

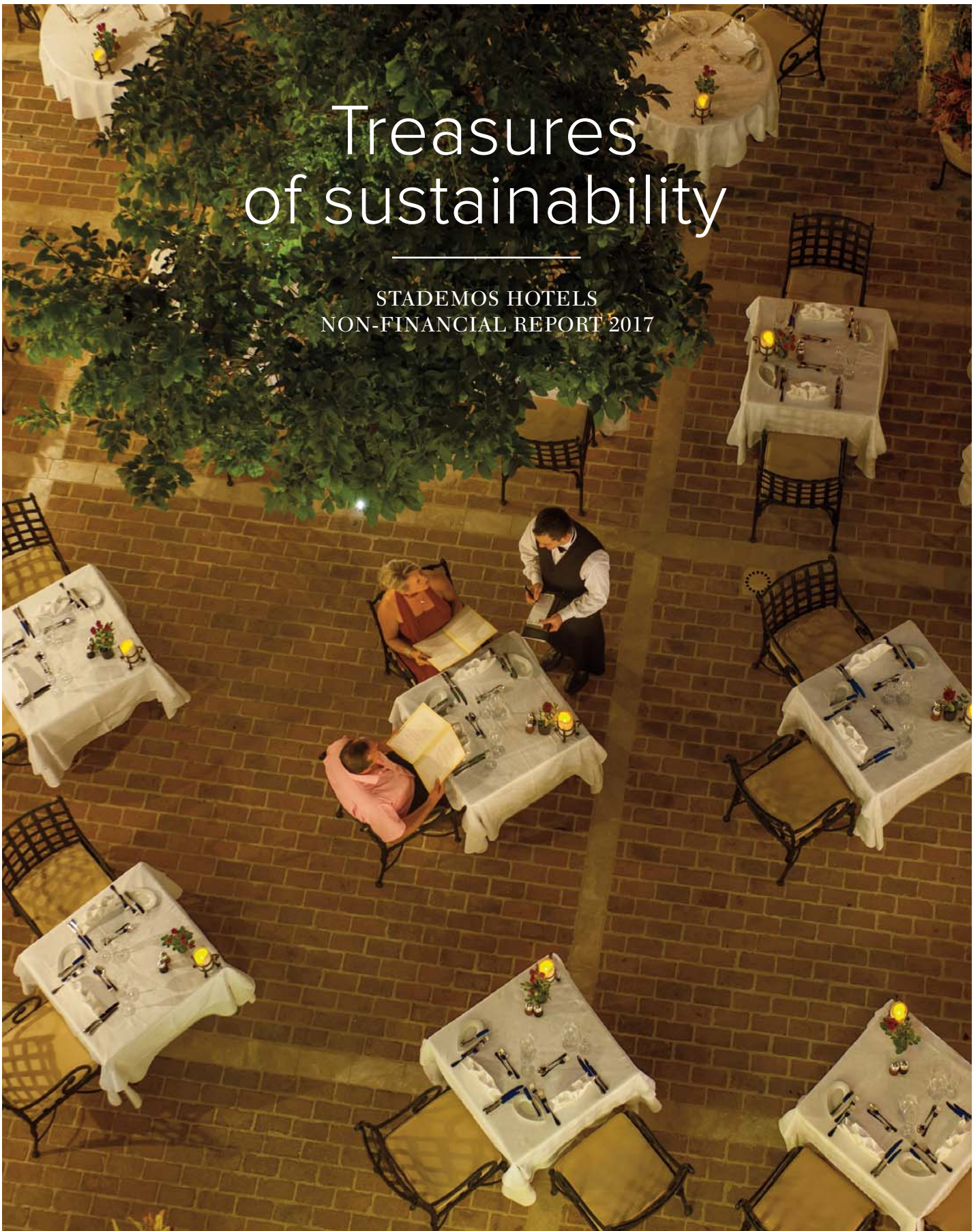


stademos hotels plc

AMARA | ELYSIUM | MEDITERRANEAN

Treasures of sustainability

STADEMOS HOTELS
NON-FINANCIAL REPORT 2017



“Existing in harmony with the natural beauty of Cyprus is our top priority. Being a part of its community is essential to maintaining a sustainable relationship with the environment”.





TABLE OF CONTENTS

Welcome message from our Managing Director	2
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Chapter 1. Introduction **4**

1. Who we are	6
2. Our business model & key performance indicators	9
3. Stakeholders	12

Chapter 2. The way forward in hospitality **16**

1. Meeting expectations	19
2. Customer experience	20
3. Delivering top quality of service	23
4. Ensuring reliability	25

Chapter 3. Preserving beauty **28**

1. Environmental impact	31
1.1. CO ₂ footprint	32
1.2. Energy	32
1.3. Water consumption	34
1.4. Waste Management	35
2. Social citizenship	37

Chapter 4. Shaping Cyprus together **38**

1. Our employees	40
2. Attracting and keeping the right people	42
3. A welcoming workplace	46

Chapter 5. Reliable business conduct **48**

1. Governance structure	50
2. Risk management	51
3. Rules of conduct	52
4. Supplier relations	53

Chapter 6. About the report **55**

WELCOME MESSAGE

from our Managing Director



[101, 102-14]

It is great pleasure to present Stademos Hotels 2017 Corporate Social Responsibility 'CSR' Report that has been prepared in accordance with the core option of the international non-financial reporting standard GRI (Global Reporting Initiative) and European Directive 2014/95/EU transposed into Companies Act Amendment 3.

We believe that providing accessible and relevant information to our stakeholders, while communicating our values and vision of society is the best way to ensure transparency and integrity. We keep our stakeholders engaged and measure the impact our operations have on local economy and on the environment. We make sure that we not only meet the necessary requirements, but that, whenever possible, we exceed them.

Our aim is to provide excellent service for our guests in an environment of tranquillity and well-being. We bring them genuine hospitality through the effort of dedicated people who feel proud to belong. Our conscious efforts to achieve this have been carried out throughout the

years by being a **fair and caring participant within the hospitality industry**, in the natural environment and in the communities surrounding us. As a result, we have managed to achieve several milestones:

- Reducing our carbon footprint by 4,8% and our heat consumption is 8% lower
- Water consumption at the Elysium was reduced by nearly 12%
- For two years we've maintained a consistently high customer satisfaction level, which in 2017 was 97.6%
- We are currently focusing on further developing our loyalty programs and initiatives engaging local communities

What we have achieved thus far was a result of our day-to-day strive to implement top-notch operational standards. First and foremost, we rely on our **committed members of staff who deliver service straight from the heart**, making our customers feel at home.

We continuously recognise their commitment and positive attitude through adequate nurture reward. Our employees are at the core of our sustainability strategy, as their needs are being addressed at each hotel through dedicated committees. Each employee is given specific goals which they strive to achieve individually and as part of the Stademos family.

While participating in the hospitality industry, we are especially passionate about tackling its key challenges and always look for new, **innovative ways to move forward**. As we grow, we think more and more about preserving the natural beauty of Cyprus. Today our efforts to reduce our CO₂ footprint as well as utilise energy, water and waste more efficiently are greater than ever before.

Growth is important for any business and as a forward-looking organisation, we are always looking for new development opportunities, pursuing them in a responsible manner and making sure that **each new endeavour inspires positive change**. This is manifested in the latest addition to Stademos Hotels, the 207, all sea view-guest room, ultra-luxurious AMARA Hotel, which opens its doors in 2019. Besides the state-of-the-art design and the fantastic 180-degree view of the Mediterranean sea, the hotel will have passive cooling, solar power, as well as grey water use. This investment, while offering visitors to Limassol a unique five-star experience, represents our commitment to sustainable growth.

Our journey to sustainability has been shaping who we are over the last couple of years. Today we are proud of our people who are working together with us towards reflecting their commitment to customer service, as well as staying focused on all CSR priorities. In this report, we are sharing with you our efforts and stories across our current CSR focus areas. We invite you to join us as we embark on this journey to improve both our business and the world. At the same time we welcome your views on our sustainability performance and our future plans.

Demos Demosthenous
– Managing Director





CHAPTER 1.

INTRODUCTION



*“We improve our business model,
understand sustainability performance
and we build relationships
with our key stakeholders”.*

Vassos Kilanis

General Manager at Mediterranean Hotel

OUR PRINCIPLES

HONESTY

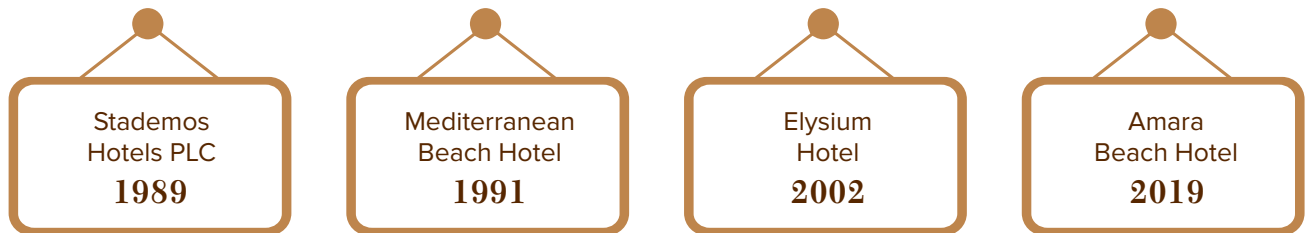
Honesty towards ourselves,
our customers and our employees
are key prerequisites for forging strong
and lasting relationships.
This in turn will ensure that our vision
is being realized.

INTEGRITY

We conduct our business
with honesty and integrity, following
ethical and legal standards.

1. WHO WE ARE

[102-1; 102-2; 102-3; 102-4; 102-6; 102-7]



Stademos Hotels PLC was established in March 1989 as a private company focusing on the ownership and operation of hotels.

In March 2000, Stademos Hotels was converted into a public company – its shares are listed on the Cyprus Stock Exchange. The company currently owns and operates two hotels in Cyprus: the superior 4-star Mediterranean Beach Hotel in Limassol and the luxury 5-star Elysium in Paphos. In September 2015, Stademos Hotels PLC commenced works on its third hotel, a luxurious 207 room 5-star hotel in Limassol. The hotel is expected to be completed by the end of 2018. The common goal shared by all our staff is the remarkable excellence of service.

We are deeply convinced that the quality of service should not merely reflect a hotel's star rating. We believe the quality should constantly aim to transcend the rating. This is why we not only fulfil the highest standards within given ratings, but we strive towards providing the excellence of service our clients unanimously deem exceptional. We help to fulfil this goal by emphasizing the culture of work that makes our employees feel genuinely responsible for each guest's experience. The quality of service is always at the heart of what we all do.



Limassol and Paphos: Life is better on the beach

Limassol is the second largest district in Cyprus (after the capital, Nicosia), both geographically and in terms of population. With a stunning coastline of 16 kilometres, the city is a heaven for anyone who enjoys bright sunshine and crystal-clear waters, as well as all those who seek a cosmopolitan life. Its location between the ruins of the two ancient cities allows visitors to enjoy both history and modernity at the same time. One can admire traditional structures of the town by exploring of archaeological sites and the old town, while remaining in the vicinity of the modern parts of the city.

ELYSIUM – 5-star deluxe hotel

Elysium's unique architecture stems from the influence of many civilisations that have conquered the island through the centuries. It is located near the ruins of ancient Paphos (next to the ancient Tombs of the Kings) and within a walking distance from the town centre. Hence, it is an ideal destination for anyone who would like to explore both the historic and modern Paphos. The hotel is surrounded by a harmonious landscape, with impressive pools, local plants, Mediterranean herbs, flowers and trees. Both our hotels have been distinguished internationally and the following awards and achievements prove as much.



