SUSTAINABILITY REPORT 2025

March 2026

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The shift in customer focus, together with product development and the use of new technology, will refine and redefine traditional competitive elements. New criteria may be resource-efficiency, biodiversity, spaciousness, unpolluted air and water and adherence to local cultures and traditions.

Alion Beach Hotel recognises its environmental responsibility and commits itself to improving its performance towards a sustainable future. With the support of the management and team members, we strive to develop and engage in sound operational practices that are financially and environmentally sustainable, continually improving our performance in key impact areas.

We strive to ensure that environment initiatives impact the guest experience in a positive way and, whenever possible, we support initiatives in the local community, and we communicate and celebrate environmental achievements.

By taking the role as environmental leaders, we, at the Alion Beach Hotel, aim to gain recognition by our guests, employees, and local community.

"We have not inherited the Earth from our ancestors - we are borrowing it from our children - help us save the environment."

Sincerely,



Panicos Michael
General Manager

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Alion Beach Hotel is a five-star hotel located on Kryou Nerou beach, one of the finest sandy beaches of the island overlooking the small harbour of Ayia Napa.

The hotel was built in 1992 and extends over an area of 8685 m^2 plot of land. The building consists of:

- Underground parking for guests and hotel staff
- Basement with the back of the house areas (storerooms, boiler room and staff areas) as well as public guest areas such as a boutique, conference and events room, SPA, indoor pool, fitness studio, squash, outdoor pool, and public toilets
- Ground floor with reception, bar, restaurants, lobby, and a lovely terrace overlooking the gardens and the blue Mediterranean Sea
- Mezzanine floor with offices and a storeroom
- Four floors of 25 guest rooms each floor (in total 100 guest rooms)
- Gardens with palm trees, bougainvillea, carob trees, local endemic bushes, as well as sunbeds and umbrellas.

Alion Beach Hotel accommodates approximately 200 guests during the summer season with a team of around 100 employees. The majority of guests reside in Central Europe with German speaking guests constituting over 60% of the total guest nights. Employees are mainly local staff with several European and international staff members employed in each department in order to cover the different language needs (i.e. Germany) and recent staff shortages.

Whilst we strive to enhance the quality of our guests' stay, we ensure our actions are undertaken with outmost respect to and minimal impact on the environment for the benefit of the local community in which we operate. We are committed to measuring and managing those impacts by:

- Having a clear and comprehensive policy statement.
- Implementing sound environmental practices in our day-to-day operations.
- Striving to reduce our use of energy and water, and re-use and recycle the resources consumed by our business, wherever practical.
- Encouraging the development and integration of sustainable technologies, including renewable energy.
- Monitoring and measuring our environmental performance monthly.
- Protecting the rare endemic plants and wildlife on our hotel grounds.
- Treating all employees equally and fairly over the course of their employment with the company. The hotel ensures that no discrimination on social, political, sexual, and religious grounds is to take place against any of the employees.
- Engaging our customers, employees, suppliers, and contractors in our efforts to protect the environment.
- Providing the necessary resources to meet our objectives and targets, and on-going training for our staff on environmental, social, and health and safety issues.
- Communicating our policies, practices, and programmes to all our staff, guests, suppliers, and the public.
- We strive to establish a balance between the intensive beach use and the need for protection of the natural seashore ecosystem. Therefore, we commit ourselves to making a constant effort to preserve and increase our natural floral treasures.

The Hotel's General Manager leads the sustainability team with all Head of Departments as members.

Our Sustainability Management System is based on the Travelife requirements, Circular Economy and the international Environmental Management Standard ISO 14001. The Hotel has been ISO 14001 certified since 2003, was granted the Travelife Gold Award and it is included among the 20 hotels across Cyprus with certification of the Gold Circle of the Circular Economy.

The environmental targets for 2026 have been set with an implementation action plan and are monitored through our environmental programme. Appropriate measures were taken based on this programme and necessary actions were taken when and were deemed necessary.

We invite all our stake holders to support us with delivery of our goals.

This report analyses our sustainability performance for 2025 and sets new goals for 2026.

Targets

- Reducing the carbon footprint
- Reduce total energy consumption per guest night (electricity and gas) by 1% from the 2025 baseline of 19.7 kWh per guest night.
- Reduce potable water consumption by 1.5% from the 2025 baseline of 0.26 m^3 per guest night and reduce irrigation water use by 1.5%, subject to weather conditions.
- Reduce total solid waste per guest night by 1.5%, with a 2% reduction in landfill waste and a 1% reduction in recycling quantities against the 2025 baseline.
- Reduce the use of chemical use in the kitchen, gardens, and pools by 2% in comparison with 2024
- Overall reduction in general waste by 5%
- Try to create a synergy and cooperation model with our other 2 hotels in the reduction of gardening waste
- Improve further the health and safety standards for guests and employees
- Develop and extend further the social responsibility activities
- Encourage bike walks and the use of public transport
- Raise guest awareness over Alion sustainability programme
- Protect and enhance biodiversity.

Energy Conservation

The **electricity** is supplied by the Electricity Authority of Cyprus. It is primarily used for lighting and cooling. Heating and running equipment such as pumping stations, kitchen equipment, fridges, freezers, and office equipment.

	2023	2024	2025	2026 (target)
Electricity (kWh)	812803	864844	869802	-1%
Electricity (kWh/guest night)	18.4	19.5	19.1	19
Total kg CO_2e	538111	575050	578282	-1%
Average kg CO_2e /guest night	12.2	13	12.7	-1%

Electricity consumption per month has been stabilized after the completion of the installation of the autonomous photovoltaic pool circulation pumps, the replacement of the chiller pump, and the completion of the installation of the room energy management system in 2013.

