CRETA PALACE LUXURY RESORT



Sustainability Report 2017







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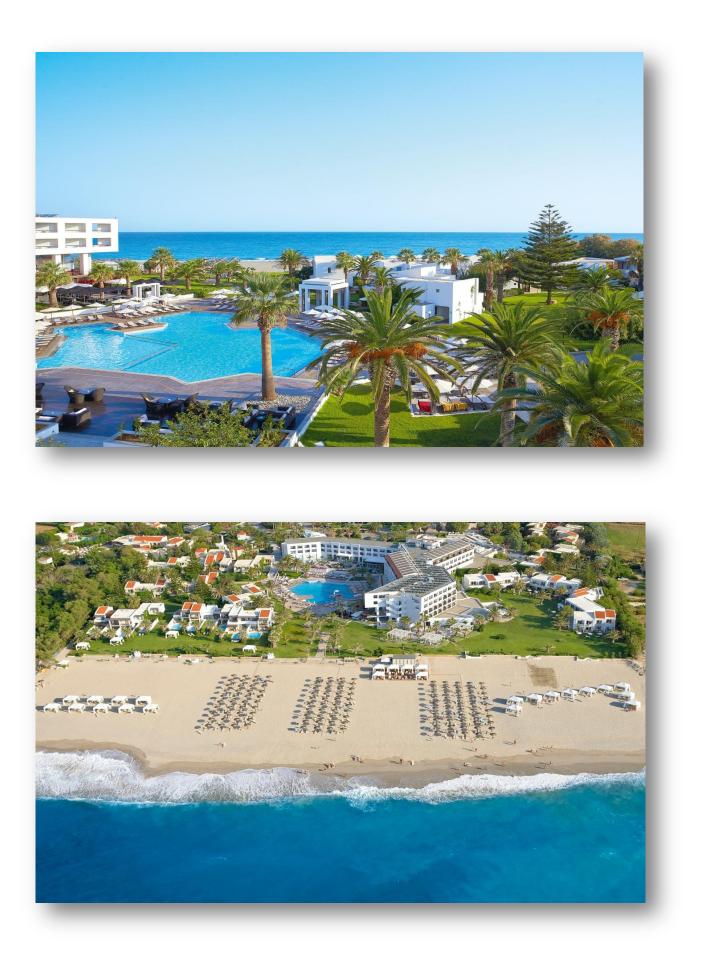
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OUR COMPANY

GRECOTEL HOTELS & RESORTS

Dedicated to mastering the craft of welcoming luxury in the hospitality industry, Grecotel Hotels and Resorts, the leading hotel chain in Greece, delivers sophisticated lifestyle experiences for travelers in the country's most beautiful destinations.

Inspired by its superb beachfront location, each of the 30 luxury hotels and resorts in the Grecotel collection all over Greece, is a unique architectural experience in itself and a paradise of opulent amenities, gourmet restaurants and luxurious, well thought-of details, all embodying the essence of the genuine Greek hospitality

Grecotel is part of the N. Daskalantonakis Group of Companies, which includes among others city and resort affiliated hotels, the Agreco traditional farm and line of products from Crete and the Danilia traditional village and museum in Corfu. Having been awarded with over 2000 international awards by guests and the most prestigious international tourism organizations, Grecotel Hotels and Resorts are mostly proud of its people: reliable, kind and welcoming, they have been our loyal companions during our 40 year journey in Greece's most exciting luxury travel story

A TRIBUTE TO HOSPITALITY

The story of the largest and most successful Greek luxury hotel group is above all personal. Nikos Daskalantonakis started his long journey in tourism from his birthplace of Rethymno, Crete. Nikos Daskalantonakis, along with his older brother Takis, looked further ahead, realizing that blue skies and sparkling seas were only enough to attract visitors' interest: high standards of quality and responsiveness to tourists' needs were the key to keeping them and to the future. And it's this vision that powers the Grecotel's unique concept of hospitality that is rooted in Greek culture and style.

On entering the tourism business, Nikos Daskalantonakis adopted a philosophy that has remained unchanged for 40 years: to employ the most highly-qualified professionals; to offer genuine Cretan hospitality; to be an innovator in tourism; to invest and improve the infrastructure in the luxury hotel market.

Today, Grecotel properties occupy prime locations around Greece and are far more than just resorts—they are destinations. Grecotel resorts on the islands of Crete, Corfu, Rhodes, Kos, Mykonos, and in the prime mainland

regions of Sounio south of Athens, Halkidiki in the north and Kyllini in the legendary Peloponnese have their own character, from ultra-luxury boutique hotels to magnificent resorts on sprawling estates and familyfriendly or all-inclusive holiday-lands for quality vacations or romantic hideaways and luxurious spas. But they all share three things in common: a quality environment, signature service, and singular locations.

It has been more than 40 years since Nikos Daskalantonakis laid the foundations for Greece's premiere luxury resort chain when he opened his first hotel on Crete. Today, Grecotel is a destination-venue for people from all walks of life who through the years have become members of the family of guests who have enjoyed Grecotel's signature hospitality. Through the years, Grecotel has created memories for you and you have helped us reach our milestones.

AWARDS & RECOGNITION

- 300 Sea Turtle nests in Crete protected in cooperation between 'Archelon'
- Travelife Gold Awards

- TUI ECO-RESORT eco-label for quality tourism product respecting local natural and social values
- 2008 European "Ecolabel for Tourist Services" from the Ministry of the Environment
- 2008 Development of Management Systems and certification with ISO 22000 for Health & Safety in Food
- 2007 Accredited with the ISO 14001 international certification for environmental management
- The Grecotel Environmental Program was used as an example in the publication Agenda 21 for the Global Travel & Tourism Industry.
- 2001 "Green Planet" of the Swiss Tourism Organization KUONI TRAVEL
- 1996-1999 Hotel plan Environment Award.
- 1998 EIBTM "Greening of Business Tourism" Award.
- 1994 OMEPO award to Grecotel for its cultural program
- 1994-2010 "TUI Umwelt Champion" Most Environmental Hotel Group Worldwide from the customers of the largest tourist organization in Europe "TUI AG"
- Since 1992, 240 Blue Flags have been awarded in beaches which are in front of Grecotel Resorts
- 1992 & 1993 "World Aware Award" from Thompson tour operator (UK).
- 1993 "Philoxenia Award" from the Greek Government for the company contribution to quality tourism,

taking initiatives in the field of environment.

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upgrading the tourism product and • 1993 Deutscher Reisebuero Veband (DRV) "International Environment Award

LIST OF HOTELS

Grecotel offers a full range of accommodation services with luxury & all-inclusive hotels and resorts around Greece.

HOTEL	СІТҮ	COUNTRY	ТҮРЕ
CRETA PALACE	CRETE	Greece	Luxury Hotel & Resort
AMIRANDES	CRETE	Greece	Exclusive Resort
LUX ME WHITE PALACE	CRETE	Greece	LUX ME Resort
CLUB MARINE PALACE	CRETE	Greece	All-inclusive Resort
PLAZA SPA APARTMENTS	CRETE	Greece	Grecotel Apartments
VILLA OLIVA	CRETE	Greece	Grecotel Apartments
CARAMEL	CRETE	Greece	Exclusive Resort
MELI PALACE	CRETE	Greece	All-inclusive Resort
CORFU IMPERIAL	CORFU	Greece	Exclusive Resort
LUX ME DAPHNILA BAY DASSIA	CORFU	Greece	LUX ME Resort
EVA PALACE	CORFU	Greece	Luxury Hotel & Resort
KOS IMPERIAL THALASSO	KOS	Greece	Luxury Hotel & Resort
ROYAL PARK	KOS	Greece	All-inclusive Resort
RHODOS ROYAL	RHODOS	Greece	All-inclusive Resort
PELLA BEACH	CHALKIDIKI	Greece	Family Resort
ATTICA CAPE SOUNIO	ATTICA	Greece	Exclusive Resort
MYKONOS BLU	MYKONOS	Greece	Exclusive Resort
PALLAS ATHENA	ATTICA	Greece	City Hotel
VOULIAGMENI SUITES	ATTICA	Greece	City Hotel
ASTIR*EGNATIA	ALEXANDROUPOLIS	Greece	City Hotel
LARISSA IMPERIAL	LARISSA	Greece	City Hotel
RIVIERA OLYMPIA & AQUA PARK	PELOPONNESE	Greece	Luxury Hotel & Resort
MANDOLA ROSA & AQUA PARK	PELOPONNESE	Greece	Exclusive Resort
OLYMPIA RIVIERA & AQUA PARK	PELOPONNESE	Greece	Luxury Hotel & Resort
OLYMPIA OASIS & AQUA PARK	PELOPONNESE	Greece	Luxury Hotel & Resort
OLYMPIA OASIS VILLAGE & AQUA PARK	PELOPONNESE	Greece	All-inclusive Resort
CASA MARRON	PELOPONNESE	Greece	All-inclusive Resort
FILOXENIA KALAMATA	PELOPONNESE	Greece	Family Resort





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OUR HOTEL

In the heart of the Cretan Riviera, just a few minutes from Rethymno's Venetian harbor! Heaven by the sea. Endless white sandy beach, clear blue waters, lush tropical gardens with pools and a sun that starts strong and stays that way all day, all summer long. A true Cretan Palace! Cosmopolitan flair, amazing food, impeccable service & superb choice of entertainment activities for all are the winning combination behind its popularity.

