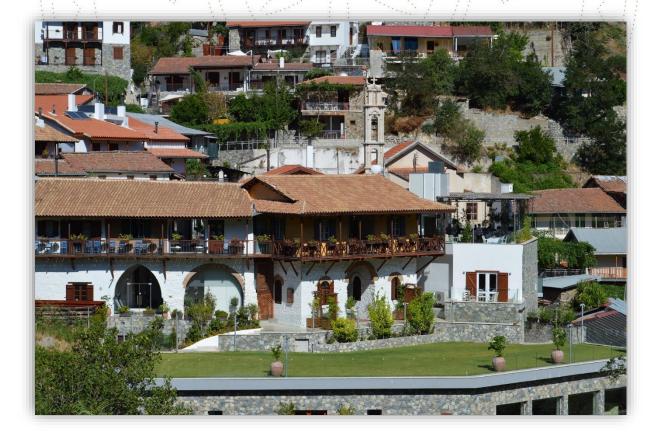
Casale Panayiotis Sustainability Management Plan

(2025)

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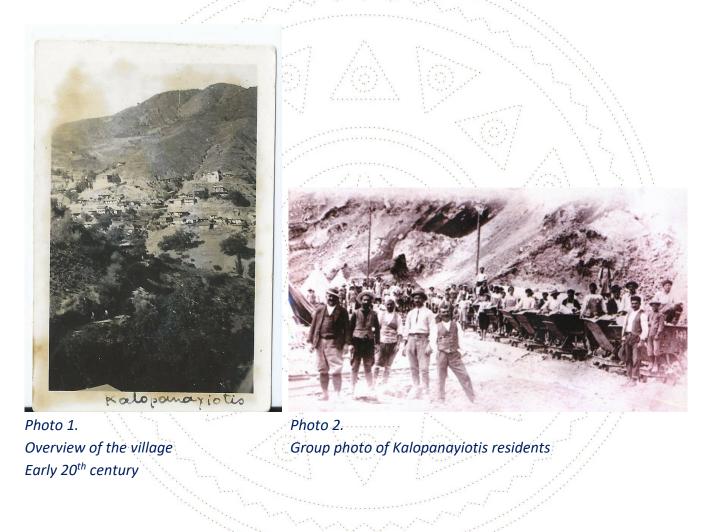
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ABOUT CASALE PANAYIOTIS

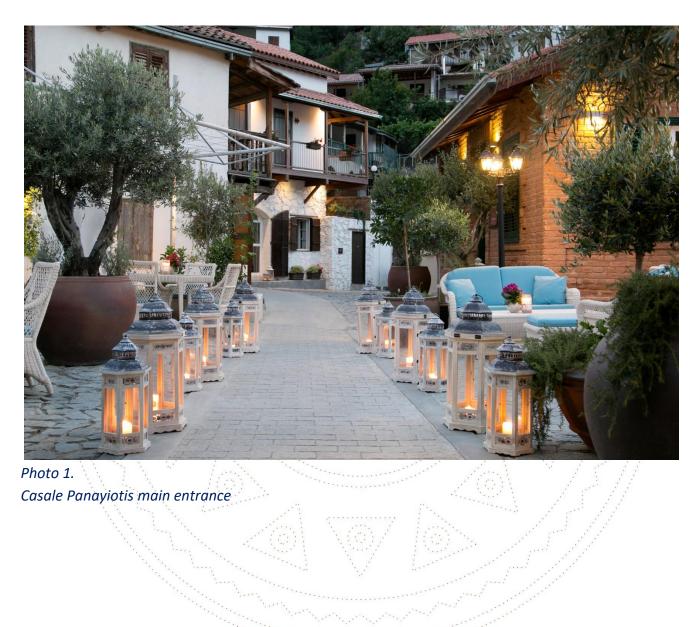
The Past

Kalopanayiotis has, for centuries, attracted visitors as well as pilgrims and in a more recent history was a community built around agriculture, the land and cottage industries. However, the 20th century experienced a drain, as people left their village to find works in cities and abroad.



The Present

Now with 41 rooms in 7 houses across the village, as well as cafes and restaurants, villagers have been inspired to invest in their own community, restoring their homes and opening small businesses preserving our mountain culture and way of life.