Electricity consumption per guest night decreased from 19.5 kWh in 2024 to 19.1 kWh in 2025, an improvement of approximately 2.1%. Total electricity consumption increased slightly from 864,844 kWh to 869,802 kWh, reflecting the longer operating period and higher occupancy.

- 2025 saw similar temperatures during the day comparing with 2024, which resulted in similar usage of air conditioners.
- We had better occupancy in 2025 and thus the air conditioning was used more.
- Recent rooms renovations and the increased lighting in each room can also be coincided for the small increase in electricity.
- Moreover, the replacement of the oil burner with an electric heat pump played its role (along with the elimination of the oil consumption).

We expect the consumption per GN to stabilize in 2026. Any differences will depend on the general climate and the hotel capacity.

The 2025 electricity-efficiency target was achieved on a per-guest-night basis. Although total electricity consumption increased by approximately 0.6% compared with 2024, consumption per guest night fell by approximately 2.1%, and average electricity-related emissions decreased from 13.0 to 12.7 kg CO_2e per guest night.

Petrol

In December 2022 we replaced the oil burner with an electric heat pump, which eliminated the use of petrol and left the oil burner idle. The electric heat pump has better performance, and we expect, based on its specifications plus the Mechanical Engineer study and recommendations, decreased energy consumption for the hot water production by 15% - 20%.

The only equipment that operates with diesel is the standby power generator with only minutes of operation per month.

Gas

Gas is supplied by EKO and is exclusively used in the kitchens of the Hotel for food production and as of March 2023 for operating the standby gas boiler for hot water.

For the storage of gas, the Hotel maintains tank with a total capacity 2500 L and three tanks of 500 L each. The total capacity reaches 4000 L.

	2024	2025	2026 (target)
Gas (kWh)	31440	31790	-1%
Gas (kWh/guest night)	0.71	0.69	-1%
Total kg CO_2e	7,147	8,455	-1%
Average kg CO_2e /guest night	0.161	0.157	-1%

The gas consumption increased in 2025 compared to 2024 due to the extended period of operation. It must be noted that Gas is used exclusively for stoves and charcoal grills in the kitchen. Therefore, these changes had a significant impact on total consumption. Last, but most important, is the fact that the new gas boiler was used as a primary source of heating in the beginning of the season until the heat pump was installed, which increased the consumption. The target for 2025 was not achieved. A new, hopefully, realistic target was set for 2026.

Total Energy

The total energy consumption of the Hotel is converted in kWh and is presented on a yearly basis. From 2024 onwards, the energy consumption of the Hotel will also be presented in kg CO2e yearly.

	2024	2025	2026 (Target)
Electricity kWh	812803	864844	-1%
Gas kWh	31440	31790	-1%
Total Energy in kWh	844243	896634	-1%
Total Energy in kWh per GN	19.1	19.7	-1%
Total Energy kg CO2e	1,388,061	1,3181814	-1%
Average kg CO2e /guest night	31.39	29.04	-1%

Compared with 2024, total energy consumption increased from 844,243 kWh to 896,634 kWh, approximately 0.6%, based on the electricity and gas figures reported above. Energy intensity nevertheless remained controlled, while the reported average emissions per guest night decreased from 31.39 to 29.04 kg CO_2e.

For 2026, the Hotel will target a 1% reduction in total energy consumption and energy-related emissions, supported by close monthly monitoring of electricity and gas use.

Water

Water is supplied by the Municipality for usage in the rooms, kitchen areas, hygiene areas, swimming pools, and other outlets of the Hotel. Recycled water from the Municipality is used for the garden irrigation.

	2024	2025	2026 (Target)
Fresh water, m^3	10866	11877	-1.5%
Total water consumption / guest night m^3	0,25	0,26	-1.5%
Total kg CO_2e Fresh water	1,619	1,835	-1.5%
Recycled grey water used for irrigation m^3	6,611	6,786	-1.5%
Total kg CO_2e - Recycled grey water used for irrigation	1,798	1,809	-1.5%
Total water Emissions (kg CO_2e)	3,417	3,645	-1.5%

Recycled grey water used for irrigation

Freshwater consumption increased from 10,866 m³ in 2024 to 11,877 m³ in 2025. Consumption per guest night increased from 0.25 m³ to 0.26 m³, so the 2025 target of maintaining 0.25 m³ per guest night was barely not achieved. Recycled grey water used for irrigation increased from 6,611 m³ to 6,786 m³. For 2026, the Hotel has set a 1.5% reduction target for both freshwater and irrigation-water consumption, while recognising that irrigation demand is affected by weather conditions.

Chemicals

The Hotel uses chemicals for cleaning purposes, maintenance, chemical spraying in the gardens, and for disinfecting the swimming pools. We buy in bulk and to return the plastic containers to the various suppliers and to safely dispose of the empty hazardous containers through authorised recycling partners, as much as we possibly can. Twenty-one years after the implementation of our environmental system, the Hotel has managed to enforce a strict monitoring with prevention maintenance, usage of dosage pumps, as well as staff training and professional consultancy. These actions have resulted in minimising the impact of the necessary usage, as well as the correct storage and disposal of the empty hazardous containers. The target was achieved, as the used quantities remained more or less at the same level in 2024 compared to 2023.

Garden chemicals are used under the supervision and instructions of a consultant agronomist.



Liquid and solid waste resulting from the Hotel's operations are separated and handled by approved licensed suppliers. The motto is simple: "Reduce, Reuse, Recycle".

