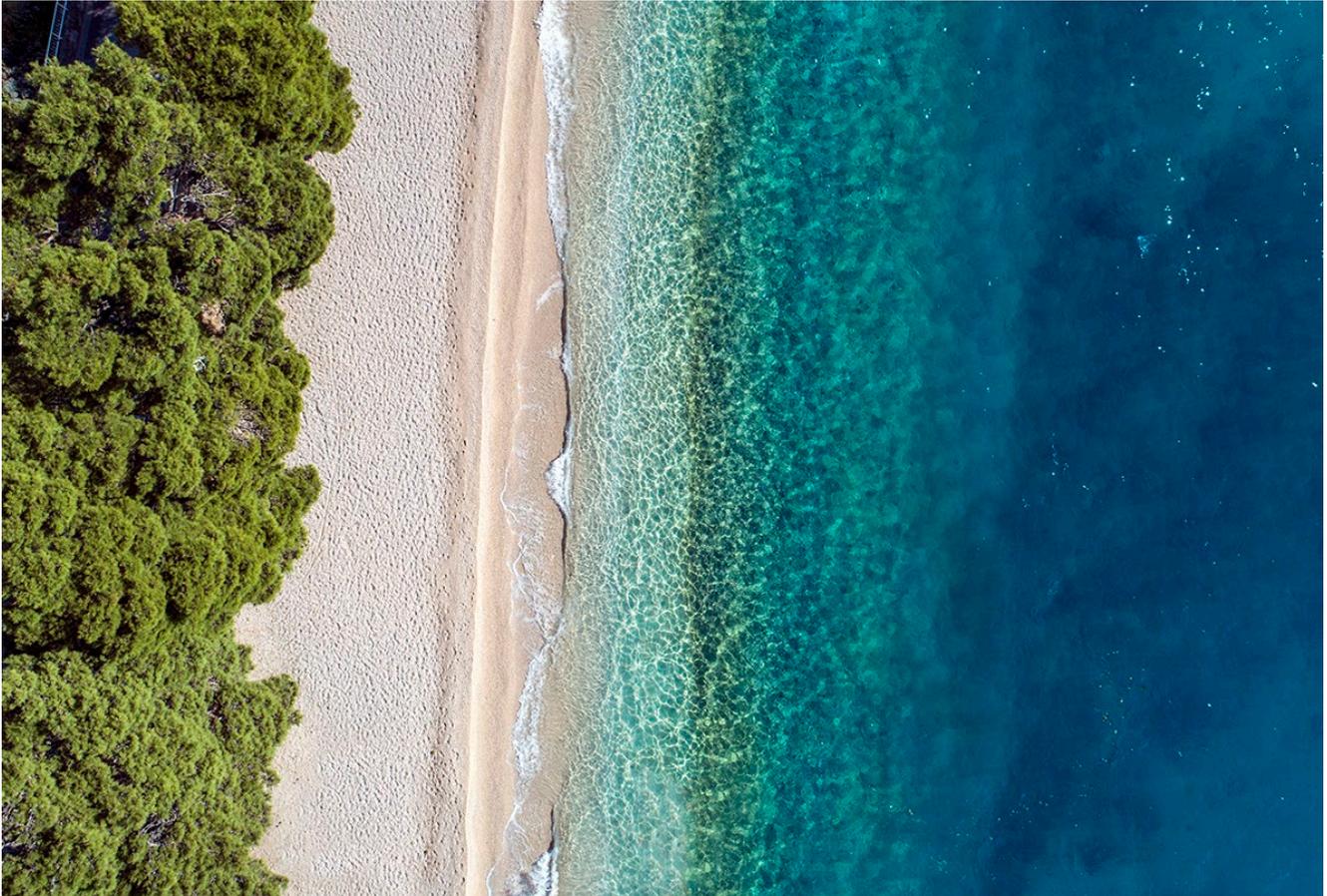


SUSTAINABILITY REPORT

Bluesun Holiday Village Afrodita, Tučepi



About Bluesun Hotels

Bluesun Hotels & Resorts includes hotels along the Adriatic coast, 1 camp site and 1 leased facility, with its own airport on the island of Brač and other tourist property located in 4 popular tourist destinations in Croatia: Starigrad-Paklenica, Brela, Bol and Tučepi.

