

THINKING TODAY ABOUT TOMORROW'S ENVIRONMENT

Together, with many small steps
achieve great progress.



**CORPORATE MISSION
STATEMENT**
WELCOME HOTELS



WELCOME HOTELS

The things we do today determine what the world will look like tomorrow.

Marie von Ebner-Eschenbach
(1830 - 1916)

We, the Welcome Hotels, are also convinced of this. We are already thinking today about the environment of tomorrow. Together, with our strong team, we want to make great progress through many small steps. We feel responsible not only for what we do, but also for what we don't do.

Our goal is to take social responsibility and make a crucial contribution to preserving the environment for future generations. We are not striving for perfection, but rather to act responsibly according to our understanding and to have the courage to make the right decisions, regardless of the consequences, strategically and operationally.

Our understanding of sustainability goes far beyond the environmental level. With backbone and integrity, we create social added value for our guests, employees, partners, suppliers and investors. Our entrepreneurial action is supported by innovative standards and structures of modern, sustainable corporate management.

The "Welcome" brand and our values are meant to inspire. They form the identity of our company, make us unique and unmistakable. Ultimately, they form the foundation of our vision - to establish ourselves as the most popular operator of full-service hotels in beautiful B and C destinations throughout Germany.

This company mission statement outlines our principles and serves as a guide for achieving our goals and aspirations.

Your Welcome Hotels

page	03	1. ABOUT US
	<hr/>	
	04	2. LOCATIONS
	<hr/>	
	05	3. VISION & MISSION
	<hr/>	
	06	4. OUR VALUES
	<hr/>	
	07	5. INSPIRATION AND PRINCIPLES
	<hr/>	
	10	6. FOR THE SAKE OF THE ENVIRONMENT - OUR UNDERSTANDING OF SUSTAINABILITY
	<hr/>	
	11	7. ESG-CRITERIA - ENVIRONMENT, SOCIAL, GOVERNANCE
	<hr/>	
	31	8. SUSTAINABILITY CERTIFICATION & CARBON FOOTPRINT

FOREWORD



Karl Schattmaier
Chief Executive Officer



Dr. Christoph Scherk
Chief Financial Officer



Jürgen von Massow
Chief Operating Officer

HOTEL WELCOME FOREWORD

1

Since 1998, we have been passionate about inspiring our guests - from head to toe with wellness to the next meeting. Our 13 hotels throughout Germany are a "I-feel-welcome-here" place, a home away from home.

In addition, our more than 800 employees take the small but significant step every day that makes the difference and makes us so unique and distinctive. That is what drives us - in everything we do.

We have the perfect hotel offerings: for the next city trip, to a romantic weekend for two - from a castle to a lakefront hotel to a classic business and conference hotel. Our 3- and 4-star superior hotels offer an authentic charm and comfort for unforgettable moments, in addition to a wide range of conference capacities.

2



ABOUT US

LOCATIONS



3

VISION: PASSION MADE IN GERMANY.

The most popular operator of full-service hotels in beautiful B and C destinations throughout Germany.

MISSION:

- We aim to delight our guests, employees, suppliers, partners, and investors on all levels - creating a "welcome home" environment, exceeding expectations, and creating unique moments for everyone.
- Our employees are our focus: fostering and valuing all team members - moving forward together.
- In our business practices, we prioritize continuous and sustainable growth: targeted expansion of our portfolio, strong returns, and efficient cost management.
- We act responsibly in our interactions with the planet and society.
- Local and regional: collaborating with strong partners and suppliers.

VISION & MISSION



*WELCOME is not just a word
... it is our passion!*

4

"At home while travelling" with our values: Our "We" feeling, our unified language. As a foundation, the values contribute to the identity of our company:

W

APPRECIATION: We take you straight into our middle, as part of our team. We value and respect you as you are.

E

HONESTY: We rely on honest exchange and admitting your mistakes. We stand by you and together we can solve every challenge.

L

SMILE: Warmth is reflected in your smile. We convince our guests, colleagues and partners with pure friendliness. Your smile always returns to you.

C

OPPORTUNITIES: With us, you get much more, not only experience, you can take advantage from a wide range of education, perfect for your personal constant development.

O

OPENNESS: Show who we are. We are open and creative, we are proud of what we do, every day – every time.