All solid waste is separated and collected by Green Dot and other licensed recyclers. The recycling program has been fully implemented in co-operation with Green Dot, the local authorities, as well as other authorized suppliers for special waste. The main streams are paper, glass, PMD, and special waste such as cooking oil, chemical containers, batteries, printer toners, fluorescent tubes, and electrical equipment.

All waste quantities are recorded and analysed. In 2025, total solid waste increased from 732,313 kg to 779,019 kg, while total waste per guest night increased from 16.5 kg to 17.1 kg. Landfill waste per guest night rose from 11.2 kg to 11.9 kg, whereas recycling per guest night decreased slightly from 5.28 kg to 5.25 kg. The 2025 waste-reduction objective was therefore not achieved, and closer monitoring and source-reduction measures are required in 2026.

Specifically, during the last three years we managed to recycle the following through our recycling programme:

Paper 90 000 kg, PMD 337760 kg , glass 168683 Kg, cooking oil 2450 l, batteries 87 kg, tonner 246 kg, lamps 76 kg

Control of the Emissions and Ozone Unfriendly Gases

All cooling and refrigeration units are operating with environmentally friendly freezing liquids (CFC and HCFC free). Furthermore, we systematically monitor and record the level of emissions from the heat pumps.

Solid waste disposal	Total kg	Average kg per guest night	Total kg CO_2e	Average kg CO_2e per guest night
2024	Landfill	Landfill	Landfill	Landfill
	498500 kg	11.2 kg	393.050.64 kg CO_2e	0.008 kg CO_2e
	Recycling	Recycling	Recycling	Recycling
	233813 kg	5.28 kg	5260 kg CO_2e	0.12 kg CO_2e
	Total	**Total**	**Total**	**Total**
	732313 kg	**16.5 kg**	**398.311 kg CO_2e**	**0.009 kg CO_2e**

2025	**Landfill**	**Landfill**	**Landfill**	**Landfill**
	540500kg	11.9 kg	362.960.63 kg CO_2e	0.007 kg CO_2e
	Recycling	Recycling	Recycling	Recycling
	238519 kg	5.25 kg	4326 kg CO_2e	0.09 kg CO_2e
	Total	**Total**	**Total**	**Total**
	779019 kg	**17.1 kg**	**327.286 kg CO_2e**	**0.0087 kg CO_2e**

2026 (Target)	**Landfill**	**Landfill**	**Landfill**	**Landfill**
	-2%	-2%	-2% kg CO_2e	-2% kg CO_2e
	Recycling	Recycling	Recycling	Recycling
	-1%	-1%	-1% kg CO_2e	-1% kg CO_2e
	Total	**Total**	**Total**	**Total**
	-1.5%kg	**-1.5% kg**	**-1.5% kg CO_2e**	**-1.5% kg CO_2e**

Successful Actions

The following actions have proven to be successful from an environmental point of view:

- The policy in place for the towel and linen exchange plays a significant role in saving water, chemicals, and electricity.
- To reduce the usage of plastic by 50% we started replacing straws with paper and sugarcane straws, using paper take-away cups instead of plastic at the hotel Pool Bar in 2019.
- New shampoo and soap dispensers are now in all rooms, which should further reduce the amount of single use plastic.
- The percentage of goods and services bought locally is approximately 50% of total purchases.
- Promotion of local dishes on our menus (for ex. Tarot), as well as using local herbs, such as mint, from our own botanical garden in our cocktails.

- All employees receive regular training and support information, such as induction training and how they can help the business to manage its sustainability issues.
- Guests receive information through social media, room TV, an electronic info kiosk in the lobby, and our environmental board.
- Any liquid and solid waste resulting from the Hotel's operations are separated and handled by approved licenced suppliers and recyclers.
- The Hotel implement the transition from single-use plastic water bottles in guest rooms to refillable glass bottles filled through a reliable filtered-water system, with controls for water quality, bottle washing, sanitisation, traceability, and guest communication.
- Every effort is made to buy bulk quantities of chemicals (cleaning purposes/ maintenance) and to return the plastic containers to the suppliers.

Recommended improvements

The Plastic-Free Supply Chain *"Beyond the Guest Experience: Eliminating Single-Use Plastics Across the Hotel Supply Chain."* The initiative aims to eliminate single-use plastics not only from guest-facing hotel operations but also from the entire procurement and supply chain. Through strategic partnerships with suppliers, the hotel will introduce reusable transport packaging, plastic-free deliveries and circular packaging solutions. This approach addresses plastic pollution at its source, reduces unnecessary waste and encourages suppliers to adopt more sustainable business practices.
The biggest innovation may not be something guests see. It may be something the hotel changes behind the scenes, preventing thousands of plastic items from entering the property in the first place.

Total emissions	Total kg CO_2e	Average kg CO_2e per guest night
[2024]	1,388,061.62 kg CO_2e	0.031 kg CO_2e
[2025]	1.318,814.53 kg CO_2e	0.029 kg CO_2e
[2026 target]	-2%	-2%

Successful Actions

Turning to organic products such as:

- Using exclusive organic Greek products (Aegli Organics) for all our treatments in our spa.
- Using exclusive organic Greek products (Aegli Organics) such as shampoo, handwash, conditioners, and body lotions in all guest rooms and public areas.
- All cooking oil is recycled by an approve recycler (KAZOIL)
- Second hand furniture, after any renovation, are donated to local charity organisations.

- Seasonal staff accommodation is near the hotel and walking to work is encouraged, as it also is a healthy lifestyle and reduces traffic congestion.
- In June 2024, our hotel started participating in the government scheme "Promoting Circular Economy in Hotels" to transform our hotel into a green, gold circular economy hotel. A lot of activities involved in the circular economy are already established and followed by our hotel to minimise our carbon footprint.