Each hotel is unique in providing an experience of Croatia, whether it is the Velebit, Biokovo or Dalmatian landscape. Reliable and proven service and quality that will satisfy even the most demanding visitors, awaits every guest in every hotel. Located next to the most beautiful Croatian beaches, they are an ideal place for vacation.

Bluesun Holiday Village Afrodita



The Hotel complex is spread over 11,039 m², located by the beach, 10 meters from the sea. It was built in 1985 and renovated in 2005.

It consists of a central building (reception, lobby bar, pool bar and restaurant) and 12 small villas immersed in Mediterranean greenery.

Bluesun Holiday Villiage Afrodita has a capacity of 155 accommodation units, of which there are:

- 143 hotel rooms
- 12 hotel apartments

With a rich offer and a variety of daily, evening and children's animation, Bluesun Holiday Village Afrodita**** is an ideal holiday hotel for families with children.

FACILITIES

Hotel restaurant *Mirta*

The Hotel restaurant has 420 seats available with an outdoor terrace and offers a wide selection of food as part of a half-board offer that includes breakfast and dinner.

Lobby bar *Rosa*

Lobby bar with an offer of non-board alcoholic and non-alcoholic drinks.

Pool bar *Lido*

Open bar by the pool with an offer of non-board alcoholic and non-alcoholic drinks.

Other facilities

- Currency exchange office

- Congress hall with a capacity of up to 65 seats
- Outdoor pool, outdoor whirlpool and children's pool
- Sunbeds and parasols
- Parking
- Mini club
- Animation program for children and adults (sports and entertainment)
- Variety of water sports (rent a SUP, kayak)
- Bike rental
- Fitness center, Hotel Alga
- Beauty center, Hotel Alga
- Hair salon, Hotel Alga
- Sports center Slatina (tennis, table tennis, beach football or football on artificial grass, football field, badminton and beach volleyball, boules, basketball)
- Additionally: offer of excursions as part of our travel agency (Sunce global)

Business operations

Bluesun Holiday Village Afrodita operates seasonally, from the end of April to the end of October. This year, due to the COVID circumstances, we opened on 3 July 2021 and we plan to operate until the end of September 2021. In 2020 the hotel was closed. In 2019, the hotel was open from 27 April to 19 October 2019 and 52 443 overnight stays were recorded. In 2018, it was open from 24 April 2018 to 20 October 2018. With a total of 179 working days, 54,955 overnight stays were recorded.

The majority of overnight stays, 97% , refers to the markets of Germany, England, the Scandinavian countries, Poland, the Czech Republic, Austria, France, Italy, Bosnia and Herzegovina, while 3% refer to other markets.

In the last 3 seasons, there has been an increase in guests visiting the Hotel using the booking.com platform.

Awards

2021., 2019., 2016., 2015.

- TripAdvisor Travelers' choice

2018.

- TripAdvisor Certificate of Excellence Hall of Fame 2018

2017., 2015.

- TripAdvisor Certificate of Excellence

2014.

- Turistički cvijet - 3rd place in the category "The best 4-star hotel on the Adriatic" at the Days of Croatian Tourism 2014
- ITS Red Star Award 2014
- TopHotel 2014 by website HolidayCheck 2013

2013.

- Trip Advisor Certificate Top Travellers' Choice 2013
- TUI Holly 2013 (for the 100 most popular TUI hotel partners in the world)

2012.

- TUI Holly 2012 (for the 100 most popular TUI hotel partners in the world)

2009.

