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Appendices:

- 1. The Cliffs at Princeville Sustainability Alignment to UN Sustainable Goals
- 2. 2021 Core Sustainable Metrics and Goals

The Cliffs at Princeville

The Cliffs at Princeville (hereafter The Cliffs) is a self-managed, boutique resort situated on 22 acres on the north shore of Kaua'i in Princeville. There are 202 residential units that are used for timeshare (129 units) and individually owned condominiums (73 units).

Fitness and recreation facilities are on-site to encourage an active, healthy lifestyle: Facilities available include a

fitness center, tennis courts, pickle ball court, basketball half court, shuffleboard, a children's playground, two swimming pools, a keiki pool, two hot tubs, a putting green, a botanical walking path. Bicycles are available for riding around the Princeville area. There is also a walking path that extends from the Princeville entrance and shopping center to the 1 Hotel Hanalei Bay (formerly the Princeville Resort). Several wellness programs are also offered at the resort. Guests often walk through the Resort's grounds and gardens or enjoy the view from the open spaces above the ocean bluff.



View of several residential buildings at The Cliffs and Hanalei mountains beyond

Sustainability at The Cliffs

Overview

To coordinate sustainability activities across The Cliffs, a Joint Sustainability Committee was formed with participation from all three Associations with the following mission in mind:

Mission Statement:

"The Joint Sustainability Committee is responsible for the development of the Sustainability Plan for The Cliffs at Princeville. The committee also periodically updates the Sustainability Plan and contributes to the preparation and issuance of the annual Sustainability Report, which is released by the annual meeting for the previous calendar year of activity."

To this end, the committee reviews progress in achieving the sustainability goals across the dimensions of renewable energy production, consumption and conservation, water use, waste disposal including recycling (cardboard, paper, plastic, aluminum & glass), land use, emergency preparedness and community interaction. The committee reviews both ongoing progress on the above key metrics and provides insight and guidance on future objectives and new initiatives to reduce the environmental footprint of The Cliffs.

Renewable energy production, by both the Administration Building system (which is a Cliffs-owned system) as well as energy purchased under the Valta Power Purchase Agreement, is an important aspect that falls within the scope of this committee and includes usage trends, billing and overall cost and system performance. Liaison and interface with Valta remain the responsibility of The Cliffs general manager.

Other aspects in the Sustainability Plan which may have annual achievement goals include:

- Reducing the amount of water consumed
- Reducing the solid waste produced
- Increasing the quantity of waste recycled
- Development and updating emergency plans
- Consideration of land use features (tree canopy, reduction of invasive species, etc.).

The committee is also involved in the identification of opportunities to participate in sustainability initiatives on the north shore, for all of Kaua'i and the Hawaiian Islands. The committee also considers sustainability recognition opportunities to highlight the performance of The Cliffs Sustainability Plan.

The 2021 Sustainability Report

This is the fourth report of the current five-year plan.

The objective of the 2021 Sustainability Report is to communicate progress made over the year with respect to the 2018 baseline year (2019 in some cases) and the established goals.

Graphics have been added to show renewable energy consumption, renewable energy demand vs production, water use, solid waste and recyclables (cardboard, paper, plastics, glass & aluminum) as they relate to the base line year and occupancy levels* (where applicable). Progress against these core metrics and qualitative goals are presented in the following pages.

* The residual effects of the State mandated Covid-19 travel restrictions implemented in 2020 had an impact on the occupancy levels (71%) on the property for 2021, resulting in a decreased demand for electricity and water and reduced volumes of solid waste and cardboard.

2021 Sustainability Report Summary & Highlights

Sustainability at The Cliffs is a priority. This Sustainability Report 2021 is the fourth consecutive year that The Cliffs has published the Annual Sustainability Report. The Sustainability Plan was developed in 2018. The first report was issued in April 2019 for calendar year 2018, and established 2018 as the baseline year for subsequent reports. The Report is issued each April for the previous year and focuses on six Sustainable categories that encompass 32 metrics at The Cliffs. These six categories align with nine of the United Nations Sustainable Development Goals (Appendix 1) and include the following:

- Energy Conservation and Renewable Energy Production and Use
- Water Use and Conservation
- Waste Management and Recycling
- Climate Change and Resiliency
- Land Use and Maintenance Practices
- Operations and Community Engagement