ELYSIUM AWARDS



Hotels.com



2016

Trip Advisor

Certificate of Excellence

Trip Advisor

Traveller's Choice

Booking.com

Guest Review Award (9,2 out of 10)

HolidayCheck

Recommended Hotel (5.3 out of 6)

Hotels.com

Gold Award – Outstanding
Guests Review Score

British Airways

Customer Excellence Award

Expedia

Best Room Nights Growth

Jet 2 Holidays

Quality Award 2016 Winner

2017

Trip Advisor

Certificate of Excellence

Trip Advisor

Traveller's Choice

Booking.com

Guest Review Award (9,2 out of 10)

HolidayCheck

Recommended Hotel (5.4 out of 6)

Hotels.com

Gold Award – Outstanding Guests
Review Score

Travel Republic

Magnificent score from Customer
reviews (9.4 out of 10)

Biblio Globus

Best Guest Service & Hospitality

Sovereign

Awards of Excellence

FIT Premium Hotel

Wellbeing 2017

MEDITERRANEAN – 4-star superior hotel

The Mediterranean Beach Hotel is situated on the South-West Bay of Limassol and is close to the archaeological site of the kingdom of Amathus. Besides being located on the beautiful Cypriot shore, the Mediterranean Beach Hotel offers 5-star experience even though it is rated as a 4-star hotel. With an intimate, boutique feel and excellent food based on locally sourced ingredients, it offers a friendly 'bed and breakfast' atmosphere.



MEDITERRANEAN AWARDS



Hotels.com

TravelRepublic



ORBITZ



2016

Expedia+

Access best of 2016

Booking.com

Guest Review Award (8,6 out of 10)

Trip Advisor

Certificate of Excellence 2016

HolidayCheck

Recommendation 2016

2017

Expedia +

VIP Access 2017

Booking.com

Guest Review Award 2017

Trip Advisor

Certificate of Excellence 2017

HolidayCheck

Recommendation 2017

Hotels.com

Fabulous Award 2017

Travel Republic

Magnificent score from Customer reviews (9.4 out of 10)

Orbitz 2017

Biblio Globus

Best Family Hotel 2017

AMARA – panorama of hospitality

Amara Beach Hotel in Limassol, which will open its doors in spring 2019 is a 5-star luxury complex located on a beach. It will be offering a 180-degree view of the Mediterranean Sea. At the same time its design will

respect the historical, natural and social context of Cyprus. What is more, Amara will also benefit from solar power as well as grey water use. We believe we are creating a genuine value with this latest addition to our hotels.

2. OUR BUSINESS MODEL & KEY PERFORMANCE INDICATORS

[Companies Act Amendment 3] [102-16] [201-1]

Sustainable hospitality. Our mission, vision and values

Our ambition as a sustainable hospitality business is to deliver a positive economic, social and environmental impact. When creating our strategies we take into account the visitor, the industry, the legislative bodies as well as local community and the environment. Furthermore, we recognize that the aspect of sustainability must be embedded not only into our strategies, but also in our everyday hotel services.

For Stademos Hotels this means, first and foremost offering a unique and sustainable experience to our guests at great value for the money they paid. However, as we strive towards our ultimate goal, we do not forget other important aspects: we constantly monitor safety related factors, we respect the people around us and we care about the environment. We fully comply with relevant laws and regulations and we have never received any fines. What is more, we have a deep understanding of customer needs and we are proud of our customers themselves. They appraise our devotion to sustainability and always prefer staying in a hotel that respects the people and their environment.

In order to constantly offer a unique experience, we operate in accordance with the values that stand the test of time. It goes without saying that growth and investment in the future are important drivers for any profitable company. However, we also strongly believe that only by having stable foundations and believing in our ideals

can we achieve true greatness. At Stademos Hotels the trust in our employees and their deep understanding of company values constitute the foundation on which we eagerly build upon. In fact, our principles are very simple: we think of the people first, we pursue excellence and we act with integrity.

Thus, our vision is premised on straightforward principles, which define us as human beings and as professionals. Our vision is to always offer our guests the highest level of service, a level that will exceed their expectations. We achieve this through dedication and team spirit. Thanks to upholding a friendly, nurturing atmosphere, we create an environment valued by both our guests and employees.

To advance our way to perfection we created the Code of Commitment, which describes our commitment to employees, guests, communities and the environment. Thanks to the Code, we address new challenges better. the Code embraces future sustainable opportunities in a coordinated manner – in order to improve our business performance and achieve other benefits.

By following our socially responsible policies reflected in the Code of Commitment, we not only increase the satisfaction of our customers, but also the happiness of our staff. We also help our business evolve in a sustainable manner, as the Code touches upon every aspect of our activity, including our corporate citizenship philosophy and how we approach sustainability. We strongly believe that it is our commitment to values that makes our culture vibrant, our business robust and our communities strong.

Model of operation

A company's business model describes how it generates and preserves value through products or services over the longer term. Our business operations can be outlined in three stages. We begin with a design and construction of a hotel. Then we set up a range of services and finally market them to reach our customers.

¹ Capitals listed above are based on the International Integrated Reporting Council (IIRC) guidelines. Together they represent stores of value that are the basis of an organization's value creation.

Key figures

We analyse the organisational potential, our operating expenses and the results and effects we achieve from the financial and non-financial capital perspective. Like any hospitality enterprise, we invest in our resources, which translates into notable benefits, such as:

- increased equity (e.g. through reserves),
- increased quality of human capital (e.g. through salaries, training courses),
- increased production capital in the form of offered products, services and their delivery quality,
- increased social and relational capital (trademark, quality of relationships with clients, employees and market representatives).¹

DESIGN & CONSTRUCTION	OPERATION & SERVICE	MARKETING & SALES
<ul style="list-style-type: none"> • Purchase of plots • Design • Building permits • Construction • Infrastructure • Purchase of equipment • Renovations 	<ul style="list-style-type: none"> • Recruitment proces • Employment • Customer service: accommodation catering wellness • Investor Relations • Relationships with suppliers • Maintaing good relations with the administration, local community 	<ul style="list-style-type: none"> • Expanding the offer of services provided • Maintaing and acquiring customers • Building reputation and constantly improving the brand



ALMOST 30 YEARS OF EXISTENCE – TRUST TO OUR BRAND

Financial capital






2016		2017
30.700.562	Revenue	32.190.516
10.805.547	EBITDA	11.377.886
9.143.673	EBIT	9.412.239
7.004.981	Operating profit before tax and non-recurring items	7.512.853
6.050.896	Net profit	6.398.62
191.035.665	Total non-current assets	210.441.430
20.746.998	Total current assets	54.754.871
13.697.106	Assets held for sale	19.200.410
211.782.663	Total assets	265.196.301
954.085	Taxes	1.114.225

Infrastructural & natural capital

Mediterranean		Elysium
292 rooms		287 rooms
0,18% electricity reduction		1,45% electricity reduction
8,18% heating reduction		8,15% heating reduction
4,92% CO ₂ reduction		4,70% CO ₂ reduction

Human capital shown in consolidated way

Social capital shown in consolidated way

2016	2017	2016	2017
760 employees 	853 employees	294.181 guest nights / year 	293.536 guest nights / year
503 training hours 	279 training hours		
5 work accidents 	15 work accidents	21 awards in 2016-2017	

3. STAKEHOLDERS









[102-13; 102-40; 102-42; 102-43]

Constant development and the desire to improve is the driving force behind what we do. As we are aware that any advance is temporary, we aim at continuous improvement and higher performance levels. We do this by ensuring a proper, profound and professional communication with our stakeholders and customers. Our strategy is to educate, communicate and create an environment of growth.

In order to fully appreciate sustainability we engage our stakeholders through dynamic and honest dialogue. For this purpose we have created an engagement strategy that includes surveys prepared regularly. In our effort to identify as many aspects of material sustainability as possible, we have been continuously engaging with our personnel through a series of workshops. Furthermore, we incorporated sustainability aspects into our yearly customer experience surveys to better engage with customers and understand their concerns.

STAKEHOLDERS' MAP



Stakeholders group	Some entities that are part of the stakeholder group	Approach and type of stakeholder engagement	Frequency of their engagement by type	Key issues and problems raised by stakeholders
Tour operators 	<ul style="list-style-type: none"> Main tour operators, such as Biblio, Tui, Thomas Cook 	<ul style="list-style-type: none"> Surveys, meetings, social media 	<ul style="list-style-type: none"> Twice a year for contracting, annual gatherings Weekly basis communication and upon request 	<ul style="list-style-type: none"> Terms of cooperation Environmental management
Customer/guest 	<ul style="list-style-type: none"> Families Repeater guests 	<ul style="list-style-type: none"> Company's website, guest satisfaction surveys, social media, customer experience survey, exhibitions, loyalty program rewards 	<ul style="list-style-type: none"> Upon making a booking Upon check in & check out Weekly management cocktails, Upon request 	<ul style="list-style-type: none"> Sustainability issues Environmental management Reliable business Ethical approach Use of local products Personal data protection
Shareholders 	<ul style="list-style-type: none"> Participants of the capital market Shareholders Institutional and individual investors 	<ul style="list-style-type: none"> Annual Report, Sustainability Report, Annual shareholder meetings 	<ul style="list-style-type: none"> Annually 	<ul style="list-style-type: none"> Sustainability image Environmental management Employee engagement Meeting clients expectations
Government 	<ul style="list-style-type: none"> Regulators State institutions 	<ul style="list-style-type: none"> Briefings, meetings 	<ul style="list-style-type: none"> Upon request Blue Flag Award 	<ul style="list-style-type: none"> Implementation of new initiatives and policies Strategic partnerships Investment in disadvantaged Communities
Employees 	<ul style="list-style-type: none"> Employees and their families 	<ul style="list-style-type: none"> Meetings, Workshops 	<ul style="list-style-type: none"> Annual gathering with employees and spouses Trainings and workshops once or twice per year Annual Children's Christmas Party 	<ul style="list-style-type: none"> Stability and attractiveness of employment Family-oriented HR policy Fair workplace Development opportunities Health and safety issues
Suppliers 	<ul style="list-style-type: none"> Food and beverage suppliers Manufacturers and Vendors 	<ul style="list-style-type: none"> Meetings, newsletters 	<ul style="list-style-type: none"> Annual tendering process and meetings with high volume suppliers Meetings are held with Purchasing Manager regularly, daily contact 	<ul style="list-style-type: none"> Terms of cooperation Transparent rules of tenders and cooperation Good, long-term relationships Cooperation as part of industry initiatives
Local communities 	<ul style="list-style-type: none"> Local neighbourhood 	<ul style="list-style-type: none"> Magazines, social media 	<ul style="list-style-type: none"> Preferred employment of people from local communities Taxes paid to local Municipality 	<ul style="list-style-type: none"> Environmental management Destination image Use of local products
NGOs 	<ul style="list-style-type: none"> Foundations Social and environmental organizations Cultural institutions 	<ul style="list-style-type: none"> Conferences, workshops 	<ul style="list-style-type: none"> Cyprus Anticancer society: a monthly basis Local sports teams s sponsorship: annually Labour unions: annually Radiomathonios (children with disabilities charity) annually Christodoulas March: annual charity walk 	<ul style="list-style-type: none"> Implementation of new initiatives and policies Strategic partnerships
Organisations we belong to	<ul style="list-style-type: none"> The Association of Cyprus Tourist Enterprises Cyprus Chamber of Commerce & Industry Employers & Industrialists Federation Cyprus Maritime Protection Association 		<ul style="list-style-type: none"> Weekly or monthly newsletters Annual meetings and consultation where needed 	<ul style="list-style-type: none"> Challenges for the sector

FACTS & FIGURES

Our main clients are major international tour operators, such as TUI, Biblio Globus, Thomas Cook, Jet2Holidays, British Airways Holidays, Sovereign, Travel World Vacations, Schauinsland Reisen, Der Touristik, as well as online operators like Booking.com, Expedia.com and Travel Republic.