BEACH

The hotel is situated on 300m of beach, sand and pebbles with changing cabins. Waiter service and separate beach area with private pavilions and exclusive services at extra charge. The beach is awarded with the International Blue Flag since 1992. In order to receive such reward the beach has to compile 33 different criteria of environmental management, education and information, quality of sea water and safety.

ELIXIR BEAUTY SPA

The elixir beauty spa has an indoor pool with Jacuzzi and water cannon, an open-air atrium with relaxation loggia, an indoor whirlpool, sauna and fitness room with Technogym cardio fitness equipment, private massage rooms, beauty salon and changing rooms. The secrets of Ayurveda are customized luxurious treatments which are performed by Indian therapists.

MEAL ARRANGEMENT

Colorful cuisines from around the globe and a diverse array of ambience are provided in the resort's five restaurants, jet-setting between the Mediterranean, Greece and Asia to cater for even the most discerning of palates. American Gourmet Buffet with fitness food, action cooking & Cretan corner with traditional products and local herb teas. Set pension menu selected from the à la carte pool brasserie menu or buffet in the main restaurant. 14 different buffet theme evenings with hot & cold starters, salads, soup in buffet style, fruits, cheese and desserts from wide choice. Three à la carte specialty restaurants on selected evenings: "Barbarossa" Seafood and fine dining Restaurant, "Golden Dragon" Asian Restaurant & Sky Bar-Restaurant "Zeus + Amalthea"

AGRECO FARM- A UNIQUE FARM & DINING EXPERIENCE

The traditional farm of the N. Daskalantonakis – Grecotel in the village Adele (4,5km) is an exact replica of a 17th century Cretan farm. Don't miss seasonal farm activities (such as Wine Festival, Sheep shearing, Harvest Festival and more).

CRETA PALACE DREAM VILLAS

These magnificent villas, just a few steps away from the sea, with their own private entrance courtyard reproduce the traditional Cretan maisonette style. They feature a touch of imposing glory in their careful yet comfortable "modern rustic" design. Gardens and courtyard surrounded by high walls made of Cretan traditional stone to offer unparalleled protection to guests' privacy. Outdoors-all traditional Cretan villas with local architectural elements feature direct access to the beach, private plunge pools, exotic vegetation & rattan lounge/dining area under a shaded terrace and padded sun beds. The ground floor includes lounges and living area looking out at the arresting view with luxurious decor featuring exclusively handmade furniture in white patina and designer-fabrics in cool ivory tones. Master bedroom suite with king size bed and delicate fabrics in romantic summer shades. Master bathroom with Jacuzzi bathtub, separate WC & shower room and walk-in wooden wardrobe. The upper floor is accessed by a wooden-built staircase in the private open air courtyard and includes two bedroom suites with either one or two in-suite bathrooms. These uniquely

positioned sumptuous bedroom suites furnished with king size bed and exquisite taste enjoys glimpses of the infinite Cretan Sea. Large terraces with pergolas make it easy to enjoy al fresco Mediterranean life from the outdoor settees, dining tables and deckchairs with soft mattresses.

PRESIDENTIAL VILLA

This is an impressive house on the beachfront with brand new cool and contemporary design, ideal seclusion, private swimming pool, garden and separate entrance. Located in a very convenient, yet extremely private location within the resort it is ideal for a family or couples of friends who want to share their vacation in outmost exclusivity and luxury. Through a private courtyard, guests enter the glamorous interior (163 m2), a daring but Mediterranean successful mixture of influences. The spacious lounges feature exclusive handmade furniture and designer fabrics in cool ivory tones. Traditional building materials combine with the latest conveniences such as B & O 32" LCD TV, Hi-Fi System and direct dial telephone. The ground floor features an entrance hall and extended lounges and living area, dining area, LCD TV with satellite channels, mini bar and WC. Large picture windows and floor to ceiling terrace doors lead out to the private garden with private pool and direct access to the beach. The fully furnished veranda with rattan sofa and dining table is

ideal for relaxing or informal dining. The upper floor of the villa features an unrivalled view over the sea, parquet floors and high wooden ceiling. The sea view master bedroom suite is adorned with a king size bed, exclusively designed furniture, floodlit wardrobe and exercise equipment. The in-suite marble bathroom features a Jacuzzi bathtub, his & hers wash basins with marble vanity unit and telephone. Separate cozy sea view lounge area with fridge. Second bedroom with a suite marble bathroom with telephone featuring king size bed and handmade furniture with designer fabrics, LCD TV with satellite channels and cordless direct dial telephone.

WELCOME NOTE FROM GENERAL MANAGER

In GRECOTEL Group we believe that corporate responsibility and successful business management can go hand in hand, so we integrate environmental, social and economic factors into all our decisions with regard to operations and management.

Therefore in GRECOTEL CRETA PALACE LUXURY RESORT, a member of GRECOTEL group, we recognize the impact upon the environment and the local community and economy and we are committed to ensure sustainability.

Sustainability should integrate into everything we do and since a hotel usually requires a large quantity of resources, it affects the community where it operates.

For that matter our sustainability approach takes into consideration not only our guests and the environment, but also the local community and the hotels staff. Our main focus areas are:

- Environmental friendly operations
- Support the local society
- Promote the local products and the local way of life
- Offering our services to positively contribute to a more sustainable way of doing business.
- Create opportunities for people inside and outside our business

Our team is responsible to ensure the implementation of environmental measurements and initiatives for our hotel and the local community.

With respect to the land, the history, and the local principles and values

As the Hotel Manager I am committed to

provide all the necessary means for the proper operation and the constant improving of the Sustainability program.

Thank you for spending some time to have a look at our Sustainability Report and using this opportunity to learn more about GRECOTEL CRETA PALACE LUXURY RESORT.

Georgios Perantonakis GRECOTEL CRETA PALACE Hotel Manager

CORPORATE GOVERNANCE

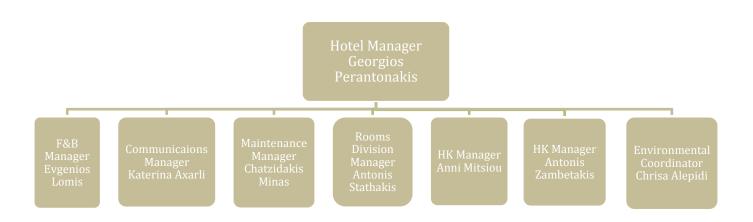
CRETA PALACE is managed by the hotel manager Mr Georgios Perantonakis and the management team.

A sustainability committee has the responsibility for all the environmental actions and management.

Human Resources Manager has the responsibility for managing the welfare and labor standards of all employees and for managing human rights. Human Resources Manager is also responsible for

- managing he business supports,
- communicating and working with the local community, local business and
- protecting local culture and traditions

All employees regularly report to the top Management on their areas of responsibility.



FACILITIES

Some of the best, most heartfelt hospitality around. The genuine, authentic Cretan people instinctively envelop you and the kids with genuine kindness. You feel immediately relaxed and at home.

- > 100.000m² Landscaped Estate
- 335 luxurious guestrooms, suites, bungalows & villas with private pools, lounges and terraces
- Library
- Stretch of sandy beach

- Seawater landscaped pool, freshwater garden pool, children's pool & indoor pool with Jacuzzi
- Sky Bar Restaurant 'Zeus & Amalthia,
- > Talos Lounge Bar
- Labyrinth Atrium Main Restaurant,
- Agreco Farms unique culinary experience
- > Barbarossa a la carte Fish Restaurant,
- ➢ Golden Dragon a la carte Asian Dining
- Ariadne Pool Brasserie
- Caretta-Caretta Beach Bar,

- Kafenion 'The Beautiful Hellas',
- Tasty Corner kids' free dining
- Grecoland, Children's Playground
- Kids Health Cookery Courses
- Mini Zoo at Agreco Farms Spa
- Elixir Beauty Spa treatments, Ayurveda treatments by Indian therapists
- Beauty & Hairdresser Salon
- Water Sport Center
- Tennis Courts
- TV-Video room
- Parking

SERVICES

At Grecotel Creta Palace, the management and staff are on hand to make every moment of your stay memorable. Before and after arrival, you can request any number of personal luxury hotel services from a private butler to a romantic dinner on the beach. The above are available free or at extra charge, depending on room type and requests Guest Services Office & Privilege Club services

- > Multilingual staff
- > 24-hour reception
- ➢ Room service: 07.00-02.00
- Guest Services & Privilege Club service
- Express check-in/check-out service
- ➢ Luggage transportation
- ➢ Wake-Up Call service
- Laptop or tablet use, pending availability
- Complimentary Satellite TV services

- Special meals upon request
- Early breakfast service, (from 05.00 hrs.)
- Breakfast or lunch box service, upon request
- In-room breakfast service on request
- Extended breakfast service longer than 3 hours (Labyrinth: 07.15-10.30)
- ➢ CD/DVD
- Kettle (water boiler) and tea/ coffee makingfacilities

- "Charisma" Jewelry Boutique
- "Sun Stores" Mini Market
- "Fifty fifty" Fashion Boutique
- Agreco Farms Shop
- Kids Shop
- Doron Society
- Church in the hotel
- King Minos-Open-air theatre for evening special events program
- Free of charge full Wi-Fi coverage in all hotel areas and guest rooms

