



SPRING

HOTELS GROUP

- SUMMARY -

SUSTAINABILITY REPORT

Annual Report 2023



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1.
GENERAL
CONTENTS



1.1. STRATEGY AND ANALYSIS

1.1.1 Statement from the General Director of Spring Hoteles

GRI GRI 102-14

We are pleased to present the 2023 Sustainability Report from Spring Hotels, a reflection of our unwavering commitment to responsible and sustainable tourism development. At Spring Hotels, we firmly believe that sustainability is not just an option but an essential need to ensure the well-being of current and future generations.

Each day, we work tirelessly to integrate sustainable practices into every aspect of our operations. This report documents not only our achievements and challenges over the past year but also highlights our vision and strategies for continuing our progress toward a greener, more equitable future.

In 2023, we implemented several key initiatives aimed at minimizing our environmental impact, fostering social development, and ensuring ethical, transparent governance. From carbon emission reduction and efficient resource management to promoting diversity and inclusion, each action we take aligns with our core values and long-term sustainability goals. Collaboration has been a cornerstone of our approach to sustainability. We have worked closely with our employees, guests, suppliers, and local communities to develop innovative and sustainable solutions that benefit everyone.

We are proud to announce that all three of our hotels have achieved the Travelife Gold Certification, with the Arona Gran Hotel being one of the first five globally to receive this certification under the new GSTC (Global Sustainable Tourism Council) requirements.

We recognize that our success depends on the commitment and cooperation of all our stakeholders, and we are deeply grateful for their continued support.

As we look toward the future, we are filled with optimism and determination. We understand that the path to sustainability is a continuous journey, and we are prepared to face any challenges that may arise. Our vision is clear: with awareness and commitment, we want to combine service excellence with environmental and social responsibility.

We hope that this report inspires others to join us on this important journey. We thank everyone who has been a part of our success so far and look forward to continuing to work together to build a more sustainable future for all.

Miguel Villarroya

GENERAL DIRECTOR OF SPRING HOTELS



1.2 .ORGANISATION PROFILE

1.2.1 Activities, brands, products, and services

GRI GRI 102-2

For 38 years, Spring Hotels has been operating in the Tourist Accommodation sector, with the objective of achieving excellence in business development. Our corporate office provides a wide range of functions to the hotels, including sales, reservations, marketing, human resources, financial management, and systems development.

Under the Spring Hotels brand, we manage the Hotel Bitácora, Hotel Vulcano, and Arona Gran Hotel, all of which are 4-star properties located in the municipality of Arona, Tenerife.

The chain is known for its high-quality standards, which our clients value and which are reflected in a high percentage of returning guests. We continuously work to renew our facilities, enhance our gastronomy, and improve the overall experience of our guests. We accompany our guests throughout their stay, ensuring a unique experience from beginning to end.

1.2.2 Size of the organisation

GRI GRI 102-7

As of 2023, the Spring Hotels Group has a workforce of 543 employees, with 38 based at the headquarters and an average of 168 employees per hotel.



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1.2.3 Information about employees and other workers

GRI GRI 102-8a

GRI GRI 102-8b

Type of contracts

	Gender	
	Male	Female
Full-Time	256	215
Part-Time	22	50
Total	278	265

Contract Period

	Tenerife
Permanent	481
Temporary	62

The total number of employees by contract type (permanente or temporary) and by region.



88,58%
Of contracts are permanent

1.2.4 Supply Chain

GRI GRI 102-9



Spring Hotels practices values within its supply chain and procurement management based on social, local, and environmental care. Our processes are aligned with social, environmental, and economic sustainability.

Local purchase

We prioritize sourcing local raw materials whenever possible, positively impacting the local context. We aim to choose local suppliers, promoting economic activity within our immediate environment and reducing the impact of transportation needs. Current objectives include finding zero-kilometer supply alternatives, incorporating local products into our offerings (such as cheeses, “mojo” sauces, potatoes, wines, etc.).



Reusable Products - Life Cycle

We continue our search for product alternatives that extend their useful life or life cycle as much as possible, generating the least possible impact once they are no longer useful. This year, we have started using a range of cleaning products that create a better impact in terms of sustainability. Among other things, the supplier maintains a supply chain that is as sustainable as possible and closes the loop by taking responsibility for recovering the waste generated.

Impact of using these products in our operations:



WATER:

346.653 Liters = equivalent of 6933 bathtubs.



ENERGY:

38.335 Kwh = equivalent to powering 1278 homes for one day.



WASTE:

5 461 Kg = equivalent to 130.037 plastic bottles of 2 liters each.



CO2 (Energy and transportation):

8629 Kg = equivalent to what would be absorbed by 621 trees in one month.

1.2.5 External initiatives

This year, Spring Hotels participated in several economic, environmental, and social initiatives, including:

- Supporting those affected by the Tenerife fire, providing food to evacuees and firefighting brigades.
- Donating computers to Jaca Robótica.
- Participating in "March for Life," a charitable cause supporting the "Rosas del Guanche" occupational center.
- Collaborating with the Tenerife 's Council on European-funded projects to promote local products.
- Raising awareness on World Bee Day.



