



Sustainability Report 2021

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Executive Introduction

As a part of its commitment to sustainable development, St. George Hotel, is proud to release its first public sustainability report. The purpose of this report is to inform the hotel's guests, employees, contractors, stakeholders about the short term as well as long term strategy, goals, initiatives and performance regarding the sustainability activities across the hotel.

The area that the hotel has been built is significant for the Cypriot history. As this reports advocate, it is our duty to preserve and communicate regional heritage to all the interested parties.

Being among the largest establishments in its category in the island, a comprehensive sustainable system is vital to control and monitor the hotel's negative impact on the environment and local society. The hotel adopted the Travelife standards in 2015 and has been awarded with the gold award for the period 2015 -2017- 2019 - 2021. Essential improvement has been made, nevertheless, it is in our primary goals to further protect the environment and support the local community and consequently to achieve the gold Travelife standards for 2021 -2023.

It is our obligation to the future generations to develop and promote responsible management for a greater and sustainable future.

Sincerely,

Marios Lontou

Ass. General Manager

Business Introduction

St George is a category 4 star hotel located on the beach of Chlorakas 6 km north of Paphos city and 11 km west of Peyia village. The hotel was built in a historically significant area in 1994. The area, locally known as "Alikes", was chosen in 1954 by Georgios Grivas Digenis (Cypriot National Guard General in 1954) to supply Cypriot fighters with ammunition and weapons to fight for their independence in the "Cypriot struggle of freedom 1955 – 1959". The boat that carried the ammunition is preserved in the "Boat Museum" just a few steps away from the hotel. The hotel, contributes to the maintenance, security and promotion of the museum. All the information in regards with the heritage of the area can be collected from the reception.

The hotel has 260 rooms including; 211 twin rooms, 25 superior rooms, 6 suites, 3 rooms suitable for guests with disabilities and 5 family rooms. Thus, the room types are as follows; Standard room, Superior room, Suites and Family rooms. Each standard room and superior room features the following facilities ; Central controlled air condition / heating , double or twin beds, a flat screen TV, a mini refrigerator, hairdryer, private safe-deposit, private bathroom (tub or shower), shaver outlet 110/220V AC 50hz and the voltage in all wall sockets is 240V. In the Suites as well as family rooms, in addition to the standard/superior room equipment and facilities, it features a Jacuzzi tub.

After the major renovation that took place in 2013, all the electrical equipment in the rooms are energy efficient. Motion sensors as well as water restrictors have been also installed in order to contribute to the energy and water conservation. Additionally, all the front of the house lights have been replaced with LED bulbs.

In the Food and Beverage scope, St. George Hotel operates 6 bars and 4 restaurants.

Bars:

Arcadia Lounge: Located under the atrium it is open from 09:00 until 24:00 HRS offering cocktails, coffee, pastries and snacks.

Avakas Cocktail Bar: Is located on the ground floor next to the reception and it is open from 18:00 – 01:00 offering delightful cocktails with live music

Aeolos Pool Bar: Located next to the swimming pool, it operates from 10:00 until 18:00 and serves long cool drinks, freshly squeezed fruit juices and light snacks

Ammos Beach Kiosk: Located by the beach, it is open from 10:00 until 24:00 HRS (during Summer months) and 18:00 HRS (during Spring and Autumn) and it offers a wide range of special coffees, cool drinks, cocktails, freshly squeezed juices and snacks.

Premier Club: Located on reception level, this is the entertainment area of the hotel. Open from 20:30 until early hours and serves a variety of sophisticated cocktails

Restaurants:

Kionos Restaurant: It specializes in buffet dinners and live cooking based on locally infused Mediterranean cuisine. It is open only for dinner from 19:00 to 22:00 HRS. Inside the restaurant there is an A La Carte section in which sophisticated meals can be ordered

Drops Casual Dining: Renovated in 2017 it features an open kitchen and buffet. It serves breakfast and lunch and it operates from 07:00 until 10:00 HRS (Breakfast) and 12:30 until 15:00 (Lunch). La Carte meals are also available to be served in the restaurant during lunch time.

Sunset Grill Restaurant : Just a few steps away from the beach, Sunset Grill Restaurant offers a variety of meals inspired by the Mediterranean cuisine and welcomes our guests between 12:30 and 15:00 HRS.

