

GreenStar Report

Our Commitment to the UN SDGs

EXECUTIVE SUMMARY



SUSTAINABLE DEVELOPMENT GOALS



SUSTAINABLE DEVELOPMENT GOALS

Disclaimer:

This executive summary of our SDG report is based on the United Nations Sustainable Development Goals (aka Global Goals; aka UN SDGs) and its specific targets linked to the seventeen overall SDGs. We give highly credit to the initiative of the United Nations that provide a better understanding for the global society and its diverse actors, what needs to be done to master the major contemporary and future challenges, particularly with reference to implementation needs until year 2030. We appreciate the usability of the SDGs and its graphic illustrations for informational purposes and would like to underline that we developed this report and the executive summary to show our specific commitment and relevance to the SDGs, encourage others to consider to develop and publish their own SDG reports (if not done yet) and overall that we support the SDGs and its formulated targets to improve sustainability performances in our surroundings!

The full GreenStar UN SDG report is accessible on www.greenstar.fi or please inquire via -----@greenstar.fi

To learn more about the UN SDGs, please visit the following website:

<https://sdgs.un.org/goals>

Development of the GreenStar UN SDG report...

At GreenStar we had from the very beginning of our operations in year 2008 sustainability practices, particularly the environmental factors, fully integrated into our business model. Sustainable development in a business entity (like elsewhere) is multifaceted! It requires continual improvement and holistic focus on ecological, social and economic factors (and metrics). Implementation might be the most crucial step, but reporting about achievements, room for improvement and strategic pathways and goals are fundamentally important, too! Therefore, we disclose multiple reports and other corporate publications (with coverage of financial and non-financial aspects) and one of these reports is our UN SDG report and supplementary this Executive Summary of the particular report.

The GreenStar UN SDG report, as the title already clarifies covers everything that matters in our operations regarding the 17 SDGs and we highlight our self-assessed relevance levels. In the four cities of current operations, Joensuu, Jyväskylä, Lahti and Vaasa, smart city developments, circular economy transition projects and climate action activities are all on the agendas of the local governments and we perceive ourselves as a meaningful stakeholder to correspond to the needs of sustainable business developments in these cities.

In the following executive summary of the GreenStar UN SDG report, we will outline and discuss briefly all 17 SDGs and highlight and comment our specific commitment towards those. Being for example the first carbon-neutral hotel chain in Finland, gives us the opportunity to share with our visitors, investors, local governments and other stakeholder groups our activities and plans to contribute to the fulfillment of the SDGs as aspired by the United Nations and global societies. The comprehensive report is available on the GreenStar website and can also be inquired directly from the corporate management.

The GreenStar relevance Scale

For our high, very high and moderate relevance level SDGs (q.v. Table #1 “GreenStar and clustered UN SDGs based on the internally identified impact levels”), we provide even more in-depth reporting and assessment and have developed our GreenStar scale, highlighting for each Goal and Target of a specific SDG a rating from one up to five green stars, indicating our relevance levels with respect to our mission, strategy and the impacts of daily operations. Table #2 “GreenStar - SDG Assessment Levels” below emphasizes, what each relevance level would mean regarding the Global Goals Targets.



Table 1 GreenStar and clustered UN SDGs based on our internally identified impact levels

GreenStar – Description of Relevance Levels	GreenStar Relevance (Scale Star 1 - Star 5)
Very high relevance level for <u>GreenStar</u> . In the five-star segment are SDG Targets that have also highest priority in our value chain. This embraces positive impact realization, for instance by utilizing clean energy, reduction of natural resources, contribution to smart city developments and to guarantee health and safety for visitors and workforce.	★★★★★
High relevance level for <u>GreenStar</u> . In the four-star segment are SDG Targets with high importance that allow us to take initiative and gain positive impacts, or on the contrary to avoid negative impacts. This may link transition plans towards circular economy and being a frontrunner in a sustainable tourism sector.	★★★★
Moderate relevance level for <u>GreenStar</u> . In the three-star segment are SDG Targets that cover meaningful aspects to some extent affiliated to our operations. This may be linked to cooperation and partnerships with local governments or enhancement of regional sustainable business development.	★★★
Low to mediocre relevance level for <u>GreenStar</u> . In the two-star segment are meaningful aspects that could be affiliated to our operations or are meaningful for our business partners, visitors or other stakeholders. This could embrace for instance academic work towards renewable energies that we could support, but not conduct ourselves.	★★
Low relevance level for <u>GreenStar</u> , when it comes to implementation. A one-star designation is often for SDG Targets that are particularly focusing on sustainable development in developing countries. However, at <u>GreenStar</u> we highly appreciate the global holistic view of the Global Goals.	★

