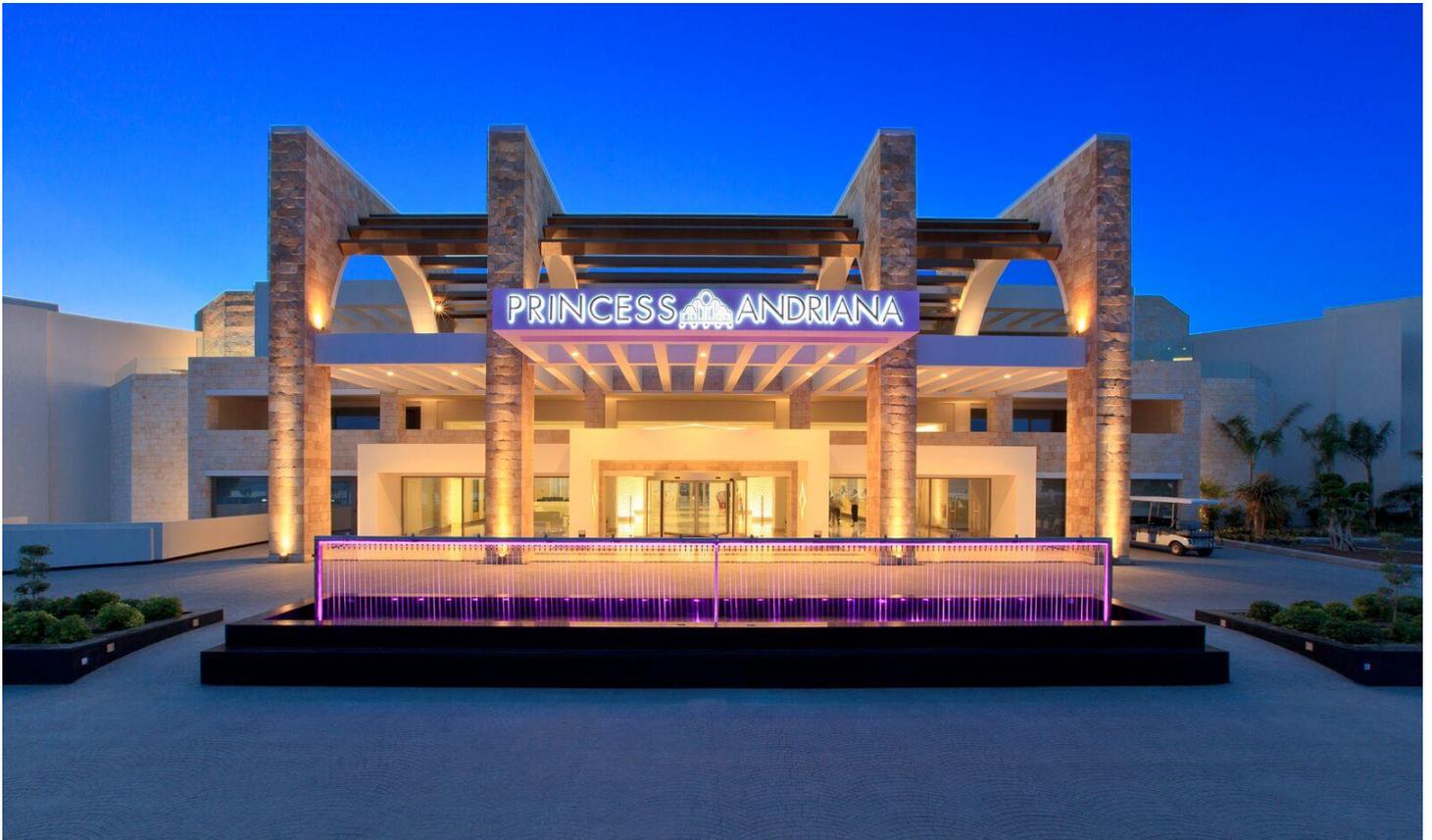




Princess Andriana Resort and SPA

Sustainability Report 2017



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1. Executive Summary

We are pleased to present you the first sustainability report of Princess Andriana Resort & SPA. The report includes data from 2016 and 2017 and aims to inform about the sustainability of the business and its achievements over the past two years.