The Future

The Lambadistis Winery is a new project that started operating in July 2023. The building was designed to harmonize with the natural landscape of the region. It is surrounded by vineyards and produces six different varieties of wine (with plans to expand in the future), including white, rosé, and red wines. The construction materials used align with the local aesthetic, while also giving a modern look to the entire building.

Emphasis has been placed on sustainability and minimizing the environmental footprint in the initial designs. State-of-the-art photovoltaic systems were installed on the roof to minimize the electricity needs. Additionally, an advanced water purification system allows for the reuse of all graywater, after thorough cleaning, for irrigation of plants and vineyards.

The building's design maximizes the utilization of sunlight and creates natural shading throughout the day. All visitors to Casale Panayiotis now have the option to tour the winery, witness the production process firsthand, and, of course, participate in wine tastings featuring the wines produced in the region..



Photo 2. "The Winery" 2023

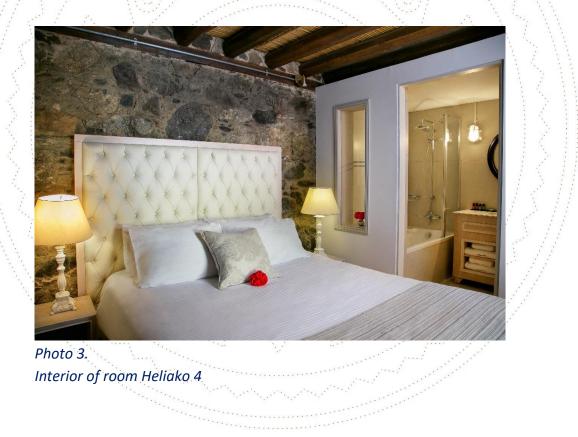
CASALE PANAYIOTIS' VISION

It is a long-term commitment to operating in a responsible and sustainable manner, to create a positive impact on the environment and the community while also delivering high-quality experience to guests

CASALE PANAYIOTIS DESCRIPTION

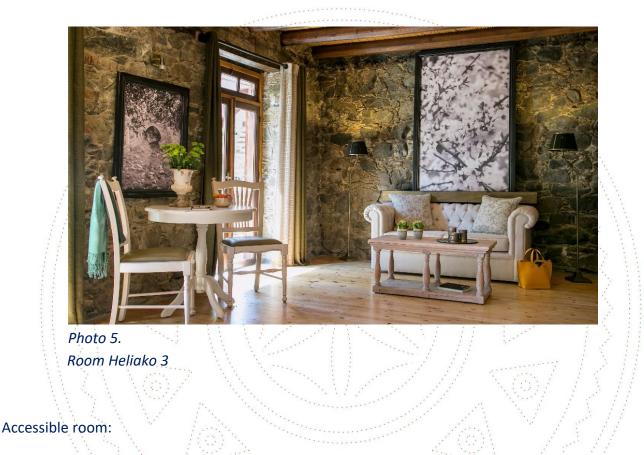
Accommodation:

Luxurious rooms and suites located in traditional houses across Kalopanayiotis village. Each has been lovingly restored to retain its original character, furnished individually with Cypriot hand-crafted materials. No room is similar with each other, since they were carefully restored to their unique attributes whether that is hand crafted bedhead, traditional wooden ceiling or even a traditional stone fireplace which has been left intact in one of the room's bathrooms (Byzantino 01)



The hotel features 41 oversized rooms and suits comprising of:

- 7 Comfort Studios
- 22 Superior Studios
- 7 Junior Suites
- 3 Superior Suites
- 2 Family Suites



We also have an accessible room which is designed to provide a comfortable and convenient stay for all guests, regardless of their physical abilities. The room is spacious and thoughtfully laid out, featuring wider doorways, accessible light switches, and grab bars in the bathroom. Additionally, the room is located on the ground floor very close to the hotel main building and amenities, allowing for easy access and mobility via elevators to the common areas and restaurants. Our goal is to ensure that every guest feels welcome and at home during their stay at Casale Panayiotis.