- Coffee machine, upon request (Famous Class)
- Espresso machine, upon request
- Private dining options
- Personalize your stay service
- Pillow collection, upon request
- Luxury transport hire
- > Parking
- > Valet parking
- Dry cleaning/ pressing service (extra charge)
- Clothes iron and ironing board, upon request
- Trousers press, upon request
- Towel change by request
- Turn down service during the evening, in all Famous Class rooms
- Baby Sitting Services upon request with extra charge

CRETA PALACE FAMOUS CLASS SERVICES

- Dedicated Guest Service
- VIP Check in & Check out in Famous Class lounge
- Extensive VIP Welcome Offer
- > Daily supply of Mineral Water
- Fresh Fruit basket on arrival (refreshed every 2 days)
- Twice Daily Maid Service
- Cosmetic Coolers (in selected villas
- Unpacking Service by Housekeeping (upon request)

- Extra baby cot, upon request
- Guest fitness room
- > Theatre/ cinema
- Sports field (2 Tennis courts)
- Entertainment & Live performances
- Postal services
- Transfer from and to airport (extra charge)
- Complimentary welcome drink
- Welcome offer in room
- Supervised children's entertainment in Grecoland Mini Club
- Newspaper/ magazine service
- Business and secretarial support
- Tea and juice station in spa
- Catering and private function service
- Organic produce from Agreco Farms
- Hotel services guide in at least two languages
- Doctor on call 24 hours
- Range of Distinctive Bathroom Amenities
- Complimentary tea & coffee facilities in guest accommodation
- Early check-in & late check-out (upon availability, same or alternative room)

Two invitations (per week) for complimentary dinners (min. stay 7 nights):

- Guests on Half Board basis may enjoy 2 dinners in the selected à la carte restaurant (reservation required).
- Guests on Bed & Breakfast basis may dine twice at the extensive buffets in the Main Restaurant.

- Guests residing in Villas may choose dining twice between the Main Restaurant or the selected à la carte restaurant (reservation required).
- Tasty Corner for Kids
- Free Kids' dinners at any a la carte restaurant from the special Kids Menu
- Special dining preferences
- Special Requests: Our chefs will be happy to assist with any special meal requirements
- Internationally delicacies can be specially imported for you if you advise us in advance.
- Famous Class Privileges (on request, with extra charge)
- Private transfer from & to airport (taxi, limo or mini bus)
- In-suite Refreshment Centre (your preferred selection of wine, spirits & soft drinks)
- Famous Class Room Service menu (07:00-23:00)
- > Private Butler
- Bath Butler Service
- In-villa Spa (massage, manicure, pedicure)

- In-villa exclusive private dining (dinner, BBQ etc.)
- Organize a celebration birthday, anniversary, honeymoon, kid's party
- > Cigar Humidor
- Champagne / fresh seasonal fruit juice or traditional refreshment upon arrival
- Resort beach bag with towels
- Reserved Private Gazebos (extra charge)
- Complimentary cool beach drinks & snacks (2x day: morning - water & fruit; afternoon: tea, coffee, soft drinks)
- Famous Class Dining
- Two complimentary a la carte dinners per week at selected restaurants
- Tasty Corner for Kids
- Free Kids' dinners at any a la carte restaurant from the special
- ➢ Kids Menu





SUSTAINABILITY DEVELOPMENT

Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs. Sustainable development encompasses three dimensions: economic, environmental and social.

THREE DIMENSIONS OF SUSTAINABILITY

Integration of the economic, social and environmental dimensions is key to achieving sustainable development.



• Environmental Sustainability:

We are living within the means of our natural resources. To live in a true environmental sustainability we need to ensure that we are consuming our natural resources, such as energy fuels, land, water etc., at a sustainable rate.

• Social Sustainability:

Social sustainability is the ability of society, or any social system, to persistently achieve a good social wellbeing. Achieving social sustainability ensures that the social well-being can be maintained in the long term.

• Economic Sustainability:

Economic sustainability requires that a business uses its resources efficiently and responsibly so that it can operate in a sustainable manner to consistently produce an operational profit. Without an operational profit a business cannot sustain its activities. Without acting responsibly and using its resources efficiently a company will not be able to sustain its activities in the long term.

Organizational Sustainability

CRETA PALACE is working on a daily basis to develop its operational plan in a way that is progressively more responsible towards the environment and the community. For this purpose, we create the **"Green team"**. The team follows the environmental program and the commitments of Grecotel general policies. It focuses on three main areas: environment, society and human resources. Green Team is responsible to ensure the implementation of environmental measurements and initiatives for each hotel

- The Environmental Manager is responsible for the proper function of the Environmental Program and to communicate this policy to all staff and customers.
- The entire staff is responsible to promote, support and implement the Environmental Program through their daily work.
- The Hotel Manager is committed to provide all the necessary means for the proper operation and the constant improving of the Environmental Program.

ABOUT THIS REPORT

Sustainability report aims to provide accessible and comparable information in Grecotel's practices on its economic, environmental, and social impacts, and hence its contributions – positive or negative – towards the goal of sustainable development. Through this process, Grecotel identifies its significant impacts on the economy, the environment, and/or society and discloses them in accordance with a globally-accepted standard.

This is the third public sustainability report of CRETA PALACE and covers 2017 season

(reporting periods are from opening to the closing day).

The report outlines our management practices, as well as our company targets and achievements for each area of interest (environment, society and economy). In each area, through the application of dedicated policies (see Annex), we attempt to maximize the benefits of our operation and share the value created.

Many of the case studies, highlights and targets are coming from the central offices of the group. Nevertheless CRETA PALACE is a special product, is a place that works out through wonderful people dedicated to their vision about the environment, the local community, the people who worked with and the quests Our sustainability team, working with experts, identified the topics covered and the performance indicators collected are in line with industry standards and recognized reporting benchmarks, e.g. the T.U.V Austria. We believe this report provides a fair and accurate representation of our sustainability performance.

The report is based on the three most important modules: clients, employees, results. Combining these three elements guarantees coherent actions and ensures proeffective organizational culture.

In the first module, concerning clients' attention, we focus on hospitability, exceeding mediocrity and empathy. An important element is innovation which is supposed to form the basis for the Hotel's competitive advantage.

In the second module the central figure is an employee. Therefore the stress is on the environment favoring development of employees' competences. The key words here are: trust and mutual respect. Openness and transparency are to be achieved through training and peer care.

The last module points to efficiency, innovations and selling techniques.

2017 SUSTAINABLE PERFORMANCE HIGHLIGHTS

ENERGY consumption was reduced by 8,59% per GN	Water consumption was reduced by 4.16 % per GN	104.860 Kg of waste was recycled
Blue Flag (since 1992)	80% LED lighting in all hotel premises	Chemicals consumption was stable per GN
Activities in local community	Occupancy Rate	Travelife awarded

WE BELIEVE – WE DO – WE WILL

SUSTAINABILITY DIMENSIONS				
ENVIROMENTAL	SOCIAL	ECONOMIC		
We believe				
 Continuous improvement in our Corporate and Social Responsibility (CSR) Strategy Encourage our business partners to follow Grecotel Policies and quality Standards Meet all relevant legislation Supporting NGO Archelon for the preservation of the endangered species Caretta caretta. 	 Our impact to the local community is understood and nurtured Discuss with the local community for mutual benefits Effectively support the needs of the local community Respect the protect the internationally proclaimed human rights Transparency for our business policies and practices 	 Economic Sustainability focuses on the following major areas: Maximize profit Deliver quality products and services Implement economy of scale Enhance work efficiency Engage local partners Equal employment opportunity 		
	We do			
 Keep updated policies and procedures Ensure that the Green Team has all the required resources Establish realistic Green goals for each department 	 Provide information through websites and reports Communicate constantly with the local authorities Make donations to local and international causes and 	Achieve Economic Sustainability by continual enhancements of efficiency and quality of work, as well as maximizing benefits for		
 Follow ISO 14001 Principles Set targets on Energy and Water Reduction Check if funding / loans are available for investment in new technology 	 Projects Encourage Guest and Team Members to donate Terminate partnerships where human rights violations or child labor is discovered 	 our stakeholders Seek constantly boosting competitiveness and demonstrating the key role of tourism in the Greek economy. We favor local products so our 		
Encourage staff to put forward their own suggestions for water	 Hire people regardless any personal characteristics 	priority is to absorb the primordial production from Cretan farmers		

- Implement a waste management Framework
- > Annual sustainability report
- Compare total and departmental consumption figures with hotel industry benchmarks
- Train staff to make prudent use of environmental indicators and how to maintain equipment for optimum energy-efficiency
- Keep our numbers in a state that minimizes the impact on nature
- Ensure that our guests fully understand our environmental policy and participate in our environmental actions
- Try to preserve as many endemic species of fauna and flora and raise awareness to our guests for the endangered species

- Guest Satisfaction Surveys
- Continue the partnership with the NGO "Smile of the Child" and support the associations "Agapi" and "Elpida" and encourage our guests to do the same
- Encourage more internal promotions
- Update and enrich the already existing handbooks (Pre-Arrival, Initial Training and Care)
- Promote the local cuisine and the local cultural heritage and encourage our guests to get to know the Cretan way of life

- Prolong opening season
- New Market opportunities
- Use Satisfaction Questionnaires and Surveys to improve services and be competitive to the market
- Improve performance and increase the number of arrivals and overnight stays, while improving the distribution of demand over time.
- Support the local suppliers to enhance their productivity so as not to purchase products from markets outside Greece



ENVIRONMENTAL DIMENSION

1992, Grecotel became In the first Mediterranean hotel group to undertake ecoaudits in its hotels according to EU standards and formed an environment and culture department in its head office operations department. The environmental initiatives, including the formation of a unique agricultural department which supplies biological produce to the hotels, have resulted in the Group being honored with the most prestigious environmental awards worldwide. Grecotel is now a textbook example in leading tourism schools and universities.

