POLICY OF LOPESAN GROUP

LOPESAN GROUP is a global business holding with international presence and activities on three sectors of the Canarian economy through a group of companies dedicated to the hotel industry, the construction field and the agro-alimentary industry, as well as to sustainable agriculture. The origin of this business group goes back to 1972.

The group’s development, as well as the all-round character of its activities has favoured a culture of social responsibility regarding all business aspects, creating values and boosting the economic and social development of the community it is operating in.

The company’s corporate culture shows a solid commitment for quality and customer satisfaction, as well as for groups of interest interrelated with the company’s different activities, maintaining maximum respect and protection of the environment; the group is conscious of the need that working conditions of its professionals must be safe, healthy and with optimum conditions, guaranteeing equal opportunities, as well as respecting human and labour rights; the company commits itself to social and cultural progress on the Canary Islands.

The company has also interiorized the need for constant transformation and the adoption of mechanisms to introduce new products, processes and services through a management of innovation, guaranteeing at the same time the integrity of information.

From the quality point of view the following criteria of corporate philosophy have to be considered particularly:

- Ensuring customer satisfaction by implanting measuring and improvement mechanisms.
- Proportionating processes considering requirements of customers and other interested parties, as well as legal requirements, so that strictness in fulfilling the defined processes can lead to reach the outlined goals.
- Continuous improvement has to become a constant factor for the company, especially when integrating into our procedures innovations and suggestions received from our customers and professionals.

Showing sensibility for and looking after our natural environment is an added value for our customers and the main reason for customer acquisition; therefore the protection of the environment and sustainability is a strategic commitment of our company.

Regarding the environmental protection Lopesan Group is taking the following responsible actions:

- It is producing less garbage by reducing, recycling and reusing materials.
- It is using natural resources in an efficient way by optimizing consumption of energies, water and fuel.
- Through the Environmental Management System it is maintaining up to date an appropriate management for nature, magnitude and environmental impacts of our activities and services.

LOPESAN GROUP is conscious about the possibility that its activities may cause damage to the health of employees or third persons inside its facilities and therefore the company has decided to develop a management system for the prevention of occupational risks integrated in its business activities, with the aim of reaching the highest possible security and health levels.

In matter of prevention Lopesan Group has decided:

- To implant a system of risk prevention with the appropriate measures to reach the outlined goals.
- To integrate preventing activities in all the company’s levels and procedures.
- To encourage a preventive culture with the help of training, information and participation of all implied persons.

Regarding Human Resources:

- To ensure, at any time, a rettributive and employment policy within the legal framework and to respect the employee’s right to form and join trade unions.
- To develop participative management styles giving power to our professionals and enriching the company by using the employees’ knowledge and experience, taking special care of first line activities, critical elements to obtain values and reach high quality levels.
- To ensure fulfilment of the established equality protocols, the main goal of which is to reach treatment and opportunity equality of women and men inside the company and to eliminate discrimination due to gender, race and religion, as well as to guarantee a decent and respectful treatment of employees excluding any kind of abuse or bullying.
- To encourage professional development of our employees by continuous training and by fostering internal promotion.
- To promote labour integration of handicapped persons.

In relation to Society and other groups of interest:

- Relationship with communities is based on principles of reciprocity, responsibility and mutual benefit. To reach this aim channels are established to make it easier for groups of interest to transmit their concerns and suggestions.
- The company is taking actively part in the development of the local community through actions of sponsorships, philanthropy, cooperation with universities, foundations, etc., that is, supporting civic organizations and institutions to promote education, training, cultural richness and including the most disadvantaged groups of our society through social investments.
- Lopesan Group has a special sensibility regarding the rights of children and adolescents, implanting special actions with the aim of avoiding any kind of repression, discrimination or exploitation of minors at any place where the company is operating.
- Regarding the purchasing field the company is giving priority to the acquisition of local products to strengthen the economic and social development of the community, as long as quality standards, prices and health and security criteria are guaranteed.
- The company is contributing, through its agricultural activities, to reach food sovereignty levels close to those dictated by FAO.

Conscious of our sectors’ competitiveness, the company is trying to obtain competitive advantages by implanting an innovation management model based on:

- Promotion of an innovation culture inside the Lopesan Group through actions intended to generate ideas and create a participative spirit.
- Introduction of improvements regarding productivity, process efficiency and reduction of operating costs.

The following measures are implanted to establish global rules for security and information assets, as an answer to the new technological environment:

- Divulgation of good practices on security of information.
- Setting up of measures for the protection of resources and assets of information regarding the information systems used: personal computers, servers, applications, operational systems and processes of the company.
- Creation of internal and external divulgation channels of the corporate philosophy and links of social complicity related to the company’s activities.

Signed: CEO Francisco López

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