People, the environment and society are important details and they define our entire business strategy. During these 2 years, we acquired quality awards, major environmental awards (Blue Flag, Travelife Gold, Tripadvisor Green Leaders Gold Award, etc.) and also really positive comments from our guests about our hotel's operation.

We manage every year:

- to reduce our operational environmental burden,
- to actively protect the human rights,
- to recycle more,
- to contribute to the social and cultural activities of Rhodes,
- to employ more people every year,
- to educate our employees, keep them safe and happy,
- to provide truly high level services.

Our aim is to maintain the high quality level we have already set and to strengthen it with more features that will approximate the ideal sustainability and growth. It is certain, that over the past two years, we have succeeded, together with our customers, our staff and the local community, to establish ourselves as a leading company in difficult business and sustainability areas. The following pages confirm the above position and also describe how we managed to become an example for other businesses that want to follow the same path as we do.

2. Princess Andriana Resort and SPA

2.1. Presentation

Princess Andriana Resort & Spa is one of the most advanced five-star All-inclusive Resort on Rhodes Island. Proudly overlooking Kiotari Beach, the five-star resort takes the all-inclusive concept to a sky-high level.

The Hatzilazarou Family built this luxury hotel with the aim to impress and offer guests an extraordinary all-inclusive experience for couples or family holidays. Every corner of this luxury hotel contains various creature comforts as well as a host of amenities. Every little detail in this all-inclusive hotel is carefully selected and reflected mostly in hotel's 391 rooms and suites. Surrounded by a charming Greek island landscape and a crystal-clear beach just a few steps away, offers to guest an outstanding mixture of pure nature and luxurious hospitality.

Princess Andriana Resort & SPA, also contains many Bars & Restaurants providing refreshing spirits and great gastronomic delights. The breath-taking state-of-the-art Spa offers refreshing and executive services to our guests. The animation team and mini club offer fun for adults and children alike all day. Whether the occasion is a family holiday, a romantic getaway, a special wedding or a friends' get together, Princess Andriana Resort & Spa provides the ideal combination of quality services to satisfy the demands of its guests, while enjoying their holidays.

2.2. Facilities

- ✓ Superior rooms, family rooms and suites with private or shared pool
- ✓ Private beach
- ✓ Free Wi-Fi in all areas
- ✓ Free parking
- ✓ Spa and wellness center with indoor pool
- ✓ Main restaurant, Snack Bar-Restaurant, Beach Restaurant-Bar and A la carte restaurant Bar
- ✓ Outdoor Pool and wellness
- ✓ Pool bar
- ✓ Hammam
- ✓ Hot tub/jacuzzi
- ✓ Massage rooms
- ✓ Fitness centre
- ✓ Activities
- ✓ Evening entertainment
- ✓ Kids' club
- ✓ Water sport facilities (on site with additional charge)
- ✓ Entertainment staff
- ✓ Mini golf
- ✓ Bicycle rental (with additional charge)
- ✓ Darts
- ✓ Windsurfing Off-site (with additional charge)
- ✓ Table tennis
- ✓ Billiards
- ✓ Children's playground
- ✓ Games room
- ✓ Tennis court
- ✓ Reception services
- ✓ Luggage storage
- ✓ Tour desk
- ✓ Currency exchange
- ✓ 24-hour front desk
- ✓ Daily maid service
- ✓ Ironing service (with additional charge)
- ✓ Dry cleaning (with additional charge)
- ✓ Laundry (with additional charge)
- ✓ Business centre
- ✓ Meeting/banquet facilities
- ✓ Mini-market on site
- ✓ Shared lounge/TV area
- ✓ Shops
- ✓ Car hire
- ✓ Gift shop
- ✓ VIP room facilities
- ✓ Family rooms
- ✓ Barber/beauty shop
- ✓ Room service