CRETA PALACE hotel as member of the Grecotel hotels chain recognizes the importance the protection of the environment plays is the sustainable development of tourism. Therefore, GRECOTEL CRETA PALACE implements Environmental Management System which discloses our commitment for the development of a sustainable tourism destination with respect to the environment and the local communities' procedures.

By developing Environmental Management procedures, the hotel defines all the environmental aspects of its operations and has established policies that aim to reduce minimize and manage its environmental impact, continuously improving its environmental performance and results. Grecotel's environmental policy covers all aspects of our operation that could cause, or contribute to, a potential impact on the local environment.

The Management is committed to:

- Comply with the law, rules and regulations related to the hotel activities and have an impact on the environment.
- Evaluate the environmental implications of the hotel activities with the goal to minimize or eliminate any harmful effects.
- Take any action needed in order to prevent any form of pollution that will affect the local natural residential environment and the quality of tourism services provided.
- Aim for continuous improvement through setting new goals and continual research for improved environmental practices.

To work closely with local government, authorities and local community in order to integrate local perspectives into environmental protection decision making.

Applications inside the hotels

Grecotel performs eco-auditing in its hotels. On the basis of its findings, improvements have been made in the following fields.

- Waste management (liquid & solid)
- Water & energy saving
- Pollution control
- Production of organic plants, flowers and vegetables in hotel gardens
- Composting
- Sustainable coastal management
- Environmental friendly purchasing policy
- Public awareness & communication (staff, guests, associates, press)

Applications outside the hotels

Protecting and highlighting natural, historical and cultural locations or monuments.

Natural Environment

- Blue Flags on the beaches of Grecotel hotels
- "Caretta caretta" sea turtle nesting beaches in Rethymno, Crete & West Peloponnese
- Support environmental programs which protect wild life & natural reserves

Historical & Cultural Heritage

- Ancient Eleftherna, Crete
- Saint Irene monastery, Crete

Agriculture Sector

Agreco Farm Rethymno, Crete – the showcase of Grecotel agro-tourism

- Promotion of local, organic, traditional products in the hotel restaurants and mini markets
- Technical assistance to local producers

Environmental awareness & training

Environmental awareness is succeeded though:

- Booklets, Information Leaflets, Seminars, Slide Shows, Hotel Brochures, Grecotel Magazine, Ecocultural animation program for Grecotel Guests & Employees:
- Workshops, Conference, Publications, Case Studies and Lectures in Tourism Schools, Press Conference, Support of NGO's Training Programs for Local Communities, Institutions, Universities, Suppliers, NGO's, members of tourism sector

AGRECO: A traditional village farm

In Crete, far away from the busy tourist hubs, the rich traditions of rural life endure. After all, agriculture remains an important part of the island's local economy and the Cretan way of life.

As a result, Grecotel's Agreco farm opened its gates in 2001, near Adele village, Crete. This privately owned 40,000-sq estate is an innovative display of environmentally friendly methods for traditional and modern cultivation and breeding. Agreco was created by Nikos Daskalantonakis, founder of Daskalantonakis Grecotel Group, as part of his vision of offering guests wholesome, farm-fresh produce while supporting sustainable development of rural areas. Especially in Crete, where hospitality has been a tradition since the days of Zeus, welcoming someone into your home is admitting them to your family.

The idea behind it is to educate local farmers and Grecotel visitors about the traditional ways of production and the original Cretan way of living. The overall objective is to give visitors a first-hand experience of the traditional production methods of traditional Greek products, namely olive oil, olives, honey, wine, jams, local herbs.

Agreco also serves as an **educational institution**, opening new ways for the development of agriculture, so it can progressively convey new environmental ideas to the farmers around Crete.

Agreco produces **biological products** which meet all EU standards and are certified with the ISO22000:05, thereby demonstrating that cultivation is possible without the use of chemicals that ultimately pollute the soil, water and our own health.

Grecotel proudly represents a landmark example since the decade of '90s, being the first **hotel connection program with the local production** and has established the institution of the **contract-based agriculture** to strengthen and support the local community along with local farmers and producers to deliver their various goods to Grecotel hotels in the city of Rethymno.

The **Agreco** project is aimed at preserving Crete's traditional way of cultivating land and therefore has far-reaching cultural implications. A selection of other organic products from smallholders in other regions of Crete supplement the range of products produced under the name **Agreco Farms** (cheese, organic blossom and pine honey, organic olive oil, olives, raisins etc. as well as a special line of personal care products made with pure natural ingredients: shampoo, hair conditioner, hair mask, foam bath, hand cream etc.)

Shaped by hand, every stone at Agreco preserves the delicate balance between man and nature, the farm and its buildings stand in perfect harmony with the landscape. Α watermill, a wood-burning oven, a wine cellar, workshops depending on the season such as a room for drying aromatic herbs, a large preserving kitchen buzzing with women making preserves from summer fruit or veggies and putting up tomatoes in paste, St. Nicholas church, a mini zoo with animals such as deers, wild goats (kri-kri), rabbits, quails, partridges, pigeons, peacocks, ostriches, donkeys, turkeys, sheep, cows, chickens etc.). The Farm operates from May to November daily.

At Agreco a guest can experience the unique and special program **"Be a Farmer for a day"** and the **"Young Farmers"** for the little ones with seasonal activities such as:

- Learn to cook and prepare stuffed vegetables (tomatoes, peppers, zucchini)
- Make farmhouse bread and bake it in the wood-burning oven. Try it fresh from the oven, dipped in virgin olive oil.
- Pick vine leaves to make the famous Greek *dolmadakia*.
- Pick fresh vegetables from the organic gardens to enjoy later.

- Collect hen eggs to make village-style scrambled eggs.
- Milk the goats.
- Help shearing the sheep.
- Taste the fresh milk and see how local cheese is made.
- Make Cretan cheese pies.

... and at the end of the day, when guests brief farming career comes to an end, guests can sit back at the farm's Taverna with dramatic views over vineyards, olive groves and the sparkling Aegean sea and enjoy a healthy and nutritious Cretan menu. Only fresh, organic farm produce is used in the menu and the preparation is done entirely in the farm kitchens.

Agreco forms a successful sustainability case on its own that:

- successfully interconnects primary sector with tourism
- continues Cretan tradition
- is a unique example of Cretan hospitality
- connects with participation and disseminates at local events, school visits, media visits, conferences, events etc.
- supports small local producers
- supports local community by being a significant employer
- represents at its best and develops
 Crete's unique culture, history
- shows the local cuisine and strengthens
 the Cretan gastronomic identity

 cooperates with local and regional Authorities

ENVIRONMENTAL PROGRAM

Grecotel Environmental Program was used as an example in the publication Agenda 21 for the Global Travel & Tourism Industry. It includes activities inside and outside the hotels and it focuses in **4 Key Performance Indicators (KPI)**

- Energy
- Water
- Waste and Recycling
- Chemicals

ENERGY

Energy consumption is the main contributor to direct and indirect GHG emissions which affect the climate change. By creating the necessary infrastructure and using the latest available technology in energy management, we endeavor to reduce our energy consumption and maximize the use of renewable energy. Advanced materials and systems are installed in the buildings of o to reduce energy consumption. These include:

- Energy-efficient window panes
- A high-quality, external wall insulation system that significantly reduces energy losses by wrapping the building in a thermally resistant envelope
- Low energy technology lighting
- Electronic lighting ballasts
- Central lighting control systems

Energy Savings from cooling

- Reduce external loads from incident solar radiation by providing proper shading of the building
- Replace window frames that form a cold bridge, and/or install double glazed windows, to reduce cold transfer coefficient
- Obtain increased efficiency through proper maintenance of the cooling system
- Use natural cooling techniques
- Use night ventilation techniques

Energy Savings from lighting

- Use improved fluorescent lamps
- Use super metal halide fluorescent lamps
- Use electronic fluorescent ballasts
- Use improved luminaries
- Motion sensors, timing devices
- Provide information and warning labels for guests and staff
- Use daylight effectively within the building
- Public awareness and communication

Energy Savings from equipment

The A/C in all guests' rooms was stabilized 20-26° C for cooling and 20-28° C for heating. Also in the main restaurant, the Maître turns on the A/C 30 min before breakfast, lunch or dinner and turns it off after the end of the above.

- Use high-efficiency equipment when replacing old equipment throughout the hotels (including in kitchens, offices, laundries, etc.)
- We replaced the high intensity water pumps with new ones, more economical in energy consumption
- Electric magnetic keycards for the automatic interruption of lighting and electrical appliances (except refrigerator)

Training - Awareness

Training our staff for the best working practices in how to save energy

➢ Housekeeping Training: We train housekeepers in how to reduce both water, and energy consumption.