GRI GRI 102-12

1.2.5 External Initiatives

First Journey Campaign

Each year, we participate in the "First Journey" campaign organized by the Tenerife's Council and Excelencia Turística to protect the endangered "Cory's Shearwater."

Breast Cancer Research

Breast cancer research is also a major concern for us, so we continue to raise funds for this cause.

Feature Film Funding "Cero-Cuatro"

We have financed the project of an association founded by one of our employees, "Mi Superhéroe Eres Tú", to create a documentary aimed at raising awareness and increasing visibility about rare childhood diseases, which affect thousands of families worldwide. These families face enormous challenges, from the lack of early diagnosis to the scarcity of available treatments, resulting in an overwhelming emotional, economic, and social burden. The five families featured in this documentary are true examples of courage, fighting daily against the uncertainties of these complex diseases. In 2024, our goal is to assist in distributing the documentary to raise additional funds to support these families, who need all our support to continue their fight.

Sponsorship of the ADEIN Team

We've signed a collaboration agreement to sponsor the basketball team of the Inclusive Sports Association ADEIN, Tenerife Santa Cruz, Foundation CB Canarias. This resilient team reached the Final Four for promotion to the top category this season. Even if they finished in the fourth place this time, they are just one step further to reach the Honor Division, known as the "best league in the world". We are convinced that they will give their best in the next season!





1.3 . MATERIAL TOPICS AND COVERAGE

1.3.1 Entities included in the consolidated financial statements

GRI GRI 102-45a

At Spring Hotels, the following organisations are listed in our financial statements:

Spring Hotels

Arona Gran Hotel / Central Offices	Arona Gran Hotel Sau / Baucis Project, S.L.
Hotel Vulcano	Neptuno Turística S.A.
Hotel Bitácora	Apart Hotel Nautilus, S.A.

1.3.2 Definition of the report contents and the topic coverage

GRI GRI 102-46a

The process that we have followed to prepare the sustainability report and all of its coverage is influenced by the GRI (Global Reporting Initiative) standards and the regulatory requirements of the Law 11/2018, which state that the information must be reliable, precise, clear, balanced, comparable, verifiable and specific.

Based on four fundamental aspects:



Stakeholder Inclusiveness



Sustainability context



Materiality



Completeness



1.4 .STAKEHOLDER PARTICIPATION

1.4.1 Approach to stakeholder engagement

GRI GRI 102-43

The participation of our stakeholders has not been required to prepare this report, but they have all taken part in actions throughout the year that have provided us with the clear and truthful information necessary for its completion.

At Spring Hotels, we believe that continuous dialogue with stakeholders is essential to strengthen relationships and to provide an improved and personalised service. We actively listen to our clients, through both a questionnaire and continuous contact with them. Likewise, from our regular contact with suppliers and professionals, a number of suggestions and opinions arise that allow for our constant improvement and increased knowledge of our environment. We have worked with unions on our Equality Plans.

1.4.2 Key issues and concerns mentioned

GRI GRI 102-44

Clients

As we will see later on, our guests show a clear concern for staying in hotels that are aware of the importance of sustainability.

Suppliers

In the conversations we have held with our suppliers, came out the necessity to plan all the aspects related to circular economy. We also focus on working with suppliers with sustainable products lines, and with a value chain focused on that sense.

Employees and unions

Our employees are participating in an initiative to propose improvements that will have a positive impact on our Sustainability strategy. The unions, in conjunction with the company, have participated in the creation of our equality plans.

Local organisations and government

We are participating in different events and initiatives, such as the recovery of local fauna.