2.3. Awards and certifications



3. Employment, social facts and local community support

Hotel's policy is to conduct business in a manner which ensures:

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

Princess Andriana Resort & SPA is committed in providing equal opportunities to all employees and job applicants. It aims to ensure that 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. Furthermore, there is 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. Human resources department will also take all reasonably practical steps to ensure the smooth integration of disabled employees in the work team. Enterprise also do not employ children in any way.

All employees are responsible for complying with this 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.

Princess Andriana Resort and SPA regards 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 is victimization, intentional discrimination or deliberate harassment be regarded as potential gross misconduct leading to summary dismissal.

Princess Andriana Resort and SPA 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 enterprise's equal opportunity policy and monitors the effects and the application of this policy across all departments.

Additionally:

- Company follows a clear Health & Safety policy.
- All employees have access to the hotel's doctor.
- Free accommodation is offered to employees if requested.
- Free breakfast, lunch and dinner is offered to all our employees.
- Continual employee development is provided (e.g. language courses, professional development courses, First Aid courses, etc.).
- All our employees are fully insured and have a legal contract according to Greek legislation.

Employees' statistics and facts

2016: 231 employees

2017: 252 employees

Princess Andriana Resort & SPA invests every year in young people from Greek tourism schools and also in people living in Southern Rhodes. The enterprise is recognized for exemplary practices in corporate practice and responsibility, giving the opportunity to students and young people to succeed as professionals in the hospitality industry.

The 70% of hotel's staff, are people living local or at near communities. However, every season the company puts an effort to retain the same staff, the biggest part of which, work at our hotels for five years or over. Our target for 2017 summer season is to keep this percentage at same level.

All our employees are adults and insured, as our hotel follows the Greek law of workers' rights. Furthermore, our hotel organizes every year educational programs in order to raise the level of staff's expertise in all departments.

Local Community and Tradition

Princess Andriana Resort & SPA is determined and takes specific action, in order to positively contribute to the protection and preservation of cultural heritage, social coherence and economic florescence of its properties' surroundings.

Once a week, the local entertainment program of our hotel includes traditional Greek night. All of our guests are informed daily for traditional events which take place around the area and they are also encouraged to visit the nearest Rhodian villages. In this way, the enterprise promotes local culture and our traditional customs supporting in the meantime local businesses and the potential financial growth of the area.

The hotel also demonstrates the richness and gastronomic diversity of the traditional Greek cuisine, offering high quality food based on traditional recipes.

At this point must be mentioned, that the majority of company's suppliers are local enterprises. Princess Andriana Resort & SPA cooperates many years now

with local businesses, helping them to grow by keeping together a large part of the incoming wealth within the island.

H Hotels Collection keep a close cooperation with the local community and local organizations. Group's chairman and most members of the B.o.D originate from Asklipio (a village near to Kiotari area) and their philosophy is to upgrade southern Rhodes and also to assist in developing local economy by expanding and extending the incoming tourism. The aim of constantly increasing tourism, brings significant investments in the region and new hotels, while offering employment opportunities to even more residents of southern Rhodes. The employment of as many locals as possible, is also a feature of the group in addition to its ongoing investment policy in the tourism industry and has made H Hotels Collection to stand out from other groups or businesses. The enterprise also contributes materially or economically to actions or events of clubs and local communities in Southern Rhodes as it considers it extremely important to preserve the cultural identity and customs of the area.

Human-centered interventions

People, employees and our customers are important social constants for the group. During the summer season, all hotel staff, in line with the recycling philosophy, gathers the lids of the plastic bottles so that after the concentration of a certain volume, they are exchanged for a wheelchair. In addition, staff are attending first aid seminars every year to ensure that each member of the group is able to give first aid to someone in need either during work or outside hours. Furthermore, charitable initiatives, social interventions, sponsorships and informative actions are often carried out in cooperation with local services. For example, each year the group organizes meals in a nursing home, donates bed linen to institutions and regional clinics, and in general declares present on important issues that concern the local community.