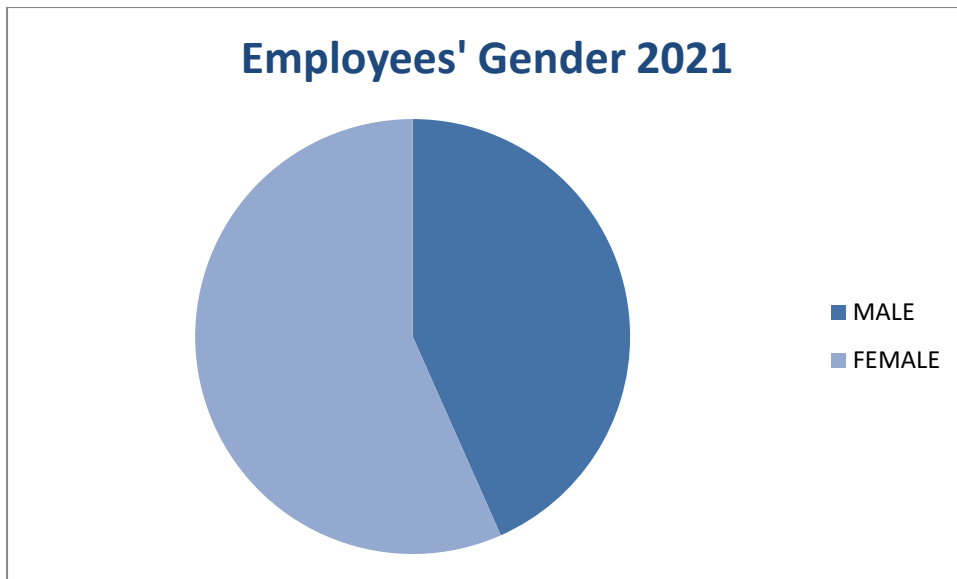
Additionally, the hotel operates a wellness center (SenSpa) which includes a fully equipped gym, 2 saunas, Jacuzzi, 2 steam rooms, hydro pool and treatments rooms. The wellness center is open from 08:00 until 19:00 HRS and offers a vast variety of treatments and cosmetic services.

Employees

Our commitment is to support the local community by hiring local employees. The hotel employs in total 175 employees. The vast majority of our employees are Cypriot (63%) as it is illustrated in the graph below, followed by Greeks staff (24%). The rest 13% are European nationals. It is considered as crucial, especially in the hospitality industry, to hire local employees. Our efforts aim to train every single member of the staff to act as an ambassador of the hotel, but more importantly of our culture. Additionally, we are financially assisting the local community, through the multiplier effects, by providing labor to its residents.

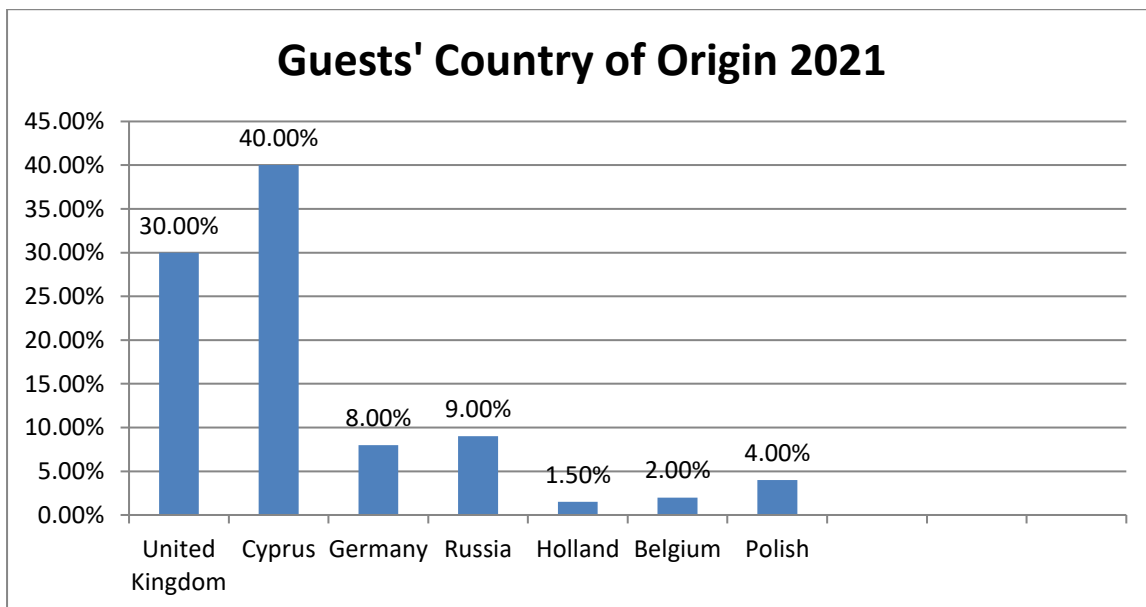
In 2021, Cypriot employees' increased by 5% whereas Greek employees' increased to 14%, therefore they increased by 5%. The rest of the employees are EU nationals and they are not any significant alteration.

As an equal opportunity employer, our efforts are leaning towards of hiring the most talented people, despite their gender (Appendix C). As per the below graph, most of our staff members are females and they account of 55%, whereas males are 10% less, thus 45%.



