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**ADJARAGROUP**

# Adjara Group

The largest and fastest growing Georgian company in hospitality, lifestyle development and agropreneurship. The company is the creator and manager of the first Georgian hospitality chain - Rooms Hotels

Photo: Roberta Valerio / Rooms Tbilis 2016



# Adjara Group is a member of the UN Global Compact's initiative

- The company shares the UN principles on Human Rights, Labour, Anti-Corruption, and Environmental Responsibility. Our policies and business practices reflect a commitment to making a positive impact in communities around the country.
- Adjara Group strives to create a diverse and inclusive workplace where every employee is respected, empowered and rewarded. Equality in terms of gender, ethnicity and sexual orientation is the key to the company's corporate culture.



# Mr. Valeri Chekheria, CEO of Adjara Group

“I am pleased to present our Second Progress Report on behalf of Adjara Group as part of the United Nations Global Compact. Our company shares the UN Global Compact’s principles on Human Rights, Labour, Anti-Corruption, and Environmental Responsibility, and it is my goal to lead the team towards more responsible, transparent and fair business practices. Adjara Group has proved to be the leader in adhering to such principles in the Hospitality industry. We have come a long way 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, waste recycling and other innovative practices.

Adjara Group arranges open meetings with government officials and the media to communicate and share our company’s future development plans. In doing so, we ensure transparency of the process and show our commitment to an anti-corruption environment.

We are also actively involved with the local community through CSR, as well as various outreach activities. So far as relationships with our employees are concerned, our staff members are guaranteed that their rights will be protected regardless of their gender, or their religious, cultural or political beliefs.

This year, Adjara Group aims at devoting much more time and effort to gender issues. We have undertaken a partnership with one of the domestic violence women’s shelters that has resulted in new and equal opportunities for women. This measure has empowered women and helped our employees better understand what needs to be done to strengthen their rights and their economic stability.

I am proud to share the above-mentioned information and I would like to use this opportunity to urge every leader everywhere to be more open in the fields of Human Rights, Environmental Responsibility and Corporate Integrity.”



# Human Rights

Our company's internal code is based on Georgian law and international standards. Beginning with the hiring process and throughout the whole of their employment, our staff members are guaranteed that their rights will be protected regardless of their gender, ethnic, religious, cultural or political beliefs.

Although we have never experienced an abuse of human rights incident, any relevant actions are strictly controlled by the heads of each department

We have discovered a simple and wholly confidential way of obtaining feedback from our staff members. In places with the most frequent employee footfall, we have installed suggestion boxes that collect such items as the votes for best employee of the month, suggestions to the company, ideas for improvement, and complaints or messages with confidential information