M

COOPERATION: "Together" and nothing else, our way to move forward. Everyone's individual work is important and contributes to our common success.

E

ENGAGEMENT: Our daily work is characterised by sustainability, social responsibility and compliance with our code of conduct.

OUR VALUES

5

We don't have to reinvent everything - sustainability is more relevant than ever. To implement these principles, achieve our vision, and contribute to the common good of society, we align ourselves with well-known public guidelines:

SUSTAINABLE DEVELOPMENT GOALS:

From fighting hunger and poverty to providing affordable and clean energy, to addressing climate change and creating liveable, sustainable habitats - under the Agenda 2030, the 193-member states of the United Nations have established 17 overarching goals for worldwide sustainable development on economic, social, and environmental levels. In addition to the German federal government with its coalition agreement, we, as Welcome Hotels, can also identify 100% with these goals - which is why providing the best possible support in all areas is a matter close to our hearts.

ZIELE FÜR NACHHALTIGE ENTWICKLUNG



INSPIRATION AND PRINCIPLES

GLOBAL SUSTAINABLE TOURISM COUNCIL (GSTC)

As a non-profit organization, the GSTC develops and manages global standards for sustainable travel and tourism, known as the GSTC Criteria. These form the basis for the accreditation of certification bodies, which certify, among other things, hotels for their sustainable orientation and implementation. The basic standards enjoy the highest recognition, including from the United Nations, the World Tourism Organization (UNWTO), and other experts in sustainable tourism.

SUSTAINABLE HOSPITALITY ALLIANCE

As an independent charity organization, the Sustainable Hospitality Alliance pursues the vision of responsible hospitality for a better world. More than 20 world-leading hotel companies have joined forces with strategic partners to advance sustainability in the hospitality industry. For us, this is an ideal platform to access valuable tips, tools, and best practices.

GLOBAL CODE OF ETHICS FOR TOURISM

By creating our code of conduct, we drew inspiration from the global Code of Ethics of the UNWTO (World Tourism Organization). This is a guide for responsible and sustainable development of global tourism. Negative impacts of tourism should be minimized while at the same time, the contribution of our industry to economic prosperity, peace, and understanding between the nations of the world should be expanded.

DIVERSITY CHARTER

By signing the Diversity Charter, we have committed not only to fight discrimination and (sexual) violence but also to promote diversity within our company. Recognition, appreciation, and inclusion of all team members are essential values to us. We see this as an opportunity to counteract the shortage of skilled workers and to make ourselves attractive to talent. With modern diversity management, we increase the satisfaction, loyalty, and performance of our employees.

DEHOGA ENERGY CAMPAIGN

The Energy Efficiency Campaign is a voluntary climate protection agreement between the German Federal Ministry for the Environment and the German Hotel and Restaurant Association (Dehoga). With the aim of protecting the environment and resources, we want to fulfil our responsibility towards future generations. To achieve this, we rely on checklists and guidelines for energy savings, among other things. In addition to making a genuine contribution to climate protection, we can significantly reduce our energy costs.

INSPIRATION AND PRINCIPLES



*“ Respect yourself,
respect others,
and take responsibility
for what you do.”*

Dalai Lama

Our understanding of sustainability goes far beyond measures to mitigate climate change. We want to take social responsibility and make a significant contribution to preserving the environment, also for future generations. Authentic and integral - to inspire our guests, employees, partners, suppliers, and investors at all levels.

FOR THE SAKE OF THE ENVIRONMENT – OUR UNDERSTANDING OF SUSTAINABILITY.

7



ESG



ENVIRONMENT



SOCIAL



GOVERNANCE

- Environmental protection
- Climate change strategies
- Use of renewable energy
- Emission reduction
- Efficient use and conservation of resources & energy
- Waste management
- Biodiversity

- Health and safety
- Compliance with labour rights
- Fair working conditions and wages
- Diversity
- Training and development
- No child or forced labour
- Preservation of human rights
- Social engagement and sponsorship

- Responsible corporate governance
- Respectful conduct
- Compliance
- Adherence to the code of conduct
- Prevention of corruption & bribery
- Risk and crisis management
- Quality management
- Professional reporting and disclosure, including sustainability/ CSR reporting

ESG CRITERIA

ECOLOGICAL SUSTAINABILITY





CONSERVING RESOURCES

We are already thinking about tomorrow's environment today – a commitment we have made to future generations. For this reason, conserving resources is a top priority on our agenda. We are working hard to continually reduce our energy and water consumption and are not satisfied with the status quo. Optimizing the energy efficiency of our individual hotels is one of our overarching goals.

