

The "HOVIMA Hoteles" chain was founded by Kurt Konrad Mayer, an architect of Chilean origin who arrived in Tenerife in 1969 and shortly after settling on the island began to develop an intense professional activity as an architect, builder, promoter and tourist businessman. In 1973 he founded the company Kurt Konrad y Cía. S.A., an entity with which he undertook his ideas and projects, such as Las Flores or Villamar, which formed the embryo of what would later become the hotel chain HOVIMA.

The phenomenon of environmental responsibility has ceased to be a passing brand fad at HOVIMA-Hotel and has become part of the chain's strategy. The origin of the environmental initiative was in mid-2014 with the purchase of the Hovima Costa Adeje complex, achieving certification in 2015, but it was at the end of 2017 when the environmental strategic plan was established with the creation within the organisation of a sustainability and environment department.

This strategic plan has become our roadmap and helps us to improve every day. Our commitment is multi-faceted, taking into account environmental, social and cultural aspects. This requires a great deal of effort and dedication, but we are rewarded by the knowledge that we are doing everything in our power to be true to our principles.

This document reflects our company's performance in 2022 and 2023. Each chapter of this sustainability report will describe the internal policies in this area, the actions or good practices that have been carried out over these years and the resulting data. The final objective is to offer all the sustainability information that is useful to our stakeholders in a clear and concise manner.

The environmental objectives we had set ourselves for the years 2022 and 2023

5% reduction in energy consumption.

- 5% reduction in water consumption.

- 5% reduction in waste generation.

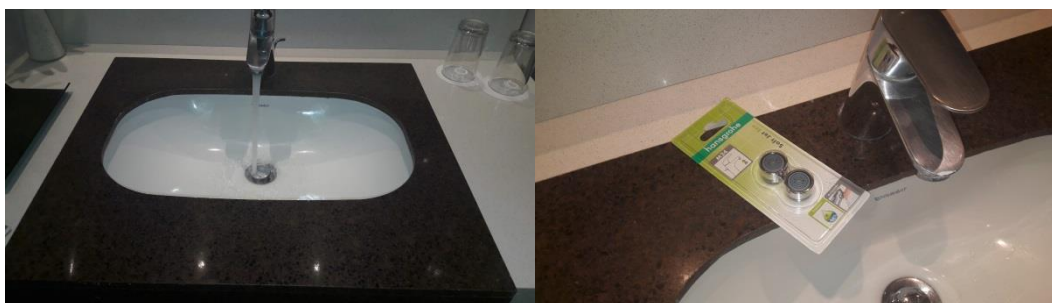
In both water and energy, we continuously monitor our consumption, which helps us to evaluate the indicators on which we act in order to progressively reduce them. All the rooms in the different complexes are lit by LED lighting and all the taps and fittings are energy efficient. We are also studying the use of water from the backwashing of the swimming pool to reuse it for watering the gardens. Both in the Hotel La Pinta and in the Costa Adeje the air conditioning installations are efficient with heat recovery.³ were as follows:

WATER MANAGEMENT

It is important to save water as it is a limited resource, especially in the case of consumption generated by tourist activity during the summer months.

Efficient measures applied to save water:

- ✚ Single-control taps in showers that improve temperature regulation.
- ✚ Efficient showers and washbasins with flow reducers.
- ✚ Redecoration of garden areas creating a minimalist and modern atmosphere.
- ✚ Watering at off-peak hours to prevent evaporation.
- ✚ Regular inspections of the installations to avoid water leaks.
- ✚ Information to our guests and employees through informative screens, posters or communiqués:
 - Opt for short showers
 - Turn off the tap while soaping up, brushing teeth or shaving.
 - Reuse bath and pool towels, rather than replacing them daily.



Water Consumption (Water ratio = monthly consumption per pax)

| | Ratio agua 2022 | Ratio agua 2023 | % |
|----------------------|----------------------------|----------------------------|----------|
| H. LA PINTA | 256 | 247 | -3,52% |
| H.COSTA ADEJE | 218 | 215 | -1,38% |

ENERGY MANAGEMENT

With regard to energy management, we have everything as automated as possible. In the client rooms we have changed to LED bulbs from 7w to 3/5w and we have increased the number of motion detectors in the common areas.

We also parameterise the consumption data, which allows us to know the consumption and propose improvement options based on benchmarking

analyses between hotels with the same characteristics. This control also helps us to verify that our hotel is meeting its energy saving objectives.

The measures implemented are as follows:

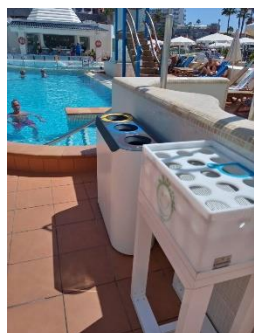
- ✚ LED lighting and low consumption.
- ✚ Renewal of household appliances with "A" class energy label appliances.
- ✚ Replacement of diesel boiler with natural gas, which generates cleaner energy.
- ✚ On and off time controls according to the hours of sunlight.
- ✚ Use of solar thermal energy for domestic hot water.
- ✚ Indications to our Guests and employees through information screens, posters or announcements:
 - Turn off all lights when leaving the room.
 - Recommend the use of public transport or other means of transport.