When entering guest bedrooms, amongst other things, housekeepers should:

- > Turn off all appliances such as TVs
- > Allow natural sunlight in
- > Turn off the air conditioning if it is on

Promote Customers Participation

Customer contribution to reducing energy consumption and succeed the energy goals. Customers are informed about hotels actions and they are welcome to participate. Notices with ways to help the hotel succeed its energy goals are left inside the rooms.

- Please turn off the lights when not in use
- Please remember to close all windows and doors when heating or air-

conditioning is on

It is our policy to change linen every 3 days. Should you wish for your linen to be changed more frequently, please let us know by placing this card on the pillow in the morning.

Promote Employees Participation

All the employees are trained in how to reduce both water, and energy consumption in their working area.

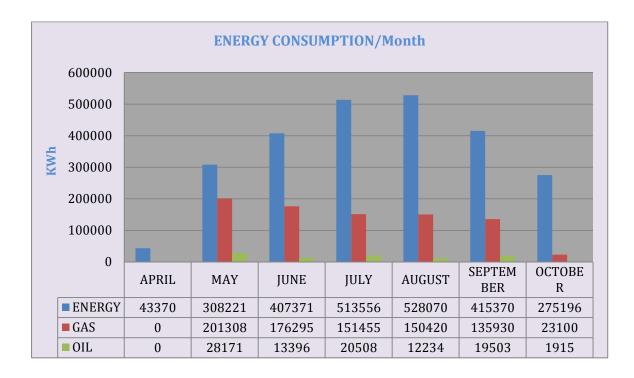
ENERGY INDICATOR

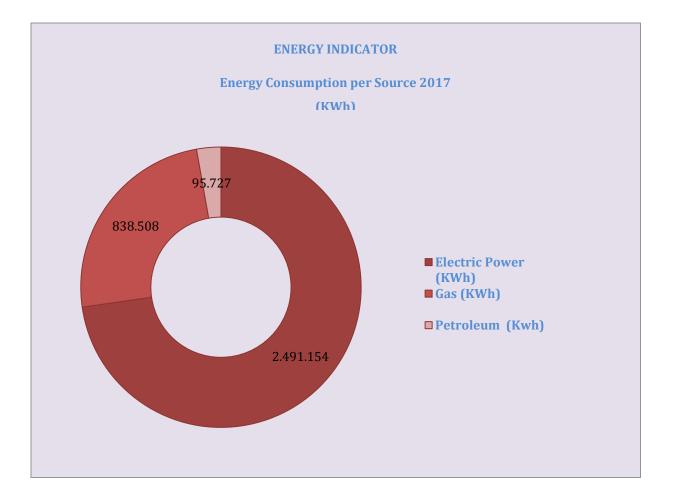
Total Annual Energy Consumption

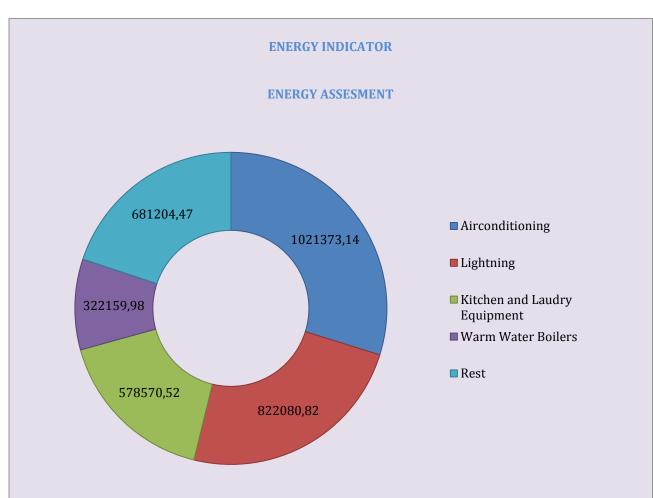


Annual Energy consumption per Guest Day









The main energy consuming consumption sources in a hotel are:

- Air condition,
- Lighting,
- Hot water use and other energy consuming activities by guests,
- Preparing meals
- Swimming pool,
- Other

The relative importance of the different energy end-uses is described as follows: Air conditioning (heating/cooling, ventilation) is the largest single end-user of energy in hotels, accounting for approximately 41% of our energy consumption. Hot water usage is accounting for up to 30% of the gas consumption. Kitchen and laundry also account for a considerable share of gas consumption (33%). About 33% of energy is used for lighting, inside and outside the hotel premises.

WATER

Water scarcity is a recognized global problem, with demand for water projected to exceed supply by 40% by 2030.

The implementation of a sustainable tourism development is directly linked with the availability of water resources in the local area and their management. Water quality and availability are considered to be a major sustainability risk that is being addressed through the implementation of appropriate short and long-term policies.

The quality of water is monitored in cooperation with accredited laboratories. At the same time, continuous efforts are made to reduce water needs

Grecotel following all the national and international legislation ensure that the source of the water does not affect the local supply or local environment in any way.

All waste water, including rain water are disposed of in a controlled way in order to protect areas lying outside the boundaries of a property from becoming contaminated by water, chemicals, pollutants, effluent and other materials.

Measure Water Use

The first step was to start measuring water consumption and set some tangible targets. It's vital to know our start point (baseline year) and find out how much water is consumed and how it is divided among the various uses such as in the guest rooms and common areas.

Identify, Evaluate, and Select Efficiency Measures

Precise and extensive measurements reveal opportunities for reducing water use and provide the foundation for developing a strategy. It is important to evaluate and rank the various options in terms of costeffectiveness and qualitative factors such as the impact on the guest experience. Ideally, the selected measures will have a good return on investment and have a neutral or positive impact on the guest experience.

Plan, Implement, and Monitor

Creating a plan that details the hotel water use profile and identifies the targeted areas for efficiency improvements in those uses along with expected costs and benefits will help guide implementation. After the selected efficiency measures are put into action, it is important to monitor changes in water use

WATER SAVING MEASURES

A series of water-saving measures have being applied, based on best available practices that focus on consumption monitoring (e.g. leak control, improved efficiency), including educational programs for visitors. Below you can see the most important actions taken in order to reduce the Water consumption per area

Bathrooms

- Flow restrictors to showers, taps and flushes
- Maintenance

Laundry

- Run the washing machine only with a full load.
- Check regularly for leaking dump valves, ensure that all water inlet valves are closing properly and check that level controls on water reuse tanks are working properly
- Use the correct amount of soap to load size so extra rinsing is not required.
- Ensure that the water flow rates are adjusted to the manufacturer's recommended setting
- When buying washing machines, look out for a good water consumption rating

Where outsourced, ask your supplier what procedures they have in place to reduce water and energy use

Swimming pools

Swimming pool can increase fresh water consumption up to 10%. These steps will help ensure no water is wasted.

- Conduct regular maintenance to prevent leaks. Checking for leaks is best done by reading water meters last thing at night and first thing in the morning
- Backwash the swimming pool every two to three days rather than daily.
- Push-button showers by the pool to reduce water use

Watering

CRETA PALACE hotel is located on an area of 100.000m2, of which about 50-55 % is occupied by gardens. About 30-35% is covered with natural turf while the remaining 20% consists of flowering plants and various trees.

To cover the hotel's gardening needs we installed pipes and pop ups with MP rotators.

The hotel is divided into 6 zones and each one is controlled by its own program. Start times are different, with the first starting at 20:00 and last stopping at 7:00 at dawn. Starting time varies regularly depending on differences in external conditions (temperature, air and sunshine)

For Gardening purposes we use irrigation water.

Kitchen

- Taps in kitchen should have a maximum flow of 10 liters per minute
- Only use dishwashers on full load
 Housekeeping
- Procedures in place and training to inform housekeeping on how they can reduce water usage.
- Adhere to hotel reuse linen/towel program to reduce laundry.
- Make sure linen/towel changing cards and other water conservation cards are in place for guests to find and easily read.
- Minimize water use during the room cleaning wherever possible.
- Turn off the tap during cleaning if not being used for cleaning purposes.

- Flush the toilet only when necessary during cleaning.
- Report leaking faucets and showerheads to maintenance immediately.
- Report running toilets and toilets that flush poorly or have other issues

Promote Customers Participation/

Awareness

We give the opportunity to our guests to reduce the water consumption

- Turn off the tap when you brush your teeth – this can save 6 liters of water per minute.
- We have place a system displacement device in your toilet cistern to reduce the volume of water used in each flush Take a shorter shower. Shower can use anything between 6 and 45 liters per minute.
- Follow our washing towels policy. It is our policy to change linen every 3 days. Should you wish for your linen to be changed more frequently, please let us know by placing the blue card on the pillow in the morning
- ➢ Give for washing only the really

necessary clothes

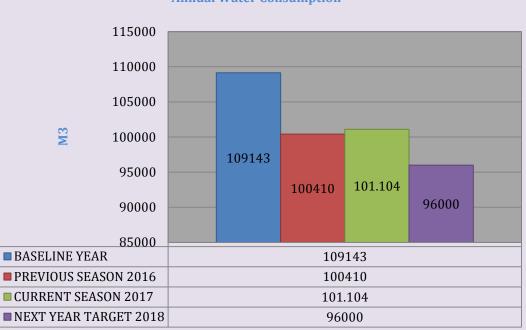
- Avoid filling the bathtub with water whenever you want to take a bath. It's preferable to take a shower.
- Check faucets and pipes for leaks regularly. A small drip from a worn faucet washer can waste many liters of water daily
- Check the water flow in every tap. Make sure it's not too high. If you install flow restrictors, you can save approximately half of the water you use.

