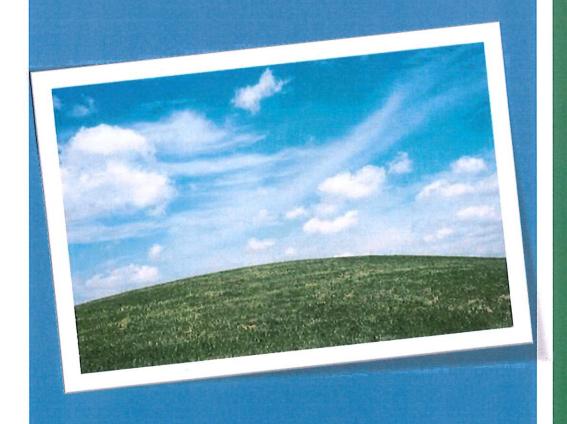


# Sustainability Report for 2021

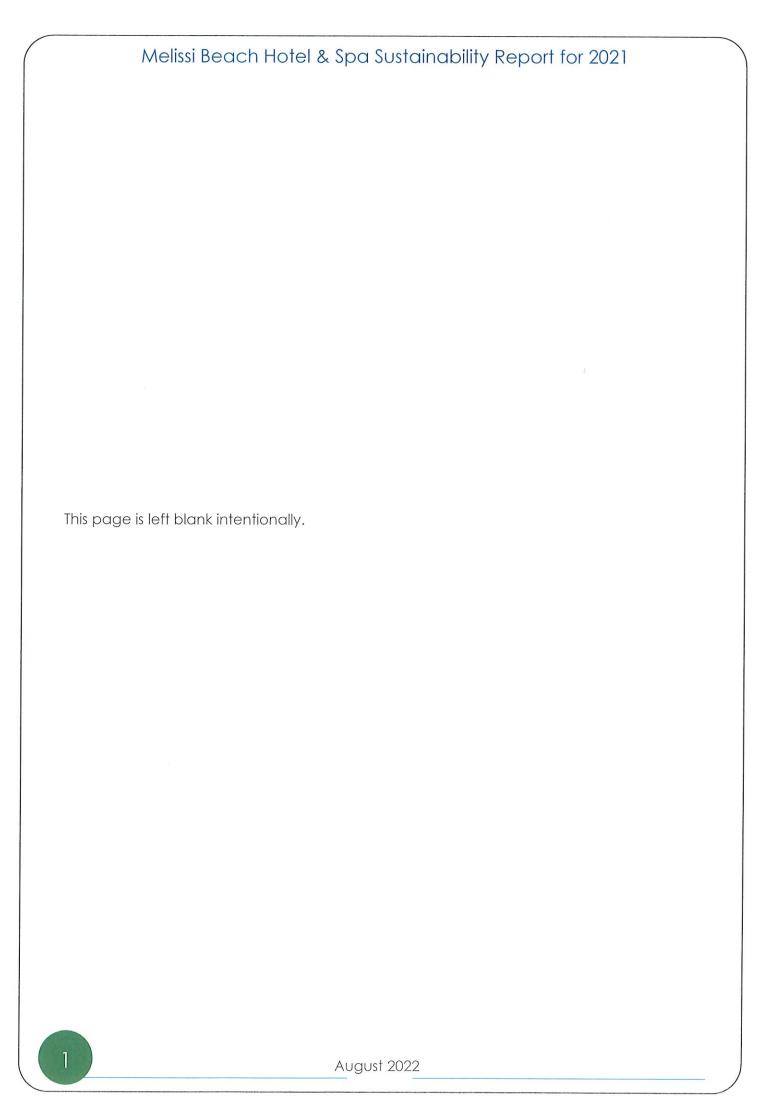




Code: Melissi-SR-2021

Prepared by: Elena Magou, Ass. Quality Manager

Date of report: 30.08.2022



### 1. Introduction

### 1.1. What is the objective of this report?

This report shows the performance and progress made by Melissi Beach Hotel & Spa against its sustainability goals and targets for 2021 based on Travelife Criteria.

This report is public and shall be easily accessible to anybody. An electronic copy is available at https://melissi.com/sustainability-information.

