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OUR COMPANY

1

Sustainability Highlights 2021-2022



80%

reductions in operational emissions (Scope 1, 2) compared to 2019



18.5%

reduction of LPG consumption (kWh/occupied room) for Romanos in 2022 compared to 2019



100%

of electricity purchased was produced from renewable sources



413,420m³

of water recycled & reused since 2021



38%

reduction of single-use plastics in 2022, compared to 2019



72

turtle nests protected since 2021



100%

of new suppliers were screened using sustainability criteria

Long-term target
To achieve
Net-zero
by 2050

11.8%

reduction of LPG consumption (kWh/occupied room) for Westin in 2022 compared to 2019



8%

of the total budget has been allocated to sustainable practices and infrastructure



48%

of new hires were female since 2021



Zero

instances of discrimination



More than
600,000€

spent from 2019-2022 for infrastructure development projects



Zero

confirmed cases of non-compliance with laws and regulations



250

stray animals found a new home through Navarino Pet Community

Message from the Managing Director

Dear reader,

Welcome to the 6th edition of our Sustainability Report covering the years 2021 & 2022.

Our commitment to sustainable development remains steadfast across all our business activity and is the guiding principle for our actions. At the heart of our business philosophy, since the inception of our development, has been the respect for the areas where we operate, and our effort to protect and preserve their natural beauty and heritage.

As we navigate through a constantly changing landscape, we recognize the profound responsibility we hold to our stakeholders, our guests, and the local communities. Despite the global challenges during this reporting period, at TEMES we learned to be even more resilient and flexible, while remaining focused on our core values. Within the next pages, we unveil the milestones, challenges, and successes that underpin our continued journey towards sustainability.

The growth journey of Costa Navarino is ongoing, with 2022 marked by the

destination's expansion with the opening of W Costa Navarino – the first W hotel in Greece- as well as the opening of two signature 18-hole golf courses at Navarino Hills – bringing the total number of courses to four and making Costa Navarino the newest sustainable golf destination in Europe. These latest additions, together with the continuous growth of our residential community, as well as the new ultra-luxury Mandarin Oriental, Costa Navarino and the Navarino Agora which opened in 2023, brought our investment plan to-date up to 850m EUR. The total investment, including third parties in real estate, surpasses 1.25b EUR till today. Regarding our financial performance, and despite the constant challenges during 2021-22, the company achieved an increased turnover in hospitality, whereas 2022 was marked by a significant increase in real estate sales.

In relation to our environmental sustainability targets for 2021-2022, we reached our annual performance goals in the areas of:

- Waste reduction, through efficient use of resources, reuse, and recycling
- GHG emissions minimization and

- optimization of energy consumption
- Sustainable water management

Indicatively, we recycled and reused 413,420 m³ of water, achieved 38% reduction of single-use plastics in 2022 (compared to 2019), 80% reduction of operational emissions in 2022 (compared to 2019), while 100% of electricity purchased was produced from renewable sources. In addition, we are developing our decarbonization strategy towards achieving net-zero operations by 2050.

In line with our core value of respect for our associates, guests, and communities where we operate, we are committed to fostering an environment that values and celebrates diversity, by creating a place where everyone is truly comfortable. We strive to ensure that the needs and preferences of our guests and associates are anticipated and foreseen. Since 2022, we invested in research to understand the different needs of various groups, in ongoing training for all our associates, in collaborations with specialized organizations and in introducing dedicated facilities for our guests.

In 2021, we launched together

with the Captain Vasilis & Carmen Constantakopoulos Foundation, a multifaced cultural program for the 200 years of the Greek War of Independence. "Morias '21" involved 75 organizations and was held across 8 key historical cities. The initiative invited all Greeks to visit the Peloponnese, through a total of 21 thematic activities and 135 interactive experiences.

Furthermore, we remain dedicated to supporting the growth of the whole region of Messinia, while creating new job opportunities. It is indicative that from 2006 to 2022, the development of Costa Navarino has contributed to Messinia's Gross Domestic Product (GDP) by 11%. Lastly, our focus on creating opportunities for our people and investing in their long-term development and continued learning is paramount to our operation. Their contribution is the cornerstone of the enduring value we wish to generate.

Thank you for joining us in our efforts towards a sustainable future.

Evgenios Dendrinou
Managing Director, TEMES S.A.

Our profile

[GRI 2-1, GRI 2-2, GRI 2-6]

TEMES S.A. is a leading investor, developer and operator of sustainable, high-end tourism and real estate destinations in Greece. The company, which is privately owned, operates in Messinia and Athens. The headquarters are in Athens.

The company's main investments comprise:

a) the integrated resorts at Costa Navarino, comprising 5-star hotels, luxury private residences, signature golf courses, and many year-round facilities,
(b) an iconic landmark in Athens which is currently being transformed into a new city destination, (c) the joint development of two state-of-the-art, luxury hotels and residential complexes on the Athenian coastal front of The Ellinikon.

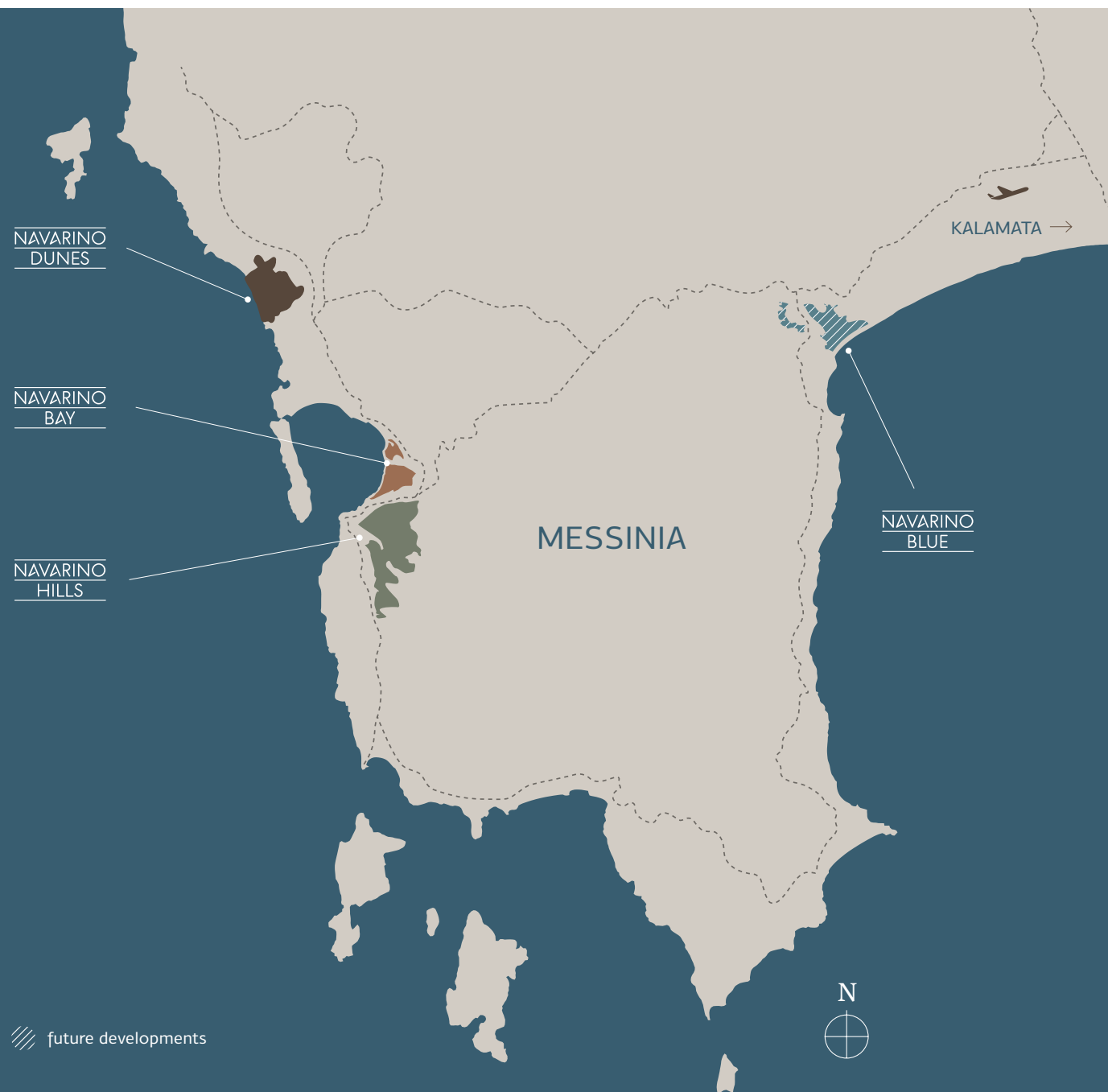
The company's vision is to contribute to the transformation of Greek tourism through innovative, high-quality products and experiences and create value through the development of sustainable destinations. The company's extensive land bank includes properties at prime locations, which were assembled over 30 years of carefully considered acquisitions in the region of Messinia. At the heart of the company's philosophy lies the effort to protect and preserve the natural beauty and heritage of the areas in which we operate, through a strong commitment to environmental sustainability and respect for local communities and traditions.

Founded in 1997 by the Constantakopoulos family, TEMES has fulfilled the vision of its founder, Captain Vassilis Constantakopoulos, to establish his homeland Messinia as a world-class, high-end tourism destination. The Constantakopoulos family holds just over 75% of the company shares, while the remaining shares are owned by Fivedunes Limited.

Today, this vision continues with the aim of further establishing Messinia and Costa Navarino as a model sustainable destination that people from all over the world wish not only to visit, but also live there.

Costa Navarino, the flagship development, is one of the largest tourism investments in the Mediterranean. Based on solid financial foundations, the development comprises distinct resort areas with 5-star hotels, high-end gastronomy, state-of-the-art sports facilities, premium residential real estate, a wealth of authentic experiences and world-class golf courses. These areas are: Navarino Dunes, Navarino Bay, Navarino Hills and Navarino Blue, covering a total area of around 1,000 hectares.

The map shows the main existing, ongoing and planned future developments within the region of Messinia.



The information reported in TEMES' Sustainability Report 2021/2022 also covers the subsidiaries wholly owned and controlled by TEMES¹, which are presented in the following table.

WHOLLY-OWNED BY TEMES	LEGAL STRUCTURE	TREATMENT IN TEMES FINANCIAL ACCOUNTS	CONTROL OF OPERATING POLICIES
Costa Navarino North Properties S.A.	Incorporated company	Wholly-owned subsidiary	100%
Costa Navarino South Properties S.A.	Incorporated company	Wholly-owned subsidiary	100%
Byzadium S.A.	Incorporated company	Wholly-owned subsidiary	100%
Nefertia Investments Limited	Incorporated company	Wholly-owned subsidiary	100%
Armide Properties Single Member S.A.	Incorporated company	Wholly-owned subsidiary	100%
Azov Properties Single Member S.A.	Incorporated company	Wholly-owned subsidiary	100%
Philomel Properties Single Member S.A.	Incorporated company	Wholly-owned subsidiary	100%
Athens Beach Club Single Member S.A.	Incorporated company	Wholly-owned subsidiary	100%

¹ Navarino Vineyards Single Member S.A. has its own management and, although it is wholly owned by TEMES, the latter does not have operational control and consequently the subsidiary is not included in this report.

In March 2021, TEMES announced a partnership with the renowned tennis coach Patrick Mouratoglou for the establishment of the Mouratoglou Tennis Center at Costa Navarino, with 12 new courts, providing a world-class tennis experience for its guests and enhancing the overall sports offering of the destination.

In February 2022, two new golf courses opened in Costa Navarino at the Navarino Hills site, designed by two-time Masters champion and Ryder Cup legend José Mariá Olazábal. The two 18-hole par-72 courses, named the International Olympic Academy Golf Course and The Hills Course, extend across 125 hectares overlooking the historic Bay of Navarino and the Ionian Sea, complemented by the modern, full-service Hills Clubhouse. Furthermore, the naming of the world's first International Olympic Academy Golf Course serves to underline the links between golf and Olympism, while the course itself is the result of the fruitful partnership between the International Olympic Academy, the Hellenic Olympic Committee and Costa Navarino.

Around the same time, TEMES announced an agreement with Mandarin Oriental Hotel Group, for the first Mandarin Oriental property in Greece, to open at Costa Navarino in 2023. Set amidst a breathtaking 140-hectare natural landscape, Mandarin Oriental, Costa Navarino will feature 99 suites and earth-sheltered villas.



During 2022, Costa Navarino Residences, the collection of luxury villas and apartments for private ownership, launched a new villa project in the Olive Grove neighborhood at Navarino Dunes, aimed at potential owners who had already expressed interest, resulting in the immediate reservation and/or sale of most villas. These new villas in the Olive Grove neighborhood are being developed on a turn-key basis and will be delivered to their owners in 2025.

In August 2022, W Costa Navarino – the first W Escape in Greece – opened in the Navarino Bay area. The 13-hectare property is home to 246 stylish rooms, suites, and villas, set along a sandy beach stretching for 450 meters. It features a number of dining venues, a wellness area, and a range of additional leisure facilities.

2023 will see the opening of Navarino Agora, located next to W Costa Navarino, as a microcosm of experiences, where visitors and locals can dine, shop and be entertained.

At the end of 2021, Ionian Hotel Enterprises, where TEMES holds a controlling stake, announced an agreement with Hilton for a new hotel and residences to be developed in an iconic building complex in the center of Athens. The building is undergoing a complete transformation for the development of a new city destination, introducing – upon completion – the Conrad Hotels & Resorts, Conrad Residences and Waldorf Astoria Residences brands for the first time in Greece. Alongside the hospitality and residential component, it will feature a lifestyle members' club, multiple culinary and entertainment venues, curated shopping, thus creating an ecosystem of unique experiences.

TEMES S.A. is
a member of
various national
organizations
and leading
international
industry
associations

[GRI 2-28]

Athens Chamber of Commerce & Industry

Greek Tourism Confederation (SETE) - INSETE

Hellenic Chamber of Hotels

Hellenic Federation of Enterprises (SEV) & Business Council for Sustainable Development (SEV BCSD)

Hellenic Hoteliers Federation

Marketing Greece

World Travel & Tourism Council (WTTC)

Location & Facilities

Costa Navarino, the sustainably driven destination in the Mediterranean, is located in Messinia in the southwest Peloponnese, amidst one of the most unspoiled and breathtaking seaside landscapes, in a region shaped by 4,500 years of history.

Costa Navarino's philosophy is motivated by a genuine desire to promote Messinia, while protecting and preserving its natural beauty and heritage. Costa Navarino adheres to strict environmental protection guidelines and management principles, recognizing the significant contribution of a pristine natural environment to the development of a sustainable tourism product. The vision of TEMES is to establish.

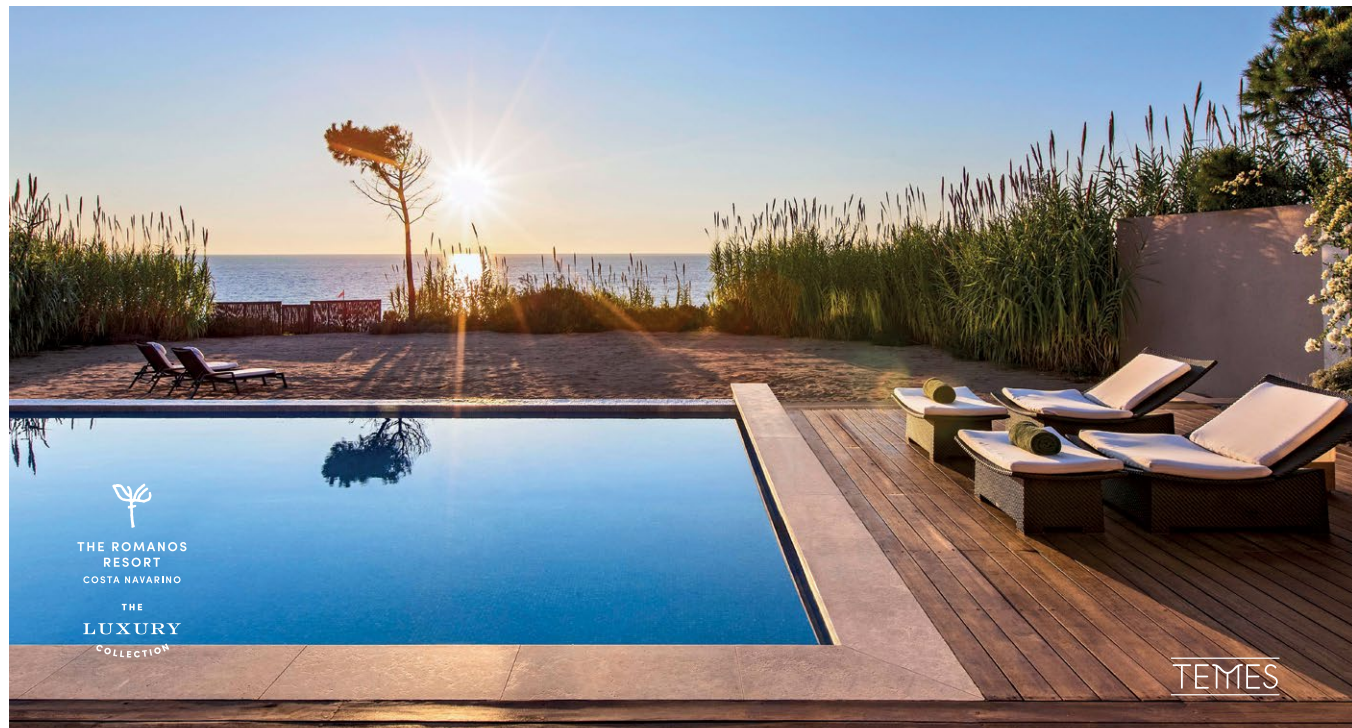
The destination comprises several distinct sites featuring five-star hotels, private residences, signature golf courses, many year-round sports and leisure activities, and a wealth of experiences to engage with the region's culture, history and nature.

NAVARINO DUNES

Navarino Dunes, the first area, covers 130 hectares. It is home to two 5-star hotels, The Romanos, a Luxury Collection Resort, and The Westin Resort Costa Navarino.

It is also home to Costa Navarino Residences, a collection of luxury villas for private ownership, and The Residences at The Westin Resort Costa Navarino – fully furnished resort apartments for sale. Furthermore, it features a signature 18-hole golf course (The Dunes Course), a 4,000 m² spa and thalassotherapy center (Anazoe Spa), a state-of-the-art conference center (House of Events), specially designed facilities for children, along with a variety of gastronomy venues, leisure and cultural experiences.

It also offers a vast range of sports and outdoor activities, such as hiking, cycling, climbing, kayaking, surfing, waterskiing, yachting, tennis, basketball and many more.



NAVARINO BAY

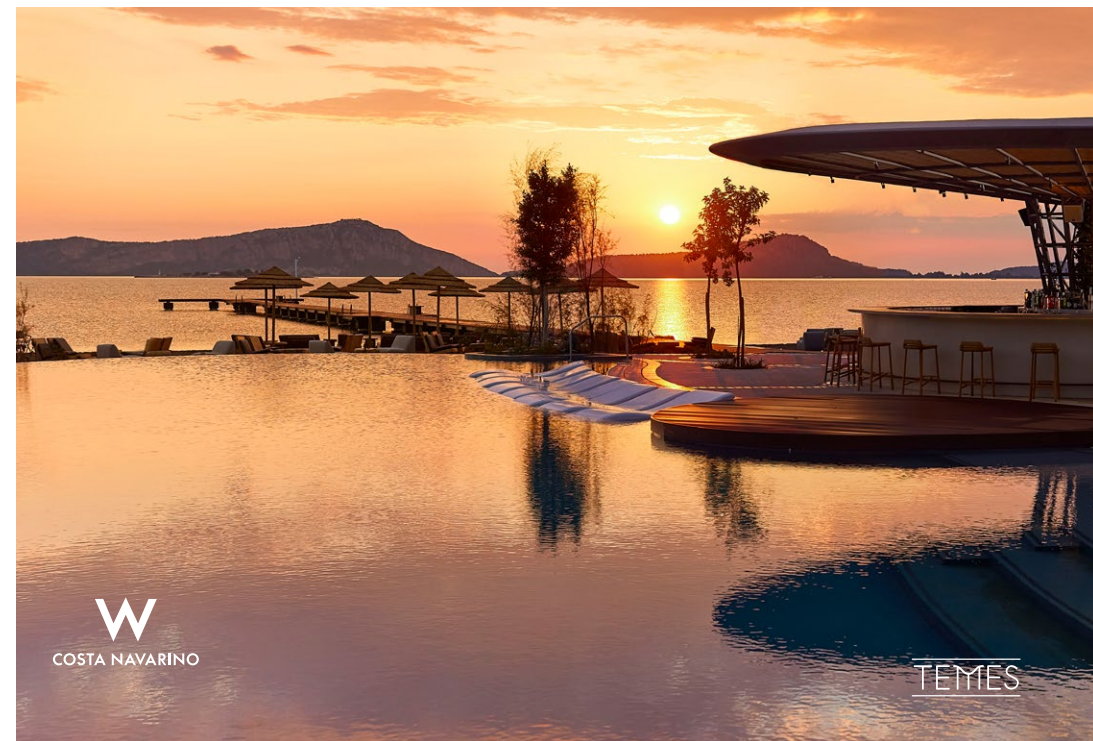
The second area is Navarino Bay, covering 153 hectares.

2022 saw the opening of W Costa Navarino – the first W Escape in Greece. The vibrant resort is set in front of a 450-metre-long sandy beach and welcomes exclusively adults and teens. It features 246 stylish rooms, suites and villas, many of which offer private or shared pool access. It also has a premier events venue, a number of dining outlets including a destination Beach Club, a wellness area, and a range of additional leisure facilities. W Costa Navarino provides an array of tailor-made facilities and services to accommodate guests whatever their religious, gender, mobility, or ethnic requirements.

Navarino Bay will welcome Mandarin Oriental Hotel Group's unparalleled hospitality to Greece for the first time, in summer 2023. Mandarin Oriental, Costa Navarino will be located amidst a breathtaking beachfront landscape, featuring 99 suites and earth-sheltered villas with private pools and spacious terraces.

Navarino Agora is also set to make its debut in summer 2023. This modern, buzzing marketplace will enrich the experience for all guests, residents, and visitors, through a vast range of retail outlets, dining venues and street food options, an open-air cinema, in addition to an exciting event program celebrating and showcasing the local culture and traditions.

Navarino Bay is also home to the signature 18-hole Bay Course, and the earth-sheltered Bay Clubhouse.



NAVARINO HILLS

Navarino Hills will be developed as a year-round integrated resort with a low-density country-style residential component, as well as alternative tourism elements featuring innovative recreational facilities. It is currently home to two new signature 18-hole golf courses, the International Olympic Academy Golf Course and The Hills Course, as well as The Hills Clubhouse.

NAVARINO BLUE

Navarino Blue, located in the Gulf of Messinia, is a 210-hectare site which boasts a 1-km-long south-facing sandy beach. This location will be the site of multiple themed resorts offering a wide choice of sports, leisure and entertainment activities, and will be developed at a later stage.

COSTA NAVARINO GOLF

Costa Navarino is home to four signature 18-hole golf courses. The Dunes Course at Navarino Dunes has been designed by former US Masters Champion and Ryder Cup Captain Bernhard Langer in association with European Golf Design. The Bay Course at nearby Navarino Bay has been designed by acclaimed golf course architect Robert Trent Jones Jr.

Two new courses, the International Olympic Academy Golf Course and The Hills Course, opened in February 2022 at Navarino Hills, designed by two-time Masters champion and Ryder Cup legend José María Olazábal. The newest additions give players the opportunity to enjoy the challenges of four signature golf courses within a 13-km radius.

In addition, the Navarino Golf Academy offers professional tuition to players of all levels. Extensive practice facilities help golfers develop their game and include full-size driving ranges, a putting green and short-game practice areas. Instruction is available in various formats, tailored to each specific need. The Navarino Golf Academy's junior members from Messinia have already achieved notable success in a number of national and international competitions.






**COSTA NAVARINO
RESIDENCES**

Costa Navarino Residences comprise a collection of luxury properties for private ownership. The portfolio includes luxury off-plan or turnkey villas and resort apartments. Located just a few meters from the beach or nestled among verdant olive groves, the villas offer unobstructed sea, golf or panoramic views. Ranging in size from 235-1,000 m² internal area (3-7 bedrooms), on plots from 700-3,200 m², they have been designed by internationally acclaimed Greek architects (ISV Architects, K-studio, Potiropoulos + Partners, Buerger Katsota Architects, Thymio Papayannis and Associates, Kokkinou-Kourkoulas, Zoumboulakis Architects).

Villa owners enjoy privileged access to all resort services, sports facilities, golf courses and events as well as a range of benefits available exclusively to them. So far, more than 80% of the initial offering has been sold, while the first properties have already been delivered to their owners.

**The Residences at The Westin Resort
Costa Navarino.**

Following the successful launch of the private villas, the real estate portfolio was expanded in 2019 with the addition of The Residences at The Westin Resort Costa Navarino, a collection of fully furnished, freehold resort apartments for sale.

Each apartment consists of a Family Suite and an interconnecting double Deluxe Room, part of The Westin Resort's existing collection of rooms and suites, laid out on a 120 m² single floor area. Apartment owners are entitled to a free usage period per annum along with a rental income for the remaining time of the year. More than 90% of the apartments have already been sold.

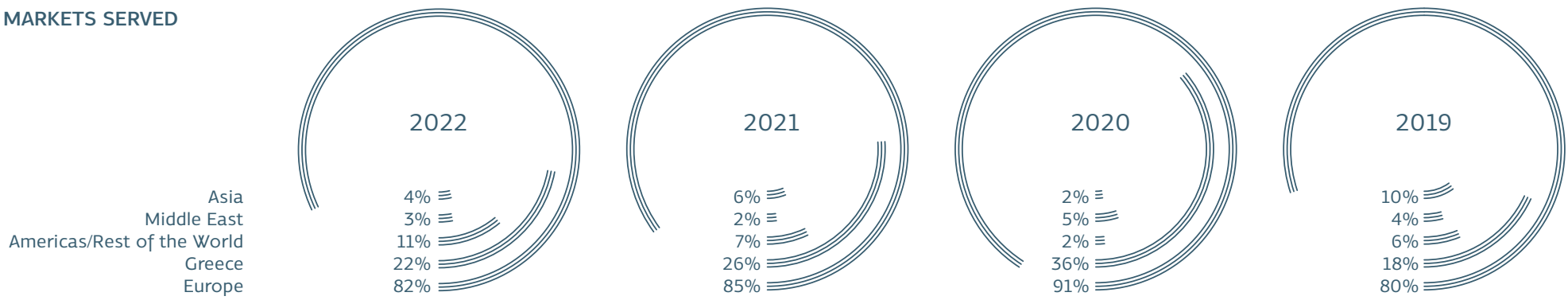
Markets served

[GRI 2-6]

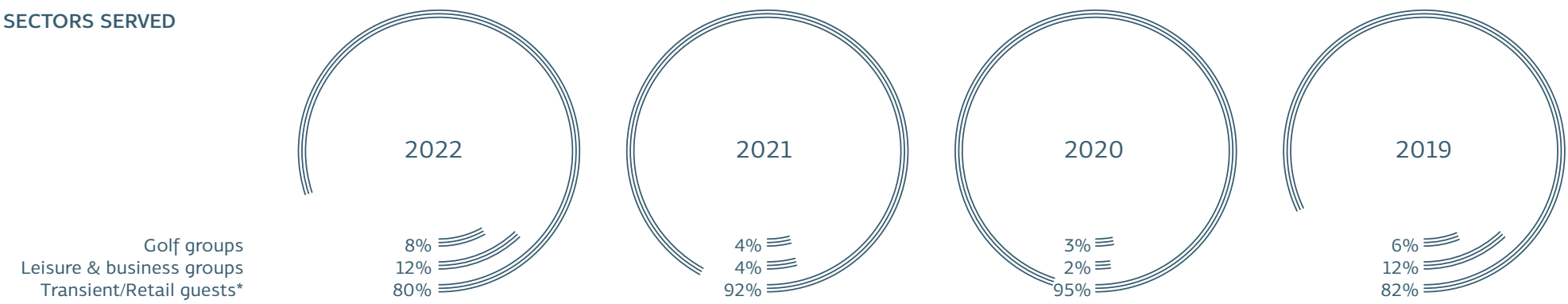
Costa Navarino continues to attract visitors from all over the world and there was a significant increase from the US in the last couple of years. The Golf business doubled with the opening of the two new golf courses in 2022. Furthermore Leisure and business groups grew significantly in 2022.



