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Sustainability Report

24



FALKENSTEINER  HOTEL

Sustainability Report 2024

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GENERAL INFORMATION

1. FOREWORD

Dear Readers,

Since 1957, we have been rethinking tourism – without ever losing sight of our roots or our responsibilities. Every day we live a 360° tourism approach that goes far beyond the holiday experience itself: from project development through construction to operations, we provide comprehensive tourism solutions from a single source.

A holistic approach and ambition

Our holistic approach goes far beyond processes – it also includes the people we work with and for: our guests, our employees, our business and cooperation partners, as well as the communities and regions in which we operate. For all of them, we take responsibility and aim to create an environment defined by respect and appreciation.

Living responsibility – values as our foundation

At the heart of our actions are the building of strong partnerships, transparent and sustainable business practices, and an active assumption of social responsibility. We are guided by values deeply embedded in FMTG's corporate culture: respect, appreciation, courage, openness, and trust. For decades, these values have been the foundation of our actions and shape the group's identity.

Tourism in the era of climate protection

As an internationally active tourism company, FMTG relies heavily on intact nature and a stable climate. Out of this awareness, we operate in a resource-conscious manner and actively engage in climate protection. Much has already been achieved – now we also want to make our progress measurable: for guests, investors, employees, and all other stakeholders alike.

Strategic integration of sustainability

For 2024, we set ourselves the goal of developing a comprehensive group-wide sustainability strategy – covering all project developments as well as the ongoing operations of our hotels, residences, campsites, and offices. In doing so, we are taking our previous sustainability efforts further – through regional procurement of products, installation of photovoltaic systems, a company-wide energy monitoring system to increase efficiency, or certifications such as DGNB, the Austrian Ecolabel, or the EU Ecolabel.

This new strategy aims to embed these initiatives even more firmly into a holistic understanding of sustainability.

A new chapter: Sustainability Report 2024

With our first Sustainability Report 2024, FMTG is opening a new chapter: for the first time, all sustainability activities are systematically recorded across all business units – Falkensteiner Hotels & Residences, Camping, FMTG Development, FMTG Invest, as well as Michaeler & Partner.

FMTG will continue this path with determination, willingness to learn, and in dialogue with guests, business partners, investors, and the communities at our destinations. Because only when responsibility is lived can the future be shaped together.



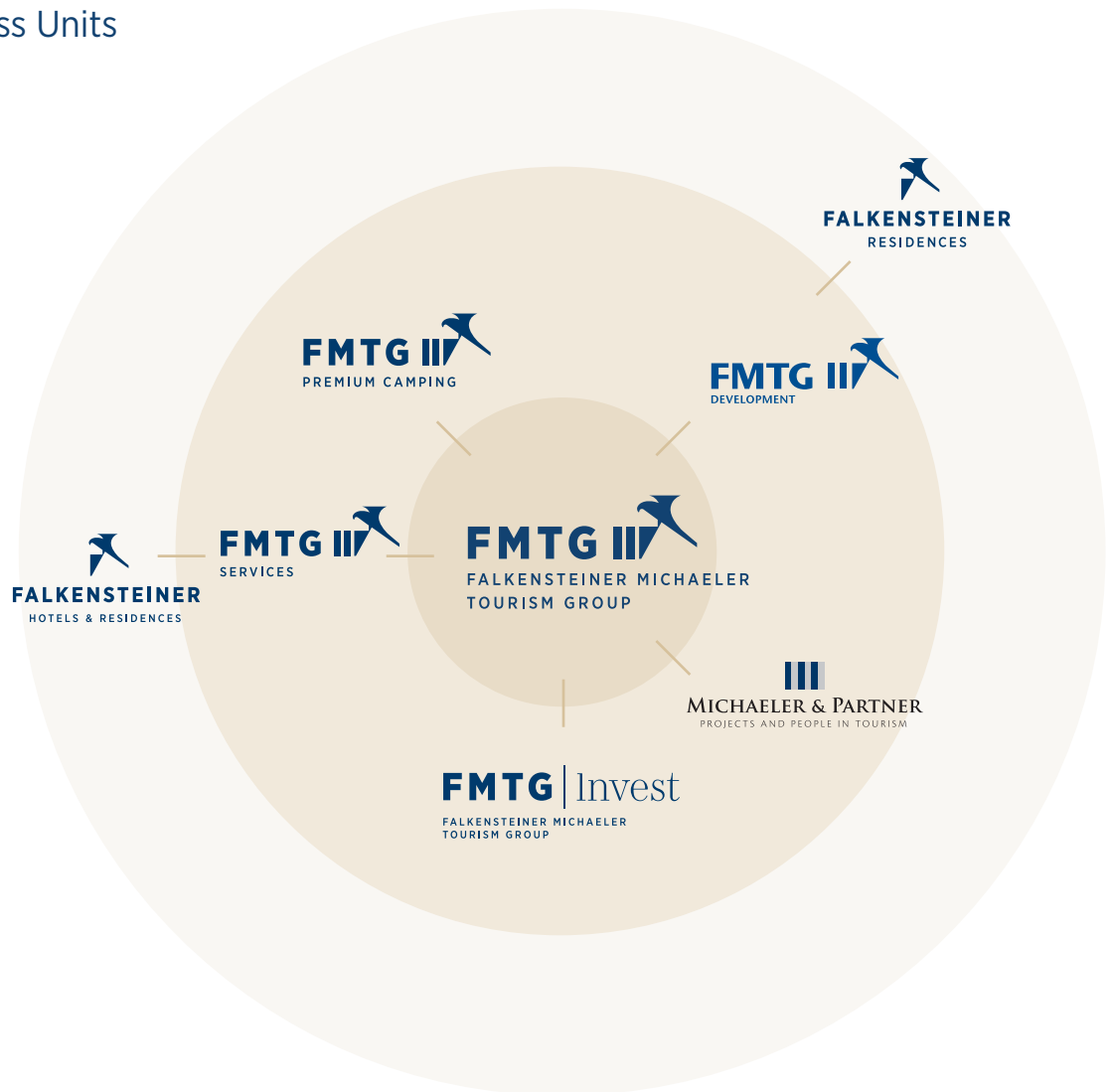
Andreas Falkensteiner
Member of the Supervisory Board