#### 1.2. About us

Our hotel is located in the tourist resort of Ayia Napa in Cyprus, on a "Blue Flag" awarded sandy beach and only a few minutes away from the town centre, It is a 4-star hotel that offers 187 rooms, 38 apartments and various amenities. It is an ideal getaway, offering guests a comfortable, joyful and unforgettable stay; whether it is couples who need to relax or opting for a romantic escape; families who want to spend quality time together; or just seeking entertainment and the experience of a unique night life. Melissi has enjoyed extensive renovations and refurbishment in 2015, including all rooms, public areas and the addition of new facilities.

### 1.3. What is sustainability?

Sustainability means meeting our own needs without compromising the ability of future generations to meet their own needs. In addition to natural resources, we also need social and economic resources. Sustainability is not just environmentalism. Embedded in most definitions of sustainability we also find concerns for social equity and economic development. The bottom line is the effect of everything we do on three critical facets of life and work in the modern age: the social, environmental, and economic impact of life on earth.

After decades of effort to raise living standards through industrialization, many countries were still dealing with extreme poverty. It seemed that economic development at the cost of ecological health and social equity did not lead to long-lasting prosperity. It was clear that the world needed to find a way to harmonize ecology with prosperity.

#### 1.4. Why be sustainable?

The motivations behind sustainability are often complex, personal and diverse. It is unrealistic to create a list of reasons why so many individuals, groups and communities are working towards this goal. Yet, for most people, sustainability comes down to the kind of future we are leaving for the next generation.

Furthermore, respecting the people, nature and cultural aspects of the place where you operate and showing your guests how you do this demonstrates that you're taking action

to protect holidaymakers' favourite places for years to come. It also makes good business sense.

Tour operators have a responsibility and commitment to work with their supply chain and many display Travelife logos in their brochures and websites. Proving that you care is gaining importance.

Reducing energy, waste, and water usage results in big financial savings and minimises or improves your environmental footprint.

Ensuring you take care of employees improves customer satisfaction and employee morale and enhances your operation. Your guests will notice this and appreciate it.

In a crowded marketplace you need to set yourself apart. Offer walking maps, have fresh local produce in the restaurant or even grow your own. Look at the Travelife Collection to find out how others are already doing this.

#### 1.5. What is Travelife?

Travelife is an international sustainability certification scheme. It helps its hotel members around the world improve their environmental, social and economic impacts cost-effectively. Hotels that meet the Travelife standard are formally recognised with a Travelife award to promote their achievements.

Travelife has been designed by the travel industry as an affordable and fair system that helps hotels and accommodations to improve their sustainability.

Melissi is a Travelife member and meets the Travelife assessment criteria which is a questionnaire of 163 criteria in the following topics:

- 1. Sustainability business policies
- 2. Sustainability legislation
- 3. Communicating progress
- 4. Human and financial resources
- 5. Environmental management (Energy, water, solid waste, pollution and erosion, wildlife)
- 6. People (Labour and human rights, community integration, suppliers, guests)

Successful hotels are awarded a plaque and a certificate to be displayed. In addition, they have the right to use the Travelife certification mark to showcase their sustainability achievements to their customers.

### 2. Our Policies

#### 2.1. Environmental policy

Melissi is committed to environmental protection and strives to reduce its operational impact on the environment. Our guiding principles are:

- Ensure compliance with all applicable environmental laws and regulations.
- Reduce the natural resources used for hotel's operations
- Reduce energy and water consumption.
- Reduce, reuse and recycle.
- Reduce the waste to landfill.
- Implement a hotel wide recycling program for all waste streams.
- Use biodegradable material and natural alternatives
- Reduce the use of harmful substances with emphasis at cleaning chemicals.
- Protect endangered species and encourage our guests to take interests.
- Develop skills, provide training and coaching for environmental and sustainability. Make sure that employees understand our objectives, targets and their role.
- Invite guest to support our efforts to reduce our environmental impact.

#### 2.2. Quality policy

The team of the Melissi is committed to providing a high-quality service to guests, exceeding their expectations and needs. Our aim is to constantly improve the quality of our services so that our guests are satisfied and keep returning. The hotel shall comply with its legislative obligations and other requirements. To achieve this commitment the hotel applies a management system based on ISO standards 9001:2015, ISO 22000:2018 and ISO 45001:2018 and Travelife Gold Standard (Type I questionnaire). The hotel performs scheduled internal audits as described in ISO 9001 to ensure that level of service is maintained and implemented effectively. Policies and targets are set and reviewed annually to confirm their validity.