Labour and human rights, as well as the welfare of our people is at the top of our priority list (The culture of Alion Beach Hotel – Appendix A), as we believe that we can only materialise our business targets through our employees by:

- Training and empowering them to take action
- Providing them with opportunities for career development
- Providing them with rewarding and secure employment
- Building trust and mutual respect
- Showing integrity in our actions, as well as in our words
- Encouraging open communications, honesty, and support for each other.

At the **Alion Beach Hotel** we strive to provide a safe workplace where human rights are respected in accordance with the collective agreements with the unions, the applicable legislation, and our code of practice.

We are an equal opportunity employer, and we support the protection of human rights, particularly those of our employees, the parties we do business with and the community where we operate.

During all the audits carried out by the Social Insurance Inspection Department no discrepancies were noted. No employment rights issues have been raised by either a member of the staff or the unions. The Alion Beach Hotel has managed through all these years to establish itself a top employer in the area. Attention has been given to select, recruit, and educate our staff using industry best practices as incorporated in our Holistic branding manual and code of practice. These very good employment conditions resulted in employee satisfaction, high employee loyalty, and very low employee turnover.

Here below our employee statistics:

Employee breakdown								
	2022	%	2023	%	2024	%	2025	%
Total Employees	98	100	104	100	104	100	106	100
Male Employees	56	57	56	54	54	52	58	54
Female Employees	42	43	48	46	50	48	48	46
Local residents	78	79	78	75	78	75	75	71
Nonlocal residents	20	21	26	25	26	25	31	29
Replaced	5	5	3	3	4	4	6	6
Retired	0	0	0	0	0	0	0	0

Performance against the 2025 workforce targets:

- The local-resident workforce target was achieved: 75 of 106 employees were local residents, representing 71%, above the minimum target of 65%.
- The target of 50% female employment was not achieved: 48 of 106 employees were women, representing 46% of the workforce.

Training courses analysis										
	Culture		Skills		Health & Safety		Social & Environment		Total	
	No	hrs.	No	hrs.	No	hrs.	No	hrs.	No	hrs.
2023	1	14	10	117	6	39	2	12	19	182
2024	1	7	18	207	4	65	2	14	25	293
2025	3	28	3	49	10	96	7	48	23	221

Performance against the 2025 training targets:

- The annual training-hours target was achieved: 221 hours were delivered, exceeding the minimum target of 150 hours.
- Social and environmental training accounted for 48 of 221 hours, approximately 21.3%; therefore, the target of 20% was achieved.

	No of accidents		Absence days		Sick Leave	
	Staff	Guests	No		No	Days
2023	0	0	0		6	53
2024	0	0	0		5	59
2025	0	0	0		6	180

In 2024, we had no sick leave due to a work-related accident, as we did not have any.

The number of sick leave days increased significantly, mainly due to two housekeeping employees who have ongoing chronic health conditions, as well as the hotel gardener, who experienced an unexpected medical condition requiring surgery and a subsequent recovery period.

Performance against the 2025 health and safety targets:

- The zero-accident target was achieved in 2025, with no staff or guest accidents recorded.
- The number of sick-leave cases remained relatively stable over the three-year period, with 6 cases recorded in 2023, 5 in 2024 and 6 in 2025. However, the total number of sick-leave days increased from 53 days in 2023 to 59 days in 2024, reaching 180 days in 2025.The significant increase in 2025 was mainly attributed to two housekeeping employees with ongoing chronic health conditions, as well as the hotel's gardener, who experienced an unexpected medical condition requiring surgical intervention and a recovery period.

Social responsibility issues have always played a major role in making decisions at the Alion. We buy local, we employ local, and we promote local traditions and history through our services and other hotel activities. We are members and actively support five local charity organisations, namely Europa Donna, Apostolos Pavlos, Alkyonides, Faros Zois, and Vagoni Agapis. In 2025 we donated a total of €10500 to the aforementioned causes.

We are members of the Cyprus Sustainable Tourism Initiative (CSTI), as well as the Cyprus Employers and Industrialists Federation. We also participate in the project called "Keep our sea plastic free" supported by the TUI Care Foundation, the Travel Foundation, and the CSTI.

Targets 2026:

- To donate the amount of €11000 to charitable causes.

Biodiversity

To increase the biodiversity of the hotel area, we have engaged in the following:

- Established a botanical herbal garden on the hotel grounds and the usage of these herbs in the kitchen and bar.
- Protection of the sand dunes in front of the hotel and further enhancing the endemic plant life of the area by promoting the conservation of our local natural flora.
- Operation of two wild bird feeding stations in the hotel garden.
- Informing our guests about the endemic and other plants through informative signs and a leaflet with the interesting wealth of flora our coastal area is blessed with.
- The hotel library features a special book presenting all the local plants, i.e. Plants of Cyprus Walking around the Cape Greco.

The **environmental programme** was updated covering additional social issues. Firstly, the guests' donation programme is running, and five charity organisations were supported this year via the Hotel's donation initiative. The Alion Environmental Programme and the Hotel management initiatives have been awarded on various occasions with prestigious certifications such as the Travelife Gold award and ISO 14001, which gives the hotel a competitive advantage against the competition in the Central European market.

The hotel staff has a good understanding of the targets and objectives of the programme after thorough on-the-job training.

The **Sustainability Action List 2025** (Appendix B) was updated by analysing the actions and projects implemented by the Hotel to ensure continuity and further improvement during 2025.