As the leading market participants and members of STEK (Association of Cypriot Tourist Businesses) we assume an active role in understanding key issues that are currently affecting the tourist industry, both at regional and national level. We bring vitality to cities and communities we operate in by creating economic value that benefits our stakeholders and, implicitly, the communities themselves.

Our sustainability strategy

[103-2; 103-3]

We designed our sustainability strategy around three dimensions: our perpetual customer-centric culture, our daily efforts that stimulate social impact and our growth rooted in the idea of environmentally neutral buildings.

All pillars are inextricably linked to the Sustainable Development Goals. The first pillar – move towards environmentally friendly building – is linked to the 6th and 13th SDGs for the preservation of clean water and combating climate change. The second and third pillar, in turn, concern the strengthening of social impact and listening to the needs of our clients, and this is closely related to the 8th SDGs.

CSR STRATEGY



Customer oriented culture

- Get input from guests and employees based on survey results and dialogue sessions
- Maintain customer satisfaction at high level
- Constant improvement in response to clients' expectations



Empower social impact

- Buy local products and services
- Provide continuous training to our employees in areas such as protection of the environment, health and safety, etc.
- Encourage employees to volunteer in the local community



Move towards environmental neutral buildings

- Reduce energy consumption
- Reduce water consumption
- Manage waste streams by applying the reduce, re-use and recycle principles
- Use environmentally friendly and safe products



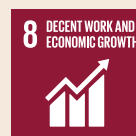
The Sustainable Development Goals (SDGs), also known as the Global Goals, are a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity.



Water and sanitation are at the very core of sustainable development. Safe drinking water as well as the adequate sanitation and hygiene are the pillars of human health and well-being. In addition to domestic purposes, water is needed for food, energy and industrial production – all those uses are highly interconnected, but potentially conflicting. The water usage generates wastewater, which may cause pollution if not properly managed. To ensure sustainable management of water and sanitation for all, it is essential to look at the water cycle in its entirety, including all uses and users.



Climate change is caused by anthropogenic emissions of CO₂ and other greenhouse gases. Climate change impacts natural and human systems globally, through the increase of the globally averaged surface temperature, extreme weather events, changing precipitation patterns, rising sea levels and ocean acidification. These risks will ultimately impact people's livelihoods.



Businesses are engines for job creation and economic growth, fostering economic activity through their value chain. Decent work opportunities are good for business and society. Companies that uphold labour standards across their own operations and value chains face lower risk of reputational damage and legal liability. Instituting non-discriminatory practices as well as embracing diversity and inclusion will lead to greater access to work.

CHAPTER 2.

THE WAY FORWARD IN HOSPITALITY

[Companies Act Amendment 3] [103-2; 103-3]





“Understanding our guests’ individual needs allows for timely, bespoke solutions. At Stademos Hotels exceeding expectations is a top priority”.

Christina Kindilides
Sales Manager at Stademos Group

OUR PRINCIPLES

HOSPITALITY

We operate on the principle that quality service is at the core of how we conduct business.

CREATIVITY

Without creativity, there is no progress. We invest in imaginative and interesting ways to keep our guests coming back for more unique experiences.

COMMITMENT TO QUALITY

We invest a lot of energy and resources into creating and maintaining quality. This commitment makes us stronger and better at what we do.

Mediterranean: “Where friendship begins”.

*True hospitality has always been the fabric
of the Mediterranean Beach Hotel, a superior 4-star resort
situated on one of the most beautiful sandy beaches of Limassol.*

Elysium: “Unique experiences that impress you again and again”.

*We are offering a unique experience to our guests,
which will encourage them to visit us in the future.*



1. MEETING EXPECTATIONS

We are fully aware of the expectations and requirements of our customers and their awareness related to sustainable development. This is why we collect positive opinions from our clients. However, we do not want to rest on our laurels. Quite the opposite, we are focused

on continuous improvement. Our two modern hotels, loved by their guests and employees alike, are the basis for further expansion. Soon, a new investment will be put into use – a unique, technologically advanced and intelligent hotel that follows the latest trends.

MEDITERRANEAN BEACH HOTEL

True hospitality has always been the fabric of the Mediterranean Beach Hotel, a superior 4-star resort situated on one of the most beautiful sandy beaches of Limassol. The hotel's unique location provides all the advantages one can think of, including spectacular views of the island's southern coastline. Recently renovated to the core, it invites our guests to a warm and inspiring environment of aesthetic luxury and comfort. The warm and familiar atmosphere we offer is known for making our guests inclined to return.

ELYSIUM HOTEL

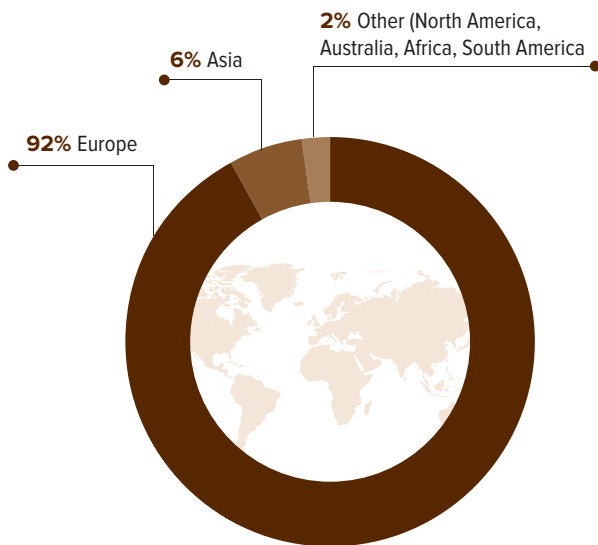
The 5-star hotel has a unique architecture and distinctive style. It has been meticulously designed in a palatial style, primarily influenced by the Byzantine era. The cultural inspirations of its architectural style evoke the rich history of Cyprus and combine elements from Greek, Roman, Medieval and Venetian times. As a result, the hotel emanates a sense of luxury and exceptional atmosphere. Surrounded by extensive landscaped gardens embellished with water features, multi-level pools as well as an amphitheatre and its own sandy cove, the hotel evokes a feeling of wellbeing and indulgence.

AMARA BEACH HOTEL

Elusive, exclusive, eternally yours. The Amara is the latest addition to the luxury hotel chain, Stademos Hotels PLC. The construction works began in 2015. A deluxe, 5-star hotel located near the ancient Kingdom of Amathus, above a 250m bay of azure waters. It aims at fulfilling the needs of a very diversified group of travellers. Its design, created by an international team of designers, combines clean lines with monolithic forms of the locally sourced materials. Moreover, it has been built in line with the top-notch earthquake resistant design technique. Sustainability is a key dimension of this hotel project. Among other innovative solutions one can find building control management i.e. computer-based control system installed in buildings that controls and monitors the building's mechanical and electrical equipment such as ventilation, lighting, power and water systems as well as passive cooling and photovoltaic panels.

2. CUSTOMER EXPERIENCE

Elysium & Mediterranean

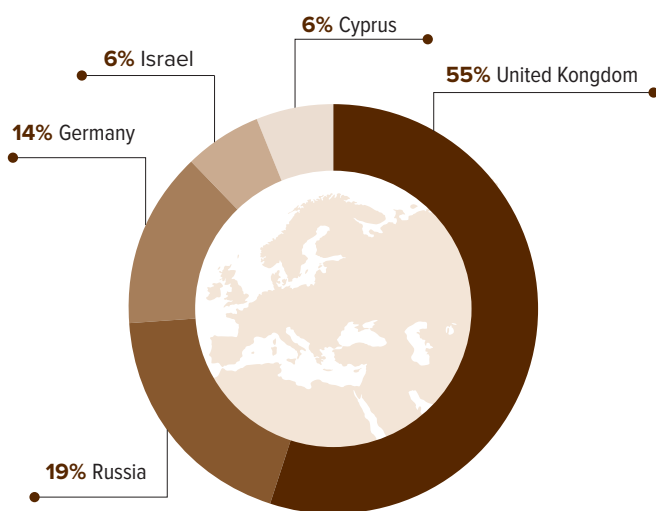


Cyprus is one of the most popular Mediterranean summer holiday destinations – and not just for the Europeans. Many of our guests have come from as far as Korea, Australia, South Africa, as well the US and Canada. Despite the fact that most hotels in Cyprus are closed during the winter season, our hotels operate normally. The number of guest arrivals decrease during the winter months, however we operate all year long, organizing major events which motivate guests to visit our country. We are also proud of the large number of people who visit us repeatedly. We are happy that our hotels are a place where our guests feel welcome.

In the Elysium hotel, as well as in the Mediterranean hotel, most guests come from Europe (more than 90%). In both cases, the second largest group comes from Asia (approx. 7% in Elysium and 5,7% in the Mediterranean).



Hotel Elysium – Top 5 most popular nationalities



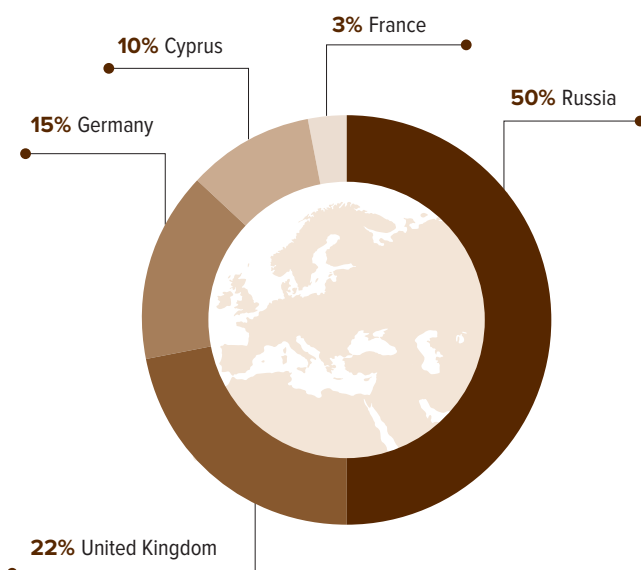
Among the most frequent visitors in the Elysium hotel are the British (55%) and the Russians (19%). The third largest group (14%) are Germans. Interestingly, compared to the previous year, the number of guests from Germany increased by 120%. On the other hand, the total number of guests from Israel increased by 60% compared to 2016.

A similar case with the Mediterranean Hotel: almost $\frac{3}{4}$ of the overall number of guests come from the United Kingdom and Russia. However, in comparison to Elysium the proportion here is reversed (Russians: 50%, the British 22%). In general, the Mediterranean enjoys a greater number of local guests than the Elysium (10% to 6%).

FUN FACT FROM 2017

In terms of Elysium guest numbers, the three most popular months in 2017 were, respectively, August, September and October.

Hotel Mediterranean – Top 5 most popular nationalities



Case study

Timothy King, visited the Elysium with his family – his wife and his children for the first time in 2003. Since then, he has been spending holidays at the Elysium every single summer. He said: *the Elysium is an oasis of calm. It is a place where we, as a family, can truly relax – and that is magical. So, I cannot see us staying away for too long.*

Repeater Guests

Both the Mediterranean Beach Hotel and Elysium Hotel are attracting returning visitors. The year 2016 was marked by an exceptionally large number of visitors in the Mediterranean Beach Hotel, that number amounted to 160.898 guest nights, of which 4.5% were repeaters guests.

Despite the fact that there were less guests in the Elysium hotel in 2016, the returning guests in 2017 constituted as much as 16%. The third quarter of 2017 was a period in which our guests stayed for the longest time, on average 6 days for Mediterranean and 7 days for Elysium. These figures do not come as a surprise, given the fact that it is a holiday period, and the weather is conducive to a longer rest.

	Mediterranean		Elysium*	
	2016	2017	2016	2017
Total Repeater Guests	7.391	6.884	19.697	21.996
Total Guest Nights	160.898	158.037	133.283	134.498
% of Repeater Guests to Total Guests	4,5%	4%	15%	16%
Average Stay Q1	2,67	3,00	3,00	1,08
Average Stay Q2	4,67	5,33	6,30	6,12
Average Stay Q3	5,67	6,33	7,07	7,21
Average Stay Q4	3,67	3,33	4,26	5,83
Increase/(Decrease) in stays				

* Elysium was closed for renovations in December 2016 and during both January and February in 2017.