2021 Sustainability Report Highlights:

- Renewable Energy produced in 2021 was 1,142,328 kWh of electricity, which is equal to 702 barrels of imported oil. The renewable energy systems produced 86% of total electricity demand at the Cliffs in 2021. Upgrades to the Valta solar energy system were completed in Fall 2021 and will improve system performance, component monitoring, and the production, usage and exporting of electricity.
- The Cliffs purchased 0.9% more electricity and exported 1.1% more electricity to KIUC in 2021 than in 2019.
- Reduced water use by 755,333 gallons in 2021; a 7.1% decrease from 2018 baseline usage.
- Continued to encourage Owners and Guests to use one of the two FloWater stations (installed September 2019) for filling re-usable containers rather than buying single-use plastic water bottles; these stations offset 65,735 12 oz plastic bottles in 2021 (almost 5,480 bottles per month) that otherwise would have been purchased and used at the resort by our Owners & Guests, and ultimately been recycled or land-filled. The FloWater stations have offset more than 124,680 12 oz single-use plastic bottles since being installed in 2019.
- Solid Waste volume decreased by 12.9% from 2018:
 - Extra yardage volumes (overfilling of collection bins) was 115 cu yds; a 28.6% decrease from 2018
 - There is an opportunity for more solid waste reduction, consolidation actions, collection volume or more frequent servicing
- Cardboard recycling volume decreased by 23.5 cubic yards in 2021; a 13.2% decrease from 2018:
 - Extra yardage volumes (overfilling of collection bins) was 11 cu yds; a 68.1% decrease from 2018
 - There is an opportunity and need for increased collection capacity, improved segregation of cardboard collected, or more frequent servicing of the cardboard bin
- Total material recycled in 2021 was 30.2% of the total waste generated, which is a noted improvement over the 2018 percentage of recyclables (20.8%). Recycled material in 2021 totaled 604.6 cubic yards, which was

43.6% more than 2018 (421.1 cubic yards). The Cliffs saw increases in the percent of plastic (6.42%), glass (7.49%), paper (5.35%), and aluminum (3.21%) recycled in 2021 over 2018 volumes due to 2019 improvements to the recycling stations and ongoing recycling efforts.

- Issued annual update to the Cliffs' Emergency/Resiliency Plan.
- New tree & shrubbery planting occurred to optimize application of green infrastructure which creates public health, appearance and storm water benefits; a total of 90 trees (14) and shrubs (76) were planted.
- The Cliffs maintained the highest ratings available from RCI and Interval International (II) organizations as well as earned the following notable honors:
 - Winner for "Commitment to Green Award" Pacific Edge Magazine (second year to win this award)
 - o RCI Green Award 1st place winner out of 1,800 resorts worldwide (second time in three years)
 - O Hawaii Green Business Program Recognition
 - o "The Best Vacation Timeshare" on Kaua'i Hawaii Magazine Reader's Choice
 - "Employer of the Year" Rotary Club of Hanalei Bay
- Implemented a new online Guest Survey, Momentive in June of 2021, providing Guests with an opportunity to rate various aspects of The Cliffs. The scores (1=poor, 5=excellent) for the reporting period ending 8/31/2021 were as follows:

Response rate:
Overall Score:
How Likely to Recommend The Cliffs:
4.67

- The Employee "Sunshine Fund" (established in 2018) continued to assist employees during times of difficulty; The Sunshine Fund is a voluntary contribution program supported by donations from Cliffs management and Association Board members.
- The Cliffs continued to participate in the following Community activities: Hawaii Lodging and Tourism Association of Kaua'i, Society of Human Resource Management of Kaua'i, Boys and Girls Club of Kaua'i, Kaua'i Community College Hospitality School, Kaua'i Tourism Strategic Plan, Anaina Hou Community Park, Kaua'i Chamber of Commerce, and a supporter of the Kaua'i Rotary activities.
- The Cliffs partnered with Surfrider Kaua'i Ocean Friendly Visitor Program in 2021; the program helps inform visitors on ways they can help protect and preserve local beaches, reefs and sea life.
- The Hawaii Lodging Association's Charity Walk is The Cliffs' charity of choice (all monies raised stay on Kauai and support the non-profit organizations listed below). Several employees participated in various charitable activities in 2021: Over 220 volunteer hours, raising over \$14,550 for Kaua'i non-profits.





Energy Conservation and Renewable Energy Production and Use

As a leader in renewable energy, Hawaii has a statewide goal to produce 100% of its energy from renewable sources by 2045. The island of Kaua'i has established a goal to produce 70% of its energy demand from renewable sources by 2030.

