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<th>Tipo de documento:</th>
<th>Sustainability Report</th>
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1. Introduction

HOTEL BY DUNAS is a hotel chain backed by the experience of the business group that belongs to the commercial entity Dunas Resorts S.L. Its headquarter is located in Las Palmas de Gran Canaria.

The Company Management is fully aware that customer satisfaction is related to the respect and commitment for the environment. For this reason, our concept of sustainability, the protection and conservation of the environment, are key elements of the strategic horizon of the Dunas Group hotels. All of this, without forgetting our commitment to the dissemination of local culture, the contribution to cultural integration and society that has always been present in the core values of the Dunas Group. As a strategic line to start advancing in this regard, is the implementation of work routines that reflect the commitments described above. In addition, this Hotel is certified according to ISO 14001: 2015 and Travelife. Everything discussed is developed in the following documents:

- Policy of the Dunas Group, includes commitments regarding environmental management, sustainability and child protection.
- Human Resources Procedure.
- Procedure of Evaluation of Suppliers and Purchases.
- Conditions of Supply of Products and Provision of Services.
- Operational Control Procedure.
- Good Environmental Practices: shopping, gardening, maintenance, restoration, cleaning, Administration and Reception, Laundry.
- Emergency plans for guests.
- Code of Conduct of the Responsible Tourist.
For us, a responsible hotel is one that cares about the ENVIRONMENT as well as the PEOPLE as follows:

The objective of the Dunas Group in environmental matters is to minimize the negative impacts that our actions may generate to the environment. To promote the development of our activity within a framework of rigorous respect for the environment and sustainability, a series of actions have been established aimed at:

1) The optimization of efficiency and energy saving, and consequently the minimization of CO2 emissions into the atmosphere.
2) The study for the use of renewable energies in those facilities that allow it.
3) Optimization of water consumption.
4) The minimization of waste generated and its proper management.
5) The reduction of product consumption.

This sustainability report developed for the Maspalomas Resort by Dunas, has the general objective of providing the results achieved in our environmental management in 2018 and establishing the strategic objectives to be pursued for the years to come.

The scope of this report is for the following Hotel under the DUNAS brand:

- Maspalomas Resort by Dunas.
2. Measures implemented in each of the fields of action

Environmental protection and conservation measures are divided into four main fields of action: water consumption, electricity consumption, propane gas consumption, waste management.

2.1. Water consumption

In Maspalomas Resort by Dunas we are committed to saving water. The following are measures implemented to reduce as much as possible and keep your consumption under control:

- Do not let the water run unnecessarily.
- Close the tap well.
- Inform about water leaks.
- Fix dripping faucets and inform users.
- Use irrigation systems that do not involve large losses of water.
- Maintain sprinklers in proper condition.
- Set irrigation times to the strictly necessary.
- Adapt irrigation schedules to the hours of least evaporation: first thing in the morning and last hour in the afternoon.
- Wash vegetables and fruits in containers, instead of leaving the tap open during the whole process.
- Do not defrost food by placing it under running water.
- Use the necessary amount of water for cooking.
- When done with cleaning a room, ensure that all faucets are closed.
- Give customers options on changing bed linen and bath towels, encouraging them to reuse them.
- Perform daily control of water quality by measuring physical-chemical parameters, to ensure the well-being of guests.
On the other hand, it is intended to develop improvements in the facilities with the objective of minimizing the maximum possible water consumption. Among them, are the following:

- **Xeriscape.** To increase the proportion of native plants in the gardens of the Hotel, being fully adapted to the climate of the area, require less irrigation.

### 2.2. Electric power consumption

At Maspalomas Resort by Dunas, we are committed to saving electric energy. The following are measures to reduce as much as possible and keep your consumption under control:

- Keep the lights off in rooms that are not occupied.
- Use computer equipment in low consumption mode.
- Perform proper maintenance of thermal installations and refrigeration equipment.
- Keep the boiler in perfect state of cleanliness and maintenance, as well as the tanks and ducts of the installation of sanitary hot water and heating.
- Ensure that the lighting levels are adequate and there is no excess of light in areas not visited or where its incidence is not important.
- Keep the oven doors closed.
- Keep the oven clean to prevent fats from obstructing heat transmission.
- Use smoke extractors only when necessary.
- Do not open the doors of the rooms and never unnecessarily, to avoid cold leaks.
- Install key card systems to interrupt the supply of electricity in the rooms, to disconnect the electricity automatically when they are not occupied.
- Installation of automatic disconnection sensors for room air conditioning when windows are opened.
- Replacement of conventional bulbs with led bulbs, whose lifespan is longer and consume less energy.
- Do not leave the doors of refrigerators and freezers open.
- Clean the lighting systems regularly so that the dirt does not prevent optimum performance.
- Perform a monthly consumption control, this allows generating energy saving plans and optimizing consumption.

On the other hand, we intend to develop improvements in the facilities with the objective of minimizing as much as possible the consumption of electricity. Among them, are the following:

- **Purchases of efficient equipment.** The acquisition of equipment for our facilities is always carried out taking into account the characteristics of the sustainability of the suppliers and the energy efficiency of the products that we are going to acquire.

The saving of electricity consumption would not be possible without constant monitoring through internal controls and the involvement of the technical service and the management of the hotel.

