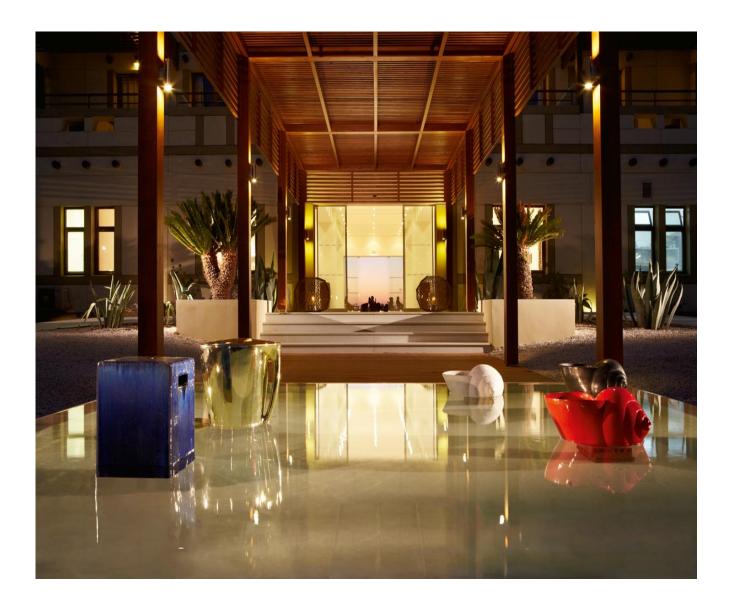
MELI PALACE



Sustainability Report 2018







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01 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 family-friendly 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 Hotelplan 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"
- 1992 & 1993 "World Aware Award" from Thompson tour operator (UK).
- 1993 "Philoxenia Award" from the Greek Government for the company contribution to quality tourism, upgrading the tourism product and taking initiatives in the field of environment.
- 1993 Deutscher Reisebüro Verband (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	CITY	COUNTRY	ТҮРЕ
AMIRANDES	CRETE	Greece	Exclusive Resort
CRETA PALACE	CRETE	Greece	Luxury Hotel & Resort
LUX ME WHITE PALACE	CRETE	Greece	LUX ME Resort
CLUB MARINE PALACE & SUITES	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







02

OUR HOTEL

MELI PALACE

EXOTIC BEACHFRONT PARADISE

Meli, Greek for honey, takes its name from the famous golden bee pendant depicting two bees sucking at a drop of honey, which was found at the nearby ancient Palace of Malia. Second only to the great Palace of Knossos, the Palace of Malia belonged to Sarpedon, brother of Minos, the King of Crete. Follow their footsteps along the ancient beach where agricultural products and food supplies, including honey, from the Palace were sent to major cities.

Built like a Minoan palace, Grecotel Meli Palace revels in a dreamy seaside setting overlooking a tiny island. It's a great escape to visit this exotic beachfront paradise, surrounded by palm trees, wild figs, hibiscus, cacti and olive trees. Set 2 kms from Sissi village, the style is refined, the pace casual: guests lose themselves in the meandering gardens and enjoy the exceptional cuisine. Cretan hospitality is world renowned and will be struck by the genuine warm welcome from the staff. Discrete service, simple yet refined accommodation, excellent range of all-inclusive dining, a fine private beach and spectacular scenery combine to create a memorable holiday.

For the younger guests Grecoland Club offers organized activities for children aged three to twelve years and Club 4 U for teenagers aged 13 to 17 years old.

HIGHLIGHTS

- Idyllic semi private sandy beach
- Ancient Minoan Palace of Malia nearby
- Excellent range of all-inclusive dining
- A relaxed holiday atmosphere
- Spacious airy rooms
- Grecoland for kids & teenagers' Club 4 U
- Sport & Watersport facilities
- Day & Evening entertainment
- "Elixir' Spa, sauna, hydromassage, gym
- Great basis for excursions

WELCOME NOTE FROM GENERAL MANAGER

Today the situation of the Natural Environment demands immediate action worldwide. In Grecotel, the largest hotel chain in Greece, we believe that the quality of our hotels is equal to the quality of the holidays' environment. Thus, in 1992 we introduced a program of environmental management and protection by establishing a professional Environmental Department in the Grecotel's Head Offices.

By developing Environmental Management and Sustainability procedures, the hotel defines all the environmental aspects of its operations and has established policies and programs that aim to continuously improve its performance and results. The hotel aims through the goals setting, the programs implemented, the procedures performance evaluation and through revising measures, aims and objectives.

Now Grecotel Meli Palace has reached a milestone in the release of our first sustainability report. This report reflects the best examples of our company and areas of growth. We see sustainability as an integration of economic, environmental and social considerations as well as corporate values. We incorporate these values into our business strategy.