Guests' Segments

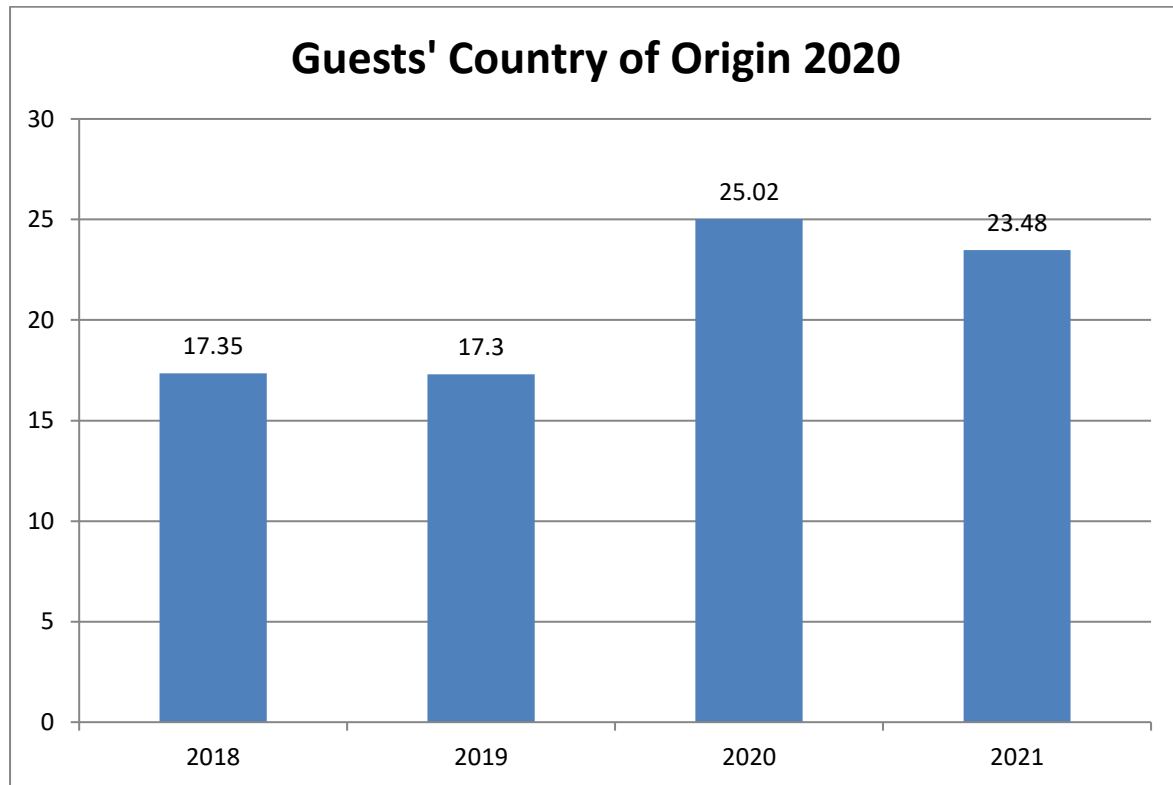
The majority of guests in 2021 were from Cyprus with a percentage of 40%. The second biggest market segment was the United Kingdom with a proportion of 30%, followed by the Russian market at 9% and the German market at 8%.



In 2020, the majority of the hotel's guests were from Cyprus (53%). The second largest segment represents guests from the United Kingdom (31%), followed by the German guests (5%). Contrary to the traditional tour operator business, the hotel attempts through marketing strategies and tactics to approach Cypriot guests by offering competitive prices. Attracting Cypriot guests has a number of

financial benefits to the local and national economy. Our aim is to sustain the Cypriot market in the main market segments. This was due to covid 2019.

Comparing 2020 and 2021 it can be noted that the guests' profile were the same. This was due to covid 2019.



This report, as it will be demonstrated in the following sections is assuming that this particular decrease has influenced the energy, water, gas and oil consumptions.

Sustainability Programme

The hotel's sustainability programme is based on the Travelife requirements. The hotel is certified with the gold standards of Travelife for 2015 – 2017- 2019 -2021 and our principal aim is to achieve the gold certification for the forthcoming years 2021 – 2023.

The hotel's Assistant General Manager leads the team responsible for environmental issues and all the head of departments are members. The team meets on a monthly basis in order to discuss as well as suggest solutions for environmental and social issues that may be arose.