Meeting Facilities:

Lavrentino Conference room is the ideal venue for executive retreats, conferences and corporate team building activities, it features:

- Spacious room, seating up to 90 persons in theatre-style or 48 in classroom style
- Flexible seating options
- High Speed Internet Access
- High Specifications A/V equipment and projector screen
- Open-air terrace for coffee breaks
- Professional conference call facility
- Easy access for delegates with mobility restrictions

SPA facilities:

The historic spa village of Kalopanayiotis has for centuries attracted visitors to its healing Sulphur springs. For Centuries, ancient Kings, Venetian queens, humble pilgrims, curious travelers and resident locals alike have sought the curative powers of the natural local Sulphur-spring waters known as "theouha". This ancient tradition has been reborn in sumptuous surroundings.



Photo 6. Myrianthoussa SPA



Photo 7. Sulphur spring waters

Among the various treatments such as Rasul Mud Cabin, Thermal Suites, Sanospa Massage Bath and many more, you can enjoy the local scenery in our Spa Lounge, a tranquil space where you can relax, read and sip from our selection of hand-picked local mountain teas and fresh seasonal fruit from our orchards.

DINING FACILITIES:

Our restaurants are located throughout Kalopanayiotis village and are the below:

- Byzantino Restaurant
- Pantheon
- Loutraki Restaurant

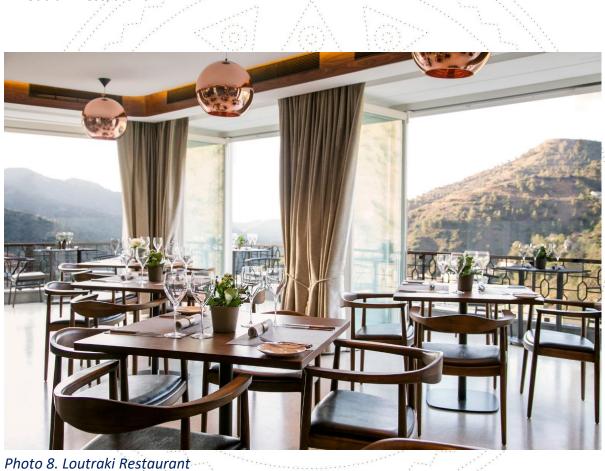




Photo 9. Pantheon Restaurant

All seasonal fruit and vegetables come directly from our orchards, and we source our ingredients from local mountain producers wherever possible.



Photo 10. Our own orchard which supplies the hotel with Fresh fruit & vegetables



Photo 11. Local products is a priority for us

SUSTAINABILITY AT THE CASALE PANAYIOTIS

Environmental Sustainability:

Casale Panayiotis Traditional Village is committed to minimizing our environmental impact. Several initiatives have been initialized for reducing energy and water consumption, as well as managing waste effectively. Some of our initiatives include:

- Installing energy-efficient lighting and appliances throughout the hotel premises
- Encouraging guests to reuse towels and linens
- Implementing a recycling program to reduce waste sent to landfill
- Providing guests with reusable water bottles to minimize plastic waste
- Using local and organic produce in our restaurant

Social Sustainability:

We recognize that our success depends on the well-being of the local community. Therefore, we strive to support the local economy and improve the quality of life for residents in the surrounding areas. Some of our social sustainability initiatives include:

- Hiring local staff and supporting local businesses
- Providing training and development opportunities for our employees via our "Elevate" program
- Engaging in community outreach programs
- Promoting local culture and traditions through our tours and experiences

Economic Sustainability:

As a small business, we understand the importance of economic sustainability. We aim to operate in a financially responsible manner, while also contributing to the local economy. Some of our economic sustainability initiatives include:

- Developing partnerships with local suppliers and vendors
- Investing in our employees to improve their skills and job satisfaction
- Seeking out new revenue streams while maintaining our commitment to sustainability

Based on our Sustainability Management System we aim to achieve our goals by focusing on 3 key pillars as shown below:

Pillar 1: Environmental

Focuses mainly on reducing waste, pollution, energy consumption and preserving the ecosystem and the surrounding landscape. Our main goals for 2025 include:

- Composter installation for organic waste that allows transformation of up to 75kg of daily food waste into 10kg of fertilizer which will be used for our own fruit & vegetable orchard (installed already and is operational)
- Initiate a recycling system for plastic and paper waste for Kalopanayiotis but also another 5 nearby villages (Prodrommos, Pedoulas, Moutoullas, Gerakies & Oikos) work in progress with the community
- Upgrade of our water bio clean system into watering our orchard as well, besides the surrounding areas of the hotel, which is currently the case
- Air-conditioning in the room automatically turn off after the client has left and is set up to keep room natural temperature at 22 degrees
- Compression baler to be installed for compressing plastic and paper waste, minimizing volume of these types of waste by 40% (installed and is operational)
- Waste bins with separate sockets for paper/plastic (implemented in January 2024)
- Personal reusable coffee mug for all employees in order to avoid single use cups for their coffee during their break (to be implemented 2nd half of 2025)
- 3% decrease in water consumption for 2025
- FSC certified toilet paper by the end of 2025

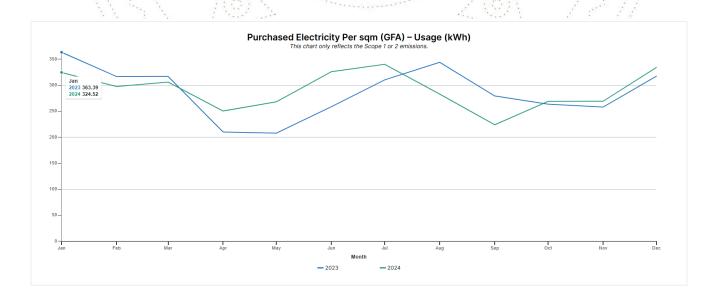
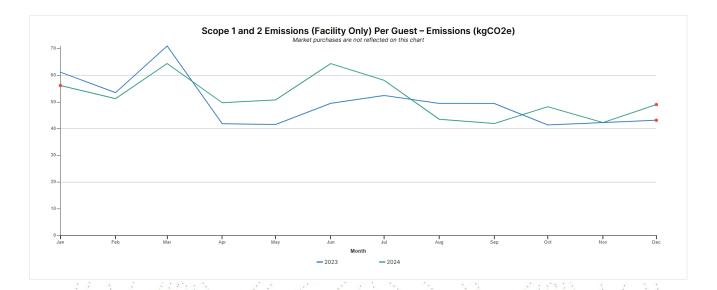


Chart 1.1 Total Electricity Consumption (All facilities) 2023 vs 2024 (source Greenview)

Casale Panayiotis Sustainability Management Plan (2025)



Pillar 2: Socio-Cultural

Focuses on being actively involved in corporate social responsibility (CSR) actions, community development, support to local entrepreneurs, respect local communities. Our main goals for 2025 include:

- Bi month meetings and discussions with the Community Council
- Joint cultural events between community and hotel which will promote the community's heritage to all visitors (Agrino Festival, Christmas Village Festivities, etc.)
- Free transportation for the children to the nursery school based in Kalopanayiotis with our own vehicle
- A business association between the hotel and the other establishments that operate in the village.
- Collaboration between Casale Panayiotis & Kalopanayiotis Community Council as well as schools in initiatives such us planting of trees, cleaning the river and tracks, educational visits of schools to the hotel in order to observe our sustainability practices
- Weekly self-defense lessons, initiated by the hotel, for all employees & local residents who wish to participate (implemented in 2024)
- As there are many artifacts and items that are protected by the Antique Department of Cyprus and/or UNESCO (e.g., traditional village doors that cannot be altered in any way and are part of the hotel rooms), a small label can be placed which explains the history and significance of these items to the society ad history of our place so that the guests can be informed

Pillar 3: Governance

Focuses on Business Ethics, Compliance and allowing employees to anonymously report financial and ethical misconduct to promote ethical company culture. It includes also implementation of a policy against exploitation, human trafficking, child abuse, diversity and equitable hiring and employee protection. Health & Safety for both employees and guests are our top priority. Our main goals for 2025 include:

- Regular training of staff via our "Elevate" training program
- Inspiring a culture of respect regardless of gender, sex, ethnicity or race
- Anti-Harassment seminars for all staff members.
- A clear system of evaluation for all team members, management and operation of the hotel
- Sustainability-focused section in the survey that is being sent to the guests in order to obtain more data by them directly

SUSTAINABILITY MANAGEMENT PLAN ALREADY IN PROGRESS

PILLAR 1: ENVIRONMENTAL

The Environmental pillar focuses on being actively involved in conserving resources, reducing pollution, conserving biodiversity, ecosystems and landscapes