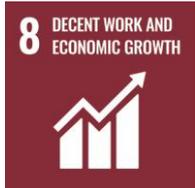
Table 2 GreenStar - SDG Assessment Levels

GreenStar and its SDGs with High Relevance

In the following, we outline the five SDGs that we indicate based on our analysis to high or very high relevance with respect to our operations. These five SDGs are SDG #7: Affordable and Clean Energy, SDG #8: Decent Work and Economic Growth, SDG #9: Industry, Innovation and Infrastructure, SDG #11: Sustainable Cities and Communities and SDG #12: Responsible Consumption and Production and all of them are designated to either five- or four-star relevance.



Already while planning our foundation in 2008, we understood at GreenStar that the hotel sector clearly needed a change, largely to enhance sustainable energy sources. Burning coal, oil and gas could not be a viable solution. Many negative ecological impacts on this planet origin from the huge energy demands of mankind and unfortunately this energy hunger is even growing.



At GreenStar this Goal was like several others in focus long before the SDGs emerged. Good working conditions in all operational segments are fundamental for us highlighting health and safety and fair remuneration in particular. Fortunately, already the Finnish market provides a strong legal framework and law enforcement in this respect.



An innovative mindset in a modern business is essential to be in line with sustainable development and being active in the hospitality and tourism sector is no exception for that. GreenStar is currently in an expansion phase. In the years to come, we strive for the opening of eight more hotel branches in other cities and here it matters to what extent infrastructure and innovations are established in this place and to what extent we could contribute.



Smart city developments are nowadays highly on political agendas and this for good reason. In Finland, like in many other places across Europe and the globe, we have a long ongoing development of urbanization and this requires actions from public and from private



sector. The hospitality sector has a fair share of responsibility in this context and we at GreenStar contribute with our sustainable business concept that intertwines with smart urban area developments.



This SDG is one of the most relevant for GreenStar and our operations, by stressing particularly the aspect of responsible consumption. Our hotel operations rely evidently on natural resources to enable the provision of heating, water and electricity. At GreenStar we understand this from the early days of operations and put emphasis on consumption levels and run frequently evaluations in this regard, seeking also external expertise for assistance!



GreenStar and its SDGs with Moderate Relevance

In the following, we outline the five SDGs that we cluster, based on our analysis, to moderate relevance with respect to our operations. These five SDGs are SDG #13: Climate Action, SDG #3: Good Health and Well-being, SDG #6: Clean Water and Sanitation, SDG #5: Gender Equality and SDG #17: Partnerships for the Goals and all of them are designated to three-star relevance.



At GreenStar, we do scrutinize our climate impacts and have already several achievements that contribute to the individual climate goals of Finland as a nation and also to the cities/regions with our hotel branches. GreenStar has a clear picture of its emissions as in cooperation with Sweco, an European engineering consultancy, we calculate thoroughly the emissions of all four GreenStar Hotel branches (already in operation) in Finland and notably we are operating fully carbon neutral.



As a hotel chain, we have multifaceted and high responsibilities towards our guests and workforce and this requires continual evaluation and maintenance of the hotel premises to avoid unnecessary harm to anybody in this regard. We find amongst others, for us meaningful aspects in the avoidance of hazardous chemicals and pollution of air, water and soil. We fully contribute in the framework of our environmental management system.





In tourism and hospitality sector, we welcome visitors from all over the globe and perceptions of values regarding preservation needs for fresh water could be different among individuals, therefore, we intend to raise awareness towards the significance of this topic and moreover dedicate our environmental and waste management towards the recognition of this goal to prevent pollution and avoid in any instance the release of hazardous chemicals.



Diversity in our operations is an essential element of our governance strategy and this includes gender diversity, but also goes beyond. We underline also in our ESG report 2021, that we integrate this aspect into our operations to enhance business partnerships and stakeholder relations, because this is just the right path to follow to avoid any sort of discrimination and exclusion.



One of the main mandates of the United Nations is evidently the multifaceted mission to bring people to the tables and to communicate in a productive manner. Therefore, SDG #17 to embrace holistically the need and significance of building partnerships is not only logic, but essential to give successful implementation of the SDGs any chance. At GreenStar in our specific business environment, including our investors, guests and other stakeholders, such as city councils, we found particularly relevance in the “systemic issues” as addressed in this SDG framework.