We take many small steps to reduce our ecological footprint, which cumulatively result in significant progress. Here are some examples of the measures we implement at various hotel locations:

- Gradually transitioning to energy-saving LED lighting.
- Installing photovoltaic systems for the use of solar energy.
- Using electric energy and heat from cogeneration units.
- Preferring energy-efficient alternatives when purchasing electrical appliances.
- Equipping public areas with motion detectors.
- Disconnecting unoccupied hotel areas from the power grid.
- Using environmentally friendly district heating.
- Installing aerators in faucets and shower fixtures to minimize the flow rate.
- Using water-saving flushing devices with stop function.
- Installing gray water systems and using the reclaimed water in the flushing devices of public hotel areas.
- Using efficient hotel room management systems for lighting, ventilation, air conditioning, heating, and power availability.
- Sustainable building technology and regular maintenance.
- Use of sustainable and resource-efficient materials and furnishings for construction, renovation, and refurbishment work.

WELCOME GREEN

With Welcome Green, we have launched a contemporary concept to promote environmentally and health-conscious meetings, conferences, and other events. Based on high ecological standards, we take care of the well-being of our guests and the environment. This starts with a CO2-reduced arrival and departure in cooperation with Deutsche Bahn and continues with resource-saving conference materials and healthy coffee breaks:

- Use of FSC-certified materials to protect forests and avoid plastic.
- Self-filtered and bottled water in glass bottles.
- Healthy coffee breaks - with regional, light, and vitamin-rich products.
- Use of environmentally friendly packaging.
- Cooperation for a CO2-reduced and relaxed arrival and departure with Deutsche Bahn.

SUSTAINABLE PROCUREMENT

We focus on sustainable procurement. In this area, we rely on the benefits of a central purchasing strategy. This way, not every hotel has to take care of everything itself, but we consolidate the majority of our purchasing activities and needs with a strong partner: progros Einkaufsgesellschaft mbH, one of the leading full-service providers in the purchasing and consulting sector in the hotel industry.

Consistently high quality and smooth process flows are a top priority. How do we achieve this? Among other things, through the ISO 9001 quality certification of progros and our efficient cooperation - a partnership at eye level: together we are always looking for certified suppliers and sustainable solutions.

Ideally, our service providers and suppliers are located near the hotels, which is also a decisive criterion in the selection and cooperation. In numerous hotels, we can already source more than 90% of our products and services from suppliers within a radius of 100 km.

ESG CRITERIA

ECOLOGICAL SUSTAINABILITY.

By thinking ahead and planning, we reduce deliveries per week to a minimum. This way, we can make a further contribution to climate protection in many hotel areas and avoid a significant number of unnecessary trips and harmful emissions per year.

Negotiating framework agreements not only generates positive effects in terms of costs and time, but also increases the supply of environmentally friendly and affordable products and services with a higher request volume. This makes it much easier for our hotels to rely on products without plastic packaging, as well as on organic, sustainable, and fair-trade certified products.

HIGH-CLASS CUISINE – LOCAL & SEASONAL

In our Welcome Hotels, we place special emphasis on high-quality hotel cuisine with a regional focus and fresh, seasonal products. We prefer to source our food from small, local partners with good origins - whether it's bread and croissants from the small bakery around the corner, high-quality meat from the family-run fifth-generation butcher shop, eggs from the nearest farmer, local asparagus from the asparagus and fruit farm in Wesel, or the famous smoked beer from a traditional brewery in Bamberg.

To inform our guests, we use innovative storytelling to make our philosophy tangible - from Instagram posts to personal advice from the service staff in our à la carte restaurants. Whether it's strawberry cake in spring, the variety of pumpkins in autumn, or hearty goose roast at Christmas time - seasonal menus have become standard for us.

Vegan and vegetarian diets are on the rise - even with us. According to a survey by the Allensbach Institute, more than 10% of the population in Germany now exclusively follow a vegetarian diet. Vegan and vegetarian alternatives are not just fillers on our menu - they are full-fledged alternatives and main dishes, often the healthier choice, and with every order, we inadvertently serve a positive contribution to our environment. A vegetarian diet preserves the natural resources of nature, thereby reducing, among other things, mass livestock farming and deforestation.