MARKETS SERVED



SECTORS SERVED



* Guests visiting directly or through travel agents/tour operators

Awards

During 2021-22, destination awareness was further cemented, through the acknowledgements received both on an international and local level. Well-established institutions and media, rewarded the multiple offerings of the destination, including its luxury hotels and premium facilities, signature golf courses, luxury residential properties and events.

Marie Claire Sustainability Awards 2022

Best Sustainable Destination 2022 - Costa Navarino

WTM - World Responsible Tourism Awards 2022

Silver Award, TEMES – Costa Navarino

Hospitality Awards 2022

Best Sustainable Action - Global, #2

Conde Nast Traveler Readers' Choice Awards 2022

"Best Resorts in Greece" category:
The Westin Resort Costa Navarino #1
The Romanos, a Luxury Collection Resort #2

Conde Nast Traveler Readers' Choice Awards 2021

"Best Resorts in Greece" category:
The Romanos, a Luxury Collection Resort #1
The Westin Resort Costa Navarino #2

World Golf Awards 2021

Greece's Best Golf Course 2021: Costa Navarino - The Bay Course

World Golf Awards 2022

World's Best Emerging Golf Destination 2022 - Costa Navarino
World's Best New Golf Course 2022 - International Olympic Academy Golf Course
Greece's Best Golf Course 2022 - The Dunes Course
Greece's Best Golf Hotel 2022 - The Westin Resort Costa Navarino

Golf Inc magazine Awards 2022

"Development of the Year" – Navarino Hills, #2
"Clubhouse of the Year" – The Hills Clubhouse, #2

Golf World

'Top 100 Resorts in Continental Europe' 2022 - Costa Navarino #1

Golf Digest Editors' Choice 2022 & 2021

«Best Golf Resorts in Continental Europe» - Costa Navarino

World Luxury Spa Awards 2021

Anazoe Spa, Costa Navarino - Luxury Beach Resort Spa – Continent Win

Red Spa Awards 2022

Anazoe Spa, Costa Navarino - Best Spa Concept Europe

Tourism Awards 2022

Gold/Platinum award- Category: Golf Destination- Costa Navarino
Silver Award- Category: Hotel Design of the Year- W Costa Navarino

Greek Hotel of the Year Awards 2022

Gold award - Best Destination Resort - Navarino Dunes, Costa Navarino
Silver award - Luxury Resort - The Romanos, a Luxury Collection Resort

Greek Hospitality Awards 2022

Gold award - Best Greek New Resort - W Costa Navarino

Toques d' Or 2022

Kooc Taverna Secrets – Top Notch

Sports Marketing Awards 2021 & 2022

Gold, Silver, Bronze Awards across several categories for Navarino Challenge

OUR APPROACH TO SUSTAINABILITY

2



Delivering value to all

Since the company was established in 1997, TEMES has continued to expand its business activities and optimize its business model to sustain earnings growth and boost long-term sustainable value creation.

It is the company's priority to achieve flexibility and high quality in its assets, products and services, in order to maintain its strong competitive advantage in the hospitality sector and create long-term value for all stakeholders.

Responding to technological advancements, rapidly changing market conditions and climate change adaptation, the company's business model constantly evolves, becoming increasingly dynamic and transparent.

TEMES is focused to draw on, transform, and add to our capital resources to provide for our assets, products and services and achieve sustainable business growth, creating value for all its stakeholders and contributing to the attainment of the UN Sustainable Development Goals (SDGs).






















Our sustainable business model

TEMES' business model creation is based on six types of capital, which are drawn on as inputs and then converted into outputs (assets, services and products) through its business model activities. Both activities and outputs lead to outcomes in terms of effects on these capitals. The outcomes of the model reflect its identified material impacts for stakeholders and its contribution to sustainable development, which are fully explained in the Chapter "Materiality Analysis".

In this continuous cycle, it is essential that our business model is able to adapt to changes in order to contribute to the long-term vitality of TEMES and serve as a key source of creation and regeneration of long-term value for our stakeholders. The objective is to create growth and development for the region as a whole.

Figure 1

TEMES BUSINESS MODEL

INPUT CAPITALS		BUSINESS MODEL ACTIVITIES			OUTPUTS / MATERIAL TOPICS FOR STAKEHOLDERS	SDG CONTRIBUTION
FINANCIAL	Equity Grants Investments Retained earnings Bonds EU ERDF Horizon Loans	HOSPITALITY	GOLF AND SPORTS	REAL ESTATE	GENERATION AND DISTRIBUTION OF ECONOMIC VALUE	  
					SUPPORT FOR INFRASTRUCTURE DEVELOPMENT	 
MANUFACTURED	Hotel buildings and facilities Equipment & machinery Water & wastewater infrastructure Hotel equipment FF&E, OS&E Water treatment plant Infrastructure Vehicles (operations & maintenance) Geothermal system Composting facility Power generators Meteorological station equipment	OUTPUTS			CONTRIBUTION TO EMPLOYMENT	   
HUMAN	Number of associates	SERVICES			PROMOTION OF THE HEALTH, SAFETY, AND WELLBEING OF EMPLOYEES AND GUESTS	
INTELLECTUAL	Software & IT engineering Licenses & protocols Trademarks Systems and processes Internal control systems Intellectual property	Navarino Icons products Third-party products (through retail stores)		Completed developments Current developments Developments under planning	QUALITY OF SERVICE	
					PROMOTION OF LOCAL DEVELOPMENT	
SOCIAL & RELATIONSHIP	Local community Guests & Customers NGOs Partners & Suppliers Mass & Specialized Media Industry Associations Academic Community Advocacy Groups				MITIGATION AND ADAPTATION TO CLIMATE CHANGE	     
NATURAL	Land use Water Fossil fuels (LPG, Diesel, Petrol) Ecosystem services Electricity (indirect consumption of RES & non RES)				PROTECTION AND RESTORATION OF SPECIES AND HABITATS	
					PRESERVATION OF WATER RESOURCES	    
					WASTE MINIMIZATION AND PROMOTION OF CIRCULAR ECONOMY	

Excludes Hilton, Hellinikon and other assets

Marked with orange Topics which are material to the organization



The company's business model essentially brings together the most significant aspects of TEMES' strategy, namely:

- Risks and opportunities
- Resource allocation
- Outlook
- Structure
- Services and products
- External factors
- Performance

By integrating the above aspects into the six capitals as defined by the Integrated Reporting <IR> Framework when reporting on performance, TEMES provides a fuller picture of the way in which it creates value.

• Capitals

According to the <IR> Framework, TEMES provides a categorization of the six capitals (financial, manufactured, human, intellectual, social and relationship, natural) as reported in Figure 1. This categorization is a guideline to ensure that all the capitals that are used are considered and are material to the company's value creation.

• Inputs

By listing and analyzing TEMES' inputs, it aims to disclose the most important inputs provided by the capitals relevant to its business model. All inputs are interrelated and linked to the opportunities, risks, strategies and performance of our company. These inputs are the resources that TEMES draws upon for its business activities.

• Activities

TEMES' business activities are centrally located and involve the process of transforming inputs into outputs. In particular, the process of defining its business activities, the development of assets, the provision of services, and the planning and design of its products.

• Outputs

Outputs are the third value creation component in our business model. By listing the outputs, the company clearly demonstrates its own product system in terms of assets, products and services provided.

• Outcomes

The fourth component relates to outcomes, which are defined as the impact of the use of inputs in the accomplishment of the company's business activities and the achievement of outputs. Through its value chain, TEMES shows the outcomes, according to the identified material topics, prioritized through the materiality analysis process. Outcomes are also linked to the UN SDGs.

Working together with stakeholders

[GRI 2-29]

To adopt the business practices that will maximize the value created for its stakeholders through the company's operation, we have built a close relationship with all stakeholder groups.

This approach helps us understand their interests and proactively identify issues of concern to inform TEMES' policies, reporting and disclosures. This open dialogue has, in many cases, taken the form of collaboration programs, initiatives and actions designed and implemented together with its stakeholders.



Motivated by their common interest in climate change and the need for scientifically-based mitigation and adaptation policies, Stockholm University, the Centre of Environmental Health and Biophysics of the Biomedical Research Foundation of the Academy of Athens, and TEMES came together in 2009 to establish the Navarino Environmental Observatory (NEO).

NEO is a Mediterranean hub for research and education where science, business, society and policy makers join in a pioneering cooperation to create a more sustainable future under a changing climate.

The goals and objectives of NEO are:

- To study climate change, its impacts and interconnection with human societies and ecosystems.
- To identify water, land, and food security issues in the Mediterranean region in relation to socioeconomic development.
- To bring together scientists, businesses and policy makers to discuss the complex issues of environmental management and sustainable development.
- To develop solutions and business-policy roadmaps under ongoing climate and anthropogenic changes and evaluate their feasibility in Greece and in the Mediterranean region.

Since 2009, NEO researchers have produced more than 200 international publications. NEO has nine associate members (research institutions in Greece, Sweden, Germany and the USA). It is additionally a member of the European Research Infrastructure for the observation of Aerosol, Clouds and Trace Gases (ACTRIS), the PANhellenic infrastructure for Atmospheric Composition and climate chAnge (PANACEA), the Global Wetland Ecohydrology Network (GWEN), and the Greek Long-term Ecosystem Research Network (LTER-Greece). In 2020, NEO became part of the European Civic University network (CIVIS) in Solid Earth System Dynamics.



During 2021, the COVID-19 pandemic created implications for many NEO activities, especially students' field courses. Despite the challenges, the summer internships were attended by seven students, while in autumn three workshops were hosted at the NEO field station. In 2022, NEO hosted five educational courses and nine interns, mainly from Stockholm University, the University of Ioannina and the American College of Greece.

With regard to research projects, in 2022 NEO continued previous work under the COASTAL project, focusing on the development of quantitative system dynamic models to be used as a base for discussions with stakeholders and the establishment of business recommendations and policy road maps.

The project has provided a space for local stakeholders to meet and discuss sustainability and local development and has created a new culture within the local community. At a European level, the legacy of COASTAL is the development of a Knowledge Exchange Platform (KEP), which gives access to knowledge, solutions, and experiences from six rural-coastal regions around Europe.

Since 2022, NEO has been actively involved in two new EU projects, one funded by PRIMA foundation focusing on research and innovation (SALAM-MED: Sustainable Approaches to Land and water Management in Mediterranean Drylands), and the other funded by ERASMUS+ focusing on education through Virtual Reality Technologies (GeoVT).

The GIALOVA project is a collaboration coordinated by NEO, which involves researchers, practitioners and policy makers working together to tackle challenges related to management of multi-functional areas, such as coastal wetlands, and serves as an example for similar areas in Greece and across the Mediterranean region. Since 2021, the team has been monitoring waterbirds, fish and benthic organisms within the Gialova Lagoon wetland as well as water quality parameters. The aim of the project is to suggest scientifically robust solutions for the gradual restoration and co-management of the wetland, having regard to both environmental and economic factors, under different climatic scenarios.

Moreover, a preliminary scientific study of the Pylos chameleon by the American College of Greece (ACG) and NEO, initiated in 2019, was developed into a new scientific project in 2022 with the support of TEMES. The aim of the project is to understand the chameleon population at the molecular level and raise awareness of the dangers faced by the animal.

Data submitted to the International Union for Conservation of Nature (IUCN), the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) and the Hellenic Ministry of Environment and Energy are expected to generate international and national interest in the issue. Further communication of the results and dissemination of the main findings to stakeholders is seen as a significant step towards intensifying management efforts to support the wider ecosystem, ensuring conservation through sustainability efforts aimed at preserving the economic, scientific, ecological, cultural, and recreational value of the greater region.

For more information please visit:
www.navarinoneo.se





NAVARINO
NATURA HALL

Another example of successful cooperation with the company's stakeholders is the establishment of Navarino Natura Hall, an interactive environmental exhibition center at Costa Navarino.

Navarino Natura Hall is the result of cooperation between TEMES, Stockholm University, the Academy of Athens and a number of NGOs. Its main purpose is to provide environmental education in an entertaining manner, while informing visitors and locals about the unique biodiversity of Messinia and the work currently undertaken by NEO.



CAPTAIN VASSILIS & CARMEN
CONSTANTAKOPOULOS
FOUNDATION

The “Captain Vassilis and Carmen Constantakopoulos Foundation” is a charitable non-profit private foundation, founded in 2011 to honor Captain Vassilis and Carmen Constantakopoulos. Its aim is to establish Messinia as a model for sustainable development by supporting and promoting related projects. The Foundation plans, manages and finances programs related to research, education and support of local structures of Messinia.

It is active in a wide range of areas related to rural development, society, culture and the environment by developing partnerships with institutions and bodies in those fields.

In 2021 and 2022, the Foundation focused mainly on three axes, namely social, agricultural and cultural development, while also supporting environmental activities. With regard to social support, the strengthening of social cohesion and inclusion were key goals for the Foundation.

In the field of social development, one of the most innovative and important projects was the Center of Family and Employment Support initiated together with SOS Children’s Villages in Kalamata. Its aim is to support families with financial and/or internal problems.

The children participate in a support program after school while their parents take part in a consultation program with social workers and employment consultants. So far, 190 children have participated together with 86 parents, 39 of whom have found employment through the program.

In 2021, TEMES in collaboration with Captain Vasilis & Carmen Constantakopoulos Foundation, organized an anniversary program of cultural tourism for the 200 years of the Greek War of Independence in the Peloponnese titled Morias 21.



The program included 21 thematic historical routes, through which the historical events were presented in an experiential way. The routes were supported by 5 digital exhibits, 11 public frescoes, 90 restaurants offering the “Dishes of the Revolution”, 27 Perennial Trees and many satellite activities like educational programs, board games, temporary exhibitions and many others that continued into 2022.

Adopting a similar approach, the Center for Agricultural Entrepreneurship of Kalamata aims to support farmers. Its seminars aim to transfer knowledge across a broad spectrum of issues, from geotechnical to sales instruments, while special consultation sessions are available for more advanced projects that need support in order to take the form of business plans and be implemented. Around 18 training projects took place, engaging approximately 650 people.

The development and expansion of precision farming through projects in collaboration with farmers was also a key objective of the Foundation as it escalated its support in terms of both equipment and training. The pilot phase was carried out with the participation of 14 farmers and from 2023 the project will enter its expansion phase.

Lastly, in the field of culture, the Foundation is a proud sponsor of the Kalamata International Dance Festival as well as Oxbelly labs for screen writers and directors. In addition to contemporary art initiatives, it also supports a number of archaeological excavations in the area, including the ancient theater of Thouria, the Gymnasium of Ancient Messene, and the “Warrior’s Tomb” at Chora.

The work undertaken by the Foundation is in line with the priorities and targets of SDGs 1,2,4,5,8,12 and 15.

For more information, please visit:
www.cvf.gr



The table below presents TEMES' key stakeholder groups, selected due to their close relevance to the company's operation, and the main ways that we engage and collaborate with them. The frequency of engagement with each group varies according to current needs at any time; however, we endeavor to engage with each group in one of the ways described below at least once per calendar year.

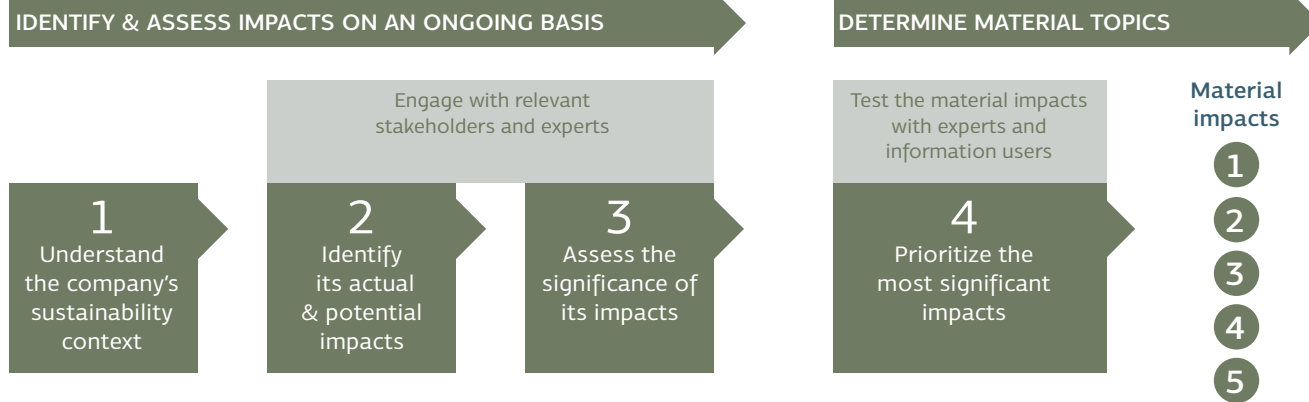
STAKEHOLDER GROUP	WAYS OF ENGAGEMENT	
Investors & Shareholders	<ul style="list-style-type: none"> • Website • Meetings & presentations 	<ul style="list-style-type: none"> • Financial reports • Newsletters / Press Office
State & Local authorities	<ul style="list-style-type: none"> • Website • Meetings & presentations • Hotel & facility tours 	<ul style="list-style-type: none"> • Conferences & events • Newsletters / Press Office
Guests & Customers	<ul style="list-style-type: none"> • Website • Ad campaigns • Social media 	<ul style="list-style-type: none"> • Hotel & facility tours • Conferences & events • Newsletters / Press Office
NGOs Advocacy Groups Academic Community	<ul style="list-style-type: none"> • Website • Meetings & presentations • Social media 	<ul style="list-style-type: none"> • Hotel & facility tours • Conferences & events • Newsletters / Press Office
Local Community	<ul style="list-style-type: none"> • Website • Meetings & presentations • Social media 	<ul style="list-style-type: none"> • Hotel & facility tours • Conferences & events • Newsletters / Press Office
Associates (Employees)	<ul style="list-style-type: none"> • Meetings & presentations • Training programs 	<ul style="list-style-type: none"> • Newsletters / Press Office
Industry Associations	<ul style="list-style-type: none"> • Website • Meetings & presentations • Social media 	<ul style="list-style-type: none"> • Hotel & facility tours • Conferences & events • Newsletters / Press Office
Mass & Specialized Media	<ul style="list-style-type: none"> • Website • Meetings & presentations • Social media 	<ul style="list-style-type: none"> • Hotel & facility tours • Conferences & events • Newsletters / Press Office
Partners & Suppliers	<ul style="list-style-type: none"> • Website • Meetings & presentations • Social media 	<ul style="list-style-type: none"> • Hotel & facility tours • Conferences & events • Newsletters / Press Office

Materiality analysis

With a focus on the disclosure of ESG information, TEMES has established its materiality analysis process to aid the identification of the topics related to its ability to create value and which are therefore material for the company itself.

The materiality analysis process is a key tool for the responsible operation of TEMES, not only contributing to the enrichment and further development of its focus on sustainable development but also serving as a dynamic process that is constantly evolving. Therefore, adopting the new methodology of the GRI Standards (2021), TEMES completed the identification, assessment, prioritization, and validation of the positive and negative impacts that the company has or may have on the environment, people and the economy, utilizing a four-phased approach as depicted below.

[GRI 2-12, GRI 2-14, GRI 3-1, GRI 3-2]



Step 1.

Understanding the company's sustainability context

During this stage, a high-level review of the activities and business relationships, the sustainability context in which these occur, as well as an overview of the company's stakeholders were conducted. The company examined its business model and strategies and the type and nature of its business relationships and considered the economic, environmental, human rights, and other societal challenges related to its field of activity, creating a comprehensive mapping of individuals and groups – its stakeholders – whose interests are or may be affected by the range of our activities.

Step 2.

Identifying our actual and potential impacts

Throughout this stage, we explored the company's actual and potential impacts on the economy, environment, and people, including impacts on their human rights, across the company's activities and business relationships. In the identification process, we assessed the manner in which the company delivers positive impacts and contributes to sustainable development, whilst we also considered negative impacts that it may causes or contributes to through its activities or business relationships.

Step 3.

Assessing the significance of our impacts

In this stage, we assessed the significance of the company's identified impacts with the intention of prioritizing them. We consulted directly, via a dedicated e-survey, with experts and stakeholder representatives. The stakeholder representatives and experts assessed the positive, negative, actual and potential impacts based on:

NEGATIVE

ACTUAL	POTENTIAL
• Scale	• Scale
• Scope	• Scope
• Irremediable character	• Irremediable character
	• Likelihood

POSITIVE

ACTUAL	POTENTIAL
• Scale	• Scale
• Scope	• Scope
	• Likelihood

Step 4.

Prioritizing the most significant impacts for reporting













In the last stage of our materiality analysis, we determined the list of material impact areas through prioritization of the impacts based on their significance, utilizing two potential scenarios to determine which impact areas are material for reporting purposes. TEMES' top management reviewed and validated the list of material impact areas that determined the content of the present Sustainability Report.

The company's identified impacts

As part of the positive and negative impact identification process, the company created an impact universe containing a list of impact areas within the pillars of the natural environment, social, and economy which are indicative of the impact TEMES creates through its activities and business relationships.

PILLAR	IDENTIFIED POSITIVE IMPACT AREAS	UN SDGs
Natural Environment	1 CLIMATE STABILITY/AIR	 
	2 SOIL	  
	3 SPECIES/HABITAT	 
	4 WATERBODIES	 
	5 RESOURCE INTENSITY	
	6 WASTE	
Social	7 DATA PRIVACY	
	8 HEALTH & SAFETY	
	9 WATER	 
	10 EDUCATION	 
	11 CULTURE & HERITAGE	 
	12 EMPLOYMENT	 
Economic	13 EQUALITY	
	14 RULE OF LAW	
	15 FLOURISHING MSMEs	 
	16 INFRASTRUCTURE	 



PILLAR	IDENTIFIED NEGATIVE IMPACT AREAS	UN SDGs
Natural Environment	1 CLIMATE STABILITY/AIR	 
	2 SOIL	  
	3 SPECIES/HABITAT	 
	4 WATERBODIES	 
	5 RESOURCE INTENSITY	
	6 WASTE	
Social	7 HEALTH & SAFETY	



Material topics

As a result of the materiality analysis, the above identified impact areas have been grouped into the following list of positive and negative material topics to adequately cover the company's management approach and performance of each topic.

** "Resource intensity" has been identified and assessed as material topic. For the Company, resource efficiency means using natural resources in a sustainable manner while minimizing impacts on the environment. Therefore, TEMES, apart from controlling resource intensity in company operations, is in the process of establishing criteria for suppliers' selection and evaluation of purchased goods and services, which focus on the sustainable management of water resources and reduction of upstream Scope 3 emissions across the value chain. To this end, our performance on the material topic, "Resource intensity" is directly linked with the management approach of the material topics "Mitigation and adaptation to climate change", "Preservation of water resources" and its performance is also linked with the disclosed water consumption (GRI 303-3, GRI 303-5), energy consumption (GRI 302-1, GRI 302-3) and emissions outside the organization (GRI 305-3).*

IMPACT MATERIALITY

PILLAR	MATERIAL TOPICS	IMPACT GENERATED	UN SDGs
Social	CONTRIBUTION TO EMPLOYMENT	+	5 GENDER EQUALITY, 8 DECENT WORK AND ECONOMIC GROWTH
Natural Environment	MITIGATION AND ADAPTATION TO CLIMATE CHANGE	+ -	3 GOOD HEALTH AND WELLBEING, 13 CLIMATE ACTION
Social	SUPPORT FOR INFRASTRUCTURE DEVELOPMENT	+	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE, 11 SUSTAINABLE CITIES AND COMMUNITIES
Natural Environment	PRESERVATION OF WATER RESOURCES	+ -	6 CLEAN WATER AND SANITATION, 14 LIFE BELOW WATER
Natural Environment	PROTECTION AND RESTORATION OF SPECIES AND HABITATS	+ -	14 LIFE BELOW WATER, 15 LIFE ON LAND
Natural Environment	WASTE MINIMIZATION AND PROMOTION OF CIRCULAR ECONOMY	+ -	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Social	PROMOTION OF HEALTH, SAFETY AND WELLBEING OF EMPLOYEES AND GUESTS	+ -	3 GOOD HEALTH AND WELLBEING
Natural Environment	RESOURCE INTENSITY*	-	12 RESPONSIBLE CONSUMPTION AND PRODUCTION

+ positive impact - negative impact

An aerial photograph of a tropical coastline. The top half shows a sandy beach with scattered green bushes. The bottom half shows clear, turquoise water with a few people swimming. A white text box is overlaid on the left side of the image.

Sustainable
corporate
governance,
regulatory
compliance,
business ethics

Governance structure and composition

[GRI 2-9]

Within the governance structure of TEMES, the highest governance body is the Board of Directors, composed of 10 individual members who have the necessary qualifications, skills and experience. Six members are executive directors and four are non-executive. Four of the directors are non-Greek and one who recently joined the Board is female.

The current composition of the Board covers competencies such as:

- General Management
- Strategic Planning
- Finance and Accounting
- Sales and Marketing
- Other sectors relevant to TEMES

The company's governance structure also includes the following committees which are responsible for decision-making in specific areas, all chaired by the Managing Director.

- **Executives Committee**, which provides top management alignment on operational and development issues and explores opportunities for strategic partnerships.

- **HR Committee**, chaired by the Managing Director and consisting of the HR Director and the Heads of the Business Units. The purpose of the committee is to develop the company's HR strategy and deal with issues related to people development and organizational structure.

- **Sustainability Committee**, providing oversight, advice and assistance to the Board of Directors in the formulation of the company's sustainability strategy and the design and implementation of the necessary social and environmental policies and practices, to ensure sustainable operation and growth for the company and oversee the management of TEMES' impacts on the economy, environment and people.

- **Costa Navarino Health & Safety Committee**, an executive committee composed of managers from various departments of the company who meet monthly, with the participation of the General Manager of the hotels, to discuss health and safety matters, assess the overall progress achieved in the company's performance and set targets for each department.