3. DELIVERING TOP QUALITY SERVICE

The differentiating factor of Stados Hotels that ensures our advantage over numerous competitors is the excellence of service. Even though our local area of operation offers a great variety of competitive accommodation choices, it is our group of hotels that stays within the top ten local hotels on Trip Advisor.

We collect and use customer information, with our guests' permission, in order to provide them with better and more memorable experiences. One of our key strategies is monitoring and measuring the standards of service we offer. A popular and powerful tool used in order to assess the service quality is – of course – the guest questionnaire. It is our policy to personally evaluate all guest feedback in order to ensure that the comments are taken into consideration and actions are taken towards the improvement of our operations.



Case study What our clients remember?

Marios Pericleous has been working as a chef at the Elysium since 2002. Besides being an excellent professional and a renowned chef, Marios is also the soul and lifeblood of our kitchen: a cheerful and affable person with a brilliant sense of humour, which can be attested by anyone who has ever enjoyed an omelette by his hands at the morning buffet of the Elysium. Below refer to extracts of customer reviews from Trip Advisor showcasing the chef's work.

Amazing experience, one of the best hotels Reviewed July 17, 2016

We stayed 3 nights at the Elysium over the weekend and could stay the entire week. What an amazing service, food and facilities!! Upon registration we were welcomed by the receptionist right from the hotel entrance helping us with our luggage and then offered a welcome drink before being escorted by the bell boy to our amazing room right in front of the pools and the beach! Breakfast was superb, very rich and tasty full of all sorts of tastes and needs including a made to order omelet. Having said that you cannot ignore the head omelette chef, what a great guy, warm, lovely and talkative! The bar, the singers and piano men were great every evening. For sure, one of the best experiences we had on a vacation.

A fantastic place to stay with comfy beds. A winter get away destination. Reviewed 16 November 2017

We had a 5 star experience at this hotel, from a great welcome at the front desk and restaurant servers that always try to seat you where you like. At breakfast time there is a dedicated omelette chef who has a great smile and fantastic banter if you are up for that in the morning. All the staff are very helpful indeed... Enjoy.



Good practice

All guests of the hotel receive a questionnaire to fill in, so they can give their feedback regarding the service and the experience. These questionnaires rate us a professionals who are constantly improving their services: our rating for 2016 is 93.25% and for 2017 – 95.67%.

In the digital era, a considerable percentage of potential guests tend to check out Trip Advisor ratings prior to booking their place in a hotel. We are proud of what the guests think of us: the quality reviews and mentions of how our employees exceeded their expectations makes all the difference when people are about to select their preferred holiday hotel venue.

FACTS & FIGURES

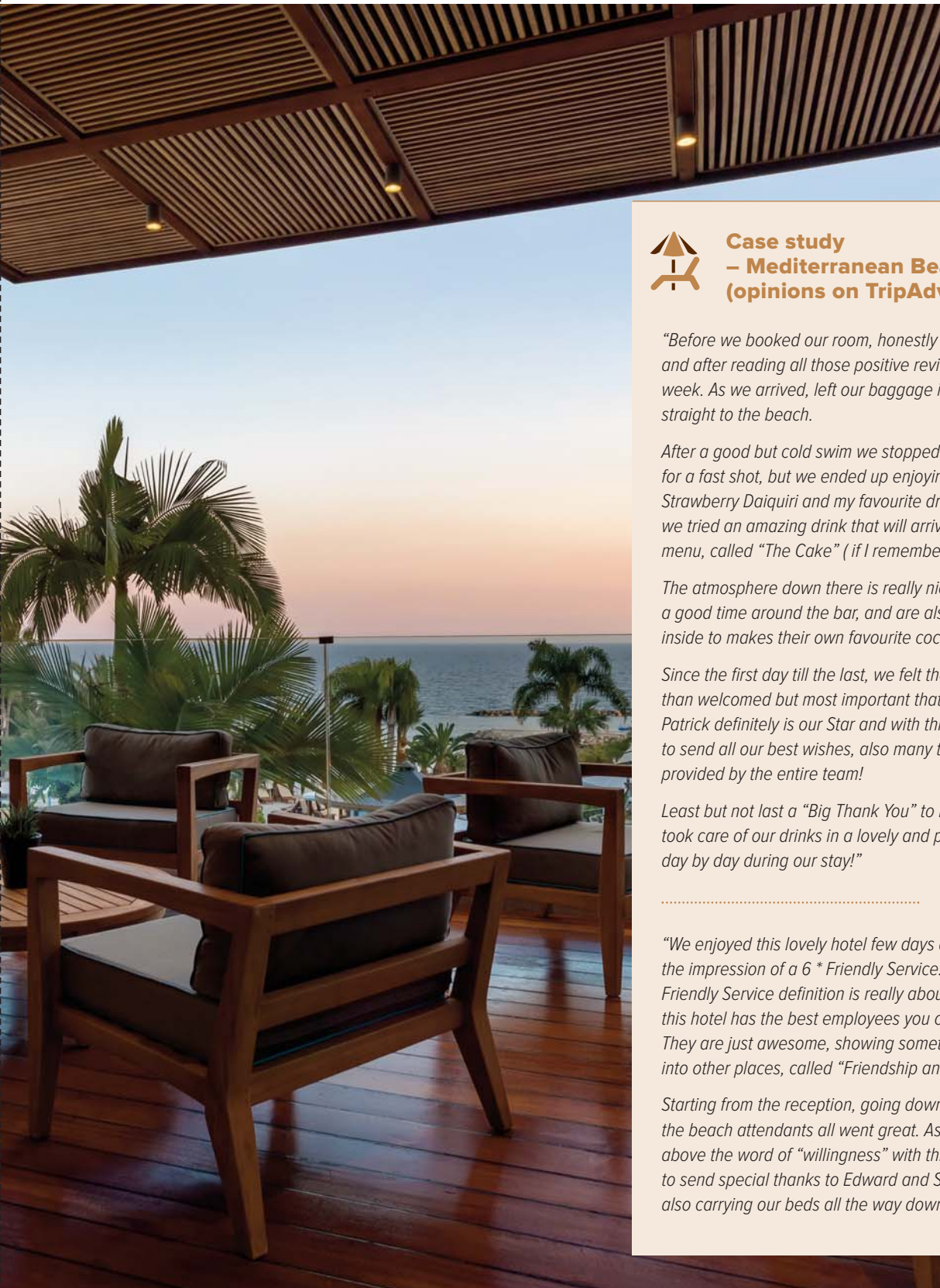
On TripAdvisor the Elysium score is 4.5 out of 5, and it is the 4th most popular hotel in Paphos. The Mediterranean Beach Hotel is ranked 8th among Limassol's hotels.



Plans and goals for the future

Stademos Hotels PLC is in the process of preparing the Treasure Rewards Scheme that should be launched in the near future. It will be a joint scheme utilised by all Stademos Hotels. Upon registration all adult guests will collect points and will be able to redeem them on free accommodation nights.





Case study – Mediterranean Beach Hotel (opinions on TripAdvisor)

"Before we booked our room, honestly we made our search and after reading all those positive reviews, we planned our week. As we arrived, left our baggage in the room and went straight to the beach.

After a good but cold swim we stopped at the beach bar for a fast shot, but we ended up enjoying various drinks, like Strawberry Daiquiri and my favourite drink Mai Tai, but also we tried an amazing drink that will arrive soon in the bars menu, called "The Cake" (if I remember correct the name)

The atmosphere down there is really nice, people having a good time around the bar, and are also being invited inside to makes their own favourite cocktails.

Since the first day till the last, we felt that we were more than welcomed but most important that we belong there. Patrick definitely is our Star and with this occasion we intend to send all our best wishes, also many thanks for the service provided by the entire team!

Least but not last a "Big Thank You" to both Daniel's who took care of our drinks in a lovely and professional manner, day by day during our stay!"

*"We enjoyed this lovely hotel few days ago, and left with the impression of a 6 * Friendly Service. Not sure, what a 6* Friendly Service definition is really about, but in our opinion this hotel has the best employees you could ever imagine!! They are just awesome, showing something you cannot find into other places, called "Friendship and Willingness"*

Starting from the reception, going down to the pool bar and the beach attendants all went great. As we just mentioned above the word of "willingness" with this occasion we wish to send special thanks to Edward and Strasimir for helping, also carrying our beds all the way down to the beach."

4. ENSURING RELIABILITY

We are very lucky to be located on a beautiful island, which offers many memorable experiences. However, location is not everything – the quality of service matters even more. At Stademos Hotels we have a set of policies and procedures for quality management that aim to ensure that all our guests can make the most of their holidays.

In order to ensure consistency in the customer experience delivered at our hotels, Standard Operating Procedures are in place at each department. Additionally, job descriptions are specified for the roles of management and each of our employees. These are implemented and monitored through checklists, which ensures that the procedures are communicated clearly and specifically define all individual responsibilities. As a result, we are able to guarantee the consistency of service, which is an essential ingredient for building customer loyalty and maintaining an outstanding reputation globally



Following the international quality assurance guidelines, our employees are regularly reintroduced and updated on these standards and procedures by trainers assigned to each department. Heads of departments are then responsible to ensure that these are followed during their teams' day-to-day performance. We hold regular audits throughout the year by means of visits from mystery shoppers.

Our Company provides a wide variety of products that meet various requirements (eg. biological and vegetarian food items). Upon delivery of goods to the hotels detailed checks are conducted. Their quality, packaging, manufacture, expiration dates and temperatures are examined with due caution and in detail.

The Purchasing Department receives the official announcement on unsuitable or non-compliant products issued by the Ministry of Health on a weekly basis, while also visiting the "Rapid Alert System for Food and Feed" website regularly, which offers advice on unsuitable or hazardous products.

We constantly monitor our food items. Thanks to such procedures, there is no risk that infected and harmful food products or expired items will be served to our guests. Additionally, our hotels are managed in line with HACCP standards in the areas of Food & Beverage, which implies compulsory employee trainings each year.

Privacy safeguards

[418-1; 419-1]

Respecting privacy of our guests and visitors to our country is a top priority. Therefore, our company strictly adheres to principles pertaining to the attitude towards the treatment of our hotel guests. All our staff members are adequately educated in the field of privacy and they adhere to all laws and regulations in that regard.

It is noted that during the reporting year no incidents of non-compliance with laws and regulations concerning the provision and use of products and services have occurred. Likewise, no complaints were received concerning breaches of customer privacy.

