

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, sustainable development of destinations, employee development and training, local community investment and care for 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 adopts the following

SUSTAINABILITY POLICY

General

Arena Hospitality Group accepts that it must work to support the environmental sustainability of the Planet, at all levels of its operations – in its own practice, than as a participant in a communities Pula and Medulin, Berlin, Cologne, Nuremberg and Budapest practices, and as a participant in the Croatia, Germany and Hungary.

Arena Hospitality Group strives to minimize its impact on environment and maximize the effective use of the resources.

We strive to achieve this by increasing education, communication and awareness of our activities in accordance with this policy and promoting responsible environmental behavior amongst employees, guests, suppliers and stakeholders at all levels.

Arena Hospitality Group is committed to comply with applicable laws in all of its operations and across the countries in aim to minimize risks and impacts and develop systems to implement, measure, monitor, and improve excellent environmental protection practice, both, within its operations and within communities and countries of its activity.

Purpose

This Environmental Sustainability Policy aims to integrate a philosophy of sustainable development into all the Company's activities and to establish and promote efficient environmental practice.

Policy Statement

Arena Hospitality Group commits itself to constant decreasing its impact on our environment through:

- Having an environmentally sustainable aware culture, where responsibility is assigned and understood;
- Being an environmentally responsible neighbor in the communities and countries;
- Preserving natural resources by savings, reusing and recycling;
- Using, in our own operations, processes that do not adversely affect the environment;
- Ensuring the responsible use of energy and water throughout the properties ;
- Participating in efforts to improve environmental protection and understanding;
- Taking steps to improve environmental performance continually;
- Conducting audits, evaluations, and self-assessments of the implementation of this policy;
- Working with suppliers who promote sound environmental practices; and enhancing awareness among our employees, guests, suppliers and other stakeholders at all levels – educating and motivating them to act in an environmentally responsible manner.
- Providing a safe and healthful workplaces;

Responsibilities

The responsibility of the Management Board is to establish and maintain policies and procedures and to bring these procedures into effect through activities as follows:

- Company will develop guidelines for employees, guests, suppliers and users at all levels to adopt sound environmental work practices, and adequate training will be provided to ensure these practices are carried out.
- Company will act responsibly to correct incidents or conditions that endanger health, safety, or the environment. It will promptly report any such incidents to the relevant authorities, and inform affected parties as appropriate.
- Company will use reasonable endeavour to reuse and recycle materials, purchase recycled materials, and use recyclable packaging and other materials.
- Company will use all reasonable endeavour to that its services and products are safe, efficient in their use of energy, protective of the environment, and able to be reused, recycled or disposed of safely.
- Company will use all reasonable endeavour to, minimize materials and energy use, prevent air, water, and other pollution, and dispose of waste safely and responsibly.
- Company will use all reasonable endeavour to conserve energy by improving energy efficiency and giving preference to renewable over non-renewable energy sources when feasible.

- Company will, use reasonable endeavour to, utilise its particular knowledge and experience to contribute to environmentally sustainable techniques, technology, knowledge and methods.
- Company will use all reasonable endeavour to contribute to the maintenance and increase of biodiversity through its management of its landholdings.
- Company will use all reasonable endeavour to meet or exceed all applicable government requirements and voluntary requirements generally observed in its field, and will, in addition, adhere to the more stringent requirements of its own environmental policy.
- In order to continually improve its environmental management system Company will use reasonable endeavour to conduct audits and self-assessments of its compliance with this policy.
- Company will maintain an open dialogue with employees, guests, suppliers, stakeholders at all levels, about the environmental, health and safety performance of its operations and services and its development projects and the public
- Company will public the performance of the Policy at least once a year
- Company will use reasonable endeavour to ensure that every employee, guest, supplier and stakeholders at all levels is informed of and expected to follow this policy and to report any environmental, health, or safety concern to management so that prompt action may be taken.

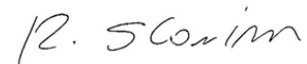
Requirements listed in the Sustainability Policy are in the same time responsibility and right of all our employees, whose personal efforts and awareness are a crucial element of quality and successfulness of the efficient environmental practice.

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 sustainability policy enforcement.

Pula, 01/03/2019

MANAGEMENT BOARD

Reli Israel Gavriel Slonim, President



Milena Perković, member



Manuela Kraljević, member



Devansh Bakshi, member

