

SUSTAINABILITY REPORT – BELVEDERE RESORT - 2021

THIS REPORT IS THE PROPERTY OF MAISTRA d.d. AND MAY NOT BE REPRODUCED OR COPIED WITHOUT THE MANAGEMENT BOARD'S PERMISSION.

COMPANY HISTORY

MAISTRA d.d., a member of the Adris Group, is one of the leading hotel companies in Rovinj, Vrsar, Dubrovnik, and Zagreb.



MAISTRA
HOSPITALITY
GROUP



Maistra d.d. was formed as a new company following a merger between two companies in the tourism business, namely Jadran-turist Rovinj d.d. and Anita d.d. Vrsar in March 2005, inheriting over 50 years of experience in tourism.

Maistra's commitment to implementing the requirements it has set for itself is reaffirmed through the application of policies, namely:

- Quality Policy
- Sustainability Policy
- Labour Standards and Human Rights Policy
- Child Protection Policy
- Occupational Health and Safety Policy
- Community Policy, and
- Environmental Protection Policy.

Furthermore, during the COVID-19 pandemic, an authorised certification body certified and supervised the ISO 9001:2015 and ISO 14001:2015 standards systems as an integrated quality management system, as well as HACCP.

Everything prescribed is implemented in and applies to all Maistra properties,

including BELVEDERE RESORT.

QUALITY POLICY AND SUSTAINABILITY POLICY

The primary goal is for guests to leave with a memory of an unforgettable stay in Maistra's properties, with the aim of maximising the number of returning guests while attracting new guests, when

- we know that the guest is at the centre of all our activities and we are all at their service
- we must understand and be able to fulfil our guests' wishes
- we must treat our guests with respect.

Measuring the quality of products and services is monitored through

- objections, complaints and grievances
- worker suggestions
- TrustYou website
- and internal and external audits.

The Management Board of the Company has also defined a **Sustainability Policy**, which aims to integrate the philosophy of sustainable development into all activities of the organisation and to establish and promote examples of sound practices in our business, as it undertakes to facilitate the reduction of negative effects on the environment by:

- providing a safe and healthy workplace
- applying a Sustainability Policy with clear and defined responsibilities
- taking into account the needs of the community
- conserving natural resources through reuse and recycling
- relying on processes with no adverse effect on the environment
- ensuring responsible use of energy throughout the organisation
- participating in efforts aimed at advancing environmental protection and its understanding
- continuously taking steps to improve the state of the environment
- conducting a rigorous audit, evaluation and self-assessment of the implementation of this Policy
- working with suppliers that implement the same Sustainability Policy
- raising awareness among our workers, guests, suppliers, and customers at all levels – by educating and motivating them in an environmentally responsible way.

LABOUR STANDARDS, HUMAN RIGHTS, AND CHILD PROTECTION POLICY

The company is committed to respecting international human rights within its own sphere of influence and to ensure that no human rights violations occur in any way.

In day-to-day operations, the applicable regulations of the Republic of Croatia and the European Union are applied, where all workers and contractors are respected, with the aim of achieving worker satisfaction and realising their personal ambitions through the possibility of promotion at work and active participation in the growth and development of Maistra d.d.

We do not tolerate any form of discrimination in the workplace, and we do not endorse any

form of behaviour which violates human dignity, both in work and business relationships, and beyond.

The company is committed to upholding freedom of association and to truly recognise the right to bargain collectively by abolishing all forms of forced labour, abolishing child labour, and ending discrimination in employment and in the choice of occupation.

The rights of workers to join worker associations (trade unions) as well as the right to withdraw from worker associations are respected. The Collective Agreement for all workers has been signed as a basic instrument guaranteeing workers' rights which even exceed legal requirements. Collective bargaining is conducted annually, defining the minimum wage and working conditions.

Commissioners for the protection of worker dignity have been appointed for each violation of worker dignity.

Every worker has the right, i.e. it is their obligation, to propose improvements in work procedures or in relation to working conditions.

