

GRECOTEL CRETA PALACE

2016 ANNUAL SUSTAINABILITY REPORT



















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Corporate Social Responsibility

Society

- Annual charity event for the support of "Agapi", Society for disabled people
- Equipment donation to Rethymno's Nursing Home or Hospital
- Annual food supplies donation to the Metropolitan of Rethymnon for the needy
- Support of the Monastery St. Irini and providing space within the hotel area for the exhibition of the nuns embroideries and icons
- Annual donation and support of the activities of "Archelon", the Greek Society for the protection of the sea turtles "Caretta-caretta"
- Cooperation with the Municipality of Rethymno and environmental operators

Human Resources

- Blood donation (yearly) for Grecotel's blood bank
- Continuous training and development programs
- Free meals, uniforms, transportation to and from work place, free accommodation for students
- Special rates for the employees when staying in other Grecotels
- Free accommodation awards during the Annual Employees Party

Cooperation with the Municipality of Rethymno

Every year, Grecotel and Creta Palace are cooperating with the Municipality of Rethymno, organizing various activities and events, such as:

- 1) Society "Agapi" the Society for children with special needs / yearly event Sponsored by Grecotel Hotels & Resorts, with personal support from the Grecotel hotel's staff in Crete in the Municipality Garden of Rethymno (21.9.2016)
- 2) Cretan Diet Festival
 Participation of the AgrecoFarms in the Municipality Garden of Rethymno (1.7.-7.7.2016)
- 3) 28th Renaissance Festival of Rethymno (during the summer months) Promotion of the performances taking place at the Fortezza
- 4) 3rd Beach Running, organized by the Municipality of Rethymno for children and for adults—Promotion for participation, 18.9.2016
- 5) World Tourism Day (27.9.2016)
 Guests from different hotels in the Rethymno area coming to Crete for more than 20 years, are invited to participate in a special event organized by the Municipality Hall of Rethymno.
 Some of them get honoured with a special certificate from the mayor for their loyal visits to Rethymno.

Social & Labor issues

Social

Metropolis in Rethymno

In total there were given 70 meals x 3 times a week x 5 months = **Total 1.050 portions** for the needy

Society "Agapi", the Society for children with special needs

The staff of Grecotel Creta Palace purchased 1.200 entrance tickets (Euro 3.00 per ticket) for the total amount of **Euro 3.600,00** for the special event of the society "Agapi", taking place yearly in the Municipality Garden of Rethymno.

Museum of Ancient Eleutherna

The opening of the Museum of Ancient Eleutherna took place on Sunday, 19th of June 2016 with the presentation of the President of the Hellenic Republic, Mr. Prokopis Pavlopoulos.

It was supported - amongst others - by Grecotel Hotels & Resorts.

From Grecotel Creta Palace, **20 persons** from different hotel departments (Food & Beverage, Housekeeping, Guest Services, Gardeners, etc.) helped voluntarily during the opening ceremony.

Monastery of Ag. Irini

Support of the hotel for various events taking place at the Monastery with cookies, sweets and other items. In total **120 kg of food** were donated.

Volunteer cleaning

From the hotel entrance until outside of the hotel (old road), a **200 m cleaning up action** was organized.

<u>Labor</u>

Free language education:

German language: **13 persons** from the hotel's staff Russian language: **11 persons** from the hotel's staff

Blood donation (8.9.2016)

In total 32 persons from the hotel's staff participated in the yearly blood donation for Grecotel's blood bank

Free Entertainment education

6 persons from the hotel's staff

Culture Center "Doron Society"

Grecotel Creta Palace is the only hotel among all Grecotels, which has the Doron Society on premise.

The Doron Society is a non-profit organization, founded in 1992 by Grecotel S.A., to assist in the protection of the natural and historical heritage of Crete.