Erich Falkensteiner
Chairman of the Supervisory Board

Otmar Michaeler
Chief Executive Officer (CEO)

2. FMTG AT A GLANCE

Business Units



Executive Board and Supervisory Board

Executive Board

- **Otmar Michaeler** – CEO

Supervisory Board

- **Erich Falkensteiner** – Member of the Supervisory Board and Chairman
- **Andreas Falkensteiner** – Member of the Supervisory Board
- **Thomas Döring** – Member of the Supervisory Board
- **Bianka Stojka-Davis** – Advisory Board Member
- **Beat Blaser** – Advisory Board Member

Executive Management

- **Christoph Crepaz** – Managing Director of Marketing & Sales, FMTG Services
- **Till Schäfer** – Managing Director Finance, FMTG Services
- **Norbert Ratzinger** – Director Corporate Finance, Treasury & Group Reporting, FMTG AG
- **Roland Presetschnik** – Managing Director of Finance Development, FMTG Development



Our Vision, Mission, Values and Principles

Our Vision

Our Vision is to be the leading 360° tourism group in Central and South-Eastern Europe.

Our Mission

Our Mission is to live a sustainable and innovative tourism – from planning through construction to operations. This makes us a reliable partner for project developers, investors and banks. Our goal is to create unforgettable holiday experiences that turn guests into loyal fans of our brand.

Our Values are based on 68 years of experience and our deep roots in the hospitality industry:

- **Driven for success** – We set ambitious goals, think big, and continuously evolve.
- **Grounded** – We are proud of our roots, act responsibly with resources, and respect human rights.
- **Courageous** – We embrace challenges, stay curious, and strive for constant improvement.
- **Relationship-oriented** – We foster strong, trusting relationships with our guests, partners, and employees.

Our Principles guide our daily actions and ensure that our values are consistently implemented:

- **Warmth** – We meet colleagues, guests, and partners with openness, friendliness, and respect.
- **Passion** – We dedicate ourselves with enthusiasm and commitment to the well-being of guests and employees.
- **Perfection** – We consistently strive for the highest quality and excellence across all areas of the company.
- **Creativity** – We encourage innovation and creative solutions for sustainable growth.
- **Responsibility** – We assume responsibility for the environment, our employees, and society.
- **Efficiency** – We work efficiently and resource-consciously to achieve sustainable results.
- **Authenticity** – We remain true to our roots and traditions, acting with honesty and transparency.

Corporate Culture

Respectful interaction with one another is an essential part of our corporate culture. We value a family-like working atmosphere that is characterized by trust, openness and mutual appreciation. Our company promotes diversity and equality by treating all people fairly, regardless of gender, origin, age, religion or sexual orientation.

We ensure that our business relationships and partnerships are characterized by mutual respect, integrity and trust. We reject any form of discrimination, corruption or unethical behavior. We comply with applicable laws and regulations and are committed to responsible action in our industry.

We also call on all employees to actively contribute to a respectful and open corporate culture.

>
Further information
on the topic of corporate culture can be
found in the section
on Governance Information.

FACTS & FIGURES

26 4- AND 5-STAR HOTELS IN
6 COUNTRIES



3 CAMPSITES
4 FALKENSTEINER RESIDENCES



OVERNIGHT STAYS IN 2024:

1,927,234¹



ASSETS UNDER MANAGEMENT
(AS OF 2025):

APPROX.
€ 1 BILLION



MANAGED REVENUE IN 2024:

€ 246 MILLION¹

CO₂-EMISSIONS
(SCOPE 1&2 MARKET-BASED)
PER BEDNIGHT IN 2024:

7.11 KG
CO₂¹



OVERNIGHT STAYS IN 2024:

817,899¹



DEVELOPMENT PIPELINE UNTIL 2028:

€ 400 MILLION

¹ Exclusive establishments of Falkensteiner Hotels
Südtirol GmbH and Sonnenparadies GmbH



3. ESG HIGHLIGHTS & ACHIEVEMENTS

EU Ecolabel & Austrian Ecolabel

EU Ecolabel

The EU Ecolabel, also known as the EU Environmental Label, is an official environmental label of the European Union that has existed since 1992. It represents a comprehensive, voluntary certification system that distinguishes products and services which meet high environmental standards throughout their entire life cycle. This includes criteria relating to raw material extraction, manufacturing, distribution, use, and disposal.

In the tourism sector, the EU Ecolabel is awarded in particular to accommodation businesses that stand out for environmentally friendly management and sustainable operations. The certification is based on demanding criteria that are regularly updated to ensure they reflect the latest developments and findings regarding sustainability.

Particular emphasis is placed on aspects such as energy efficiency, resource conservation, water management, and responsible waste management. An establishment certified with the EU Ecolabel undertakes, among other things, to minimize energy consumption, promote renewable energies, reduce the use of chemicals, implement waste prevention measures, and promote recycling.

The EU Ecolabel is regarded as a highly credible and recognized sign of environmental friendliness and sustainability. Its wide recognition strengthens consumer confidence and enables companies to communicate their environmental performance transparently.

Two establishments have already been certified with the EU Ecolabel:

- **Falkensteiner Hotel & Spa Iadera**
- **Falkensteiner Hotel Diadora**

An extension of certification to all FMTG establishments is planned for the coming years.