Nomination and selection of the Board of Directors

[GRI 2-10, GRI 2-11]

TEMES promotes diversity and inclusion in the workplace, together with equality in employment, and respect for human rights, as a way to maximize productivity, and gain stakeholders' trust and commitment. For TEMES, it is important to maintain a Board comprising members with diverse competencies, in order to ensure the optimal combination of skills, experience and knowledge and thus enhance the Board's effectiveness in managing future complex matters relating to the company. It should also be noted that the positions of Managing Director and Chair are held by different individuals.

The governance model adopted by TEMES is in line with the UN SDG 16, which aims to ensure responsive, inclusive, and participatory decision-making. In accordance with applicable legislation and the company's Articles of Association, the Board of Directors appoints its executive members and assigns the management of the company's daily affairs to members or non-members of the Board. Moreover, TEMES ensures conditions that enable the members of the highest governance body to exercise independent judgment, free from any external influence or conflicts of interest.

The Chair leads the board and is responsible for its overall effectiveness in directing the company. In addition, the Chair facilitates constructive board relations and the effective contribution of all non-executive directors.

The Chair's role also includes:

- Setting a board agenda primarily focused on strategy, value creation, and accountability, and ensuring that issues relevant to these areas are reserved for Board decision
- Shaping the culture in the boardroom
- Encouraging all board members to engage in board and committee meetings by drawing on their skills, experience and knowledge
- Fostering relationships based on trust, mutual respect and open communication – both in and outside the boardroom – between non-executive directors and the executive team

Board management of impacts

[GRI 2-12, GRI 2-13, GRI 2-14, GRI 2-17]

The Board focuses on the company's risk management strategy to deal with current and future risks. Its aim is to ensure that all necessary measures and mitigation policies and procedures are in place and work effectively to reduce the company's impacts in all sectors. The Managing Director is responsible for the oversight of the sustainability strategy and the management of environmental risks, together with environmental, social, and governance (ESG) principles. Overseeing senior executives in the management of risks, impacts and other important matters is also a responsibility of the Board. Executive members of the Board, through regular meetings with TEMES senior management, provide guidance and evaluation on key operational performance issues, ensuring transparency, alignment, communication and implementation of the Board's overall short- and long-term strategy.

It is important to note that the Board of Directors consists of highly educated members with extensive experience in diverse areas. The Board of Directors and various committees constantly receive feedback on sustainability topics from discussions with stakeholder groups such as national and international authorities and organizations, the academic community, customers and investors, in order to keep abreast of the latest developments in sustainability worldwide and enhance the role of the company as a pioneer in sustainable tourism.

Understanding the company's wider impacts on the economy, society and the environment is a top priority for TEMES. The Board of Directors delegates responsibility for managing the company's impacts on the economy, environment, and people to senior executives and the relevant committees, including the Sustainability Committee, who/which receive periodical updates about significant issues, oversee the implementation of the company's strategy and review its performance.

The Sustainability Committee is responsible for all matters related to sustainability, including the processes and information flows that lead to sustainability reporting, while also supporting the Board in decision-making. The Managing Director, who is also the Chair of the Sustainability Committee, reviews and approves the relevant information reported by the company, including its material topics.

The management team (Internal Audit, Finance, Business Unit Owners, IT, HR) is responsible for continuous risk identification, management and monitoring, in order to maintain day-to-day balance in the company's functionality and mitigate its impacts.

Work-related hazards and risks are assessed regularly through the supervision of team leaders and on a regular basis by an external safety professional. Immediate actions are taken, whenever necessary, and long-term solutions are developed.

Conflicts of interest

[GRI 2-15]

The company's Code of Conduct prevents members of the Board of Directors and TEMES executives from having any conflict of interest or relationship that could interfere with their independence. All Board members are under an obligation to protect the company's interests, identifying and avoiding any conflict in this regard. TEMES encourages all associates, business partners and shareholders to be mindful of and report any situation, relationship or activity that could be considered a conflict of interest, while compliance with the Code is mandatory for everyone within the company.

The company aims to establish and adopt a Conflict of Interest Policy within the next few years in order to ensure that real or potential conflicts of interest are avoided or mitigated. This policy will set out clear principles that must be observed by all employees, particularly regarding matters which may impact the interests of the company and/or of its affiliates, suppliers and business partners.

Evaluation criteria and remuneration of the Board of Directors

The composition of the Board of Directors is periodically reviewed, including the appropriateness of the combination of skills, experience and knowledge of its members and how effectively they work together to achieve objectives; and whether they continue to contribute positively in respect of the company's impacts on the economy, environment and people. The Chair is expected to act on the strengths and address the weaknesses of the Board.

Accordingly, the Board of Directors adopts remuneration structures which can attract and retain talented executives in the company's governance structure, in alignment with its long-term sustainable success and the impacts created on the economy, environment and people. In setting remuneration structures, consideration is given to reinforcing a sense of shared purpose.

[GRI 2-21]

ANNUAL TOTAL COMPENSATION RATIO*

2021	2022	2021-2022 % increase
59.49	48.66	-33%

* Annual total compensation ratio = Annual total compensation for the organization's highest-paid individual / median annual total compensation for all associates (excluding the highest-paid individual).

Stakeholder feedback

[GRI 2-25]

In order to contribute to the company's sustainable growth and increase its corporate value over time, we engage in constructive dialogue with stakeholders, listening to their views and concerns. The company reviews, documents and integrates their feedback into the company's risk management and strategic planning processes to leverage opportunities and prevent negative impacts.

Through internal audits and as part of the materiality analysis process, the company monitors and measures the effects of its activity in order to mitigate negative impacts and increase positive ones.

The company has developed guidelines for collecting feedback from its employees, suppliers and stakeholders. Concerns and grievances raised by associates and stakeholders are filtered and analyzed to determine their importance according to their potential impact. Concerns and grievances of higher importance are communicated to the Managing Director, who reviews the effectiveness of the practices followed to prevent or mitigate potential negative impacts.

To prevent the occurrence of incidents that may have a negative impact on health and safety, the company has established a tracking and reporting system which complies with the requirements of national legislation and adheres to the guidelines of the ILO Code of Practice. This system provides real-time information on the implementation of health and safety procedures, including customer feedback, allowing for immediate action that minimizes risk.

In addition, the company constantly strives to better understand the downstream impact of its supplier management practices. In this respect, efforts are continuing to upgrade supply chain strategies, achieve greater transparency and implement effective control mechanisms, ensuring a safe and productive working environment across the supply chain.

Mechanisms and processes for raising concerns

[GRI 2-16, GRI 2-26]

The views and concerns of stakeholders on critical issues are of paramount importance to the company. Stakeholders can communicate their concerns in writing by email or letter. Any such concerns are reviewed by the relevant committee or executive that then informs the Managing Director about their number and severity. When deemed necessary, the Managing Director subsequently informs the Board about the content of any critical concerns submitted and proposes appropriate remedial actions.

To identify internal issues that may cause stakeholder concern, the Internal Audit department performs internal audits on a regular basis. The relevant audit reports are submitted to the Managing Director, highlighting areas that need improvement. During 2021-2022, no critical concerns were raised by stakeholders which merited communication to the Board of Directors.

Whistleblowing

Encouraging the company's associates to seek advice and voice concerns is important for maintaining responsible business conduct in our operations and business relationships.

The company's policies and practices are consistent with its values and promote its long-term sustainable success. We actively support equality and the human rights of all our employees and stakeholders, ensuring that our associates work in a safe and healthy environment.

The company has appointed a workforce advisory panel, which is available as a confidential resource that allows individuals to raise compliance or other concerns and seek advice, without any risk of retaliation. Individuals can also raise concerns anonymously and all matters that are raised are kept confidential.

All concerns of higher importance and related resolution action plans are communicated to the Managing Director. Through whistleblowing mechanisms, the company enables its employees and stakeholders to raise concerns about any perceived wrongdoing or breach of the law in our company's operations.

TEMES has adopted a Whistleblowing Policy to provide a safe and confidential environment for every individual to communicate and report any relevant matters. It aims to build an open culture for its associates, free from fear or reluctance to report any wrongdoing. All employees have the right to raise concerns through the company's newly established whistleblowing procedures, disseminated to all employees and managers, without the risk of censure.

Although TEMES' approach to any wrongdoing and breach of the law is zero tolerance, all concerns raised are filtered using a risk-based mechanism in order to avoid unnecessary nuisance for trivial matters and focus on matters of highest importance. All anonymous reports and concerns of higher importance and related resolution action plans are communicated to the Managing Director.

Policy commitments

[GRI 2-23]

Code of Business Conduct and Ethics

TEMES is committed to conducting its business in an ethical manner that reflects its dedication to integrity, honesty and fairness in compliance with all applicable laws and regulations, while providing full, fair and accurate disclosure in all public communications. All policies have been developed with the cooperation of third-party experts and approved by TEMES' Managing Director.

Temes ensures that its policies and procedures are integrated into its culture, and it is firmly committed to responsible business conduct. The company is equally committed to diversity and equal opportunity in all aspects of employment, aiming to maintain a workforce of diverse competencies. The company's commitment to implement a zero-tolerance policy towards discrimination in the workplace is set out in the relevant sections of our Code of Business Conduct and Ethics ("the Code") and the Associates' Handbook, both of which are provided to all associates as part of their induction training.

Among various values, principles and ethical standards, the Code focuses on human rights, health and safety, and environmental protection. Our HR department is responsible for keeping the Code in line with best international practices. The company also encourages employees to raise concerns regarding potential violations of the Code, harassment, or ethical business matters. The company does not currently have a standalone human rights policy, but its intention is to establish a specific policy commitment to clearly cover and communicate all internationally recognized human rights to all stakeholders.

Environmental Policy

Based on the precautionary principle, the company's Environmental Policy covers all aspects of its operations that could cause or might contribute to an adverse effect on the local environment, as identified through its materiality analysis. TEMES' ongoing collaboration with stakeholders has provided the company with a valuable aid in its efforts to proactively identify issues of concern to inform its policies, reporting and disclosures. At Costa Navarino, specific policies for sustainable water, energy, and waste management are implemented, together with programs for the protection and preservation of the biodiversity of Messinia.

Health & Safety Policy

TEMES has in place a rigorous Health & Safety (H&S) Policy to provide a safe and healthy living and working environment, which promotes well-being for all and contributes to the overall effort for the creation of more prosperous societies. The company implements a series of policies aimed at reducing the H&S risks associated with its operations. The company has also adopted a group of indicators to measure its performance in relation to the actions taken to prevent work-related injuries and ill health. It annually evaluates its compliance on a company-wide basis and the findings are recorded and then reviewed by senior management.

Zero-Tolerance Discrimination Policy

The company's employment policies focus on hiring locally, in order to reduce unemployment, especially among young people. TEMES aims to create quality jobs in a safe working environment, while respecting human rights, fostering equal opportunities and eliminating discrimination based on race, color, religion, social or national origin, political opinion, age, sex, sexual orientation, disability or gender, aiming to ensure a workforce with diverse competencies.

The company's commitment to a zero-tolerance policy towards discrimination in the workplace is set out in the relevant sections of the company's Code of Business Conduct and Ethics and the Associates' Handbook.

All policies regarding the company's responsibility to stakeholders and the environment are approved by the Managing Director. Regular updates are sent by the HR department, informing its associates on new policies or any policy enhancements.

Embedding policy commitments

[GRI 2-24]

The Managing Director, in cooperation with the relevant committees, reviews the implementation and effectiveness of the company's business operations, policies and procedures with respect to issues such as health and safety, procurement, human rights and sustainability.

To ensure that the company's commitments are embedded in its operational policies, procedures and strategies, internal audits are implemented in several areas such as sustainability and Health & Safety. Internal audits are performed based on an annual plan, with the aim of reviewing compliance and the overall effectiveness of controls outlined in its policies. Sustainability audits are performed as part of our ISO 14001 certified Environmental Management System.

The operation of the company's supply chain strengthens the local economy and creates new business opportunities in the region. During its supplier selection processes, TEMES endeavors to contract with business partners who are committed to ethical standards and sustainable business practices.

As the company actively supports the human rights of everyone we work with, it aims to hold its suppliers accountable to the same principles.

As a preferred practice, TEMES asks its suppliers to obtain a national or international certification of conformity pertaining to business ethics, labor management, human rights, health and safety, environmental and sustainability practices.

The company's associates receive extensive high-quality training to familiarize them with its core values and Code of Conduct, and also attend thorough training programs to develop their skills and enhance their career opportunities.

Compliance

[GRI 2-27]

TEMES has internal procedures to monitor the latest applicable laws and regulations relating to each activity and has established controls that ensure regulatory compliance at all levels of the company's operation.

Management is responsible for informing personnel about changes to relevant regulations and providing appropriate training, for monitoring compliance on a regular basis, and for recording and handling any instances of non-compliance which may arise.

Ensuring that its actions comply with laws and regulations is a top priority for TEMES. Compliance is evaluated regularly on a company-wide basis through audits performed by the Internal Audit and Sustainability & Compliance departments. The relevant findings are recorded and reviewed with senior management to determine their severity and implement corrective actions. During 2021-2022, there were no confirmed cases of non-compliance with laws and regulations, nor were there any monetary sanctions.

CREATING VALUE FOR OUR PEOPLE AND GUESTS

3



Quality of Service

The evaluation of the quality of the destination's service is, in essence, the indicator that reveals how well the company meets its stakeholders' needs. In other words, it is the result of the assessment of the performance of our management system. The system provides the procedures and processes through which the company identifies its stakeholders' needs and allocates the required resources in order to meet them.

Its operational policies aim to enhance the guest experience and improve the services provided to its stakeholders. Having already achieved international recognition for the operational excellence delivered at Costa Navarino, as demonstrated by numerous local and global international awards and accolades, we constantly invest in the training and development of all associates to further enhance the quality of services within the destination's resorts. The Management Team of the destination's hotels organizes annual visits to exchange experience and best practices in management and operation with other recognized resorts worldwide.

This approach extends to all aspects of our operation; from procurement to the training of associates, from the design and construction of its facilities to its strategic decision to work closely with local businesses and social stakeholders for the overall development of Messinia as a destination. The quality of our service is directly linked with the ethical framework under which the destination operates and the sustainability impacts related to its activities, as the company strives for inclusive and sustainable economic growth as defined in the UN SDGs. TEMES' efforts towards quality improvement contribute to the realization of all the SDGs relevant to its operation.

Through a number of different channels, the company seeks to gain a deeper understanding of how its guests value their experience of Costa Navarino and identify areas for improvement. TEMES additionally invests significantly in research and development with respect to its guests' changing needs in areas such as nutrition, wellbeing, fitness and technology.



The combined analysis of the information collected covers the entire guest experience from arrival to departure, assessing the quality of activities and services provided. The use of Key Performance Indicators provides a credible and quantifiable assessment of how well the company meets guests' expectations, together with valuable insights into how to make our services even better.

In 2021 - 2022, according to the Marriott GuestVoice platform, the score results for the Intent to Recommend (ITRec) metric can be seen in the table below, in comparison with the results from 2020:

According to the results of the online Guest Satisfaction Services (GSS) sent to guests after their stay, both resorts scored 80.9/100 for 2021 and 78.2/100 for 2022, highlighting the quality of services offered despite the difficult circumstances imposed by the Covid-19 pandemic.

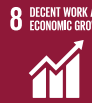
The impact of Covid-19 on the quality of hotel services and guest satisfaction affected the quality indicators in 2021 and 2022. The implementation of health and safety protection measures during

interaction with guests, restriction of activities in line with strict health protocols and increased waiting time for implementation of sanitation procedures, significantly affected guest satisfaction.

For 2021 and 2022, The Westin Resort Costa Navarino ranks amongst the top ten resorts in the operational excellence ranking of all Marriott properties in the region.

TEMES indicator	2022		2021		2020	
	Responses	ITRec score	Responses	ITRec score	Responses	ITRec score
Navarino Dunes	3,535	78.2/100	3,302	80.9/100	1,922	82/100
The Westin Resort Costa Navarino	2,312	78.3/100	2,126	80.1/100	1,568	82.5/100
The Romanos, a Luxury Collection Resort	1,223	80.1/100	1,176	82.4/100	354	79.9/100

* The final ITRec score derives from guests answering on a scale from 1 to 10. Only rankings of 09/10 and 10/10 are measured in the final score.



Contribution to employment



MATERIAL
TOPIC

Our approach

[GRI 3-3, GRI 406-1]

Employment practices

TEMES' associates are at the heart of its efforts to promote sustainable tourism in the areas we operate. The creation of quality jobs in a safe working environment that encourages innovation, combined with the provision of high-quality training tailored to the talents and needs of each individual, are essential for its associates to become the ambassadors of the company's vision, while providing the highest quality of service to visitors. In addition, its employment policy strengthens its bonds with the local community and contributes both directly and indirectly to the economic and social development of the region.

The operation of Costa Navarino in Messinia sets the paradigm for a sustainable tourism destination. Through its employment policy the company strives to hire mainly locally, from the wider region of Messinia. Additionally, the company offers competitive remuneration, exceeding the national minimum wage, and comprehensive benefits. In 2021 and 2022, approximately 60% of all associates at Costa Navarino were hired locally.

At the same time, the company creates business opportunities by promoting local culture and products, and working together with a number of local micro, small and medium-sized enterprises. All associates receive extensive training in order to develop their skills and take an active role in promoting a culture of contribution to sustainable development.



Training & development

TEMES S.A invests in the learning and development of its people. The company strongly believes that continuous learning is paramount to the personal and professional development of all its associates and to the sustainability of its company.

To attract and retain associates, the company focuses on creating quality jobs in a safe working environment that encourages innovation. It provides high-quality training tailored to each individual's talents and needs, promoting associate engagement and fostering a culture of personal and professional growth for its associates.

The company's training philosophy has three main pillars:

1. Brand & Culture
2. Health & Safety
3. Policies and Procedures

Some of the subjects that the company focus on are: General H&S, Specific H&S trainings such as an advanced course that covers working at heights and using power tools, security, luxury service training, complaint handling, upselling training, diversity and inclusion, GDPR and other hotel systems trainings.

As part of the introductory trainings that all its associates receive, human rights-related issues are also included in the context of its operations.

By investing in its associates' learning and well-being, the company creates a positive and inclusive working environment that promotes job satisfaction and minimizes associate turnover.

Diversity and Inclusion

The company actively promotes diversity and inclusion in the workplace, together with equality in employment, respect for human rights, and vocational training and education, as a way to maximize productivity, attract new talent and increase associates' commitment. It believes that its actions on equality and human rights issues have a significant impact on its brand's reputation, help to retain productive and committed personnel, while creating culture change that spreads to the local communities.

In every aspect of its operation, the company complies with all relevant national and international legislation, aiming to apply globally accepted best practices, and thereby contributing to the promotion of decent work in the context of UN SDG 8, as well as to peaceful and inclusive societies.

TEMES' employment policies promote an inspiring, safe and secure working environment for all, fostering equal opportunities and eliminating discrimination based on race, color, religion, social or national origin, political opinion, age, sex, sexual orientation, disability or gender.

The company's commitment to implement a zero-tolerance policy towards discrimination in the workplace is set out in the relevant sections of its Code of Business Conduct and Ethics ("the Code") and the Associates' Handbook, both provided to all associates as part of their induction training. In collaboration with its associates, the company aims to create a discrimination-free working environment, promoting acceptance, inclusiveness and safety. In 2021-2022, no instances of discrimination were recorded.

Responsibility for keeping the Code in line with best international practices lies with the company's HR department.

The company is committed to ensure that every guest feels comfortable by anticipating and foreseeing their needs and preferences. Key actions taken in 2021-2022 are:

- Extensive training to all our associates in collaboration with HospitableMe, a leader in inclusive hospitality
- W Costa Navarino became the first hotel in the world accredited by the IGLTA (International LGBTQ+ Travel Association) for its inclusive practices
- Extensive research in collaboration with the University of Piraeus to thoroughly understand the needs of different groups and how these can be met in the tourism sector.
- Enrichment of offering to enhance guests' comfort. (e.g. gender neutral restrooms, gender neutral amenities, weighted blankets, noise cancelling headphones, beach wheelchairs, prayer kits, amenities for special hair and skin types)
- Ongoing training for all associates and collaborators with specialized organizations serving those with autism, mental disabilities, mobility issues, hearing and vision impairments to help further understand how to cater for and ensure that every single guest feels comfortable.

[GRI 2-7, GRI 2-8, GRI 2-30, GRI 202-2]

In all facilities at Costa Navarino during 2021 and 2022, approximately 28% and 25% respectively of its associates at managerial level, including junior and middle management, were hired from the region of Messinia in order to support the local community, compared to 31% and 21% in 2019 and 2020. In 2021 and 2022, the percentage of senior management hired from the local community remained at 30%, as in 2019.

In 2021, the total number of TEMES associates during the peak season (August) was 1,319, rising to 1,706 in 2022. It is important to note that all its associates are covered by collective bargaining agreements.

The following figures include its associates working in its facilities at Costa Navarino and at the central offices of TEMES in Athens. The lower figure for 2020 is attributed to work suspension measures imposed by the Greek government during the second quarter of 2020, on account of the Covid-19 pandemic.

TOTAL NUMBER OF FULL-TIME EQUIVALENTS (FTES)



2022

1051



2021

702



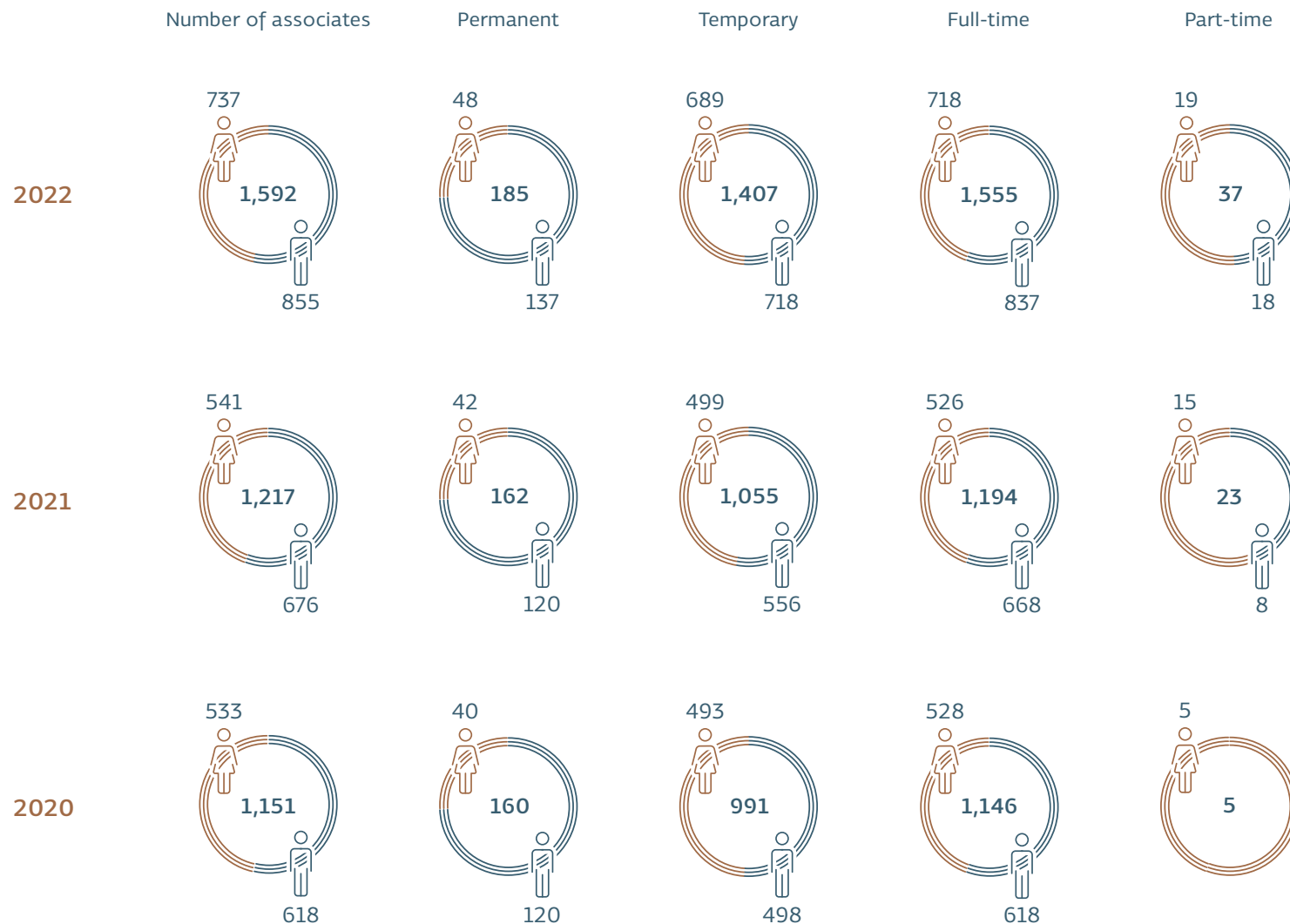
2020

409

Due to the seasonal nature of the company's operation, the hotel facilities were closed in December and January in 2021 and 2022. During this closing time, our workforce was reduced to 86.69% in 2021 and 88.37% in 2022. The construction sites operated by TEMES remained operational throughout the year. A more in-depth breakdown of its associates by region, gender, and employment type is presented below.