Targets

In the highly competitive environment of the hospitality industry, one of the hotel's primary aims is to continuously enhance the quality of guests' stay. Similarly, we ensure that our actions are undertaken with outmost respect to and minimal impact on the environment and local community. Our commitment is to minimize our negative impact to the pre mentioned aspects by:

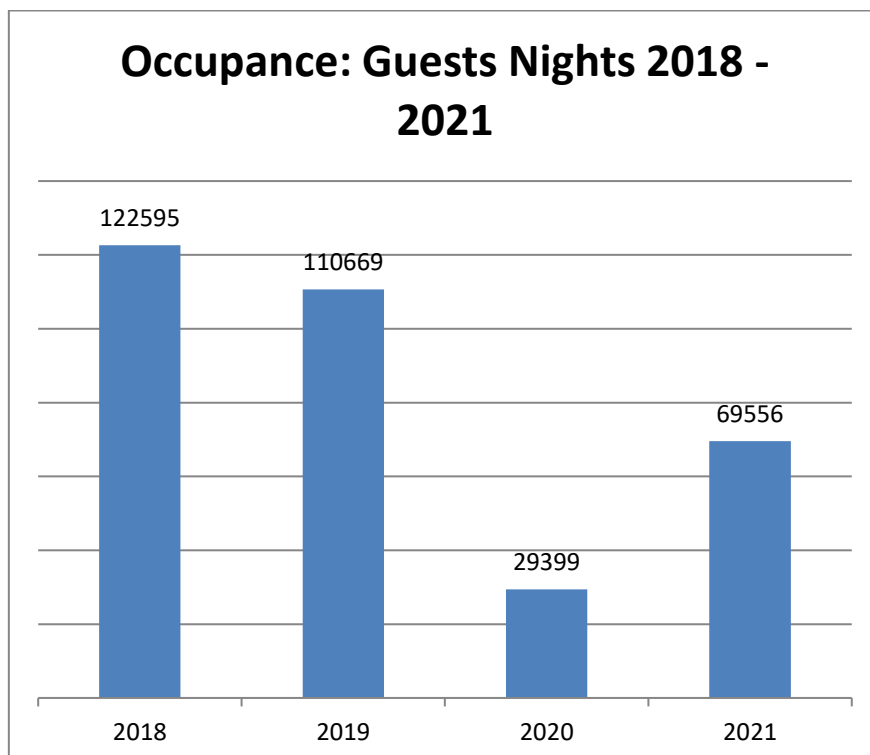
- Establish clear and comprehensive policies in regards with the natural environment and local society
- Implement environmental practices in the day-to-day operations.
- Conserve energy and water, and recycle solid waste wherever possible.
- Update the hotel in IT technology, in order to minimize hard paper waste
- Promote the heritage of the area, and support Chlorakas' Council in its efforts to maintain and promote the boat museum
- Establish a concise "Non-Discrimination Policy" at all departments and all levels.
- Engage our guests, employees and contractors in our efforts for a sustainable operation of the hotel
- Provide constant training to our staff, for environmental, social and health and safety issues.
- Communicate the pre mentioned policies to all the engaging with the hotel parties such as; staff, guests, contractors and the public

Environmental and social issues

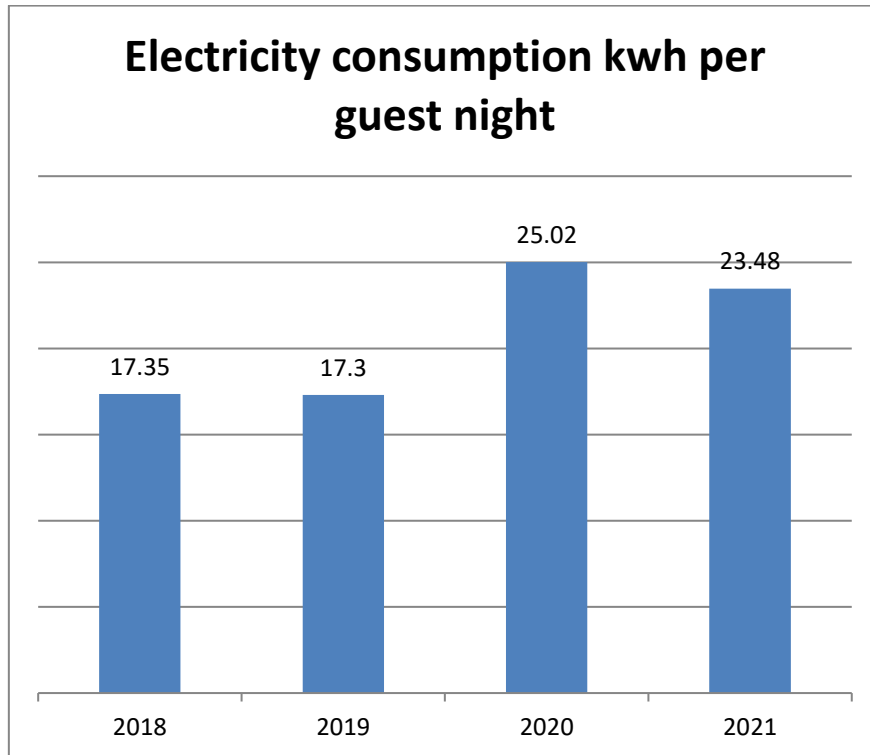
The hotel has established strict policies on social and environmental issues (Appendix B). In addition legal registers have been developed, in order to accurately inform all the interested parties regarding their legal rights. The legal registers are available in the staff areas and on the hotel's website.