- TUI Holly Award 2009, an award for one of the best 100 hotels in the 4* category in the world chosen by TUI guests; the only hotel from Croatia;
- chosen as the best among the 100 most popular hotels in the world in the competition of 5800 TUI hotels
- Thomas Cook, Marque of Excellence Award

Our employees

Bluesun Holiday Village Afrodita operates as part of Sunce hoteli d.d. Currently, Holiday Village Afrodita has 23 employees on a permanent contract, while in the off-season we hire an additional 53 employees on a fixed-term or seasonal contract.

- we fully adhere to all applicable labor and human rights laws and regulations;
- all employees and their rights are respected;
- all employees are treated equally;
- continuous work on education, training and professional development of all employees;
- employees are allowed to join a union
- all seasonal employees with a place of residence outside the destination are provided with accommodation and meals;
- an employment policy for permanent employment is implemented for all diligent, successful and interested employees;
- employment measure is implemented – permanent seasonal employee

BLUESUN ACADEMY – MORE THAN A TRAINING CENTER

Bluesun Academy is much more than a training center, Bluesun Academy is a place that helps one perfect their service skills and expertise, and the measure of success is employee motivation and guest satisfaction.

Emphasis is placed on continuous education considering that only well-educated staff can be ready to accept new challenges and participate in creating new ideas.

The main activities of the Bluesun Academy are: specialized foreign language courses (targeting employees in tourism), development of professional hotel skills and development of management skills, and its main task is the constant development and improvement of the skills of all our employees – both permanent and seasonal. Thus, the quality of service is developed and improved, i.e. it continuously contributes to increasing guest satisfaction, which is the most important goal and our vision.

In order for employees to increase their individual work efficiency, but also job satisfaction, BS Academy provides them with continuous learning through the following programs:

- foreign languages
- development of professional hotel skills
- PC skills
- professional seminars and trainings
- managerial skills
- training for wellness staff

The development and advancement of young employees in particular is of great importance within the activities of the Bluesun Academy, two programs are especially intended for them:

- internal training
- mentoring system

A common feature of these programs is that our permanent and experienced employees, who are also internal coaches and mentors, work with our young employees and help them in their professional and personal development.

Internal training is group work, and mentoring is individual work on their professional and personal development.

Internal education has a significant role and is guided by the principle of lifelong learning. This enables the effective transfer of knowledge from colleagues who are more experienced in a certain area to other colleagues.

Under the motto “we learn from the best”, mentoring allows young employees who are at the beginning of their career to learn from experienced colleagues who have extensive knowledge and the will to pass on knowledge to a new generation.

Employees who stand out with their quality of work and approach to work have further opportunities of advancement, primarily through further learning and taking on more complex and responsible job positions.