The revision of the **Risk Assessment Study** has been assigned to our health and safety consultants and the health and safety programme was revised.

Alion Beach Hotel staff attended 23 training courses during 2025, delivering 221 training hours in culture, skills, health and safety, and social and environmental subjects, as shown in the training analysis table.

During the **Annual Management Review Meeting,** the General Manager stated that this is the 22nd year since the implementation of the Integrated Management System based on the ISO 9001, ISO 22000, ISO 14001, and Travelife principles. The system is very mature since it was implemented in 2003. Moreover, hotel management has set higher standards for customer service. Several actions in line with Travelife's requirements were implemented and we are constantly building on our experience, taking initiatives to improve the image of the Hotel in the areas of quality, environment, health and safety, and social responsibility.

The Hotel General Manager stated that the Alion Beach Hotel complies with all legal requirements, as it has obtained all licenses requested by the local authorities, the Health Department of Cyprus, and all other concerned government departments.

For another consecutive year, Alion was recognised with prestigious guest-review awards, including TripAdvisor and Booking.com distinctions. The Hotel aims to maintain this level of performance in 2026.

Our future plans include:

- An increased effort to ensure a further 3% waste reduction through closer monitoring of our waste production and disposal.
- Raise staff and guest awareness on social and environmental issues through staff training and social activities. Our target is to increase the training hours for social and sustainability issues to 20 % of the total training hours (30 per year)
- Continuing and reinforce the implementation of our integrated management system prioritising Alion Beach Hotel's mission. Our mission is to delight our guests with personalised, hospitable and noble service, orchestrated by inspired and engaged professionals, staging memorable holiday experiences.
- With the upcoming season, and as part of our commitment to sustainable development**,** our hotel will replace the single-use plastic bottles traditionally provided in guest rooms upon arrival with refillable glass bottles filled with fresh water. This initiative aims to reduce plastic consumption and support environmental protection, while simultaneously enhancing the quality of the guest experience.

Through this collective effort of teamwork and by providing a service of excellence to our guests and employees we can achieve a return for our owner and continuous growth of Alion Beach Hotel.

APPENDIX A

THE CULTURE OF ALION BEACH HOTEL

Our culture is based on the following core values:

- Selecting the best people
The company strives to select people who possess a combination of the right level of integrity and loyalty together with the necessary technical expertise to perform their duties effectively. However, when this combination is not possible, the company opts for the person with integrity and assumes responsibility for imparting the required skills.

The company is constantly searching for talent and whenever an employee is recruited and/or promoted it seeks to ensure that the right choice has been made.

- Delegating authority
A second value is to empower employees by delegating responsibility and authority. Time should be allocated to explain to employees what their delegated responsibilities are and to guide them when they have not yet achieved the desired standards.

However, when a person demonstrates that he/she has reached a level of competence to perform the assigned duties effectively, he/she should be allowed the space and the discretion to perform and achieve the set objectives.

- Participation
Employees are encouraged to participate in the process of decision-making. In doing so they would be assuming responsibility and committing themselves to the solution of a problem.

Alion Beach Hotel believes that ongoing training to achieve the right standards and behavioral skills is essential to cope with its current challenge of growth.

- Showing respect and leading by example
Emphasis is placed on teaching all employees to show respect to themselves and to other and ensuring that the senior managers of the company lead by example. It is a primary responsibility of every member of the company to maintain a positive working climate.

- Respecting and protecting children's rights
Alion Beach Hotel is committed to respecting and protecting children's rights from any form of exploitation, including sexual exploitation. Any member of the staff observing any evidence of such behavior should immediately report this directly to the Hotel Manager, who will investigate and forward the complaint directly to the office of the Commissionaire of Children's Rights, which is the official authority with a duty to protect and promote the rights of the child in Cyprus.

- Responsibility for the image of the company
All employees belong to one organisation, which has a common policy and aims to achieve standards, which show a common line of thinking. All employees have a responsibility in portraying the company's image, and this is an ongoing commitment.

- Creating Trust and understanding
The company emphasizes the importance of minimising and preferably eliminating any room for suspicion and mistrust amongst its employees. This lies at the core of the company's philosophy, as only in this way can employees settle their differences amicably and speak a common language.

- Learning from achievements and shortcomings
It is strongly believed that each employee must review his performance for the year and does not solely appreciate success, but also examines failures. A major objective should be to turn any shortcomings into future achievements.

- Creating added value
All employees should:
• Demand the maximum of their abilities
• Be able to sustain extreme work pressures and persevere in their work

- Right in redness and fair treatment
All employees of Alion Beach Hotel are to be treated equally and fairly over the course of their employment with the company. No discrimination or social, political, sexual, and religious grounds are to take place against any of the employees.

- Job security safeguards
All employees are entitled to safeguards concerning the tenure of their employment within Alion Beach Hotel. However, it is the employees' responsibility to perform their duties correctly and to the best of their ability.

- Remuneration
The company commits itself to providing competitive remuneration packages to all its employees according to their qualifications, skills and capability, and always within the existing laws.

- Social Activity and Sports
The company believes that organising sporting and social activities is important, as this fosters a sense of belonging to the organisation.

- Communication
To ensure that an excellent basis of communication is developed, the company believes in the creation of meaningful interaction through planned and effective meetings at all levels. This ensures that each member of the company is aware of what is going on, what the problems and the objectives are.

In summary, the **Alion Beach Hotel philosophy** is based on three general and overarching principles:

• Each employee counts
• Each employee needs to be self-responsible, and
• Each employee should be given the opportunity to manifest his dignity by being trusted to work under his own supervision.