Without a doubt, our most valuable resource is our staff. In 2018, our employees spent a lot of hours in informal and formal training. The training program was planned in a way that would meet all the important factors in our philosophy, managing sustainability, guest's satisfaction, staff improvement, community progress. This report represents a first step in our journey to becoming an even more sustainable company. You will hear and see a lot more from us in the coming years as our efforts will continue. We will be expanding the report to include more information on our operations. We also will provide regular updates on our performance.

Thank you for spending some time to have a look at our Sustainability Report and using this opportunity to learn more about Grecotel Meli Palace.



CORPORATE GOVERNANCE

Meli Palace is managed by the General Manager Mr. Stephanos Karfopoulos and his Management team.

A sustainability committee is led by Ms. Athina Kanaki and Ms. Monika Otten who have the responsibility for all the environmental actions and management.

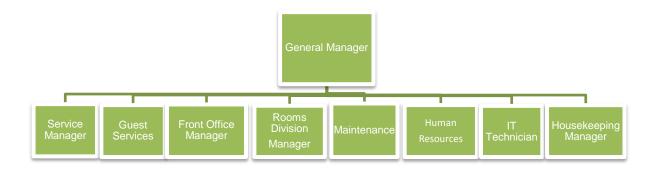
Human Resources Manager George Lourakis has the responsibility for managing the welfare and labor standards of all employees and for managing human rights.

General Manager is also responsible for

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

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





FACILITIES

- Beautiful semi-private sandy-pebbled beach
- · Airy triple & four-bedded guestrooms
- Pool with Fresh water, sunbeds, sun terraces & Fresh water children's pool
- Kids Club & Teenagers' Club
- Baby-Sitting (on request, set rates)
- Day & Evening family entertainment
- Sun-filled Lounges & Terraces
- Open-air Amphitheater
- "Meli Palace" Lounge Bar
- Free of charge WiFi access in all hotel public
- areas (lobby, restaurants, pools and beach)
- "Melissa" Main Restaurant
- "To Nissi" Snack Bar
- Pool Bar
- Range of Sport & Water Sport facilities
- 1 Tennis Court, beach volley, table tennis, darts, boccia, canoes & pedaloes, beach and pool

games

Mini Market

'ELIXIR' SPA

- · Specially designed body massages
- Fitness room with state-of-the-art cardio fitness equipment
- Sauna
- Hydromassage
- Private Massage Rooms
- Beauty Salon offering facial treatments,
- manicures & pedicures
- Men's and women's Changing Rooms with

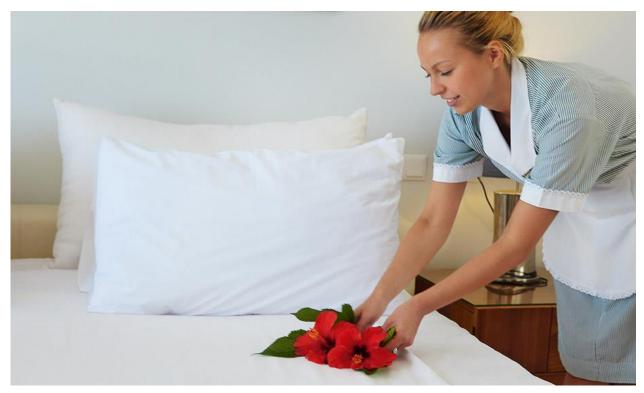
showers & lockers

SERVICES

At Grecotel Meli Palace, the management and staff are on hand to make every moment of the guest's stay memorable. Selected services may incur an extra charge

- Guest Relations & Privilege Club services
- Multi-lingual Staff
- 24-hour reception
- Guest services include: Messages, Car Rental / Excursions, Porter
- Luggage transportation
- Wake-Up Call service
- Complimentary Satellite TV services
- Early breakfast service, upon request
- Breakfast or lunch box service, upon request
- Extended breakfast service (longer than 3 hours)
- Babysitting Services upon request with extra charge
- Children's services include: highchairs, children's meals
- Dry cleaning/ pressing service (extra charge)
- Towel change by request
- Hotel services guide in at least two languages
- Guest fitness room
- "Elixir' Spa facilities
- Sports field
- Animation
- Medical Services: 24hrs Medical center 6km, Doctor on call (extra charge), Chemist 2km, Hospital 25km
- Money: All major credit cards are accepted, nearest Bank / Cash Dispenser 2kms





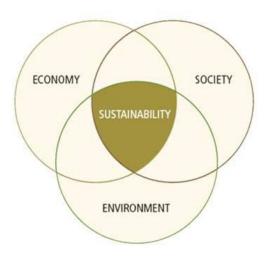


SUSTAINABLE DEVELOPMENT

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 the key to achieving sustainable development.



