

# Sustainable development



## **The environment**

Launched in April 2007, the Environmental Charter of the Société des Bains de Mer - accessible on [www.montecarloresort.com](http://www.montecarloresort.com) - defines all the 5-year commitments made by the Group under the leadership of the “Commission Environnement et Qualité”, composed of three members of the Company’s Board of Directors, assisted by an internal multi-activity working group.

The results obtained to date are significant and confirm the strong commitment of the Group and the effective mobilization of its employees in all the areas concerned. In March 2009, the *Be Green Monte-Carlo* signature was introduced in many of the Group’s internal and external communication supports, to emphasize the operation’s priority status.

## **Encouraging staff awareness**

An in-house blog was created in 2007, allowing for weekly publication of articles for employees using computers. Over 300 visitors consult the blog on a regular basis, with 600 to 800 visits per month and 5 to 6 pages consulted on each occasion. Comments and exchanges are proposed to support any new initiatives. Eco-tips for saving energy are also provided.

In addition to the Group's computer-based network, seven intranet terminals have been installed in circulation areas and near the rest-rooms in the various establishments, so that all personnel not equipped with computers can consult all the latest news concerning the Group.

## **Reduced water consumption**

During the year 2007/2008, the Group had already achieved a substantial reduction in its water consumption, with savings of 14.8% corresponding to a volume of 87,600 m<sup>3</sup>. A test procedure for the recovery of waste water in nine rooms at the *Hôtel Hermitage* resulted in 180 m<sup>3</sup> of water being recycled to water the gardens.

This policy was extended during financial year 2008/2009 and water consumption decreased by 17.4% (ie. **87,800 m<sup>3</sup>**) by the end of March 2009, equivalent to savings of two-and-a-half months of the Resort’s consumption, or 1.2 times the annual consumption of the *Monte-Carlo Bay*. Some establishments, such as the *Café de Paris* and the *Hôtel de*

*Paris*, have thus seen their water consumption divided by two over a period of four to five years.

These results are the successful outcome of technical initiatives such as cooling circuits or waste water recovery systems. The *Monte-Carlo Bay* has fitted its faucets with economisers and introduced an efficient water management system for garden sprinklers and the lagoon. These procedures are currently being extended throughout the Resort.

## **Energy**

In the energy sector, priority was given in 2007/2008 to systematic deployment of divisionary meters and the installation of control panels, key elements in achieving precise monitoring of consumption.

By the end of the first half of 2008/2009, a significant decline had already been observed. At the end of the year, a reduction of 2.4% in electricity consumption was noted, together with a decrease of 35% in consumption for hot and cold water production, ie. a total of over **20%** in the Group's energy consumption (savings of approximately **22,000 megawatt hours**). This is equivalent to 1.15 times the total annual consumption in megawatts of the *Hôtel de Paris*, or the annual consumption of the *Monte-Carlo Bay*.

Furthermore, gas consumption fell by 14% and no fuel was consumed as the Group did not need to use this back-up source of energy.

Finally, several tests with low-energy light-bulbs were conducted in anticipation of mandatory "relamping" operations scheduled for 2009/2010.

## **Garbage collection, selective sorting, recycling**

Over the past year, all of the Group's establishments and services have been involved in ten areas concerning garbage reprocessing with increasing effectiveness.

44% of **cooking oils** have been recuperated.

**Food fats** have been processed by the approved local service-supplier, bound for Monaco's pre-treatment station.

Seven collection points for **glass** have made it possible to recuperate 576 tons versus 124 tons previously, the use of recycled glass thus avoiding the emission of 288 tonnes of CO<sub>2</sub> equivalent.

In addition, all **ink cartridges** from printers are recovered and **empty photocopy cartridges** are collected by the supplier on his visits to maintain the equipment. Over the year, 15 battery collection points have made it possible to recover 1,527 kilos of batteries used by the Group's guests, employees and services. Thanks to this recycling, heavy metals can be recovered for use in industry, namely 585 kilos of ferromanganese, 300 kilos of zinc, 30 kilos of scoria and 2.25 kilos of mercury. Four collection points for **light-bulbs**

and **fluorescent tubes** have enabled over seven crates of 600 neons to be collected, plus one crate of assorted lamps.

Regarding the collection of **paper**, newspapers and magazines have now been added to office waste paper. The level attained in 2008/2009 was 65 tons, equivalent to 994 felled trees if virgin fiber had been used. The collection of magazines and newspapers from guest rooms was introduced at the beginning of 2009 and developed during the current year.

Collection of Electrical and Electronic Appliances and Equipment was initiated this year and amounted to over 11 m3.

Finally, the collection of **toxic products** has been pursued in centralised fashion from the site of the Group's printing house, located at Le Ténao. For the second consecutive year, it was awarded the "Imprim'Vert" label attributed by the Regional Chamber of Commerce of Marseilles for its efforts in the fields of recycling and waste recovery.

All the control solutions for monitoring collection activities have now been set in place.

### **Purchasing**

The Group is giving priority to green purchases for most of its requirements and demonstrates its demands in this area when reviewing tenders submitted by suppliers.

The Group has also decided to make a priority of acquiring clean vehicles, first opting for electric power, but not excluding hybrid vehicles which run on diester or ethanol if the supply of these fuels can be ensured.

For the past two years, the use of **herbicides, insecticides and pesticides** for maintenance of gardens has been reduced to a minimum upon which it is difficult to improve.

During the year under review, the Group used 96% of recycled paper versus 95% the previous year, and significantly curtailed its consumption of paper. Expenditure in this area has thus been reduced by 8%.

In its first year of use, digitization of invoices helped to handle processing of almost half of the invoices received by the Group.

Finally, bluefin tuna, a species threatened with extinction in the near future, has been totally withdrawn from all menus in the restaurants since the end of 2007, at the request of the Prince Albert II Foundation.

### **Construction and application of HEQ standards**

High Environmental Quality standards have been incorporated into specifications for renovation and construction projects for new buildings, and the Group has undertaken Carbon Footprint missions on construction sites currently underway for the new Balmoral

and the creation of conference rooms at the *Hôtel Hermitage*. In parallel, the Engineering and Design Department has adopted methods enabling data collection and analysis of the carbon footprint in order to integrate them into future projects.

### **Involving suppliers and increasing their awareness**

A charter of ethics intended for all suppliers has been compiled to inform them of the environmental guidelines and actions adopted by the Group in this area. A survey of our suppliers' best practices is also being conducted in order to identify any actions or initiatives they have undertaken which could usefully be implemented within the Group.

### **Communications intended for the clientele**

Information has been prepared for the clientele. Various communications present all the Group's actions and achievements concerning protection of the environment and answer specific recurrent questions. Thus, in the guest rooms, a pamphlet describes key actions relating to guest accommodation. Measures have been taken in the kitchens to ensure savings in energy and water. A study has also been initiated with a view to more frequent use of local and seasonal produce, thus meeting client expectations. Finally, in a more general context, deployment of the "Be Green Monte Carlo SBM" signature at the end of the year under review demonstrates the Group's deep commitment to these undertakings to our clientele.

The significant results achieved over the past year confirm strong mobilization on the part of all the Group's employees, allowing us to expect further development of this policy in the course of the years to come.

This voluntary approach corresponds to concerns expressed by H.S.H. Prince Albert II. Its goal is that all those working for and with the Group should be concerned by the importance and implications of these actions, so that the Group can ensure its development while pursuing an active policy of environmental protection.