APPENDIX B

Sustainability Action list 2026

Whilst we strive to enhance the quality of our guests' stay and for them to take home memorable experiences, we do all that with respect to the local environment and we manage our impacts for the benefit of the local community in which we operate. We are committed to measuring and managing those impacts by:

• Implementing sound environmental practices in the operation of our hotel. This year we are focusing on intergrading the circular economy principles in our sustainability system and emphasise in reducing our $KgCO_2$ e.
• Endeavouring to reduce energy and water use and to reuse and recycle resources wherever practical, in accordance with the Sustainability Management Programme 2025.
• Encouraging the development and integration of sustainable technologies including renewable energy.
• Monitoring and measuring our environmental performance monthly as per our sustainability management programme.
• Engaging our customers, employees, suppliers and contractors in our efforts to protect the environment.
• Providing the ongoing training and resources required to meet our objectives, in accordance with the Training Plan 2025 and the targets set.
• Communicating our policies, practices and programmes to all our stakeholders.

POLICY STATEMENT

ALION BEACH HOTEL demonstrates a firm and steady commitment to providing high quality services with an aim of satisfying the needs and expectations of our valued guests by ensuring that:

Alion Beach Hotel is firmly committed to providing high quality services to satisfy the needs and expectations of our valued guests and other interested parties by ensuring the following:

- We are fully committed to our actions, we are proud of who we are and what we stand for, and we work as a team to be of service to our guests, employees and owners.
- Our services and facilities are designed and operated to consistently satisfy the needs and expectations of our guests and the related legislation.
- Our continuous efforts and planning will ensure that all our facilities and equipment are maintained to the highest standards of cleanliness, safety, comfort, and reliability for the benefits of our guests, our business and the environment.
- We Integrate sustainable practices that preserve and enhance local biodiversity, including habitat conservation, native landscaping, and minimising impact on surrounding ecosystems.
- Qualitative and quantitative targets are set and monitored in all areas in order to continually improve the effectiveness and suitability of the integrated management system in operation and to minimize the environmental impact of our operations by reducing our operations greenhouse gas emissions.

- Ongoing training and development of our employees for quality, food safety, environment, health, and safety issues. They are also encouraged to participate in decision-making and improvement efforts.
- We encourage a sense of responsibility among employees and we aspire to integrate quality, food safety, environment, health, and safety aspects into our day-to-day operations.
- The highest standards in health and safety, security, and the protection of the environment are adopted, as well as in food safety through the storage, preparation, and delivery of food, in a healthy environment and under the strictest hygiene conditions. Any risks are identified, and preventive and corrective actions are taken where required.
- We cooperate with the public authorities to establish and update contingency procedures to minimize the environmental impact and health and safety impacts of any accidental discharge.
- We are an equal opportunity employer with no discrimination, and we support the protection of human rights, particularly those of our employees, the parties we do business with, and the community within which we operate.
- We have ongoing communication with and give support to local people and businesses. Furthermore, we encourage and support all local traditions initiatives in the area.
- The management and the staff are to always conduct themselves in a professional manner, as defined by the Hotel Manuals and Procedures. Thereby ensuring that the requirements of our Guests, Travelife, Circular Economy and the International Standards ISO 9001, ISO 22000 and ISO 14001 are continuously achieved and maintained.

1(a) -Our waste management for the time being is based on the following actions:

- By introducing a post-mix system, aluminum cans are non-existent in the hotel.
- All glass bottles with return policy are returned to the supplier to reuse.
- Welcome fruit platters in the guest rooms are no longer wrapped in cellophane.
- Large jam and honey jars for breakfast have eliminated the serving of small jam and honey glass jars.
- A4 white paper is recycled by using the blank side for scrap and for internal photocopies.
- As far as possible, our preferred suppliers are those that have recycling containers for their goods.
- All single use plastic straws have been banned and replaced with paper ones.
- All single use plastic cups were replaced with paper and reusable ones.
- All used batteries, lamps, electronic materials, and cooking oils are handed over to an authorized company for recycling.
- Linen napkins, not disposable ones, are used during dinner.
- Torn linen and towels are used for cleaning purposes, and we also supply other partners for the same use.
- By installing a dispenser for all housekeeping and kitchen cleaning materials, we can buy in bulk and have eliminated the use of containers.
- In 2024, bathroom amenities were replaced with refillable dispensers. We have introduced Aegli Organics – a Greek premium brand. The products are organic, vegan, cruelty-free, and clean ocean certified.

- All waste quantities produced are monitored and recorded.
- Since the 1st of June 2009, GREEN DOT Cyprus expanded its activities to the Free Area of Famagusta, including Ayia Napa. Alion was one of the first hotels joining the recycling initiative. We have developed further our internal recycling system, and the waste is separated in three main streams (glass, PMD–plastic, aluminum, tetra pack and paper) and is disposed in special dustbins provided and processed by GREEN DOT Cyprus. This project constitutes the largest part of our waste management system, and it has reduced the waste we send to the land field by a very considerable percentage.