#### 2.3. Health & safety policy

Melissi shall operate in a way that occupational health and safety hazards are minimized for its employees, guests and others. The hotel shall implement an effective health and safety management system based on the international standard ISO 45001. Our priorities are to protect the life and health of everybody affected from the hotel's operations, to minimize any damages to property, to maximize health and safety related incidents an to develop a culture sensitive to health and safety. We are bound to implement relevant legislation, the hotel's health and safety management system and to achieve continuous improvement.

#### 2.4. Food safety policy

Melissi is committed to implementing a food safety management system in accordance with ISO 22000:2018. The aim is to ensure a high food safety level. Our objectives are to Recognize, evaluate and control all hazards associated with food safety, comply with legal requirements, achieve effective external and internal communication and reduce of non-conformities relating to food safety. This hotel's food safety system enhances continuous improvement and efficiency and promotes the achievement of set objectives and legal requirements.

#### 2.5. Human rights policy

Melissi is committed to protecting and respecting the human rights and freedoms irrespective of their gender, age, disability, ethnicity, religion, beliefs, ideas, marital status or sexual orientation. Based on the United Nations Universal Declaration of Human Rights, the hotel ensures that it safeguards the rights of its employees, guests, people of the local community, suppliers and sub-contractors. Special attention is given to people in the community vulnerable to exploitation and abuse like children, people living in poverty, the elderly, people with disabilities and minorities. Our guiding principles are:

- Promote human rights as a value of utmost importance.
- Promote the rights of every person to equal treatment and protection from abuse, or exploitation
- Treat equally all potential employees. The terms and conditions of employment are the same for everyone
- Work in partnership with government agencies to report and handle any incidents violating human rights.
- Train our employees on this policy and ways of identifying and reporting incidents of unfair treatment.

#### 2.6. Employee policy

Melissi is committed to be a fair employer, conform to national labour legislation and treat all employees with respect, irrespective of their sexuality, gender, age, ethnicity, religion or disability. Our guiding principles are:

- Respect the right of employees. Some of the fundamental rights are the freedom to join a union, enter and terminate employment at their own will without restrictions.
- Take steps to protect employee's personal data according to EU General Data Protection Regulation (GDPR). Personal documents are not retained.
- Comply working hours and schedule of employees with national legislation and tourist industry standards.
- Have an individual contract of employment outlining the terms and conditions and provide a copy to every employee.
- Take every effort possible to recruit and employ local people.

• Provide training and development opportunities to employees and encourage their active participation.

#### 2.7. Children's rights policy

Melissi is committed to protecting and respecting children and people under the age of 18, from any abuse (physical, emotional or sexual), neglect or exploitation of any kind. Based on the United Nations Convention on the Rights of the Child, the hotel ensures that it safeguards the rights of children. Our guiding principles are:

- Promote the welfare of children and young persons as a value of great importance.
- Promote the right of every person under the age of 18 to equal protection from abuse, neglect, exploitation, irrespective of age, disability, gender, nationality, religious belief, and sexuality.
- Work in partnership with local government agencies and child protection organisations to ensure the legality and effectiveness of our actions.
- Train our employees on this policy and ways of identifying and reporting incidents of child abuse, neglect or exploitation.

#### 2.8. Local Community policy

Melissi is committed to support and engage with local people, businesses, economy community and protect local culture, traditions and history. Our guiding principles are:

- Ensure that our hotel does not limit in any way access of local community to essential services, facilities and resources.
- Respect and promote the culture, traditions and intellectual property of local people.
- Consult with local community on issues that may affect their lives and wellbeing. Ensure that their views are considered in the hotel's decision making.
- Support the local community through monetary or in-kind donations that improve
  the lives of local people in need, assist local not governmental organisations,
  protect the environment or preserve local culture and traditions. Encourage our
  guests to assist in this effort
- Purchase goods and services from local suppliers.
- Promote Famagusta area and Cyprus to guests and invite them to explore while in Cyprus its rich history, people, culture, traditions, monuments, food and wine.
- Respect the protection of historical, archaeological, religious sites and items. Be against any illegal sale of historical and archaeological property. Set and communicate rules for respecting and protecting them.