A. Conserving Resources

- Measuring, monitoring and recording our energy usage (electricity, gas & kerosene) and
- aiming to reduce it wherever possible
- Encouraging all staff to save electricity through briefings and monthly gatherings
- Using motion sensors on public areas and restrooms.
- Monitoring and adjusting temperatures of the A/C systems of the hotel
- Replacing all lamps with LED technology lamps
- Maintaining all technical equipment frequently by the Engineering Department
- Measuring energy consumption per guest and recording it via <u>Greenview</u>
- Using Energy Star appliances as replacements if or whenever needed

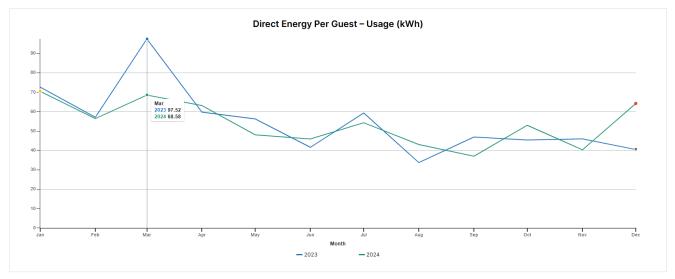
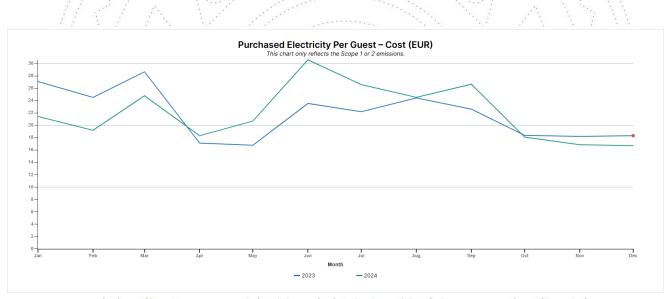


Chart 1.3 Total direct energy consumption per guest 2023 vs 2024 (source <u>Greenview</u>)





B. Water Saving

- Implementing Bio clean system in the hotel premises which turns 100% of our grey water into water suitable for the irrigation of the surrounding plants of the hotel
- Measuring, monitoring and recording water usage and reducing it wherever possible
- The toilets are equipped with water saving flushes –approximately double less water is consumed than with ordinary flushes
- Implementation of the rule of every second day changing of sheets to minimize water and energy consumption
- Label is placed in every room regarding towel change informing the guests that if the towel

is on the floor, it will be changed. If it hanged, it will be used again by the guest

- Automated system for watering the plants
- Laundry service is outsourced for Casale Panayiotis is fully compliant with sustainability practices. Every step of the laundry process, from collection to washing and delivery, adheres to environmental standards and practices. The service provider has obtained sustainability certifications, ensuring that energy consumption, water usage, and waste management are all minimized throughout the entire laundering operation. By choosing this outsourced laundry service, Casale Panayiotis demonstrates its commitment to sustainable practices and responsible stewardship of the environment.
- C. Conserving Biodiversity, Ecosystems & Landscapes



Photo 12. The Cyprus Mouflon

- Through its CSR activities the hotel further promotes environmental awareness such as Earth Hour, for which every year the hotel lights are shut, and candles are lit in the F&B outlets
- Information about and interpretation of the natural surroundings, local culture and culture heritage is provided to guests via a comprehensive map/leaflet which explains also appropriate behavior while visiting natural areas
- There is no captive wildlife on properties ground
- Supporting initiatives and familiarization trips of groups who are interested in the village and also the harmonic co-existence of the hotel with the community. This is possible with the collaboration of the hotel with the Cyprus Sustainable Tourism Initiative(<u>CSTI</u>)