The center connects the hotel (as a business identity) with three cultural activities in the greater Rethymnon area. These activities are:

- 1) The protection of the endangered species of the sea turtles of Crete "Caretta-Caretta", where Rethymnon is second in importance in the whole Mediterranean as a place of egg-laying.
- For thousands of years the reproduction of the sea turtle takes place on the beaches of Rethymno thus **confirming** the good condition of our seas that is enjoyed both by the natives of the island as well as our foreign visitors.
- 2) The promotion of the "Agia Irini" Monastery (20 minutes from the hotel). The monastery has been awarded with the European Cultural Award of *Europa Nostra* in 1995. To support the renovation, we promote and sell the embroideries made by the nuns and we urge our guests to visit the monastery.
- 3) For 20 years Grecotel has continuously supported the excavations in Ancient Eleftherna. Now the new **Eleutherna Museum** as it sheds unique light into Cretan history predating Minoan times.

The opening of the Museum of Ancient Eleftherna took place on Sunday, 19th of June with the presentation of the President of the Hellenic Republic, Mr. Prokopis Pavlopoulos and was supported by Grecotel, private initiatives, organizations, institutions and individuals.

Cooperation with the nuns of the Monastery of Ag. Irini

The place of the Doron Society is provided for free for the nuns of the Monastery Ag. Irini.

Three times a week the nuns are coming to the hotel and exhibit their fabulous embroideries and unique hagiographies which are made by themselves with great skill.

All profits are used exclusively for the upkeep of the Monastery.

Furthermore, in our weekly hotels program (for all our hotel guests, in 4 languages) we promote the Monastery of Ag. Irini and urge them to visit it at its unique place with magic view.



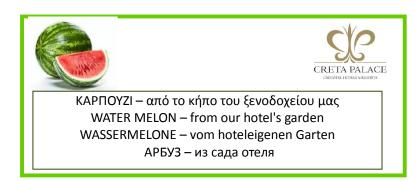
Vegetables from the hotel's garden 2016



PRODUCTS	KILO
	224
	241
	64
	26
	185
Since Property of the Control of the	88
	170

Every year, we grow our own vegetables and fruits in the Creta Palace vegetable garden. The products are organically-grown, without fertilizer.

After the harvest, the products are offered for our hotel guests at the main restaurant at our buffet, with a special food label:



AgrecoFarms



The farm was originally an olive grove and the summerhouse of the Grecotel owners, the Daskalantonakis family. It is an innovative display of environmentally friendly methods for traditional and modern cultivation and breeding.

The idea behind is to give visitors a first-hand experience of the traditional production methods of Greek products, such as: organic olive oil, organic wines, raki varieties, raisins, thyme honey, meat.

The estate, a replica of 17th century lodge, features a traditional olive press, a flour water mill, a wine press and a giant vat for grape crushing.

The complex includes a church, a village square and store. The farm highlight is the mini-zoo!

A culinary Cretan experience

In a fairytale setting on a hill with vine yards and olive trees overlooking the Cretan sea, visitors will taste diverse seasonal dishes based on the fruits of the land and the legendary nutritional Cretan cuisine.

Agreco produces ecological products which meet all EU standards, thereby demonstrating that cultivation is possible without the use of chemicals that ultimately pollute the soil, water and our own health.

In the local shop visitors may find an exquisite range of homemade products: extra virgin olive oil, thyme honey, exceptional wines, fine raki, homemade jam, herbs, pure beauty products and toothpaste, golden roasted rusks and peanuts, smart gifts and memorabilia.

For all our guests visiting one of the Grecotels in Crete, we organize special Cretan evenings, Farm tours and seasonal activities like: Sheep shearing, Grape Harvest, Wine and Raki making, Honey Festival, Cheese making, etc.









Green Performances of Grecotel Creta Palace

1... We have at first consideration nature and environment by:

- 1. Supporting the protection of endangered species such as the sea turtles "Caretta-caretta" and the Cretan "Sea Daffodil"
- 2. Cooperating with nature conservation organizations and local authorities
- 3. Performing presentations for hotel guests and local school students
- 4. Organizing nature excursions and activities
- 5. Visits to the AgrecoFarms
- 6. Organizing beach cleaning and participating at Clean up the Med organization
- 7. Protecting and sharing information about the Ecosystem within the hotel

2... We support health and quality by:

- 1) Implementing HACCP food / hygiene safety management system.
- 2) Using of environmentally friendly cleaning products
- 3) Avoiding products and processes harmful to health
- 4) Many dishes are prepared with organic grown products AgrecoFarms
- 5) Performing regular chemical & microbiological analysis for taps, pools and seawater.