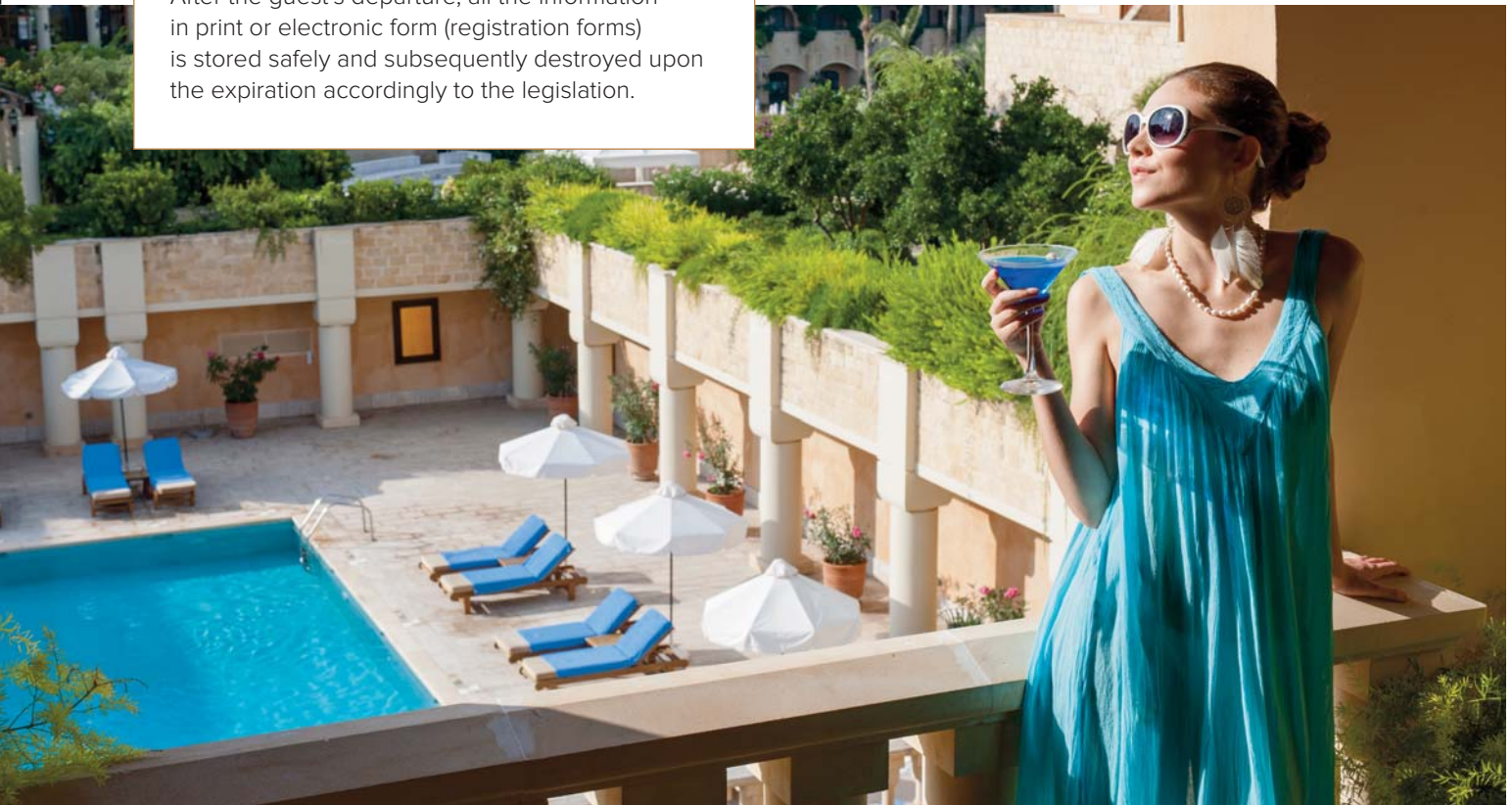


Good practice

After the guest's departure, all the information in print or electronic form (registration forms) is stored safely and subsequently destroyed upon the expiration accordingly to the legislation.

Practices followed to protect our guests personal data are outlined below:

- We have authorized CCTV cameras in public areas for security purposes and only authorized people have access to these devices.
- We have upgraded all IT devices so we can keep the personal data of the guests and the staff fully secured. We do our best to protect guests from various digital threats as well.
- No personal information is disclosed, even after our guest's departure.
- If someone requests to speak to a hotel guest over the phone, the guest's authorization is always requested.
- The guests who want to keep their "incognito" status can just let the manager know about it when arriving to the hotel. Every department is requested not to disclose the guest's visit to anyone.
- We are fully compliant with the General Data Protection Regulation (GDPR).



CHAPTER 3.

PRESERVING BEAUTY





“Existing in harmony with the natural beauty of Cyprus is our top priority. Being a part of its community is essential to maintaining a sustainable relationship with the environment”.

Marios Nicolaou
Chief Engineer at Mediterranean Hotel

OUR PRINCIPLES

SUSTAINABILITY

We invest in sustainable practices that enhance energy efficiency and water conservation.

We promote recycling and waste reduction at our properties.

RESPECT FOR CULTURE

Who and what we are is the product of the culture we are an integral part of. It is that culture that we ought to protect, cultivate and reinforce.

*Hospitality, especially in a place as beautiful as Cyprus,
is both a privilege and a great responsibility.*

The industry as a whole has seen significant changes over the last years as green initiatives and sustainability have started to play a more prominent role in today's world, as well as in the consciousness of our guests and team members. The hotel operators around the globe are gradually more accountable by a "worldwide global citizenship" standard. At Stademos Hotels, we fully embrace this philosophy as well as our responsibilities as a community leader.

We are keen adopters of the Triple Bottom Line of Economic Prosperity, Social Responsibility and Environmental Protection paradigms. We recognize our environmental responsibilities and we try to mitigate any negative impact on the environment. For the last three years, Stademos has been focused on significantly reducing the energy and water consumption. As key players in an industry that is among the major consumers of energy and producers of emissions, we honour the need to put environmental responsibility at the heart of everything we do.



1. ENVIRONMENTAL IMPACT

Key areas of environmental impact

HOW?



Hotel electricity & heating energy consumption (lights, facilities)



Hotel water consumption



Cooling system



Laundry (towels, etc.)



Gardening



Paper, bath products



Food & beverages



Use of printers, paper, IT, telephones, e-waste



Employee travel



Construction and renovation

WHAT?



CO₂ footprint



Water consumption



Waste

[Companies Act Amendment 3] [103-2; 103-3; 307-1]

Stademos Hotels PLC was a pioneer implementing environmental management. We feel responsible for compliance with environmental regulations and want to set good standards in the industry. In 2017 there were no violations of the environmental laws.

Of note is that although we do not have any formal policies or procedures, we voluntarily and carefully measure our impact and act in order to limit it. This allows for managing our portfolio in a sustainable manner.



Plans and goals for the future:

We are constantly raising the bar for performance and environmental responsibility in the new constructions. In our new hotel – Amara we will start using photovoltaic panels to produce electricity and solar panels to heat water and we will invest in thermal insulation in all our buildings.

1.1. CO₂ footprint

[305-2, 305-5] [302-1, 302-2, 302-3, 302-4]

Currently, at Stademos Hotels the chief engineer of each hotel is responsible for tracking and measuring the overall Carbon Footprint, under the Hotel Carbon Measurement Initiative (HCMI) undertaken jointly by the International Tourism Partnership (ITP) and the World Travel and Tourism Council (WTTTC). The HCMI brought together over 27 hotel companies in order to agree on a common methodology for measuring carbon emissions.

We take pride in reducing our CO₂ emissions by 18.85% (Elysium) and 8.3% (Mediterranean).

Reductions in CO₂ emissions (%) per guest night in 2016 and in 2017:

	Mediterranean	Elysium
Year	% Reduction	% Reduction
2016	3,05%	9,10%
2017	4,92%	4,70%

Our CO₂ emissions are presented below:

	Mediterranean	Elysium
Year	CO ₂ emissions (kg)	CO ₂ emissions (kg)
2016	1.819.026	2.471.703
2017	1.729.486	2.355.621



Good practice

Air condition units

All our air conditioning units are free from highly damaging to the ozone layer refrigerants. Ozone-depleting refrigerants are going to be a thing of the past.

1.2. Energy

On 19th June 2014, we established a CSR Committee at Stademos Hotels, consisting of the heads of each department along with the top management and third party consultants. The Committee holds quarterly meetings to thoroughly discuss all ongoing initiatives, to plan future actions and to review the end results. What is more, the relevant information is shared with our teams on regular basis. This vital communication flow constitutes a key driver in our Employee Engagement Programme. Our goal to lower electricity consumption in both hotels has been achieved with electricity consumption being reduced by 1,95% (Elysium) and 2,30% (Mediterranean) in 2017. Additionally, we have achieved 8,94% (Elysium) and 9,80% (Mediterranean) reductions in heating consumption.

Here are the key examples of the practices and improvements carried out by both hotels (the Elysium in Paphos and the Mediterranean Beach Hotel in Limassol) in order to reduce energy consumption:

Heat recovery from chillers

Energy consumption for cooling in the hotels accounts for 29,01% of the total energy consumed in Elysium hotel and 28% in the Mediterranean hotel. The chillers installed at our hotels have heat-reclaim capabilities, which means they produce chilled water maintained at a constant temperature while generating hot water as a by-product of the chilled water system. This enabled a significant reduction of energy consumption in our buildings.

Building Management system and load shedding

The chief engineer is responsible to monitor and operate the building management system. Any decisions that need to be taken in regards to load shedding will be made with the approval of both the hotels' General Manager and the Chief Engineer. Load shedding is the automatic reduction of power consumption according to pre-set parameters. The building management system switches several electrical loads off (and/or switches on again) automatically to keep the power demand below a defined level. Additionally, one of the main benefits of using the building management system for load-shedding is that it provides an economic approach, as specific loads may be scheduled to operate during periods when the electricity unit prices are lower.

Lighting

More than 10,000 bulbs in both our properties have been replaced with LED and CFL electronic lamps. Led technology offers many additional advantages over incandescent, neon and compact fluorescent lighting devices – such as exceptionally longer life span (up to 50,000 hours), considerably lower energy usage (90% more efficient). Besides creating greater energy efficiency in our facilities this has also reduced the costs as well as improved the quality of light and safety. We have seen how becoming more energy efficient can also increase the profitability and asset value of our business while lowering operating costs and our carbon footprint. Both hotels are now using more than 7.500 LED light bulbs.

Class A electric appliances

In accordance with a European Union Directive, all electrical appliances used at our hotels are accompanied with their energy label where the product's energy class appears. Moreover, we use refrigerants with Zero Ozone Depletion Potential (ODP) and minimal Global Warming Potential.

PIR sensors at toilet cubicles, stores, staircases

Simple yet highly effective steps for energy efficiency and environmental conservation, these sensors are installed in all public bathrooms, stair landings and the back of house areas.

Variable Frequency Drives (VFD) on pumps and motors installed in the Elysium and in the Amara hotel

The horsepower required to operate a fan or pump varies according to the cube of its motor speed, resulting in large energy and cost savings when the motor speed is allowed to modulate in response to demand. In a report on variable air volume systems, the U.S. Environmental Protection Agency estimated that installing VFDs can result in a 52% of annual energy savings on average. The main benefit of these drives is that it regulates the electricity consumption of certain devices by adjusting the speed at which they work, thus reducing the overall electricity consumption. They are being set up once during their installation and are being monitored through the building management system.

It is noted that all the above consists of energy consumed within our hotels and that no energy is consumed outside of the company.

Electricity Consumption (KWh) per guest night (GN):

Mediterranean			Elysium	
Year	Electricity (KWh)	Electricity /GN (KWh)	Electricity (KWh)	Electricity /GN (KWh)
2015	4.074.060	19,52	2.869.710	28,16
2016	4.039.120	17,30	2.782.520	29,47
2017	3.946.276	17,26	2.728.304	29,04
Year	% Reduction	% Reduction	% Reduction	% Reduction
2016	0,86%	11,41%	3,04%	-4,64%
2017	2,30%	0,18%	1,95%	1,45%

Heating Consumption per Guest night (GN):

Mediterranean			Elysium	
Year	Gas Oil Consumption (Lt)	Gas oil/GN (Lt)	Gas Oil Consumption (Lt)	Gas oil/GN (Lt)
2015	240.944	1,64	360.000	2,49
2016	229.947	1,43	280.700	2,05
2017	207.408	1,31	255.600	1,88
Year	% Reduction	% Reduction	% Reduction	% Reduction
2016	4,56%	12,81%	22,03%	17,71%
2017	9,80%	8,18%	8,94%	8,15%

1.3. Water consumption

[303-1]

Reducing water consumption is another key element of our sustainability strategy. Water shortage periods are not uncommon in Cyprus and therefore this is also an aspect of great importance for the local communities. This, together with our care about our guests' experience made us implement multiple conservation approaches that led to a company-wide reduction in water consumption.