Austrian Ecolabel

The Austrian Ecolabel is a quality seal of the Austrian federal government that has existed since 1990 and is awarded by the Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology (BMK). It distinguishes products and services that stand out for their high environmental compatibility and quality.

In the tourism sector, the Austrian Ecolabel is a particularly renowned certificate for accommodation businesses committed to environmentally friendly operations. The award criteria cover ecological, social, and qualitative aspects and are considered particularly comprehensive and demanding.

Key areas considered in certification include energy efficiency, resource conservation, water management, waste prevention, and pollutant avoidance. In addition, the Austrian Ecolabel places strong emphasis on social responsibility, which distinguishes it from purely ecological certificates. For example, it requires measures to ensure fair working conditions and promote regional value chains.

A certified business undertakes to continuously implement measures to improve its environmental performance. This is ensured through regular audits and a transparent control system. The strict criteria and clear focus on sustainability make the Austrian Ecolabel a respected certificate both within Austria and internationally.

Certification with the Austrian Ecolabel not only assesses the ecological quality of a business but also its social commitment and sense of responsibility. For consumers, it serves as a valuable guide when choosing sustainable offers.

Several Austrian hotels are already certified with the Austrian Ecolabel:

- **Falkensteiner Club Funimation Katschberg**
- **Falkensteiner Hotel Cristallo**
- **Falkensteiner Hotel Sonnenalpe**
- **Falkensteiner Hotel Montafon**

Certification of all Austrian establishments with the Austrian Ecolabel is planned for the coming years.

Best Practices

Best practices in our hotel operations

Within FMTG establishments, numerous measures are already being implemented today to promote sustainability. These “best practices” cover various areas, from energy efficiency to resource conservation and the promotion of biodiversity. Five examples are outlined below:

1. **Energy from renewable sources:**

All hotels in Austria purchase 100% green electricity from hydropower, and in most cases district heating primarily from biomass. These measures make a significant contribution to reducing CO₂ emissions and promoting a sustainable energy supply.

2. **Promoting biodiversity through permaculture:**

The Falkensteiner Balance Resort Stegersbach operates a 5,000 m² permaculture garden, producing food grown specifically for daily operations. This method actively supports biodiversity and makes it possible to provide fresh, sustainable food directly on site.

3. **Efficient water management:**

Several hotels in the group use innovative technologies to reduce water consumption. At the Falkensteiner Resort Punta Skala – which includes Hotel & Spa Iadera, Family Hotel Diadora, Residences Senia, and Falkensteiner Luxury Villas – a seawater desalination system is used to process water efficiently. At the Falkensteiner Hotel Kronplatz, a rainwater tank ensures that green areas are irrigated exclusively with collected rainwater.

4. **Sustainable consumables:**

All hotels in the group use only personal care products certified with recognized sustainability labels (EU Ecolabel, Nordic Swan Ecolabel, etc.). This ensures that products are produced in an environmentally friendly way and guarantee social fairness. In addition, plastic packaging of all guest consumables in bathrooms is continuously being replaced by paper packaging.

5. **Food waste:**

At Falkensteiner, the prevention of food waste is promoted through a variety of measures. These include active communication with hotel guests, smaller plates at the buffet, further processing as part of light lunch offerings, and reuse of uneaten food for the staff canteen (both under strict hygiene standards). These measures are already being widely implemented.

These best practices highlight our hotel group's commitment to environmental and resource protection as well as social responsibility. Through continuous innovation and improvement, we aim to continue contributing to a more sustainable future.

4. CONTEXT & FRAMEWORKS

SDGs and EU Green Deal

The Sustainable Development Goals (SDGs)

The 17 Sustainable Development Goals (SDGs) were adopted in 2015 by the United Nations (UN) as part of the 2030 Agenda. They serve as a global, universal action plan to promote prosperity, social progress, and environmental protection, with the overarching goal of ending poverty in all its forms and ensuring sustainable development by 2030.

Principles of the SDGs:

- **Inclusivity:** No one is left behind (“Leave No One Behind” principle). The SDGs apply to all people worldwide, especially the most disadvantaged and vulnerable groups.
- **Holistic approach:** The goals are closely interconnected and require integrated solutions to achieve progress in all dimensions of sustainable development: economic, social, and environmental.
- **Universality:** The SDGs apply equally to all countries, regardless of their level of development. All nations are called upon to contribute to the achievement of these goals.

Objectives of the SDGs:

The SDGs consist of 17 main goals for sustainable development with a total of 169 sub-targets, which focus on different areas and are shown in the following graphic.

FMTG focuses its activities on SDGs 3, 5, 6, 7, 9, 12, and 17, which are highlighted in color in the graphic:



The European Green Deal

The European Green Deal is the comprehensive growth strategy of the European Union, introduced in December 2019. Its aim is to make Europe the first climate-neutral continent by 2050, decoupling economic growth from resource use and ensuring that no one is left behind.

Principles of the EU Green Deal:

- **Climate neutrality by 2050:** Achieving net zero greenhouse gas emissions (“net zero”) across the EU by mid-century.
- **Growth and environmental protection:** Promoting a resource-efficient, competitive economy while preventing negative environmental impacts.
- **Just transition:** Ensuring social justice, inclusion, and economic opportunities for all during the transformation toward a green economy.
- **Protection of natural resources:** Restoring and preserving biodiversity and ecosystems as the foundation of a resilient planet.

Objectives of the EU Green Deal:

- Reduction of net greenhouse gas emissions by at least 55% by 2030 compared to 1990.
- Promotion of clean energy sources and improvement of energy efficiency.
- Development of a competitive, climate-neutral circular economy.
- Protection of ecosystems and biodiversity through sustainable land use and forestry.
- Promotion of sustainable mobility and intelligent transport systems.
- Implementation of a “farm-to-fork” strategy for sustainable food production.
- Improvement of air and water quality and reduction of environmental pollution.
- Financing of sustainable investments and support for innovative technologies.