Promote Employees Participation/ Awareness

Strategies to improve water savings will require staff participation to be successful. We have communicated the management's commitment to water reduction and the subsequent objectives and goals to all employees.

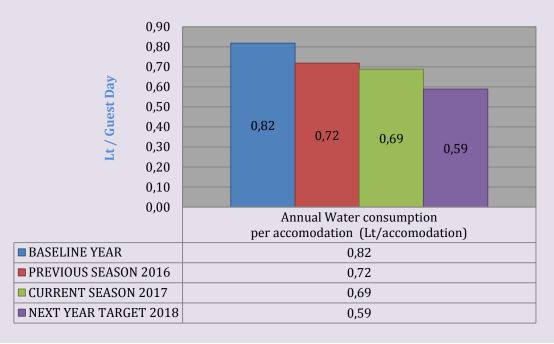
Keeping staff informed of water savings efforts, asking them to share ideas and take leadership, and ensuring that our staff is feeling responsible for reaching efficiency goals, help maximize the impact of efforts.

WATER INDICATOR

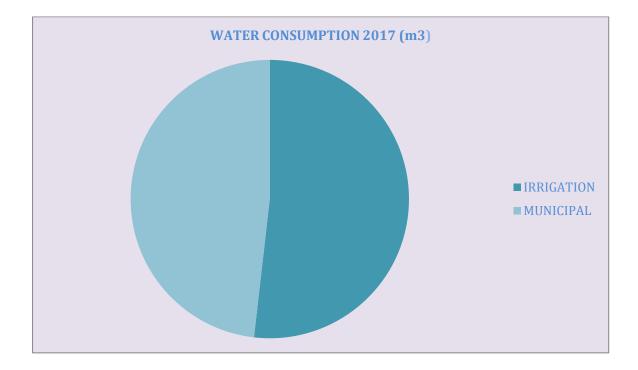


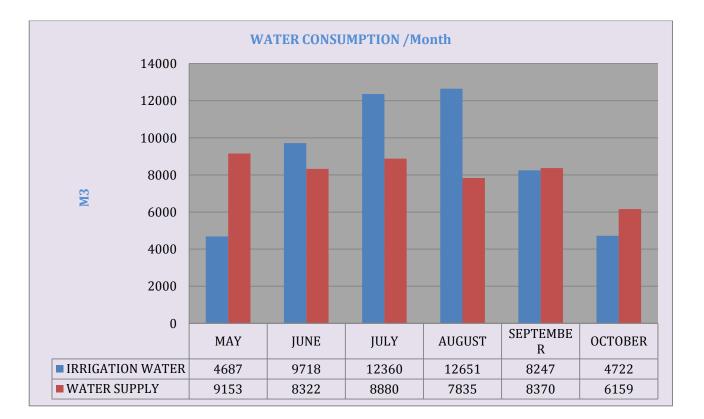
Annual Water Consumption

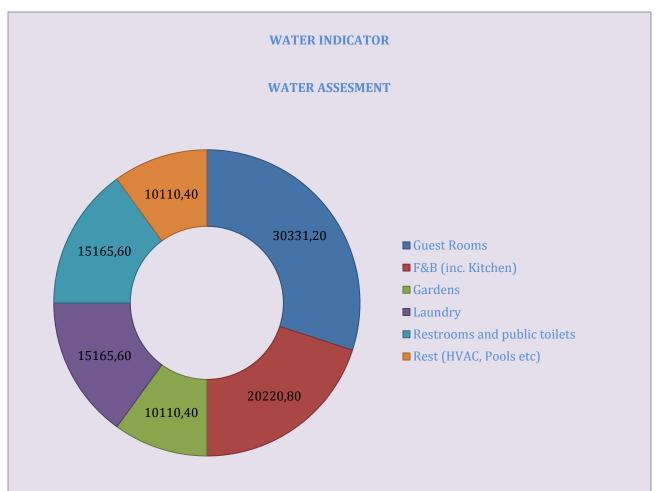
Annual Water Consumption per Guest Day



Calculating the water use per guest per night by dividing the total water consumed in guest rooms by the number of guests for that month gives a clearer image regarding the real consumption of the hotel. There has been a decrease the last two years.







The main water consuming activities in a hotel are:

- Guest Rooms (30%)
- Kitchen (20%)
- Laundry (15%)
- Gardens (10%)
- Restrooms & public toilets (15%)
- Rest (pools etc.)(10%)

In CRETA PALACE LUXURY RESORT, we understand the importance of waste management and its effect on the environment. We are committed to minimize waste production by combining reduction, training, and recycling techniques at every stage of our operation. We are committed to ensuring that all operations and activities are fully compliant with all current waste management policy.

We aim to reduce the amount of waste we create in such a number that it won't hurt the environment. Some waste is unavoidable, but we can still make a positive difference. The integrated waste management system has been designed on the principles of waste reduction, reuse and recycling. Waste is separated into the following types: paper, plastic, glass, used oil from kitchen, batteries, toner and ink cartridges, light bulbs, aluminum, electrical and electronic equipment and heavy equipment

WASTE MANAGEMENT MEASURES

- CRETA PALACE is connected to the wastewater treatment plant of the Municipality of Rethymno.
- We recycle glass, plastic, papers, light bulbs, electrical & electronical equipment and heavy equipment, batteries, used oil from kitchen
- In Grecotel we separate waste according to local authority guidance. Separate Bins: In order to recycle aluminum cans, glass bottles, separate bins could be made available in the

kitchen and bar so that these items can be easily recycled.

- Soap Dispensers: Refillable liquid soap dispensers are used in the public toilettes and in the kitchens instead of soap bars. This minimizes waste by not needing to throw away used soap bars
- We return: glass bottles for water, beer, soft drinks, wine, plastic water bottles, pallets, beer barrels etc.
- We gather and recycle the used oils from kitchen
- > All quantities are reported annually

Control of pollution of natural resources

- The hotel's liquid waste is treated in the local wastewater treatment plant of the Municipality
- Regular chemical and microbiological analyses of water (drinking water, sea & pool water) are conducted by a certified laboratory.
- All cleaning agents and detergents are selected according to environmentally friendly standards regarding their composition, packaging and usage.
- All the refrigerant substances used in the hotel are ozone friendly (compliant with the international legislation)
- We implement the HACCP management system.

Grecotel is committed to the sustainable management of our operations in a way that reverses land degradation while protecting and preserving the ecologically important habitats surrounding the existing and future sites

The sea, apart from a significant tourism asset, particularly important for Greece, is a key natural resource provider and a major carbon sink contributing to the mitigation of climate change. The coastal areas support numerous human activities vital for the development and the coherence of human societies

Promote Customers Participation

Customers can help the waste management plan by: SAVE our environment by always using the recycle bins

Promote Employees Participation

Employees are required to:

become familiar with the type of waste and their appropriate handling and disposal methods, and adopt the procedures for waste separation using the correct color coded bags and bins.

Objectives

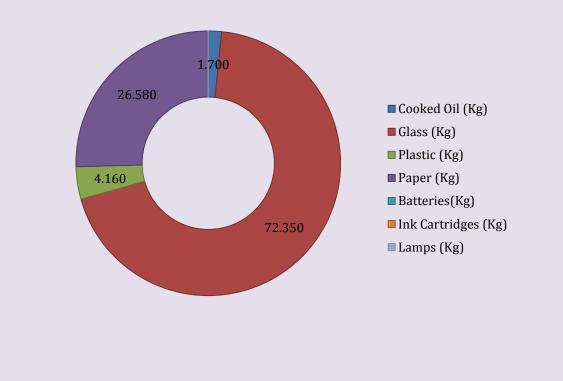
- Categorization of the different types of waste
- Identify areas of waste production throughout the hotels.
- Employ effective waste management practices to identify the most efficient methods to reduce the production of waste.
- Manage the process to ensure compliance with best practice.
- Through training and support, ensure that all staff is aware of their responsibilities under Grecotel environmental policy and how compliance can be achieved and maintained.

WASTE AND RECYCLING INDICATOR





Recycling per material



HAZARDOUS SUBSTANCES USAGE

The environment is totally affected by the hazardous substances. CRETA PALACE keeps a list of all hazardous substances the staff use (e.g. chemicals, hazardous materials, light bulbs, batteries, ink/toner cartridges etc.)

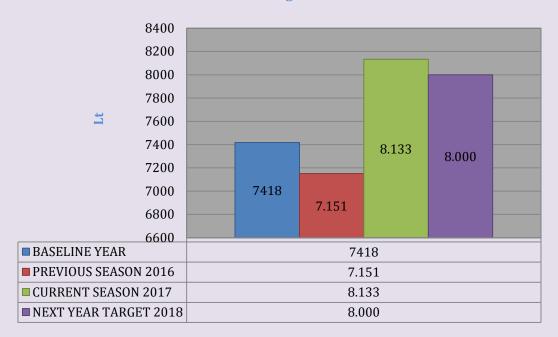
All hazardous substances are used safely according to the manufacturer instructions and are stored safely, in line with national and international standards.

Chemicals are disposed safely, in line with national and international standards and collected by a fully licensed contractor.