Energy conservation

The occupancy of the hotel has dropped a lot during the last 2 years due to covid 19. Specifically, the difference between 2020 and 2021 compared to 2019 were more than 40000 guests' nights, nearly 40%. Consequently, the water and electricity have been affected and increased slightly. Our target for 2020 and 2021 was to decrease the pre mentioned variables by 1%. Due to the occupancy drop we were unable to reach that target. In addition, our guest profile has also changed. In demographic terms, guests from Cyprus have been increased. Changes in guests' demographics will therefore influence energy and water consumptions. Furthermore, Cyprus in 2021 experienced one of the warmest summer in the recent years. Consequently, the electricity demand for cooling purposes has been increased. Our efforts are concentrated towards decreasing these figures as described in the hotel's environmental policy (Appendix B)

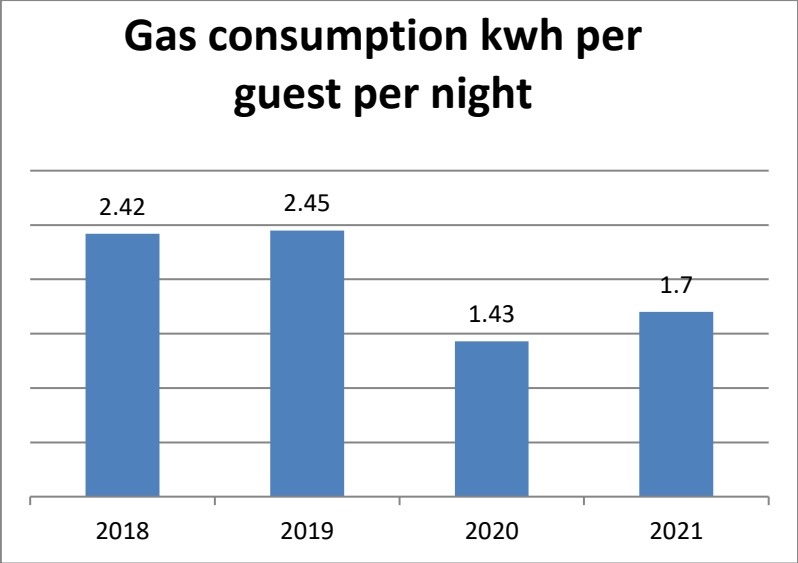


Electricity consumption as it can be seen on the graph below has been increased by 8.28 kWh per guest per night (PGPN) in 2020 compared to 2019. In 2021 consumption has been decreased to 23.48 kWh (PGPN). The consumption is still high compared to 2018 and 2019. The cause of the increase could be attributed to the low occupancy due to covid 2019. The target for 2022 has been set to 17.30 kWh (PGPN), thus, back to normal before covid 19%.

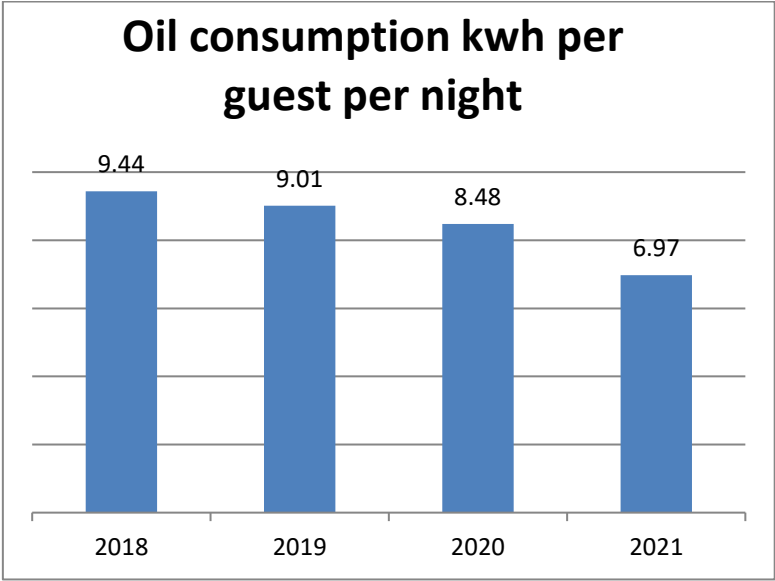


Liquid energy

Gas consumption has also been decreased to 1.43 in 2020 and 1.70 in 2021 kWh (PGPN) compared to 2019. Similarly with electricity consumption the decrease can be attributed to the less occupancy numbers. Nevertheless, the guests' consumption dropped in 2021 to 1.70 kWh (PGPN) compared to 2018 - 2019. The major renovation of the hotel's breakfast and lunch restaurant and kitchen (Drops Casual Dining) and the replacement of kitchen equipment with more energy efficient equipment contributed to the decrease of gas consumption. The gas consumption target has been set to 2.00 kWh (PGPN) for 2022 and this target will be achieved by further training of the hotel's kitchen staff and maintenance staff in energy conservation.