3...We use efficiently natural resources without compromising comfort

- 1) Effective water and energy saving measures such as water flow regulators in bathrooms
- 2) Computerized garden irrigation
- 3) Gas for kitchen appliances
- 4) Energy saving light bulbs (90% of all light bulbs)
- 5) Solar energy panels
- 6) Solar energy for 80% of water heating

4...We implement a detailed Waste Management System by:

- 1) Sorting and disposing for recycling paper, glass, plastic, aluminum, batteries, old electric and electronic equipment, light bulbs, used cooking oil
- 2) Returning of all reusable glass bottles, barrels, aluminum kegs, plastic containers, pallets, ink and toner cartridges etc.
- 3) Educating our stuff to reduce waste and manage the sorting and recycling
- 4) Elimination of single use products
- 5) Producing compost from organic waste

Environment Actions

Grecotel is the leading hotel company in Greece which cares for environment and culture.

Creta Palace, since 1992, is the pioneer hotel for the implementation of Grecotel's environmental policy.

Every year, a lot of environment activities are celebrated:

Celebration of the "World Turtle Day", Monday 23rd of May 2016

In cooperation with the Society ARCHELON we prepared an information desk in front of the main restaurant "Labyrinth" in the morning and organized also beach activities in the afternoon with hotel guests and children.



Participation in the "Clean Up the Med" Program, Friday 27th of May 2016 Creta Palace organizes a volunteer clean up action of the neighborhood beaches Participation: hotel guests, staff and the "Eco warriors", the children of Grecoland



Celebration of the "World Environment Day", Sunday 5th of June 2016

- Tree planting
- Visit to the Grecoland for the childrens painting exhibition
 - Environmental Tour within the hotel premises
- Environmental games, environmental drafts and creative handicrafts with the children of Grecoland





Celebration of the Blue Flag, Thursday 23rd of June 2016

we celebrate the Blue Flag award for consecutive 23 years Participation: hotel guests, staff and the children of Grecoland





"Caretta caretta" sea turtle nest excavation, Tuesday 16th of August, 2016 in cooperation with the Society "Archelon", on the beach



Certificates

TUI UMWELT CHAMPION	TUI Umwelt Champion 2016 (Environmental Award) for the 14 th consecutive year
	Environment Award 2016 "Eco Resort" of TUI (Touristik Union International)
Travelife Gold Sustainability in tourism	The gold medal of Travelife (2016 - 2018) An international sustainability certification to meet the Travelife sustainability criteria.
	The Blue Flag of the Hellenic Society for the Protection of Nature, a guarantee for proper ecognition and care for people and the environment
The Green Key	Eco-label award "The Green Key" 2011 – 2014 of the Hellenic Society for the Protection of Nature
tourism AWARDS 2015 Preced Hampitality	Tourism Awards 2015 category "Hotels & Resorts" Grecotel Creta Palace: Best Beach Resort
tourism AWARDS 2014 Torond inspirality Gold	Tourism Awards 2014 category "Excellence in Food" for "Strategically integrating the Cretan Diet and traditional Cretan Food into its dining facilities"
awards 2015 SEE MARK	Gold Award 2015 "Best Family Resort"

Page linearing To go I le author To go I le auth	Tripadvisor Certificate of recognition
Holday Check 2016 Hotel Grecotel Creta Palace 5.4 / 6	Holidaycheck 2016
Grecotel Creta Palace 8,6 Guist Routing Amenia 2016. Reading	2016 Certificate "booking.com"
Executive and the second section of the second	Greek Breakfast as awarded by the Hellenic Chamber of Hotels
്റ്:ayda.ru отывы туристов	Ayda.ru The most popular Russian review site Certificate of Quality 2015
Traveller	Conde Nast Traveller Greece Readers Awards 2011 "Best Hotels – Crete"
ZOOVET highly recommended	Zoover "Highly Recommended"
Oracle Consulty Cotto States The States Tracks	Aurinko The Best Customer Experience 2016