• Environmental Sustainability:

We are living within the means of our natural resources. To live in 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

Meli Palace on a daily basis to develop its working 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 the general Grecotel 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 Managing Director is committed to provide all the necessary means for the proper operation and the constant improving of the Environmental Program.

ABOUT THIS REPORT

Sustainable reports aim 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 first public sustainability report of Meli Palace and covers 2018 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 Meli 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 pro-effective organizational culture.

In the first module concerning client's attention is focused 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 are here: trust and mutual respect. Openness and transparency are to be achieved through training and personal care.

The last module points to efficiency, innovations and economical aspects.

2018 SUSTAINABLE PERFORMANCE HIGHLIGHTS

Reduce greenhouse gas emission from less plastic in packaging materials by 50%	Recycle plastic, metal, paper, glass, batteries etc.	Reduce waste to landfill by Diversey Cleaning Systems by 69%
Environmental actions and events	90% LED lighting in guestrooms	waste water from own treatment plant is used for irrigation
Activities in local community	reducing greenhouse gas emissions by 37kg CO2 and waste to landfill by 9kg of plastic annually	First Travelife audit



WE BELIEVE – WE DO – WE WILL

SUSTAINABILITY DIMENSIONS					
ENVIROMENTAL	SOCIAL	ECONOMIC			
 Continuous improvement in our Corporate and Social Responsibility (CSR) Strategy 	We believe Our impact to the local community is understood and nurtured • Discuss with the local community for mutual benefits • Effectively support the needs of the	Economic Sustainability focuses on the following major areas: • Maximize profit			
 Encourage our business partners to follow Grecotel Policies and quality Standards Meet all relevant legislation 	 local community Respect the protect the internationally proclaimed human rights Transparency for our business policies and practices 	 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 Follow ISO 14001 Principles Set targets on Energy and Water Reduction Check if funding / loans are available for investment in new technology Encourage staff to put forward their own suggestions for water reduction 	 Provide information through websites and reports Communicate constantly with the local authorities Make donations to local and international causes and projects Encourage Guest and Team Members to donate Terminate partnerships where human rights violations or child labor is discovered Hire people regardless any personal characteristics Training programs for team members 	 Achieve Economic Sustainability by continual enhancements of efficiency and quality of work, as well as maximizing benefits for our stakeholders Seek constantly boosting competitiveness and demonstrating the key role of tourism in the Greek economy. 			
We will					
 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 	 Guest Satisfaction Surveys Continue the partnership with the Children's Smile Encourage more internal promotions Update and enrich the already existing handbooks (Pre-Arrival, Initial Training and Care) 	 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. 			







04

ENVIRONMENTAL DIMENSION

In 1992, Grecotel became the first Mediterranean hotel group to undertake eco-audits 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.

Meli 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 Meli 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 community's. procedures.

developing Environmental Management Bv hotel defines procedures, the all the environmental aspects of its operations and has established policies that aim to reduce, minimize and manage its environmental impact, continuously improve its environmental results. Grecotel's performance and 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 (personnel, 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

- Malia Minoan Palace, Crete
- Dikteon Cave, Psychro, 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, Eco-cultural 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 N.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 **ecological 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 Rethymnon. 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 **AgrecoFarms** (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. A 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 deer, wild goats (kri-kri), rabbits, quails, partridges, pigeons, peacocks, ostriches, donkeys, turkeys, sheep, cows, chickens etc.). Daily May to November.

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 spectacular 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 Saving measures

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, ceiling fans

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

- Use high-efficiency equipment when replacing old equipment (including in kitchens, offices, laundries, etc.)
- Electric magnetic keycards for the automatic interruption of lighting and electrical appliances (except refrigerator)

Training - Awareness

- Training to 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, housekeepers should:
- Turn off all appliances such as TVs
- Allow natural sunlight in
- Turn off the air conditioning, or adjust to a reasonable temperature.

Promote Customers Participation

To reduce energy consumption and succeed the energy goals, customers are informed about hotel actions and they are welcome to participate. Notices with ways to help the hotel succeed its energy goals are left inside the rooms.

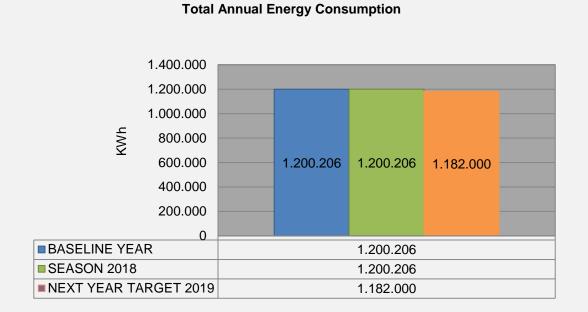
- Please switch lights off when not in use
- Please close all windows and doors when heating or air-conditioning is on
- It is our policy to change linen every 3 days. Should you wish for your linen to be changed more frequently, please let us know by placing this card on the pillow.