Municipalities

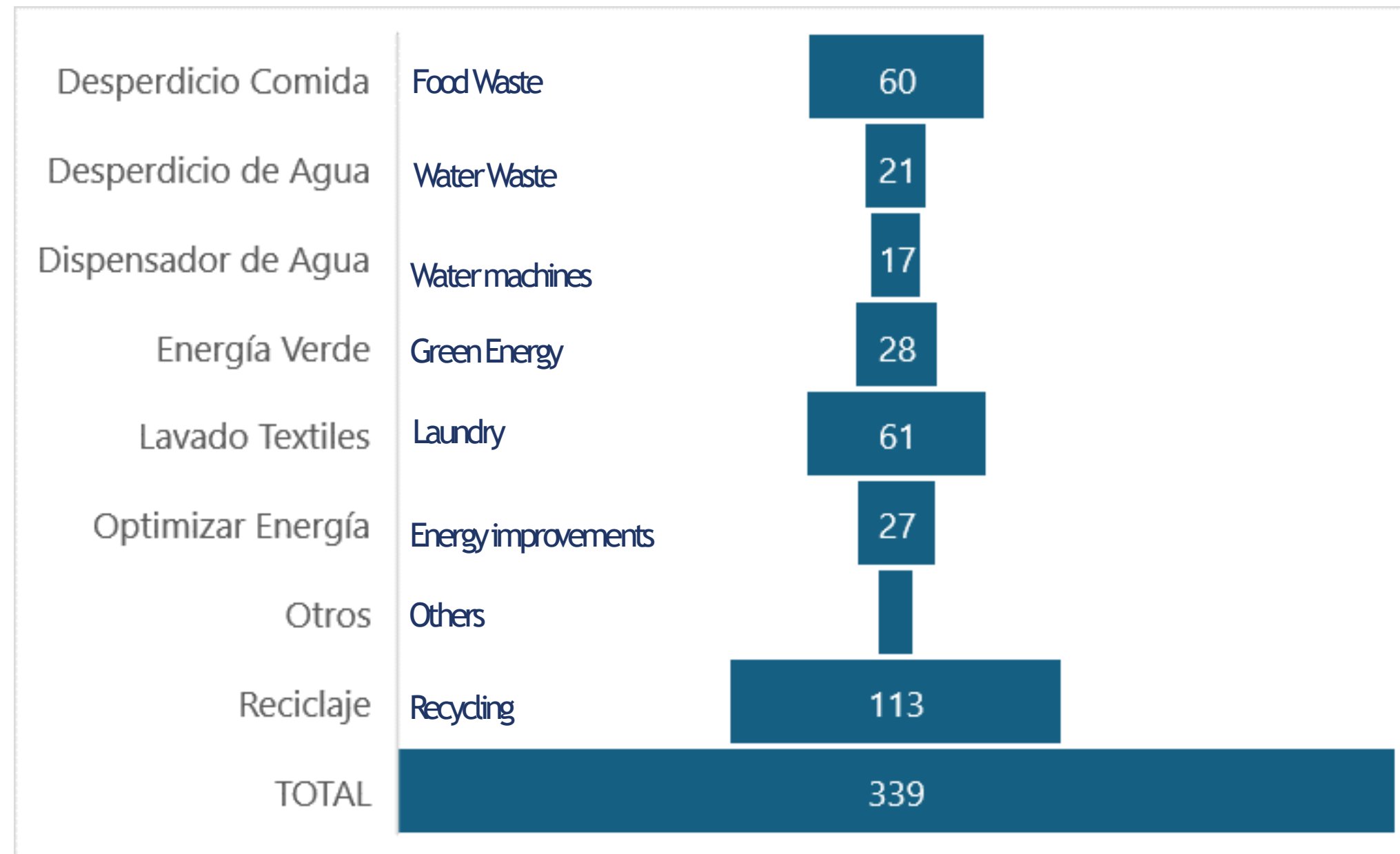
We are in talks with the local council to drive improvements in the collection of organic waste.

1.4. STAKEHOLDER PARTICIPATION

1.4.2 Key issues and concerns

GRI GRI 102-44

We sent internal surveys to our clients in order to get their opinion regarding sustainability and these are the main KPI's:



Main themes of interest of our clients regarding sustainability (Source: Salesforce).




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WRITTEN QUESTIONS

PREGUNTAS ESCRITAS

Key words	Palabras clave	Respuestas escritas	Answers
		<p>I think the hotel does well in trying to combat sustainability.</p> <p>I think the hotel is currently working hard towards sustainability. Reusable glasses on UP terrace and water machine are good.</p> <p>I think the hotel is doing its best regarding sustainability</p> <p>I think the hotel manages sustainability very well but Guests do need to be gently encouraged to be more aware that lots of waste particularly food</p>	