- 1(b) – Since December 2002, the Alion Beach Hotel is connected to the public sewage system for wastewater. The quality of the water received from the system is very good and the quantity is sufficient for our irrigation needs. As a result, no other additional source of water is needed for irrigation purposes.
- A certain quantity of water is provided from the desalination plant of Dhekelia.
- All WCs have been replaced with dual flush system ones without exception.
- The gentlemen's public toilets, the urinals, and the flushing system were replaced with an optical eye to ensure that flushing only occurs after usage and not on a cyclical system as before.
- All public toilets now have infra-red (optical eye) faucets instead of single handle water mixers to minimize water usage.
- All kitchen mixers are now infra-red (optical eye) faucets instead of single handle water mixers to minimize water usage.
- All guest bathrooms have water mixers with a single-handle level
- The shower heads at the pool area have been replaced with low consumption ones.
- All taps and toilets are regularly checked for any leakages
- Daily checks and evaluation of water and energy consumption is carried out to prevent any misuse.
- All the gardens are watered with a sprinkler system where needed and a drop system for the trees and plants.
- We have installed an automatic irrigation system covering the entire gardens
- The Hotel tries to plant many endemic plants that do not need a lot of water, such as carob trees, palm trees, bougainvillea etc.
- A small area has been dedicated to a small herb garden to supply the kitchen.
- An information leaflet about the basic trees and plants in the gardens of Alion Beach Hotel was printed.
- The hotel has developed a system for the linen and towel change in which the guests are in control. They actively participate by informing the chambermaid when they would like their linen or towels to be changed.
- Constant on-the-job training of all staff members, especially in the kitchen, housekeeping, and maintenance, on how and why water should be saved.

1(c)
- All incandescent lamps have been replaced with low energy and LED-lamps.
- Each bedroom next to the main entrance has a main switch for all electrical circuits in the room.
- All balcony doors have an electrical cut-off switch for the air conditioning.
- ALL balcony doors were replaced with double glazing in the winter of 2008-2009, thus achieving a better thermal insulation. This project is sponsored 30% by the Cyprus government as part of supporting energy safety measures.

- Whenever possible we have a group of lights on a time switch.
- As the majority of the hotel rooms have a sea view (south), their direct exposure to the sun in the wintertime heats them up, which means there is less need for heating.
- All refrigerators are equipped with a thermometer and their temperature is recorded twice a day to rectify any deviation from the standard.
- The energy consumption and energy efficiency are important parameters when evaluating any new machinery to be purchased.
- A programme to record and monitor all energy consumption (electrical and fuel) is in place.
- The staff is regularly trained on energy conservation.
- The chillers are replaced with a new one of the latest technology and with lower electricity consumption. This new chiller incorporates a heat exchanger, therefore we preheat our hot water to 45° C and we only use petrol to achieve the additional 5°C to reach the requested temperature of 50° C (a crucial point for Legionella prevention).
- In winter 2013 -2014, the installation of an intelligent energy management system in all rooms was completed. This system takes control of the room temperature by switching off all room lights simultaneously when the guests leave the room. Upon return of the guests, the system automatically returns to all settings as left by the guests.
- A small photovoltaic system has been installed to autonomously operate the indoor and outdoor pool filtration system.
- A solar system to heat the indoor pool during the winter season and to provide hot water for the guest rooms has been installed. The system has significantly reduced the oil consumption during the winter months and has eliminated the use during the summer months.
- A limit switch and an air curtain were installed on our deep freezer's door.
- Two E-charge car stations have been installed in our parking area to facilitate the use of electric cars
- The Duty Manager checks daily the needs of the hotel for air-conditioning / heating, and we adjust our time tables according to the needs of the day.

1(d)

- Ecological products, such as wine, honey, wheat etc. are purchased as far as possible
- Every possible available piece of land is used to organically grow some herbs and vegetables for our cuisine.
- All food storage areas are checked daily for tidiness, cleanliness and that each food item (meat, fish, dry goods etc.) is stored in the appropriate place and at the right temperature.

1(e)

- There is an in-house training scheme in place for our employees to create environmental awareness in conjunction with relevant seminars organized by the environmental consultants we partner with.
- There is an environmental committee with a management representative established. The Environmental Committee is responsible for the identification, planning and implementation of the hotel's environmental policy.

2

- Guests, visitors and employees are not allowed to park their cars in the front of the hotel. We ask them to use the underground parking area.

- Alion is situated in a unique location where the hotel is built with a certain distance from the main road. On both sides of the hotel (west and north) you have two parks with mature trees that reduce the noise level.
- Employees are trained “to be seen, but not to be heard”.
- Chambermaids are not allowed to go on the floors before 09:30 and leave the floors by 15:00.
- All hotel floor corridors are carpeted.

3

- A local yellow sandstone has been used to partly decorate the outside walls of the hotel.
- The floor tiles of our pool area are of local mountain slates.
- The hotel architecture makes the most of the sea view. All guests’ areas, be it the gym, bar or restaurant, have sea view.

4

- The hotel is situated well back from the secondary street. Between the hotel and the street there are well-kept gardens, including rose beds and mature trees.
- No cars are allowed to be parked in front of the main entrance. All cars are parked in our underground car park.
- Situated on a sandy beach with shallow crystal-clear waters. Between the beach and the Hotel there are well-kept lawns, flower beds, palm trees, and other mature endemic trees.
- No industry be it heavy or light is anywhere near the Alion Beach Hotel.
- On both sides of the hotel there are two small forests with mature trees, which are designated as forestry areas and thus protected by law.

5

- The beach in front of the Hotel is Blue Flag certified (a certification by the Foundation of Environmental Education FEE)
- There are litter bins on the beach, and they are emptied daily.
- The local municipality oversees beach cleaning with assistance from the hotel, as far as informing them when it is time to come and clean the beach.
- Both pools are cleaned daily, and all chemicals are added twice daily.
- The purity of the pool water is checked three times daily by our technicians (chlorine and PH) and once a month by a certified laboratory.
- The water from the reserve tanks and the closed and opened water systems are analysed monthly for its quality, and bi-annually for Legionella disease.
- The Hotel’s litter bins are emptied twice daily.
- Hotel employees check the cleanliness of the beach and the pool area daily, and corrective actions are taken when deemed necessary.