Promote Employees Participation

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

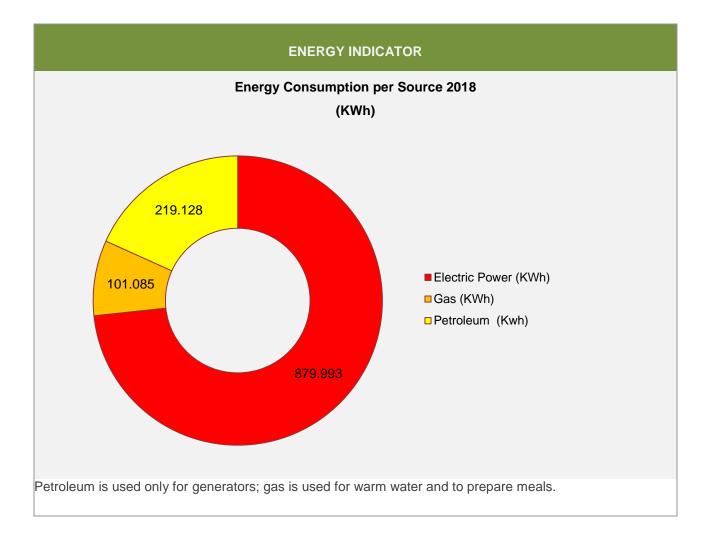


ENERGY INDICATOR

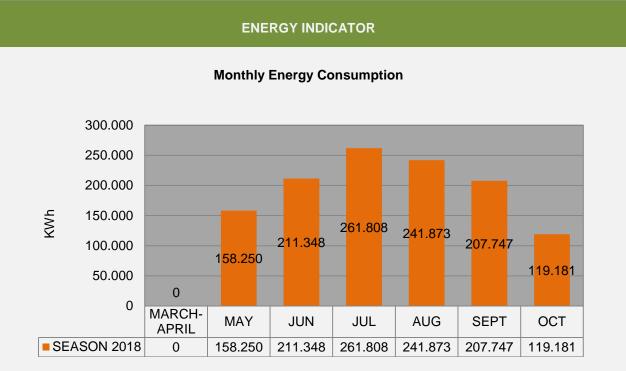


Annual Energy consumption per Guest Day

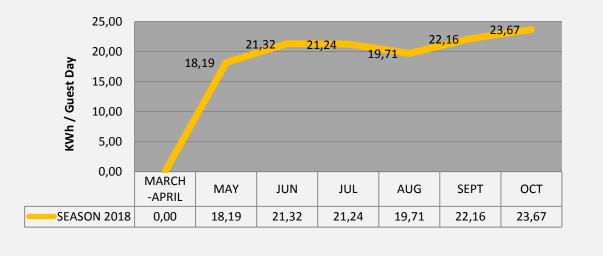


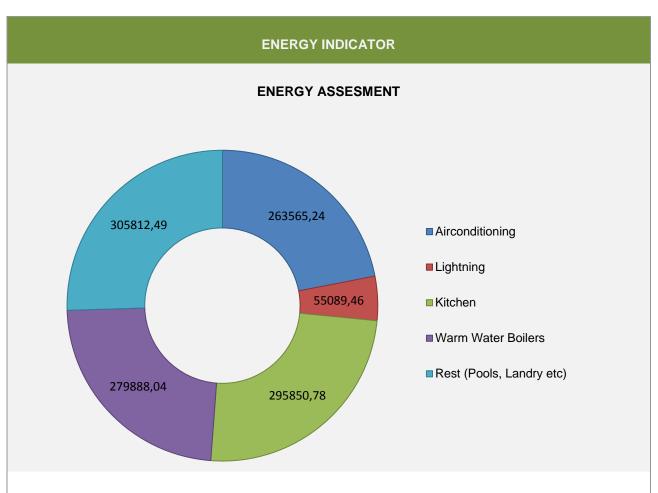






Monthly Energy Consumption per Guest Day





The energy consumption sources in the hotel are:

- 21,96% cooling rooms
- 4,59% lighting
- 23,32% hot water use and other energy consuming activities by guests
- 24,65% preparing meals
- 25,48% swimming pool and other

The relative importance of the different energy end-uses is described as follows: Preparing meals is the largest single end-user of energy in the hotel, accounting for approximately 25% of the total consumption. Hot water usage is the second largest user, accounting for up to 23% of the total energy demand. Only less than 5% is used for lighting (LED).