ESG CRITERIA

ECOLOGICAL SUSTAINABILITY.

FOOD – PLANNING INSTEAD OF WASTE

Best possible demand planning with forward-looking procurement - that's our recipe for success in reducing food waste. Our chefs keep current forecasts and occupancy plans in mind when putting together the buffet for meetings and groups, as well as in daily orders for the à la carte restaurant or determining the demand for bread rolls for our breakfast offer - as much food as necessary, as little waste as possible.

Other approaches include the complete utilization of food and optimal portioning of dishes at an attractive price. In regular food & beverage workshops and by sharing best practice examples between our locations, we are striving to continuously develop in these areas.

CLEANING

Daily room cleaning wastes environmental resources. And is it even still appropriate? Freshly making the beds, changing towels, mopping or vacuuming the floor every day - Our guests have the choice, for the sake of the environment and their green conscience. By foregoing daily cleaning, we can save up to 7.5 liters of water (room cleaning), cleaning products, two garbage bags, and for five minutes of vacuuming at a power of 850 watts, about 0.07 kWh per room. In just one day, this amounts to up to 14,370 liters of water, 3,800 garbage bags, and 134 kWh of electricity in our Welcome Hotels. This is a significant contribution to the environment and a relief for the staff. We promote these conscious everyday decisions and this change in thinking, and as a thank you, most of our hotels offer a drink voucher instead of cleaning services.

We invest the saved water and energy costs in environmentally friendly and biodegradable cleaning products. Our hotels use a sustainably certified product line from Werner & Mertz Group. We prefer to completely avoid using chemicals. Why not use tried and true household remedies again? Diluted vinegar and water as an universal cleaner or the power of lemon can work wonders.

The use of sustainably certified products is also a crucial factor in the selection of our laundry services. To avoid unnecessary transportation, we strive to have our laundry washed in the region, as close as possible to our locations.

In housekeeping, public areas, and our hotel kitchens, we rely on certified cleaning papers from Essity GmbH, one of the leading hygiene and healthcare companies in Germany.



ESG CRITERIA

ECOLOGICAL SUSTAINABILITY.

WASTE PREVENTION & SEPARATION

Our goal is not only to comply with official waste separation guidelines, but also to keep our waste and paper consumption to a minimum from the outset.

To achieve this, we use value-added systems and return packaging such as crates or pallets to our suppliers. We prefer recyclable packaging and use large containers and environmentally friendly refill systems. A good start to the day - a good deed every day: at breakfast, we follow the zero-waste principle and try to completely avoid packaging waste through portioned items (mandatory exceptions exist for products such as gluten-free items).

We counteract unnecessary printing and paper consumption by using digital processes and documents, whether it's for check-in through the digital guest folder and advertising materials, or for processing electronic HACCP checklists.

Together: Sorting waste is not only done by housekeeping, but our guests and all other employees also contribute to this effort, so our conference rooms and offices are mostly equipped with waste separation systems.

To keep track of things, we regularly and systematically analyze our waste production. Regular online training on this topic contributes to raising awareness and promoting the consciousness of our employees.

BIODIVERSITY AND PRESERVATION OF CULTURAL HERITAGE

It is our responsibility to protect and promote the growth of the surrounding flora and fauna. Therefore, all Welcome Hotels take responsibility for biodiversity and the preservation of cultural heritage. We are creative in finding individual solutions for each location, such as hotel-owned beehives, herb gardens cared for by our employees, newly created flower strips, or diverse planting around the buildings.

We are happy to participate in the organization of regional events and cultural activities, or occasionally organize them ourselves. We also initiate collaborations with museums and exhibitions. Our guests receive relevant information about tourist activities and cultural offerings in the respective region at all hotels.

SMALL BUT SIGNIFICANT STEPS

We can only make progress together - not only with regard to our values, but also in protecting and promoting the environment. Every contribution is a step in the right direction. It is important to us to have all our guests, employees and partners on board with our efforts to make a daily contribution to the environment, to motivate them and create awareness. Because together, much more is possible.