Our contribution to achieving the SDGs and the EU Green Deal

FMTG’s initiatives and strategy are specifically designed to contribute to the realization of the SDGs and the objectives of the European Green Deal. By embedding sustainable practices across all business processes, we aim to achieve measurable ecological, social, and economic impact.

We acknowledge our responsibility as an internationally operating tourism company to develop and implement innovative solutions that contribute both to climate protection and to a fair, resilient, and sustainable future. This commitment is an integral part of our corporate strategy and our ongoing dedication to sustainability.

CSRD and EU Taxonomy Regulation

FMTG’s sustainability reporting is primarily aligned with the key regulatory framework introduced by the European Union as part of the Green Deal.

The focus lies on the following two frameworks:

- Directive (EU) 2022/2464 of 14 December 2022, specifically the Corporate Sustainability Reporting Directive (CSRD) concerning sustainability reporting by companies, and
- Regulation (EU) 2020/852 of 18 June 2020, specifically the EU Taxonomy Regulation establishing a framework to facilitate sustainable investment.

Corporate Sustainability Reporting Directive (CSRD)

The CSRD aims to standardize, harmonize, and make sustainability reporting transparent at the European level for companies of a certain size. Reporting focuses on both general and topic-specific information in the areas of environment, social, and governance (ESG), identified as material. The CSRD itself, as a directive, provides only the framework, which is detailed through the mandatory European Sustainability Reporting Standards (ESRS).



As an EU directive, CSRD requires transposition into national law. In Austria, this is to be done through the so-called Sustainability Reporting Act (NaBeG), which had not yet been finalized as of the reporting cut-off date, 30 June 2025.

As part of the so-called “Omnibus Proposal” of the European Commission from February 2025, aimed at simplifying EU regulations and strengthening competitiveness, extensive changes were proposed and in some cases already adopted, including for CSRD. These include a postponement of entry into force for companies in the “second wave” of reporting (the so-called “stop-the-clock” mechanism), which was adopted in spring 2025. Adjustments to the content and scope of the ESRS are also under discussion.

This change means that mandatory reporting under CSRD combined with ESRS will now apply to financial years beginning on or after 1 January 2027 (previously from FY 2025). Nevertheless, FMTG has decided to voluntarily report from FY 2024, in line with the provisions of the current versions of CSRD and ESRS (status 30 June 2025).

EU Taxonomy Regulation

The EU Taxonomy is another key pillar of the European Green Deal. It is a classification system that allows companies to classify certain economic activities, as defined in the regulation, as “environmentally sustainable” or “taxonomy-aligned” if they meet certain criteria. The overarching goal is to direct financial flows toward environmentally sustainable investments and thereby promote “green” investments. The Taxonomy addresses six environmental objectives¹.

To achieve Taxonomy alignment, a substantial contribution must be made to at least one of the objectives, while not significantly harming the others. In addition, minimum social safeguards must be met.

The presence of taxonomy-aligned activities is intended to enhance attractiveness among customers, business partners, and investors, while also offering financing benefits and long-term competitive advantages.

The EU Taxonomy is also affected by changes under the “Omnibus” initiative. These include restrictions on scope, simplifications for meeting technical screening criteria, and simplified reporting of taxonomy-relevant indicators.



>

Details of FMTG's taxonomy-relevant economic activities, along with the corresponding Taxonomy indicators, are provided in the “Environment” chapter.

¹1. Climate change mitigation, 2. Climate change adaptation, 3. Sustainable use and protection of water and marine resources, 4. Transition to a circular economy, 5. Pollution prevention and control, 6. Protection and restoration of biodiversity and ecosystems

Greenhouse Gas Accounting according to the Greenhouse Gas (GHG) Protocol

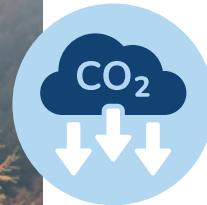
Transparent and consistent recording of greenhouse gas emissions is a central foundation of effective climate strategies and a key element of FMTG's corporate sustainability responsibility. In this context, the Greenhouse Gas Protocol (GHG Protocol) has established itself as the internationally recognized frame-work for greenhouse gas accounting. It was jointly developed by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD) and today represents the leading global standard for determining, classifying, and reporting GHG emissions at the corporate level.

In light of increasing regulatory requirements – such as CSRD – and growing expectations from investors, customers, and other stakeholders, GHG accounting according to the GHG Protocol is gaining importance. For FMTG, applying the GHG Protocol is not only a tool for meeting regulatory obligations, but also a strategic management instrument for identifying reduction potentials, deriving science-based climate targets, and continuously improving the company's greenhouse gas balance.

The GHG Protocol systematically categorizes emissions into three scopes:

- **Scope 1:** direct emissions,
- **Scope 2:** indirect energy-related emissions, and
- **Scope 3:** other indirect emissions along the value chain.

This structure enables comprehensive and comparable recording of climate-relevant emissions across all business activities and supply chains. For FMTG, which adheres to the European Sustainability Reporting Standards (ESRS) and the EU Taxonomy, the GHG Protocol provides the methodological foundation to present its emissions balance in a compliant and verifiable manner.





5. BASIS FOR PREPARATION

General basis for preparation of sustainability statements

[ESRS 2 BP-1]

Basis for preparation

This sustainability report of Falkensteiner Michaeler Tourism Group AG covers the financial year 2024 and has been prepared on a consolidated basis.

Hereinafter, the entire group of companies covered by the sustainability statement is abbreviated as “FMTG.”

Explanations for consolidated sustainability statements

The sustainability statement includes all fully consolidated companies with Falkensteiner Michaeler Tourism Group AG as the (group) parent company. The scope of consolidation corresponds to that of financial reporting.