Energy Consumption (Energy Ratio= Monthly Consumption per pax)

| | Ratio luz 2022 | Ratio luz 2023 | % |
|----------------------|---------------------------|---------------------------|----------|
| H.La Pinta | 8,9 | 8,9 | 0,00% |
| H.Costa Adeje | 11,12 | 10,53 | -5,31% |

WASTE MANAGEMENT

When it comes to waste, the three "R's" define our waste policy. We reduce as much as possible what we generate, we also reuse with the philosophy of converting waste into resources, giving them at least a second use. Everything we no longer use, such as bed linen and furniture, is given to social organisations. And finally, we recycle, both in the customer area and in the employee area, there are selective bins to deposit separately the fractions of paper and cardboard, packaging and plastics, and glass.



According to our philosophy of improving every day, we have substituted plastic material as much as possible for other biodegradable or reusable materials by means of the following actions:

- ✚ We have eliminated the plastic bag that customers have in the rooms to send clothes to the laundry, replacing it with a 100% non-woven polypropylene fabric bag.
- ✚ We have replaced the plastic bags where the amenities come in with 100% recyclable paper bags and the inside is also ecological.
- ✚ We have changed the disposable plates and cups in the pool bars for reusable ones.
- ✚ We have placed lecterns in different areas of the pool to deposit reusable cups and plates.
- ✚ We have eliminated plastic straws and coffee stirrers and replaced them with compostable straws and wooden stirrers.
- ✚ We have only glass bottles in all restaurants.
- ✚ We have replaced plastic cups in the staff canteen with glass and ceramic. This small change has saved the environment 54,000 cups per year.

TRAINING

At Hovima we know that it is essential to train our staff. With regard to employees, 80% have been trained in sustainability and environmental knowledge (energy saving, water, paper, recycling and waste management) as well as the new incorporations, there is a continuous training plan.

In addition to:

- ✚ Prevention of occupational hazards
- ✚ Fire prevention system

- ✚ Food handling
- ✚ Sustainability
- ✚ Technical courses

Training planned for 2024:

- ✚ Specific technical training for each department.
- ✚ Leadership course for middle management.
- ✚ Courses related to human resources such as: teamwork, communication, meeting management and behaviour, quality of service and customer service, sales, work and attitude management under pressure.
- ✚ Information technology.

COMPRAS RESPONSABLES

With regard to our suppliers, 90% of them are local. We look for committed suppliers, such as Resuinsa, which is the first company in the hospitality sector to obtain STEP certification.



We inform suppliers of our sustainability policies. We support the local community by prioritising the procurement of local products wherever possible.

All the cleaning chemicals we use are manufactured to ISO 9001 Quality Standard, ISO 14001 Environmental Management Standard and BS OHSAS 18001 Occupational Health and Safety Management Standard.

The ECOCONPACK and XOP ranges of concentrated products that we use allow us to optimise cleaning processes at a lower cost and with greater respect for the environment.

ALL COMMITTED TO A CAUSE

- Spanish food and local culture are the focus of the event .



- Guidelines on how to recycle correctly

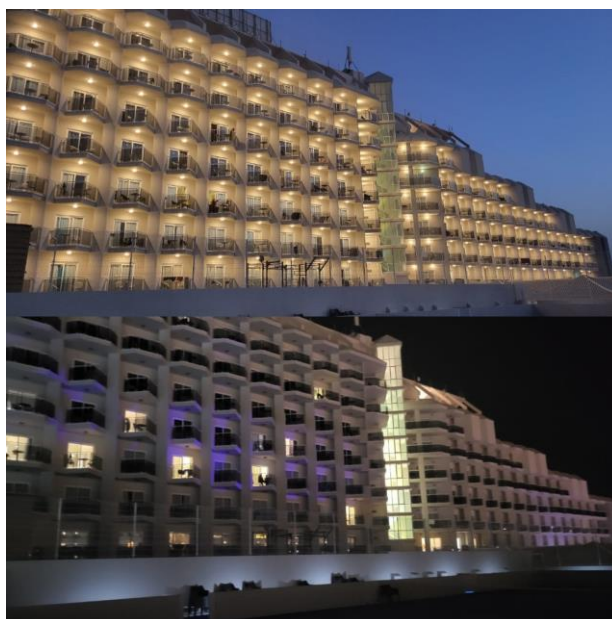


HOVIMA HOTELS is committed to sustainability, following the 17 objectives (ODS) proposed by the UN and caring for the environment.