WATER

Water scarcity is a recognized a global problem, with demand for water projected to exceed supply by 20% 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 cost-effectiveness 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 washing machine only with 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

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

Meli Palace hotel is located on an area of approximately 24 acres, of which 67% are occupied by gardens, i.e. 25% natural lawn and 17% flowering plants and various trees.

To cover the hotel's gardening needs in the hotel, stalled pipes and pop ups with mp rotators are used.

The hotel is divided into 2 zones with 15 different programs. Start times are different, with the first starting at midnight and last stopping at 4:50 before dawn. Starting time varies regularly depending on differences in external conditions (temperature, air and sunshine)

For Gardening purposes Irrigation water is used

Kitchens

- Taps in kitchens 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 use.
- 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 placed 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 and install



water saving shower heads.

- Check faucets and pipes for leaks regularly. A small drip from a worn faucet washer can waste many Litters of water daily
- Check the water flow in every tap. Make sure it's not too high. If you install flow restrictors, can save approximately half of the water you use.

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 staff feel invested in and responsible for reaching efficiency goals help maximize the impact of efforts.

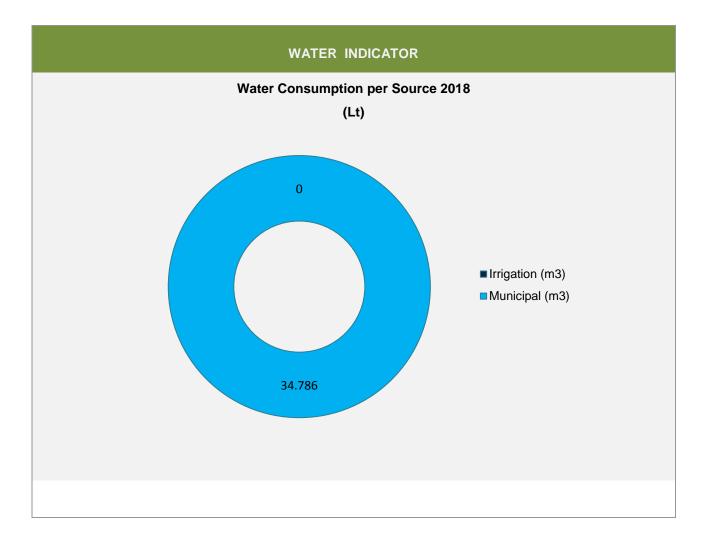
Promote Employees Participation / Awareness

Strategies to improve water savings will require staff participation to be successful. We have

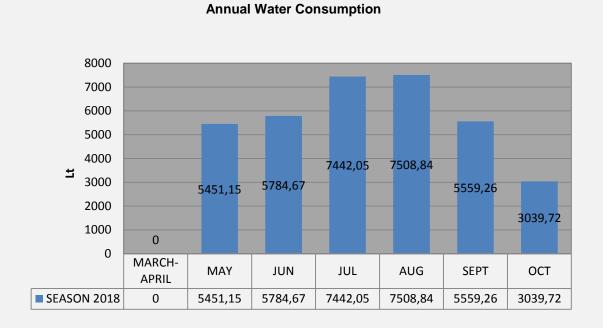


Calculating the water used per guest per night by dividing the total water consumed in guest rooms by the number of guests for that month gives a clearer image regarding the real consumption of the hotel. The total consumption has been decreasing the last years.