# Corporate Social Responsibility

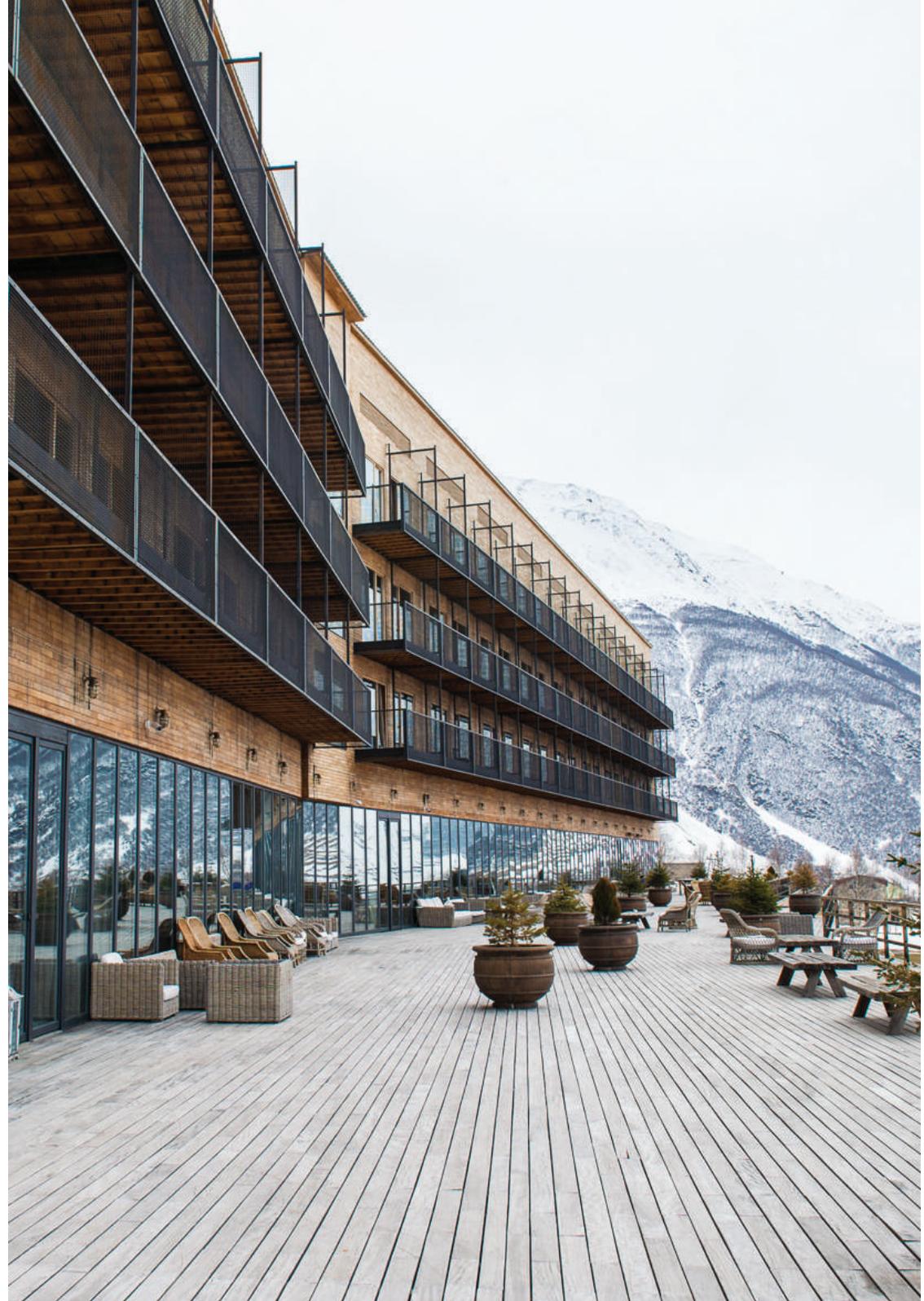
Our policies and business practices reflect a commitment to making a positive impact in communities around the country: we at Adjara Group have taken it upon ourselves to restore historical buildings rather than building new ones; to be leaders in ecofriendly projects; and to be involved in our local communities by educating the young to build their foundation for future employment:

Our executive team is deeply involved in educating the younger generation by volunteering as lecturers at local Universities.

- **Grassroots Engagement** - After having opened Rooms Hotel Kazbegi the region has become one of the most popular sustainable destinations. The company has utterly transformed the area and it has resulted in inward migration with people who had left returning to Kazbegi to set up small businesses. The company also intends to create a series of exchange programmes between Tbilisi and Kazbegi youth and to organise awareness programmes on domestic violence and gender rights.

- We are partnering with the **Georgian Farmer's Association**- At Adjara Group, we work rigorously behind the scenes to ensure that our food and wine is grown and produced by local farmers

- Adjara Group has implemented the **Women's Empowerment Principles** and has an action plan to promote gender equality and the empowerment of women. We have initiated a successful project, "The employment of women survivors of domestic violence". The project provides victims of domestic abuse with job opportunities and offers the possibility of gaining financial independence.



# Gender Equality and Women's Empowerment Programmes

This year's goal is to empower women and help our employees better understand what needs to be done in strengthening women's rights. We are determined to increase the number of qualified women hired in every part of our company's corporate structure and to support new women leaders.

**Our company currently consists of:**

**Board of directors:** 5 men (50%) and 5 women (50%)

**Executive team:** 10 men (38%) and 16 women (62%)

**Total number of management positions:** 76 (100%)

Men in management positions: 38 (50%)

Women in management positions: 38 (50%)

**Total number of staff:** 1900 (100%)

Number of female employees: 855 (45%)

Number of male employees: 1,045 (55%)

# Environment

Since there are no regulations or policies determined by the Georgian law, it is something of a challenge to us to implement water, electricity and waste recycling procedures within our company. Nevertheless, we are :

Collaborating with Tissue Paper LLC that produces napkins and toilet paper from recycled paper