6

- A seminar on the new law for health and safety at work was attended.
  - A risk assessment study was conducted, and relevant additional procedures have been incorporated in our ISO system to cover all study findings.
  - A gas detector has been installed in the kitchen area.
  - Key staff members are trained in giving first aid.
  - A strict non-smoking policy is in place with all indoor areas being non-smoking.
  - All food stores have had extractor fans and air handling units installed.
  - All hotel rooms are non-smoking rooms with smoking only allowed on the balcony.

- The indoor restaurants (breakfast and dinner) are non-smoking zones. Also the outdoor restaurants during meals hours (breakfast & dinner) are non-smoking.

7

- The Hotel does not use any pesticides.
- The consumption of all chemicals is recorded electronically in the materials control software programme.
- A seminar for maintenance and housekeeping staff on why and how chemicals should be used with minimum usage was conducted.
- All public toilets and all are equipped with soap dispensers.
- All suppliers are evaluated as part of our environmental policy.
- A guest towel and bed linen exchange system is in place to encourage guests not to demand daily washing of their towels. This saves a lot of water and reduces the phosphates from the laundry detergent.
- The hotel only uses bio-degradable cleaning products.

8

- Our guests are encouraged to use public transport.
- Information about bicycle rental and timetables of the local buses is available at reception.
- A large majority of our guests are transferred from and to the airport by coaches.

9

- The level of emissions from the gas burner in the boiler room is systematically monitored and recorded. The main oil burners have been replaced with a heat pump.
- When purchasing a new refrigerator or split unit we have a requirement that it must operate with environmentally friendly freezing liquids (CFC and HCFC free). We have replaced all refrigerators with environmentally friendly ones.
- All halogen fire extinguishers have been replaced with halogen-free ones.

10

- The hotel cooperates with the local police by informing them in case of water pollution from passing ships.
- The hotel is a member and actively supports the “Alkionides” charity group, Apostolos Pavlos, and Europa Donna. Since 2013, we encourage our guest to actively participate in this effort by donating the symbolic amount of €3, which is added to their hotel bill on a voluntary basis.
- The hotel is a member of the Cyprus Sustainable Tourism Initiative (CSTI), which was established in 2006. Its goal is to promote the development of sustainable approach to tourism in Cyprus through the preservation, conservation and the protection of the environment, the sensible use of natural resources and the improvement of the social and economic conditions of marginalized rural communities of Cyprus.
- The hotel has started the implementation of an environmental management programme under the consultancy of the Mansystems Consultants and we were certified with ISO 14001 in November 2003.
- The hotel has a valid Travellife gold certificate for our sustainability programme.
- The hotel participates in all activities organised by CYMEPA in the area.
- The hotel participates in the project “Keep our sand and sea free of plastic”.
- The hotel participates in the “Authentic Cyprus breakfast” initiative.

- The hotel organises the Alion's Green Day once a year. An occasion when hotel employees and hotel guests help clean the beach.
- The Employee handbook has been prepared including all relevant information (vison, hotel culture, rules and regulations, disciplinary code of practice, privacy policy) concerning the employment of the new staff member).
- The hotel works with the local community concerning environmental issues we believe are very important. For this reason, we aim at creating a PRO EARTH GROUP (PEG), which will promote environmental issues to guests and the community.
- The hotel has designed and has made available an information leaflet about the plants and flowers that grow on the beach in front of the hotel.
- There is an environmental information board for our guests.

APPENDIX C

ENVIRONMENTAL POLICY STATEMENT

Alion Beach Hotel strives to achieve a low carbon footprint from its operations and is fully aware of its environmental responsibilities. Our Hotel has embarked on an environmental journey for the an ongoing improvement and full compliance with the environmental laws and regulations. Alion Beach Hotel is proud of its achievements -Travelife Gold award and Tui Environmental award - which demonstrate a firm and steady commitment to environmental excellence.

More explicitly the Hotel's environmental policy calls for the following:

- Integration of circular economy principles into the hotel's operations to minimise environmental impact, reduce waste, conserve resources, and enhance sustainability.
- Adopt energy-efficient technologies and practices and utilise renewable energy sources.
- Optimise the use of resources by selecting sustainable materials, reducing consumption, and promoting energy and water efficiency throughout the hotel.
- Implement strategies to reduce waste at the source, avoid products with excessive packaging and single-use plastics.
- Implement waste segregation systems in all areas of the hotel to facilitate recycling and composting.
- Encourage the reuse of materials and products wherever possible and establish robust recycling programs to divert waste from landfills.
- Prioritize the purchase of products and services that are sustainably sourced, have minimal environmental impact, and are designed for longevity or recyclability.
- The integration of environmental aspects into our day-to-day operation.
- The development of a sense of environmental responsibility among all employees by actively protecting our natural environment.
- Setting of Qualitative and Quantitative targets to minimise the environmental impact from our operations; Reduce greenhouse gas emissions, electricity & petrol consumption and water consumption.
- Provision of on-going training to all staff on circular economy principles, waste management practices, and sustainability initiatives.
- Continual improvements in operations, emergency preparedness and management oversight to increase the effectiveness and reliability of our environmental management system.

This policy serves as a framework for incorporating circular economy principles into our hotel operations, contributing to environmental sustainability and enhancing the overall guest experience.
The Hotel's Sustainability Management System is based on the requirements of the Circular Economy Model, Travelife, and ISO 14001 Standard. All employees are expected to always adhere to our environmental policy.