FMTG Services GmbH, as a (fully) consolidated subsidiary, is exempt from annual or consolidated sustainability reporting in accordance with Article 19a paragraph 9 of Directive 2013/34/EU.

Value chain coverage

In accordance with ESRS requirements, the upstream and downstream value chain was particularly covered in the materiality analysis, especially when identifying material impacts, risks, and opportunities.

When calculating Scope 1-3 emissions in accordance with ESRS E1 as well as social indicators in accordance with ESRS S standards, group companies not fully consolidated in the sustainability statement were also taken into account, particularly when FMTG had operational control over the businesses.

When considering and analyzing the value chain, the EFRAG guidance (“EFRAG IG 2 - Value Chain”) from May 2024 was also used, which provides valuable assistance in determining the reporting boundaries and scope of emissions in accordance with the GHG Protocol.

Disclosures in relation to specific circumstances

[ESRS 2 BP-2]

Estimates regarding the value chain and sources of estimates and uncertainty of results

[ESRS 2 BP-2.10 f.]

For the calculation of the following environmental, social, and governance indicators, reliable data sources within the FMTG sphere of influence were used wherever available.

In the area of “Environmental”, the indicators for electricity, heating, cooling, and water consumption were taken from the group-wide consumption data monitoring system “EUDT.” In those hotel or camping businesses where the system had not yet been implemented or was not technically available, data was collected through manual meter readings or based on supplier invoices.

In individual cases, consumption data was extrapolated on the basis of comparative values from similar FMTG establishments or determined using an expenditure-based approach. The latter was implemented with the help of the ESG software Code Gaia, which is based on recognized emission factors and standardized extrapolation values in order to systematically derive consumption from the respective expenditure categories.

Recording of CO₂ emissions from business travel:

The business travel of all FMTG employees in the 2024 financial year was recorded group-wide and entered into the ESG software Code Gaia. Based on the kilometers traveled – differentiated by means of transport (car, airplane, train, public transport) – the resulting CO₂ emissions were calculated. The collection of travel distances was carried out manually by queries in the respective businesses and documented and evaluated to the best of our knowledge and belief.

Collection and evaluation of waste data in accordance with ESRS E5:

The indicators on resource consumption – especially in the area of waste – disclosed under ESRS E5 *Resource Use and Circular Economy* were collected using different methods.

As waste data cannot yet be recorded digitally across the board, data was collected manually in all FMTG hotel and camping businesses. The evaluation is based on a combination of various data sources: re-reported waste data from accommodation businesses, invoices from waste disposal companies, extrapolations based on comparable FMTG establishments, and expenditure-based data generated via the ESG software Code Gaia.

The quality of the waste data varies considerably depending on the market, as national waste management systems are developed and structured differently. Data on recycling rates was partly available for businesses in Austria and Italy; in other markets this information was not available.

In cases where the exact type of waste disposal was not known, a global disposal method via landfill without energy recovery was assumed as a precaution. This was deliberately chosen to avoid overstating FMTG's performance and represents a conservative approach. This methodological choice leads to a comparatively low reported recycling share of total waste.

Realistically, the actual recycling rate is likely to be significantly higher, but FMTG has decided to use only reliable and verifiable data sources for reporting in accordance with ESRS E5-5 Resource Outflows.





6. GOVERNANCE

Introduction

The purpose of this chapter is to provide an understanding of how sustainability aspects are organizationally embedded within FMTG and on what basis they are monitored, managed, and assumed as a responsibility.

The focus is on the organizational structure, responsibilities, and internal control processes that ensure environmental, social, and governance topics are systematically incorporated into corporate decisions, risk management, and the strategic management of FMTG.

The role of the administrative, management and supervisory bodies

[ESRS 2 GOV-1]

Diversity of the highest bodies

- **Executive Board**

The Executive Board, consisting of a single male member, represents the highest management body of FMTG AG.

- **Supervisory Board**

The Supervisory Board consists of three permanent members, including two regular members and the Chairman. All members are male. All members of this body, i.e. 100%, are independent and not bound by instructions. In addition, the Supervisory Board is supported by an Advisory Board in an advisory capacity. This consists of two members, one female and one male.

- **Other**

Employee and workforce representatives are not part of the company's administrative, management, or supervisory bodies. All members of the Executive Board and the Supervisory Board can look back on many years or even decades of experience in the leisure and tourism industry.

Responsibilities of the administrative, management, and supervisory bodies

[ESRS 2 GOV-1.22 a) & b); G1-GOV-1]

The Executive Board and the Supervisory Board regularly monitor the material impacts, risks, and opportunities in the ESG area of FMTG. At the same time, the Executive Board is responsible for the overall strategic management of the company, including the implementation of the ESG and sustainability strategy, taking into account impacts, risks, and opportunities.

Development of skills and expertise in the field of sustainability

[ESRS 2 GOV-1.23]

Management as well as the entire Supervisory Board possess a fundamental understanding of sustainability aspects, which is expanded in at least semi-annual meetings. In addition, all aspects of corporate governance are regularly addressed within the two bodies.

Both bodies may also draw on the expertise of the department within FMTG responsible for ESG and sustainability matters, Michaeler & Partner GmbH, which is also a fully consolidated subsidiary of FMTG.

Within the framework of regular, at least semi-annual meetings, as well as joint workshops accompanied by Michaeler & Partner – such as in the course of the materiality analysis conducted in FY 2024 – understanding, functionality, and interrelation with impacts, risks, and opportunities in the sense of CSRD and ESRS were conveyed.

Topic-specific requirements

[ESRS 2 Annex C in conjunction with GOV-1]

Business conduct

[G1-GOV-1.5]

The topic-specific requirements in accordance with ESRS G1-GOV-1 have already been met in the above information on ESRS 2 GOV-1.

Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

[ESRS 2 GOV-2]

The governance structure shown in the graphic illustrates how the ESG and sustainability area is embedded within the FMTG Group. The structure ensures that environmental, social, and governance topics are systematically incorporated into corporate decisions, risk management, and strategic management.



Figure 1 – ESG Governance FMTG

- ESG and sustainability are embedded at the level of the Supervisory Board, Group Management/Management level, and at the strategic-operational level. This ensures resources, knowledge, and input at the highest level necessary to engage with key internal and external stakeholders and to continuously improve sustainability performance.
- The Executive Board, as the highest management body, is informed at regular intervals, but at least semi-annually, about the development and progress of material sustainability aspects. In the reporting period 2024, the focus was on the initial implementation of the requirements for the process of identifying mate-



rial impacts, risks, and opportunities (see Chapter Materiality Analysis for details) in the sense of double materiality.

- The members of the Supervisory Board, as the supervisory body of the Executive Board of FMTG AG, are also informed in the context of regular Supervisory Board meetings, but at least semi-annually, about efforts and developments with regard to sustainability aspects.
- Accordingly, both bodies are informed about the material impacts, risks, and opportunities (see disclosure requirement ESRS 2 SBM-3), the implementation of due diligence in the area of sustainability, and the results and effectiveness of the adopted concepts, measures, parameters, and targets. They also receive regular updates on sustainability-related regulations that directly or indirectly affect FMTG.
- In addition, the Executive Board and members of the Supervisory Board actively dealt with all material impacts, risks, and opportunities of FMTG during the reporting period and took them into account in monitoring strategy, decisions on important transactions, and the risk management process. A corresponding, complete list can be found in the context of disclosure requirement ESRS 2 SBM-3 and in the topic-specific information.
- To support the implementation of the Corporate Sustainability Reporting Directive (CSRD), the internal business unit Michaeler & Partner ESG was commissioned. It consists of proven experts with many years of experience in sustainability reporting. They are responsible for drafting, implementing, and continuously developing the ESG strategy of the FMTG Group, involving all relevant departments and accommodation businesses. Together, they form the ESG Operational Team.
- All corporate departments as well as hotel and camping businesses each have an ESG Leader. These are essential for the implementation of measures as well as for the development of detailed concepts and actions. They are therefore important not only for execution but also play a key role in providing impulses and measures from the businesses for the continuous further development of the strategy.

Integration of sustainability- related performance in incentive schemes

[ESRS 2 GOV-3]

Topic-specific requirements

[ESRS 2 Annex C in conjunction with GOV-3]

Climate change

[E1-GOV-3.13]

In the reporting period, no climate-related considerations were included in the remuneration of the members of the administrative, management, and supervisory bodies. Performance was also not assessed on the basis of GHG emission reduction targets (E1-4).



7. DUE DILIGENCE AND RISK MANAGEMENT

Statement on due diligence

[ESRS 2 GOV-4]

FMTG acknowledges its corporate due diligence and is committed to upholding human rights as well as social and environmental standards along the entire value chain. In line with its Code of Conduct (in the 4th version valid in FY 2024), the Group identifies potential risks, raises employee awareness through training, and binds business partners to its principles. Reports of potential violations are received confidentially, carefully examined, and necessary measures initiated. In this way, FMTG ensures that responsible action is an integral part of its business activities.

CORE ELEMENTS OF DUE DILIGENCE	REFERENCE IN SUSTAINABILITY STATEMENT
<i>a) Embedding due diligence in governance, strategy, and business model</i>	<i>Description in GOV-1 and GOV-2 of the Sustainability Report</i>
<i>b) Involvement of affected stakeholders in all key steps of due diligence</i>	<i>IRO-1 Double Materiality Analysis</i>
<i>c) Identification and assessment of negative impacts</i>	<i>IRO-1 Double Materiality Analysis</i>
<i>d) Measures against these negative impacts</i>	<i>Report contents on material topics in Environmental, Social & Governance</i>
<i>e) Monitoring the effectiveness of these efforts and communication</i>	<i>Report contents on material topics in Environmental, Social & Governance</i>

Risk management and internal controls over sustainability reporting

[ESRS 2 GOV-5]

In the course of 2024, FMTG began to analyze all relevant physical climate risks as well as transition risks.

Climate risks

FMTG uses an online tool of the globally operating reinsurer MunichRE for the identification and subsequent assessment of physical climate risks. This enables the Group to determine its exposure to climate risks and natural disasters. These analyses serve, among other things, as a basis for identifying measures at the level of hotel and camping operations to increase the resilience of business activities.

Transition risks

To identify relevant transition risks (= risks arising from the transition to a climate-neutral and more sustainable economy), the following approach was taken: First, internal and external stakeholders were surveyed as part of the double materiality analysis to understand their expectations and risk assessment. In addition, the Finance department was involved in assessing the financial effects of transition risks, always taking into account a defined threshold in order to capture only relevant and material financial effects.

Internal control

The reporting was prepared by Michaeler & Partner in close coordination with all corporate departments as well as the accommodation businesses. Through ongoing joint exchange, data and content are continuously validated.



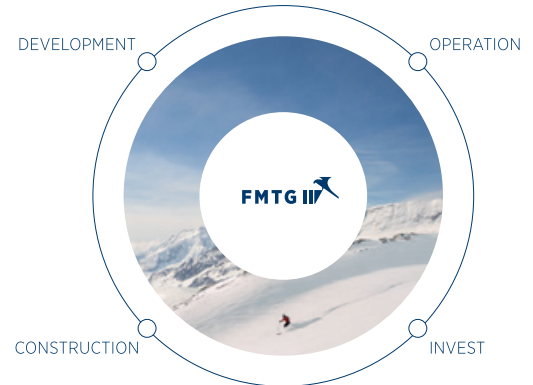
8. STRATEGY AND BUSINESS MODEL OF FMTG

Strategy, business model and value chain

[ESRS 2 SBM-1]

Strategy

The special strength of FMTG derives from the fact that it covers the entire value chain. Thus, already when designing a project, the focus lies on the future management. In turn, the experience gained in the hotel operation adds to the development of new projects. Along with the profound industry know-how that we have gathered through our many years of practice and our strong hospitality roots, this vertical integration allows us to gain experience in all fields of the value chain and to create synergies that put us and our customers one step ahead of the competition. We are a “one stop shop” with a proven track record, both in the city hotel and holiday resort business.