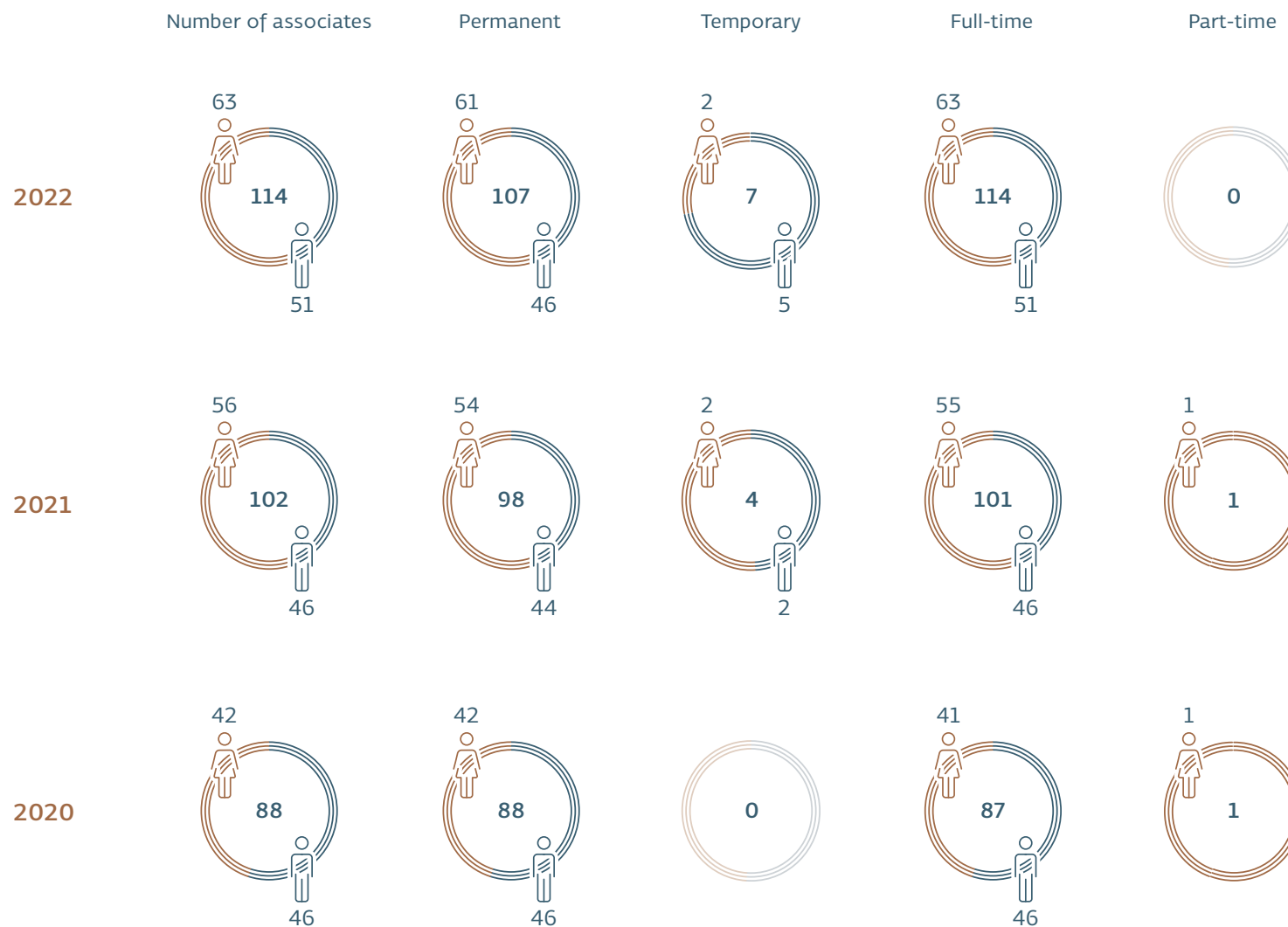
COSTA NAVARINO FACILITIES IN MESSINIA

EMPLOYEES



CENTRAL OFFICES IN ATHENS

EMPLOYEES



Notes:



- All associates are considered to be employees. For the calculation of number of employees, the methodology followed was "headcount" on 31.12.21 and 31.12.22 respectively for reporting years 2021/2022.
- The company does not employ non-guaranteed hours employees.
- The number of self-employed individuals (not directly employed by TEMES) offering services to the company (48, 53, 55 for 2020, 2021 and 2022) respectively is not substantial compared with the total number of associates under contract.



Our performance

[GRI 401-1]

In 2021 the rate of new hires was 32.68% (431 out of 1,319 associates) and the following year 39.98% (682 out of 1,706 associates) compared with the corresponding percentage of 25.18% in 2020 (312 out of 1,239 associates). The increase in new hires is directly linked to the gradual lifting of Covid-19 restrictions and the return to normal operation.




The following graph presents the distribution of new associate hires, by age group, gender and region.




	NUMBER OF NEW HIRES	AGE			GENDER		LOCALITY		REGION		TOTAL
		<30	30-50	>50			Messinian	Non-Messinian	Costa Navarino facilities in Messinia	Central offices in Athens	
2022	407	227	48	352	330	259	423	660	22	682	
2021	295	119	17	231	200	166	265	415	16	431	
2020	218	87	7	152	160	94	218	303	9	312	

	RATE OF NEW HIRES	AGE			GENDER		LOCALITY		REGION		TOTAL
		<30	30-50	>50			Messinian	Non-Messinian	Costa Navarino facilities in Messinia	Central offices in Athens	
2022	23.86%	13.31%	2.81%	20.63%	19.34%	15.18%	24.79%	41.46%	19.30%	39.98%	
2021	22.37%	9.02%	1.29%	17.51%	15.16%	12.59%	20.09%	34.10%	15.69%	32.68%	
2020	17.59%	7.02%	0.56%	12.27%	12.91%	7.59%	17.59%	26.32%	10.23%	25.18%	

One important figure that illustrates the level of job satisfaction among the company's associates and reflects their sense of security at Costa Navarino is the low rate of associate turnover, as presented in the graphs on the right.

For 2021, associate turnover was 110 out of 1,319 associates, resulting in a very low turnover rate of 8.34%, while for 2022 the turnover rate was 11.72% (200 out of 1,706 associates) This is an exceptionally low turnover rate, especially for the tourism industry given its significant seasonal variations in employment.

EMPLOYEE TURNOVER IN NUMBERS	AGE			GENDER		LOCALITY		REGION		TOTAL
	<30	30-50	>50			Messinian	Non-Messinian	Costa Navarino facilities in Messinia	Central offices in Athens	
2022	98	83	19	104	96	80	120	188	12	200
2021	57	38	15	61	49	58	52	101	9	110
2020	24	15	6	30	15	27	18	35	10	45

TURNOVER RATE	AGE			GENDER		LOCALITY		REGION		TOTAL
	<30	30-50	>50			Messinian	Non-Messinian	Costa Navarino facilities in Messinia	Central offices in Athens	
2022	5.74%	4.87%	1.11%	6.10%	5.63%	4.69%	7.03%	11.81%	10.53%	11.72%
2021	4.32%	2.88%	1.14%	4.62%	3.71%	4.40%	3.94%	8.30%	8.82%	8.34%
2020	1.94%	1.21%	0.48%	2.42%	1.21%	2.18%	1.45%	3.04%	11.36%	3.63%

[GRI 202-1]

To safeguard its associates' wellbeing, the minimum wage offered by TEMES at Costa Navarino facilities is significantly higher than the national minimum wage under current legislation in Greece. In addition, only a tiny percentage of associates receive the company's minimum wage, with the rest earning higher salaries.

REMUNERATION	% higher than national minimum wage	% associates on minimum wage offered by TEMES
2022	9.98%	1%
2021	13.33%	1%
2020	21.7%	1%

[GRI 401-2]

TEMES provides a series of benefits to all full-time and part-time associates according to where they work and/or their position in the company, including:

1. Life insurance: for all associates (permanent and temporary)
2. Health care: for all associates (permanent and temporary)
3. Disability and invalidity coverage: for all associates (permanent and temporary)
4. Parental leave: for all associates (permanent and temporary)
5. Retirement provision: for permanent associates only







RATIO OF BASIC SALARY AND REMUNERATION OF WOMEN TO MEN

[GRI 405-2]

	2022		2021		2020	
	Front Line	Managerial Level	Front Line	Managerial Level	Front Line	Managerial Level
TEMES facilities in Messinia	0.956:1	0.836:1	0.958:1	0.842:1	1.03:1	0.855:1
Central offices in Athens	0.92:1	0.93:1	0.97:1	0.59:1	0.98:1	1.05:1

PARENTAL LEAVE

[GRI 401-3]

	2022			2021		
						
Total number of associates entitled to parental leave	0	5	5	0	7	7
Total number of associates who took parental leave	0	5	5	0	7	7
Total number of associates who returned to work after parental leave	0	4	4	0	7	7
Total number of associates who returned to work after parental leave and were still employed 12 months after their return to work ¹	0	7	7	0	N/A	N/A
Total number of associates due to return to work after taking parental leave ²	0	1	1	0	0	0
Return-to-work rate	0	80%	80%	0	100%	100%
Retention rate ¹	N/A	100%	100%	N/A	N/A	N/A

Notes:

¹ The GRI 401-3 indicator is reflected for the first time in 2022 and 2020 data is not available. Thus, it is not possible to calculate the associates who returned to work and were still employed 12 months after their return and, therefore, the associate retention rate for 2021.

² The one female who is due to return to work after taking parental leave is expected to return in 2023.

[GRI 404-2]

All associates receive induction training to familiarize them with the company's core values and Code of Conduct, and also attend thorough training programs in order to develop their skills and enhance their career opportunities.

To enable its associates to have access to trainings at all times and learn at their own pace, the company created the TEMES-Costa Navarino E-Learning Platform where, through specially designed gamified, animated and interactive trainings, associates have the opportunity to learn about its corporate culture, H&S and other company policies.

The tables on the right present the hours of training that its associates received during 2020, 2021 and 2022 by gender and category. The average number of training hours per associate was 27h in 2021 and 35h in 2022.

AVERAGE TRAINING HOURS PER YEAR PER ASSOCIATE

[GRI 404-1]

	2022				2021				2020			
	FRONT LINE		MANAGERIAL LEVEL		FRONT LINE		MANAGERIAL LEVEL		FRONT LINE		MANAGERIAL LEVEL	
Number of associates	698	603	157	134	559	446	117	95	517	446	101	87
Training hours per associate	33	33	37	37	24	24	34	34	20	20	32	32
Total training hours	42,933		10,767		24,120		7,208		19,260		6,016	

TOTAL TRAINING HOURS

	2022			2021			2020		
	28,843	24,857	53,700	17,394	13,934	31,328	13,572	11,704	25,276



The development of the company's leaders is also very important. The TEMES Leaders Academy trains associates in managerial skills and helps them take the next step in their career. Through a series of leadership trainings, coaching, and experiential trips to other properties, associates in managerial positions have the opportunity to enhance their leadership skills and learn to be more strategic.

PERCENTAGE OF ASSOCIATES RECEIVING REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS

[GRI 404-3]

Associates who received a regular performance and career development review

Percentage

2022

FRONT LINE



740 659

MANAGERIAL LEVEL



166 141

2021

FRONT LINE



598 494

MANAGERIAL LEVEL



124 103

2020

FRONT LINE



552 484

MANAGERIAL LEVEL



112 91

100% 100% 100% 100% 100% 100% 100% 100% 100% 100% 100% 100%

Training on human rights policies and procedures concerning aspects of human rights that are relevant to its operations is an integral part of the induction training that all associates receive (100% of associates in the reporting period). During 2021 and 2022, all associates received training on human rights (950 hours in 2021 and 985 hours in 2022).

Male and female associates of the same grade (front line and managerial level) received the same hours of training.

PERCENTAGE OF INDIVIDUALS ON THE BOARD OF DIRECTORS BY GENDER AND AGE GROUP

[GRI 405-1]

TEMES Board of Directors

2022



<30	0%	0%	0%
30-50	11%	0%	10%
>50	89%	100%	90%
Total	9	1	10

2021












<30	0%	0%	0%
30-50	11%	0%	10%
>50	89%	100%	90%
Total	9	1	10

2020



<30	0%	0%	0%
30-50	30%	0%	30%
>50	70%	0%	70%
Total	10	0	10

PERCENTAGE OF ASSOCIATES BY GENDER, AGE GROUP AND ROLE

		2022					2021					2020				
																
		Managers	FL	Managers	FL		Managers	FL	Managers	FL		Managers	FL	Managers	FL	
TEMES facilities in Messinia	<30	29	361	39	291	720	14	289	24	226	553	14	235	19	220	488
	30-50	118	270	84	221	693	95	221	62	166	544	77	245	58	180	560
	>50	10	67	11	91	179	8	49	9	54	120	10	37	10	46	103
	Total	157	698	134	603	1,592	117	559	95	446	1,217	101	517	87	446	1,151
Central offices in Athens	<30	0	7	0	14	21	0	5	0	12	17	0	5	0	8	13
	30-50	6	20	5	36	67	5	20	5	31	61	8	24	2	28	62
	>50	3	15	2	6	26	2	14	3	5	24	3	6	2	2	13
	Total	9	42	7	56	114	7	39	8	48	102	11	35	4	38	88



3

GOOD HEALTH
AND WELL-BEING

Promotion of the health, safety, and well-being of associates and guests



Our approach

[GRI 3-3]

Ensuring the health, safety and welfare of guests, associates, and any third parties across all facilities is directly linked with our reputation and credibility and is thus a fundamental aspect of the company's approach towards sustainable operation.

TEMES contributes to the realization of SDG 3 by implementing a Health & Safety (H&S) policy aimed at reducing the risks associated with its operations to a level as low as reasonably practicable. TEMES' H&S policy, adopting practices as defined in the internationally applied ISO 45001:2018 standard, aims to ensure the health, safety, job satisfaction, moral well-being, and productivity of our associates by creating a welcoming workplace at TEMES.

The effectiveness of the policy was clearly demonstrated in 2021 and 2022 by its successful efforts to handle the latter stages of the COVID-19 pandemic and an increase in operations starting in May 2021.



In the framework of our H&S policy, the company undertakes the commitment to:

- Provide and maintain a safe and healthy working environment in full compliance with current legislation, Marriott Standards, and all other applicable regulations.
- Provide training and support to enable associates to perform their work safely and efficiently, while developing their personal skills and interests.
- Maintain a constant and continuing interest in H&S matters in connection with the company's activities by ensuring that associates, wherever possible, undertake hazard identification as a normal part of their duties.

In addition to the H&S policy itself, we have established a number of other health and safety procedures. We have adopted leading indicators to measure our performance in relation to the actions taken to prevent work-related injuries and ill health. The indicators we use are tailored to our organization's operations. Examples of such indicators include training, H&S incident reporting, H&S inspections or audits, reporting of near-misses and the number of work permits issued. As an example, 23 near-miss incidents were reported and analyzed in the 2021-2022 period.

Detailed H&S procedures, covering 100% of our services, are in place to ensure compliance with legal and best international practice requirements and assess health and safety impacts for improvement. All our associates are trained to actively participate in the implementation of our H&S policy. In every aspect of our operation, we comply with all relevant national and international legislation, aiming to apply internationally accepted best practices and thereby contribute to the promotion of well-being and the establishment of effective, accountable, and inclusive institutions at all levels.

[GRI 403-1, GRI 403-8]

All the above parameters are linked via a rigorous, though not yet certified, occupational Health and Safety Management System based on the principles of the international standard ISO 45001, covering all activities and operations controlled by TEMES. Although not a legal obligation, this management system is voluntarily developed by TEMES based on:

- The written occupational risk assessment
- National and European legal requirements
- Marriot's Health, Safety, Emergency Response and Security Standards
- Hellenic Chamber of Hotels hygiene standards
- Contractual requirements

The system is overseen by TEMES' legally liable executives, supported by external safety professionals, and covers all company associates.



[GRI 403-2]

Work-related hazards and risks are assessed on a daily basis under the supervision of team leaders, and on a regular basis by an external safety professional. Immediate actions are taken, whenever necessary, and long-term solutions are developed and implemented based on the following hierarchy of controls:

- Elimination of the hazard
- Substitution
(of a process, material, or equipment)
- Engineering controls
(isolation, physical barriers, etc.)
- Administrative controls
(training, supervision, task shifting, etc.)
- Personal Protective Equipment

The Occupational Risk Assessment document is drafted by a group of external experts in close cooperation with the company's executives and team leaders. Following any major incident or significant change, either in infrastructure or operational and H&S processes, this document is reviewed and updated annually.

When risks are deemed to be significant, an action plan is designed and its main points are followed up to ensure its efficacy and the constant minimization of risks. In addition, at daily meetings the company's associates report to their team leaders any hazardous situations or conditions which are then communicated to the Engineering Department via mobile app.

Under TEMES' policy, each individual contributes to hazard identification and reporting and has the right to remove himself/herself (or any of his/her colleagues) from situations that could cause them injury or illness, without facing any consequences. In addition, all incidents are fully investigated by the Safety Officer and an incident report – including root causes and corrective actions – is forwarded to the Safety Executives.

[GRI 403-3]

Aiming at the effective monitoring of associates' health and the prevention of occupational illness, TEMES provides a program for the medical surveillance of its associates and associates according to their occupation and work environment. A fully qualified and licensed (in accordance with Greek law) occupational doctor visits the workplace on a weekly basis during working hours and manages all aspects of the medical surveillance program.

This Medical surveillance program includes:

- The initial medical examinations, performed before and just after employment, which forms the basis of the medical record of each individual following an interview with the doctor.
- Periodical medical examinations for specific workers depending on job position.

Additionally, a private Group Health and Life Insurance plan is offered to all full-time associates to facilitate access to precautionary medical exams and infirmary services.

[GRI 403-4]

The governance model adopted by TEMES is in line with SDG 16, which aims to ensure responsive, inclusive, participatory, and representative decision-making at all levels. In accordance with applicable legislation and the company's Articles of Association, the Board of Directors appoints its executive members and assigns the management of the company's daily affairs, including health and safety and work-related accident issues. Executive members of the Board, through regular meetings with senior management, provide guidance on key issues while ensuring the communication and implementation of the Board's overall short- and long-term strategy.

The Costa Navarino H&S Committee is another key component in the safety management of the facilities. It is an executive committee composed of managers from various departments of the company which meets once a month, with the participation of the General Manager of the hotels, to discuss health and safety matters, assess the overall progress achieved in the company's performance and set targets for each department.

Other means of communication with regard to occupational health and safety issues include:

- Meetings and presentations
- Training programs followed by Q&A sessions
- Newsletters and posters regarding best practices, instructions, and guidance

Details regarding H&S practices are displayed on all information boards and a web-based incident tracking and reporting system is in place. This system complies with the requirements of national legislation, which adheres to the guidelines of the ILO Code of Practice. At the same time, in the framework of daily meetings and interactions, associates report to their team leaders any hazardous situations, incidents, concerns and proposals for risk control and minimization.

[GRI 403-5]

TEMES recognizes that the training of associates at all levels is a cornerstone for the establishment of an effective H&S management system. All associates receive induction training from a H&S professional to familiarize themselves with the company's core H&S values and the occupational management system, as well as additional periodical training on specific work-related hazards, procedures and best practices in order to develop their skills set and risk awareness.

A training plan is prepared annually based on the risk assessment study and the management system evaluation results which identify the major hazards and risks by task and employment position. Following this, a training matrix is produced annually, setting out the proposed training plan for each position/ specialty and its frequency.

Training is adapted to take into account different levels of responsibility, ability, language skills and risk and is either theoretical, practical, online or on-the-job. It is provided, mainly in-house, by fully qualified internal or external personnel (Safety Officer, subject experts, etc.) and records are kept for each training session.

OUR TRAINING IS BASED ON FOUR PILLARS

Health & Safety



Food Safety



Security



Diversity and Inclusion



Training takes place during working hours and is divided into two categories:

a. Basic

Delivered to each individual at the start of employment, including basic Health & Safety issues, i.e.:

- H&S policy
- H&S legislation
- H&S responsibilities
- Risk assessment
- Hotel security procedures - Emergency Response plans
- Recognizing and reporting unsafe conditions - Incident prevention
- General H&S rules
- Fire-safety basics
- Slips trips and falls
- Hygiene
- Section-specific hazards per group of associates (according to job position).

This may include:

- Manual handling - Proper lifting techniques
- Chemical hazards
- Work in extreme heat

b. Specific

Delivered to each associate during their employment in regular intervals, including specific issues, related to the duties and responsibilities of each associate. i.e.:

- First Aid advanced
- Fire-fighting advanced
- Working at height
- Lifting loads
- Hand tools
- Chemical handling (advanced)
- Emergency drills
- Safe driving
- Biological agents
- Bloodborne pathogens
- Specific departmental Covid-19 safety protocols

[GRI 403-6]

Our concern for the health and safety of our associates is not restricted solely to their working environment. Through the implementation of the program WANT (Wellbeing At Navarino Team) the company aims to help its associates develop a balanced and healthy way of life with particular emphasis on their personal wellbeing and their connection with the community. Offered to all associates since 2015, the program provides ongoing training, a private Group Medical Plan, an in-house doctor, and a blood bank. At the same time, all associates participate in a series of activities focusing on personal wellbeing, including special initiatives on healthy living and wellness, while also receiving a range of benefits for their children, such as the Associates' Kids Club.

Additionally, and in line with SDG 3, the voluntary private Group Health and Life Insurance plan is offered to all full-time associates as well as to their family members to facilitate access to non-occupational medical and healthcare services and to address major non-work-related health risks based on prevention and quality treatment. This plan includes life and disability insurance, hospitalization care, medical examinations, plus additional benefits and allowances.

The above multi-faceted plan aims to achieve universal health coverage, including financial risk protection and access to quality essential healthcare services for all associates. It is implemented via an external insurance company, while privacy and health data are secured and remain confidential.

[GRI 403-7]

For TEMES, protecting the health, safety, and welfare of its associates, guests, providers and any third parties is an overarching value, acknowledging that this is linked with the company's reputation and credibility. The company implements and oversees procedures to ensure that the relevant H&S and legal requirements are met also by its contractors (project contractors, service contractors, renters, goods providers, etc.) as well as its third-party operators.

To ensure that contractors are competent to comply with the TEMES H&S Management System, TEMES has in place:

- a contractors evaluation procedure with particular emphasis on H&S performance
- a reference to all H&S requirements and obligations in contractual agreements
- a process to review legally required H&S obligations by contractors or third parties (appointment of H&S officer, written risk assessment, etc.)

In cases of equipment or materials procurement, H&S requirements are in place which take into consideration all regulatory provisions so as to ensure certification of the equipment (CE marking), observance of the minimum safety requirements as laid down by applicable legislation and provision of the required documentation (e.g., manuals, Material Safety Data Sheets, etc.). Evaluation of compliance is conducted on an annual basis, with the relevant records being prepared, reviewed by senior management and retained as applicable.



Our performance

During 2021-2022, we did not identify any incident of non-compliance with regulations which resulted in a fine, penalty, or warning, nor any instance of non-compliance with voluntary codes during internal health and safety audits.

The company did record a number of work-related incidents which, according to the root cause analysis of each investigation, occurred as a consequence of human error (distraction, lack of attention, etc.). The frequency rate of these incidents rose between May and August 2021 in parallel with the significant increase in guest numbers. In view of the unique challenges posed by the COVID-19 pandemic and the resulting different mode of operation, the working environment had to quickly adapt to the rigorous demands imposed by the latter stages of the pandemic from May 2021 onwards.

In general, the incidents had minor effects considering the return to normal operations following the COVID-19 pandemic, which can be attributed to the effectiveness of the company's H&S management system and culture.

[GRI 403-9, GRI 403-10]

WORK-RELATED INJURIES¹

	2022	2021	2020
Number of hours worked	1,617,389	1,222,069	0
Number of fatalities as a result of work-related injury	0	0	0
Rate of fatalities as a result of work-related injury	0	0	0
Number of high-consequence, work-related injuries (excluding fatalities)	0	0	0
Rate of high-consequence, work-related injuries (IR) (excluding fatalities)	0	0	0
Number of recordable work-related injuries ²	33	32	3
Rate of recordable work-related injuries ²	18.55	20.46	3.92

THE MAIN TYPES AND NUMBER OF WORK-RELATED INJURIES

	2022	2021	2020
Trips and Falls	11	12	2
Hit by or against objects	5	6	1
Cuts	1	4	0
Other	2	2	0

WORK-RELATED ILL HEALTH

	2022	2021	2020
Number of fatalities as a result of work-related ill health	0	0	0
Number of cases of recordable work-related ill health	0	0	0

¹ Figures refer only to the company's associates. Independent contractors and third-party operators working onsite under agreement with TEMES, are responsible for the health and safety of their associates.

² The increase in the number and rate of work-related injuries between 2020-2021 is due to the limited period of operation in 2020 because of the COVID-19 pandemic.

In the framework of ESG (Environmental, Social, and Governance) targets relating to the promotion of health, safety, and well-being of associates and guests, TEMES' main objectives are:

- Investing in H&S training
- Establishing communication channels to enable associates and guests to report any H&S-related risks.
- Monitoring H&S key performance indicators such as Lost Time Incidents (LTIs), severity and frequency rate, etc.
- Conducting H&S audits and inspections on a frequent basis to guarantee compliance with H&S measures and ensure that the latter are up-to-date with industry standards and regulatory requirements.

CREATING VALUE FOR OUR PLANET

4



Mitigation and adaptation to climate change



MATERIAL TOPIC

ENERGY CONSUMPTION

Our approach

[GRI 3-3]

Tourism is an energy-intensive sector that contributes to and is affected by climate change. As a major tourism stakeholder in Greece, TEMES intends to play a leading role in the national response to climate change by promoting investments in clean energy sources and reducing our carbon footprint.

Energy consumption is the main contributor to direct Greenhouse Gas (GHG) emissions from the operation of Costa Navarino. GHG emissions are the main driver for climate change which impacts individuals on a local, national and global level. Changing weather patterns, rising sea levels and extreme weather events are all effects of climate change which are occurring with increasing frequency, causing disruption to the economy and human communities.

By creating the necessary infrastructure and utilizing the latest available technology in energy management, TEMES endeavors to reduce its energy consumption and maximize the use of renewable energy.

Through a series of policies in line with the targets of SDGs 7 and 13, TEMES is actively contributing to national and international efforts for sustainable energy management and climate change mitigation. The company's policies, which also contribute to the realization of SDGs 3, 9 and 12, integrate climate change measures into the company's operations, promote sustainable energy management and efficient use of natural resources, aiming at a reduced carbon footprint leading to its net-zero target.

Through the paradigm of Costa Navarino, the implementation of these policies raises awareness within the tourism sector on a local and national level regarding the importance of climate change mitigation and adaptation.

The architectural design of Costa Navarino is based on the principles of bioclimatic architecture. The buildings are designed and oriented in such a way as to optimize utilization of the natural elements, leading to an overall reduction of energy needs for heating and cooling, while more than 90% of the total land area is dedicated to natural and planted greenery, ensuring the preservation of the region's natural beauty.

The construction of its facilities at Navarino Dunes, Navarino Bay and W Costa Navarino incorporates the following bioclimatic design features:



Free-standing open roofs



Over 15,500 m² of planted roofs



Optimal use of natural light through orientation of buildings, landscaping, artificial and natural shading



Earth Sheltered Buildings



Moreover, advanced materials and systems are strategically installed in the buildings of Costa Navarino to reduce energy consumption.

These include:

- Energy-efficient windowpanes
- High-quality, external wall insulation system that significantly reduces energy losses by wrapping the building in a thermally resistant envelope
- Low-energy technology lighting with electronic ballasts and 100% LED lighting in W Costa Navarino
- Central lighting control systems
- Central Building Management System (BMS)

Significant reductions in energy consumption and GHG emissions are achieved by:

- Utilizing a heat pump of 1,050 kW cooling power and 1,400 kW heating power in Navarino Dunes, thereby minimizing the use of LPG for cooling and heating
- Using electricity as the main source of energy in W Costa Navarino; utilizing a heat pump of 460 kW cooling power and 3,497 kW heating power
- In W Costa Navarino, LPG is used only in the kitchen facilities for cooking

The energy consumption from the operation of our facilities is monitored and recorded according to ISO 14064, using advanced electronic measuring systems. Comparative analysis of the results is used to identify possibilities for further reduction of energy consumption, so that the company can continuously improve our performance. The main form of energy consumed at Navarino Dunes, Navarino Bay and W Costa Navarino is electricity provided by the National Grid.

At Navarino Dunes, thermal energy is also generated by on-site boilers using LPG as fuel. At Navarino Bay, where in 2021 and 2022 The Bay Course was the only operational facility, the main form of energy consumed is electricity. Electricity will remain the main source of energy upon completion of the new 5-star hotel at Navarino Bay in 2023. Electricity is also the main form of energy used at W Costa Navarino. LPG is used only in the kitchens. An additional source of energy consumption derives from vehicles owned or controlled by the company with the respective emissions included in the direct emissions calculation, as presented on p.84.