- D. Reducing pollution & Waste
 - A Waste Management Plan based has been designed for preventing and minimizing waste
 - Hotel follows the principle of "Refuse-Reduce-Reuse-Recycle" for supplies
 - Emphasis is given in reducing paper waste volume to the absolute minimu
 - Plastic water bottles are reduced to the absolute minimum by offering complimentary, fresh, local, tested and drinkable water to our guests in clay carafes
 - Initiated by Casale Panayiotis, glass recycling bins (2) have been installed both for the hotel as well as the community in collaboration with <u>Green Dot Cyprus</u> (one more has been also ordered for the Winery)
- E. Introduction of Go-Green Initiatives
 - Linen-less meeting tables in order to avoid excess laundry
 - Use of carafes for water instead of plastic bottles
 - No plastic utensils in any of the rooms
 - Soaps, shampoo, body lotions are all placed in refillable dispensers
 - Recyclable straws, batonettes, coffee cups
 - All paper used for printing is certified PEFC/13-32-001 & EU Ecolabel PT/011/002
 - Use of electric cars for porter service upon check in/check out & Housekeeping
 - Use of bicycles (both conventional & electric) for guest tours

PILLAR 2: SOCIO - CULTURAL

The socio-cultural pillar focusses on being actively involved in corporate social responsibility (CSR) actions, community development, support to local entrepreneurs, respect local communities

- A. Suppliers of Consumable Goods
 - Majority of the vendors of our main supplies, are local and in process of adding more as when required
 - The current average distance of our main suppliers to the hotel is at 39.6 km
 - Emphasis is given to fair trade and eco-certified suppliers



- B. In Kind Donations
 - Casale Panayiotis collaborates with One Dream One Wish Charity Foundation contributing financially to their efforts of supporting children with cancer, by selling Christmas Decors and once the money is gathered, we double on that amount and donate it to the foundation
 - Cloth Donation
 - Flip flop donation from our SPA to the Pournara refugee camp based in Kokkinotrimithia and Church of Palouriotissa (Nicosia)
 - Toy Donation during Christmas holiday season
 - Blood Donation by our colleagues (Mobile Unit for blood donation visits the hotel twice a year)



Donations by guests and staff members on Christmas 2024 for One Dream One Wish

Foundation

- C. Community Initiatives
 - Hotel offers the bus for the commute of all children that attend nursery school on daily basis with all expenses covered
 - Local Employment and Local Entrepreneurs. 30% of our associates are locals from nearby communities. Casale Panayiotis supports local tours, guides its customers to the local craftsmen and food producers.
 - Activities that promote local craftsmanship and cooking such as basket weaving, bee keeping, halloumi making, local wine tasting
 - Casale Panayiotis offers high quality accommodation to all of its employees (including complimentary facilities such as electricity, water, heating & WIFI), which is also very close to the hotel, eliminating the need to use cars, for commuting, to the absolute minimum.

D. Promoting the History and Heritage of the local Community

Local tours arranged by the hotel for the guests to promote the gastronomic culture, heritage and history of Kalopanayiotis village



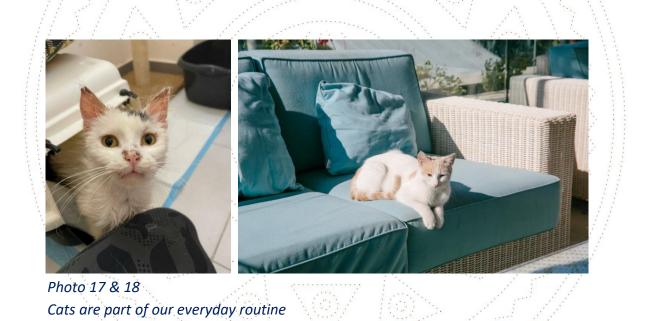
Photo 15. Traditional "palouze" making



Photo 16. Bee-keeping

E. Animal Care

- Our hotel is pet friendly and with a small extra amount, guest can bring the pet to stay with them. A part of this amount is used for the cleaning of the room, but the biggest portion of it goes to various actions, such as helping a dog shelter/pound in Cyprus. In 2024 we have raised and donated €2045.00 to <u>Rescue & Rehome Cyprus</u>
- Another portion of the pet fee is used to help control the population of, not only, the stray
 cats around the hotel but also around the neighboring area of Kalopanayiotis. For this we
 have cooperated with Island of Hope Cyprus as we have initiated our TNR (Trap Neuter
 Return) Program which helped so far around 30 cats (and counting), some of which have
 been relocated to new homes both in Cyprus and abroad



F. Respect Local Population

In respect of our residents and neighbors, all of our outdoor social events have to be finished, according to the law, by midnight. If the organizers want to stay even longer, we provide a sound proof indoor space which does not disturb the neighbors in any way.