SOCIAL SUSTAINABILITY

WITH HEART AND MIND

We are hosts driven by passion. If we can thrill our guests, we can guarantee our entrepreneurial success. As hosts, we are always striving to exceed expectations, whether it is with an open ear, friendliness, or respect. We welcome all feedback as an opportunity and motivation to continue developing.

By embodying our values on a daily basis and maintaining a responsible corporate direction, we can distinguish ourselves from other hotel operators. This allows us to position ourselves as an attractive, modern employer and attract ambitious talent even in times of skilled labour shortages.

Our corporate culture is characterized by our "we" feeling. "Together" instead of "over each other" or "against each other." Together, we can achieve more. Therefore, all of our employees have equal opportunities and are always treated fairly. Everyone can contribute and develop themselves at our company. We allow people to be themselves because we believe that everyone can only give their best that way.



QUALIFIED EMPLOYEES MAKE THE DIFFERENCE

At the heart of our business are people – especially our employees. We are constantly looking for trendsetters, explorers, and people lovers who enjoy diversity and variety, have fun interacting with people of different nationalities, and are naturally enthusiastic hosts.

We try to convince young talents with good training conditions in the hotel industry to train and support them. Our high training quality has already been awarded with the new DEHOGA quality seal "TOP-Ausbildungsbetrieb" in some Welcome Hotels.

Individual development planning and targeted further training measures support the professional development of our employees. Together, we find the right way. We want every employee to be able to develop and grow. An online learning platform is available for this purpose. In addition, we organize regular training courses, seminars, and workshops in various specialist areas, trying to cover all wishes and needs. An in-house Welcome Academy, a new onboarding program, and a talent management program are already in the planning stage and partly in implementation.

Regardless of the topic, everyone can contribute their ideas and suggestions, and we discuss the possibilities of implementation together. Our respectful and honest dealings with each other are just as important as teamwork. This creates a pleasant working atmosphere and promotes team spirit. The doors of our managers are always open, making open and honest communication in our offices very straightforward.

Integrity plays a crucial role at Welcome Hotels – doing the right thing and having the courage to make the right decisions regardless of the consequences. Our company is characterized by constructive employee conversations and a positive error culture – ideal conditions for developing ourselves every day.



ESG CRITERIA

SOCIAL SUSTAINABILITY

DIVERSITY AND INDIVIDUALITY AS STRENGTHS

Welcome Hotels are a place where you feel welcome, and where individuality and personality are particularly valued. Mutual respect, appreciation, and diversity are important components of Welcome's DNA and hospitality. We believe that together we are stronger and see diversity as a unique opportunity for creativity and enrichment of our company.

Diversity is lived with us. With the Diversity Charter, we follow the principles and guidelines of modern diversity management. And what does that look like in practice? In our Welcome Hotel in Frankfurt, for example, we are proud to have employees from a total of 34 different nationalities on board. Diversity in its purest form and an incredible enrichment for all - everyone pulls together and supports each other wherever they can. That's what we, the Welcome Hotels, stand for.

Our industry, the hotel and gastronomy sector, is characterized by a high proportion of female employees. We want to maintain this and at the same time increase the proportion of women in our leadership positions.

Welcome is a place of accessibility. We are committed to provide employment opportunities for people with disabilities and make their working lives as pleasant as possible. In addition, our hotels have disabled-friendly facilities and are thus accessible to every guest.



ESG CRITERIA

SOCIAL SUSTAINABILITY

WORKING AT THE WELCOME HOTELS

Only if we enjoy what we do, can we truly welcome our guests from the heart and provide them with the feeling of being "at home while travelling". That is why we maintain a positive working environment with mutual respect and the best possible working conditions.

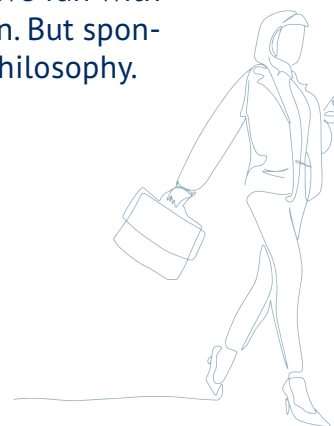
We take care of each other. It is our responsibility to ensure that each employee feels safe and comfortable in their workplace. Therefore, we comply with all relevant working norms and conditions, to which we have also committed ourselves in our Code of Conduct (see page 29). We also adhere to all requirements regarding occupational safety. Furthermore, all employees are regularly trained in all safety-related topics, including general workplace safety, annual fire protection training, first aid training, as well as raising awareness in the fight against all forms of harassment or measures to protect human rights.