ENERGY CONSUMPTION

Water Consumption



	Water Consumption 2015 / m3	2015 per overnight	Water Consumption 2016 / m3	2016 per overnight	
Water supply	47.929	0,359	48.708	0,348	- 3,16 %
Irrigation	61.214	0,459	51.702	0,370	- 24.05 %



Electricity Consumption



Electricity 2015 /	2015	Electricity 2016 /	2016	
kwh	per overnight	kwh	per overnight	
2.538.283	19,027	2.528.213	18,082	- 5,23 %



Oil Consumption



Oil Consumption 2015 / kwh	2015 per overnight	Oil Consumption 2016 / kwh	2016 per overnight	
167.982	1,259	133.950	0,958	- 31,42 %



Gas Consumption



Gas Consumption 2015 / kwh	2015 per overnight	Gas Consumption 2016 / kwh	2016 per overnight	
793.107	5,945	900.795	6,442	+ 8,36 %



Chemicals Consumption



Chemicals Consumption 2015 / L	2015 per overnight	Chemicals Consumption 2016 / L	2016 per overnight	
7.418	0,056	7.151	0,051	- 9,80 %



Chemicals for Water Consumption



Chemical for Water Consumption 2015 / L	2015 per overnight	Chemical for Water Consumption 2016 / L	2016 per overnight	
21.730	0,163	22.332	0,160	- 1,88 %



Efficient Energy Use

- Use of magnetic card in all guest rooms, which ensures that all electrical devices (except the refrigerator) are switched off when the guest leaves the room.
- Additional switch is installed in the bedrooms to disable the air-condition every time when opening the window

Efficient Water Use

- Effective water and energy saving measures such as water flow regulators in bathrooms
- Computerized garden irrigation with drops system and underground irrigation system with reduced water evaporation
- Water reduction filters
- Garden watering only early in the morning or late in the evening for reduced water evaporation

Waste management

- Each purchase is made according to the needs of the hotel, purchase for the actual needed quantities and not big quantities to get a better price
- Purchase of eco-packaging with the least possible packaging material used since 1989
- The procurement department in every negotiation informs the seller that our company operates environmental friendly and asks the supplier to present the various environmental friendly products on offer.
- Priority are local products, as well as products of the AgrecoFarms
- Preference for recyclable and returnable products and products made of recycled material
- Purchase of small packages and products are avoided from the Grecotel Company since 1989
- For the purchase of equipment priority is given to products that consume less water, energy and fuel and do not contain CFC.
- Avoid of materials containing hazardous substances to public health
- Recycling in all hotel departments
- From 2015 on, we placed recycle bins in all kitchen departments for recycling paper, glass and plastic.
- Tablets for the General Manager, the Housekeeping and the Guest Services Department for cooperation and communication of the hotels program Protel, for all damages appearing in the hotel's room INSTEAD of paper writing
- Use of environmental friendly, recycling and eco paper in guest rooms
- During the high season in 2015, we started to send the welcome letters, invitation letters and all information to our "in house" guests per email.

This activity, of course continued from the beginning of 2016 season.

Environment activities and energy economy measures we ask all our hotel guests to participate / to help:

- Not spending more water than needed
- If they see dripping taps, water wastage to immediately report to the Reception
- Using twice the towels / beach towels
- Guest information to participate in our eco activities (water and energy) and to change linen / towels after three days only (as far as they want to)
- Keeping our beach and gardens always clean
- To take a shower before entering the pools
- Using always the recycle bins
- Closing the balcony doors and windows when air conditioning operates
- Closing the air conditioning when leaving the room

Recycling Results



RECYCLE	2015	2016
Paper / kg	23.125	24.550
Plastic / kg	3.330	3.680
Aluminium / kg	7.770	7.728
Glass / kg	78.030	67.000
Batteries (AFIS) / kg	30	58
Light bulbs / kg	85	25
Electric / Electronic equipment / kg	0	587
Bulky equipment / kg	9.983	0
Toner / cartridges / pieces	101	106
Cooking oil / kg	1.584	1.985
RETURNABLE	2015	2016
Bottles / pieces	38.789	38.540
Palettes / pieces	386	392
Boxes / pieces	2.461	2.525
Barrels / pieces	233	228

Hygiene



The hotel complies with all hygiene rules and food & consumer safety. Every year our resort gets certified with the HACCP certificate of the TÜV company.