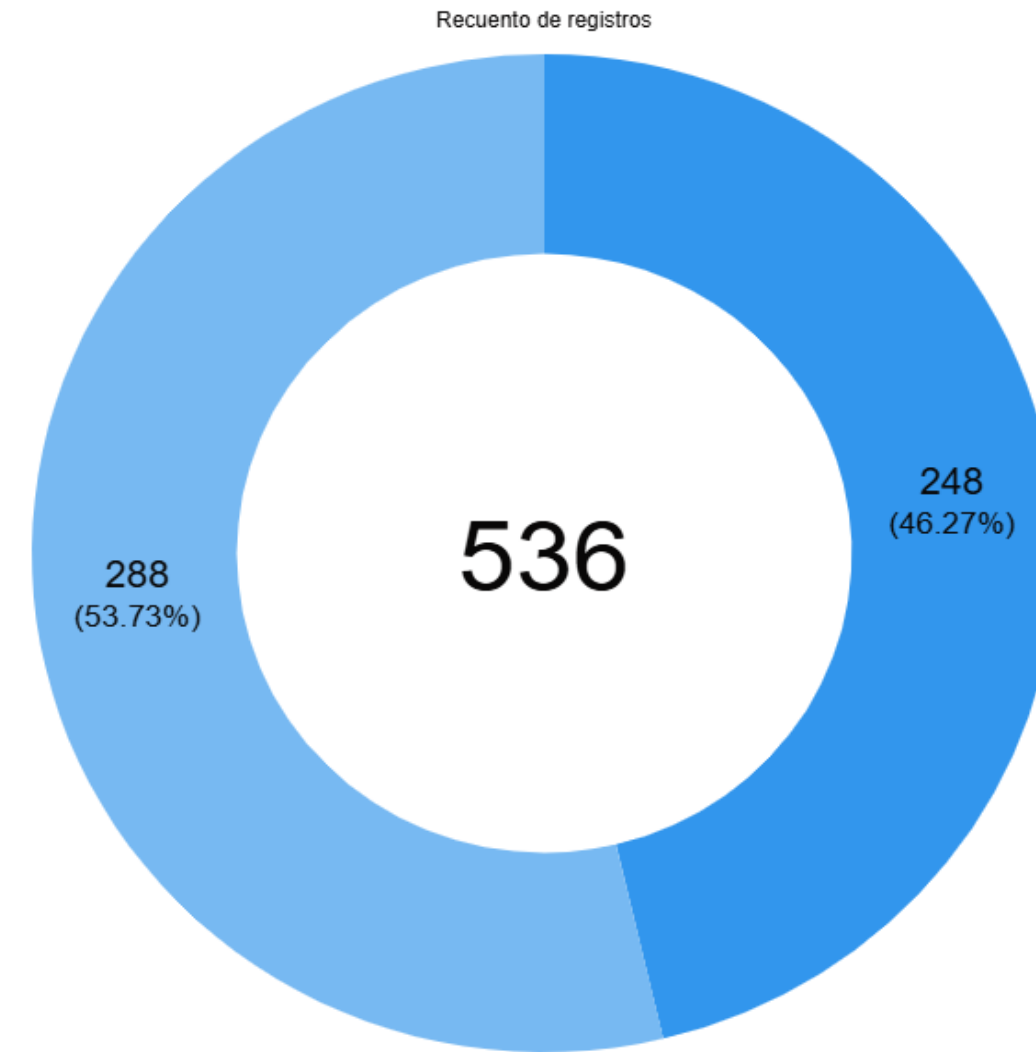
Example of answers from our clients regarding sustainability (Source: ReviewPro).



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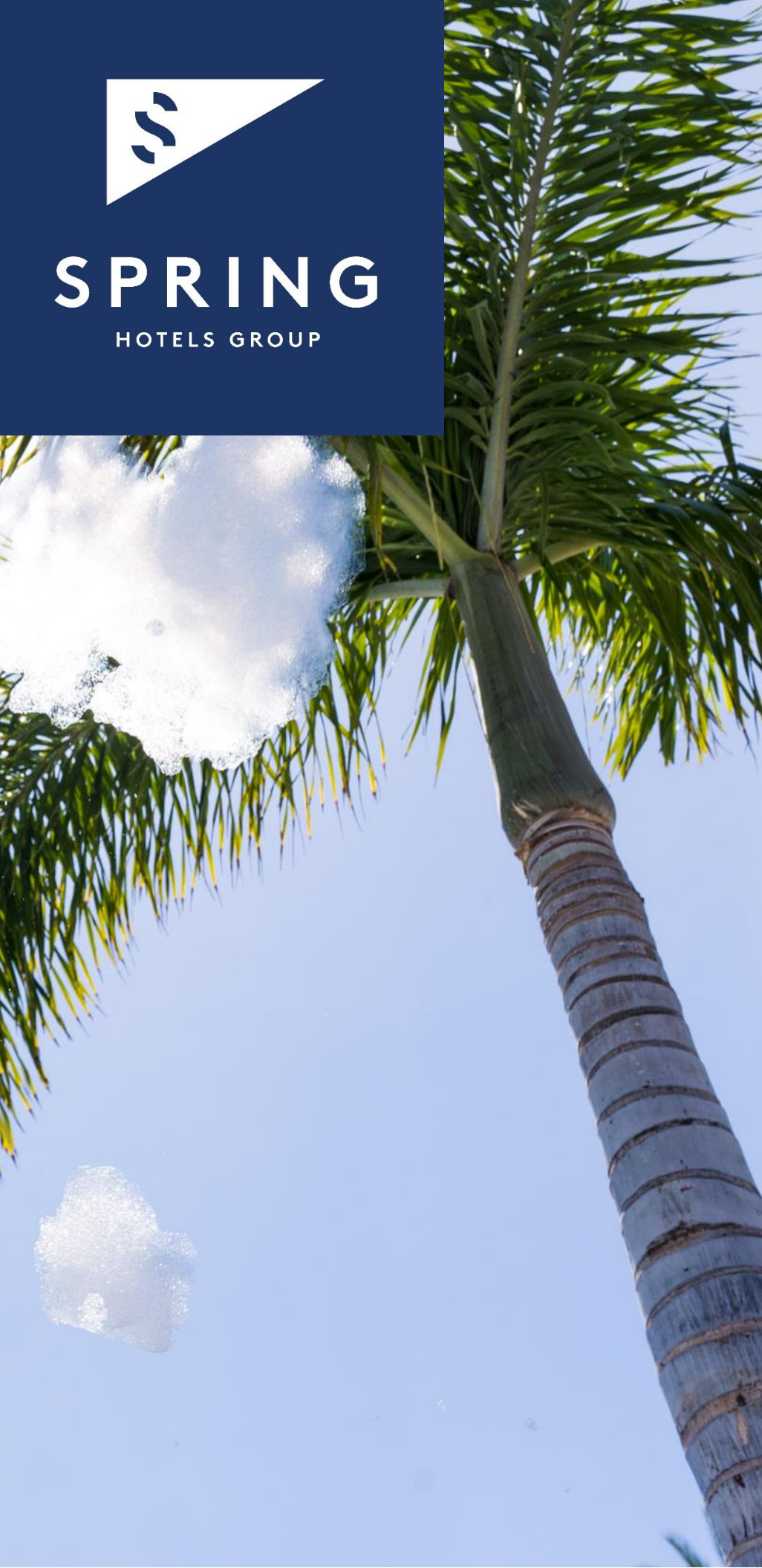
Consideraciones Medioambientales



