that they should close the windows and doors of the room in order to reduce the energy consumption of heating or air conditioning.

- **Purchases of efficient equipment.** When acquiring equipment for our facilities both the sustainability characteristics of the suppliers and the product’s energy efficiency are always taken into account.

- **Energy-saving luminaires:** We are replacing conventional bulbs with LED type and energy-saving bulbs, which have a longer lifetime and use much less energy.

- **Renewable energies:** One of our hotels has solar panels that allow us to heat the sanitary hot water in the rooms and in the outdoor pool.

- **Control of energy consumption:** On a monthly basis we monitor the energy consumption of the hotels, mainly electricity based energy and fuel consumption (propane). This allows us to come up with an Energy Saving Plan and to optimize consumption in each case, making us more efficient.
Saving on energy consumption would not be possible without constant monitoring through internal control and the involvement of our hotel management and technical service staff.

The average consumption of electricity has fallen from the 16,50 kWh/client in the 2014 to about 13,68 kWh/client in the 2018, which is a savings of approximately 405,770 kWh, thanks to the installation of new low-energy lighting.

This implies a total mean reduction of CO₂ emissions of 20,80 % (avoided CO₂ emissions), which implies a total reduction of 156,22 t CO₂ eq in 2018.

\[ \text{Factor de emisión Kg de CO}_2 \text{ eq/kWh de electricidad} = 0,385 \]

### 2.3. Waste management

At the Hotel Paradise Valle Taurito We have been working to reduce the generation of certain types of waste generated during the development of the activity by recycling (through authorized managers), measurement and control.

- **Selective waste collection.** During the year 2018 we recycled 2,60 tons of paper and cardboard, we installed glass containers and approximately 300 kg of containers and plastics. In addition, we recycle about 1.010 kg of cooking oil that will become biodiesel. The remains of ferrous materials and mineral wastes of construction and demolition are sent to companies engaged in the recycling of ferrous materials and rubble.

- **Adequate waste management.** Used batteries and fluorescents are deposited in specialized containers for subsequent collection by an authorized manager. A total of about 22,580 kg of sludge from the wastewater treatment plant is also collected by an authorized operator.

- **Bulk purchases and packaging.** Applying our ecological purchasing criteria established in the good practice Manual we try to buy products with biodegradable and returnable containers or more easily recyclable and do not bring double packaging. For our restaurant we do the purchases in bulk and not in portions and we always use articles of non disposable utensils.

- **Use of phytosanitary controlled.** In the care of our green areas and gardens, we will try to avoid, whenever possible, the use of chemical fertilizers, pesticides and herbicides.
Our intention is to naturally care for our plants so the use of plant protection products will only occur when strictly necessary.

In the year 2018, about 1.010 kg of the oil used in Paradise Hotels & Resorts was converted into biodiesel thanks to the collaboration agreement with the company CanBio Recycle S.L. Also recycled 2.60 tons of cardboard through its selective collection and delivery to the company Martinez Cano.

2.4. Gas consumption

On the other hand, we have implemented a series of measures for the saving of propane gas:

- Use of biomass.
- The boilers are high performance for maximum efficiency and minimum CO2 emissions.
- By managing and optimizing water consumption, we can reduce the demand for domestic hot water, thus reducing the consumption of gas.

The results of the implantation of these measures imply a significant reduction in the consumption of propane, which reach some levels of reduction 0,11 kg propane/client in the 2014 to the 0,08 KG propane/client in the 2018, which implies a saving of approximately 4.317 kg Propane in 2018.

This implies a total mean reduction of CO2 emissions of 27,27% (avoided CO2 emissions), which implies a total reduction of 8,18 t CO2 eq. in 2018.

\[ \text{Emission Factor Kg of CO}_2 \text{ eq/kg propane} = 2.94 \]

The implantation of the Biomass assumes that the kwh that have been produced with the Biomass have not been generated by propane gas.

In 2018 there have been 784.030 kWh with Biomass, this assumes that the emission of 167,78 t CO2 eq. has been avoided. In 2018, in front of the propane.

\[ \text{Emission Factor Kg of CO}_2 \text{ eq/kg biomasa} = 0.018 \]
3. Our impact

3.1. Water consumption

The data shown shows the annual evolution of the water consumption of the last four years of the Hotel Valle Taurito. It is recorded that the installation of water economizers was installed in September 2014. The date on which the substantial drop in water consumption is achieved.