Of course, the health and well-being of our employees are of particular importance - not only today, but also in the future. Therefore, all members of our team benefit from company pension schemes and individual opportunities in the area of occupational retirement provision. Further health-promoting measures and sports opportunities are currently being developed.

SOCIAL ENGAGEMENT AND LOCAL CONNECTION

Our Welcome Hotels have a strong connection to the region at all locations - we are delighted to welcome many locals to our restaurants regularly, or to see our neighbours enjoying relaxed hours with their friends in our hotel bars. We are not just a part of the neighbourhood, but in the midst of it. For birthday parties, weddings, or other events, we are often the first choice.

Wine and summer festivals, art exhibitions, city tours, idyllic Christmas markets, concerts, or company runs - we are there everywhere, and you can simply have fun with us. We are happy to participate in cultural and sports events in the region. But sponsoring sports teams or supporting social projects are also parts of our philosophy.





ECONOMIC SUSTAINABILITY

ECONOMIC RESPONSIBILITY AND STABILITY

Economic stability and healthy growth are fundamental building blocks in our company. As part of our corporate responsibility, we collect, analyse, and control our financial and economic data on a regular basis - from the daily booking status in each hotel, general reporting and accounting to monthly and annual financial statements. Absolute data quality as well as realistic and truthful analyses and forecasts are of high importance and we must be able to rely on them. Not only to meet our own demands, but also to fulfill external expectations of guests, owners, investors, and partners.

Quality over quantity: When expanding our portfolio, we focus on sustainable growth. Selective acquisitions should make our hotel selection even more attractive. We are open to various models and types of hotels, whether it's a leasehold, ownership, or management - from romantic boutique hotels to conference hotels.

We see sustainability as an absolute opportunity for the entire hotel industry. On the one hand, costs can be saved in many areas, and on the other hand, the value of our products and services, and therefore our revenue, increases.

QUALITY MANAGEMENT FOR HIGHEST STANDARDS

At Welcome Hotels, we aim to consistently impress our guests with high-quality services. To maintain this promise of quality, we have developed various principles with our employees and are continuously working to improve them. For many areas, we have developed group-wide standardized procedures called Standard Operating Procedures (SOPs), which support our employees in their daily work, from reception to housekeeping, maintenance, and our kitchen chefs.

In particular, we understand service quality as a team effort. Therefore, we foster the motivation and competence of all employees, and continuous improvement can only be achieved through ideas and suggestions from all areas of our hotels and through suitable training.

Quality management is a long-term measure at Welcome Hotels for continuously optimizing our service quality.



GUEST SATISFACTION AS KEY

There is nothing more important in a hotel than guest satisfaction. We believe that guest reviews are particularly important. They come from those who know best - our guests. Our service quality is 100% geared towards guest satisfaction, everywhere, around the clock, and down to the smallest detail.

Whether it's guest surveys, Google reviews, TrustYou scores, or verbal praise at the reception desk - we take all feedback seriously, especially criticism. This is an ideal basis for meeting our own demands for continuous quality improvement. Only in this way do we know how to delight our guests at all levels.

FOOD SAFETY

We work hand in hand with Quant Quality Assurance GmbH, one of the leading consultants in the field of nutrition and food, in the area of food safety. In addition to the quality of our ingredients, the focus is on food hygiene and food law. This allows us to guarantee a quality standard that goes far beyond legal requirements.

By optimizing hygiene standards, we were also able to optimize our kitchen processes. Regular inspections of the kitchens, consultations on drinking water testing, and the implementation of HACCP principles are part of the standards of our hotel group.

DIGITAL WORLD: DIGITALISATION IT-SECURITY AND DATA

We strive to be always up to date in the digital environment, both for our guests and as an employer for our employees. Along the customer journey, our goal is to create digital experiences at different touchpoints, thereby generating added value for our guests. Digital and innovative service offerings make our guests' stay even more relaxed. With the increasing digitalization and automation, we can relieve our employees, leaving them more time for the guest.