The usage of chemicals is limited and only from staff members with special training. All the employees who handle any chemical products and substances receive an annual training regarding the correct use of the chemicals (quantity, protective equipment) and the possible harmful effects

CHEMICAL USE INDICATOR





Annual chemical used in swimming pools and water



ENVIROMENTAL DIMENSION			
ENERGY	WATER	WASTE - RECYCLING	CHEMICALS
Environmental Programs and Goals			
TOTAL ENERGY CONSUMPTION (ELECTRIC, GAS, PETROLEUM) Under 15KWh /GN in the next 4 years	TOTAL WATER CONSUMPTION (IRRIGATION AND MUNICIPAL) Under 0,6m3/GN	Better training of staff	CLEANING CHEMICALS Stabilization of consumption
Overview of energy saving methods	Overview of energy saving methods	Research on reuse of packaging parts such as soap dispensers	SWIMMING POOL CHEMICAL Stabilization of consumption
Replacing all of the bulbs with new led bulbs	Gradual replacement of old taps / showers in rooms and communal toilets with new ones (flow reduction)	Encourage customer and - staff to use environmental friendly transportation such as bicycle or walking to nearby village and surrounding areas	Research on alternative, more environmental friendly Chemicals
Training all employees regarding energy efficient actions in their departments	Improvement of irrigation system over 80% so as to be more efficient	Research on the use of recycled paper or other environmental friendly, chlorine-free and eco- labeled material on stationery products	Send Environmental Questionnaire to all suppliers.
Annual measurement of gas and boiler efficiency	Send Environmental Questionnaire to all suppliers.	Training all employees regarding water efficient actions in their departments	
Replacing the cold water pumps for a/c with new type inverter water pumps at 2018.	Training all employees regarding water efficient actions in their departments	Re-check the ability to create compost from organic kitchen, garden, beach.	
Send Environmental Questionnaire to all suppliers.	We replace the old water programmers with new ones and the old injectors with rotators of new technology	Send Environmental Questionnaire to all suppliers.	



SOCIAL DIMENSION

In Grecotel we recognize Corporate Social Responsibility, has a significant importance within the industry, as well as in the media and among consumers.

We are against direct or indirect discrimination. victimization and harassment and consider them serious matters. Employees who fail to comply with this policy will be subject to the Company's disciplinary procedure. All breaches of this policy will be considered as serious disciplinary matters and if there victimization, has been intentional discrimination or deliberate harassment will be regarded as potential gross misconduct leading to summary dismissal. Grecotel recognizes that misunderstandings can arise where people of a different sex, interests and cultures work together. Any employee who believes that he or she is being treated in a way that is contrary to this policy should raise the issue with their Department Manager. If an employee feels that it is inappropriate to approach their Department Manager he or she may contact the Human Resources Department.

The Human Resources Department carries out a periodic review of Grecotel equal opportunity policy and monitors the effects and the application of this policy across the company.

EMPLOYEES

The main concern of Grecotel all these decades is the uninterrupted support of the Company for the professional and personal development of all employees, but also to make them contributors to the overall vision of Grecotel. Indicative benefits of Grecotel for its staff are the blood bank, continuous performance management through training and development programs, trips abroad, residence for staff, bonus program, special rates when staying in company's hotels and providing loans.

All our employees receive extensive training in order to develop their skills and take an active role in promoting a culture of contribution to sustainable development. Our employment policies promote an inspiring, safe and secure working environment for all, safeguarding equality and eliminating discrimination based on gender, religion, nationality or sexual orientation.

- A mentor is taking care every new member
- We provide them with three different handbooks which explain in details all the aspects of their profession.
- Weekly food Program, Breakfast, Lunch and Dinner
- Separate closets and staff toilets
- We provide opportunities to develop new skills, e.g. languages courses, oenology, barista training, butler service
- Involve staff in hotel operations and invite their comments regarding improvements.
- Encourage seasonal staff to return next year.
- Untypical benefits such as flexible hours, job sharing, pensions, free transfer by hotels bus, blood donation and medical insurance.
- Increase the feeling that they belong to one of the best hotels in Europe and this is a huge plus in their CV.

Health and Safety

CRETA PALACE puts the same emphasis on guest safety as it does on its team members. We undertake comprehensive risk assessments – following the national and international standards – our purpose is to identify the like hood and the severity of all risks in any place in the hotel – and then we put out risk reduction plan.

We are always try to be equipped with all necessary safety tools and signage, we carry out frequent quality checks from internal and external cooperators such TUI Safety control, SGS, Travelife, Grecotel safety team.

Human Rights

We support and respect the protection of internationally proclaimed human rights.

All employees are responsible for complying with social policy and for ensuring that the standards of behavior required by the company are observed by:

- Treating others on their merits and disassociating themselves from any form of direct or indirect discrimination, victimization or harassment.
- Bringing to the attention of their Department Manager any suspected working practice in breach of this policy.
- Working together to promote a harmonious working environment free from discrimination, harassment and bullying.
- Any employee who violates any of the company's rules or fails to perform to the satisfaction of this Hotel will be

subject to discipline. CRETA PALACE always tries to provide the same opportunities to each human and stands on that by all means.

Creating new job opportunities

The implementation of a sustainable tourism business model creates new jobs and business opportunities due to its direct links with most of the sectors of the local economy.

Equal opportunities

In CRETA PALACE everyone is equal. Any illegal discrimination based on factors such as race, color, religion, national origin, gender, age, disability or handicap, including illegal harassment, is strictly prohibited.

A separate harassment policy is included in this handbook.

CRETA PALACE employed 336 employees in 2017. This number is divided almost equally to male (172) and female (164). 37 people are from foreign countries and the rest are Greeks.

Training development and principles

All our employees receive training to familiarize them with the company's core values and code of conduct and attend thorough training programs in order to develop their skills and enhance their career opportunities.

All our associates receive our policies and they are asked to follow the same principles

Accomplishments youth careers

CRETA PALACE always protects and invests in young people from local tourism schools.

We are recognized for our exemplary practices in corporate school practice and responsibility. Every year we give the opportunity to the best students to succeed as professionals in other Grecotel hotel.

PARTNERSHIPS AND DONATIONS

Partner with "The Smile of the Child": It is a non-profit voluntary organization. It is based on sentiment and emotions but it goes beyond that and turns everything it represents into actions. As its main objective, the organization deals with the daily problems children encounter.

The organizations' main concern is defending children's rights, not just on paper but in practice as well, providing services to children on a 24-hour, 7 days a week, 365 days a year-basis, working for their physical, mental, and psychological stability.

"The Smile of the Child" cooperates closely with state authorities (Police, the General Attorney's Office, hospitals etc.) but also with all responsible individuals wishing to contribute to alleviating issues affecting children.

As a voluntary organization, "The Smile of the Child" supports all relevant institutions so as to promote their efficiency in handling children's issues.

LOCAL COMMUNITY

CRETA PALACE's growth is directly linked to the prosperity of the destination. Contributing significantly to the local economy and supporting regional development is a key priority.

- We effectively support the needs of the local community and implement initiatives accordingly
- Our impact on the local and wider community is understood and nurtured.
- Dialogue with local communities is encouraged for mutual benefit.

Sustainable tourism creates the necessary momentum for the continuous, inclusive and sustainable economic development of Crete. It creates links with agriculture and serviceproviding sectors and stimulates the development of key infrastructure (road construction, upgrade of airport facilities) and the provision of financial services from which the local economy as a whole can benefit. The revenue generated by the increase in tourist arrivals in the region has a positive direct impact on a wide range of economic sectors incorporated in the tourism value chain. The positive impact from tourism growth in income and employment in the local community is multiplied, creating a vibrant local economy. The company applies a

policy of preference for hiring locally. Also the local people can use the facilities of the premises with specific cost / charge provided the availability of the resources.

Promote and Participate in local activities.

Source Locally

"Buy locally is crucial, enabling local communities to benefit from tourism"

We strongly believe that every purchase must cover a real need of the hotel.

We mentor our local suppliers so they quickly become part of our regular supply chain and our philosophy, in any negotiation with the supplying company, we inform them about our environmental policy and we ask them to inform us about the various environmental-friendly products they can offer.

We give priority to products from the local markets, when they meet the requirements and basic needs of the company. As far as the final decision on any purchase is concerned, the important factor of product transportation should always be considered, from the point of view of both air pollution and fuel consumption (non-renewable sources of energy) during transportation. Priority should be given to recyclable and returnable products as well as those from recycled materials (mostly paper, aluminum, glass, plastic) without excessive multiple

Purchase Policy

In general, preference is given, wherever possible, to the purchase of products in bulk and re-useable or returnable packages. This practice reduces both the cost and the useless packaging that ends up as waste. The purchase of items such as disposable cocktail decorations, breakfast portions, glasses, etc. is to be avoided and wherever their use is necessary, biodegradable products are preferred. Among the artificial and

chemical products of everyday use, preference is given to those with the least damaging effects on the environment and human health. The use of materials containing substances dangerous to public health and the environment (such as organic solvents, asbestos, lead, polyurethane, etc.) should be avoided in the construction of buildings, manufacturing of furniture, insulation & decoration during renovations



06

ECONOMIC DIMENSION

Economic dimension refers to the way in which the company organizes its position in the marketplace to actively develop its sustainable profile by using its economic stability and profitability for continuous improvement. Our long-standing commitment to responsible business helps to create opportunities for all the interested parties, including our associates, guests, hotel owners and local communities. We continue to drive meaningful results benefitting youth, global diversity and inclusion, health and wellness, responsible sourcing and support for human rights. Our hotel is one of the few that has 33% repeatability in its guests every year.