This makes us an attractive partner for project developers, investors and banks and enables us to achieve what is crucial to our business success: Create products that turn all our stakeholders into loyal fans of our brand.

The business model and business fields of FMTG

Falkensteiner Michaeler Tourism Group AG
FMTG – Falkensteiner Michaeler Tourism Group AG is one of the leading privately owned Austrian hospitality and tourism companies. In the 2024 financial year, it combined under its umbrella the areas of Falkensteiner Hotels & Residences with currently 27 four- and five-star hotels, three apartment complexes and two premium campsites, FMTG Development, FMTG Invest, and the consulting company Michaeler & Partner. Its activities extend across 7 European countries.

In the 2024 financial year, FMTG employed an average of **2,340 staff**². The regional distribution of employees is as follows:

- **Austria:** 831 employees
- **Croatia:** 825 employees
- **Italy:** 532 employees
- **Czech Republic:** 151 employees



² For the countries Slovakia, Serbia, and Slovenia, no reliable data was available at the time of reporting. The employees working there were therefore not included in the calculation of the average total number. As a result, the employee figures reported in the 2024 Annual Report differ from those in this report.



FMTG Services

FMTG Services comprises three hotel management companies in Austria, Italy, and Croatia, which hold management contracts with the hotels, apartment complexes, and campsites. It covers all operational activities of the hotels, residences, and currently also camping resorts. In addition, it includes all management and support functions for the group (e.g., accounting and controlling, brand strategy, marketing and sales, reservations, revenue management, quality management, IT, procurement, etc.) and operates hotels under the Falkensteiner Hotels & Residences brand or as a private label. Another task of Services is the operation of hotel businesses in its own name and on behalf of third parties by means of management contracts or lease agreements. For this, it charges a service and management fee, which depends on the annual revenue development (7–12%).



Falkensteiner Hotels & Residences

Falkensteiner Hotels & Residences operates properties under its own name as well as on behalf of third parties. The brand is positioned in the upscale 4- and 5-star segment, with a marketing concept built around four signature experience worlds: Indulgence, Balance, Entertainment, and Activity.

In 2024, Falkensteiner Hotels & Residences is represented in seven countries: Austria, Italy, Croatia, the Czech Republic, Slovakia, Serbia, and Slovenia. The brand portfolio currently comprises 27 hotels, 3 apartment residences, and 2 premium camping resorts.



FMTG Development

FMTG Development is the Group's development arm, responsible for identifying locations, developing projects, acquiring properties, securing partners and investors, and exploring new business opportunities. Its scope of activity includes the evaluation and selection of development sites, project management and planning optimization, concept development for hotel and mixed-use projects, project marketing and financing, as well as property sales, including the marketing of serviced residences.



FALKENSTEINER RESIDENCES

Falkensteiner Residences

With Falkensteiner Residences, FMTG has created a real estate product that goes beyond innovative architecture, high-end design, investment security, and prime locations, adding a new dimension to the motto “There’s no place like home.” Owners of a Falkensteiner apartment benefit from the services and comprehensive infrastructure of the adjacent Falkensteiner Hotels. In addition, FMTG has developed a lease-back program with several flexible options, ensuring attractive return potential for investors.



MICHAELER & PARTNER PROJECTS AND PEOPLE IN TOURISM

Michaeler & Partner

The consultancy Michaeler & Partner provides both internal and external advisory services in the fields of construction, refurbishment, design, and operation of tourism properties. This business unit is structured into four areas: project development, construction management, corporate consulting, and sustainable innovation & ESG. Its services include strategic advisory and support for investors, banks, real estate companies, and tourism destinations, as well as comprehensive services for the development of tourism projects. With more than 300 international projects realized in private hospitality and institutional settings, Michaeler & Partner demonstrates extensive industry expertise and experience.

FMTG | Invest FALKENSTEINER MICHAELER TOURISM GROUP

FMTG Invest

Since 2017, FMTG has successfully pursued a crowd-investment strategy. The founding of FMTG Invest in June 2022 marked the next step: through its own digital investment platform, the Group enables straightforward, direct, and digital investments in the hospitality sector. FMTG Invest provides investors with first-hand information, strengthening the relationship of trust between the Group and its investment community. In addition to regular annual interest payments, investors also receive compensation in the form of vouchers redeemable at all Falkensteiner properties.

FMTG II PREMIUM CAMPING

Premium Camping by Falkensteiner

Established in 2022, Premium Camping by Falkensteiner is the Group’s youngest business unit, combining closeness to nature with comfort to create an exclusive “glamping” experience. The current portfolio features medium and large-scale campsites with premium infrastructure, a strong focus on high-quality food & beverage concepts, and a wide range of children’s activities. Guests can choose between mobile homes in various sizes and premium pitches for motorhomes, caravans, and campers. Falkensteiner Premium Camping Zadar serves as the pilot project for this segment, with additional sites to follow.

FMTG Value Chain

As a vertically integrated tourism group, FMTG covers the entire tourism value chain – from site development to guest services. The value creation process can be structured into the following phases:

Project Development and Investment Phase

The upstream segment includes site identification, planning, concept development, and project management, managed by FMTG Development and Michaeler & Partner. Financing and marketing are supported by FMTG Invest through models such as crowd-investing. Sustainability aspects are embedded from the very beginning of the planning phase.