### 2.3. Propane gas consumption

At Maspalomas Resort by Dunas we are committed to saving propane gas. The following are measures implemented to reduce as much as possible and keep your consumption under control:

- Perform proper maintenance of the facilities.
- Perform a good maintenance of machinery and equipment.
- Perform a monthly consumption control of propane gas, this allows generating energy saving plans and optimizing consumption.
2.4. Waste management

At Suite & Villas by Dunas we work for the reduction of the amounts of waste generated during the development of the activity itself. The code of conduct of the three R's is applied: reduce, reuse and recycle. Here are some measures to keep the quantities of waste produced under control, and the proper internal management of them:

- Avoid using disposable plastic elements.
- Use, where possible, products in containers made of recycled, biodegradable materials that can be reused or at least return to suppliers.
- Keep in good condition the trash bins located in the common areas available for guests to deposit waste.
- Consume products responsibly, to reduce the amounts of associated waste.
- In purchasing management:
  - Avoid buying canned drinks and drinks in non-returnable bottles.
  - Prefer bulk packaging and those that come in reusable and returnable containers to those that come in individual wrappings.
- In the management of restaurants and bars: the garbage containers are kept clean to avoid bad smells and the appearance of insects and rodents.
- While cleaning the facilities:
  - Old towels and sheets can be reused as cleaning cloths.
  - Do not use napkins or paper rolls as cleaning cloths.
- In the maintenance of green areas, the use of chemical fertilizers, pesticides and herbicides is avoided, as far as possible, trying to apply natural methods to care for plants and trees.

Internal waste management is characterized by the application of the following labour standards:

- Strict compliance with the conditions of use of the municipal waste collection service, as established in the legislation.
- The maximum storage time for hazardous waste is one year.
- Compliance with legislative requirements defined by legislation, for the temporary storage of hazardous waste:
  - Ventilated storage area, away from heat generating sources or electrical circuits, and waterproof.
  - Use of suitable containers for hazardous waste.
  - Identification of containers containing hazardous waste.
- The maximum storage time for hazardous waste is six months.
- When maintenance operations are carried out in the Company's facilities that generate bulky waste, electrical and electronic equipment, and construction and demolition waste, an area for collection is enabled in case they are not directly removed.

3. Our impact

3.1. Water consumption

The following graph shows the monthly evolution of water consumption at Suite & Villas by Dunas, during the period: 2014 - 2018. The behavior pattern is very similar in the period: 2014 - 2017, while there is significant variation from the second half of 2018, a significant increase in water consumption per guest is observed.
The average water consumption in the period: 2014 - 2018; It is presented in the following table.

<table>
<thead>
<tr>
<th>Year</th>
<th>Annual average consumption (m3/guest)</th>
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<tbody>
<tr>
<td>2014</td>
<td>0,54</td>
</tr>
<tr>
<td>2015</td>
<td>0,65</td>
</tr>
<tr>
<td>2016</td>
<td>0,59</td>
</tr>
<tr>
<td>2017</td>
<td>0,50</td>
</tr>
<tr>
<td>2018</td>
<td>0,99</td>
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</table>

During 2017, the minimum consumption of the years for which data are available was achieved.

In the following graph, the average annual water consumption is presented, in relation to the average obtained in the years for which data is available. It is verified that the one corresponding to 2018 is significantly higher than the global average.
3.2. Electric power consumption

The following graph shows the monthly evolution of electric power consumption at Maspalomas Resort by Dunas, during the period: 2014 - 2018. The pattern of behavior is very similar in every year.

The average electricity consumption in the period: 2014 - 2018; It is presented in the following table.
In 2018, electricity consumption was intermediate between the maximum recorded in 2014 and the minimum of 2016.

In the following graph, the average annual electricity consumption is presented, in relation to the average obtained in the years for which data is available. It is verified that the one corresponding to 2018 is practically equal to the global average.

### 3.3. Propane gas consumption

The following graph shows the monthly evolution of propane gas consumption at Maspalomas Resort by Dunas during the period: 2016 - 2018.
The average propane gas consumption in the period: 2016 - 2018; it is presented in the following table. An increasing evolution of propane gas consumption per guest is observed.

<table>
<thead>
<tr>
<th>Year</th>
<th>Annual average consumption (kg/guest)</th>
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<tbody>
<tr>
<td>2016</td>
<td>1,82</td>
</tr>
<tr>
<td>2017</td>
<td>1,85</td>
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<tr>
<td>2018</td>
<td>2,10</td>
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In the following graph, the average annual electricity consumption is presented, in relation to the average obtained in the years for which data is available. It is verified that the one corresponding to 2018 is significantly higher than the global average.
4. Environmental objectives for 2019

The commitment to continuous improvement at Maspalomas Resort by Dunas, in the environmental performance and efficiency of our processes, focuses our efforts in the search for the minimization of the impacts in the environment done by our facilities, services and activities. Therefore, objectives have been established to continue improving the performance of the Hotel. As objectives, the following are established:

1) Reduce water consumption by 1% during 2019, compared to 2018 consumption.
2) Reduce electrical energy consumption by 0.5% during 2019, compared to 2018 consumption.
3) Reduce the risk of guest complaints, from moderate to tolerable, by not having the ability to meet their environmental requirements.

5. Aids to the local community: local and employees

During 2018, Maspalomas Resort by Dunas has collaborated with the local community in the following aspects:

- Special prices for our employees and their families to stay in our establishments.
- Fundraising for the Animal Protection Association.