**Note:** The above text is only part of the policies. Visit <a href="https://melissi.com/sustainability-information">https://melissi.com/sustainability-information</a> for accessing the updated hotel policies. All policies are approved by the General Manager.

# 3. Environment

### 3.1. Targets and goals for 2021

3.1.1 Environmental targets and goals for 2021			
#	Goal		
1	Decrease energy consumption by 3% compared to 2018.		
2	Decrease water consumption by 5% compared to 2018.		
3	Increase recycling of solid waste materials by 5% compared to 2019.		
4	Decrease the use of hazardous chemicals by 3% compared to 2018.		

### 3.2. Actual performance

3.2.1 Total energy consumption				
Indicator	2018	2019	2021	
kWh/guest night	17.46	17.49	15.05	
% of change (2018 to 2021)	-13.8%			

3.2.2 Total water consumption				
Indicator	2018	2019	2021	
m³/guest night	0.287	0.315	0.329	
% of change (2018 to 2021)		+14.6%		

3.2.3 Total hazardous chemical's use				
Indicator	2018	2019	2021	
kg/guest night	0.268	0.292	0.261	
% of change (2018 to 2021)	-2.4%			

3.2.4 Recycled solid waste				
Indicator	2019	2021		
kg/guest night	0.19	0.21		
% Change (2019 to 2021)	+13.45%			

**Note:** In 2020 the hotel had a minimum operation due to covid-19 pandemic and the available data cannot be used and compared with reliability.

#### 3.3. Conclusions

3.3.1 Environmental conclusions for 2021 targets and goals				
	Goal	Results	Outcome	
1	Decrease energy consumption by 3% compared to 2018.	-13.8%	Achieved	
2	Decrease water consumption by 5% compared to 2018.	+14.6%	Not Achieved	
3	Increase recycling of solid waste materials by 5% compared to 2019.	+13.45%	Achieved	
4	Decrease the use of hazardous chemicals by 3% compared to 2018.	-3%	Achieved	

Due to the COVID-19 pandemic measures and the reduced number of guest nights sold, the average water consumption per guest night was higher than 2018 thus not achieving target number 2.

3.4.1 Environmental targets and goals for 2022		
#	Goal	
1	Decrease energy consumption by 3% compared to 2021.	
2	Decrease water consumption by 5% compared to 2021.	
3	Increase recycling of solid waste materials by 5% compared to 2021.	
4	Decrease the use of hazardous chemicals by 2% compared to 2021.	

## 4. Labour & Human Rights

#### 4.1. Targets and goals for 2021

4.1.1 Labour and Human Rights targets and goals for 2021			
#	Goal		
1	To provide 14.72 training hours per employee (like 2019)		
2	To provide 4.13 training hours per employee for sustainability (like 2019)		
3	Offer seven seminars and short trainings to improve employee knowledge and skills.		
4	Offer three short trainings on sustainability topics.		

#### 4.2. Actual performance

4.2.1 Total training to employees				
Indicator	2019	2021		
Training hours	2208	1067		
Training hours/employee	14.72	10.78		
% of change (2019 to 2021)	of change (2019 to 2021) -26.78%			

4.2.2 Sustainability training to employees			
Indicator	2019	2021	
Training hours	619	336	
Training hours/employee	4.13	3.39	
% of change (2019 to 2021)	to 2021) -17.75%		

The training organised for 2021 consisted of two internal seminars and eleven short trainings. Nine short trainings were related to sustainability issues.

**Note:** In 2020 the hotel had a minimum operation due to covid-19 pandemic and the available data cannot be used and compared with reliability.

### 4.3. Conclusions

4.3.1 Labour and Human Rights conclusions for 2021 targets and goals				
#	Goal	Results	Outcome	
1	Offer seven seminars and short trainings to improve employee knowledge and skills.	Two internal seminars and eleven short trainings.	Achieved	

4.3.1	4.3.1 Labour and Human Rights conclusions for 2021 targets and goals					
#	Goal	Results	Outcome			
2	Offer three short trainings on sustainability topics.	Nine short trainings.	Achieved			
3	14.72 training hours / employee	10.78 hours/employee	Not achieved			
4	4.13 training hours / employee for sustainability	3.39 hours/employee	Not achieved			

In 2021, the pandemic controls restricted seminars for most of the year so the hotel has cancelled most of the organised seminars and replaced them with short trainings. As a result, the numerical goal for offering trainings was achieved but not the training hours per employee.