INITIATIVES

Throughout the year we celebrate international days worldwide and we give visibility to them, both for customers and employees, raising awareness of environmental care.

- Earth Hour



🚩 International Oceans Day



🌍 Earth Day



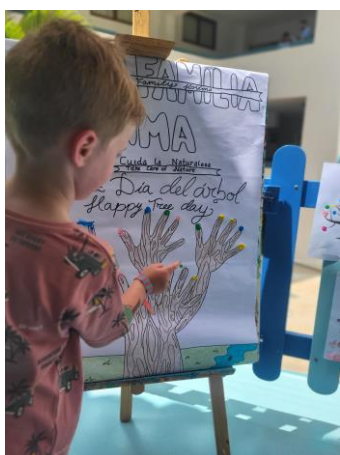
🌍 Landfill Day



✚ Sustainable Gastronomy Day



✚ World Tree Day



✚ International Beaches Day



COLLABORATION WITH NGOS AND THE LOCAL COMMUNITY

At Hovima we feel obliged to collaborate with the most disadvantaged by supporting the local community in different initiatives.

Both during 2022 and so far in 2023 we have collaborated with the NGO "Sonrisas Canarias", donating toys, clothes and non-perishable foodstuffs.

We have also collaborated with the Fundación Canaria Pequeño Valiente in the donation of toys and school material.

We continue to collaborate with Cruz Blanca which is a Foundation that facilitates the integral development of the most vulnerable people, based on Christian humanist thinking, allowing the active participation of all members of our society, through actions of intervention, training and social awareness. A monthly food purchase is donated.

OUR STAFF

At Hovima we are a reflection of multiculturalism:

We have employees of more than 10 different nationalities.

We fight every day to prevent any kind of discrimination.

A large number of managerial and middle management positions are occupied by women.

OUR MISSION: We are a family-run hotel chain whose objective is to work every day to be a reference in the destination in which we operate, to offer differentiating experiences through our services and products aimed at a diverse segment of customers. To achieve this, we have a high degree of personalisation and proximity, as well as the privileged location of our establishments by the sea.

All this is possible thanks to a qualified team of people, committed to our values and who work every day to continue progressing.

STAFF BY GENDER

Women=51%

Men=49%.

STAFF BY TYPE OF CONTRACT

Permanent=80%

Temporary=20%

OUR CULTURE

In our themed buffet we offer traditional Canarian and Spanish food. A proposal that is very popular with our customers.



We entertain the evening with live typical Canarian music.



- ✚ We want to show our guests that the Canary Islands are not just sun and beach. That is why we promote Canarian and Spanish culture, we have the cultural programme of Tenerife available at reception.
- ✚ Activities that we carry out to promote the local culture:
- ✚ "Paella Demonstration": Our animation team (with food handler certificate) makes a demonstration to the clients of.

how a paella is made. Afterwards, they have the opportunity to taste the result.

- ✚ Spanish class: Every week we offer our guests a basic Spanish class to make it easier to get around outside the hotel.
- ✚ Canary Islands Day: is celebrated in style with a tasting of typical Canarian products, music shows and Canarian folklore.
- ✚ We encourage guests to participate in activities to raise awareness of environmental protection.

FUTURE GOALS

Having achieved certain goals encourages us to continue and promote new initiatives, all for the common good of the environment. We continue to renovate our hotel and with every renovation we carry out, we always keep in mind to reduce and minimise the environmental impact to ensure that we achieve all our future goals.

Environmental targets for the years 2024/2025:

- ✚ **Reducing energy consumption**
We raise awareness among staff and customers to reduce energy consumption of electricity and fuels.
- ✚ **Improve waste management**
We minimise the amount of waste generated by our business by separating waste so that it can be recycled and treated.
- ✚ **Reduce plastic**
Reduce and eliminate the few remaining plastic items by replacing them with biodegradable material.
- ✚ **Sustainable awareness**
We make our staff, customers and suppliers aware of the importance of small initiatives to achieve big results.
- ✚ **We are all equal**
Our main value is our people, which is why we prioritise personal and professional development opportunities for our team.

✚ **Commitment to the community**

We integrate with the local community, contributing to its improvement and greater well-being through social projects and generating development opportunities.

✚ **New CSR communication strategy**

✚ Continue with sustainability training for the workforce.

✚ Continue with sustainability criteria in PURCHASING.

✚ As hotels are refurbished, continue with sustainability criteria.

✚ Investment in efficient systems for saving water and energy.

✚ Improvements in WASTE management

✚ Total elimination of single-use plastics

✚ Increasing the offer of services linked to the maintenance of a healthy lifestyle

✚ Engage customers in new activities to promote the destination

✚ Involve customers in more ambitious activities in favour of sustainability.

✚ Increasing the gastronomic offer of local products

✚ Improve by at least 1% in the main sustainability indicators: electricity (kW/stay) // natural gas (kW/stay) // water (m3/stay).