The Cliffs has two independent solar energy systems. The Administrative Building system (installed in 2009) operates on a net metering basis with KIUC; with excess electricity exported during the day when production exceeds demand. The Administrative Building, with air conditioning, computers and laundry operations has the highest use of electricity on the property. The Valta system (operational in 2017*) provides electricity to the facility under a 20-year



power purchase agreement with Valta Energy. Valta Energy invested the capital and knowledge to install a large-scale solar energy system on the nine residential buildings (3,000 solar panels and 160 storage batteries). The electricity that is produced and consumed during daylight hours is charged to the Cliffs at \$0.20/kWh, while available electricity from battery sources is charged at \$0.04/kWh below KIUC rates. Surplus electricity generated is sold to KIUC at wholesale rate of \$0.15676/kWh. The weighted renewable energy rate is \$0.24/kWh. Performance in 2021 vs 2019 are summarized below:

*A detailed evaluation of the Valta solar energy system in 2020 identified several system issues which resulted in the misreporting of energy consumption and billing errors, and adversely affected the solar energy production capabilities and battery storage capacities of the system. Work to correct the identified system issues and upgrading of components (replacement of panel optimizers, installation of revenue grade meters ,etc.) required the system being down during a portion of the year, resulting in lower overall energy production for 2021. The work was completed in Fall 2021.

Results:

- The common areas (Rec Center, Fitness Center, Pool, exterior lights) required 322,203 kWh of electricity; 42% of the required electricity was provided by the <u>Common area</u> (Valta) system during daylight hours, resulting in a savings of \$10,828, had the electricity been purchased from KIUC.
 - o 2019 Common area solar energy system production: 160,221 kWh
 - o 2021 Common area solar energy system production: 135,348 kWh (decrease of 15.5%)
- The Administration offices and the laundry room required 105,259 kWh of electricity; 57% of the required electricity was provided by the <u>Admin Building</u> solar system during daylight hours, resulting in a savings of \$3,577, had the electricity been purchased from KIUC.
 - o 2019 Admin solar energy system production: 54,996 kWh
 - o 2021 Admin solar energy system production: 60,362 kWh (increase of 9.8%)
- The combined renewable energy (Valta system plus Admin Building system) were as follows:

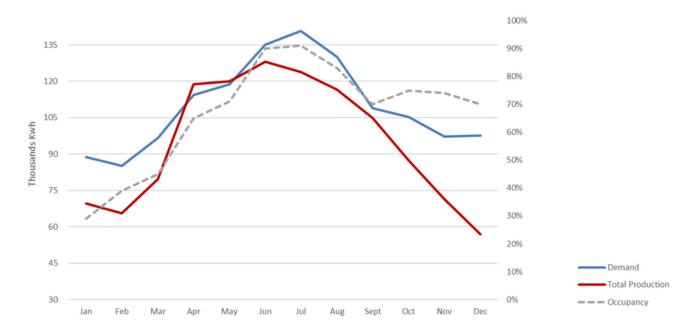
<u>rear</u>	lotal Electricity Demand (KWN)	Renewable Energy Produced (KWN		
2019:	1,400,941	1,224,927	87% of demand	
2021:	1,318,770	1,142,328	86% of demand	

- The 2021 renewable energy production is equal to 702 barrels of oil
- Electricity production during daylight hours exceeded demand: excess energy was exported to KIUC
- The Cliffs bought 0.9% more electricity, and exported 1.1% more electricity to KIUC in 2021 than in 2019
- Estimated Resort electricity cost savings was \$46,656 (given weighted Valta energy price)
- Electricity generated during daylight hours exceeded demand during the day. Even after fully charging all the batteries 596,180 kWh were exported to the KIUC grid, further reducing Kaua'i's dependency on imported fuel by an additional 366 barrels of oil. The amount of exported energy increased by 1.1% over the amount of energy exported in 2019 (589,764 kWh), due in part to reduced occupancy levels during the year.



Renewable Energy Consumption (with occupancy) 2021 vs 2019

- Whole Unit Owners received 50% of their electricity from the renewable energy system indicating a concerted effort to better align supply of renewable energy with demand activities.
- Timeshare and common areas received 43% of their electricity from the renewable energy system, with 57% of their needed electricity purchased from KIUC.



2021 Electrical Demand vs Renewable Energy Production

- Encourage Owners and Guests to use high energy consuming appliances during <u>daylight</u> hours to the extent possible.
- LED bulbs installed in all parking lot lights; Existing common area lighting fixtures are systematically being replaced with new energy efficient fixtures with LED bulbs.