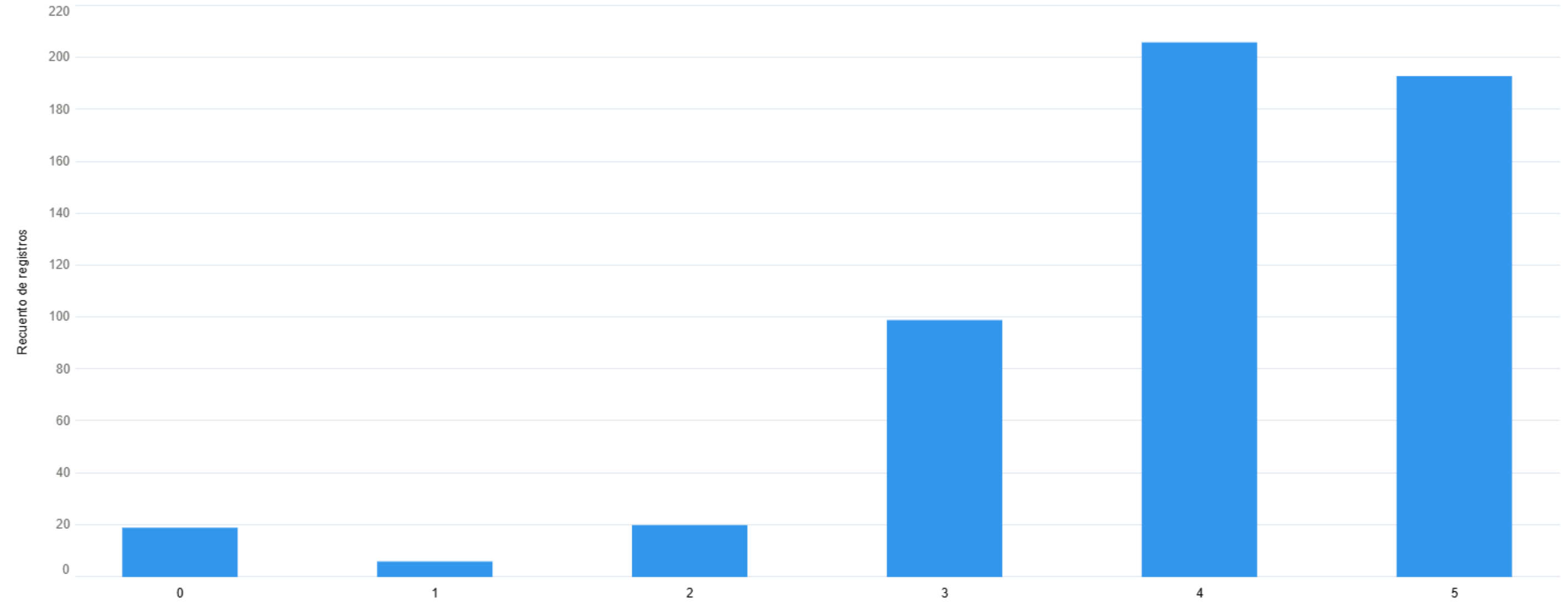
Importance of the environment when choosing an hotel (Source: Salesforce).