Our performance*

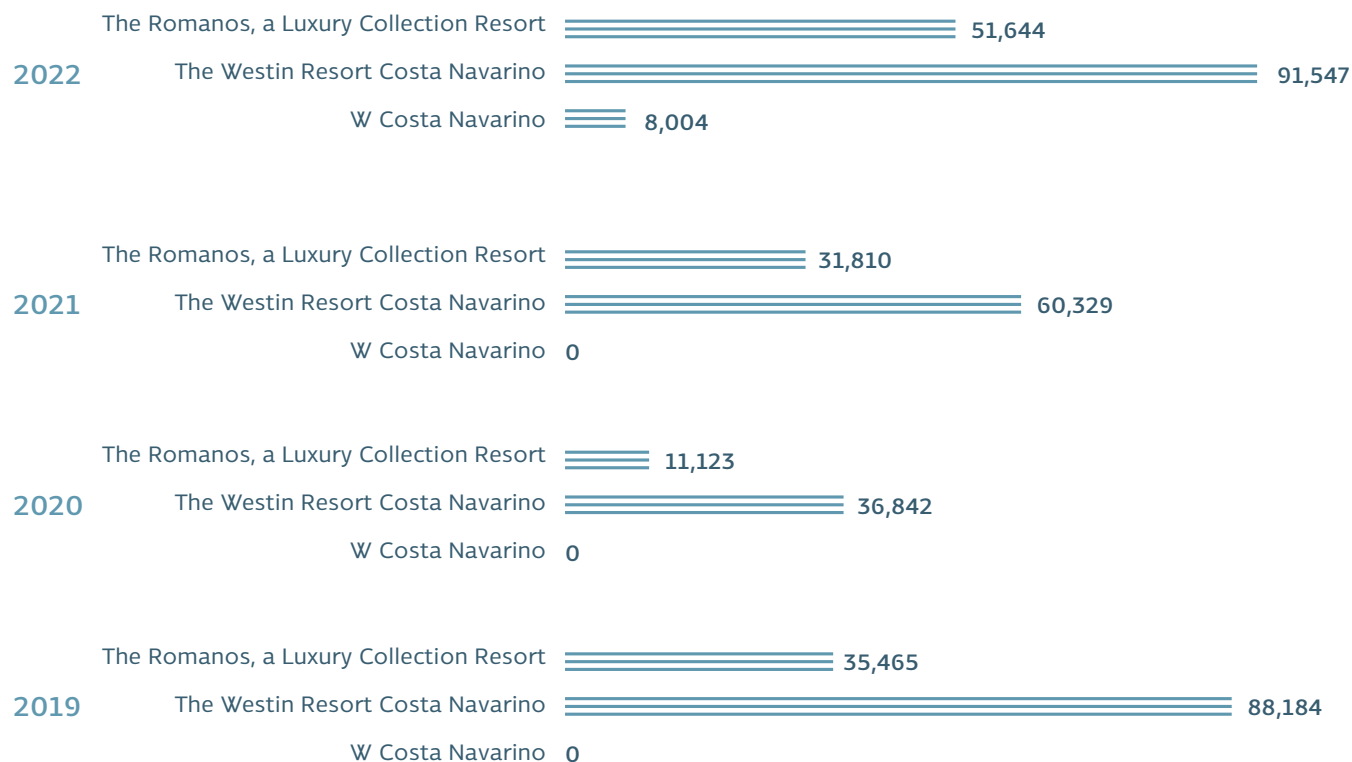
In addition to the absolute energy consumed, the energy intensity ratio for the hotels is expressed in kWh/occupied room.

The application of calculation methods and updated allocation algorithms which differ from those used in past years may have led to different results in energy consumption calculations compared with those presented in previous reports.

To ensure consistency, energy consumption has been recalculated from 2019 (base year) onwards to include all facilities under TEMES control.



ROOM NIGHTS



* In this chapter, the company's performance figures includes a 4year's results approach, since 2019 has set as its base year for target setting.

[GRI 2-4, GRI 302-1, GRI 302-3]

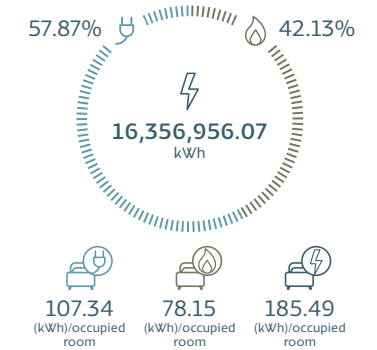
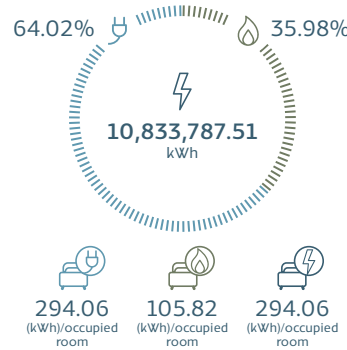
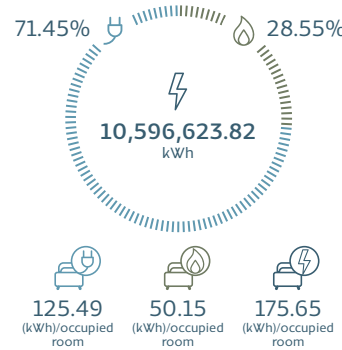
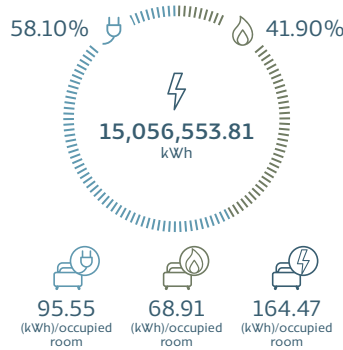
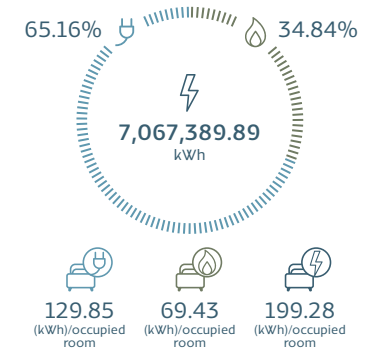
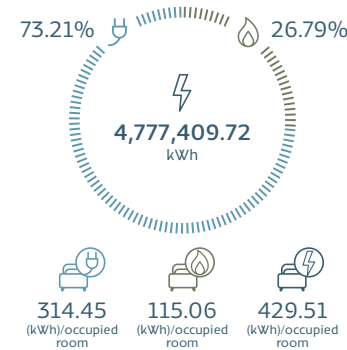
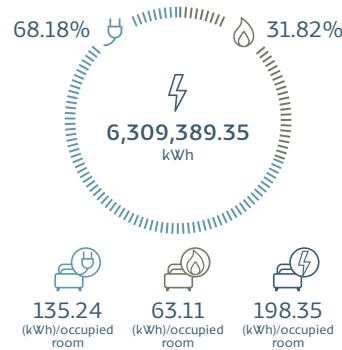
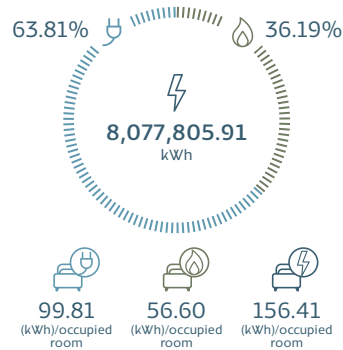
NAVARINO DUNES

2022

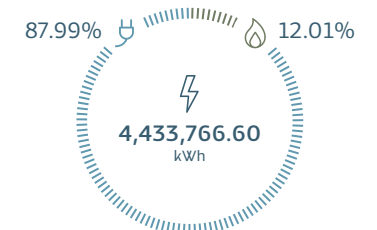
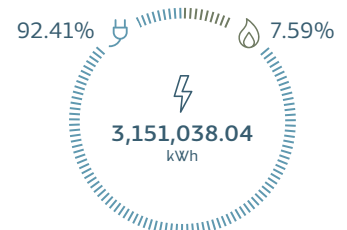
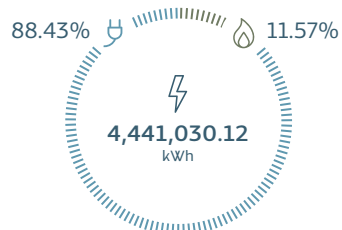
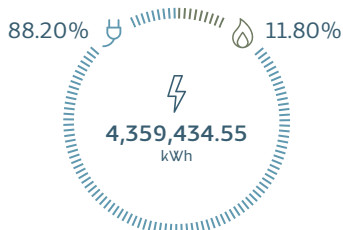
2021

2020

2019



Other facilities



NAVARINO BAY

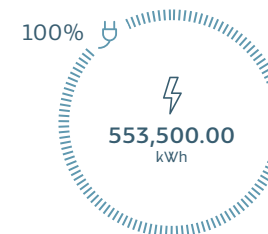
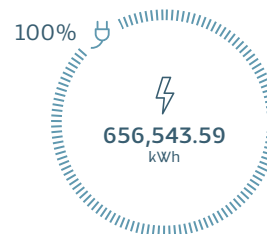
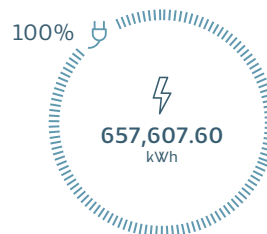
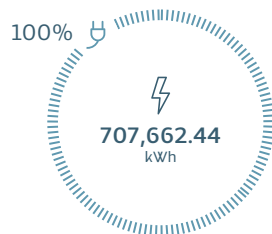
2022

2021

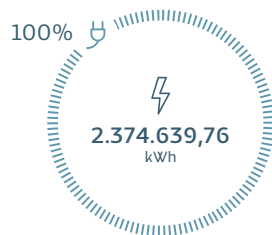
2020

2019

THE BAY COURSE



W COSTA NAVARINO

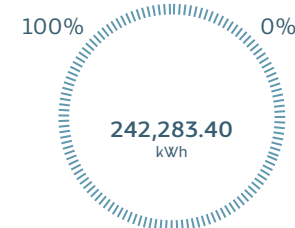
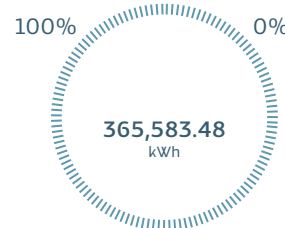
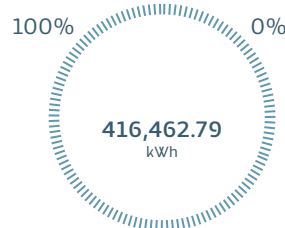
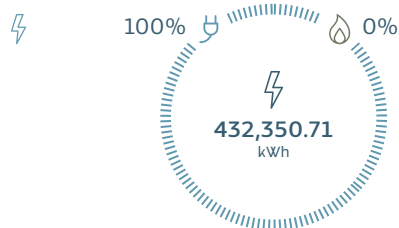


296.68
(kWh)/occupied room

Note: W Costa Navarino started operations in August 2022.

ATHENS

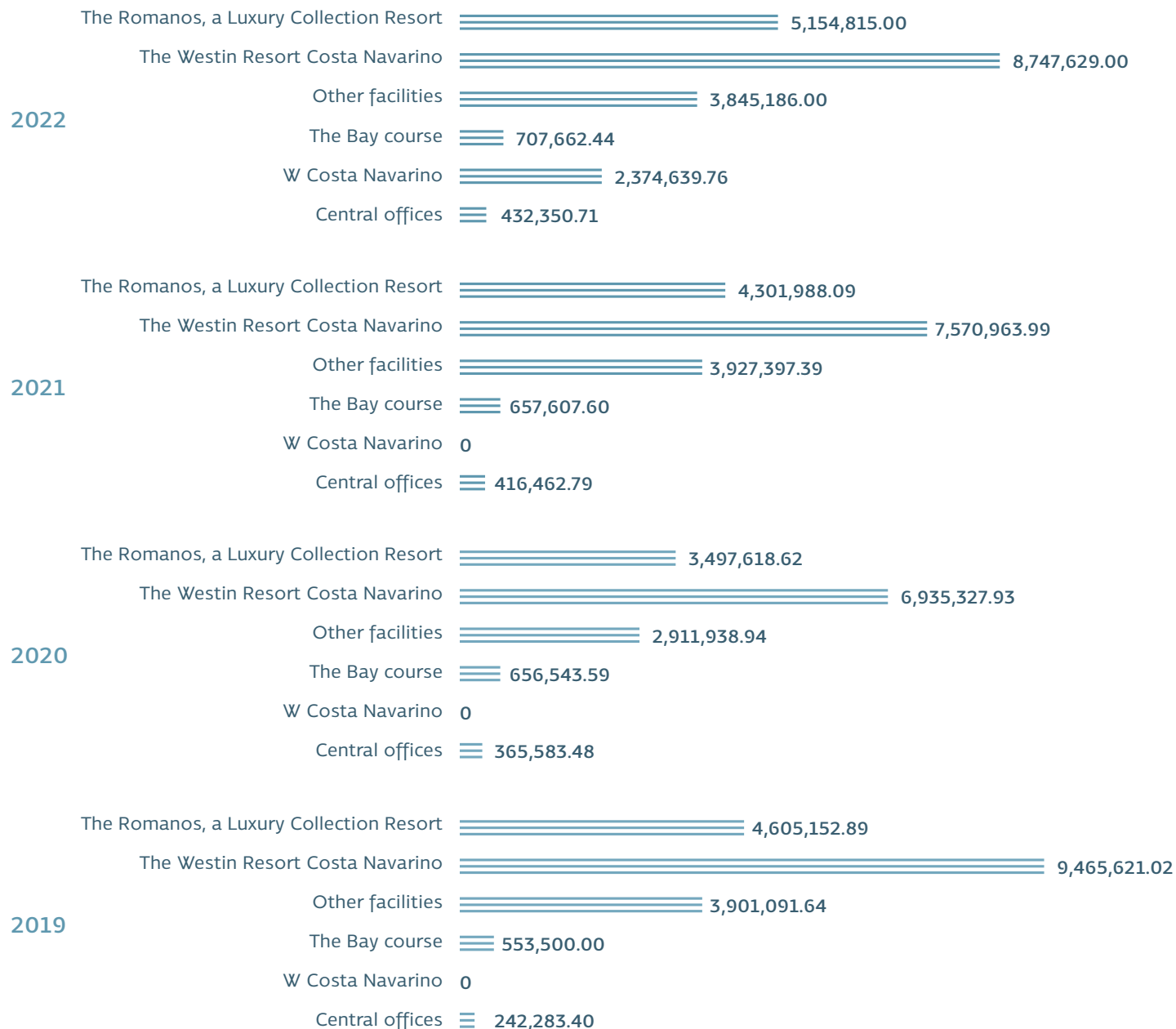
Central Offices



For 2021 and 2022, TEMES has acquired Certificates of Origin from the electricity provider to certify that the electricity purchased was produced from renewable sources.



ELECTRICITY CONSUMPTION
(kWh)



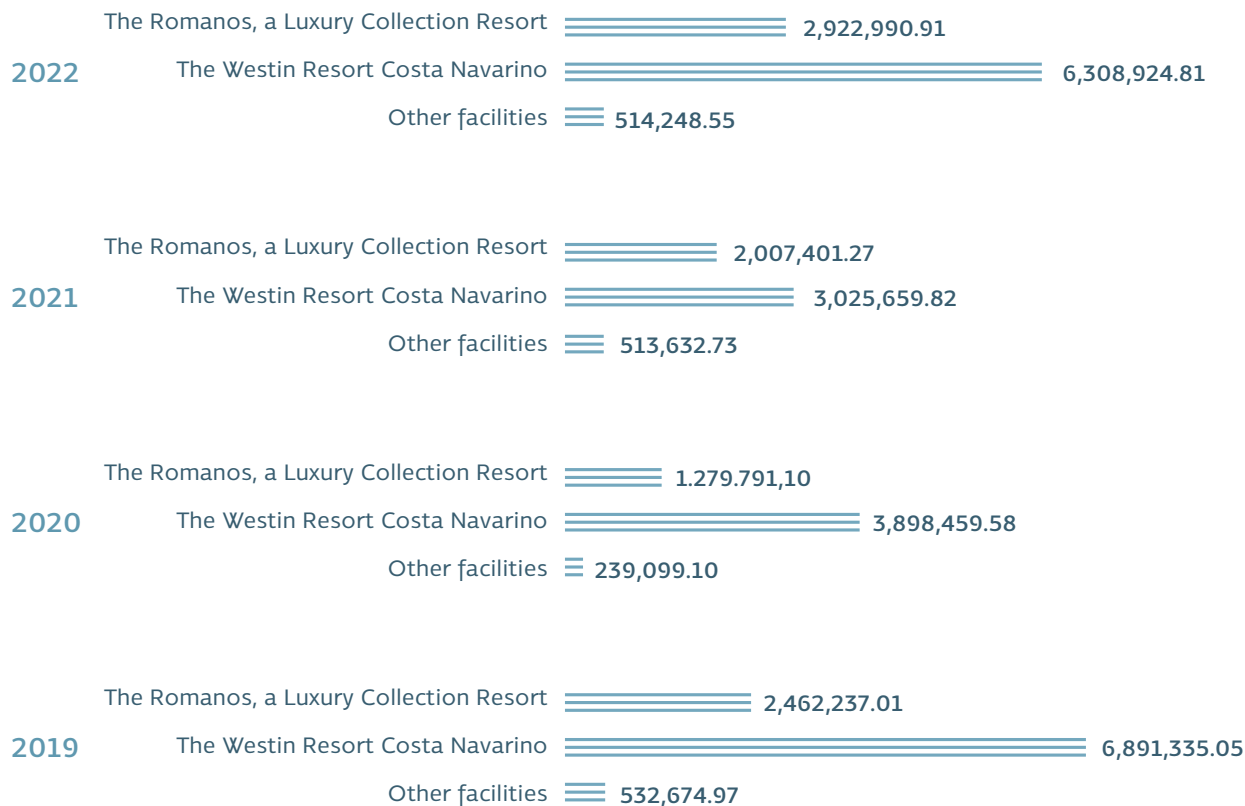
The low electricity and LPG consumption figures for 2020 and 2021 reflect the restrictions on hotel operations imposed by the Greek government as part of the measures against COVID-19.

The increase in energy intensity (kWh/occupied room) is the result of very low occupancy, where the standard consumption that is irrelevant to occupancy becomes significant compared with the occupancy related consumption.

The Romanos, a Luxury Collection Resort
 The Westin Resort Costa Navarino
 Other facilities
 The Bay course
 W Costa Navarino
 Central offices



LPG CONSUMPTION
(kWh)



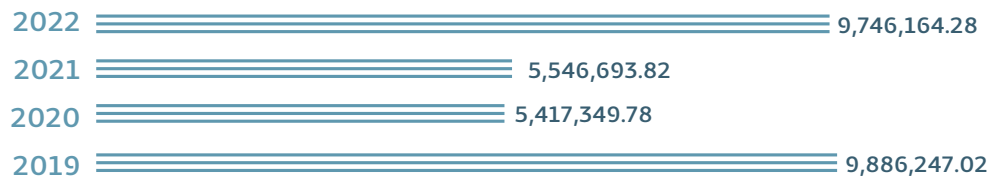
ENERGY CONSUMPTION WITHIN THE COMPANY (kWh)

[GRI 302-1]

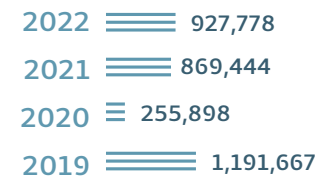
ELECTRICITY



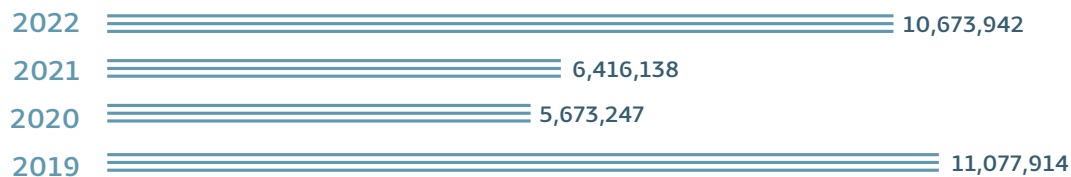
LPG



FUEL CONSUMPTION including company-controlled vehicles



FUEL CONSUMPTION from non-renewable sources



FUEL CONSUMPTION from renewable sources



[GRI 302-4]

Energy consumption in 2022 returned to pre-pandemic levels as the COVID-19 measures in tourism were gradually lifted.






The rise in LPG consumption recorded between 2019 and 2022 at The Romanos is due to the increase in the number of days when the swimming pools were heated. However, LPG consumption per occupied room shows a significant reduction for both hotels.

The decrease in electricity consumption in 2022 compared with 2019, especially in the electricity consumed per occupied room, is attributed to the successful implementation of a series of energy efficiency measures and energy use optimization.






At Navarino Bay, the increase in energy consumption from 2019 onwards is related to the operation of the new golf clubhouse and the construction of the new 5-star hotel to be completed in August 2023.

The increase in energy/electricity consumption in Central Offices in Athens is due to the operation of the company's second office building in Amalias str.

COMPARISON 2019-2022

		 Energy consumption (kWh)	 Electricity (kWh)	 LPG (kWh)	 Electricity (kWh)/occupied room	 LPG (kWh)/occupied room
Navarino Dunes	Romanos	14.30%	11.94%	18.71%	-23.13%	-18.48%
	Westin	-7.95%	-7.59%	-8.45%	-10.98%	-11.81%
	Other facilities	-1.68%	-1.43%	-3.46%	0.00%	0.00%
Navarino Bay	The Bay Course	27.85%	27.85%	0.00%	0.00%	0.00%
Athens	Central Offices	78.45%	78.45%	0.00%	0.00%	0.00%

COMPARISON 2019-2021

		 Energy consumption (kWh)	 Electricity (kWh)	 LPG (kWh)	 Electricity (kWh)/occupied room	 LPG (kWh)/occupied room
Navarino Dunes	Romanos	-10.73%	-6.58%	-18.47%	4.15%	-9.10%
	Westin	-35.22%	-20.02%	-56.09%	16.91%	-35.82%
	Other facilities	0.16%	0.67%	-3.57%	0.00%	0.00%
Navarino Bay	The Bay Course	18.81%	18.81%	0.00%	0.00%	0.00%
Athens	Central Offices	71.89%	71.89%	0.00%	0.00%	0.00%

The following actions were decided and have already been implemented since 2022:

1. Operation of the air-conditioning in reception areas on a fixed schedule with adjustable temperature control to suit operational needs.
2. Air-conditioning in restaurants limited only to opening hours and not during preparation time. By applying this measure, the total operation time of the A/C system has been decreased by 2 to 3 hours per day.
3. Back-of-house ventilation on a fixed schedule rather than nonstop operation. Through this action, 8 hours of operation per day have been saved.

An employee awareness program (EAP) focused on energy savings will be prepared in cooperation with HR and launched in the near future.

LONG-TERM ACTIONS



Solar system
for electrical energy
production



Solar system
for hot water energy
production



Central Energy
Monitoring System (EMS)
for all facilities



GHG EMISSIONS

Our approach

[GRI 3-3]

From 2015 to 2020, the GHG emissions of the company's facilities were calculated using the Hotel Carbon Measurement Initiative (HCMI) methodology, a tool developed by the International Tourism Partnership (ITP) and the World Travel & Tourism Council (WTTC), in collaboration with 23 leading global hospitality companies.

Taking into consideration developments in international standards and our commitment to continual improvement, from 2021 the company decided to calculate its carbon footprint according to the GHG Protocol and ISO 14064-1 methodology. These are widely recognized as the international standards for measuring and reporting GHG emissions and provide a consistent and comparable framework for calculating carbon footprint. Additionally, they cover a broader range of emission sources, including indirect emissions from supply chains and employee commuting, which the HCMI does not.

This ensures a more accurate and comprehensive calculation of the company's carbon footprint, allowing it to identify areas for improvement and reduce its overall environmental impact. Finally, the GHG Protocol and ISO 14064-1 are endorsed by major environmental organizations and stakeholders, providing a more credible and transparent approach to carbon footprint reporting. The overall emissions quantification includes all Kyoto GHG emissions for CO₂, CH₄, N₂O, NF₃, SF₆ and other appropriate GHG groups (HFCs, PFCs, etc.) expressed in tons of CO₂e.

The detailed calculation of direct and indirect emissions from its operation is the first step of its decarbonization strategy leading to its net-zero target by 2050. This strategy, based on a science-based approach, comes with a series of measures for direct and indirect emission reduction, such as onsite renewable energy production and Certificates of Origin for purchased electricity. Part of this strategy is the decision to use electricity as the main source of energy in all its new developments, including W Costa Navarino and our new hotel in Navarino Bay, gradually phasing out the use of fossil fuels.

ORGANIZATIONAL BOUNDARIES

For the purpose of consolidating GHG emissions, the Operational Control approach was selected, as described in the GHG Protocol Corporate Standard. The organizational boundaries are presented in chapter 1.

The overall emissions reported for TEMES include the operation of all controlled subsidiaries.

OPERATIONAL BOUNDARIES

Having established the organizational boundaries, operations now include TEMES facilities in Navarino Dunes, Navarino Bay, W Costa Navarino and the central offices in Athens. The following table presents the identified emission sources and their categorization into distinct scopes.

Emission Scope	EMISSION SOURCE		
	Upstream	Midstream	Downstream
Scope 1		Combustion of fuels in boilers in TEMES' own or leased buildings Combustion of fuels in company's fleet Refrigerant use for heating/cooling equipment and refrigerators Operation of wastewater treatment facility	
Scope 2		Consumption of purchased electricity	
Scope 3	Purchased goods and services Capital goods Fuel- and energy-related activities - (extraction, production, and transportation of electricity and fuels consumed, transmission and distribution losses of electricity (not included in Scope 1 or Scope 2) Upstream transportation and distribution (Transportation of raw materials/ products) Waste generated in operations (waste management during treatment & disposal) Business travel Employee commuting (in vehicles not owned or operated by the company)		Use of sold products (sold assets, e.g., villas) Downstream leased assets (operation of outlets leased to TPOs in Navarino Dunes and W)

SELECTION OF BASE YEAR

The base year was selected in accordance with the guidelines of the GHG Protocol Corporate Standard and SBTi Corporate Net-Zero Standard. Bearing in mind that the impact of the COVID-19 pandemic was significant for the overall operation of the company (see Sustainability Report 2019-2020), 2019 was selected as the base year for tracking emissions performance towards our short- and long-term emissions reduction targets, as it is representative of the company's typical GHG profile.

The initial calculation of 2019 emissions followed the HCMI methodology, so in order to ensure accuracy and continuity, the base year emissions (2019) have been recalculated according to ISO 14064-1 and the GHG Protocol methodology.

The main source of direct GHG emissions (Scope 1) from TEMES facilities is the combustion of LPG for heat production at Navarino Dunes. Minor LPG consumption also takes place at W Costa Navarino, but only for kitchen use and in the outlets operated by TEMES. The emission factors used for the calculations were obtained from the 2022 National Inventory Report (NIR). Additional direct emissions arising from the use of company vehicles (owned or leased) were calculated based on engine displacement and the fuel used in each vehicle.

Energy indirect GHG emissions (Scope 2) result from the generation of electricity purchased from the National Grid. Regarding the disclosure of market-based energy indirect GHG emissions, we followed the GHG Protocol's suggestions using the provider-specific emission factor published by the Administrator of Renewable Energy Sources & Guarantees of Origin for each year reported.