4.4.1 Labour and Human Rights targets and goals for 2022				
#	Goal			
1	Offer nine seminars and short trainings to improve employee knowledge and skills.			
2	Offer five short trainings on sustainability topics.			
3	Increase training hours per employee by 20% compared to 2021.			
4	Increase sustainability training hours per employee by 10%			

# 5. Community Engagement

### 5.1. Targets and goals for 2021

5.1.1 Community Engagement targets and goals for 2021				
#	Goal			
1	59% female employees, like 2019.			
2	Increase the % of local employees by 5% compared to 2019.			
3	Increase local suppliers by 6% compared to 2019.			
4	Increase Cyprus based suppliers by 9% compared to 2019.			
5	Increase supplies of local goods by 5% compared to 2019.			
6	Increase supplies of Cypriot goods by 10% compared to 2019.			
7	Double the green purchases compared to 2019.			
8	Organise at least 50% of the 2019 actions for working and supporting the local community.			

### 5.2. Actual performance

5.2.1 Equal employment (Female vs Male)			
Indicator	2019	2020	2021
Male employees	61	39	41
Female employees	89	56	58
% of male employees	40.7%	41.1%	41.4%
% of female employees	59.3%	58.9%	58.6%
% of change to female employees (2019 to 2021)		-1.26%	

5.2.2 Employment of local people			
Indicator	2019	2020	2021
Local employees	120	85	118
Non-local employees	30	10	26
% of local employees	80%	89.5%	90.9%
% of non-local employees	20%	9%	18%

5.2.2 Employment of local people			
Indicator	2019	2020	2021
% of change to local employees (2019 to 2021)		+13.6%	
Note: Local employees reside permanently in Famagu	sta and Larnac	ca districts.	

5.2.3 Working with local and Cyprus based suppliers			
Indicator	2019	2020	2021
% of local suppliers	24%	34.5%	33%
% of Cyprus based suppliers	46%	63%	67.2%
% of change to local suppliers (2019 to 2021) +36.8%			
% of change to Cyprus suppliers (2019 to 2021)		+45.8%	

Notes: Local suppliers are based in Famagusta and Larnaca districts. Cyprus based suppliers are based all over Cyprus including Famagusta and Larnaca.

5.2.4 Purchasing local and Cypriot goods			
Indicator	2019	2020	2021
% of local goods	24%	28%	27%
% of Cypriot goods	44%	53%	56%
% of change to local goods (2019 to 2021)	9 to 2021) +12.5%		
% of change to Cypriot goods (2019 to 2021)		+27.2%	

Notes: Local goods are from Famagusta and Larnaca districts. Cypriot goods are from all over Cyprus including Famagusta and Larnaca.

Examples of local goods purchased include dairy, fruits, vegetables, meat, sausages, wines, spirits, soft drinks, bakery and pastry products, cleaning chemicals. Examples of local services purchased include maintenance, administration, and housekeeping services.

5.2.5 Green purchases				
2019	2020	2021		
Recyclable straws, paper towels, hotel pens	Recyclable straws, hotel pens	Recyclable straws, glasses, and hotel pens. Kitchen refrigerators, freezers, dishwasher.		

5.2.6 Working and supporting the local community					
Торіс	2019	2020	2021		
Charities	Food supplies donated to KEPA Agios Christoforos. Gift vouchers to NGO's and schools.	Food supplies donated to KEPA Agios Christoforos	Mattresses and food supplies donated to KEPA Agios Christoforos.  Monetary donations for cancer patients.  Gift vouchers to NGO's and schools.		
Collaborati ons	Promote local community events and attractions	Promote local community attractions	Promote local community events and attractions		
Promotion of local culture to guests	Cyprus theme night with local music and folkloric dances.  Mezepolis Taverna (Local food and Cyprus meze)  Cyprus Quiz night.  Green Bees Environmental Team - "Save the Oceans".  Kids Club - Greek Mythology	Cyprus theme night	Cyprus theme night (Weekly). Cyprus Quiz night.		
Reduce pollution	Beach cleaning	No actions	No actions		
Involve employees	Social events, annual trip, staff party	No actions	No actions		

**Note:** In 2020 and 2021 due to covid-19 pandemic, the hotel had to abide to all related regulations and protocols and as such the undertaken actions were limited.