Water Use and Conservation

Kaua'i is regarded as the Garden Island and is considered to be the 'wettest place on earth', however the pumping and distribution of water for drinking and irrigation requires a significant amount of energy. The cost for this delivery system is reflected in the Water bills, which are based upon the amount of water consumed; hence our concern is the optimal use of water.

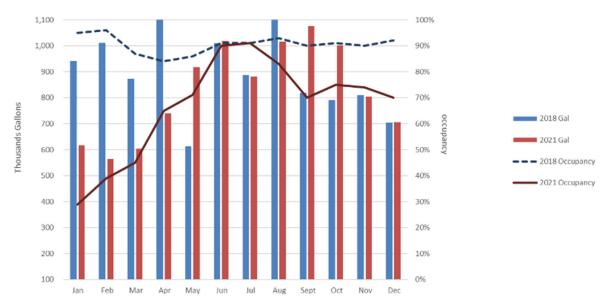
The Cliffs strives to reduce water usage through its ongoing efforts to identify areas where improvements can be made. Owners and guests are encouraged to do what they can to help conserve water during their stay. Old plumbing fixtures and appliances are systematically being replaced with low-flow plumbing fixtures and low water-use appliances as part of the ongoing timeshare unit renovation program. Whole unit owners are also encouraged to replace their older plumbing fixtures and appliances with low-flow plumbing fixtures and low water-use appliances in their units. The irrigation systems for landscaping are continuously monitored and maintained by staff throughout the year to ensure that they are functioning at their optimal levels. Sprinklers systems are operated manually (rather than on automatic timers) when additional irrigation is needed during periods of low rainfall.

Results:

- The Cliffs continued to support the community in preparing for and managing flooding events;
- ♦ Water usage is monitored monthly and reported annually. Performance metrics (gallons of water consumed) is listed below using 2018 as a baseline year:

2018 Water usage: 10,703,000 gal

2021 Water usage: 9,948,000 gal - a reduction of 7.1% over 2018



Total Water Usage (with occupancy) - 2021 vs 2018

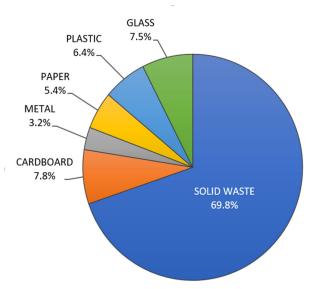
- Annual water consumption has been reduced by 755,000 gallons; a decrease of 7.1% over 2018. Achieved
- Encourage Owners and Guests to use the two FloWater dispensing stations to fill re-usable containers rather than buy single-use plastic water bottles; these stations offset 65,735 12 oz single-use plastic bottles in 2021 (approximately 5,480 bottles per month). The FloWater stations (installed in September of 2019) have offset more than 124,680 12 oz single-use plastic bottles (almost 5,200 cases) that otherwise would have been purchased and used at the resort by Owners and Guests and recycled or deposited in a landfill. Achieved
- Label storm drains indicating ocean destination of discharge. Achieved
- Use only low-flow toilets in the common areas of the property. Achieved



Waste Management and Recycling

The Cliffs has an ongoing solid waste management and recycling program that encourages owners, guests and staff to reduce the amount of solid waste generated through the increased recycling of cardboard, plastic, paper, glass and aluminum. Owners and guests are encouraged to do what they can to help by taking advantage of the several recycling facilities located throughout the property that make disposing of these materials easier. Efforts to reduce solid waste volumes and improve recycling continued in 2021 included the following:

- More frequent servicing of the solid waste disposal and recycling facility by Building 4 (across from the Recreation Center). Achieved
- More frequent servicing of the solid waste disposal, cardboard recycling and a satellite material recycling station located at the Maintenance Building.
 Achieved
- More frequent servicing of the satellite material recycling station by Buildings 7, 8 and 9. Achieved
- Every timeshare unit has separate collection bins for trash and recyclables. Achieved
- Public events are designed to be 'zero waste' with use of recyclable or reusable materials. Public events were on hold in 2021 due to State mandated Covid-19 restrictions
- FloWater Stations available for filling re-usable water bottles. Re-fillable insulated water bottles are offered for sale at the Cliffs store. Achieved
- Household battery recycling disposal bin located in the recycling facility by Building 4. Achieved



2021 Solid Waste & Recyclables % of Total Volume

Results:

Significant reduction in the volume of solid waste produced:

2018 Solid waste disposal at landfill: 1,601 cubic yards

2021 Solid waste disposal at landfill: 1,395 cubic yards, a reduction of 12.9% over 2018

Overage charges on solid waste indicate more disposal space is needed:

- Extra yardage volume for 2021 was 115 cu yds, a 28.6% decrease over 2018 (161 cu yds).
- Area for further improvement in 2022.