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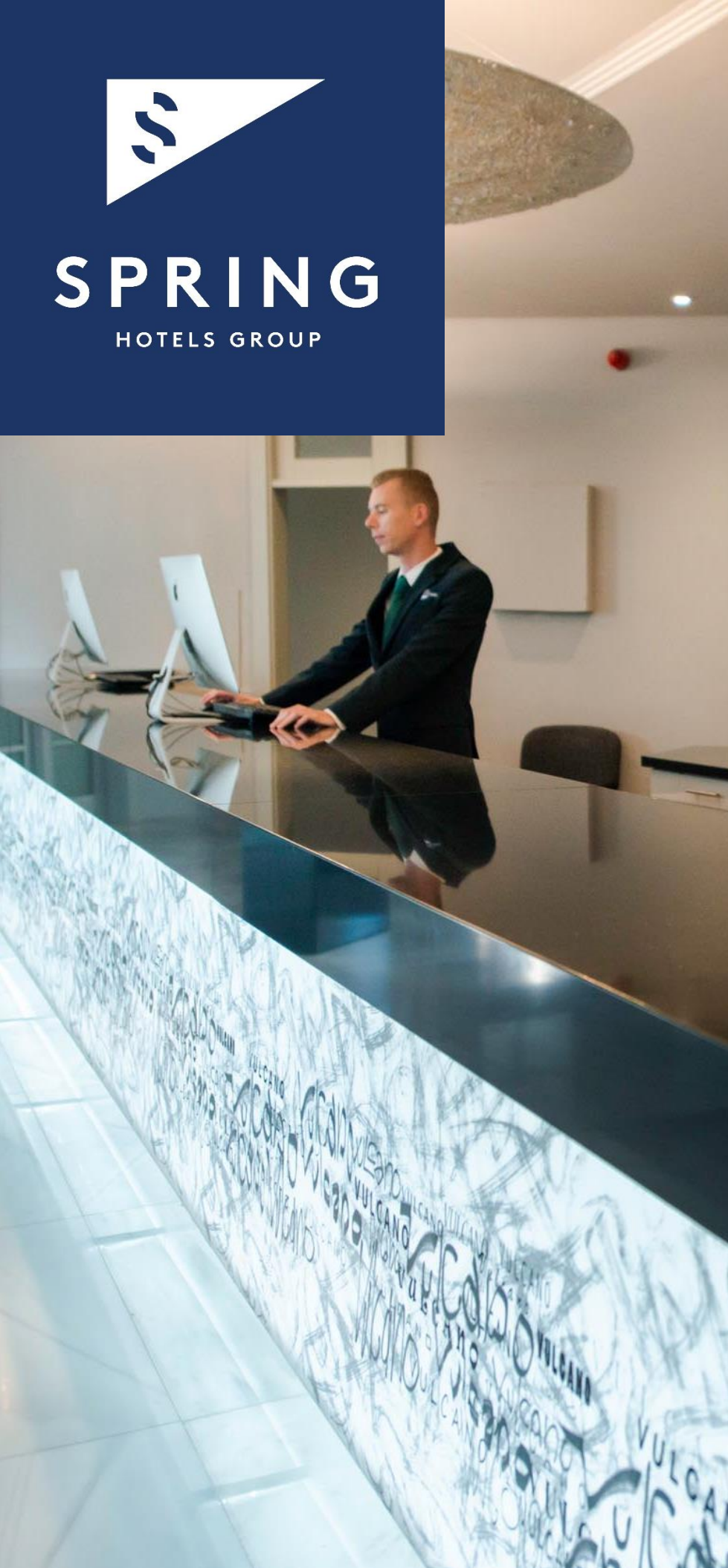


Preocupacion Medioambiente



Level of significance that have the environment for our customers (Source: Salesforce).

The results reflect the increased interest of our customers to choose more sustainable holidays. Furthermore, their valuable comments and suggestions guide us towards future improvements, allowing us to focus in aspects of their main concerns.



1.5 . ETHICS AND INTEGRITY

1.5.1 Values, principles, standards and code of conduct

GRI GRI 102-16

Spring Hotels is based on the following values:



Service

Vocation to serve the clients by anticipating their needs, with kindness, courtesy and professionalism



Passion

It is care that inspires us in our work, Spring is Passion.



Responsibility

Willingness to offer the best of ourselves to promote customers satisfaction.



Identify

Pride in feeling part of an enriching and exciting project.



Naturalness

Transparency in the management and suitable integration of people.



Garantee

Excellence, innovation and quality as a "raison d'être".

1.6 .CERTIFICATIONS

1.6.1 Spring Hotels' Certifications

Environmental certifications serve to evaluate and approve an organization based on predefined environmental criteria. These certifications are granted by independent and recognized entities that verify and ensure compliance with specific standards related to environmental performance. They also promote sustainability and the responsible management of natural resources in various areas. The aim is to encourage practices and behaviors that minimize negative environmental impact and contribute to sustainable development.

The Arona Gran Hotel was one of the first five hotels in the world to receive this certification, following the new requirements and standards of the GSTC (Global Sustainable Tourism Council).



The Arona Gran Hotel renewed its commitment to ISO 9001 (Quality Management System) and ISO 14001 (Environmental Management System), as well as EMAS (Eco-Management and Audit Scheme). This year, it also received the seal for calculating/reducing its Carbon Footprint.



ISO 9001



ISO 14001



EMAS



The Hotel Vulcano obtained the BIOSPHERE's Certification



BIOSPHERE



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2.