The application of HACCP gives us the opportunity to prove that hygiene and food safety is always our priority.

The HACCP concept means Hazard Analysis and Critical Control Points and helps us to recognize and to avoid potential hazards in food production.

With this certification we improve the food quality, we gain international recognition, we control the entire food supply chain and we gain customer's loyalty.

Security

The Legionella

There are about 40 species of Legionella and more than half can course disease for human beings.

The species Legionella pneumofila is responsible for 90% of human infections.

An ideal environment for development of Legionella is the water (lakes, rivers, reservoirs, swimming pools, water systems of major building units, Spa and hot springs).

Legionella is durable enough and can survive in various environmental conditions (temperatures from 0 to 630° C, also both acidic and alkaline conditions: pH of 5 to 8,5).

Nevertheless, the temperature which particularly favors its growth and proliferation is between 40-500° C.

Prevention of Legionella

We establish the appropriate control of Legionella for each system, according to the study of risk assessment and epidemiological data, namely:

- Oxidizing disinfectants: sodium hypochlorite or hypobromous acid

Hot water systems:

- Periodical thermal shock (70-80° C), maintaining the temperature between 55-60° C
- Oxidizing disinfectants (chlorination), alternatively chlorine dioxide, monochloramine

Cold water systems:

- Oxidizing disinfectants: chlorine, monochloramine, chlorine dioxide. Usually used in the chlorine concentration 0,5 mg/l

Swimming pool, hydrotherapy baths (Spa):

- Continuous chlorination with chlorine in a concentration of 1-2 mg/l or bromine in a concentration of 2-3 mg/l, which should be checked several times a day.
- Replace at least half the amount of water daily

Local Food & Suppliers

Here below are mentioned some of the major local suppliers of Grecotel Creta Palace during the summer season 2016:

Name of supplier	Item	Euro
realite of Supplier	item	Luio
Alfieris	Fresh local fish	38.662,00
	Traditional herbs,	
Nikolakakis	refreshments and biscuits	32.765,00
Ladakis	Cretan eggs	26.794,00
Chiotakis	Traditional breads & pastries	26.029,00
Iliakis	Local cheeses	5.582,00
Maragakis Winery	Cretan wines	4.750,00
	Vegetables in cans, vinegar,	
Vidakis	cheeses, sugar	4.614,00
Kyriakakis	Hand-made pastries	3.190,00
Chatziparaskou	Traditional hand-made dough	1.075,00
Sampson	Traditional Ouzo rusks	965,00
Savvakis	Traditional Beverages	385,00
TOTAL		€ 144.811,00

Consumptions 2016 - Targets 2017

	Consumptions per overnight 2016	Target per overnight 2017	ACTION PLAN 2017	
Electricity / kwh	18,082	17,900	Purchase of 1.150 more LED lamps to be placed within the hotel area	
Gas / kwh	6,442	6,400	Monthly control of burners and regulation	
Oil / kwh	0,958	0,900	Monthly control of burners and regulation	
Water supply / m3	0,348	0,350	Information to all hotel guests to contribute in our energy saving measurements and to take only 1 beach towel per day. Also, upon request the towels and linens in the room will be changed only after 3 days.	
Irrigation / m3	0,370	0,370	Replacement of old watering programmers Modernization of the irrigation network Replacement of old injectors with rotators of new technology	

Paper reduce Target 2017

We will continue to send our letters and correspondences per email to our "in house guests" and with this we will decrease the paper reduce in 2017 again.

(Welcome letter, Hotel commitment, Special dinner invitations, Agreco invitation letters, General Info)

Furthermore, from the 2017 season on the "Guest Portal" with all ONLINE hotel information will be available for all our guests.