In our effort to manage available water resources more efficiently and reduce consumption, we have taken a number of measures. These include water flow limiters on wash basins and bath mixers fitted with EcoSmart technology allowing up to 60% less water usage as compared to conventional products. Additionally, effluent water and pool backwash water are used for irrigation.

Lower hot water consumption means lower energy requirements, which reduces our CO₂ footprint. Another example of better water management is the use of biodegradable detergents, which not only require less water to be produced, but are also effective and soluble in cold water. Biodegradable within a month detergents are used both in the kitchens and in laundries of our hotels, which means they are far less likely to pollute the environment.



Good practice

Dual flush

All toilets in the Elysium and Amara are dual flush to conserve water on a daily basis.

Recycled water for gardening

In order to better understand our impact on the environment, we started creating a meaningful reporting system. Grey water recycling systems are a secondary system of plumbing that divert grey water from baths and sinks and use it for irrigation in the garden.

Water consumption (litres/guest night)

Mediterranean		
Year	Water / GN (Lt)	% Reduction
2015	495.200	—
2016	495.845	-0,13%
2017	483.203	2,55%
Elysium		
Year	Water / GN (Lt)	% Reduction
2015	477.277	—
2016	512.184	-7,31%
2017	451.340	11,88%



1.4. Waste Management

[306-2]

On a grand scale, reduction of waste produced by a hotel, contributes immensely to the preservation of natural resources for future generations. At Stademos Hotels PLC we are committed to a monitor, manage, sort and recycle paper, batteries (recycled semi-annually), toners (annually), plastic (once a week), glass, cooking oil, light bulbs and electric appliances.

In 2013, we established a program to collect waste data. Our performance in this area is shown overleaf.



Case study – Mediterranean Beach Hotel

“Our hotels are famous for their excellent cuisines blending different tastes and sensitivities. While you might not necessarily think of it when indulging your appetite for delicious fried zucchini or moussaka, the principles of healthy cooking necessitate frequent change of oil used on our frying pans and in our ovens.

In 2017 alone, we consumed more than 3 thousand liters of kitchen oil in the Mediterranean. In this particular respect, there is no way as we can consume less oil, as your health is our top priority. Unless, of course you would go for the steamed salmon!”

One of the creative ways of making a positive impact is our participation in the recycling of cooking oil. We sell our used cooking oil to a company that filters it and then sells it to other companies, which produce recycled biodiesel. During 2017 alone the Mediterranean Hotel sold 3,36 tonnes of used cooking oil, whereas the Elysium 4,65 tonnes.

Waste stream type	Mediterranean (2017 quantities)	Elysium (2017 quantities)
Used kitchen oil	3,36 tonnes	4,65 tonnes
Paper and paper packaging	4 Skips	20 Skips
Pmd and plastic packaging	130,445 bottles	163,000 bottles
Glass	358,400 bottles	445,000 bottles
Can	9,800	16,250
Green waste	32 Skips	32 Skips
Batteries	2,600	2,700
Light Bulbs	750	3500
Used electric and electronic equipment	40 pcs & monitors & printers	55 pcs & monitors & printers
Old furniture	7 Skips	80 Skips
Maintenance chemical containers	424	650
Cleaning chemical containers	10	20
Old Linen	Bed linen, Blankets, pillows, mattresses, bath towels	Bed linen, Blankets, pillows, mattresses, bath towels
Scrap metals	25,000 Kg	14,000 Kg
Employee and guests liquid waste	55,000 m ³ (estimated)	60,000 m ³ (estimated)



Good practice

Chlorine free paper

Bleached paper, which is totally chlorine-free (TCF), has been bleached with oxygen, ozone and/or hydrogen peroxide. These bleaching methods have none of the adverse environmental effects of chlorine chemistry. Totally, Chlorine Free paper is used at both our hotels.

Biodegradable detergents

The detergents used in the kitchens and laundries of our hotels are biodegradable within a month, which means they are far less likely to pollute the environment.

Eco-friendly pesticides and fertilizers

We respect the local environment by using eco-friendly pesticides and fertilizers for cultivating the plants in the landscapes surrounding our hotels.

2. SOCIAL CITIZENSHIP

[Companies Act Amendment 3] [203-1 partially]

Our hotels are involved in various local events and charitable initiatives. Below are a few notable ones:

- The Mediterranean was the Silver Sponsor of Limassol Marathon 2017
- The Elysium was a gold hospitality sponsor of Limassol Marathon 2017 by offering complimentary accommodation for the artists and officials
- During a recent renovation, the Elysium gifted all the furniture of each room to its employees. Some old furniture was also donated to the animal shelter of Paphos.
- A campaign ran by The Elysium and The Mediterranean encourages guests to support the anticancer society of Cyprus by donating EUR 2.00 per stay.
- The Mediterranean is also involved in a number of charities by donating bed sheets, towels and pillows to underprivileged communities as well as organising groups of beach cleaning volunteers.
- The Elysium Bar staff has donated some money to Margarita Liasidou Foundation that supports people with special needs. All the members of the team donated the money in order to assist the efforts of this Foundation.



CHAPTER 4.

SHAPING CYPRUS TOGETHER





*“We engage with local leaders
and become the members
of community life to attract tourism
and build partnerships.
We have worked out efficient
systems for evaluating, engaging
and incentivising our employees”.*

Efi Plotska
HR Officer at Elysium Hotel

OUR PRINCIPLES

TEAMWORK

We continuously invest in development of our employees and provide competitive pay as well as valuable benefits such as health insurance and a retirement plan.

RESPECT FOR PEOPLE

In everything we do, respect for the people in and around our organisation is always a top priority.

PROFESSIONALISM

We encourage professional and personal growth through training, career development and promotion.

1. OUR EMPLOYEES

[Companies Act Amendment 3] [102-8 partially; 102-35 partially; 401-1]

Creating beautiful memories that our guests can take back home, keeping our staff happy and running a growing business responsibly takes a great deal of hard work. What makes us unique is the ability to deliver great service directly “from the heart”. This cannot happen without the self-development, engagement and motivation of our employees.

In hospitality, more than in other industries, the customers personally engage with those who are delivering the service. It is not just an exchange of polite smiles that matters. What really matters is a prolonged experience of personal and individual relation, an experience that may be even more important than any material aspect of well-being. For a long-term oriented hotel owner and operator creating an attractive and professional working environment such experience is something vital.

Creating a friendly, welcoming workplace that makes our employees proud to belong to has always been our goal. Hence, achieving company goals in this spirit has to be aligned with furthering individual careers. We are constantly looking for persons with relevant experience as well as qualifications that resonate with our values, such as friendliness, warmth, authenticity and passion for hospitality and customer care.

We always opt to provide our members of staff with the opportunities for professional development. One of the more important ways of doing that is ensuring an upward mobility: if our employees know that they can truly be appreciated for their work within the company, they are not only more loyal but also personally happier. This, in turn creates a positive atmosphere in our hotels, which is then noticed and appreciated by our guests. To bring the relationship with our staff to a new level, we are considering to implement an innovative HR strategy in the near future.

During the reporting year, Stademos Hotels employed a total of 853 people at the Mediterranean Beach Hotel and at the Elysium. At the company’s headquarters there are 18 people. Of note is that no significant variations in employment numbers occurred. Total number of migrant workers coming outside the EU is 1 at Mediterranean Beach Hotel and 2 at Elysium.

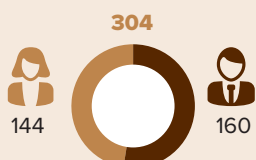
FACTS & FIGURES

The Stademos Group also includes employees of the construction company – 109, the PlusSea – 51 and the Amara Hotel – 3 (this hotel is still under construction).

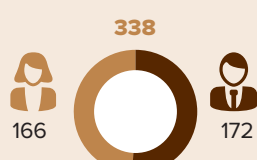


Mediterranean

Total employees in 2016

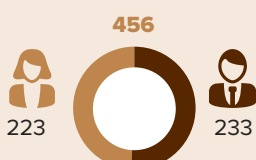


Total employees in 2017

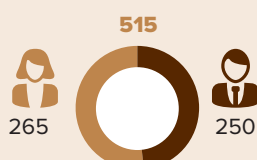


Elysium

Total employees in 2016



Total employees in 2017







Case study

Andreas Panagi works as a Porter at the Elysium since 2002. Previously, he lived in South Africa for 20 years. He lead a successful business that employed 35 persons. After migrating back to Cyprus, he changed jobs 3 times during a single year before starting his work at the Elysium. When Asked about the reasons for choosing work at the Elysium, he replied that meeting so many people every day just makes him happy. As an experienced employee, he believes Elysium delivers exactly what it promises to the guests and always strives to exceed the already high expectations one can have from a top 5-star hotel. Whenever Andreas takes a guest up to a room he feels confident that the hotel can deliver any demand that a guest might have. He also points out that the staff of the hotel, including himself, the owners and the management is fully committed to the guests.

Mediterranean

Elysium

Number of employees by age group in total staff ²				
<30	35	33	43	38
30-50	60	81	79	96
>50	27	32	30	30
Staff turnover	Permanent	Temporary/seasonal	Permanent	Temporary/seasonal ³
2016	21.91%	45.39%	14.78%	79.52%
2017	25,18%	40,77%	22.19%	60.96%

² Based on month of December 2017

³ The percentage of seasonal staff turnover seems to be high due to staff's contracts which ends in October/November

2. ATTRACTING AND KEEPING THE RIGHT PEOPLE

[403-2]

Tapping into our employees' strongest skills is a major factor contributing to our high levels of service delivered at Stademos Hotels. We rely on the best possible human resources team that plans and executes a stellar incentive scheme based on skills, qualifications, dedication, personal dignity and personal development. It is part of our hiring policies to consider in great detail whether a person being recruited represents a positive attitude and believes in the importance of the inter-personal skills.

Development

Regular employee training is crucial for sustaining the high level of service we strive to offer. Career development and training of each employee is extremely important, so in addition to the individual courses and workshops we provide seminars on a wide range of subjects. These seminars are designed to improve productivity, personal fulfilment and the range of skills available to our staff. Continuous training is a vital tool for maintaining our company culture that is committed to delivering outstanding customer service.

We also think it is crucial for our staff to have an opportunity to spend time with their colleagues and to experience different professional environments. To this end we offer an option to visit other countries for the key members of staff. It allows them to broaden their knowledge pool, acquire interesting experience as well as learn different professional practices.



Case study – The way to four stars

Marios Chrysostomou began working at the Mediterranean Beach Hotel in September 1994. He started his career as a Waiter B (at restaurants department) and a year later, in November 1995, he was promoted to Waiter A. Then in 2002 he reached a position of a Head Waiter, an occupation that keeps him fulfilled ever since. Marios is committed to delivering excellent customer service and ensuring customer satisfaction.



Training hours

Mediterranean Beach Hotel

2017: 152 training hours offered to our team members

2016: 253 training hours offered to our team members

Additionally, we offered Greek Language training:

2017: 10 employees 30 hours

2016: 11 employees 30 hours

Elysium

2017: 127 training hours offered to our team members

2016: 250 training hours offered to our team members



Case study

Andreas Theodorou joined the Elysium in June 2012. He started his career as a Chef de Partie. He was the Chef of the Bacco Ristorante – the flagship Italian restaurant of the hotel. Due to his hard work and passion about his job Andreas had been promoted to the position of Sous Chef back in July 2013. In order to assist him to expand his knowledge and creativity he travelled last year to London where he spent one week in the Murano restaurant. This one Michelin starred restaurant is located in the heart of London and caters for very discerning clients. During this one week training he has gained experience in cross training in the kitchen of the restaurant. He had the opportunity to work and observe a lot of useful techniques which are applied in this restaurant. This includes the selection of the finest ingredients, the correct preparation process and presentation of various dishes.