The average water consumption (m3 per customer) is as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Consumption (m3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>0.30</td>
</tr>
<tr>
<td>2016</td>
<td>0.26</td>
</tr>
<tr>
<td>2018</td>
<td>0.27</td>
</tr>
</tbody>
</table>

The average water consumption of the Hotel Valle Taurito has decreased in 2018 by 10.64%, thanks to the incorporation of the water economizers installed last September of 2014. In view of the previous valuations we can see that the strategic objectives marked for the 2018 in terms of water consumption have been satisfactorily fulfilled.
3.2. Electricity consumption

The data shown shows the annual evolution of the consumption of electricity consumption in the last four years of the Hotel Valle Taurito. It is noted that the low-power lighting system and energy-saving systems have been reducing spending on electricity.

The average electricity consumption (kWh per client) is as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Average kWh per Client</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>16.50</td>
</tr>
<tr>
<td>2016</td>
<td>13.20</td>
</tr>
<tr>
<td>2018</td>
<td>13.68</td>
</tr>
</tbody>
</table>

During the period of 2018 the average energy consumption of Hotel Valle Taurito has fallen from the 16,50 kWh per customer in 2014 to about 13,68 kWh per client in the 2018, which implies a decrease in energy consumption of 20.80% compared to 2014. In view of the previous valuations we can see that the strategic objectives marked for the 2018 in terms of energy consumption have been satisfactorily fulfilled.
4. Environmental Objectives for the 2019

The commitment to continuous improvement of the Hotel Paradise Valle Taurito in terms of the prevention of environmental pollution and the efficiency of our processes, focuses our efforts on the search for minimization of the impacts of our facilities, Services and activities carried out. Therefore, at the end of this year 2018 has carried out a characterization and quantification of the actions carried out and establish new goals to continue the circle of continuous improvement. As environmental objectives for the 2019, the following goals are set:

1) To reduce the total energy consumption (kWh) by 2%
2) To reduce the total water consumption (m3) by 2%
3) Expanding the use of renewable energies
4) Increase the purchase of bulk products to reduce plastic packaging
5) Documenting
6) Registration in the Government of the Canary Islands as small producers of hazardous waste
7) Awareness-raising actions. Dispose in our bathrooms and toilets of a specific billboard where we inform about the measures of water saving: Close the taps, press the button of partial discharge of the cistern, close the tap while we get soap and many other details to get more efficient consumption
8) Information on energy saving. To have labels and posters in different areas, that indicate the measures and good practices that we carry out to reduce our energy consumption and to be more efficient day by day.

In the pursuit of these goals Paradise Hotels Resorts & Resorts will put the company all its effort and endeavor.
5. Support to the Local community and employees

During the year 2018 Paradise Hotels & Resorts has collaborated with different non-profit associations, as well as with events carried out with the local community of both Mogán and Tunte.–

- Special prices for participants in Tunte El Peregrino Trail celebrated in January 2015
- **New Future Association**: entrance to Lake Oasis with free lunch for 4 adults and 29 children on 01/04/2018
- Special prices for our employees to go see the Moscow Ballet performing Swan Lake
- Sponsorship of different carnival groups, for example the Drag Vulcano.
- Collection of funds for the "Tara" Animal Association
- Collaboration with the festivities of the town of Marzagán.
- Special prices to stay in our hotels for employees and their families
- Free passes to the Lago Oasis Water Park with lunch for 30 children, 30 teenagers and 10 monitors from The Cedros Neighborhood Association of Cortijo de Jinámar, whose job is to help children and youth at risk of exclusion.
- Celebration of the 1st Solidarity Dinner and charity Gala "Buy Me a book" In our facilities where all the proceeds were given to the neighborhood Association Los Cedros del Cortijo.
- We are sponsors of the Paradise Trail Running, Acebuche Trail, Club Vereda Atauro, Pasito Blanco Height Fishing Championship, paddle event, GC Walking Festival
- Collaboration with the Bingo Solidary Afesur (Regional association of Relatives and people with chronic Mental illness)
- Collaboration with the Solidarity raffle in favor of the minor Eidher
- Collaboration with the Solidarity raffle of the tour operator TUI UK
- Participation in the charity raffle #SONREIRESVIVIR