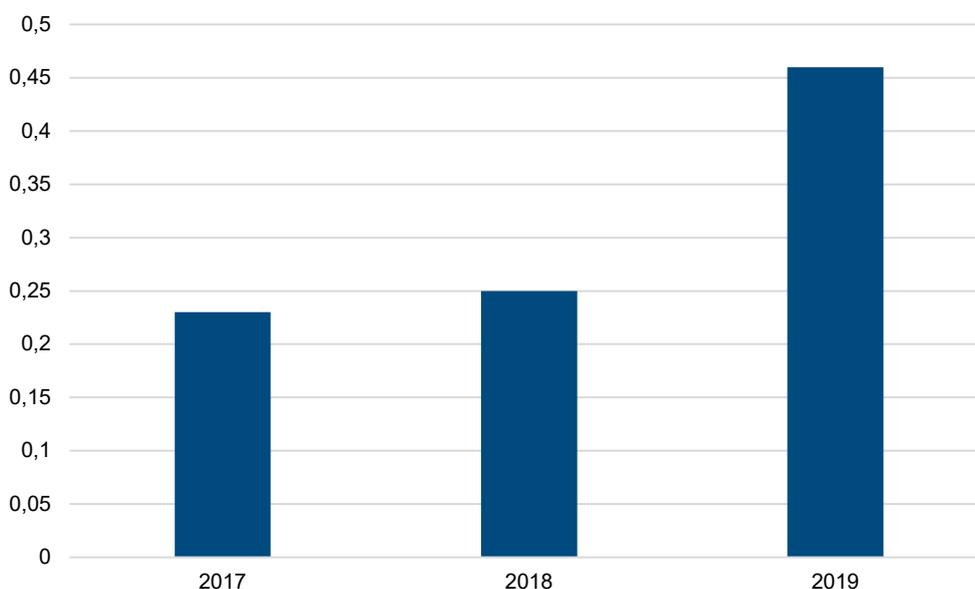
Sustainability

WATER CONSUMPTION

The following graphs show data on water consumption in 2017, 2018 and 2019. In order to reduce water consumption in the future and manage it sustainably, we have additionally taken the following steps:

- Reduction of water consumption policy – an active water consumption policy that is being implemented and monitored
- Water consumption – water consumption is measured on a monthly basis
- Flow dampers and aerators – aerators are installed in all rooms
- Energy-saving toilets – energy-saving buttons or other water-saving equipment are installed in the toilets
- Irrigation system control
- Dampening the valves for certain flows

Afrodita m3 per night (water)



The graph shows a negative trend in water consumption comparing to previous years, but it is due to a very dry year where large quantities of water were used to maintain the green areas.

Goal for 2021:

To reduce water consumption from 0.46 m³ in 2019 to 0.25 m³ per overnight stay.

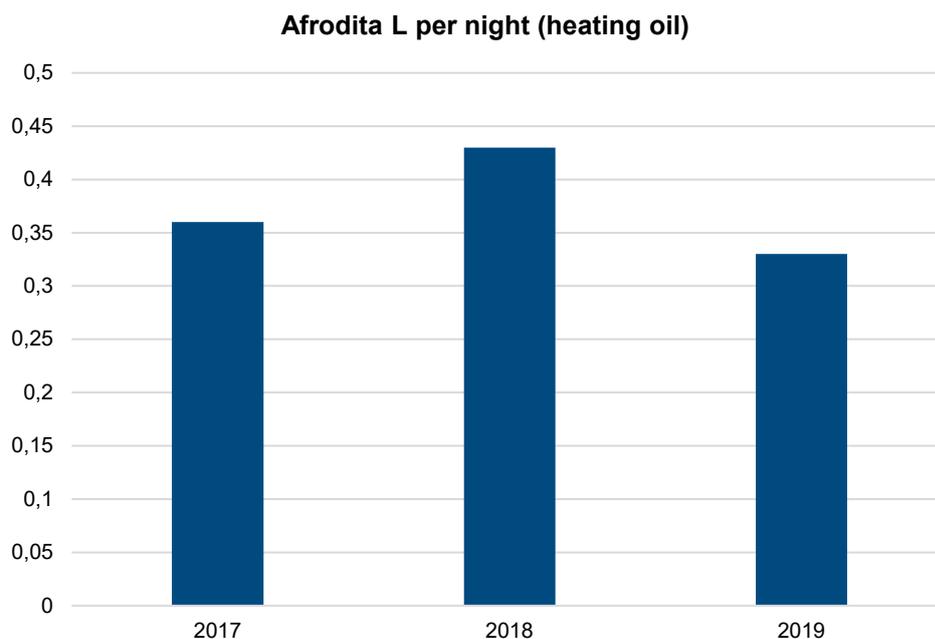
HEATING OIL

Heating oil consumption was 0.33 L per overnight stay in 2019, the goal in 2021 is to reduce the consumption of heating oil to 0.30 L per overnight stay.

Consumption of heating oil per overnight stay decreased due to very high temperatures where a smaller amount of hot water was consumed and by educating employees and following written instructions on how to rationally use hot water.