Paper Reduction 2016:

700 sheets per week * 27 working weeks = 18.900 paper sheets = 94,5 kg
Envelopes: 200 per week * 27 working weeks = 5.400 envelopes = 25,5 kg

Saving a piece of paper → EXCEPT THE TREE, you may be surprised what it needs for the production of a single piece of paper:

Social Targets

Employees Statistic / Target

	2016	Target 2017
Total employees	339	340
Greeks	288	290
Foreigners	51	50
Men	170	165
Women	169	175

In 2016, totally 339 persons were employed at the Grecotel Creta Palace. Greek employees correspond to this amount with a percentage of 85%. We almost had the same percentage of Greek employees as in 2015. Our target is to keep it at the same level for the season 2017.

Furthermore, staff with 20 different nationalities was employed at the hotel in 2016. This confirms that Grecotel Creta Palace comply with its corporate and social responsibility policy, including "Equal Opportunities for Employees" and implementing a non-discriminatory position. For next season (2017), we want to maintain foreign employees from many different nationalities.

For 2017, Grecotel Creta Palace aims to:

- Training seminars of vocational empowerment for management and staff such as Guest Services
 quality improvement for guest contact personnel, Computer programs, personnel management,
 Food & Beverage seminar (HACCP), Environmental information
- Continue of the language training programs (Russian, German)
- keep the high percentage of Greek employees
- support women's employability

We also aim to contribute to the well-being of the community in which our hotel operates by committing to:

- work close and cooperate with the local community by establishing a regular communication channel
- address any concerns that night occur in reference to our business operation
- encourage our staff to proceed to contributing to the community through their active participation by donating money or clothes and food to local institutions
- continue our donations to charity and local institutions (Agapi, Archelon, etc.)
- blood donation blood bank

Environment friendly cleaning products



Diversey Care products offer sustainable cleaning, sanitation and hygiene solutions to help keep our business in good health. The products and systems are designed with healthy and safety in mind.

Diversey provides:

- Environmentally responsible formulation
- Environmentally responsible packaging
- Environmentally responsible cleaning programs

Proper use of Diversey cleaning products:

- general measures of protection and healthy:
 handling and use as per instructions
 storage away from food and drinks in a dry place, according to national legislation
 washing of hands after work
 protective glasses
- disposal: according to national legislation

Donation Boxes



- "The smile of a child" a non-profit society in Greece for the protection of children Donation: € 345.00
- 2) "Archelon" the Greek Society for the protection of the sea turtles *Caretta-caretta*Adoption of a sea turtle Caretta-caretta 2016
- 3) "Friends of Animals"

 Society for the protection of strolling animals



The smile of a child

It is a non-profit society in Greece, which supports children suffering from incurable diseases. <u>Services / Activities:</u>

- Registering anonymous and named complaints regarding children who are victims of abuse
- Immediate intervention for children who are in danger
- Psychological support for children and teenagers, as well as counseling for parents and educators
- Processing requests for shelter for children victims of abuse or neglect, whose removal from their family environment was deemed necessary by the competent prosecuting authorities
- Raising awareness and mobilization of blood, blood platelet and bone marrow donors
- Information and direction in matters concerning children's rights and protection

Who can call the National Helpline for Children SOS 1056

Children / Parents / Adults / Educators / Services / Agencies

On August 23rd 2016 Mrs. Irene Markoulaki, Psychologist of the Center of Direct Social Intervention Crete "The smile of a child" was holding an education – information for the hotel's staff for two hours (10.00 – 12.00) at the Creta Palace concerning children's rights and protection. In total 24 persons were observing the education, with other 14 persons from other Grecotels (1 from Caramel Beach, 3 from White Palace, 5 from Plaza, 2 from Amirandes, 3 from Club Marine Palace)

Child Protection Policy

Grecotel is committed to

- 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 of any kind.

We adhere strictly to country laws governing labor standards.

Action which will be taken by Creta Palace in case of child abuse

Immediate information

Executive Housekeeper / Reception / Security / General Manager

One of the above mentioned persons – together with the security – has to go to the guest room.

According to the occasion:

- First Aid
- Call of a doctor
 - Mr. Tsagarakis 6972 007 391 / Mr. Papadakis 6932 470 045
- Call of the hospital (Tel. 28313 42100)
- Call of "THE SMILE OF A CHILD" (Tel. 1056)
- Call of the police (Tel. 100)