The digitalized world requires us to keep our data, systems, and information up to date. Our security measures today determine our security level tomorrow. In addition to investments in the IT infrastructure, digital tools, and software solutions, we work with partners such as SoSafe GmbH in the area of security. With the online security training offered, we prepare our employees optimally and reliably for existing security threats and can thus measurably reduce risks.

We handle customer data and other sensitive information with the utmost care, in compliance with the GDPR (General Data Protection Regulation) and reliably ensured and monitored by our data protection officer.

RISK- AND CRISIS MANAGEMENT

Whether it's floods in Euskirchen, dealing with the COVID-19 pandemic, the impact of the war in Ukraine, or other unforeseeable influences on our hotel business - even in uncertain times, we keep a cool head and can rely on our professional risk and crisis management. Through preventive measures and early analysis, risks can be significantly minimized. But we are also well prepared for emergencies, and our employees are appropriately trained. In our emergency workshops, we have created action plans for various scenarios so that everyone knows what to do.

We are not just talking about security risks and dangerous situations. Even in business decisions, we analyze and evaluate ecological, social, and economic risks before giving the final "go" and implementing them. In addition, we inform our business area about the development of the Welcome Group, the possible risks, and give forecasts for the future.

ESG CRITERIA

ECONOMIC SUSTAINABILITY

PARTNERSHIPS AND COOPERATIONS

Efficient collaboration with strong partners is a crucial success factor for us. We always operate at eye level and make optimal and effective use of mutual expertise. In addition, we are proud members of various networks and associations and maintain our contacts at numerous trade fairs and events.

With our owner, Terra Firma Capital Partners, we are in constant and constructive dialogue. Our cooperation is based on mutual trust, reliability, and appreciation - especially in today's fast-paced world, these are essential factors for our joint success.

CODE OF CONDUCT

We have created a code of conduct to ensure ethically impeccable and responsible behaviour of our employees, partners, and suppliers. This is directly related to our corporate mission, vision, and values of Welcome Hotels.

Our behavioural guidelines are based on the following principles:

- Country-specific regulations and laws of the Federal Republic of Germany and the European Union (compliance with laws)
- General Equal Treatment Act
- Personal and professional development of our employees
- Prevention of discrimination, bullying, (sexual) violence, and harassment
- Commitment to environmental protection and measures against climate change
- Good and safe working conditions
- Fair pay and voluntary additional benefits
- Protection of human rights: fighting against child and forced labour
- Respect for the market economy and fair competition
- Respectful cooperation with all parts of the supply chain
- Transparency to prevent corruption, granting of advantages, and fraud
- Confidentiality and data protection



ESG CRITERIA

ECONOMIC SUSTAINABILITY

SUSTAINABILITY CERTIFICATION & CARBON FOOTPRINT



8

SUSTAINABILITY CERTIFICATION

In 2023, we began gradually certifying our hotels to meet our own sustainable goals as well as those of our partners and key accounts. There are now more than 60 sustainable certification systems just for the hotel industry. It was important for us to find a tool that considers not only environmental aspects, but also social and business aspects, meets international requirements and is GSTC-compliant, while enjoying the highest acceptance in the industry and among our customers. With GreenSign, we now have an absolute sustainability expert on board and have created optimal conditions to make our hotels even more sustainable and future-proof. More than 100 criteria in eight areas are examined during the certifications:



- Management and communication.
- Environment (energy, water and waste).
- Biodiversity & cultural heritage.
- Purchasing.
- Regionalism & mobility.
- Quality management & sustainable development.
- Social responsibility.
- Economic responsibility.



These were developed based on internationally recognized frameworks in the field of sustainability. These include, among others, the GSTC criteria and full recognition by the GSTC (since 2022), the international environmental management standard ISO 14001, and ISO 26000, a guide to social responsibility.



OUR CARBON FOOTPRINT

In one of our sustainability meetings, we realized that in order to reduce our emissions, we first need to know where we are producing them. Therefore, we started to calculate the carbon footprint of our hotels with the help of GreenSign and our specialized partner, the international climate protection organization myclimate. This calculation is based on the internationally recognized standards of the Greenhouse Gas Protocol.

By analysing the results, we can identify the processes in our hotel operations that produce the most emissions and initiate targeted measures to reduce CO2.



**SUSTAINABILITY
CERTIFICATION
& CARBON FOOTPRINT**