ENVIRONMENTAL
ASPECT



2.1 .ENERGY

2.1.1 Energy consumption within the organisation

GRI GRI 103-01

We will proceed to identify the most significant energy consumption generated within our facilities, which are mainly related to Air Conditionning, electricity (swimming pools, kitchens) and domestic hot water (DHW):



Total fuel consumption form non-renewable sources (Including types of fuels used)

Propane	102.961,33 litres
Butane	484,82 litres
B7 fuel	248,88 litres
Total fuel	103.695,03 litres

Electricity consumption

12.915.891Kw/h

2.2 . WATER AND EFFLUENTS

2.2.1 Interaction with water as a shared resource



Regarding water consumption, and given its scarcity, SPRING HOTELES is firmly committed. All establishments are equipped with thermostatic faucets and low-flow fixtures to prevent water waste. Additionally, irrigation systems in several complexes have been replaced with drip systems, and low-consumption plants have been chosen, planted in water-retentive substrates. The selection of these plants also considered species resistant to pests and/or parasites to minimize pesticide use as much as possible. Due to the nature of the vegetation, the use of fertilizers is virtually nonexistent.



GRI GRI 103-01

GRI GRI 303-1a

SPRING HOTELS uses water resources coming from both the municipal network and its own desalination plant, and the water is mainly dedicated to human consumption, the irrigation of green areas and for filling the swimming pools. The return of wastewater produced by the organisation back to the natural environment is carried out using the correct treatment process, which aims to protect the water cycle.

Likewise, as part of our commitment to the responsible consumption of this resource, a series of measures and actions (course, good practices handbook) have been adopted that are dedicated to increasing the efficiency of its use, promoting awareness amongst both our guests and staff, so that they consume water more responsibly

GRI GRI 303-1d

The three hotels in the Spring Hotels chain are located in Tenerife (Canary Islands), an area that suffers from a high shortage of fresh water. The lack of precipitation causes significant stress on water availability, which favours desalination processes for the production of drinking water. One of our objectives is to reduce the impact we have, evaluating our consumption and defining action systems with regards to its use, in accordance with what is laid out in point 6.4.2 of the Sustainable Development Goals 6. Clean water and sanitation.

2.2.2 Water consumption

Water consumption

228.502 m³

GRI GRI303-5a

2.3 . BIODIVERSITY

2.3.1 Important impacts of activities, products and services on biodiversity

GRI GRI 103-01



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Viaje*

Canary Islands is the Spanish region with the largest number of protected natural areas. The presence of our chain's three hotels on the Island of Tenerife raises our awareness of the numerous impacts that biodiversity loss can have on our activity and vice versa. At Spring Hotels, we want to strengthen our commitment to conservation and increase our efforts to prevent its deterioration.

One of the initiatives we have been participating in for several years at the Arona Gran hotel (and in 2023 extended to all three of our hotels with the support of the Tenerife Council and the consultancy Excelencia Turística de Tenerife) is the "First Journey." This action involves protecting a bird species called the "Cory's shearwater," which only comes to our coasts to reproduce.

During October and November, many juveniles of this species, in their first flight toward the sea, become disoriented by the lights of coastal developments. Dazzled by the lights, these birds cannot take flight on their own. In this situation, they become vulnerable to accidents and predation. As hoteliers, our contribution to this initiative was to turn off our external lights during this period, raise awareness among our employees and guests about the project, and participate in the rescue and release of these birds in collaboration with specialized local organizations.



With the aim of improving our practices regarding light pollution, we also welcomed a visit and received guidance from the Canary Islands Institute of Astrophysics at our three hotels. Reports were prepared presenting the current situation of the hotels and recommendations for future improvements where needed.

2.4 . EMISSIONS

2.4.1 Direct greenhouse gas emissions (Scope 1)

GRI GRI 103-03

At our hotels, we have a strategy in place for measuring, controlling, and reducing our Scope 1 direct GHG emissions (measured in tons of CO₂), which originate from our activities and are under our control.



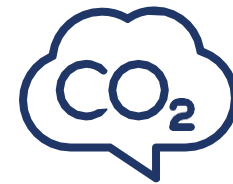
Our Scope 1 emissions are concentrated in the following areas:

- Fuel combustion within our facilities
- Potential leaks in refrigeration systems
- Ground transportation (company vehicles)

We have implemented a preventive policy that regulates the proper maintenance of our facilities to manage these types of emissions. This includes periodically inspecting our heating and cooling equipment, with new energy efficiency improvement projects for our hotels' thermal production planned for 2024.

The calculations were made using emission factors from MITECO's calculator, based on consumption data from 2023.