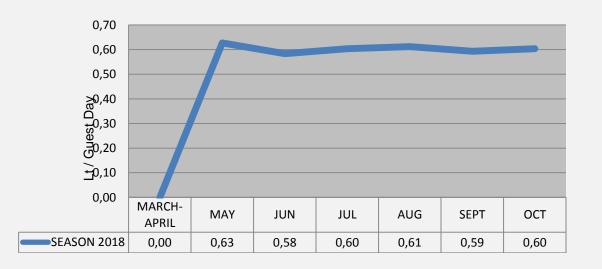




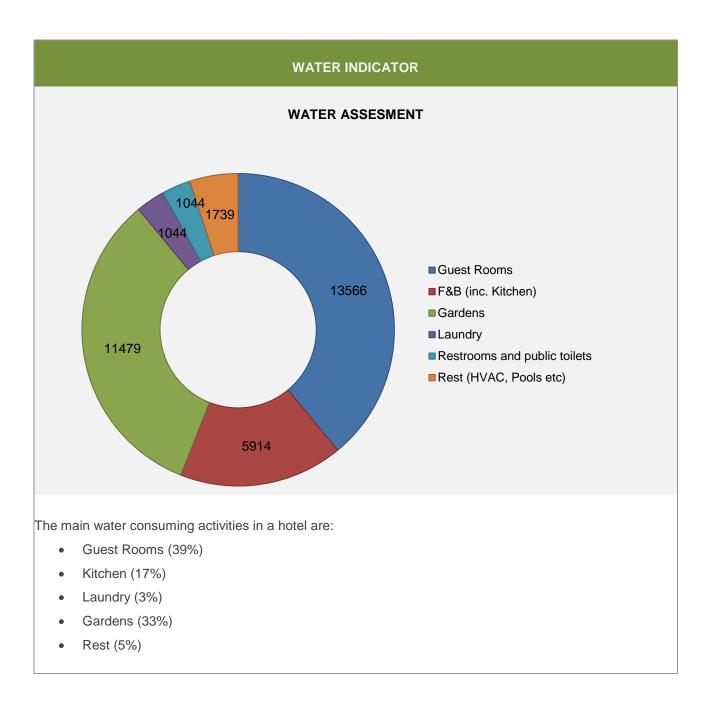
WATER INDICATOR



Monthly Water Consumption per Guest Day







WASTE - RECYCLING

In Meli Palace we understand the importance of waste management and its effect on the environment. We are committed to minimizing waste production by employing 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 to as little as possible. Some waste is unavoidable, but we can still make a positive difference to the environment. 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, batteries, cartridges

WASTE MANAGEMENT MEASURES

- Meli Palace has its own wastewater treatment plant. The treated water is used for irrigation.
- Recycle glass, plastic, papers, lamps, electrical devices
- 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
- 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 and the ISO 22000 food and hygiene safety 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 resources 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: keep saving our environment by always using the recycle bins



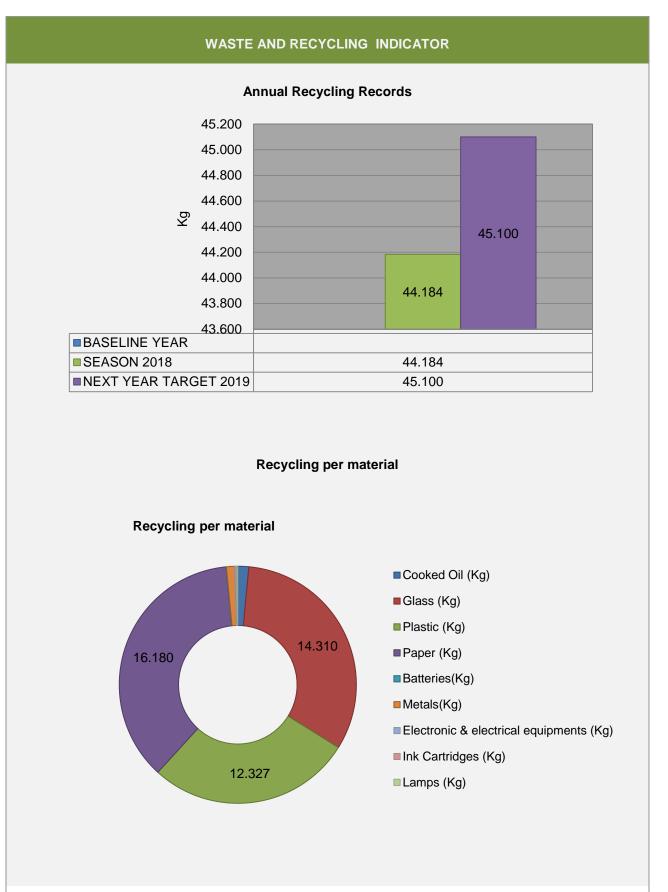
Promote Employees Participation

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.



We recycle: paper (16.180kg), plastic (12.327kg), glass (14.310kg), batteries (30kg), electronic equipment (100kg), used cooking oil (660kg), ink cartridges (17kg), metals (510kg).



HAZARDOUS SUBSTANCES USAGE

Meli Palace keeps a list of all hazardous substances used (e.g. chemicals, hazardous materials, light bulbs, batteries, ink / toner cartridges etc.)

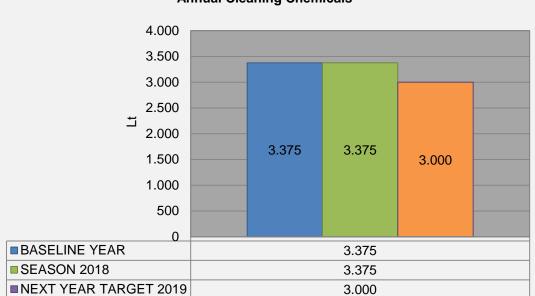
All hazardous substances are used safely according to the manufacturer instructions and are stored safely, in line with national and international standards.

