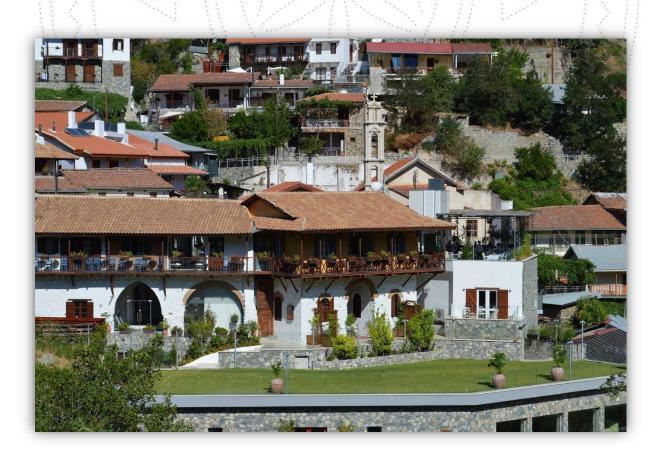
Casale Panayiotis Sustainability Management Plan (2025)

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INTRODUCTION

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.



Photo 1. Overview of the village (early 20th century)



Photo 2. Group photo of Kalopanayiotis residents

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.



Photo 3.
Casale Panayiotis main entrance

The Future

There are many projects in full swing – all related to reinstating the way of life and connection to the land that was lost during difficult times. Historic buildings are being restored, vineyards are being reestablished, orchards regenerated which are produced using sustainable farming practices and traditional winemaking techniques.

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 4. "The Winery" 2023

CASALE PANAYIOTIS' VISION

The very heart of Casale Panayiotis is to remain true to the purpose of the hotel's existence. It's not a concept – it's a preservation project to reinstate -with high sustainability values- a culture, a way of life and the evolved architecture of a community in the Mountains of Cyprus.

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



Photo 5. Our own orchard which supplies the hotel with fresh fruits and vegetables.





Photo 6 & 7
Local products are a priority for us

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.

SUSTAINABILITY GOALS FOR 2025

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:

- Future plans for 2025 include extensive feasibility study for creating our own laundry services within the village area as well geothermal heating/cooling system which will result to significant reduction of electricity cost/consumption.
- Initiate a recycling system for plastic and paper waste for Kalopanayiotis but also another 5 nearby villages (Prodromos, Pedoulas, Moutoullas, Gerakies & Oikos).
- Compression baler to be installed for compressing plastic and paper waste, minimizing volume of these types of waste by 70%.
- Waste bins with separate sockets for paper/plastic.

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 to observe our sustainability practices.

Pillar 3: Governance

Focuses on Business Ethics, Compliance and allowing employees to anonymously report financial and ethical misconduct to promote ethical company culture. It also includes 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.
- Inspiring a culture of respect regardless of gender, sex, ethnicity, or race.
- 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 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.
- Measuring energy consumption per guest and recording it via <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.
- A label is placed in every room regarding towel changes 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
- The laundry service outsourced for Casale Panayiotis is fully compliant with sustainability practices. Every step of the laundry process, from collection to washing and delivery, adheres to strict 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 8.
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

- Composter installation for organic waste which will be used as fertilizer for our own fruit &vegetable orchard.
- 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 minimum.
- 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>

E. Introduction of Go-Green Initiatives

- Linen-less meeting tables 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, and the promotion of reusable coffee mugs from all guests who order take away coffee at a reduced-price coffee cup.
- 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.
 - 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.



Photo 9.

Making "Sioutzoukko"

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
- Blood Donation by our colleagues (Mobile Unit for blood donation visits the hotel twice a year)



Photo 10.

Donation for One Dream One Wish Foundation

B. 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 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.



C. 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 11.

Traditional "palouze" making



Photo 12. Beekeeping

D. Animal Care

- Our hotel is pet friendly and with a small extra amount, guests can bring their 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: Rescue & Rehome Cyprus
- 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.
- To date we have raised €4,606.00 for the dog shelter and the same amount for the Casale Stray Cats management program.



Photo 13. Donation to RnR Cyprus dog shelter





Photo 14 & 15
Cats are part of our everyday routine

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 Panayiotis follows all relevant international or local legislation and regulations. It can provide 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
- ISO 9001,ISO 22000 compliance
- 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).
- Trainings approved by the Human Resource Development Authority (HRDA) for the employees of the hotel are conducted on a regular basis (certifications available).

D. 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.

E. 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.

To summarize all, Casale Panayiotis is a testament to the power of community and sustainability. By preserving the cultural heritage, investing in sustainable practices, and supporting the local economy, the hotel is creating a harmonious retreat in the mountains of Cyprus.