Using Green boxes in our offices to encourage our employees to recycle

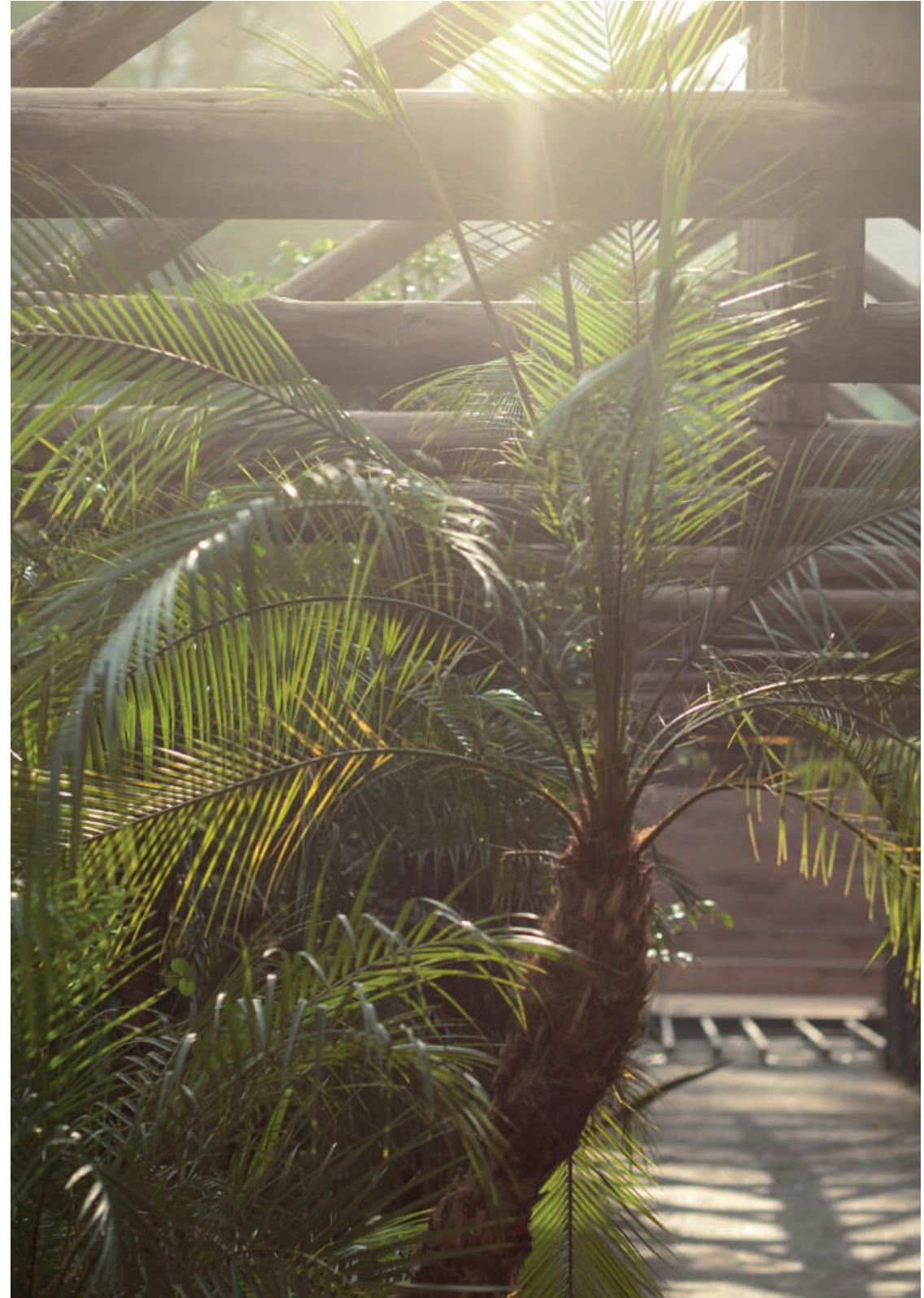
Decreasing electricity consumption at Holiday Inn Tbilisi, Rooms Kazbegi and Fabrika by installing energy efficient light bulbs in 80 percent of the buildings

A part of the Green Engage programme which encourages us to be more environmentally conscious and to ensure the implementation of green ideas on the property

Participating annually in Earth Hour

Investing in a series of environmentally friendly electric cars which limit the deterioration of air quality. The company has set Electric Vehicle Stations – EVS- in the parking space of Rooms and Stamba Hotels.

Sending used kitchen oil from all the properties to an ISO certified company for recycling purposes.



# Employees Benefits

Adjara Group works in accordance with the **labour** standards of the Intercontinental Hotel Group and with Georgian Labour requirements

## **Employees are provided with:**

- Medical insurance
- Laundry service
- Transportation
- Daily Meals

The company understands that inflation in the country affects everyone and this is also reflected in the growth of the minimum wage. We ensure that every employee fully understands the mutual responsibilities between the company and themselves. One of the hiring procedures includes a presentation of the company's internal regulations and conducting a detailed orientation based on the corporate culture, structure and teamwork. All decisions relating to staff are harmonized with Georgian Law, which complies with European hotel standards.

# **Thanks to our employment structure, the problem of Corruption does not affect our company**

Nevertheless, every year we have KPMG carry out a mandatory financial and tax-related audit in accordance with the law. The audit results are transparent and publicly accessible and this ensures the absence of any kind of corruption in the company. We also arrange open meetings with government officials and the media to communicate and share our company's future development plans to ensure that the process is transparent and to show our commitment to an anti-corruption environment.

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