Motivation

Our goal is to not only motivate employees so they align with our values, but also make them achieve their own personal goals. Regarding this issue, we hold performance reviews annually to assess each person's performance. When necessary, we assist members of staff in their improvement of skills through on-the-job training or professionally tailored workshops and courses. It is worth noting that in 2014 all hotel employees received periodical performance and career related reviews.

"Employee of the month" award aims to recognise both effort and performance of an employee that has excelled in their field. This member of staff receives a certificate and a special voucher, which can be redeemed in cash.



Case study – Dedicated Employee

Drinks served with a smile

Julianna is a bartender at the Mediterranean Beach Hotel and since 2014 she serves amazing cocktails with graciousness and a genuine smile.

Sister act!

The two sisters from Australia: **Elena Papaconstantinou** and **Suzanna Nicodemou** have been working at the Mediterranean Beach Hotel for eight and eighteen years respectively. Their love for their jobs as well as for the hotel guests radiates from their beaming smiles and is a reason why people want to come back to our hotel. Elena is a waitress at the main Aquaria restaurant, while Suzanna is a bartender at the Clouds bar since 2001.

Dedicated linen keeper

Antigoni Demetriou has been working at the Elysium since the day its doors opened. She is responsible for handling laundry for the entire hotel and making sure that all personal garments belonging to our guests remain in the best condition.





Employee recognition programme: Mediterranean & Elysium Excellence Keys

It is a part of the Mediterranean Beach and Elysium Hotel policy to award employees who excel in their performance, take initiative, and continuously demonstrate their devotion to the principles of the warm Mediterranean culture. The programme has five award Opportunities, which in principle, awards our employees for their effort to successfully share our ideals and philosophy.

The purpose of the policy is not only to create a customer-centric environment. The policy also aims at creating an environment which recognizes our employees' needs and stimulates the feeling of belonging, loyalty and dedication.



Recognising the value of every member of staff is fundamental to our culture. We reward the commitment of our staff annually and various awards and benefits are regularly given to all our employees. Stademos Hotels implement reward programmes such as the “Excellence Scheme”, the “Star of the Month”, and “Sales Performance Awards”. In addition, we also provide birthday presents to all team members.

Additional incentives are on offer through an incentive scheme for exceptional performance shown by any member of our staff. Each employee can gather points that are accumulated over 3-month periods and can be exchanged for rewards including gift vouchers, dinner vouchers, hotel stays and more.

All employees also receive an “Excellence card” that gives them access to preferential rates and discounts in a number of shops and services acknowledge that the work our employees perform on a daily basis is often strenuous, so we want to make sure their achievements are properly recognised.



Case study

Antonis Mitas has been working at the Front Office since 2014. After he became an employee of the month, he admitted he was very satisfied that his work was appreciated and this reward encourages him to further develop his professional skills. Antonis claims that the top reason for his satisfaction is the working environment of the hotel as well as the good practices Stademos implements. Among these practices, he reiterated the stability the company offers to its employees. In general, Antonis feels that the guests deserve a unique experience and that he feels empowered to make this happen.

3. A WELCOMING WORKPLACE

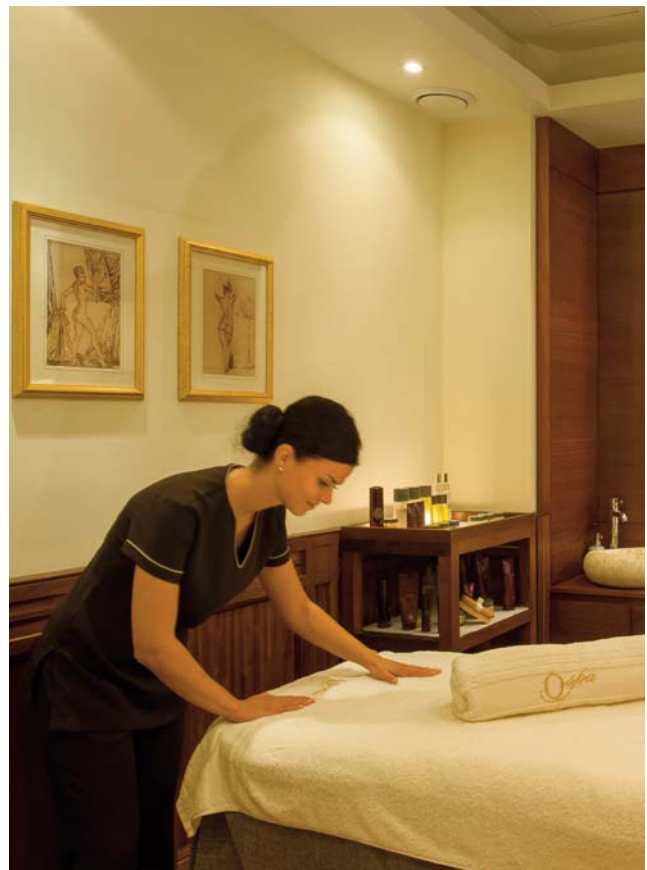
[Companies Act Amendment 3] [401-2; 404-1; 405-2]

Our commitment to providing a fair working environment and supporting human rights at every level of our activity starts with a set of specified good practices. It should be noted that there were never any cases of human rights violations. Through our employment contracts, our Code of Conduct and our day-to-day working practice, we are fully committed to respect the Human rights adopting the relevant Human Rights regulations.

In order to safeguard and strengthen our values we put measures in place that ensure:


- Ethical behaviour of all Stados Hotels employees;
- Rejection of all forms of child/human trafficking;
- None of our tour operators or suppliers is considered to incur significant risk for the occurrence of incidents related to child labour, forced labour, or hazardous working conditions;
- None of our tour operators or suppliers are considered to have significant risk for incidents of forced or compulsory labour;

At Stados hotels, we aim to promote gender balance and equal opportunities in all dimensions of the business. We also adhere to an equal rights employment policy and a non-discrimination policy. We consider our company to be a workplace of diverse and equal opportunities, with a highly qualified workforce.



For detailed information on ethics, see paragraph 3. Ethics – rules of conduct in chapter 5.


Mediterranean / December 2016

Gender	Number	%	Salaries	%	Average
	91	49%	113.862	42%	1.251
	95	51%	156.686	58%	1.649

Mediterranean / December 2017

Gender	Number	%	Salaries	%	Average
	77	52%	100.144	43%	1.301
	72	48%	134.067	57%	1.862

Elysium / December 2016

Gender	Number	%	Salaries	%	Average
	93	47%	103.430	40%	1.112
	105	53%	156.516	60%	1.491

Elysium / December 2017

Gender	Number	%	Salaries	%	Average
	153	54%	158.914	47%	1.039
	130	46%	176.598	53%	1.358

Our goal is to work actively to promote gender balance in all parts of the company and to have balanced distribution of women and men amongst our employees.

We believe in positive and courteous communication as well as in an inclusive management style, while staying focused on our employees' individual development. It is important that as we grow we continue to work closely as a team across all areas of the business. Our weekly staff meetings are a great occasion for exchanging views and keeping up with important team updates.

Both hotels offer their employees valuable benefits. At Mediterranean Beach Hotel as well as at the Elysium full time employees receive a 13th salary and are offered perks such as Provident Fund (the employer contribution amounts to 5% and the employees contribution ranges up to 10%), travel cards and birthday gifts. The hotel also runs a special Employee Recognition System. Employees are recognised for their specific services and rewarded by the Hotel Management. Following a specific performance evaluation procedure, each month an employee receives a Star of the month trophy. Keeping in mind work-life balance, we also make sure that there are occasions for celebrating life as well as work. Prior to Christmas we arrange a day dedicated to the families and children of our employees: a visit of a Santa Claus at the pre-Christmas party where presents are offered to all our young friends. There is also music, shows and face painting on offer.



A safe workplace

Our safety procedures are outlined in the Health and Safety Manual. Their execution is ensured by a dedicated Manager and safeguarded by a Committee. In both hotels, there were no fatal accidents. All accidents that have occurred were light.

Mediterranean Beach Hotel

- 3 work accidents, 578 absent days due to sick leave, 109 absent days due to accidents during work in 2017;
- 3 work accidents, 388 absent days due to sick leave, 54 absent days due to accidents during work in 2016;

Elysium

- 12 work accidents, 1240 absent days due to sick leave, 143 absent days due to accidents during work in 2017;
- 2 work accidents, 480 absent days due to sick leave, 32 absent days due to accidents during work in 2016;



CHAPTER 5.

RELIABLE BUSINESS CONDUCT



*“We conduct our business
with honesty and integrity.
We act in accordance with the best
ethical and legal standards”.*

Christos Papamiltiadous
General Manager at Elysium

1. GOVERNANCE STRUCTURE

[102-5]

Stademos Hotels PLC has a long-standing commitment to transparency and integrity. Our Board of Directors oversees the management in order to ensure that our budgets, core values and the mission of our company are followed and enhanced.

Effective corporate governance is an essential precondition for the company's success. It provides a legal and factual framework and promotes transparency, accountability, the appropriate risk management methods and sound business practices. The reputation of Stademos Hotels

PLC and the trust of our business partners, shareholders, employees and the public is something we are really proud of. We are aware this reputation depends on the conduct of every single employee, including the management and the employees of Stademos Hotels PLC.

OWNERSHIP STRUCTURE



2. RISK MANAGEMENT

[Companies Act Amendment 3] [102-11; 102-30]

Even though we do not implement codified risk management procedures, we follow best practices in many dimensions of risk management. These include:

Risk category	Initiatives to manage these risks
Operational risk	We prepare Management Accounts every single month per outlet; we exert a direct control over the income and expenses;
Financial risks such as: <ul style="list-style-type: none"> • Liquidity risk • Currency and interest rate risk 	<p>We monitor on a daily basis the company's cash and cash equivalents compared to the current liabilities.</p> <p>The functional currency of the Group is Euro. There are only a few suppliers who are paid in GBP or USD. Therefore the currency risk is not material.</p> <p>Loan and overdraft facilities have been agreed at favourable interest rates for the whole Group. Although the interest rate is floating, the rates in EU are kept in low levels due to the financial crisis.</p>
Health and safety risk	We follow all directives (e.g. fire safety) in accordance with the norms by COT and other regulatory bodies;
Safety and security risk	<p>Protecting our guests' and employees' privacy by promoting a strong safety culture through our values and attitudes;</p> <p>Monitoring and refreshing brand safety standards where necessary;</p> <p>Protecting physical safety of our guests by video surveillance of public areas (via CCTV accessible by authorised staff)</p>
Recruitment process risk	HR strategy to recruit foreigners and to teach them the basic Greek
Ethical compliance risk	We follow informal ethical practices such as: fairness, respect for the others, promotion of equal employment opportunities and prohibition of discriminatory practices
Environmental risk	<p>We are taking actions to limit the CO2 emissions, through energy-saving measures, renewable energy solutions and sourcing of food products with a low environmental impact.</p> <p>In Cyprus there exists a problem with the access to water resources. By using smart technologies we limit the water consumption</p>

3. RULES OF CONDUCT

[Companies Act Amendment 3] [102-15; 102-16; 102-17; 205-3]

Stademos Hotels PLC follows an informal set of good practices that safeguard the integrity of the organisation. All our employees as well as surrounding communities can and should expect fairness and mutual respect from all members of our organisation. We always strive to offer equal employment opportunities and will never tolerate discriminatory practices.

All members of our staff are hired based solely on their qualifications and experience, regardless of their age, sex or nationality. Members of sixteen nationalities are employed at Elysium, including Bangladesh, Philippines and the European countries. A minimum of four members of the management team are involved in the hiring process: Human Resources Manager, Head of Department, the Resident Manager and the General Manager who signs off every new contract. Later, our employees are promoted based on an individual, annual evaluation process, which gives a measurable image of each employee's performance.

We also carefully prepare and monitor the selection process of our suppliers. The decisions are made by a pre-selected purchasing committee consisting of the Managing Director, the Financial Controller, the Chief Accountant, the Group Accountant & Internal Auditor, the Purchasing Manager and the two General Managers. Once a year the committee invites tenderers through a media announcement. Offerings are analysed and compared carefully by the committee. The final selection of suppliers is based on factors such as hygiene, quality as well as most rational cost.