Improvements were noted in the amount of many of the recycled materials:

Material (cubic yards)	2018	2021	Increase / Decrease
Cardboard:	178.5	155.0	13.2% decrease
Plastic:	104.0	128.4	23.0% increase
Glass containers:	37.2	149.9	302.8% increase
Paper:	68.6	107.0	56.1% increase
Aluminum:	32.4	64.2	98.2% increase
Total material recycled (cubic yards):	421 0	604 6	29 9% increase

Overage charges on cardboard indicate more disposal space is needed:

- Extra yardage volume for 2021 was 11 cu yds, a 68.1% decrease over 2018 (34.5 cu yds).
- Area for further improvement in 2022.

Recycled materials represented 30.2% of total waste produced at the Cliffs in 2021



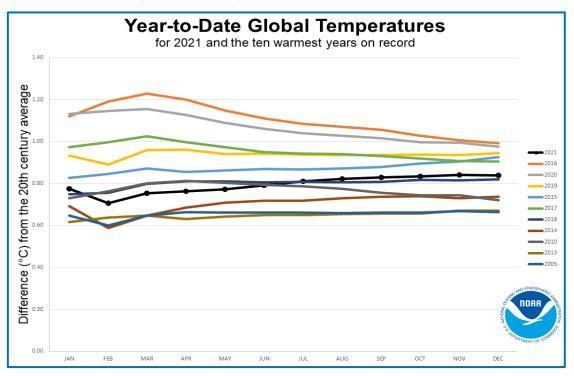
Climate Change and Resiliency

The frequency and intensity of tropical storms has increased over the last 30 years and the likelihood of an extreme weather event is high, therefore prompting the need to continuously review and update the Emergency Response Plan and an ongoing evaluation of resiliency actions. Five hurricanes and tropical storms have made landfall, causing significant damage on the Hawaiian Islands since 1950. Furthermore, fewer than 10% of people in Hawaii have flood insurance.

The 2021 hurricane season saw three minor tropical cyclones in the Central Pacific basin. Tropical Depression Felicia was the first tropical cyclone of the season, moving into the Central Pacific basin from the east on July 20 with maximum sustained wind speeds of 35 mph, it was downgraded to a remnant low. Tropical Depression Jimena followed a similar pattern, moving in from the east on August 6 with maximum sustained wind speeds of 35 mph and was also downgraded to a remnant low. Tropical Storm Linda crossed into the Central Pacific basin on August 19 with maximum sustained wind speeds of 50 mph and became post-tropical on August 20. It remained a post-tropical low for several days until it was downgraded to a remnant low as it moved through the main Hawaiian Islands on August 23. There were no reports of flood damage or injuries on Kaua'i as a result of tropical cyclones in 2021.

The reported annual rainfall accumulation at Princeville Airport for 2021 totaled 79.09 inches, which is 115% of the average normal annual rainfall amount of 68.87 inches. Heavy rainfall for several days in mid-March resulted in a significant landslide (on March 11th) that covered the Kuhio Highway on Hanalei Hill, cutting off access to Hanalei and the Northshore communities of Kaua'i. The highway was initially re-opened for scheduled public access on March 18th, allowing for the removal of an estimated 80,000 tons of debris and re-stabilization of the hillside. Repair work and re-stabilization of the hillside was estimated to be completed in early 2022.

According to the National Oceanic and Atmospheric Administration, the Hawaii Islands saw above normal temperatures that ranked among the ten hottest years on record.



Results:

- Issue annual update to an emergency/resiliency plan at the Annual meeting each year: Achieved
- Source rainfall data and extreme temperature data for the Princeville community: Achieved
- Given increased intensity and frequency of tropical storms, conduct assessment of infrastructure and public safety threats and define actions to reduce these threats: Achieved



Land Use and Maintenance Practices

The Cliffs is situated in a beautiful natural setting with an abundance of trees, shrubs and plants. The conservation of the natural topography, views, drainage patterns, and existing vegetation is a priority. As such, all new development on the property is carefully planned and designed to limit the impact on the natural surroundings while providing necessary improvements to meet the needs of our Owners and Guests. Landscaping efforts at The Cliffs focus on the removal and replacement of invasive species of trees and shrubs with naturally occurring vegetation, as well as the further enhancement of the grounds with an assortment of native and naturally occurring trees and shrubs. Ongoing practices include the following:

- Open space areas have been maintained to restrict development and preserve and protect the natural environment and enhance the view shed;
- Taking steps to control and eliminate invasive plant species in natural areas across the property;
- Given natural rainfall and the importance to prevent erosion, special attention has been taken to maintain natural drainage patterns and avoid flooding;
- Vegetation that is cut down is recycled as compost on the property (green waste);
- Continued development of the Botanical Walking Trail;
- Educational Nature walks are conducted on the facility as part of overall guest activity offering;
- Floral arrangements in common areas are created by staff using plants and flowers grown on the property;
- Cultivate and maintain several varieties of fruit-producing trees on the property (apple banana, avocado, coconut, lime, guava, papaya, passion fruit) that provide Owners and Guests with freshly harvested fruit that they can pick and sample;
- Pesticide and herbicide use are strictly restricted and limited, Glyphosate-containing products are not used on the property (i.e., Roundup);
- Biodegradable fertilizers are used on the property

Results:

- Landscaping is designed and maintained to enhance and compliment the overall appearance of the property. The estimated number of hours per month dedicated to landscape maintenance is 800 hours. Achieved
- The use of green infrastructure in the form of additional tree and shrubbery plantings occurred during 2021 to optimize public health and storm water benefits while enhancing the overall appearance of the property. Semi-circular landscape areas were planted behind Buildings 6, 7, 8 & 9; privacy landscape strips were planted at the west end of Building 7 to help screen ground floor lanais. A total of 90 trees and shrubs were planted in 2021: Fox Tail Palms (2), Royal Palms (1), Areca Palms (8), Pygmy Palms (3), Hibiscus (55), Money Plant (13), Spider Lily (8). Achieved
- Continued implementation of tree trimming recommendations from the 2019 tree canopy assessment by Kaleo's Tree Service. Ongoing
- Maintain the open spaces accessible to Owners and Guests. Achieved
- Construction of new 720 sq ft barbecue pavilion (with six BBQs & covered seating) adjacent to the putting green to provide an expanded area for more on-site cooking and dining; reducing traffic to offsite dining venues. Achieved
- ♦ Inform Guest and Owners of nearby trails to hike. Achieved
- Continue to encourage Owners and Guests to harvest local fruits grown on property. Achieved
- Replacement of old sidewalk light fixtures with down-facing light fixtures that reduce light pollution. Ongoing



New barbecue pavilion at the putting green



Operations and Community Engagement

Daily operations at The Cliffs emphasize sustainable considerations in the conduct of routine maintenance activities. Social cohesion and connectivity to the local community is important to the resort operations and Owner and Guest enjoyment. As a long-standing member in the Princeville Community Association, The Cliffs puts a premium on community engagement locally, on the island of Kaua'i, and across the Hawaiian Islands. The Cliffs' commitment to maintaining a level of excellence in all areas of operations was affirmed by various awards and recognitions for sustainability efforts, community involvement and the achievement of timeshare industry quality ratings in 2021.

Results:

- Received recognition for sustainability achievements:
 - o 2021 Platinum RCI Green Award: Achieved
 - Hawaii Green Business Program recognition: Achieved
 - Aloha + Challenge: On-going
 - Winner of Pacific Edge Magazine's "Commitment to Green Award": Achieved
- Resorts Condominiums International (RCI) and Interval International (II) conduct Guest Surveys to provide a rating of each resort (reporting cycle 9/2020 8/2021) with the following results:
 - o For Resorts Condominiums International (RCI): "Gold Crown" status their highest rating. Achieved
 - o For Interval International (II): "Premier" status their highest rating. Achieved
- A new online Guest satisfaction survey instrument, Momentive, was implemented June 2021. The scores for the reporting period ending 8/31/2021 (scale: 1=poor, 5=excellent) were as follows:

Response Rate:
Overall Score:
How likely to recommend The Cliffs:
4.67

- Named 'The Best Vacation Timeshare' on Kaua'i in 2021 by Hawaii Magazine Reader's Choice: Achieved
- Named 'Employer of the Year' by Rotary Club of Hanalei Bay: Achieved
- Participated in Princeville Community Association Sustainability activities: Achieved
- Partnered with Surfrider Kaua'i Ocean Friendly Visitor Program: Achieved
- Participate in several community engagement associations and activities: (Achieved)
 - Hawaii Lodging and Tourism Association of Kaua'i: Jim Braman (GM) Executive Committee member
 - o Society of Human Resource Management of Kauai: Hasina Mitchell (HR Manager) active member
 - O Boys and Girls Club of Kaua'i: Jim Braman (GM) Board President
 - Kaua'i Community College Hospitality School: Jim Braman (GM) curriculum advisor and student mentor, participates in the Host Sector Partnership (state-wide panel of hospitality and education communities)
 - O Kaua'i Tourism Strategic Plan: Jim Braman (GM) panel member
 - O Anaina Hou Community Park: Jim Braman (GM) Board President
 - o Kaua'i Rotary Club: The Cliffs supports Rotary Club activities
 - Kaua'i Chamber of Commerce: Association of Apartment Owners (AOAO) is a member
- Demonstrate community engagement through volunteer hours and funds raised: The Hawaii Lodging Association's Charity Walk is The Cliffs' charity of choice (all monies raised support non-profit organizations on Kaua'i). Employee volunteer hours in 2021: over 220 hours, Funds raised: \$14,557. For more information on the "Charity Walk" go to http://www.charitywalkhawaii.org/kauai.html
- Continued to fund and support employee "Sunshine Fund" to assist employees in time of need: Achieved
- Conducted quarterly sustainability training and reporting to The Cliffs' staff: Achieved
- Exclusive utilization of battery-operated utility service carts: Achieved
- Replace gas-powered equipment with battery-powered equipment as they reach the end of their service life:

 On-going
- Offer several Guest and Employee wellness and activity programs. Activities offered include Cliffs Botanical Walk, Yoga, Pickleball Clinic, Bicycle rental program: Achieved (Scuba lessons, Watercolor Class, Coconut Basket Weaving, Hula Lessons, Lei Making were on hold in 2021 due to State mandated Covid-19 restrictions)
- Promote Kauai Sunshine Market Activities (aka Farmers Market) where local farmers bring their locallygrown produce and garden products for sale to Cliffs' owners and guests: Achieved



Surfrider Kaua'i Ocean Friendly Visitors Program

The Cliffs began providing information on Surfrider Kaua'i's Ocean Friendly Visitors Program to guests through online welcome information packets, the resort's website, and the concierge staff in 2021. The concierge team can provide detailed information and beach clean-up kits to interested visitors on local beach-cleanup activities and educational opportunities during their stay.

The Surfrider Kaua'i Ocean Friendly Visitors Program (launched in November 2020) encourages visitors to take an active role in helping protect the health of the ocean and Kaua'i's unique and fragile reefs, beaches and native marine life. This ongoing program focuses on six core principles:

• Help Keep Our Beaches Clean & Beautiful:

- o Bring everything you take to the beach, back out with you. If public trash and/or recycling bins are full, please dispose of your trash and/or recyclables back at your lodging.
- O Do a solo beach cleanup with your family. If your resort/hotel isn't giving out cleanup kits as an Ocean Friendly Hotel member, just bring an old cloth grocery bag and some old gloves from home. Photos of your efforts are welcomed send pictures to campaigns@kauai.surfrider.org and they may be featured on their social media webpage. Or you can post on your own social media use hashtag #OceanFriendlyVisitor and tag Surfrider Kaua'i.
- Participate in a scheduled cleanup. Surfrider Kauai does a Net Patrol cleanup every Wednesday at 3:30pm
 HST and is often co-sponsoring other weekly cleanups. Call or text Barbara W. at 808-635-2593 to ask about joining a scheduled cleanup during your Kaua'i vacation.

Minimize Plastics:

• When you pack for your trip include reusable water bottles and bags to minimize the use of single-use plastics that litter our beaches, harm marine life and poison our oceans.

 Avoid single-use plastics containers and utensils when doing takeout - bring your own reusable utensils or use items from your room or condo.

Protect Our Reefs:

- Use only reef friendly sunscreen (widely available island-wide) or try skipping the sunscreen and wear a UV rated rash guard instead.
- Look but do not touch. Reefs are alive and critical to maintaining the ocean life that surrounds them. Help to protect them by not stepping on or touching them.

• Protect Marine Life:

- o Admire Hawaiian Monk seals and sea turtles from afar.
- o Don't stand or walk on coral reefs while swimming or snorkeling.
- Don't remove coral.
- **Practice COVID-19 Etiquette:** Use (where required) and properly dispose of Personal Protective Equipment (PPE) including masks, gloves and wipes. Use reusable PPE whenever possible.
- Dine Responsibly: Choose Ocean Friendly Restaurants for some of your island dining experiences. Also look for the more than 150 food establishments that display Surfrider's "Upon Request Only" signs designed to minimize single-use plastics.