Chemical are dispose safely, in line with national and international standards and collected by a fully licensed contractor

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

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CHEMICAL USE INDICATOR



Annual Cleaning Chemicals

Annual chemical used in swimming pools





ENVIROMENTAL DIMENSION			
ENERGY	WATER	WASTE - RECYCLING	CHEMICALS
Environmental Programs and Goals			
TOTAL ENERGY CONSUMPTION (ELECTRIC, GAS, PETROLEUM) Reduction in consumption by 2%	TOTAL WATER CONSUMPTION (IRRIGATION AND MUNICIPAL) Reduction in consumption by 2%	Warehouse for storage of hazardous solid waste and training of personnel.	CLEANING CHEMICALS Stabilization of consumption
Overview of energy saving methods	Overview of energy saving methods	Start recycling used soap.	SWIMMING POOL CHEMICAL Stabilization of consumption
Cleaning of lamps and fixtures	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 walking to nearby village and surrounding areas	Research on alternative, more environmental friendly Chemicals
Training to all employees regarding energy efficient actions in their departments	Gradual replacement of old washing Machines with more efficient new models	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.	Research on reuse of packaging parts such as bottle caps / soap dispensers	
Gradually increase the use of energy-saving lamps in common areas (indoor public areas, lobby, restaurants, outdoor public spaces).	Training to all employees	Re-check the ability to create compost from organic kitchen, garden, beach.	
Send Environmental Questionnaire to all suppliers.		Send Environmental Questionnaire to all suppliers.	
		Training to all employees	







05

SOCIAL DIMENSION

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

We regard direct or indirect discrimination, victimization and harassment as a serious matter. Employees who fail to comply with this policy will be subject to the Company's disciplinary procedure. All breaches of this policy will be regarded as serious disciplinary matters and will, if there has been victimization, intentional discrimination or deliberate harassment 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's 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 of 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, Dinner
- Separate closets and staff toilets

- We provide opportunities to develop new skills, e.g. languages courses, winology, 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, 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

Meli 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, Travel life, Grecotel safety team.

During 2018, there were 4 cases of guest's injuries and one case of illness. Our main goal for 2019 is to minimize to zero all these incidents. We also complete the construction of our health and safety handbook that became a general prototype in Grecotel hotels and resort

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. Meli 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 Meli Palace everyone is equal. Any illegal discrimination based on factors such as race, color, creed, national origin, gender, age, disability or handicap, including illegal harassment, is strictly prohibited.

A separate harassment policy is included in this handbook.

Meli Palace employed 101 employees in 2018. This number is divided almost equally to male (48) and female (53). The majority of employees, 66 are from Crete, 35 persons are from foreign countries.



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

Meli 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" "THE SMILE OF THE CHILD" 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 organization's main concern is defending children's rights, not just on paper but in practice as well, providing services to children on a 24hour, 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

Meli 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 on income and employment in the local community is multiplied, creating a vibrant local economy. The company applies a policy of preference for hiring locally. In 2018. approximately 90% of our associates at managerial level, including junior & middle management, were hired from the region of Crete. The local people can use the facilities of the promises 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 on offer.

We give priority to products from the local markets, provided that 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.

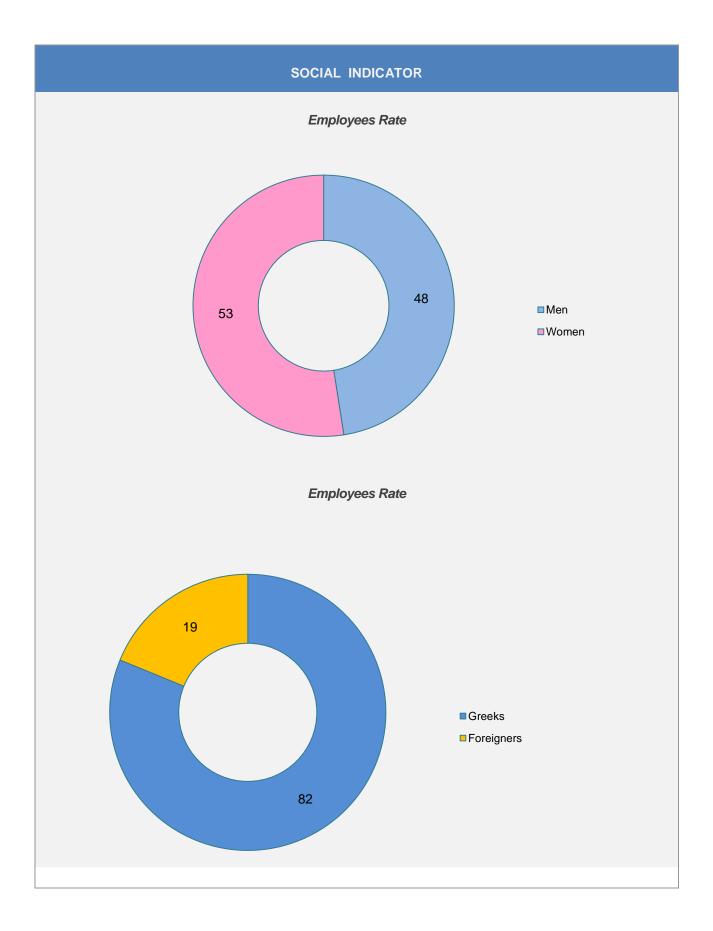
The use of materials containing substances dangerous to public health and the environment (such as organic solvents, asbestos, lead, polyurethane, etc.) should be avoided in the construction of buildings, manufacturing of furniture, insulation & decoration during renovations