ECONOMIC INDICATORS







The majority of our guests (54, 54%) in 2017 came from European Union (2, 2% from Greece and 52, 33% from the rest of Europe). 45, 46% came from other countries (Russia, Canada, USA, Australia etc.)



07

ANNEX

Grecotel Environmental Policy

In Grecotel, we recognize the impact of our business on the environment and we are committed to ensure environmental sustainability. We comply with all applicable environmental regulations and use environmentally – friendly business practices. Grecotel is committed to:

- operate in compliance with all relevant environmental legislation
- formulate and implement an Environmental Program to improve the environment for both local people and seasonal visitors, across to the spectrum of our activities
- continually improve over time by striving to measure our environmental impacts and by setting goals to reduce these impacts each year
- make frequent Environmental measurements (noise, energy and water consumption) and undertake regular environmental audits
- Increase the level of awareness of environmental issues to all the interested parties (customers, staff, suppliers, local community etc.)
- train all of our staff on our Environmental Program and empower them to contribute and participate
- Innovate, concerning resources, reducing emissions and climate protection
- use local, natural, raw materials & recycled products
- support International and National environmental organizations (NGO's)
- Include environmental considerations in new building and renovation plans
- emphasize the conservation and protection of the landscape, wildlife and historical resources near each hotel

Green Team is responsible to ensure the implementation of environmental measurements and initiatives for each hotel. The Environmental Manager is responsible for the proper function of the Environmental Program and to communicate this policy to all staff and customers. The entire staff is responsible to promote, support and implement the Environmental Program through their daily work.

The Hotel Manager is committed to provide all the necessary means for the proper operation and the constant improving of the Environmental Program.

Corporate and Social Responsibility Policy

In Grecotel we recognize Corporate Social Responsibility, significant importance within the industry and among consumers. The Policy sets our social priorities and principles. We are committed to:

- Implement in accordance with CSR strategy and Continuous improvement
- Encourage our business partners to reach company's standards;
- comply with all relevant national and international legislation aiming to apply internationally acceptable best practices in every aspect of our operations

Ethical Business Conduct in order to ensure

- fair treatment of all employees and clients
- transparency of our business policies and practices
- high standards relating to health and safety in the working environment
- ethical business practices throughout our operations

Human Rights

- Support and respect the protection of internationally proclaimed human rights;
- Vendors are actively encouraged to observe international human rights norms.

Impact on Society

- We effectively support the needs of the local community
- Our impact on the local and wider community is understood and nurtured;
- Dialogue with local communities is encouraged for mutual benefit.
- Respect the local culture, traditions and intellectual property rights.

Equal Opportunities Employer

- Provide equal opportunities to all employees and job applicants.
- No job applicant shall receive less favorable treatment on the grounds of sex, age, marital status, sexual orientation, race, color, religion or belief, nationality, ethnic or national origin.
- No discrimination relating to employees and job applicants with special needs such as disability or part time or fixed term status unless this can be justified.

Child Protection Policy

- Promote Human Rights, and in particular children's rights by training staff and providing information to clients
- Reject, eradicate and condemn any form of exploitation of human beings, especially of a sexual nature, particularly when this affects minors.
- The Company does not utilize or promote forced or child labor

Grecotel Quality Policy

In Grecotel we recognize that Quality management system has internal and external benefits. Service quality is understood as a given ability to satisfy its client's expectations to the highest standard. In Grecotel we are committed to

- Satisfy the current legal and other requirements
- Identify and understand our customer's expectations, measure customer perceptions, and implement improvements to increase customer satisfaction. The effectiveness of our services and guest satisfaction is monitored through our own guest questionnaires, through our operator's feedback and management/ staff meetings and reviews
- Deliver on-time and on-quality products, systems and services that meet or exceed our customer's expectations.
- To improve motivation of our employees,
- To improve our employees by giving them training regularly on sense of quality, hygiene and food safety,
- Embed social responsibility and company ethics policies in our business practices.
- To assure the quality and safety of our raw materials
- Improve operational performance along the value chain from suppliers to customers
- Continually improve its services in order to attain the maximum quality level required by our guests.
- To make the quality measureable, to determine the objectives in order to ensure continuous improvement

All senior and other employees have been made aware of our operational objectives targets and practicing standards applicable to this quality policy. All of them have been informed of this quality policy, procedures and instructions defined within. Hotel Manager is responsible for the hotels quality system. Their main duties include: orientation at results and the client, leadership and repeatability of actions oriented at completion of pro-quality ventures, management through processes with the help of guests' comments, weekly 'walks', heath-and-safety-at-work regulations and development.

Grecotel Health and Safety Policy

Grecotel is committed to ensuring the health and safety of all persons in the workplace including employees and visitors. We take all reasonable and practical steps to improve work safety conditions and strive to uphold core values of safety, knowledge, integrity and leadership in order to achieve its goal of zero accidents.

Grecotel is committed to:

• Comply with all health and safety legislation, acts, regulations, codes of practice and other guidance.

• Provide personal protective equipment/clothing, for controlled work.

• Ensuring all managers remain directly responsible and accountable for the health, safety and welfare of their employees and provide adequate resources to assist managers in this cause.

• Provision of appropriate Health and Safety Training to all relevant persons.

• Maintaining relevant policies, procedures, systems, information, training, recognition programs, and organizational structures to support and communicate effective health and safety practices throughout the hotel.

• Establishing clear targets and objectives to improve health and safety

• Effectively disseminating health and safety information to all employees as part of each business unit's consultative process.

• Maintaining a positive safety culture through encouraging active participation, consultation and cooperation of all employees and visitors in promoting and developing measures to improve health and safety at work.

• Actively responding to and investigating all incidents, and ensuring injured employees are returned to suitable work at the earliest possible opportunity through equitable claims management and rehabilitation practices.

To ensure the policies are understood and implemented we provide suitable and sufficient information, instruction and training. Employees must comply with any training and information which is given and follow the arrangements and safe systems of work including the use of any necessary personal protective equipment/clothing.

Grecotel implement and will maintain these systems, inclusive of standards, policies and procedures. These standards are monitored regularly to ensure their integrity and effectiveness to facilitate continuous improvement

Grecotel Purchase Policy

Purchasing decisions can have significant environmental social and economic impacts. Responsible procurement (or sustainable/responsible purchasing) is a process by which environmental, social and ethical considerations are taken into account when making a purchasing decision. Grecotel considers the following parameters:

- Whether a purchase is necessary: Every purchase must cover a real need of the hotel whilst taking into account the hotel category.
- What products are made of: Priority should be given to recyclable and returnable products as well as those from recycled materials (mostly paper, aluminum, glass, plastic) without excessive multiple packaging (the more complex a product is, the more materials are used in its production and the more waste is disposed of into the environment).
- Under what conditions they have been made.
- How far they have travelled: important factor of product transportation is always considered, (air pollution and fuel consumption (non-renewable sources of energy)
- Their packaging components; Purchase of products in bulk and re-useable or returnable packages. This practice reduces both the cost and the useless packaging that ends up as waste.
- How they will be disposed of. Among the artificial and chemical products of everyday use, preference is given to those with the least damaging effects on the environment and human health.

Priority will be given to products from the local markets (on a regional, area and state level) provided that they meet the requirements and basic needs of the company

Regarding the purchase of equipment, priority is given to the products that consume less water, energy and fuel and do not contain CFC's.

The Environmental Friendly specifications are determined by Grecotel's Environmental Department in cooperation with the Purchasing Department on the basis of specific European Union and international regulations, as well as scientific information on the respective subjects.

Grecotel Children Rights Policy

At Grecotel, we are aware and responsible for actively safeguarding children from any form of abuse which may include neglect, physical, sexual or emotional abuse, hunger, mistreatment or exploitation in any form. We support and respect the protection of human rights within the company's sphere of influence including standing against human trafficking and the exploitation of children. We publish our Children Rights Policy and provide training on human rights, including the protection of children, for all our hotels' staff. Grecotel is committed to:

- Respect and promote children's rights and take necessary measures to protect children against all types of exploitation.
- Adopt preventative measures to stop the preparation or circulation of tourist programs which promote or encourage sexual contact with minors.
- Establish a company ethical policy against the commercial sexual exploitation of minors.
- Report all suspicious circumstances involving children to the local police and child protection agency
- We provide our staff with training on child protection. All the employees of Grecotel are trained to deal with such matters and always consider our actions very seriously in order to ensure that the child's best interest is upheld.
- We support all kinds of organizations and activities for the protection of children in our environment and we cooperate with NGO "THE SMILE OF THE CHILD" a Hellenic non-profit voluntary organization
- Be actively involved in activities to raise public awareness and awareness about the prevention of violence against children. Provide information to customers through informative material and our website.
- Report annually on the implementation of these points.

Persons who insist on incompatibility despite the warning made by the hotel management and they insist on disturbance are removed from the hotel (according to the seriousness of the situation) with the approval of the Hotel Manager and the local authorities are informed. All employees must adopt this policy and promise to give the necessary determination and support for its implementation.