4. Sustainability and environmental facts

Princess Andriana Resort & SPA, commits to protect the environment, prevent pollution, continuously improve its environmental performance and advocate environmentally sustainable business practices by actively implementing the following actions within the field of hotel services:

- Compliance with an Environmental Management System according to the ISO 14001: 2004 standard for the prevention of environmental pollution, management and continuous improvement of the environmental management system.
- Monitoring and complying with all applicable environmental laws (at European and National level), statutes, regulations and any other requirements (e.g. set by clients, relevant bodies) regarding the environmental aspects of the supplied services and operations.
- Setting environmental objectives and targets according to the identification and categorization of the hotel's environmental impacts
- Monitoring, controlling and measuring the established environmental objectives and targets.
- Raising awareness among the employees involved in the Environmental Management System.
- Applying environmental education programs and communicating hotel's environmental philosophy to all personnel, collaborators, suppliers and the public.
- Conserving natural resources and protecting the natural habitat through the responsible use of energy, water and materials, while maintaining a high quality of service.
- Reducing gaseous emissions, water consumption, energy usage, solid and liquid waste.

Energy and water consumptions

At Princess Andriana Resort & SPA energy and water consumptions are daily recorded, in order to keep the total Kwh consumptions and water lit consumptions to the lowest possible level. However, the lowest possible consumptions do not affect the overall quality of services.

Waste production and recycling

The waste production and management is one of the most important environment protection procedures followed, during the operation of Princess Andriana Resort & SPA. Staff members are continuously educated in following group's environmental policies, waste minimization and recycling. Furthermore, recycling bins located at all of the common areas of our hotel and the guests encouraged to recycle their waste.

Use of chemicals

The hotel uses specialized chemicals, in the maintenance, housekeeping and food departments. The above departments have specific chemical handling instructions to ensure the health of staff and the use of the correct amount of chemicals at a time. Also, the instructions include the necessary actions that the company should take in the event of leakage to the environment or inappropriate use by staff. The company's priority is to supply chemicals as environmentally friendly as possible and to minimize the impact of its daily operation. At the same time, there is a continuous control of the consumptions in Princess Andriana Resort & SPA, in order to operate with the minimum possible use of chemicals according to the Greek legislation.

Flora and fauna protection

The company protects the adjacent coast in order to be safe and clean at all times. Additionally, maintaining the balance of the flora and fauna of the area is an important priority for the enterprise. Therefore, visitors are informed during their check-in and encouraged to do the same, as long as they remain at hotel's facilities.

5. Our actions and results

Water saving measures

1. Automatic watering system in gardens.
2. Perform watering in hours saving the maximum amount of water due to reduced evaporation.
3. Dual-choice cisterns in all the toilets.
4. Water saving filters.
5. Special cleaning policy for guests' towels. Housekeepers replace room's towels only if they find them in the bathtub or on the floor. A guest can contribute realistically in water saving by keeping for one or more days the same towels.
6. Water efficient filters and mixing taps in all bathrooms
7. Low flow in bath faucets
8. Existence of automatic taps in common areas.

Energy saving measures

1. The lighting system in rooms is activated only by using the special key card.
2. Automatic deactivation of the air conditioning system when there is an open balcony door.
3. The lights into corridors are activated via movement sensors only when someone passes by.
4. Attempt for continuous supply of energy class A + equipment
5. Performing linoleum cleaning using LPG machines in order to maximize energy savings.
6. Usage of thermal insulations and shading components (tents, umbrellas, reeds) for increasing natural cooling.
7. Usage of energy-saving lamps.
8. VRV air conditioning system

Recycling measures

1. Collection of used oil and fats.
2. Recycle bins are available to all of our public areas for our guests for recycling paper, plastic and glass.
3. Reuse of paper and offices' consumables when it's applicable.
4. Orders in bulk where is possible.
5. Support of local public transportation means
6. Efforts on minimization of daily waste.