The way we plan to reduce consumption is to:

- Save hot water – additional information for guests and staff
- Procurement of more efficient heat exchangers

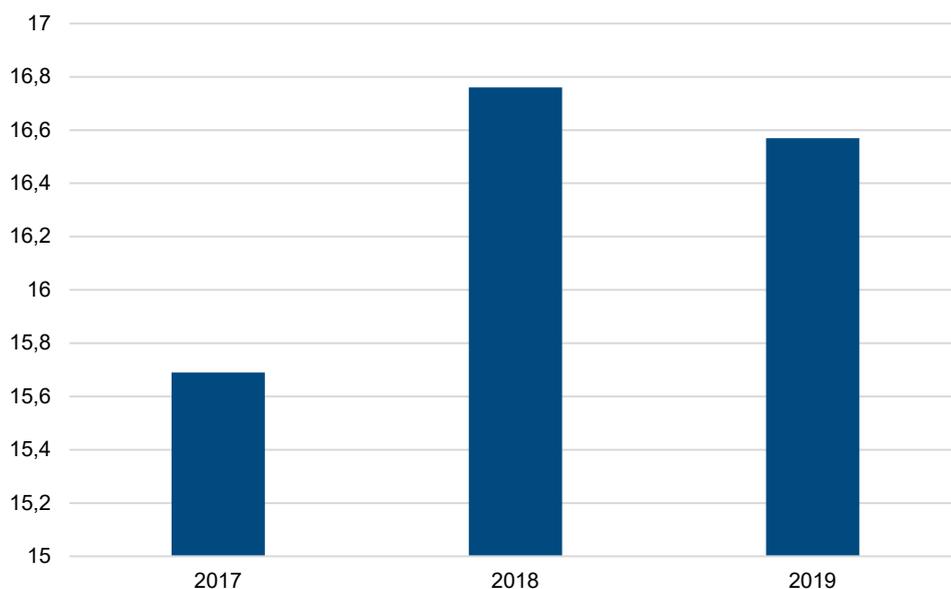


ELECTRICITY

According to the graphs, there is a decrease in energy consumption per overnight stay in 2019 compared to 2018. Energy consumption per overnight stay decreased due to the replacement of obsolete equipment with low-energy equipment, and employee education and written instructions for guests on how to use energy rationally.

Our goal for 2021 is to reduce energy consumption per overnight stay by 20% compared to 2019.

Afrodita kWh per night (electricity)



In order to further manage electricity sustainably, we have implemented the following business policy:

- Energy saving policy – the company has an energy saving policy that has been implemented and monitored
- Automatic on/off system – in locations where feasible, an automatic on/off system is used
- Equipment "shutdown" policy – all equipment is switched off after business hours (not left in standby mode)
- Light switch-off policy – in places where possible, all lights are switched off after working hours
- Low energy equipment – when buying new equipment, preference is given to low energy equipment based on EU directive standards
- Efficient mode - the equipment is set to energy saving mode
- Placing stickers in all rooms;
- Additionally warning employees of the importance of turning off the lights
- By placing additional sensors where there are none.

ACTIONS TAKEN TO IMPROVE THE SUSTAINABILITY

In order to improve sustainability, Holiday Village Afrodita will take those measures aimed at reducing the consumption of water, electricity, fuel and gas.

Afrodita plans the following for 2021:

- Reduction of total water consumption by 10%
- Reduction of gas consumption by 3%
- Reduction of heating oil consumption by 2%
- Reduction of power consumption by 5%

The measures taken for energy consumption are as follows:

WATER	GAS	ELECTRICITY
Better consumption control	Better consumption control	Replacing bulbs in LEDs
Staff education	Servicing of all gas machines as well as all gas installations	Buying more energy efficient machines

CLEANING SUPPLIES AND OTHER DANGEROUS SUBSTANCES

One of the key elements of our business is environmental awareness. The fact is that the tourism industry has a great impact on the environment and thus the Bluesun hotel chain is focused on the proper and adequate treatment of waste and packaging, preservation of the natural environment on its land, primarily the preservation of beaches and ecosystems. In all this, hotels offer a wide range of offers, such as organic products that significantly affect the food culture and environmental protection in the local community.