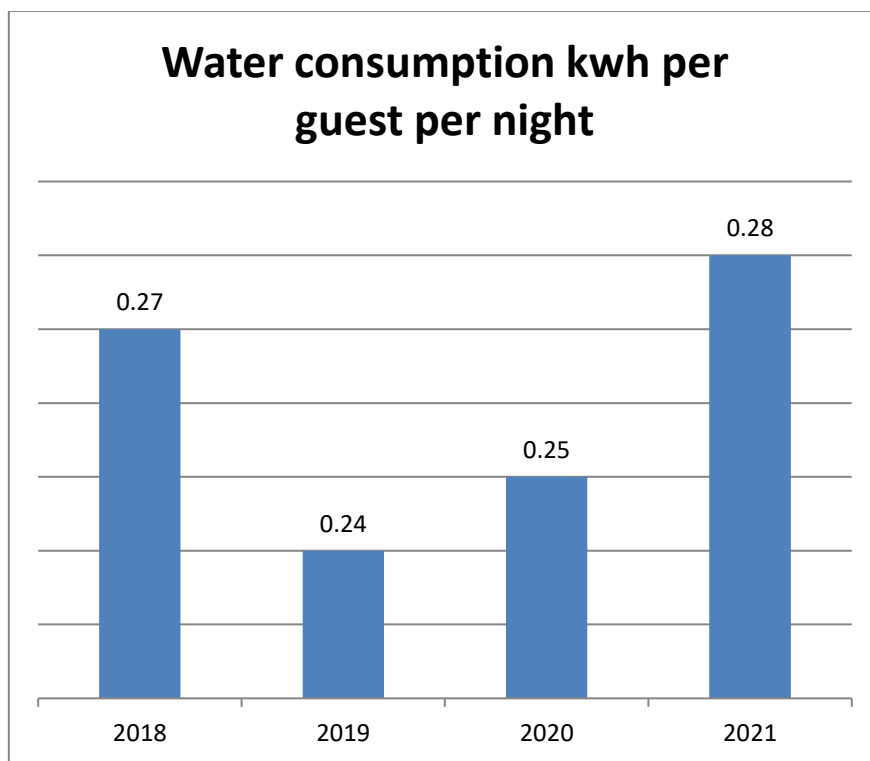
The hotel uses diesel for heating purposes (swimming pools and rooms). Likewise to electricity and gas consumption, oil consumption dropped to 6.9796 kWh (PGPN) in 2021 from 9.24 kWh (PGPN) in 2018 and declined to 9.01 kWh (PGPN) in 2019. Equally to the above variables the oil consumption has been influenced by the occupancy rates, and guest profile and of course due to covid19. In addition, during the high season period and especially in summer months (June, July and August), water is initially heated by the “heat exchange system” of the chillers and then is heated to the desired temperature by the burners. Consequently, as it is illustrated in the graph below the oil consumption decreased by 23% in 2021 compared to 2019. The hotel’s oil consumption target for 2022 will be 9.01 kWh (PGPN)., same as 2019.



Water conservation

Water consumption has been increased steadily over the last three years (2019, 2020 and 2021). Precisely, the consumption increased to 0.28 m³ (PGPN) in 2021 from 0.24 m³ (PGPN) in 2019. In 2018 the consumption was 0.27 m³ (PGPN). The increase is caused by the development of 5 new rooms (family suites) which, as described in the business introduction they feature a Jacuzzi tub and a shower. In addition, the shift in guests' demographics in 2018 affected the water consumption.

Our target for 2022 is to reduce the water consumption by 5%, therefore, to decrease to 0.266 m³ (PGPN). This target will be achieved through by encouraging the guests to save water and through additional training of the hotel's staff.



Waste management

During the reporting period, January to December 2021, the following recycled quantities have been recorded. The hotel's target is to further encourage the guests' as well as staff to recycle. This target will be achieved by adding more recycling points in the hotel's grounds and provide further training to the staff in order to increase their motivation regarding recycling.