Regarding location-based emissions, the company has used the appropriate residual mix factor for Greece, according to the Association of Issuing Bodies (AIB) (<https://www.aib-net.org/>).

Certificates of Origin were acquired from TEMES' provider for all electricity purchased for 2021 and 2022 operations, resulting in zero emissions in this category. Other indirect GHG emissions (Scope 3) calculated in accordance with the GHG Protocol and ISO 14064-1 methodology include the following categories, numbered according to the GHG Protocol:

Upstream Scope 3 emissions

1. Purchased goods and services
2. Capital goods
3. Fuel- and energy-related activities (not included in Scope 1 or Scope 2)
4. Upstream transportation and distribution
5. Waste generated in operations
6. Business travel
7. Employee commuting

Downstream Scope 3 emissions

11. Use of sold products
13. Downstream leased assets

The remaining Scope 3 categories, as set out in the GHG Protocol and ISO 14064-1, are not relevant to TEMES operations and therefore not reported.

For each Scope 3 activity within a category, calculation methods were selected based on the following criteria:

- The relative size of emissions from the activity
- Data availability and quality
- Cost and effort required to apply each method

At each step, TEMES' goal was to ensure that the selected calculation methods appropriately reflected the GHG emissions from each category to a level of accuracy serving the decision-making needs of users, both internal and external to the company. In some cases, different calculation methods were used to calculate emissions from different activities within a category.

The GHG Protocol Scope 3 Evaluator Tool was used for an initial quantification of Scope 3 emissions, followed by a detailed calculation per Scope 3 category based on available data.

CALCULATION OF REMOVALS

Direct removals from TEMES-owned olive groves were calculated using the CO₂ Removal Capacity Algorithm (CO₂RCA), which was specifically designed to estimate carbon removals from olive groves. The CO₂RCA uses coefficients and data from various sources, including scientific teams of the Agricultural University of Athens (AUA) and the University of Basilicata (UNIBAS) for crop cultivation data and coefficients, and the Spanish National Research Council (CSIC) for statistical data at the national scale. The model estimates the carbon sequestration potential of different land use and land management activities by inputting data on various parameters such as the cultivated tree, geographical area, surface of the tree crop, planting density, annual total yield, percentage of trees in the juvenile and mature phases, pruning management, the use of cover crops, fertilizers, herbicides, insecticides, fungicides, and plant growth regulators, and the annual quantities of fossil fuels and electricity consumed by the equipment used for cultivation, irrigation, protection, and other activities.

According to the CO₂ Removal Capacity Calculation Tool (CO₂RCCT), developed by the LIFE CLIMATREE project and based on the CO₂RCA, the annual carbon dioxide removal capacity of TEMES' olive groves is estimated at 1,291 tn CO₂.

Our performance

[GRI 2-4, GRI 305-1, GRI 305-2, GRI 305-3]

The following table presents the GHG emissions from TEMES facilities for base year 2019 and reporting years 2021 and 2022. Overall emissions for 2020 were also recalculated.

The overall emissions quantification includes all Kyoto GHG emissions for CO₂, CH₄, N₂O, NF₃, SF₆ and other appropriate GHG groups (HFCs, PFCs, etc.) expressed in tons of CO₂e.

The following charts present the largest contributions to overall GHG emissions for 2019, 2020, 2021 and 2022, accounting for approximately 98% of total emissions measured.

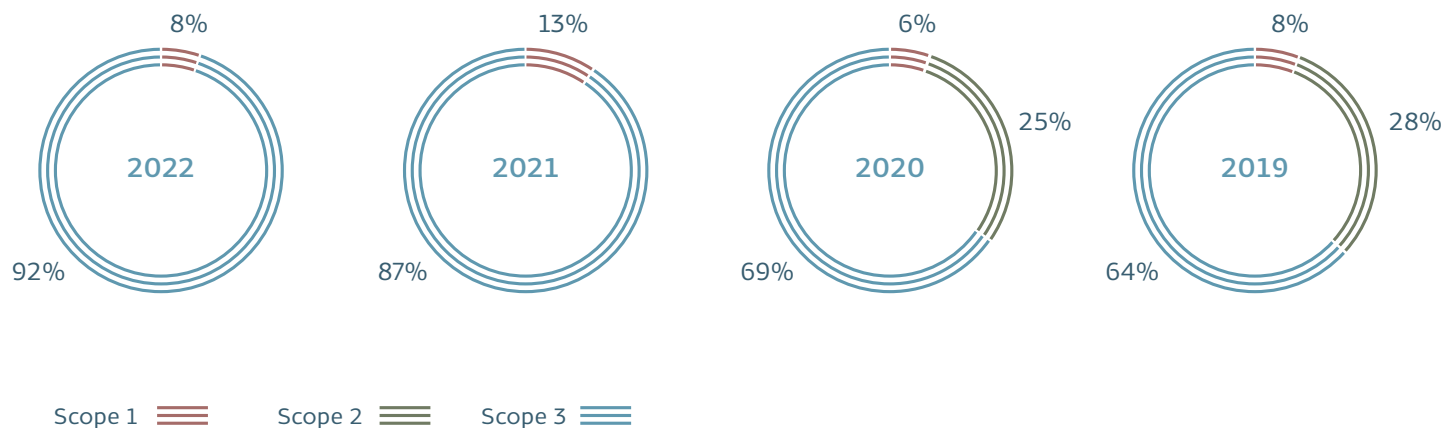


GHG EMISSIONS (tCO₂e)

	2022	2021	2020	2019
Scope 1	2,806	3,749	1,563	3,067
Scope 2 (Location-based)	8,217	6,272	6,035	10,588
Scope 2 (Market-based)	0	0	6,821	10,825
Scope 3	31,150	24,118	18,716	25,141
Total	33,956	27,867	27,100	39,032



EMISSIONS (tCO₂e) Market-based



[GRI 305-4]

A breakdown of Direct Emissions from Stationary Combustion and Indirect Emissions from Purchased Electricity per facility is presented in the following tables for base year 2019 and reporting years 2021 and 2022. For completeness purposes, figures for 2020 are also reported.

EMISSIONS FROM COSTA NAVARINO IN 2022 (tCO₂e)

		Direct Emissions from Stationary Combustion	Indirect Emissions from Purchased Electricity	Total*	Emissions Intensity tCO ₂ e/occupied room
Navarino Dunes	Romanos	671.25	0.00	671.25	0.013
	Westin	1,448.82	0.00	1,448.82	0.016
	Other facilities	118.1	0.00	118.10	-
Navarino Bay	The Bay Course	-	0.00	0.00	-
	W Costa Navarino	-	0.00	0.00	0.081
Athens	Central Offices	-	0.00	0.00	-

EMISSIONS FROM COSTA NAVARINO IN 2021 (tCO₂e)

		Direct Emissions from Stationary Combustion	Indirect Emissions from Purchased Electricity	Total*	Emissions Intensity tCO ₂ e/occupied room
Navarino Dunes	Romanos	460.99	0.00	460.99	0.014
	Westin	694.83	0.00	694.83	0.012
	Other facilities	117.95	0.00	117.95	-
Navarino Bay	The Bay Course	-	0.00	0.00	-
Athens	Central Offices	-	0.00	0.00	-

The emission intensity ratio for each hotel is expressed in tCO₂e/occupied room. Certificates of Origin were acquired from the company's provider for all electricity purchased for 2021 and 2022 operations, resulting in zero emissions in this category.

EMISSIONS FROM COSTA NAVARINO IN 2020 (tCO₂e)

		Direct Emissions from Stationary Combustion	Indirect Emissions from Purchased Electricity	Total*	Emissions Intensity tCO ₂ e/occupied room
Navarino Dunes	Romanos	293.90	1,660.25	1,954.15	0.176
	Westin	895.27	3,292.06	4,187.33	0.114
	Other facilities	54.91	1,260.86	1,315.77	-
Navarino Bay	The Bay Course	-	311.65	311.65	-
Athens	Central Offices	-	174.35	174.35	-

EMISSIONS FROM COSTA NAVARINO IN 2019 (tCO₂e)

		Direct Emissions from Stationary Combustion	Indirect Emissions from Purchased Electricity	Total*	Emissions Intensity tCO ₂ e/occupied room
Navarino Dunes	Romanos	565.44	2,656.11	3,221.55	0.091
	Westin	1,582.57	5,459.49	7,042.06	0.080
	Other facilities	122.33	1,801.62	1,923.95	-
Navarino Bay	The Bay Course	-	319.24	319.24	-
Athens	Central Offices	-	139.74	139.74	-

*Total emissions were calculated using Scope 2 Market-based emissions.

COMPARISON AND ANALYSIS OF RESULTS

[GRI 305-5]

The reduction in emissions from stationary combustion in 2021 compared with 2019 is mainly attributed to the lower energy consumption on account of the restrictions on operation due to the Covid-19 pandemic.

The difference in values between the two hotels at Navarino Dunes is attributed to the fact that The Westin operates almost all year round, while the operation of The Romanos is seasonal.

Energy consumption in 2022 returned to pre-pandemic levels as the COVID-19 measures in tourism were gradually lifted, resulting in a relative increase in GHG emissions. However, in almost every facility, energy consumption and emissions remained below 2019 levels due to the implementation of a series of energy efficiency measures and energy use optimization as part of our decarbonization strategy.

The decrease in Scope 2 emissions and overall emissions intensity in 2021 and 2022 compared with 2019 is mainly attributed to our initiative to obtain Guarantees of Origin from the company's provider, to ensure that all electricity purchased was produced with renewable methods (photovoltaic, hydropower).

The overall reduction in total emissions (Scope 1 and 2) for The Romanos, a Luxury Collection Resort and The Westin Resort Costa Navarino in 2022 reached 79% compared with 2019, while the emissions intensity decreased by 86% and 80% respectively.

EMISSION REDUCTION TARGETS

- TEMES is in the process of developing emissions reduction targets and commits to achieve net-zero operations for its facilities by 2050.
- Continue sourcing 100% renewable electricity.
- In cooperation with suppliers, achieve significant reduction of absolute Scope 3 GHG emissions.

6

CLEAN WATER
AND SANITATION

14

LIFE
BELOW WATER

Preservation of water resources

MATERIAL
TOPIC

Our approach

[GRI 3-3, GRI 303-1]

Safeguarding water availability and quality through sustainable water management is crucial for social stability and economic development. In Messina, where a significant portion of the local economy depends on agriculture, water availability is vital for community well-being. The availability of water resources and their management in collaboration with local stakeholders are directly linked to the implementation of a sustainable tourism development model with a long-term perspective at Costa Navarino. TEMES recognizes water quality and availability as a major sustainability risk and addresses this topic through the implementation of appropriate short- and long-term policies aligned with SDG 6 targets.

The sustainable management of water resources at Costa Navarino has a positive impact on neighboring municipalities extending to south-west Messina.

This impact can be attributed mainly to the company's activities within Costa Navarino, including the irrigation of the two golf courses and the gardens of Navarino Dunes, Navarino Bay, and W Costa Navarino, as well as the consumption of potable water in the facilities. However, the company also recognizes the potential contribution of its suppliers, particularly those providing farm products, and encourages sustainable farming practices by establishing relevant quality criteria (e.g., quality certifications, certified organic, proper use of pesticides). The Captain Vassilis & Carmen Constantakopoulos Foundation organizes additional educational/training programs for local farmers, focusing on sustainable farming practices that optimize water use.



The company's sustainable water management policy aims to cover the water needs of Costa Navarino without depriving the local community of resources. Reflecting its firm commitment to this approach, TEMES in 2009 conducted an extensive water resource management study for the area of western Messinia with the following objectives:

- To identify available water resources in the area.
- To explore the impact of climate change on the quality and availability of water resources.
- To design a sustainable water management system for Costa Navarino which uses only naturally replenished water.
- To provide detailed hydrogeological data to local authorities to help develop a sustainable water management system at regional level.

The study revealed that substantial quantities of surface water from local rivers (more than 50 million m³ per year) remain unused due to a lack of infrastructure for collection and storage in the area. In response to this finding, two reservoirs of approximately 700,000 m³ total capacity were designed and constructed by TEMES specifically to meet the irrigation needs of Costa Navarino, including the golf courses. The reservoirs, fully integrated into the

surrounding landscape, are filled by utilizing only a very small percentage of the runoff from local rivers, just before it flows into the sea.

The study was donated to the prefecture of the Peloponnese and formed the basis for the water management plan for the southwest Peloponnese, published by the Ministry of the Environment in 2013 and revised in 2017.

Since then, TEMES has been in close cooperation with the municipal authorities and actively contributes to the development of the municipal water supply network. Stewarding water as a shared resource, the company works together with its stakeholders to ensure the availability and quality of local water resources.

TEMES is committed to responsible water usage and closely monitors the quantity of water withdrawn from local rivers to ensure compliance with relevant licenses. This information, along with additional data on river flows and height, is reported to the local water authority. Water quality in the local rivers is monitored in cooperation with accredited laboratories. At the same time, continuous efforts are made to reduce fresh water needs through recycling process optimization.

Our performance




The following table shows the total volume of surface water withdrawn for irrigation purposes in 2021-2022 from two local rivers (Selas and Gianouzagas), together with the overall river flows, as calculated by special monitoring devices installed in the rivers. The data for water withdrawal are taken from specially installed water flow meters. The data is presented in comparison with data from the previous two years.

This water, together with highly treated recycled water from our wastewater plant and recycled water from the cooling towers and the water purification facility at Navarino Dunes, is more than enough to cover the irrigation needs of Costa Navarino for the whole season.




According to the current revision of the water management plan for the southwest Peloponnese, there are no areas with water stress in the vicinity of the facilities of Costa Navarino.

[GRI 303-3]

SELAS RIVER Water withdrawn (m³)

	Water withdrawn (m ³) 	Overall flow (m ³) 	Water withdrawn of annual river flow (%) 
2022	379,720	42,777,917	0.89%
2021	330,390	41,129,603	0.80%
2020	324,700	39,964,402	0.81%
2019	406,690	44,857,660	0.91%

GIANOUZAGAS RIVER Water withdrawn (m³)

	Water withdrawn (m ³) 	Overall flow (m ³) 	Water withdrawn of annual river flow (%) 
2022	366,950	45,242,292	0.81%
2021	376,282	43,783,339	0.86%
2020	382,926	42,678,071	0.90%
2019	323,970	43,795,950	0.74%

SELAS AND GIANOUZAGAS RIVERS Total water withdrawn (m³)

2022	2021	2020	2019
746,670	706,672	707,626	730,660

In 2021 and 2022 TEMES made full use of the separate network that was constructed in 2020 to send the effluent of the water purification facility directly to the irrigation lake to be 100% recycled, reducing the need for further withdrawal from the Selas river.

In 2020, the company successfully recycled and reused 12,000 m³ of water from the Navarino Dunes hotel pools through its wastewater treatment facility for irrigation purposes. Encouraged by this success, we made this practice a standard procedure in 2021 and 2022. As a result, the company is able to reuse a total of 24,000 m³ of water. Continuing its efforts to promote water recycling, TEMES reused water pumped out of the basement shafts of the Sports Center at The Westin Resort Costa Navarino for irrigation purposes at Navarino Dunes during 2021 and 2022. The Sports Center, due to its proximity to the Selas, is vulnerable to seasonal rises of the aquifer level, especially during heavy rainfall periods.

Thus, pumping shafts were constructed in the building's basement to safeguard the integrity of the foundations. This water recycling practice allowed us to reuse 48,000 m³ of water for irrigation purposes in 2021 and 52,000 m³ in 2022, which would otherwise have ended up in the sea.

Moreover, the quantity of water withdrawn from local rivers during 2021 and 2022 represented only a very small percentage of their annual flow, remaining well below 1%. The water utility of Pylos-Nestor municipality is the provider of potable water for Costa Navarino (ground water source) with the table on the right showcasing the company's potable water consumption in m³ for the period 2021-2022.

Compared to 2020, potable water consumption at Navarino Dunes decreased by 13% in 2021. This decrease is attributed to the delayed opening and early closing of the hotels and the partial relaxation of the hygiene protocols due to COVID-19 de-escalation.

In 2022, the company began returning to normal operation after the worst of the COVID-19 pandemic, there was an increase in water consumption at Navarino Dunes. Both hotels operated for a longer period compared to 2021, while the Romanos facilities opened earlier during the spring due to the Easter celebration in March.

[GRI 303-5]

POTABLE WATER CONSUMPTION (m³)*

	Navarino Dunes	Navarino Bay	W Costa Navarino**	TOTAL
2022	332,794	2,722	51,117	386,633
2021	256,640	664	1,490	258,794
2020	296,140	3,247	878	300,265
2019	378,180	1,899	-	380,079

* Includes only potable water

** W Costa Navarino was referred to as Navarino Waterfront in the 2019-20 report.

Water consumption at Navarino Bay was relatively low in 2021 as the Golf Club was operational for only a short period of time. However, in 2022, water consumption increased due to the extended operation of the Golf Club of the Bay Course and the construction works for the new 5-star hotel at Navarino Bay.

W Costa Navarino, our new 5-star hotel located in Navarino Bay, began operating in August 2022, so its water consumption was relatively low for 2022. The hotel was connected to the municipal water network for the supply of potable water.

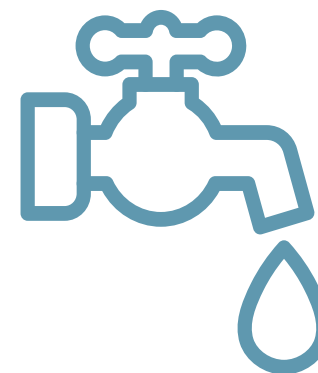
Water recycling takes place at Navarino Dunes mainly through our wastewater treatment plant that operates within the facilities. Additional sources of recycled water are the cooling towers, the water purification facility, and the shafts of the Westin Sports Center. All recycled water is used to irrigate the golf course and for landscaping purposes at Navarino Dunes.




Total water withdrawn includes the quantity from the two local rivers (Selas and Gianouzagas) for irrigation purposes, as presented in the tables on p.89, and the potable water from groundwater sources, which is supplied by Pylos-Nestor municipality as shown in the table on the right.

The following table shows the total quantity of water recycled and reused at Navarino Dunes and W Costa Navarino in 2021-2022, both as an absolute figure and as a percentage of the total water withdrawal for all facilities.

[GRI 303-3]

WATER WITHDRAWAL (m³)



	Total water withdrawn	Volume of water recycled & reused	Percentage of total water withdrawal
			
2022	1,133,303	222,155	19.6%
2021	965,466	191,265	19.8%
2020	1,007,891	168,809	16.7%
2019	1,110,739	136,000	12.2%



To further promote sustainable water management, a range of water-saving measures have been implemented based on best available practices, including consumption monitoring (for leak control and improved efficiency), and educational programs for visitors.

To ensure the availability and quality of underground and surface water, an extensive network of monitoring stations and sampling points equipped with state-of-the-art technology is used for continuous monitoring.

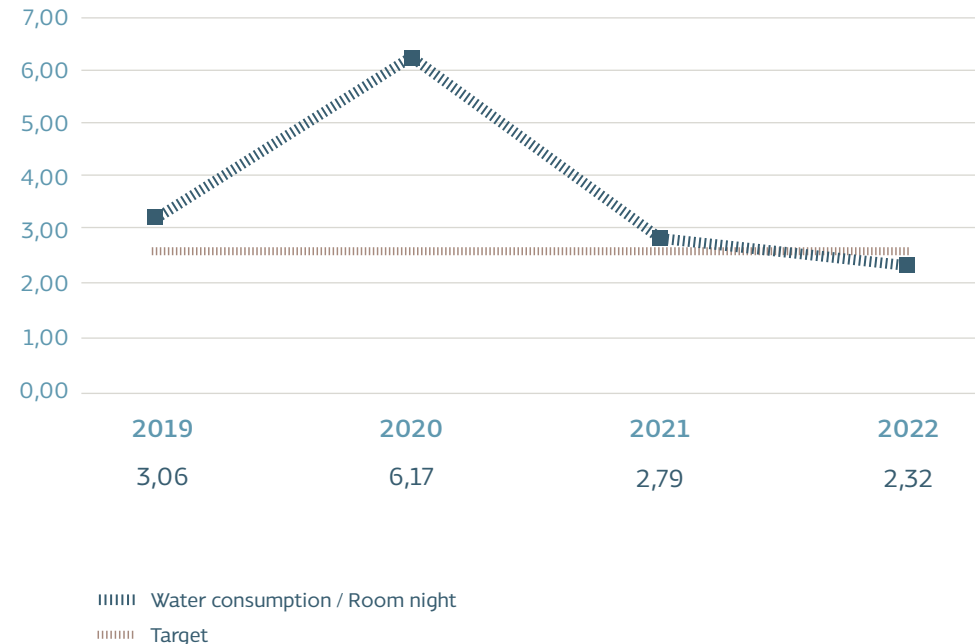
Since water consumption is linked to the occupancy rates of the hotels, we set reduction targets based on water intensity measured as m³ of water per room night to monitor and improve performance.

For the setting of reduction targets, we selected 2019 as a base year as it was the last year of normal operation before the Covid-19 outbreak.

By 2025, TEMES is targeting a 15% reduction in overall water intensity of our facilities (including hotels, spa, conference center) compared to 2019 levels

Refined targets for each hotel facility will be set as a next step, taking into consideration individual operating parameters. As can be seen in the graph below, the peak in 2020 corresponds to the excess water consumption due to the implementation of Covid-19 hygiene protocols.

WATER CONSUMPTION PER ROOM NIGHT (m³)





Protection and restoration of species and habitats



MATERIAL TOPIC

[GRI 3-3]

Tourism development, if undertaken through a lens of sustainability, can contribute to the conservation and preservation of fragile marine ecosystems, not least because coastal and maritime tourism rely on healthy marine ecosystems, as emphasized by the United Nations World Tourism Organization (UNWTO).

Biodiversity is essential for the proper functioning of our ecosystems and society since it provides a multitude of benefits, such as protecting water resources, improving soil fertility, absorbing carbon emissions, and ensuring climate stability.

Thus, it is crucial for tourism businesses to play a significant role in protecting biodiversity and natural heritage on land and sea. As TEMES' business model depends directly on ecosystem services, which are an integral part of the unique identity of each destination, the company is committed to the protection and restoration of species and habitats.



PROTECTING SEA BIODIVERSITY

Our approach

[GRI 304-2, GRI 304-4]

The sea, apart from being a significant tourism asset, particularly important for Greece, is a key natural resources provider and a major carbon sink contributing to the mitigation of climate change.

Moreover, coastal areas support numerous human activities vital for the development and coherence of human societies. The facilities of Navarino Dunes are adjacent to the marine Natura 2000 site GR2550010 (sea area off the southwest Peloponnese), while the facilities of Navarino Bay and W Costa Navarino, located within the Gulf of Pylos, are adjacent to the marine zone of Natura 2000 site GR2550004 "Pylos Lagoon (Divari) & Sfaktiria Island, Agios Dimitrios".

The Dunes Beach in front of Navarino Dunes is a nesting ground for the loggerhead sea turtle (*Caretta caretta*). In the International Union for Conservation of Nature's Red List of Threatened Species, the Mediterranean population of *Caretta caretta* is now classified as of "Least Concern".

The marine zone in front of the facilities of Navarino Bay and W Costa Navarino is home to meadows of Neptune grass (*Posidonia oceanica*), which has also been given "Least Concern" status on the IUCN's Red List.

Understanding the importance of maintaining a healthy sea environment, TEMES implements a series of policies for the protection of marine ecosystems and sea biodiversity affected directly by its operations, and a series of awareness initiatives for the overall protection of biodiversity.



At Costa Navarino, it is paid special attention to the procurement of the seafood, which is sourced mainly from local fishermen. Understanding the magnitude and severity of marine pollution, the destination has eliminated the use of plastic bags in all outlets at Costa Navarino, along with all the single-use plastic items listed in the relevant EU directive, while it constantly strives to minimize the use of plastic in general. The beach in front of Navarino Dunes is periodically cleaned with the help of special equipment and personnel, both before and after the nesting season of the loggerhead sea turtle, while the destination's team of divers at Navarino Sea ensures that the seabed is free of plastics and litter.

During 2022, Costa Navarino initiated the Clean Messinia project which aims to raise awareness within the local community as well as among associates and visitors about the importance of protecting the marine and coastal environment and the multiple ecosystem services connected with it, primarily through clean-up campaigns in cooperation with NGOs, local authorities and institutions.

Furthermore, special protection measures were applied during the construction of the piers in front of the hotel facilities of W Costa Navarino to minimize any negative

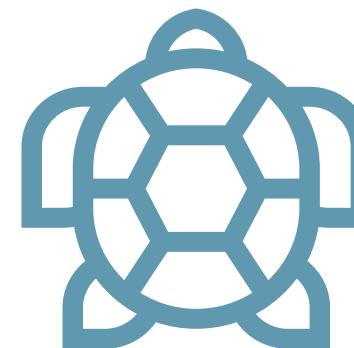
impact on the Posidonia meadows. Anchoring is not permitted for boats approaching the piers, while a monitoring plan – involving underwater surveillance by divers and drone mapping – is in place to ensure that hotel operation leaves the Posidonia meadows intact.

Since 2010, TEMES, in cooperation with the Sea Turtle Protection Society of Greece (Archelon), has been running an extensive monitoring and protection program for the loggerhead sea turtle. The program covers the 2.7 km stretch of The Dunes Beach and annually records the sea turtle population while protecting, monitoring and mapping nests using GPS technology. A detailed action plan ensures that eggs are not harmed and hatchlings are protected until their final journey to the sea. The awareness-raising activities organized at Costa Navarino, which spread the message about the importance of marine life and why we need to protect it, are an integral part of the program. The results from the implementation of the program so far, and our collaboration with Archelon during the stages of development and operation of Costa Navarino, show that human activities, including sustainable tourism, can facilitate and enhance efforts to preserve marine and coastal ecosystems.