The fact that Holiday Village Afrodita is located just a few meters from the beach obliges us to act responsibly towards the environment to which we in some way owe the success of the entire destination. That is why in Afrodita, as well as in other Bluesun hotels, special attention is paid to supplies for maintaining inventory, which may contain dangerous substances or cause possible pollution.

In 2018, we will start using new biodegradable cleaning agents and AQUAGEN products.

These are ecological products for disinfection and protection of the health of people, animals and plants. They guarantee stability and applicability to all areas without special precautions, and complete safety for employees and consumers.

To further reduce pollution, we have implemented the following policy;

- Pollution reduction policy – the use of harmful substances has been reduced to a minimum and replaced by less harmful products and they have been properly stored
- Paints – lead-free paints and water-based paints are used in the exterior and interior
- Sanation of wastewater – wastewater is disposed of in accordance with national regulations

Waste management: suppliers and clients

Waste management at Holiday Village Afrodita is carried out through partner companies dealing with waste disposal. The waste disposal plan was prepared by the Hotel in cooperation with the company Zeleni servis d.o.o., which is otherwise authorized for strategic environmental impact assessments, it prepares spatial development plans, urban plans and other strategic documents. Next to the hotel there is a place where waste is sorted into specially designed containers by type: mixed municipal waste, paper and cardboard, biodegradable kitchen waste, edible oil and fats.

The licensed utility company Tučepi d.o.o. za komunalne usluge is also in charge of waste collection. Construction waste, waste paints, varnishes, acids and alkalis, packaging contaminated with hazardous substances, metal packaging, oily solid and other waste for our hotel are disposed of by the company Cian d.o.o. from Split, which also provides us with professional and specialized containers for waste collection.

During many years of work, we have implemented the following ways of responsible waste management:

- Waste regulations – the company complies with national waste management regulations
- Waste reduction – solid waste reduction policy and recycling policy aimed at reducing the amount of waste that can no longer be used
- Sustainable packaging – reduction of packaging waste and minimal use of non-recyclable and non-biodegradable material
- Toner/ink – when ink or toner is used for printing and copying, waste reduction methods (recycling, refilling), where possible



Corporate social responsibility

Bluesun Hotels & Resorts believes that socially responsible business in tourism is essential and desirable. In this way, a synergy of business and society is achieved.

The goal of corporate social responsibility is to accept responsibility for the company's actions and thus have a positive impact on the entire process – from environmental protection to care for the community, employees and other stakeholders. Through its work and based on its internal norms, Bluesun Hotels & Resorts cooperates with local communities in order to achieve mutual benefit in the form of investment in tourism.

Our group is guided by the fact that investing in tourism is also investing in the local community, that is, at the micro level, investing in the local economy. That is why we practice and conduct responsible business that includes economic success and social responsibility with great emphasis on environmental protection, i.e. the protection of natural and human resources.

Local community

Sunce hoteli d.d. cooperates in holding cultural, sports, humanitarian and other events. The most important events that are sponsored are:

- KKUTZ (see www.kkutz.org)
- firefighters community – humanitarian concert for Tučepi firefighters, food and accommodation as needed
- assistance to the religious community (in 2021 we donated 100 chairs for the needs of the church hall)
- Football club Jadran
- Humanitarian Association Kredenca,
- Bluesun Tučepi open – tennis tournament for women

- Donation to various humanitarian associations (Catering school for people with special needs, association Sunce, Caritas, Red Cross...)
- Jazz festival in Makarska
- Donation for the organization of an international handball tournament for women
- Donation for the organization of an international dance tournament

In addition, we are present in all actions of the elementary school Tučepi such as: Bread days, paper collection, beach cleaning, eco education of children, children's carnival, etc.

Also, our guests participate in all activities and thus they contribute to the local community. With cleaning the beaches and the seabed, organized olive and mandarin picking and other activities, they complete their vacation.

Kristina Kondža
Tučepi, 10 September 2021

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