Recycled Quantities 2021 : By material						
PMD	Paper	Glass	Oils	Batteries	Printer Toners	Fluorences
14648 LTR	134540 LTR	73260 LTR	1860 LTR	28 KG	74KG	37KG

Chemicals

The Hotel uses various chemicals for cleaning, maintenance, gardening and disinfection of the swimming pool. All the chemicals bought are stored in accordance with the ISO and HCCP regulations and guidelines. Travelife standards has been established in the use of the hazardous substances, that is, is being kept a record in case of an accident (spillage) as well as sufficient staff training has been provided in order to safely use the chemicals. In order to minimize our negative impact to the environment, wherever is possible, dangerous substances for humans and the environment have been replaced with biological products. Efforts are made to buy chemicals in bulk and safely dispose the empty hazardous containers through authorized recycling partners.

Environmentally hazardous gasses

The hotel uses a large amount of freezing and cooling gases. All the units (refrigerators, freezers, chillers) use environmental friendly gases which are CFC and HCFC free. In regards with heating, the emissions of the boilers are carefully monitored.

In St. George Hotel, we strongly believe that it is very important to invest into the training and development of the personnel as a means of ensuring high level of professionalism and quality service to our hotel customers. Thus, our personnel have the chance to improve professional knowledge and skills. Likewise, they have the chance to be promoted to senior positions.

Our approach to the personnel training and development has been determined after close study and it is based on our hotel's needs and the needs of the hotel industry, on the various personnel levels and on the market demands.

We believe that with structured approach to personnel training and development, we give our staff the chance to improve their performance so that they meet the needs of their profession and at the same time to respond positively to the new methods and new requirements of their profession.

Therefore, it is considered as crucial for all the staff members to attend structured seminars regarding the environmental issues. These seminars are developed in order to educate the staff for their own health and safety while using hazardous substances as well as to assist on the effort to minimize our negative impact on the environment. For this purpose, seminar topics include;” Energy conservation”, “Water Conservation”, “Chemicals Use”,” Recycling” and last but not least “Child Protection and Child Abuse Indicators”.

Our main objectives are:

- To make sure that our employees understand our strategy.
- To make sure that all employees know and respond according to the hotel’s goals and the demands of their job.
- To help the staff develop their personal skills.
- To encourage the feeling of professional zeal and productivity in all levels, that will finally result in professional satisfaction.
- To ensure high and steady level of quality service.
- To guarantee that all employees, in every position, will have greater personal satisfaction.
- To educate all employees to respect the environment and conserve energy and water.

Local Community

The hotel supports the local community through the provision of various services and financial support. St. George hotel maintain and equip the public beach by its own funds and promote access for all the members of the society. Furthermore, the hotel supports the local athletic club “Akritas” by providing complimentary conference rooms and meals. In 2021, the hotel will fund the construction of a shelter in the local primary school of which the costs will be around € 3.000. In addition, in regards with human resources, in 2021 the hotel will give priority to candidates from the local community that fulfills each position requirements.

Reporting period and future plans

This report covers the period between January 2021 and December 2021. All the information and statistics presented are related to the period mentioned before.

Our future plans include:

- Increase of the recycled solid and liquid waste.
- Increase in the production of solar energy and supply

- Reduce water by 2%, electricity, gas and oil consumption by 1% as is stated in the environmental policy.
- Raise staff and guest awareness on social and environmental issues.
- Continue to implement and reinforce the hotel's mission which is; to offer high quality leisure services in a friendly and relaxing environment as well as a comfortable stay to the hotel's guest.

APPENDIX A



Our Philosophy...

St. George Hotels are committed to success, through efficient leadership, team-work and through communication and mutual trust between management and staff. The management is committed to treat the staff fairly, with respect, consideration and honesty.

Through their work our staff is able to get professional satisfaction. In our turn we will encourage our staff for high and creative performance through training and development. Our staff's high performance would be recognized and they would be rewarded. In return however, each employee should be productive in his/her duties, and cooperative with every fellow colleague and every customer. In addition, s/he should ensure and contribute to the growth of the Hotel's reputation.

In our Hotel, we will constantly support each other to succeed in providing quality service to the Customer. The decisions will be taken in all levels of hierarchy, within the defined responsibilities framework. In that way we ensure the customer's satisfaction which will later result in the rise of the profit of our Hotel.

Our "Product" will give value to the Customer, at least depending on the money s/he pays. For the Customer, that value will be consistent to the other Hotels' status in the market.

We have the responsibility to succeed in the scheduled income target as it will ensure the intended profit which would be positively correlated to St. George Hotel Enterprises investment.

APPENDIX B



Environmental Policy and Management

The managers and owners of St. George Hotels share the commitment to ensure optimal environmental management in its daily operations. Recognizing the impacts that tourism places on natural resource availability and climate change, we will work to ensure that St. George Hotels will apply responsible waste management, reduce pollution, incorporate energy saving devices where possible, and encourage customers to respect and participate in our efforts to minimize the environmental impacts of the hotel.