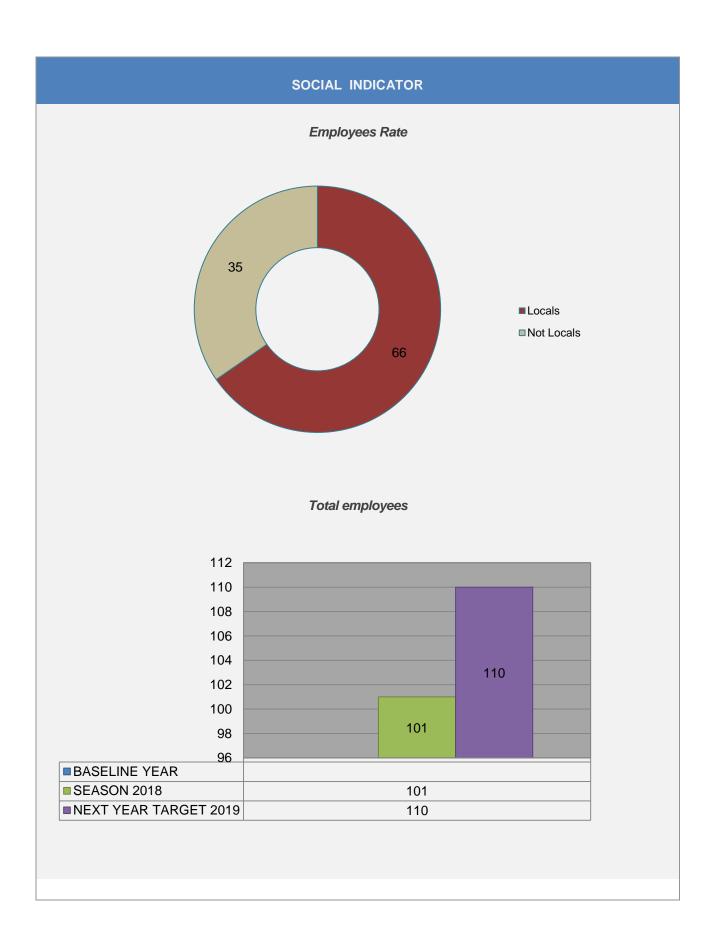
CLIENTS

Guest satisfaction

We believe that the satisfaction, security, safety and open dialogue with our clients is absolutely necessary and desirable. We believe that personal services, attention to detail, comfort and individuality as well as the genuine Cretan Hospitality are the hallmarks of our hotel.











ECONOMIC DIMENSION

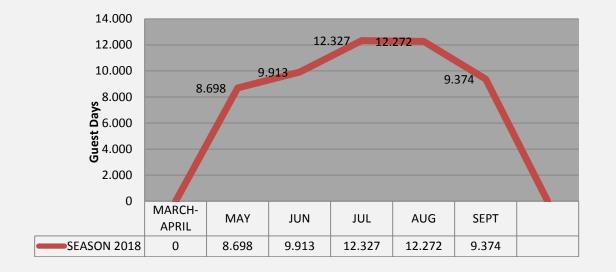
Economic dimension refers to the way in which the company organizes its position in the marketplace to actively develop its sustainable profile by using its economic stability and profitability for continuous improvement. Our long-standing commitment to responsible business helps to create opportunities 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.



ECONOMIC INDICATORS



2018 Guest Days per month



The majority of our guests in 2018 came from Europe (3.8% from Greece, 93.6% remaining European, 2.2% from Asia). There was an increase in guests from America and the rest of the World. The occupancy rate was 90% during the season. July and September reached almost 100% occupancy rate