PILLAR 3: GOVERNANCE

Focuses on Business Ethics, Compliance and allowing employees to anonymously report financial and ethical misconduct to promote ethical company culture. It includes also implementation of a policy against exploitation, human trafficking, child abuse, diversity and equitable hiring and employee protection. Health & Safety for both employees and guests are our top priority.

- A. Legal Compliance
 - Casale Panaviotis follows all relevant international or local legislation and regulations. It can
 provide for evidence the documented land, water and property rights.
 - Ownership documents
 - Rental documents
- B. Policies
 - All the employees receive appropriate and standardized training to fulfill the hotel's quality andrequirements.
 - Employees are required to share with the guests the effort of the Hotel to be sustainable and environmentally friendly.
 - All guests are informed of the actions implemented by the hotel to save energy, power and water.
 - <u>ISO 9001, ISO 22000</u> compliance
 - There is a Grievance & Whistle Blowing mechanism for all employees which can
 - anonymously express their complaints
 - Record (minutes) of all meetings regarding Sustainability are available both among the hotel staff as well as with the Community Council of Kalopanayiotis
 - Strict harassment and child abuse policy is implemented and documented as per Casale Panayiotis Code of Conduct

C. Hotel Employee Training

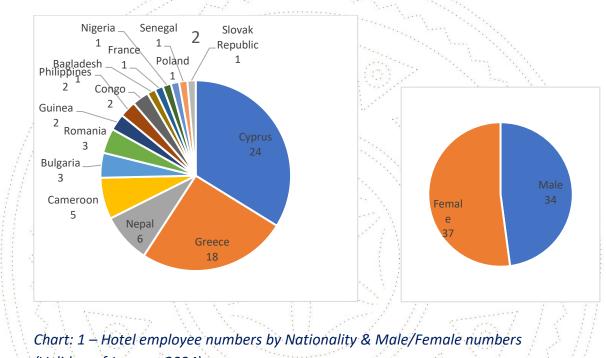
- Environmental and sustainability workshops to be conducted for all associates on a regular basis. (These workshops include Food Waste Reduction, Basic Sustainability Practices, Anti-Harassment, Health & Safety precautions, disaster management in case of earthquake/forest fires)
- Training approved by the Human Resource Development Authority (HRDA) for the employees of the hotel are conducted on a regular basis (certifications available)

- D. Standard Operational Procedures (SOPs) & Surveys
 - SOPs are documented for service, front office, event/group arrangements
 - Customer satisfaction surveys is being emailed to each guest asking about their experience with us as well as their feedback on what can be improved
 - Guest book at the Front Office also is available for a more personal opinion of our guests stay with us (to be implemented)
 - Proper complaint management is being implemented with the help of <u>GuestFlip</u> portal which classifies complaints and prioritizing the responses accordingly
- E. Communication Strategy
 - Information about the Hotel is not printed but uploaded on the rooms TV where the guests can access it anytime. General information is printed on paper, however to avoid waste and damage of the paper it is framed in a nice photo frame and placed on the room's desk. That way it doesn't need to be replaced due to ware and tare but also give a homey feeling to the room.
 - Guests can find extra information if needed either through the Hotel website or by simply asking the hotel employees, that way retaining communication between guests and employees.
 - Customers are provided orally with information related to the interpretation of the natural and cultural surroundings in order to promote an appropriate behavior.

F. Health & Safety

- Trainings are provided to raise awareness on theimportance of health and safety in each department
- To ensure compliance of the Food Safety Management System, new kitchen associates are trainedon safety and procedures.
- All kitchen associates undergo a mandatory basic food hygiene course in food handling.
- Health and Safety Certification is available
- G. Respect to the cultural and natural surroundings and engagement
 - Being part of Kalopanayiotis village, Casale Panayiotis Hotel is closely integrated to the local infrastructure with respect to the natural surroundings and heritage.
 - It cares to provide accessibility to anyone with special needs. For this purpose, the hotel takes measures to provide access to persons with disabilities, such as installation of a special lift for both the facilities of the hotel as well as the upper level of the village
 - 1 room has been modified in all aspects (bathroom, corridors, doors) to host guests with mobility issues