Our performance

[GRI 304-3]

HABITATS PROTECTED OR RESTORED



	Number of nests	Hatchlings reaching the sea safely
2022	40	2,905
2021	32	2,068
2020	62	3,359
2019	56	3,259
2018	41	3,065
2017	21	1,842
2016	27	1,703
2015	18	1,067
2014	13	664
2013	24	2,004
2012	5	331
2011	14	1,265
2010	13	738

PROTECTING LAND BIODIVERSITY

Our approach

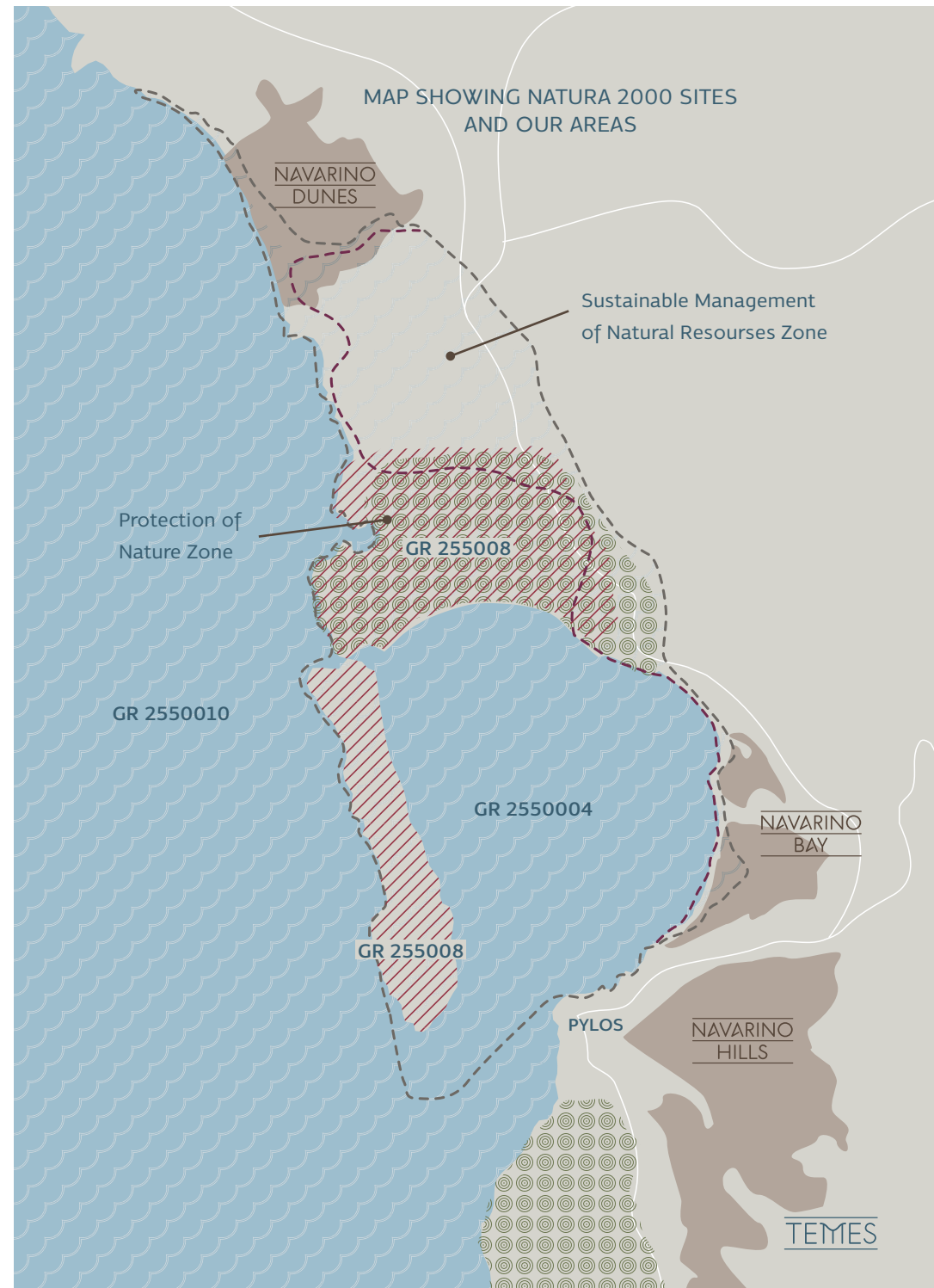
[GRI 304-1]

Working towards the achievement of SDG 15 (Life on land), the company is committed to the sustainable management of our operations in a way that reverses land degradation while protecting and preserving the ecologically important habitats that surround the existing and future sites of Costa Navarino. This approach is incorporated in all its development plans through consultation with experts and utilization of Navarino Environmental Observatory (NEO) research findings as inputs to our business development policy.

Sustainable Management of Natural Resources zones are defined as areas within the Natura 2000 boundaries where man-made activities can coexist with the natural environment, promoting sustainable natural resource management. Natura 2000 areas are divided into four different zone types based on the level of restrictive measures imposed to protect existing natural ecosystems and species.

Note: 64.5 hectares of privately owned operational sites lie within the Natura 2000 Sustainable Management of Natural Resources zone.

The first zone type, 'Absolute Protection of Nature', includes sensitive ecosystems of high importance, where no development is allowed, while the fourth zone, 'Sustainable Management of Natural Resources', includes areas where practically no development restrictions are imposed. This type of zone can include towns and villages.





[GRI 304-1]

Just 2.5 km from Navarino Bay and W Costa Navarino, between the village of Gialova and the bay of Voidokilia, lies Gialova Lagoon, one of the most significant wetlands in all of Europe. The lagoon, also known as Divari from the Latin vivarium ("fish farm"), and the surrounding area has been designated a Special Protection Area (Site code GR2550008) and a Site of Community Importance (Site code GR2550004). It is also a Wildlife Refuge and one of the Important Bird Areas in Greece.

Over the past 25 years, more than 270 bird species have been recorded in the area, with 150 species recorded on an annual basis, including 36 threatened species at an international, European and/or national level, and 40 species listed in Annex I of the EU Birds Directive. It is the first stop for migratory birds from Africa, and home to a great number of mammals, reptiles, amphibians and fish. Gialova Lagoon is also home to Europe's only population of African chameleons.

Through its collaboration with NEO, TEMES supports a series of research projects on the lagoon's avifauna and the impact of climate change on the ecosystem of the lagoon. NEO, together with the Department of Science and Mathematics (Environmental Studies/Biomedical Sciences) of the American College of Greece (Deree), have meanwhile embarked on a project to monitor the population of the endemic and critically endangered African chameleon of Pylos.

Key points include assessments of:

- the viability of the population,
- its position within the habitat,
- the threats faced and the sustainability of its ecosystem.

The project, initiated in spring 2019, aims to establish the methodologies and generate primary data that will be used to substantiate and support conservation efforts of the population through international, national and local bodies.

Our performance

During 2021-2022, six field trips lasting from 3 to 7 days were held to assess biodiversity under three related thematic units (herpetofauna, vegetation and invertebrates). A total of 25 students, technical staff and Deree faculty members were involved in these trips. In addition, 5 students followed a month-long internship program to assess biodiversity and monitor tourism pressures in the protected areas. The company has high hopes for the transformative impact this partnership will have on the sustainability and conservation of the wetland ecosystems in the region.

At a site level, to preserve biodiversity and the characteristic Messinian landscape with its centuries-old olive groves, TEMES has initiated the most extensive olive tree transplanting program in Europe. The program, currently underway at all Costa Navarino sites, is being carried out by a dedicated team of agricultural scientists, topographers and landscape architects.

During construction, on-site olive trees are moved and temporarily planted in a specially prepared reception area. As construction progresses, these trees are replanted in their final location, restoring the beauty of the landscape. At the present stage of development, with the completion of the new hotel facilities in Navarino Bay during 2023, and including the development at Navarino Hills by Panorama S.A., a member of the TEMES group, the results of the transplanting program will be:

[TEMES Internal indicator]



6,600

olive trees will be moved and replanted



1,200,000

endemic shrubs planted

For 2023, as part of the project to monitor the population of the African chameleon of Pylos, TEMES aims to acquire DNA samples from at least 30 individuals and proceed with gene isolation and amplification of 6 DNA markers.

Stepping up the company's initiatives to raise awareness within the local community on the ecosystem services that can be developed in the wetland of Gialova Lagoon, it intends to establish close cooperation with the Natural Environment & Climate Change Agency (NECCA), which is overseen by the Ministry of Environment and Energy. This cooperation will facilitate data exchanges between NEO and NECCA and promote jointly developed programs and initiatives for the protection of the ecosystems of the lagoon.

Waste minimization and promotion of circular economy



MATERIAL TOPIC

Our approach

[GRI 3-3, GRI 306-1, GRI 306-2]

Working towards a sustainable mode of consumption and production, TEMES strives to minimize its intake of natural resources, reduce the toxic materials used and manage the waste and pollutants generated from its operations according to the best available environmental option. In chapter 4 we present how we implement sustainable management of water resources in our facilities, while through our efforts towards climate change mitigation and adaptation, we describe our strategy for reduction of energy intensity and decarbonization.

Local sourcing of products and materials, coupled with the protection and preservation of the natural capital of the areas in which we operate, are also part of our core effort to minimize our overall footprint by optimizing the efficiency of raw material utilization. In the final stage of this circular approach, through sustainable waste management, we commit to minimizing any possible impact on the local community and the natural environment of the region.



Working with suppliers for improved waste management and resource efficiency

[GRI 308-1]

The company's procurement policy provides the framework under which it cooperates with its suppliers, with the aim of applying sustainable practices to its entire supply chain, helping its suppliers improve their performance, and contributing to the development of the local economy. All new suppliers contracted within 2021-2022 were screened using sustainability criteria relevant to the scope and size of the contract.

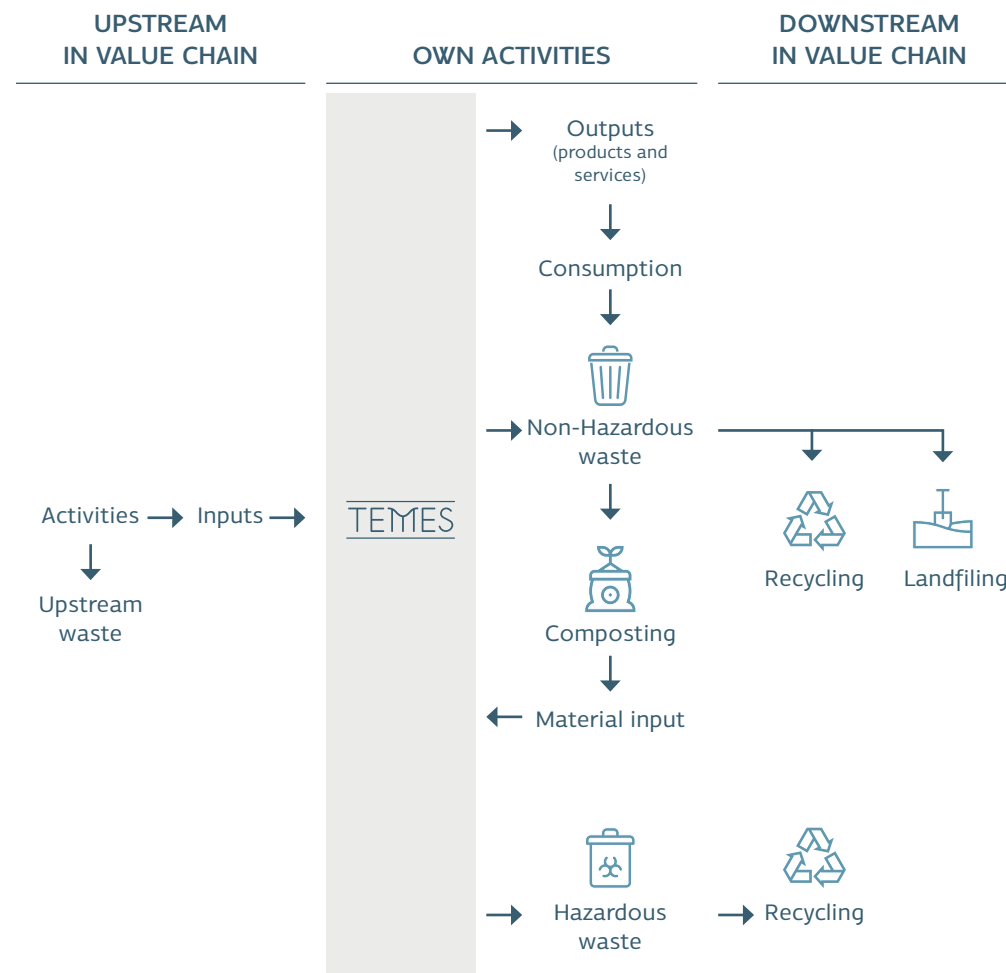
Reducing the volume of waste generated by its operations is a strategic goal for the company, in line with the endorsement of circular economy principles as set out in the European Green Deal. Efficient use of resources, recyclability and reuse, together with restrictions on single-use products, can reduce its company's overall consumption footprint with measurable economic and environmental benefits.

These benefits extend beyond the boundaries of the company's operation, spreading also to its value chain. A key component of this effort is cooperation with our suppliers to set commonly agreed goals for:

- the reduction of packaging material,
- the increase of recyclable content in products, and
- the promotion of reusability and reparability of products.

Costa Navarino's integrated solid & liquid waste management system has been designed in accordance with the principles of waste reduction, reuse and recycling. An extensive recycling program for paper, plastics, glass, used oil, batteries and organic waste has been set in motion, resulting in a significant reduction of the amount of waste ending up in landfills.

All quantities of generated waste are reported annually to the prefectural authority of the Peloponnese which is responsible for waste management.



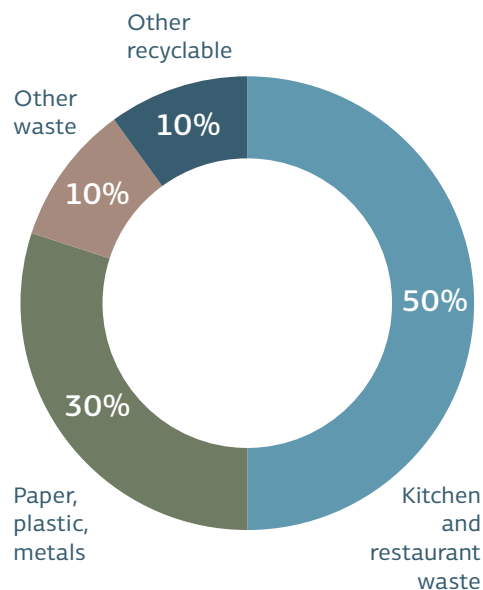
Our commitment to tackle organic and food waste

Based on the statistical analysis covering the past five years, almost 50% of the company's waste derives from the hotels' kitchens and restaurants (organic waste). Since 2020, organic waste has been collected as a separate waste stream and the quantities produced are reported to the National Waste Management Registry.

So far, organic waste has been collected by the municipality, but TEMES is considering the establishment of a small-scale private composting facility within its premises to handle all organic and green waste produced.

Food waste increased during 2022 compared to 2020-2021, mainly because of the extended period of hotel operation. However, TEMES took steps to increase food donations, which resulted in better control of its stocks and food waste.

TEMES' goal is to minimize the organic waste (kitchen/restaurant and green waste) disposed of in landfills and manage 100% of its organic waste onsite by 2035.



Our steps towards the minimization of plastic waste

Acknowledging the role of tourism in the global effort to reduce plastic pollution, TEMES in 2021 joined the Global Tourism Plastics Initiative led by the United Nations Environment Programme (UNEP) and the UN World Tourism Organization in collaboration with the Ellen MacArthur Foundation.

In the framework of this initiative, the company has committed to taking action to achieve the following targets by 2025:

- Eliminating problematic or unnecessary plastic packaging and items.
- Moving from single-use to reuse models or reusable alternatives.
- Engaging its value chain to move towards 100% plastic packaging that is reusable, recyclable, or compostable.
- In cooperation with its suppliers, increasing the amount of recycled content across all plastic packaging and items used.
- Collaborating with local authorities and relevant institutions and investing to increase the recycling and composting rates for plastics.
- Reporting publicly and annually on progress made towards these targets.

As part of the company's waste management system, a large-scale wastewater treatment facility operates within the premises of Costa Navarino. All treated water (100%) from this facility is used for the irrigation of The Dunes Course.

In 2022, TEMES, in cooperation with the Captain Vassilis and Carmen Constantakopoulos Foundation, environmental organizations and local authorities, launched the "Clean Messinia" program. The program aims to tackle coastal and underwater pollution, through clean up actions of beaches and the seabed in selected areas in Messinia, as well as raising public awareness about the need to protect the coastal and marine environment. In 2022, the clean-up actions covered a total coastal area of 101,000 m² and collected 5,800 litres of waste, 820 kg of recyclable material and 260 kg of fishing gear (nets, spools, ropes etc).

Our performance







[GRI 2-4, GRI 306-3, GRI 306-4, GRI 306-5]

In 2019, TEMES recycled a significant quantity of electrical and electronic equipment as we proceeded with the clearing of storage spaces and renovation in several parts of the hotels. In 2021, Dunes Golf took over the servicing of the golf buggies, resulting in a reduction of the quantity of lead batteries recycled by TEMES compared to 2020. The increase in the quantity of lead batteries in 2022 is attributed to the fact that a number of batteries from 2021 were recycled in 2022. In 2022, the volume of organic waste recycled amounted to 109.63 t, which was collected by the municipalities of Trifylia and Pylos.










For 2021 and 2022, the volume of non-recyclable municipal waste (non-hazardous) ending up in landfills totaled 483 t and 754 t respectively. The increase in 2022 compared to the 572 t of waste disposed of in landfills in 2020 is attributed to the increased occupancy and extension of the operating period, as the restrictions imposed due to the COVID-19 pandemic were gradually lifted. As the facilities expand with the opening of new hotels, the company's intention is to increase the volume of waste recycled, targeting a 70% recycling rate by 2030.

WASTE GENERATED AND RECYCLED¹ (t)

HAZARDOUS

	Lead batteries ²	Other batteries	Oils	Fluorescent lamps	Hazardous electrical and electronic equipment	Total hazardous waste
						
2022	11.06	0.00	0.00	0.64	5.52	17.22
2021	4.39	0.10	1.98	0.49	2.59	9.55
2020	14.03	0.03	0.00	0.60	0.49 ³	15.15
2019	13.53	0.16	0.57	1.00	5.56	20.82

NON-HAZARDOUS

	Packaging	Edible oils	Electrical and electronic equipment ⁴	Glass ⁵	Detergents Soap	Ferrous metals ⁷	Tyres	Organic waste	Total non-hazardous waste
									
2022	56.06	7.21	0.60	120	0.00	0.00	1.76	109.63 ²	295.26
2021	50.50	7.66	0.60	88.42	0.00	0.00	0.00	-	147.18
2020	37.00	4.96	0.30 ^{**}	41.02 ⁶	0.00	0.00	0.50	-	83.78
2019	62.98	2.82	4.19	104.50	0.06	2.57	0.44	-	177.56

Notes:

1 The data on quantities of each type of waste are provided by the relevant waste management/disposal contractor.

2 The variation in lead battery waste between 2020-2022 is due to the COVID-19 pandemic which resulted in a reduction of operations during that period.

3 The significant decrease in quantities in 2020 compared to 2019 is due to the COVID-19 pandemic which resulted in a reduction of operations in the period 2020-2021.

4 The variation in the quantities for 2019-2020 compared to those published in the Sustainable Development Report 2019/2020 is due to recalculation.

5 The significant decrease in glass waste in 2020-2021 is due to the COVID-19 pandemic which resulted in a reduction of operations.

6 The variation in the quantity compared to that published in the Sustainable Development Report 2019/2020 is due to recalculation.

7 The variation in the quantities for 2019-2020 compared to those published in the Sustainable Development Report 2019/2020 is due to recalculation.

CREATING VALUE FOR OUR COMMUNITIES

5

Support for infrastructure development



Our approach

[GRI 3-3]

The World Tourism Organization (UNWTO) highlights the potential of tourism to promote the development of urban infrastructure and accessibility, as well as to contribute to the regeneration and preservation of cultural and natural heritage, which are essential assets for tourism. Green infrastructure investments, such as more efficient transport and reduced air pollution, can lead to smarter and greener cities, benefiting not only residents but also tourists.

TEMES contributes to the realization of SDG 11 by implementing a series of policies aimed at increasing international awareness of the region and enhancing the network of local infrastructure by providing funds and technical expertise. It is the company's commitment to contribute to infrastructure investments and promote the development of neighboring municipalities. For this reason, the company aims to set specific metrics and targets in order to monitor its performance on infrastructure development and the benefits offered to the local community and the wider region of Messinia.



In 2022, TEMES at its own expense completed the study for the new road connection between Navarino Dunes and the 9th Highway, which involves construction of a semi-controlled intersection and a roundabout. The study has already been approved by the competent authorities and the project is expected to begin in the near future, again at the company's expense. The cost so far is estimated at €1.5 million.

At the same time, the study undertaken by TEMES for the Navarino Bay road connection project, which includes improvements to the geometric features of the 9th Highway and the construction of three junctions, has also been approved. TEMES will fund the construction of the project, which is expected to begin in 2023. The overall cost of the project is estimated at €1.5 million.

Both road network projects will improve access to nearby areas, facilitating both locals and visitors.

In 2022, TEMES constructed two wastewater pumping stations and their connecting pipelines at a total cost of €500,000, which were donated to the Municipality of Pylos as part of the overall project for the improvement of the Gialova sewage network.



More than
€11 million in
infrastructure
investments



Water
management
studies



Road
infrastructure
design studies



Construction works,
including water tanks,
wells and pipelines,
for the improvement
of the water distribution
network of neighboring
municipalities

Our performance

All studies were funded by TEMES and donated to the respective municipal authorities.

AMOUNTS INVESTED BY TEMES IN INFRASTRUCTURE DEVELOPMENT PROJECTS BY CATEGORY (TEMES indicators)

2021-2022

COMPLETED

Construction of two wastewater pumping stations and their connecting pipelines as part of the Gialova sewage network.	€500,000
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Study for the improvement of the water network of the town of Gialova, including replacement of old asbestos pipelines, a chlorination facility, interconnection of municipal water reservoirs at Eleofyto and Dapia, remote control and monitoring systems.	€17,800
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Structural study for the construction of the new municipal water reservoir in the area of Dapia.	
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IN PROGRESS

New road connection between Navarino Dunes and the 9th Highway.	€1.5 million (estimated)
-----------------------------------------------------------------	--------------------------

Navarino Bay road connection, improvements to the geometric features of the 9th Highway and construction of three junctions.	€1.5 million (estimated)
------------------------------------------------------------------------------------------------------------------------------	--------------------------

2019-2020

COMPLETED STUDIES

Feasibility study for the construction of the Gialova bypass.	€104,000
---------------------------------------------------------------	----------

Technical study for connections with the new highway to be constructed in the area of Rizomylos.	
--------------------------------------------------------------------------------------------------	--

Technical studies for the construction of a new junction at Romanos.	
----------------------------------------------------------------------	--

Study to increase the capacity of Handrinós water refinery and measures to improve water quality.	
---------------------------------------------------------------------------------------------------	--

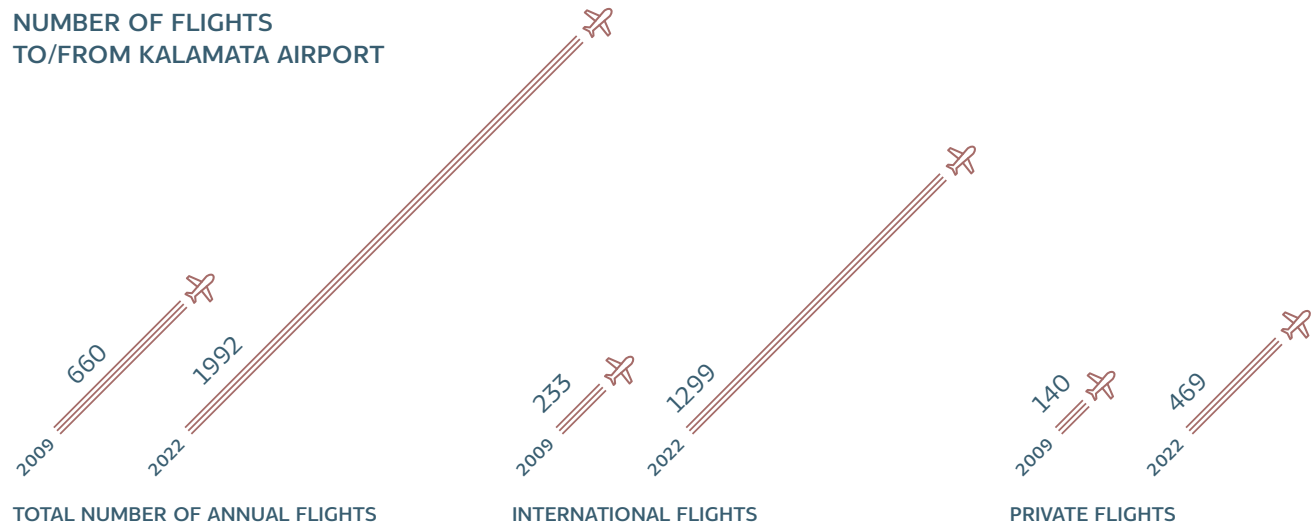
Study for the improvement of the sewage network of the village of Pyla.	
-------------------------------------------------------------------------	--

Study for the improvement of the water network of the villages of Platanos and Lahabada.	
------------------------------------------------------------------------------------------	--

In addition to its focus on road infrastructure and water networks, TEMES is a key player in attracting new and more frequent flights to Kalamata airport, officially named “Captain Vassilis Constantakopoulos Kalamata International Airport” in recognition of the contribution of the company’s founder to the region’s development. From 2009, one year before the operation of Costa Navarino, to the end of 2022, a high increase in passenger traffic was recorded at Kalamata airport, reflecting Costa Navarino’s contribution to Messinia in terms of visitor arrivals.

Today, Kalamata is connected to 31 European destinations on a weekly basis through 19 airlines, while new routes are added every year, expanding the airport’s connectivity to major destinations in Europe. A comparison of passenger and flight traffic at Kalamata Airport in 2009 and 2022 reveals the following:

NUMBER OF FLIGHTS TO/FROM KALAMATA AIRPORT



12%
of visitors arriving at Kalamata end up in Costa Navarino



368%
passenger growth rate



435%
increase in international passenger traffic



202%
increase in the number of flights



457%
increase in international flights



Promotion of local development

Contributing significantly to the local economy and supporting regional development is a key priority for TEMES, as the company's growth is directly linked to the prosperity of the whole destination. With the company's policies and initiatives, we intend to create the necessary conditions for sustained and inclusive economic growth in the areas it operates, as we believe that this is essential for achieving sustainable development.

The implementation of a sustainable tourism business model in the development of Costa Navarino creates new jobs and business opportunities due to its direct links with most of the sectors of the local economy, providing a strong incentive, especially among young people, to stay in their homeland, Messinia.

At Costa Navarino, sustainable tourism is used as a propulsive industry to create the necessary momentum for the continuous, inclusive and sustainable economic development of a whole destination. It creates links with agriculture and service-providing sectors and stimulates the development of key infrastructure (road construction, upgrade of airport facilities) and the provision of financial services from which the local economy as a whole can benefit. From 2006 to 2022, the positive impact of Costa Navarino to the Gross Domestic Product (GDP) of Messinia reaches 11%.

The revenue generated by the increase in tourist arrivals in the region has a positive direct impact on a series of local SMEs from a wide range of economic sectors incorporated in the tourism value chain. Since the beginning of its operations, a local economy of 80 different tourism-related services has been established,

while 28 new hotels of different sizes have opened. As these companies buy goods and services from local suppliers, the positive impact from tourism growth on income and employment in the local community is multiplied, creating a vibrant local economy. It is important to note that only 12% of the visitors arriving in Kalamata airport end up in Costa Navarino while the remaining 88% are distributed across the overall area, contributing to the economic development of the region.

The operation of Costa Navarino has contributed significantly to the reduction of unemployment in Messinia as the company applies a policy of preference to hiring locally. During peak season (August), we offer more than 1,800 direct jobs. Upon completion of the development of Costa Navarino, we estimate to create more than 3,600 direct and indirect jobs in the broader area.