GRI GRI305-1a

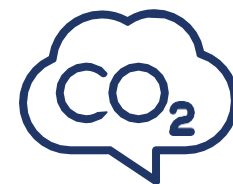


Direct greenhouse gas emissions (Scope 1)

476,06 t CO₂eq

2.4.2 Indirect greenhouse gas emissions when generating energy (Scope 2)

GRI GRI 103-3



Indirect greenhouse gas emissions when generating energy (Scope 2)

3.348,84 t CO₂eq

2.5 . WASTE

2.5.1 Generated Waste

Waste generated in 2023 between our 3 hotels:

326.272 Tm

Actions taken in 2023 in order to reduce our waste:

We have installed water fountains in staff rest areas as well as in various hotel zones for guests, **reducing the use of 146,211 single-use plastic bottles.**

We have also reduced plastic consumption in our cleaning products by purchasing more concentrated formulas (2L containers instead of 5L) and some made from reusable plastics provided by the supplier, eliminating the need for external recycling.

Our operational focus remains on optimizing the lifespan and life cycle of products through careful purchasing management.

Working with our IT department, we have implemented an internal weighing system for organic waste, which helps us adjust production to meet demand, reduce waste, and monitor data to enhance the daily operations of our Food and Beverage department.

Additionally, in December, we began purchasing low-impact cellulose products (toilet paper, hand towels), achieving the following savings:



Our main goal is to continue on that same line for 2024.

GRI GRI306-3b





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3.

SOCIAL
ASPECT



3.1 . TRAINING AND EDUCATION

3.1.1 Average training hours per employee per year

GRI GRI 103-1

In 2023, in addition to specific Occupational Risk Prevention training for each job role, we have provided a total of 5,045 training hours.

At Spring Hotels, our mission is to ensure that the training planned and delivered as part of our training program meets the following criteria:

- Aligns with the company’s business strategy.
- Is linked to the company’s objectives and performance goals.
- Provides tangible and achievable benefits to employees.
- Adapts our training to the demands and needs of our guests.

Following an in-depth analysis of guest demand, we focused our training plan on two key areas. The first is aimed at the continuous improvement of our customer service, covering cultural awareness, appearance protocols, phone etiquette, and more. The second focuses on fostering the professional development of our employees, promoting teamwork and group motivation.

This training includes both online and in-person courses on a variety of relevant topics, such as leadership, project planning and management, mixology, phone etiquette, and stretching techniques for housekeeping staff, among others.





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4.
ECONOMIC
ASPECT



4.1 . ECONOMIC PERFORMANCE

4.1.1 Direct economic value generated and distributed

GRI GRI 103-1

Data on the creation and distribution of economic value provide basic information about how the organisation generates wealth for its stakeholders. Specifically, the Economic Value Generated and Distributed provides a profile of the organisation that is useful when it comes to standardising other performance figures.

At Spring Hotels, we are aware of the great contribution made by tourism to both the economic and social development of destinations, and we are committed to an appropriate complementation of the distribution of the value generated.

GRI GRI 103-3

In the Canary Islands, tourism and, therefore, hospitality, generates significant economic income for institutions, companies and host communities, which is a key factor for sustainable development and growth.

The economic value distributed is broken down as follows:

GRI GRI 201-1a

Operating expenses or operational costs

20.691.179€

Payments to capital providers

1.351.684€

Employee salaries and benefits

18.774.957€

Contributory taxes or contributory donations

7.427.869€

4.1.2 Financial implications and other risks and opportunities for the organisation's activities that arise from climate change

GRI GRI 103-1

At Spring Hotels, we consider climate action as a strategic value and one of good management, and we are moving forwards with a sustainability strategy that includes a series of actions and initiatives focused on the mitigation of and adaptation to climate change in our sector. The fight against climate change, following the route laid out by the Sustainable Development Goals (SDG) in the 2030 Agenda (UN), is a fundamental pillar for both the preservation of our destination and the well-being of its local community.



4.2 . PROCUREMENT PRACTICES

4.2.1 Percentage of the procurement budget used for significant operations that goes to local suppliers

GRI GRI 103-1

With the selection of local suppliers, we continue our commitment towards an economy of proximity, aimed at boosting the local community and its economy, creating jobs, and promoting sustainable supply chain management

GRI GRI 204-1a

Purchase Budget:

15%

Local products

54%

Local suppliers

GRI GRI 204-1b

We apply the term “local” as referring to natural and legal persons located in the Canary Islands, the region in which the company’s most significant operations are carried out.

4.3 . ANTI - CORRUPTION

4.3.1 Communication and training on anti-corruption policies and procedures

GRI GRI 103-1

In accordance with its code of ethics, Spring Hotels is fully committed to the fight against money laundering and the financing of terrorism. We have eliminated the use of cash within our facilities (except at reception), which means the misuse of cash is far more controlled

4.4 . REPORT PROFILE

4.4.1 Period covered by the report

The period covered by our report is the fiscal year corresponding to the year 2023.

GRI GRI 102-50

4.4.2 Contact point for questions about the report

At Spring Hotels, we care about our clients' questions regarding our company or our sustainability reports. We have set up a specific email address through which you can contact us with any questions you may have.

 sostenibilidad@springhoteles.com

GRI GRI 102-53

4.4.3 Declaration on the preparation of the report in accordance with GRI Standards

This report has been prepared in accordance with the Comprehensive Use of GRI Standards option.

GRI GRI 102-54



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