### 5.3. Conclusions

5.3.1	5.3.1 Community Engagement conclusions for 2021 targets and goals				
#	Goal	Results	Outcome		
1	59% female employees, like 2019	+59%	Achieved		
2	Increase the % of local employees by 5% compared to 2019.	+13.6%	Achieved		
3	Increase local suppliers by 6% compared to 2019	+36.8%	Achieved		
4	Increase Cyprus based suppliers by 9% compared to 2019	+45.8%	Achieved		
5	Increase supplies of local goods by 5% compared to 2019	+12.5%	Achieved		

5.3.1 Community Engagement conclusions for 2021 targets and goals					
#	Goal	Results	Outcome		
6	Increase supplies of Cypriot goods by 10% compared to 2019	+27.2%	Achieved		
7	Double the green purchases compared to 2019	+100%	Achieved		
8	Organise at least 50% of the 2019 actions for working and supporting with the local community.	55%	Achieved		

5.4.1	Community Engagement targets and goals for 2022
#	Goal
1	59% female employees, like 2021
2	Keep the % of local employees to 80%, like 2019.
3	Retain local suppliers to 33%, like 2021.
4	Retain Cyprus based suppliers to 67%, like 2021.
5	Retain supplies of local goods to 27%, like 2021.
6	Retain supplies of Cypriot goods to 56%, like 2021.
7	Retain green purchased to the levels of 2021.
8	Organise 100% of the 2019 actions for working and supporting the local community.
9	Promote and increase traffic at Mezepolis (Cypriot restaurant) by 10% compared 2019

# 6. Quality Assurance

### 6.1. Targets and goals for 2021

6.1.1 Quality Assurance and Client Satisfaction targets and goals for 2021				
#	Goal			
	Achieve the following client satisfaction score through the collection client feedback surveys.			
	Spa, Front Office, Maintenance Housekeeping: 86%			
	Food, Restaurant & Bar Service: 86%			
1	Leisure facilities: 80%			
1	Resort safety: 86%			
	Value for money: 86%			
	Accommodation: 86%			
	Overall Score: 86%.			

### 6.2. Actual performance

6.2.1 Guest Feedback Survey		
Area	2019	2021
Front Office	85%	90%
Housekeeping – Guest rooms	87%	85%
Housekeeping - Public areas	87%	86%
Maintenance	83%	88%
Main restaurant	82%	79%
Pool Bar	86%	87%
Lobby Bar	89%	90%
Accommodation	85%	88%
Spa	97%	95%
Leisure facilities	77%	77%
Resort safety	88%	91%
Value for money	78%	84%
Overall Score	86%	85%

#### 6.3. Conclusions

The hotel has surpassed eight of the 13 areas of client satisfaction and very close to another three. Main restaurant waw -5% due to low scores in food selection and

satisfaction. Leisure facilities were -3% because of evening entertainment and daytime activities.

6.4.1	6.4.1 Quality Assurance and Client Satisfaction targets and goals for 2022				
#	Goal				
1	Achieve the following client satisfaction score through the collection client feedback surveys.  Spa, Front Office, Maintenance Housekeeping: 86% Food Satisfaction and Quality: 80% Restaurant & Bar Service: 86%  Animation: 80% Overall Score: 86%.				
2	Improve food satisfaction and quality by 15% compared to 2021.				
3	Improve main restaurant score by 20% compared to 2021.				
4	Improve value for money by 5% compared to 2021.				
5	Incorporate 5 client feedback recommendations within the hotel services and product offering.				

# Report Approval

I, George Eleftheriou, General Manager, approve the Melissi Beach Hotel & Spa Sustainability Report for 2021.

GENERAL MANAGER

MELISSI BEACH HOTEL & SPA

Date: 30. 8.2022