For more information on Surfrider Kaua'i Ocean Friendly Visitors Program, please visit https://kauai.surfrider.org/ocean-friendly-visitors-program.



Green Sea turtles can often be seen in the waters around Kaua'i



Sustainability at The Cliffs is a journey with continuous consideration of social, environmental and economic effects of development and the daily operations at the resort. The Sustainability Committee has developed a Sustainability Plan which focuses on the four interconnected domains of ecology, economics, politics and culture. This plan establishes sustainability goals across the six dimensions of; Energy Conservation & Renewable Energy Production & Consumption; Water Use & Conservation; Waste Management & Recycling (cardboard, paper plastic, glass and aluminum); Climate Change & Resiliency (including emergency preparedness); Land Use & Maintenance; Operations & Community Engagement.

The Committee reviews both ongoing progress on the above key metrics and provides insight and guidance on future objectives and new initiatives to reduce the environmental footprint of The Cliffs. The Committee is also involved in the identification of opportunities to participate in sustainability initiatives with the Northshore communities, the island of Kaua'i and the Hawaiian Islands as a whole.

The 2022 Goals and Objectives:

- Increase owner/guest awareness of the importance of using high demand energy appliances (ranges, dryers, hot water heaters, etc.) during daylight hours.
- Increase owner/guest awareness of the recycling opportunities through improved signage at recycling stations and with in-room information in timeshare units.
- Develop partnerships with other Northshore businesses and organizations to improve sustainable efforts.
- Pursue partnership with Envoy to provide electric vehicles for rent on the property.
- Install EV vehicle charging capability at the Administration Building.
- Identify Scope 1 & Scope 2 emissions for the property; Track scope 1 emissions.



Aerial view of several of The Cliffs' residential buildings and the open spaces along the ocean bluff.

Appendix 1: The Cliffs at Princeville Sustainability Alignment to UN Sustainable Goals

Sustainability is defined as per the United Nations World Commission on the Environment and Development, as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs." The three pillars of sustainability are economic, environment and social elements which embrace the natural environment and human resources. With increasing urbanization sustainability concerns have increased in the last two decades. To this point the United Nations issued 17 Global Sustainable Development Goals (SDG) and 169 targets in 2015:





































Appendix 2: 2021 Core Sustainable Metrics and Goals

Energy Conservation & Renewable Energy Production & Consumption:

Record kWh produced from renewable energy systems

Record kWh consumed energy on property

Review consumption vs demand cycles to determine where we can optimize use of renewables

Measure propane usage across the property

Implement energy conservation measures to reduce consumption

Water Use & Conservation:

Record water used on property

Reduce quantity of water consumed on the property

Restrict use of sprinkler system - no automatic timers

Install water flow restrictors in timeshare units and common areas

Procure low water use appliances and fixtures

Encourage Owners to install low water use appliances and fixtures

Encourage use of tap water and FloWater systems instead of purchasing single-use bottled water

Appendix 2: 2021 Core Sustainable Metrics and Goals - Continued

Waste Management & Recycling:

Conduct solid waste audit to identify areas for improvement

Reduce amount of solid waste produced

Increase amount of cardboard recycled

Increase amount of paper, plastic, glass and aluminum recycled

Reduce the use of single-use plastic water bottles on the property

Promote recycling of used household batteries at recycling station by Building 4

Strive to make public events "zero solid waste" events with use of recyclable or reusable materials

Support proper disposal of household hazardous waste, pharmaceutical, electronic, and personal care product waste by working with Kaua'i County to advertise options for proper disposal

Climate Change & Resiliency:

Issue annual update to the Emergency Plan

Reduce use of gas-powered equipment to reduce GHG emissions

Conduct property assessment to improve resiliency as part of QC audits

Land Use & Maintenance:

Restrict/eliminate pesticide/herbicide use

Use biodegradable fertilizers

Continue enhancement of Botanical Walk and Grounds with native plants and trees

Reduce/eliminate invasive species onsite

Utilize green waste composting

Inform Guests of nearby walking trails

Operations & Community Engagement:

Use battery-operated carts and battery powered equipment

Conduct employee survey (2021)

Provide quarterly employee training program

Process Momentive guest survey data: "Overall Score" & "How Likely to Recommend The

Cliffs" Scores (September through August cycle)

Process RCI/II Guest Surveys: Gold/Premier

Establish cross functional team for sustainability

Participate in Community Events: Charity Walk

Offer wellness & activity programs to Guests and Employees

Partner with local government, businesses and organizations on sustainability efforts and activities