The prescribed guidelines for worker training, planning, and monitoring the work of each worker are implemented, as well as evaluation and remuneration, which depend solely on worker performance and adherence to Maistra's values.

Maistra MAIbook, a comprehensive Employee Handbook has also been developed as a guide through Maistra's company history, vision, codes of conduct, and professional and personal development opportunities, including the company's Director welcoming all new workers.

A satisfied worker is an essential link to a satisfied guest.

Assessment of worker satisfaction is extremely important for Maistra and is conducted once a year. It is conducted online, through an anonymous survey and covers questions related to management, attitudes towards work and guests, working conditions and pay, work organisation, and attitude towards the company. The analysis of the survey shows that customer focus scores the highest, while the Salary/Benefits section has the highest potential for improvement.

Training in safe work practices was carried out. All workers who handle food and food items as part of their job have a working knowledge of food safety and personal hygiene (hygiene minimum), have valid sanitary booklets, and have completed HACCP training.

All workers working in jobs with special working conditions – maintenance of properties, horticultural workers, etc., depending on the type of work they perform under the employment contract, must be professionally trained and have certificates of medical fitness.

OCCUPATIONAL HEALTH AND SAFETY POLICY

Maistra is committed to monitoring and managing all aspects of its processes and services professionally and responsibly, minimising risks in the workplace, including the risks of COVID-19 breakouts.

By encouraging development and implementing modern business processes and through general business operations with the aim of reducing risks in the workplace, all workers develop an awareness of the constant need to improve health and safety at work.

Rules have been set as follows:

- to introduce new technology and environmentally friendly materials and substitute substances that directly or indirectly affect human health and safety;
- to keep track of processes and activities which may have a negative impact on the health and safety of employees and guests, and change them if necessary;
- to perform proper maintenance of work equipment and regularly check its safety;
- to monitor, implement, and comply with the legislation of the Republic of Croatia and international legislation;
- to develop a culture of prevention and improvement of occupational health and safety.

Our goal is to ensure safe and healthy workplaces that contribute to workers' welfare, an increase in productivity, competitiveness, and economic development.

We are open to all positive suggestions that can improve our business policy, and we are committed to utilising our knowledge and experience in the entire Adris Group which we are a part of.

Maistra appoints workers as the employer's authorised representatives for occupational safety, who are given the authority to introduce measures to ensure the implementation of the Occupational Health and Safety Act. Also, a workers' commissioner is selected to act in the best interest of workers in the field of occupational safety and monitor the application of regulations and safety measures.

All workers must carry out fire protection procedures in accordance with applicable regulations. Maistra has appointed the property directors as the persons responsible for fire protection, and at the Company level, a Service for Occupational Safety and Fire Protection has been established. Fire protection drills are conducted separately in each property.

As part of the company's Safety Training, seasonal workers are also trained on the responsibility and manner of waste disposal.

Workers who work with hazardous chemicals have completed a toxicology course conducted by the Croatian Institute for Toxicology and Antidoping (CITA).

Labour and human rights - Belvedere resort
Non discrimination policy 2021:

Belvedere			46	50	96
Belvedere			46	50	96
Rbr	Sifra	Ljestvica	Male	Female	Total
1		1-18	5	2	7
2		19-24	12	11	23
3		25-29	8	14	22
4		30-34	6	2	8
5		35-39	5	1	6
6		40-44	2	2	4
7		45-49	2	4	6
8		50-54	2	6	8
9		55-59	2	6	8
10		60-64	1	2	3
11		65-99	1	0	1

Sveukupno:	46	50	96
-------------------	-----------	-----------	-----------

COMMUNITY POLICY

Maistra is one of the leading tourism companies in Croatia and the principal company of its type in the local community and as such is a partner of various governmental and non-governmental organisations, involved in major cultural and social projects in Rovinj and Vrsar and sponsors most charity events, which also strengthens the connection with the local community.

As all charitable donations and sponsorships are coordinated at the corporate level, the main focus of all Maistra properties is education and development, as well as the use of local/regional products to strengthen and develop relationships with smaller suppliers and manufacturers to create a pool of future employees, managers, and companies with a vision of responsible and sustainable business practice.

