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| <b>SUSTAINABILITY STATEMENT</b>   |                                  |                                  |                                     |

KANIKA Hotels & Resorts recognise the need to understand, make decisions, plan, and manage our impact – the way we treat people, serve our customers, invest in local communities, provide returns to our shareholders, manage our supply chain and affect the environment – and take the opportunity to help achieve lasting and beneficial change that extend beyond our operations.

We do not view sustainability as an additional strategy or range of new activities. Rather it is about influencing all corporate strategies – creating integration and deepening our work to bring effect to profit (Prosperity), society (People), and environment (Planet). We recognise that this calls for a shift in the way we approach the very issues that face our business on a daily basis.

This Sustainability Statement of Intent reflects our step towards envisioning, forming and implementing a Corporate Sustainability Strategy. Our statement has as its objective to engender a common and shared understanding, purpose, and commitment towards issues of sustainability within KANIKA Hotels & Resorts.

**Our Vision:**

*‘To offer the leading hospitality experience in Cyprus with innovative facilities and excellent services inspired by the Kanika Spirit’,* includes a commitment on several levels.

**Our Values:**

**SERVICE, PROFESSIONALISM, INNOVATION, RESPECT, INTEGRITY, TEAMWORK**

As leaders in our field we acknowledge that the environment, local communities and our employees are critical to our business success.

Our Hotels are also committed to complying with our own Policy Statement that is certified by internationally recognised bodies and which outlines our policies on Quality, Food Safety, the Environment, and Health and Safety.

To demonstrate our commitment to developing sustainable tourism, KANIKA Hotels & Resorts has developed a Community and Employees Policy. Adherence to all applicable laws, directives and guidelines is a business imperative. We continuously strive to improve our performance and our standing in society. We set challenging targets for ourselves, then review our progress and set new and higher goals.

We commit to incorporate sustainability into everyday business practice by undertaking the following:

1. To give emphasis to energy efficiency, CO<sub>2</sub> reduction, water efficiency, waste reduction, renewable energy, and purchasing
2. To develop and motivate our employees through training and active involvement
3. To ensure that our training techniques, procedures and strategies will integrate positively into our valued guests’ experience
4. To strive to continuously improve our performance in all areas of our **sustainability** operations
5. To evaluate all suppliers and business partners in order to promote understanding and improve overall performance for all concerned
6. To share best practices and comply with local, national and international legislation
7. To ensure that the use of our land is always in harmony with nature by applying innovative and best practices
8. To support, physically and fiscally, initiatives within the local community and across the island
9. To recognise and communicate our employees’ achievements throughout the company
10. To publish corporate performance vis-à-vis our budgets as per legal requirements.

That is what leading hoteliers around the world do, and it is what we must do as a leader in the Cyprus hospitality industry.

Our proactive approach in managing sustainability issues is an inherent part of the Group’s Corporate Governance framework and risk management system.