COSTA NAVARINO SOCIO-ECONOMIC FOOTPRINT IN NUMBERS



850
(€ million)
direct investment



1,860
associates directly
employed
(in high season)



435%
increase in
international
flights at Kalamata
International
Airport from
2009 to 2022



11%
total contribution
to Messinia's GDP
(2006-2022)*



12
(€ million)
added value
to agricultural
economy**



>6,900
total beds upon
completion of all areas,
plus private residences

400
(€ million)
investment through
Costa Navarino
Residences

3,600
direct and indirect
jobs till today



398
(€ million)
direct and indirect
contribution to the
state from taxes

Training
more than
1,500
farmers and

29
new hotels and more than
1,750 new beds in the area,
after the launch of
Costa Navarino*

More than
1.25
(€ billion)
total estimated
investment,
till today

c.11,000+
jobs to be created
directly and indirectly,
upon completion
of all areas



1,992
flights in 2022

800
F&B professionals
in the wider area

80
distinct services
in the wider area,
focusing on forms of
alternative tourism,
hospitality and F&B

More than
2.5
(€ billion)
total estimated
investment,
upon completion
of all areas



8%
of the total budget
has been allocated
to sustainable
practices and
infrastructure

600
flights in 2009

More than
18
(€ million)
contribution to
the state through
donations and
studies

3.5
(€ billion)
direct and indirect
contribution to
economy*

500%
increase of
foreign visitors
in the area
(2009-2019)*

* Piraeus University study 2019, 2022
** EY study 2017

Procurement practices

[GRI 2-6]

The management of the company's supply chain is closely linked with the company's vision to connect the development of Costa Navarino with the development of the whole destination of Messinia. The operation of its supply chain strengthens the local economy of Messinia and creates new business opportunities in the region. It provides to the company with the opportunity to work together with its local stakeholders and address common economic, environmental and social impacts arising from our operations.

Aside from the region of Messinia, the impact of its supply chain extends to the national level, creating positive impacts for the development of the national economy. The great number of suppliers and the diversity of our supply chain gives us the opportunity to work together with businesses from different sectors of the economy, towards a more integrated approach to sustainability.

Costa Navarino is committed to using mostly locally sourced products and strives to contribute to the development of new, sustainable local businesses that can be included in its supply chain.

NUMBER OF SUPPLIERS

	2022	2021	2020
Suppliers	1,739	1,412	1,563
Payments to suppliers	€33 million	€22.7 million	€11.8 million

SUPPLIER'S ALLOCATION

	2022	2021	2020
% of Greek suppliers	83.73%	85.91%	86.71%
% of Greek suppliers operating in Peloponnese	29.05%	29.18%	31.14%
% of Greek suppliers operating in Messinia	25.14%	24.73%	28.34%

PROCUREMENT BUDGET SPENT ON MESSINIAN SUPPLIERS

	2022	2021	2020
% of total procurement budget spent on Messinian suppliers	25.32%	25.54%	24.91%
% of F&B procurement budget spent on Messinian suppliers	46.58%	42.85%	43.36%



NAVARINO ICONS

In partnership with small and medium scale local producers, the company aims to acquaint people internationally with the region's rich culinary and cultural history. Under the Navarino Icons brand, it has developed high-quality food products meticulously selected from the region of Messinia.

Our purveyors create authentic local recipes under strict quality guidelines. Navarino Icons products are available at Costa Navarino and at more than 1,000 stores globally, including several landmark venues, such as Julius Meinl am Graben, Urban Deli, Dean & DeLuca, Whole Foods, Zabar's, Zingerman's, Wally's and many

more – in more than 20 countries.

The mini-items are also served in the first and business class of several international airline companies, such as Aegean Airlines, Lufthansa, as well as, British Airways, Air France and Emirates for selected routes departing from Greece.

Navarino Icons has received more than 50 awards and accolades for the quality of the products. The Extra Virgin Olive Oil (EVOO) World Ranking named Navarino Icons Estate Grown Extra Virgin Olive Oil as EVOO of the Year for consecutive years.



NAVARINO VINEYARDS

Through the operation of Navarino Vineyards, the destination's organic vineyards, launched by TEMES in collaboration with acclaimed Greek vintners, the company is introducing locally produced fine wine and spirits to international markets.

Navarino Vineyards are located close to the nearby village of Mouzaki, in an area covering 55 hectares at approximately 550m altitude. These old vines grow in an area with an ideal climate which, due to its temperature variation between morning and night, coupled with the advantageous elevation and level of humidity, is perfect for producing grapes of excellent quality.

The end result brings out the unique characteristics of the Messinian soil. The destination's wines have received worldwide recognition for their exquisite quality and have been awarded silver and gold medals in prestigious international competitions like AWC Vienna, Berliner Wein Trophy and Concours Mondial de Bruxelles.



CULTURE

The company commits to enhancing the diverse offering of cultural, leisure and sports activities every year for guests visiting Costa Navarino, creating year-round experiences and opportunities to explore the region of Messinia. The program at Costa Navarino reflects the decision to introduce people traveling from all over the world to the region's millennia-long history, to its culture and traditions, as well as to its pristine natural landscape. For the seventh year, a special weekend was organized in partnership with the Athens Democracy Forum. World-acclaimed authors and speakers led discussions and debates during 'The Democracy and Happiness Weekend', while attendees immersed themselves in thought-provoking discussions, and enjoyed sessions of beach yoga, philosophy walks and other cultural experiences. Notably, During May 29 to June 5, 2022, 13 projects from promising filmmakers selected for the Oxbelly Screenwriters and Directors Labs received guidance from mentors.

MORIAS '21

Honoring the bicentennial of the Greek Revolution in 2021, the "Captain Vassilis & Carmen Constantakopoulos" Foundation and TEMES implemented within 2021-22, the multi-faceted program MORIAS '21. This large-scale initiative was held in partnership with the Peloponnese Region and ten municipalities of the area, while it involved 75 organizations.

Inviting Greeks from all over the world to visit Peloponnese, where the Revolution of 1821 began, the program took travelers on a journey through history, through a total of 21 thematic activities and 135 interactive experiences, supported by scientific documentation provided by the University of Peloponnese.

The program highlighted the organic relationship between Peloponnese and the Greek Revolution through thematic routes crossing emblematic cities, villages and castles, tower houses and small fortresses, historic monasteries and lairs, battlefields and areas where political decisions were made in East and West Mani, Kalamata, Corinth, Monemvasia, Nafplio, Pylos and Tripoli. Additional activations took place in Messini, Oichalia and Trifylia. Participants learned about the heroes and events of this dramatic period, including battles, sieges, hopes and triumphs, but also the national vision and ideals that united a heterogeneous people in a common struggle for freedom, which began and concluded in the Peloponnese. Turning memory and space into a unique experience, the exciting journey was complemented by a series of activities focusing on History, Art, Gastronomy and Nature.

BUSINESS & SCIENCE

A multitude of conferences and seminars were held in 2022, especially in off-season months, resulting in bookings of more than 18,680 room nights at the two hotels at Navarino Dunes.

SPORTS

Navarino Challenge, the award-winning sports event, was held for the 10th consecutive year in Messinia and Costa Navarino, bringing together more than 3,000 people from 23 countries and all ages, to participate in a rich program featuring more than 40 sports activities.

GOLF

Golf tournaments attracting golf aficionados and professionals from all over the world, are hosted every year at the destination's signature golf courses. Europe's newest golf destination organized the first-ever Aegean Messinia Pro-Am 2022, which united two major golf events. Additionally, Costa Navarino teamed up with two-time Masters champion José María Olazábal and launched the Olazábal and Friends Charity Pro-Am.

ANIMAL WELFARE

TEMES in collaboration with the Captain Vassilis & Carmen Constantakopoulos Foundation and NGOs, launched in 2016 "Messinia Without Strays", a program focusing on the management of stray animals in the region of Messinia. In parallel, TEMES operates Navarino Pet Community, a stray animal's shelter in Costa Navarino led by volunteers among the TEMES associates.

Up to day 250 stray animals have found a home in 13 countries, more than 180 stray animals have been sterilized and more than 10 tons of pet food have been provided to the animals taken care by the program.

Generation and distribution of economic value

[GRI 201-1]

Ensuring TEMES' efficiency in creating wealth for stakeholders is a top priority, and evaluating the company's economic performance is key to this. The company closely monitors indicators related to economic value generated and distributed to inform our short- and long-term growth strategy which is aligned with the development of the region of Messinia.

Committed to this goal, TEMES implements policies that promote sustainable tourism, creates new jobs and business opportunities while promoting the region's local culture and products.










Services and hospitality activities and revenues showed a partial recovery as a result of the extension of the operating period in relation to 2021, while most of the Covid-19 restrictions had also been lifted. Moreover, in August 2022, the luxury hotel W Costa Navarino began operating in the Navarino Bay area.

Income from the sale of properties under construction for the Company rose in 2022 due to an increase in sales of properties.

KEY FINANCIAL DATA (in € million)

	2022	2021	2020	2019
Sales from Operations	75.3	48.8	24.3	53.6
Sales from Real Estate	50.0	18.6	42.4	20.9
Total Sales (Turnover)	125.2	67.4	66.7	74.5
Total Assets	904.8	726.9	633.6	588.0
Equity	422.5	407.4	374.6	366.5
Liabilities	482.3	319.6	259.0	221.5

DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED¹

	Economic Value Generated (in € million)	Economic Value Distributed (in € million)					Economic Value Retained (in € million)
							
	Total Revenues ²	Employee wages and benefits ⁴	Operating Costs ³	Payments to Government ⁶	Payments to Providers of Capital ⁵	Community Investments ⁷	Total
2022*	133.2	35.1	44.2	6.5	5.5	0.2	41.7
2021	71.6	23.3	30.3	5.4	3.9	0.2	8.5
2020	73.1	18.1	24.5	4.5	3.0	0.2	22.8
2019	82.6	22.2	32.0	5.4	2.5	0.2	20.3

Source: TEMES Financial Statements for 2018, 2019, 2020 and 2021

Notes:

1 Figures are compiled according to GRI 201-1, expressed in million euros and rounded up to the first decimal.

2 Includes revenues from sales, financial investments and sales of assets along with other operating income.

3 Includes costs for materials, products and services purchased from third parties excluding depreciation.

4 Includes wages, benefits and social insurance contributions.

5 Includes payments to providers of loans and swaps.

6 Includes all taxes such as corporate, property, VAT and taxes paid on behalf of third parties.

7 Includes donations made for charitable purposes, donations to local municipalities for infrastructure development, provision of food portions.

ABOUT THIS REPORT

6

Scope & reporting standards

[GRI 2-2, 2-3, 2-4]

This is the 6th Sustainability Report compiled by TEMES S.A. which aims to provide accessible and comparable information on issues that reflect the company's significant economic, environmental and social impacts and substantively inform our stakeholders' assessments and decisions. The report is available on the company's website www.costanavarino.com and on the GRI website www.globalreporting.org.

This report refers to the period from 1/1/2021 to 31/12/2022 (2019-2020 data is included for comparability reasons), unless otherwise noted, covering the entire range of activities of TEMES S.A. Although this Report covers the period of 2021-2022, the reporting period is aligned with the Annual Financial Reports of TEMES S.A. The company's intention is to return to an annual reporting cycle in its next Report.

The Report focuses on TEMES' commitment to promote sustainable tourism and contribute, directly or indirectly, to the UN Sustainable Development Goals relevant to its operation. This Report has been prepared in accordance with the GRI Standards 2021: Core option, the AA1000 AccountAbility Principles Standard and has taken into consideration the Integrated Reporting Framework <IR> issued by the International Integrated Reporting Council (IIRC) specifically for the depiction of how the company uses financial and non-financial input capitals to create sustainable development outcomes in the context of the UN SDGs.

The Report outlines the policies and management practices, as well as its company targets and achievements for 2021-2022, in a simple and comprehensive way with the use of key performance indicators. Where the information has been restated, it is clearly mentioned in the relevant chapter of this Report.

The Sustainability department of TEMES S.A. is responsible for the preparation, submission and distribution of this Report. TEMES S.A. is responsible for the calculation, collection and consolidation of quantitative data as well as for the accuracy and completeness of the quantitative and qualitative data included in this report.

Independent assurance

[GRI 2-5]

Our sustainability report has been externally assured by TUV HELLAS (TUV NORD) according to the requirements of the AA1000 Assurance Standard, as described in the independent Assurance Report accompanying the sustainability report (see p. 119).

Feedback

[GRI 2-3]

TEMES welcomes any feedback you may have on this report which will enable the company to further improve the structure and quality of information provided.

For matters pertaining to this report

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INDEPENDENT EXTERNAL ASSURANCE REPORT [GRI 2-5]



To: Management of TEMES S.A.

1. Scope of the External Assurance project of the Sustainability Report

The company TEMES S.A. (hereinafter referred to as TEMES) has assigned TÜV HELLAS (TÜV NORD) SA (hereinafter referred to as TÜV HELLAS) the limited external assurance of the Sustainable Development Report, which covers the period of 1/1/2021-31/12/2022.

The information in the Sustainability Report concerns the company TEMES and more specifically the company's headquarters in Athens and its facilities in Messinia, Greece.

The scope of the project consists of the following:

A. The external assurance of the information disclosed to confirm that the Sustainability Report of TEMES for 2021-2022 has been prepared "In Accordance" with the GRI Universal Standards 2021.

B. The control of the adherence to the AA1000 AccountAbility Principles (Inclusivity, Materiality, Responsiveness & Impact) against the criteria found in AA1000AP (2018).

The limited external assurance as it is defined by the above project scope, refers to the Sustainability Report of TEMES for 2021-2022 and it was conducted based on the corresponding correlation table of GRI Standards Indicators stated by TEMES, to confirm that the Sustainability Report has been prepared "In Accordance" with the GRI Universal Standards 2021, as well as the requirements of AA1000AP (2018).

2. Project Criteria

The external assurance was based on the evaluation of conformity with the requirements of the following guiding standards:

- A. GRI Universal Standards 2021
- B. AA1000AP (2018)

For the evaluation of conformity to the requirements of AA1000AP (2018), the provisions of the guide AA1000 Assurance Standard

(AA1000AS v3) were followed. More specifically, the Type 1-Moderate level of external assurance was followed. According to this, the level of conformity to the Accountability Principles, as they are stated within AA1000AP (2018), was evaluated.

3. Project methodology

Based on the conformance criteria of paragraph 2 and to draw conclusions, the external assurance team of TÜV HELLAS conducted the following (indicative and not restrictive) methodology:

- Reviewed the coverage of the "In Accordance" with the GRI Universal Standards 2021 requirements, as they are described within the GRI 1: Foundation 2021, GRI 2: General Disclosures 2021, GRI 3: Material Topics 2021.
- Reviewed the procedures followed by TEMES to identify and determine the material issues to include them within the Sustainability Report.
- Reviewed the materiality analysis of Sustainable Development and the identification of TEMES business impact activity on the environment, society, and the economy, as well as the risks and opportunities that arise for the company itself.
- Interviews were conducted with selected executives of TEMES having operational role in Sustainability issues to understand the current state of sustainability development activities and progress achieved during the period under reference.
- Reviewed the TEMES consultation approach with their stakeholders through interviews with executives responsible for communication with the interested parties at company level and review of selected documents.

4. Review limitations

The range of the review was exclusively limited to the activities of TEMES company and more specifically the company's headquarters in Athens and its facilities in Messinia, Greece. No visits and interviews in stakeholders of the TEMES have been conducted.

In case of any discrepancy in the translation between Greek and English version of the Sustainability Report, the Greek version shall prevail.

5. Responsibilities of the Reporting Organization and Assurance Provider

The team for Sustainability of TEMES carried out the Sustainability Report, thus, is exclusively responsible for the information and statements contained therein.

The external assurance conducted, as it is defined in the project scope (paragraph 1), does not represent TÜV HELLAS' opinion related to the quality of the Sustainability Report and its contents.

The responsibility of TÜV HELLAS is to express the independent conclusions on the issues as defined in the project scope and in accordance with the relevant contract. The project was conducted in such a way so that TÜV HELLAS can quote to TEMES administration the issues mentioned in this report and for no other purpose.

6. Conclusions

Based on the project scope (paragraph 1) and in the context of the external assurance procedure followed by TÜV HELLAS, the conclusions are as follows:

A. External assurance of the information disclosed to confirm that the Sustainability Report of TEMES for 2021-2022 has been prepared "In Accordance" with the GRI Universal Standards 2021.

- During the external assurance project carried out, nothing has come to the attention of TÜV HELLAS, which would lead to the conclusion that the Report has not been prepared "In Accordance" with the requirements of the GRI Universal Standards 2021, as reflected on the corresponding correlation GRI content index.

B. Adherence to the AA1000 AccountAbility Principles (Inclusivity, Materiality, Responsiveness & Impact) against the criteria found in AA1000AP (2018)

Inclusivity: Dialogue on Sustainability Issues with the Stakeholders

- We have not realized any matter that causes us to believe that major stakeholder groups were excluded from consultation processes, or that TEMES has not implemented the principle of Inclusivity in developing its approach to sustainability.

Materiality: Focus on the material issues related to sustainability

- We have not realized any matter that causes us to believe that the material issues' definition approach which was followed by TEMES does not provide a comprehensive and balanced understanding of the material issues.

Responsiveness: Addressing the needs and expectations of stakeholders

- We have not realized any issue, which would lead us to believe that TEMES has not responded timely and adequately, through decisions and actions, to the needs and expectations that emerged from the material issues of sustainable development.

Impact: Impact of company's activities to the broader ecosystems

- We have not realized any issue, which would lead us to believe that the TEMES has not understood and managed the direct and indirect impacts that the material aspects create to the broader ecosystems.

7. Impartiality and independence of the external assurance team

TÜV HELLAS states its impartiality and independence in relation to the project of TEMES' Sustainability Report external assurance. TÜV HELLAS has not undertaken work with TEMES and does not have any cooperation with the interested parties that could compromise the independence or impartiality of the findings, conclusions, or recommendations. TÜV HELLAS was not involved in the preparation of the text and data presented in the Sustainability Report of TEMES.

Athens, December 19, 2023

For TÜV HELLAS (TÜV NORD)

Nestor Paparoupas
Product Manager



2-12 Role of the highest governance body in overseeing the management of impacts	Our Approach to Sustainability – Materiality analysis Our Ethos of Sustainability – Sustainable corporate governance, regulatory compliance, business ethics (p.42)			
2-13 Delegation of responsibility for managing impacts	Our Approach to Sustainability – Sustainable corporate governance, regulatory compliance, business ethics (p.42)			
2-14 Role of the highest governance body in sustainability reporting	Our Approach to Sustainability – Materiality analysis Our Ethos of Sustainability – Sustainable corporate governance, regulatory compliance, business ethics (p.42)			
2-15 Conflicts of interest	Our Approach to Sustainability – Sustainable corporate governance, regulatory compliance, business ethics (p.43)	2-15 b	Information unavailable/ Incomplete	Information is not available due to lack of processes to gather information in a timely manner, however the company is planning to disclose the requested information in the next report.
2-16 Communication of critical concerns	Our Approach to Sustainability – Sustainable corporate governance, regulatory compliance, business ethics (p.44)			
2-17 Collective knowledge of the highest governance body	Our Approach to Sustainability – Sustainable corporate governance, regulatory compliance, business ethics (p.42)			
2-18 Evaluation of the performance of the highest governance body		2-18 a, b, c	Information unavailable/ Incomplete	Information is not available due to lack of processes to gather information in a timely manner, however the company is planning to disclose the requested information in the next report.

2-19 Remuneration policies		2-19 a, b	Information unavailable/ Incomplete	TEMES does not have a remuneration policy for members of the highest governance body and senior executives. The Company aims to meet the disclosure's requirements in the next Sustainability Report.
2-20 Process to determine remuneration		2-20 a, b	Information unavailable/ Incomplete	TEMES does not have a remuneration policy and thus it cannot provide the process of design. The Company aims to meet the disclosure's requirements in the next Sustainability Report.
2-21 Annual total compensation ratio				
2-22 Statement on sustainable development strategy				
2-23 Policy commitments	Our Approach to Sustainability – Sustainable corporate governance, regulatory compliance, business ethics (p.45)			
2-24 Embedding policy commitments	Our Approach to Sustainability – Sustainable corporate governance, regulatory compliance, business ethics (p.46)			
2-25 Processes to remediate negative impacts	Our Approach to Sustainability – Sustainable corporate governance, regulatory compliance, business ethics (p.43)			
2-26 Mechanisms for seeking advice and raising concerns	Our Approach to Sustainability – Sustainable corporate governance, regulatory compliance, business ethics (p.44)			
2-27 Compliance with laws and regulations	Our Approach to Sustainability – Sustainable corporate governance, regulatory compliance, business ethics (p.46)			

2-28 Membership associations	Our company – Memberships and associations (p.12)
2-29 Approach to stakeholder engagement	Our Approach to Sustainability – Working together with stakeholders (p.27)
2-30 Collective bargaining agreements	Contribution to employment – Our approach (p.52)

Material Topics

GRI 3: Material Topics 2021	3-1 Process to determine material topics	Our Approach to Sustainability – Materiality analysis (p.36)
	3-2 List of material topics	Our Approach to Sustainability – Materiality analysis (p.36)

Contribution to employment

GRI 3: Material Topics 2021	3-3 Management of material topics	Contribution to employment – Our approach (p.50)
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Contribution to employment – Our performance (p.56)
	202-2 Proportion of senior management hired from the local community	Contribution to employment – Our approach (p.52)
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Contribution to employment – Our performance (p.55)
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Contribution to employment – Our performance (p.57)
	401-3 Parental leave	Contribution to employment – Our performance (p.57)
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Contribution to employment – Our performance (p.58)
	404-2 Programs for upgrading employee skills and transition assistance programs	Contribution to employment – Our performance (p.58)
	404-3 Percentage of employees receiving regular performance and career development reviews	Contribution to employment – Our performance (p.59)

GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employ	Contribution to employment – Our performance (p.59)
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Contribution to employment – Our performance (p.50)
Promotion of the health, safety and wellbeing of employees and guests		
GRI 3: Material Topics 2021	3-3 Management of material topics	Promotion of the health, safety, and well-being of associates and guests – Our approach (p.61)
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Promotion of the health, safety, and well-being of associates and guests – Our approach (p.62)
	403-2 Hazard identification, risk assessment, and incident investigation	Promotion of the health, safety, and well-being of associates and guests – Our approach (p.63)
	403-3 Occupational health services	Promotion of the health, safety, and well-being of associates and guests – Our approach (p.63)
	403-4 Worker participation, consultation, and communication on occupational health and safety	Promotion of the health, safety, and well-being of associates and guests – Our approach (p.63)
	403-5 Worker training on occupational health and safety	Promotion of the health, safety, and well-being of associates and guests – Our approach (p.64)
	403-6 Promotion of worker health	Promotion of the health, safety, and well-being of associates and guests – Our approach (p.65)
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Promotion of the health, safety, and well-being of associates and guests – Our approach (p.66)
	403-8 Workers covered by an occupational health and safety management system	Promotion of the health, safety, and well-being of associates and guests – Our approach (p.62)
	403-9 Work-related injuries	Promotion of the health, safety, and well-being of associates and guests – Our performance (p.67)
	403-10 Work-related ill health	Promotion of the health, safety, and well-being of associates and guests – Our performance (p.67)

Mitigation and adaptation to climate change

GRI 3: Material Topics 2021	3-3 Management of material topics	Mitigation and adaptation to climate change – Our approach (p.69)			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Mitigation and adaptation to climate change – Our performance (p.77)			
	302-2 Energy consumption outside of the organization		Entire disclosure	Not available	Information is not available due to lack of processes to gather information in a timely manner, however the upstream and downstream impact outside of the organization is already covered in GRI 303-5 (Scope 3 emissions)
	302-3 Energy intensity	Mitigation and adaptation to climate change – Our performance (p.73)			
	302-4 Reduction of energy consumption	Mitigation and adaptation to climate change – Our performance (p.78)			
	302-5 Reductions in energy requirements of products and services		Entire disclosure	Not available	Reductions in energy requirements of products and services is not applicable because the company does not design, manufacture, or sell products that consume energy
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Mitigation and adaptation to climate change – Our performance (p.83)			
	305-2 Energy indirect (Scope 2) GHG emissions	Mitigation and adaptation to climate change – Our performance (p.83)			
	305-3 Other indirect (Scope 3) GHG emissions	Mitigation and adaptation to climate change – Our performance (p.83)			
	305-4 GHG emissions intensity	Mitigation and adaptation to climate change – Our performance (p.84)			
	305-5 Reduction of GHG emissions	Mitigation and adaptation to climate change – Our performance (p.86)			

305-6 Emissions of ozone-depleting substances (ODS)	Mitigation and adaptation to climate change – Our performance (p.69)	Entire disclosure	Not applicable	TEMES' operations do not produce any Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Mitigation and adaptation to climate change – Our performance (p.69)	Entire disclosure	Not applicable	TEMES' operations do not produce Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions

Preservation of water resources

GRI 3: Material Topics 2021	3-3 Management of material topics	Preservation of water resources – Our approach (p.87)		
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Preservation of water resources – Our approach (p.87)		
	303-2 Management of water discharge-related impacts		Entire disclosure	Not applicable
	303-3 Water withdrawal	Preservation of water resources – Our approach (p.91)		
	303-4 Water discharge		Entire disclosure	Not applicable
	303-5 Water consumption	Preservation of water resources – Our approach (p.90)		

Protection and restoration of species and habitats

GRI 3: Material Topics 2021	3-3 Management of material topics	Protection and restoration of species and habitats – Our approach (p.93)		
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GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Protection and restoration of species and habitats – Our approach (p.96)
	304-2 Significant impacts of activities, products and services on biodiversity	Protection and restoration of species and habitats – Our approach (p.94)
	304-3 Habitats protected or restored	Protection and restoration of species and habitats – Our approach (p.95)
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Protection and restoration of species and habitats – Our approach (p.94)

Waste minimization and promotion of circular economy

GRI 3: Material Topics 2021	3-3 Management of material topics	Waste minimization and promotion of circular economy – Our approach (p.99)
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste minimization and promotion of circular economy – Our approach (p.99)
	306-2 Management of significant waste-related impacts	Waste minimization and promotion of circular economy – Our approach (p.99)
	306-3 Waste generated	Waste minimization and promotion of circular economy – Our approach (p.102)
	306-4 Waste diverted from disposal	Waste minimization and promotion of circular economy – Our approach (p.102)
	306-5 Waste directed to disposal	Waste minimization and promotion of circular economy – Our approach (p.102)

GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Waste minimization and promotion of circular economy – Our approach (p.100)			
	308-2 Negative environmental impacts in the supply chain and actions taken		Entire disclosure	Information unavailable/ Information incomplete	Information is not available due to lack of processes to gather information in a timely manner, however the company is planning to disclose the requested information in the next reporting cycles.

Support for infrastructure development

GRI 3: Material Topics 2021	3-3 Management of material topics	Support for infrastructure development – Our approach (p.104)			
TEMES Internal Indicators	TEMES Internal Indicators Amounts invested by TEMES on infrastructure developments per category	Support for infrastructure development – Our performance (p.106)			
	Number of flights in Kalamata airport	Support for infrastructure development – Our performance (p.107)			
	Arrivals of passengers through Kalamata airport	Support for infrastructure development – Our performance (p.107)			

Other topics

Promotion of local development

Generation and distribution of economic value

GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Generation and distribution of economic value (p.114)			
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