Chemical management measures

1. Usage of automatic chemical dispensers in housekeeping, food production and laundry departments.
2. Automatic chlorination of all swimming pools
3. Minimum use of chemicals in gardens and housekeeping department.
4. Monthly monitoring of chemicals given in every department.

Flora and fauna protection measures

1. Daily cleaning and garbage collection from the beach.
2. Annual beach cleaning along with hotel guests during the "Environmental Day".
3. Regular laboratory testing of sea water.
4. Informing customers about the local fauna and the importance of protecting it.
5. Prohibition of fishing and hunting in the hotel's wider area of responsibility.
6. Ozone friendly fridges and equipment

Environmental results*

2016				
Sources	Total Consumption	Overnight stays	Consumption per day ratio	Consumption per stay ratio
Electricity (kWh)	3.923.281	191.559	21.324,97	20,54
Gas (L)	249.950		1.359,12	1,31
Water (m ³)	103.433		527,75	0,54
Waste (m ³)	1.710		10,20	0,06

2017				
Sources	Total Consumption	Overnight stays	Consumption per day ratio	Consumption per stay ratio
Electricity (kWh)	4.264.112	225.294	20.353,24	18,90
Gas (L)	250.260		1.367,59	1,11
Water (m ³)	125.809,4		683,39	0,56
Waste (m ³)	1.860		10,05	0,05

Recycling*							
Material	Quantity (Kg) 2016	Overnight stays 2016	Quantity per stay ratio	Quantity (Kg) 2017	Overnight stays 2017	Quantity per stay ratio	Difference
Frying oil	768	191.559	0,004	1.568	225.294	0,007	+75%
Glass	8.700		0,045	11.100		0,049	+8,89%
Plastic	110		0,001	340		0,002	+100%
Paper	15.810		0,083	34.890		0,155	+86,75%
Batteries	22		0,00012	35		0,00015	+25%

***Every year, consumptions decrease and the percentage of recycled material is increasing, as can be seen above.**

6. Our Future plans and commitments

For our guests

The criticism of our visitors is our business's mirror. We commit to one more environmental action that our guests can take part in. In addition, we look forward to enhancing the enjoyment of their holidays by providing even better services in a safe, attractive and special environment that will bring more satisfaction to them and more revenue to our business.

For our employees

Our people are the alpha and omega of our business. Their daily smile and their level of expertise make us differ from other companies in the industry. We commit to providing two more environmental seminars and training seminars per department to better understand the importance of sustainability of our business. In addition, we will maintain a high level of protection of their human rights, fair and equal treatment, their right to knowledge, and finally, we will encourage them to recycle and save water and energy in their daily life.

For the society

Our business is committed to supporting the local community as well as people in need with even greater intensity. The company's immediate future plans include organizing voluntary blood donation, donating food and equipment to animal welfare associations and also organizing excursions for children containing environmental activities. Additionally, H Hotels Collection group will continue to be a sponsor of the local basketball team and a supporter of even more cultural events. At the same time, the group will make available to the local community the sustainability report of its hotels, welcoming all forms of dialogue between the parties involved.

For the environment

Protection of the environment is not simply an obligation for us. It's a philosophy of operation. The entire operation of the hotel is organized around the maximum possible energy and resource savings, factors that maintain the sustainability of the business. We are committed to further reduce (-3%) the environmental burden from the operation of Princess Andriana Resort & SPA next year, to further sensitize our visitors and suppliers on environmental issues and to create a specialized environmental plan. Last but not least, Princess Andriana Resort & SPA will organize more environmental actions, interventions and events in order to translate into practice the philosophy of environmental protection and resource saving.

