

As our company is striving to reach higher and create greater value for its customers, I am happy to present the first ever progress report on behalf of Adjara Group Hospitality as part of the United Nations Global Compact. Our company shares the UN Global Compact's principles on Human Rights, Environmental Responsibility and Corporate Integrity and it is my goal to lead the team towards more responsible, transparent and fair ways of doing business. Adjara Group Hospitality has proven to be the leader in the Hospitality industry in terms of adhering to such principles. We have come long ways since the company was founded and our team is convinced that this is just the first step towards greater developmental goals!

It is the company's aim to administer more efficient, accountable, transparent, and accessible operations while reducing costs as much as possible. We seek to strengthen sustainability through such actions as water, electricity, and waste recycling and other innovative practices. In addition, we are part of the "Green Engage" program that helps hotels with saving environment and ensures implementation of green ideas on our properties.

Adjara Group Hospitality arranges open meetings with government officials and the media to communicate and share our company's future development plans to ensure transparency of the process and show our commitment to anti-corruption environment through independent auditing of the company on regular bases. We are also actively involved in the dialogue with the local community through CSR, as well as various outreach activities and practices. As far as relationships with our employees go, our staff members are guaranteed that their rights will be protected regardless of own religious, cultural, or political beliefs.

This year, Adjara Group Hospitality aims at devoting much more time and greater efforts to gender issues. We are planning to begin an interview process with one of the women's shelters that will result in new and equal opportunities for independent women in the future. This measure will empower women and help our employees better understand what needs to be done to strengthen their rights. Another goal for the next year is to arrange business development trainings for women that will help them learn more and move forward with their carriers.

I am proud to share the above-mentioned information and report today and I would like to use this opportunity to urge every leader across the globe to be more open in this regard!

Sincerely,

Valeri Chekheria

CEO

Adjara Group Hospitality