The primary goals related to environmental management are as follows:

- **Certification**

The hotel is currently certified with Travelife Gold Award for the period 2015 – 2017 – 2019 - 2021. Our goal is to achieve the gold award for the following two years by enhancing our environmental policies and practices as well as optimizing our positive socio-economic impact to the local community.

- **Sustainability Report**

In December 2021 the annual Sustainability report will be published, and can be found on our website (www.stgeorge-hotel.com) . The aim of the Sustainability report is to describe in depth all the actions as well as present key statistics in regards with the hotel's impact on the environment, society and local economy.

- **Energy Management**

The current energy consumption per guest per night is 23.04 kWh

Our goal is to reduce the above figure by 1 % in 2021 and 10% in 2022 in order to go back to before covid 19 levels.

- Throughout the operations, St. George Hotels will ensure optimal energy efficiencies, by undertaking the following.

1. All the heavy and light equipment that will be purchased in the future will be energy efficient (Grade A – the least)

2. Ensure that all the staff will receive training in energy conservation

3. Low energy light bulbs and LED lights will be lighted in all public areas, accommodations and back of the house areas

4. All the lights in public areas, toilets and staff areas will be controlled by motion sensors or light timers,

5. All the rooms are equipped with electronic key cards, motion sensors which contribute to energy conservation.

- **Water Management**

Our goal is to reduce water consumption by 2% in 2022

To achieve this target, St. George Hotels without compromising guest comfort or health and safety, will further incorporate water saving devices and procedures to minimize overall water consumption.

Specifically, our aim is to reduce water consumption to 240 liters per guest per night.

The following actions will be taken in order to achieve the target above :

All the showers and bath taps are equipped with water flow restrictors as follows:

1. 4 liters per minute for taps
2. 9 liters per minute for showers
3. Public toilets are to be fitted with low flush and dual flush systems
4. Heated water supply for accommodations is produced, wherever possible from; solar panels, electrical heating (as a back-up solutions only)

Waste Management

Our aim is to reduce by 2% in 2022 the production of solid waste as well as we will encourage our guests to join the recycling programme.

Throughout the hotel's operations; PMD, paper, glass, oils and food waste will be recycled. In addition, the usage of paper and PMD by our guests will be reduced.

Chemical Use

The hotel will avoid the use of chemicals banned by United Nations Food and Agricultural Organization's consent list. In addition it will be ensured safe disposal of all used chemicals. Biological products will replace chemicals where possible and 65% of packaged products will be bought in bulk in order to reduce the amount of solid waste.

All staff will continue to attend the environmental training course to further understand the positive impact of all the above can have on the daily operation of St. George Hotel.

APPENDIX C



NON-DISCRIMINATION POLICY

St. George Hotels does not and shall not discriminate on the basis of race, color, religion (creed), gender, gender expression, age, national origin (ancestry), disability, marital status, sexual orientation, or military status, in any of its activities or operations. These activities include, but are not limited to, hiring and firing of staff, selection of volunteers and vendors, and provision of services. We are committed to providing an inclusive and welcoming environment for all members of our staff, clients, volunteers, subcontractors, vendors, and clients.

St. George Hotels is an equal opportunity employer. We will not discriminate and will take affirmative action measures to ensure against discrimination in employment, recruitment, advertisements for employment, compensation, termination, upgrading, promotions, and other conditions of employment against any employee or job applicant on the bases of race, color, gender, national origin, age, religion, creed, disability, veteran's status, sexual orientation, gender identity or gender expression.

APPENDIX D



Social Policy

The management and stakeholders of St. George Hotel are committed to ensure that the hotel develops and maintains positive relationships with the local community by ensuring that the socio-economic impact on the local community is positive. Our principal goal is to minimize as much as possible any negative impact to the environment and the local community.

The policy's objectives are as follows:

- Certification

In order to meet the broader sustainable criteria of socio-economic impact and staff welfare, Travelife's golden standards will be renewed in December 2021.

- **Promote sustainable tourism**

St. George Hotel is a member of the Pafos hotel association. Through this association, the hotel will promote the socio-economic benefits for the local community as well as local economy. Additionally, the hotel works closely with colleges and hotel schools for the provision of industrial training to their students. All the trainees are attending the seminars which they have been designed to increase their awareness in regards with sustainable tourism.

- **Purchases**

The hotel prioritizes brands and products for purchase from the local and national community. Consequently, the local and national economy is supported and promoted

- **Employment**

The hotel recognizes the importance of hiring staff from the local community. Consequently, the bond between the two parties (hotel – local community) strengthens and thus the local economy is benefited by this action.

- **Donations and charity**

The hotel donates furniture, equipment and linens that they are no longer suitable for use to the local charity organizations, schools, hospitals and vulnerable community groups. The hotel also support to the local community by the provision of services such as; accommodation, conference rooms and meals.

The hotel's vision:

To improve the relations with the local community in 2021 - 22 by supporting local charity organizations, events and athletic club.