To achieve better implementation of the requirements of the Community Policy, we have the support of all workers whose personal responsibility is an integral link in the quality and performance chain of the entire system.

ENVIRONMENTAL PROTECTION POLICY

Maistra is committed to monitoring and managing all aspects of its processes and services professionally and responsibly, minimising negative environmental impacts. By encouraging development and implementing modern business processes and through general business operations with the aim of reducing the harmful effects on the environment, all employees develop an awareness of the constant need for environmental protection.

Environmental resource management is part of Maistra's business strategy, and customer/guest satisfaction is the foundation of our business policy, with the strategic goal of not only maintaining the existing market position but also strengthening it to a greater degree.

We are determined in our implementation of environmental protection measures. We continuously monitor, improve, and take precautionary actions to prevent possible environmental pollution. For this reason, we have set the following rules:

- to introduce new environmentally friendly materials and substitute substances that directly or indirectly affect the environment;
- to use resources rationally: energy, water, fuel oil, gas;
- to control the waste produced;
- to monitor processes that may have an adverse effect on the environment and modify them as needed;
- to perform proper equipment maintenance; and
- to monitor, implement and comply with the legislation of the Republic of Croatia and international legislation through the requirements of users of our services.

An Environmental Team has been appointed and the Team Leader has responsibilities

and powers that include:

- ensuring that the System is implemented and maintained in accordance with the requirements of the Standard;
- reporting to the Director on the performance of the System, including needs for improvement;
- ensuring that the awareness of consumer demands is promoted throughout the organisation; and
- maintaining connections with external stakeholders on issues related to the Environmental Management System.

ENVIRONMENTAL OBJECTIVES

Maistra has set the following environmental objectives:

- protection of soil and water from pollution
- wastewater treatment before discharge into the sea
- discharge of wastewater into the public drainage system, maintenance of the wastewater drainage system and maintenance of the quality of kitchen wastewater
- maintaining the quality of swimming pool water
- proper collection and disposal of all types of waste
- reduction of energy consumption
- continuous education and promotion of the importance of environmental protection
- harmonisation of the condition of buildings with legal regulations, and
- procurement and maintenance of refrigeration devices using ozone-friendly substances.

Based on the set goals, programmes for implementation are drawn up, individually by property or jointly for all Maistra properties for each year, and for Belvedere Resort, the planned goals with costs are as follows:

- Installing charging stations for charging electric vehicles (2021) – HRK 30,264.50
- Replacing existing aerators with water-saving aerators and replacing pressure valves together with flow regulators on beach showers (2019) – covered by the costs of engineering materials
- Replacing ozone-depleting substances – retrofitting (2019) – HRK 44,172.00

The following goals which apply to all Maistra properties, including Belvedere, have also been set:

- *Training of seasonal workers*, where all new Belvedere employees are familiarised with the obligation of waste sorting in the course of onboarding – 40 employees in 2021.
- *Design of the system for the use of treated water* where the construction of the system enables the use of treated water for the green areas of Belvedere Resort
- *Replacement of plastic items* – also applies to Belvedere and the replacements made

- *The possibility of reducing the consumption of energy products in Maistra. For Belvedere, the following has been completed*
 - o *Replacement of the VRV unit (first row) in the amount of HRK 298,030.60*
 - o *Supply and installation of a heat pump in substation K and resolving automation in the amount of HRK 220,467.57*
- *Proper waste disposal – with the goal of increasing the amount of sorted waste*
Devices on the drainage system are monitored and cleaned as necessary. All wastewater connects to public sewerage systems, and where it was not possible to do so, a wastewater treatment plant was built. Part of the treated water is used to irrigate the green areas around the property.

The pool water is monitored daily, several times during the day, as is the equipment in the engine rooms of the pool, which ensures the safety and health of the users – bathers.

Refrigeration units with environmentally friendly refrigerants are being procured, and records are kept on the maintenance of the units.