GreenStar and its SDGs with Low Relevance

Seven out of the seventeen SDGs have lower relevance levels for GreenStar operations than the other SDGs and its Targets, due to its mere applicability (in many cases) based on the geographical and societal frameworks. All of them are designated to either one- or two-star relevance.



Education is evidently, something that we embrace also when it comes to our operations, whenever applicable and also the management board members continue to educate themselves across the dynamic fields of contemporary challenges, like the climate crisis, urbanization developments and novel investment instruments. However, the low relevance here is designated to the priority focus in the Targets to access school systems, something that is fortunately already in place in the Nordic countries.



A fundamental SDG in terms of improving human rights with significance in every country. The Finnish market can be fortunately considered as politically and societal stable, an enormous asset for personal lives, but also in order to do business. Gender and income equality remains almost everywhere an issue. In the big picture, it is important, as in the long-run the bottom 40 % of the global population should gain enormous income growth (Target 10.1) and global financial markets regulation and monitoring will be improved to achieve this (Target 10.5).



The United Nations have coined this SDG to preserve aquatic ecosystems that are essential for the whole globe. Finland has plenty of water bodies inside (rivers, lakes) and also the shores to the Baltic Sea. Therefore waste water management and responsible water consumption are essential and at GreenStar these evaluations are part of our monitoring as described earlier. GreenStar branches are all located in cities, however, impact to water biodiversity could be made nonetheless and we proactively correspond to protection needs.



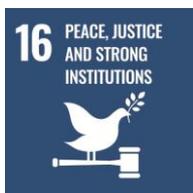
Life on Land is another SDG heading that is overall important in Finland. The vast forest lands and rural areas find plenty of aspects that are embraced in these affiliated Targets. In our urban environments, we consider particular surroundings of the city and our waste streams, together with our external experts and this is covered in diverse reports and we dedicate this to larger extent to SDG #12: Responsible Consumption and Production.



An essential Goal in the global context, considering inequalities across the nations and regions on this planet. Target 1.5 clarifies the necessity to build climate resilience across the globe to decrease poverty levels, in particular in low-income countries. We all have the responsibility to do the utmost to improve our individual climate performance, this is why climate action is ranked with higher relevance for us.



SDG #2 goes well hand in hand with SDG #1 and the quality of life for all individuals on this planet relies on achieving these two goals. Having large parts of the global population left behind in desperate situations is not sustainable and will affect everybody eventually. The low relevance level for us is based on the fact that Finland is not a country with malnutrition challenges, what does not mean that northern communities have no responsibilities.



This SDG is important for all of us and particularly requires action from the elected bodies in the governments. It is their duty to establish the strong institutions, such as the United Nations, but also smaller more specific mandated ones, to implement the Global Goals in the decade to come. For us as a private sector actor, we understand our responsibility, to lead by good example and setting sustainability benchmarks in the tourism and hospitality sector.

Final Remarks...

To integrate sustainable development into business operations is not easy, but it is necessary in our times and cannot be taken lighthearted. It is tough to enter a path by knowing in advance that this path needs to be going on for indefinite time periods. There are projects and objectives that have limited time frames, but in order to be sustainable and allowing intergenerational justice, sustainability cannot stop at any point.

From our specific perspective and business angle at GreenStar, we would like to conclude our efforts regarding the SDG report and this particular executive summary with highlighting that readers can perceive that there is a myriad of Targets affiliated to the seventeen UN SDGs that have high or very high relevance in our operations, beyond the five SDGs that we clustered into the highest relevance segment. By developing this report, we were fortunately in a position to build plenty of cross-references linked to our other non-financial publications that cover many sustainability related aspects, including carbon neutrality, environmental impacts, energy consumption and resource utilization.

In the years to come, we will remain on the path of sustainable development that we entered upon our foundation in 2008, and will (as before) scrutinize frequently our environmental impacts and social performances. Consequently, we will continue to share the results of these assessments with our stakeholders and once specific targets are achieved, new ones will be set up to allow continual improvement processes. As a final remark, we would like to underline once more, it is good to set up goals and targets to be sustainable, but eventually they do not mean much, if those do not transfer from the policy level to implementation. Therefore, doing specific reporting regarding the SDGs helps to understand better, where one's organization stands in terms of implementation and hopefully in the upcoming decade more and more private and public organizations decide to disclose individual SDG performances to contribute to the overall initiative!

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United Nations Sustainable Development Goals (UN SDGs)/ Further information available on: <https://sdgs.un.org/goals>

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