A number of procedures and practices are in place in order to avoid discriminations, corruption and bribery. If we suspect a violation of ethical standards or have observed a disturbing situation, we report it to the Internal Auditor. The auditor examines the case and decides whether it requires further formal investigation engaging Police.

There were no identified cases of corruption activities in 2017



4. SUPPLIER RELATIONS

[102-9, 204-1, 308-1, 414-1]

We recognise that introducing local products to our guests contributes to the strengthening of Cyprus's local economy. What is more, by supporting the local community we create an even better and more memorable holidays for our guests. This also contributes to portraying Cyprus as a quality destination – and enhancing such image is an important factor for the tourist industry as it tends to attract high-income guests.

We take great pride in being able to say that 99% of the suppliers we choose are local. The major part of garden plants, vegetables, fruit and herbs are grown locally by the producers from the neighbouring communities and domestic wines we serve are produced in the local wineries. What is more, the services such as maintenance works are carried out by local enterprises based in Cyprus. Every year, the Purchasing Officer under the instructions of the Purchasing Committee, places invitations to tender in the local press for the main supplies of the hotel, both for products and services.



Selection of eco-friendly suppliers

According to our environmental policy, we assess and select eco-friendly suppliers based on product quality, safety and compliance with laws and regulations.

New suppliers may be requested to make samples of their products available for tasting.

How do we evaluate our tenders?

The Purchasing Officer forwards Supplier Questionnaires to all tenders in order to get all relevant information for the evaluation. Then the Committee evaluates the tenders and they select the hotel's suppliers, which are all included in the Approved Supplier List. The basic criteria used to evaluate the prospective tender are the following:



Price



Quality



Credit Period



Delivery time



Availability of Certificates



Packaging of product

Each criterion is evaluated on a scale of 1 (low) to 6 (high). Following deliberation and discussion, the Purchasing Committee selects the suppliers. The Managing Director prepares letters to all suppliers, both accepted and rejected, informing them about the decision.

Later, heads of departments monitor subcontracted work during execution and/or upon delivery to ensure that it is according to the requirements of the hotel.

List of Approved Suppliers /Subcontractors

The Purchasing Officer keeps a List of approved suppliers/- subcontractors. The list is reviewed by the Purchasing Committee once a year when the evaluation of tenders takes place.



Good practice

In case of suppliers and subcontractors we have previously worked with, the Purchasing Committee reviews any Incident Reports that have been recorded during the past year. Suppliers and subcontractors obtaining a grading higher than 18 are kept on the list as approved. Those obtaining a grading lower than 18 are removed from the list and the hotel ceases to buy from them.

How do we carry out an inspection of the received goods?

When purchased goods are received at the Central Stores of the Hotel, the Purchasing Officer/Storekeeper receives them and performs the following checks:

- quantitative check of goods received vs purchase order,
- quantitative check of Purchase Order F2-ACC-030 vs supplier's invoice,
- check for obvious physical damage,
- physical condition,
- expiry dates.

Qualitative checks are carried out in cooperation with the relevant Departmental Head. Every time there is a delivery, the Purchasing Officer asks the corresponding departmental head to carry out the qualitative check and to complete the Qualitative Receiving Inspection form. In cases where the qualitative check cannot be carried out upon receiving of goods due to the nature of the product (e.g. bottled wine), the items are accepted and the qualitative check is carried out prior to their use by the member of the personnel who uses them first. For health&safety reasons, fresh food products are kept in appropriate containers, in refrigerators and freezers.



CHAPTER 6.

ABOUT THE REPORT



Report creation process

The non-financial report contains data for 2017 and is the second report of this type produced by Stademos Hotels PLC. It is part of an overall strategy aimed at understanding and improving sustainability performance and building relationships with the key stakeholders. [102-50, 102-52]

The report has been drawn up in compliance with the International Non-Financial Reporting Standard GRI Standard in Core version. These guidelines offer a globally relevant framework to support a standardized approach to reporting, encouraging the degree of transparency and consistency that is required to make information useful and credible to markets and society. Additionally, to fulfil the obligation of disclosure of non-financial information set out in the European Directive 2014/95/EU transposed into Companies Act Amendment 3, the report has been prepared according to its guidelines. [102-54]

The report has not been subjected to external verification. [102-56]

[102-46; 102-42; 102-43; 102-44]

When defining the substantive content of the report, we conducted a process consisting of the following stages:

1. Identification – selecting key issues in the area of the corporate responsibility and conducted business.

- We analysed internal documents and materials of Stademos Hotels PLC.
- We reviewed many external publications and press releases concerning the company and the hotel industry.
- We considered trends and guidelines of international standards regarding non-financial reporting.

2. Prioritisation – we identified the significance level of the issues crucial from the point of view of the Stademos Hotels PLC.

- The process included consultation with heads of various departments such as energy, environment and health & safety, human resources, communications, marketing, accounting, F&B, front desk, housekeeping, customer services etc. We have also consulted with the management at both the hotel and corporate office level. Our Managing Director was also involved during the discussions.

3. Validation – during the validation workshop, in which representatives of the management staff of Stademos Hotels PLC took part, we confirmed the final list of priority issues, which were included in the report for 2017.

Questions, remarks and suggestions related to this year's report should be sent to Panos Loizou, the Group Accountant and Internal Auditor at the Stademos Hotels PLC, at <panos@stademos.com.cy>. [102-53]

Aspects identified as important to Stademos Hotels PLC [103-1]

General

Corporate governance - Identified risks / Risk management (activities, procedures, policies), Code of conduct, Key operating management policies, strategies and systems

Main clients, loyalty and sustainability programmes, policies that regulate customer privacy issues

Policies and procedures related to procurement

Social

Labor conditions (Human capital development)

Migrant workers (Human trafficking risks, Recruitment and employment)

Natural environment

Water / Wastewater consumption, management and treatment

Energy consumption, Energy efficiency of operations

Emissions to air – CO2 emissions Hotel operations

Waste management – Generation, disposal, diversion

GRI Standard Number	Indicator no.	Indicator name	Page
Rules and basis for reporting			
GRI 101		Rules and basis for reporting	2
Profile indicators			
GRI 102	102-1	Name of the organisation	6
GRI 102	102-2	Activities, brands, products and services	6
GRI 102	102-3	Location of headquarters	6
GRI 102	102-4	Location of operations	50
GRI 102	102-5	Ownership and legal form	6
GRI 102	102-6	Markets served	6
GRI 102	102-7	Scale of the organisation	40
GRI 102	102-8 (partially)	Information on employees and other workers	53
GRI 102	102-9	Description of the supply chain	59
GRI 102	102-10	Significant changes to the organisation and its supply chain	No significant changes during the reporting period
GRI 102	102-11	Explanation of whether and how the precautionary approach or principle is addressed by the organisation.	51
GRI 102	102-12	Externally developed economic, environmental, and social statements, principles, or other initiatives adopted or endorsed by the organisation	Sustainable Development Goals, HCMI (ITP/WTTC) and ACTE
GRI 102	102-13	Membership in associations and organisations	12
GRI 102	102-14	Statement from senior management	2
GRI 102	102-15	Description of key impacts, risks and opportunities	52
GRI 102	102-16	Values, principles, standards and norms of behaviour.	9, 52
GRI 102	102-30	Effectiveness of risk management processes	51
GRI 102	102-35 (partially)	Remuneration policies	40
GRI 102	102-40	List of stakeholder groups engaged by the reporting organisation	12
GRI 102	102-41	Employees under collective agreements	Mediterranean hotel – 33.64%, Elysium hotel – 27.5%
GRI 102	102-42	Basis for identification and selection of stakeholders involved by the organisation	12, 55
GRI 102	102-43	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	12, 56
GRI 102	102-44	Key topics and concerns raised by stakeholders and the organisation's response, also through their reporting	56
GRI 102	102-45	Entities included in the consolidated financial statement	Refer to Financial Statement
GRI 102	102-46	Process for defining the report content	56

GRI TABLE – CONTENT INDEX GRI Standard [102-55]

GRI Standard Number	Indicator no.	Indicator name	Page
GRI 102	102-48	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement and their impact (e.g., mergers, acquisitions, change of base years/periods, nature of business, measurement methods)	It is our second CSR report, there are no re-statements of information.
GRI 102	102-49	Significant changes from the previous report regarding the scope, reach or measurement methods employed in the report	It is our second CSR report, there are no significant changes regarding the previous version
GRI 102	102-50	Reporting period	56
GRI 102	102-51	Date of most recent previous report (if any)	Sustainability Report 2015
GRI 102	102-52	Reporting cycle	56
GRI 102	102-53	Contact data	56
GRI 102	102-54	Indication of whether the report was compiled as per the GRI Standard in the Core or Comprehensive option	56
GRI 102	102-55	GRI Index	57
GRI 102	102-56	Policy and current practice with regard to seeking external assurance for the report	56
Management approach			
GRI 103	103-1	Explanation of topics identified as significant, with an indication of their restriction	56
GRI 103	103-2	Management approach and its elements	14, 16, 31
GRI 103	103-3	Assessment of management approach	14, 16, 31
Topic indications Economic topics: Economic performance			
GRI 201	201-1	Direct economic value generated and distributed (including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments)	9
Market presence			
GRI 203	203-1 (partially)	Infrastructure investments and services supported	37
Economic performance			
GRI 204	204-1	Proportion of spending on local suppliers	53
Countering corruption			
GRI 205	205-3	Confirmed cases of corruption and activities undertaken as response	52
Environmental topics: Energy			
GRI 302	302-1	Energy consumption within the organization	32
GRI	302-2	Energy consumption outside of the organization	32
GRI 302	302-3	Unit energy consumption (thermal and electrical)	32
GRI 302	302-4	Reduction of energy consumption	32

GRI Standard Number	Indicator no.	Indicator name	Page
Water			
GRI 303	303-1	Total water withdrawal by source	34
Emissions			
GRI 305	305-2	Energy indirect (Scope 2) GHG emissions	32
GRI 305	305-5	Reduction of greenhouse gas emissions	32
Effluents and Waste			
GRI 306	306-2	Total weight of waste by type and disposal method	35
Compliance with environmental regulations			
GRI 307	307-1	Non-compliance with legal and environmental regulations	31
Supplier environmental assessment			
GRI 308	308-1	New suppliers that were screened using environmental criteria	53
Social issues:			
Employment			
GRI 401	401-1	New employee hires and employee turnover	40
GRI 401	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	46
Occupational health and safety			
GRI 403	403-2	Rates of injuries, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities	42
Education and training			
GRI 404	404-1	Average hours of training per year per employee	46
Diversity and equal opportunity			
GRI 405	405-2	Ratio of basic salary and remuneration of women to men by held position	46
Customer privacy			
GRI 418	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	27
Socioeconomic compliance			
GRI 419	419-1	Non-compliance with laws and regulations in the social and economic area	27

Companies Act Amendment 3 requirements	Companies Act Amendment 3	Page
Description of the entity's business model and key performance indicators	Yes	9
Description of the management of risks identified as significant	Yes	51
Description of the due diligence procedures and performance indicators related to the entity's activities in relation to the prevention of corruption	Yes	52
Description of policies, due diligence procedures and performance indicators related to the entity's activities with respect to human rights	Yes	52
Description of policies, due diligence procedures and performance indicators related to topics relevant to the consumer / customer, quality	Yes	16
A description of policies, due diligence procedures, and performance indicators related to the entity's activities in relation to employee issues	Yes	40, 46
Description of policies, due diligence procedures, and performance indicators related to the entity's activities in relation to the natural environment	Yes	31
Description of policies, due diligence procedures and performance indicators related to the entity's activities in relation to social issues	Yes	37



stademos hotels plc

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