Guests are encouraged to make rational use of electricity and water, as well as to properly sort waste.

One of the goals of environmental protection for several years has been to increase the amount of sorted and properly disposed waste by at least 5% compared to the previous year, which was regularly accomplished (except in 2020), and in 2021, more than 30 types of waste and about 2,603 tonnes were separated.

After smaller quantities in 2020 (due to COVID-19), in 2021, Belvedere Resort again recorded an increase in sorted waste, taking into account that the waste amounts increase during investments:

Year/waste	Amount of waste produced – in kg
2021	41,225 kg
2020	25,622 kg
2019	64,036 kg
2018	91,416 kg

The importance of reducing energy consumption (water, electricity, fuel oil, gas) is also of great importance, while maintaining the quality of service at a high level.

Energy consumption is monitored and reported per overnight for Maistra properties, not comparable to 2020 (COVID-19 and stricter measures), but to 2019, which is considered one of the more successful years.

Energy generating product / per overnight	2019	2020	2021
Electricity	11.70 kWh	17.20 kWh	12.67 kWh
EL fuel oil	0.19 l	0.16 l	0.12 l

Natural gas	2.89 kWh	4.57 kWh	3.43 kWh
Water	281 l	456 l	304 l

Consumption of energy products for Belvedere Resort:

Energy generating product / per overnight	2018	2019	2020	2021
Electricity	14.11 kWh	15.78 kWh	16.96 kWh	14.11 kWh
Liquid petroleum gas	1.74 kWh	1.92 kWh	2.30 kWh	1.74 kWh
Water	290 l	270 l	420 l	290 l

Target energy consumption per night in Belvedere resort in 2022 and 2023:

Energy generating product / per overnight	2022	2023
Electricity	14,00 kWh	13,90 kWh
Liquid petroleum gas	1,80 kWh	1,74 kWh
Water	287 l	284 l

The consumption of energy-generating products is affected by the opening period of the property and occupancy rates, as well as the weather conditions and the market prices of individual energy-generating products.

The use of underground water for irrigation is encouraged where possible (Villas Rubin Resort), as well as the use of treated wastewater for irrigation of green areas (the island of St Andrew, Hotel Istra), and the use of groundwater as a renewable energy source for heating and cooling needs (Grand Park Hotel Rovinj).

Where possible, fuel oil is replaced in boiler rooms and natural gas is introduced, which has been implemented in most hotels. The implementation of the environmental objective of *Reducing the Consumption of Energy-Generating Products* and making minor modifications to existing systems will lead to increased savings in energy-generating products – fuel oil, gas, and electricity.

The operation of the properties is in accordance with the legal and other acts in force in the Republic of Croatia.

Environmental rights and obligations are also stressed when contracting works and services, by making sure that partners agree to and sign the *Goods/Service Provider Statement Regarding the Requirements of the Maistra Environmental Management System*. Contractors/suppliers undergo training as soon as they arrive at the work site, and are evaluated upon completion, which is a good indicator for further cooperation.

Twenty years of continuous implementation of the Blue Flag programme and raising six Blue Flags currently is a clear demonstration of our concern for the conservation of the natural beauty of our beaches and the environment. At the Belvedere Resort, the

	SUSTAINABILITY REPORT for 2021 – BELVEDERE RESORT	Page:	10 of 10
		Code: O-UO-15-03	

blue flag was not raised only during the COVID-19 years (2020 and 2021). The quality of the seawater is excellent on all beaches and is monitored about ten times during the bathing season.

The planning of future investments is focused on looking at opportunities of reducing the consumption of and replacing energy-generating products, continuing investment in heat pumps for heating, cooling and hot water production, including highly efficient CO2 heat pumps.

At the end of 2021, a carbon footprint measurement was carried out at the level of the Adris Group, along with the drafting of a strategy to reduce it, and a plan for further development in the areas of energy efficiency (photovoltaic power plants, heat pumps, etc.), circular economy (waste sorting facilities, bio waste management and its recovery) etc.