

Company ARENA HOSPITALITY GROUP being a part of a big PPHE Hotel Group family joins to the Group's efforts to be responsible doing the business, through inspiring the guests, creating centers of excellence, developing our people and being part of our communities.

Staying true to Group's Vision of 'Realizing our Growth Potential', we have committed to develop a responsible business strategy that creates a long-term sustainable responsible business model. Socially responsible business is the foundation of all strategic initiatives in the company, including systematic approach to environmental protection and the quality of the Adriatic Sea, sustainable development of destinations, employee development and training, local community investment and care for the our neighbors, as well as transparency and accountability of the company to its stakeholders, investors and shareholders.

Company with its subsidiaries is an international dynamic hospitality business with a portfolio of 26 owned, co-owned, leased and managed properties with approximately 10.000 rooms and accommodation units in Croatia, Germany and Hungary. Company operates in Croatia more than 40 years and today brand portfolio consists of Park Plaza, art'hotel, Arena Hotels & Apartments and Arena Campsites.

Our unique model differentiates our business both in terms of our owner/operator approach and the diversity of our operations from coastal hotels and self-catering holiday apartment complexes to city center hotels. Operating more than 40 years Company is the one of the leading hospitality company in Croatia.

Being aware of its complex role and huge responsibilities in the environment in which it operates, Arena Hospitality Group Management Board adopts the following

ENVIRONMENTAL MANAGEMENT POLICY

The Board undertakes to establish, manage and monitor all aspects of Company's operations in a professional and responsible manner in aim to lower negative impacts on the environment and to prevent environmental pollution.

Thus, the Board has set the following scopes and activities:

The Company will be focused on activities as follows:

- *reduce harmful effects on the environment using environmentally friendly materials,*
- *use energy and water more efficiently*
- *waste management in aim to reduce the amount of all kinds of waste and emissions*

The efficacy of the activities directed towards environment protection by fulfilling requirements prescribed in international norms and regulations, and the rules and regulations of the Republic of Croatia will be enforced by environmental management system trough:

- *Board of Directors undertaking to provide necessary organizational, professional and financial resources,*
- *Employment of the professional members of the technical team, who will continuously plans, executes controls and assesses all activities in order to improve environmental quality and reduce harmful effects on the environment.*

- *Employee education at all organizational levels which develops knowledge and awareness of the necessity for environmental protection and is a powerful tool for actual improvement and constant system upgrading.*
- *Transfer of our employees' knowledge and environmental management system requirements to our guests, suppliers and business partners. Company strives to reserve the right and set ourselves to monitor the validity of processes carried out by our outside suppliers, partners and guests.*
- *Technical team cooperation with the local and wider community and other interested parties, continuously working on securing the conditions for environmental protection at all locations.*

Reducing harmful effects on the environment using environmentally friendly materials

- *Suppliers, guests, tenants to decrease the use of the plastic package and all plastic utensils for one time use by encouraging them to use cardboard packages, wooden products for utensils and biodegradable materials.*
- *During investments, take in consideration use of the materials safe and healthy for the employees, guests and other stakeholders counting always on higher level of the environmental protection*
- *Promoting and controlling lower level of the plastic material use in our and others (tenants, suppliers, guests) operations and everyday life.*
- *Applying the most considerable way to prevent excessive lightening across the premises which will not necessarily compromise its benefits.*

Use energy and water more efficiently

- *Company are paying special attention to water protection, by using water rationally and advising our guests to do the same, with a controlled use of biodegradable detergents in hotels, apartments and camps and Central Laundry Plant.*
- *New investments to contain possibilities to use treated waste water,*
- *Preventing the pollution of the sea by connecting to the public sewage system and maintaining the own pump stations and sewage pipelines.*
- *Regular daily control of the water and energy consume trough evidence of the consume on the measurement spots across the Company, supply of the guest rooms with brochures that promote reasonable water and energy consume and its effect on environment pollution*

Waste management in aim to reduce the amount of all kinds of waste

- *On all locations of our properties organize separation of the waste in cooperation with the communities*

- *Organize Company's separate waste spot for reusable materials (plastic bottles, cardboard packages) in aim to sell them to special companies and to decrease the west disposal expenses*
- *Organize disposal of organic waste according legal requirements*
- *Organize grease disposal according legal requirements*
- *Regular measurement of CO2 emissions according legal requirements*
- *Increasing the awareness how the reasonable waste management can directly increase the environmental protection (assessments, brochures for employees, guests, suppliers, tenants)*

Requirements listed in the ENVIRONMENTAL MANAGEMENT POLICY are in the same time responsibility and right of all our employees, whose personal efforts and awareness are a link in the chain of quality and successfulness of the efficient environmental practice.

Assessment instruments to measure **ENVIRONMENTAL MANAGEMENT POLICY** achievement

are in constant development, but the basic set of the indicators will be analyzed regularly and announced in the yearly business report as NON financial part of the report.

This policy is available on corporate web page, at corporate head office in Croatia, Germany and Hungary and at each property management office together with internal rules and procedures as accompanying documents of environmental protection policy enforcement.

Pula, 01/03/2019

MANAGEMENT BOARD

Reli Israel Gavriel Slonim, President



Milena Perković, member



Manuela Kraljević, member



Devansh Bakshi, member