- H. Human Resources Policy
 - The hiring procedures are clearly formulated and employment opportunities are offered with no discrimination in terms of gender, ethnicity, race or sexual orientation
 - Casale Panayiotis is concerned with the well-being of its employees and ensures protection of labor rights, appropriate working conditions, decent wages, as well as opportunities for development and professional growth.
 - A policy against commercial, sexual and any other form of exploitation or harassment has been implemented



(Valid as of January 2024)

- I. Risk Management
 - Casale Panayiotis recognizes the importance of risk management system for ensuring the hotel's sustainability practices and achieving its business goals
 - Our risk management strategy has been based on the following factors:
 - Safety & Security
 - Food Safety
 - Discrimination
 - Climate Change
 - Disaster Management
 - Economical Risks
 - Our risk management strategy is based on four steps:
 - 1. Risk identification
 - 2. Risk assessment
 - 3. Action plan
 - 4. Continuous monitoring & Review

- The procedures established for this purpose are to be constantly benchmarked with the bestinternational practices.
- The actions are implemented by the Hotel's Management and Staff.
- The Board reviews the effectiveness of the implementation of the risk management system at least annually.
- The list of risks and their grades are continuously monitored and updated annually by the Hotel Manager.

Identified Risks	Risk Analysis	Risk	Actions to	Actions
	and the second se	Factor	mitigate risk	implemented
Natural disasters (earthquake, forest fires)	Training on safety & security	5	Establish effective insurance plan, monitoring and review – training for all team members especially on earthquake/fire	By mid-march 2023
Health & Safety	Renovation of nearby houses by the villagers without the required precautionary action can result to injuries for passing by hotel guests or locals	3	Inform owners of the renovating buildings and the village council of the potential hazards to people and stop access to any high- risk area	Process initiates whenever this type of renovations take place in the village
Food Safety	All suppliers comply with all safety requirements and regulations regarding food production, storage and transportation from and to the hotel	2	Establish effective supplier screening plan, follow sanitary requirements and review of stored products.	Action taken, revaluation. occurs every six months
Discrimination risk	The Hotel fully supports employment of staff of any nationality, gender and sexual orientation including persons with disabilities based solely on their professional competencies	2	To establish clear hiring and HR procedures ensuring fairness and transparency.	Ongoing action See Chart: 1 – Hotel employee numbers, page 22
Climate change	Soil erosion	2	Planting of trees for stabilizing soil	On going action, yearly event for planting trees in collaboration

				with nearby schools
Disaster management	Forest fires	5	Engage with local community and authorities, forest fire prevention measures	Action Taken through village council by announcements via email, post and word of
Environmontal	Overuse of wood resources	<u>.</u>	Collaboration with	mouth
Environmental risk	Overuse of wood resources by cutting trees for personal use in fireplaces by the local villagers and overuse by the guests of Casale Panayiotis	3	Collaboration with the forest department in reducing this phenomenon from the locals. Regarding guests, regulated use of firewood* for the fireplace	Action Implemented as of January 2023
Economical risks	Low touristic flow during weekdays	3	Develop plan for attracting incentive travel and team building activities. Apply effective yield management techniques	On going action

*Initial batch of wood for the guests on arrival day is complimentary, but for any additional batch is charged and the funds go to ESG actions initiated by the hotel

Score 1 – low, score 5 – high

Mountain Utd Committee Members:

- 1. Patrick Dessy General Manager
- 2. Iliana Hadjigeorgiou Operations Manager
- 3. Akis Christodoulou ESG & Sustainability Supervisor
- 4. Magda Savva Human Resource Manager
- 5. Charis Markidi
- Housekeeping Supervisor Accounting Officer
- Efi Georgiou
 Andreas Andreou
 Head Chef
- 8. Ifigenia Humbert
- Head Chef Front Office Clerk
- bert Front Office Clerk

SUSTAINABILITY PLAN REVIEW & APPROVAL

Name	Title	Signature
Patrick Dessy	Hotel Manager	
Iliana Chatzigeorgiou	Director of Operations	Har Veryington
Magda Savva	Human Resource Manager	Ed
Akis Christodoulou	ESG & Sustainability Supervisor	
N. A		\$J]/