Hotel and Camping Operations

Operational delivery is managed primarily through Falkensteiner Hotels & Residences and Falkensteiner Premium Camping, with support from FMTG Services. Activities include procurement, guest check-in/out, administration, hotel services, facility management, HR, IT, and compliance.

Marketing and Guest Interaction

Sales are driven by multi-channel campaigns, partner programs, and guest-focused initiatives for acquisition and retention. Dedicated service units ensure continuous guest engagement during and after their stay, including feedback management, loyalty programs, and additional services.

Post-Stay Effects and Optimization

Guest data and feedback are analyzed to refine additional services and integrate returns such as reviews, upgrades, and recommendations into the ongoing improvement of service quality and value creation.

Falkensteiner Michaeler Tourism Group Value Chain

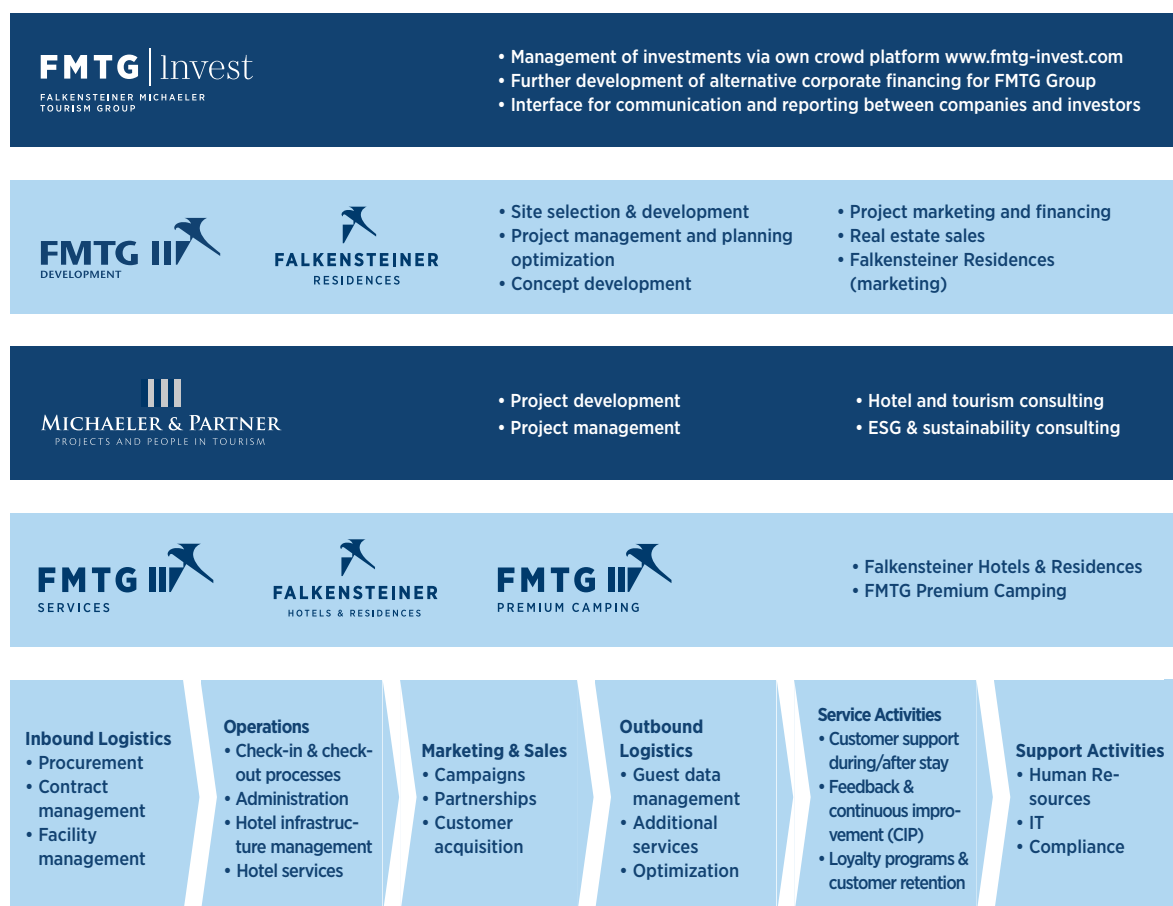


Figure 2 – FMTG value chain



9. STAKEHOLDER

Interests and views of stakeholders

[ESRS 2 SBM-2]

Consideration and traceability of stakeholders' interests and perspectives in the strategy and business model

[ESRS 2 SBM-2.43 in conjunction with 2.45b)

As part of the double materiality analysis, the interests and perspectives of key stakeholders were systematically recorded and evaluated. The survey was conducted, among other things, through qualitative interviews, feedback from operational units, and existing management systems. This made it possible to align key expectations regarding business activities, environmental impacts, and social responsibility with FMTG's strategic orientation and to integrate them into the further development of the business model.

Involvement of key company stakeholders

[SBM-2.45a]

The most relevant stakeholders, identified during an internal workshop, can be divided into the following categories (in brackets the category of stakeholders according to ESRS):

- Executive Board (affected stakeholder & user of the sustainability statement)
- Supervisory Board (affected stakeholders & users of the sustainability statement)
- Hotel owners / lessors (affected stakeholders & users of the sustainability statement)
- Banks (users of the sustainability statement)
- Hotel & camping customers (= guests) (affected stakeholders)
- Individual/crowd investors (affected stakeholders)
- Institutional investors / family offices (affected stakeholders & users of the sustainability statement)
- General Managers (affected stakeholders & users of the sustainability statement)
- Owners (affected stakeholders & users of the sustainability statement)
- Managing Directors (affected stakeholders & users of the sustainability statement)
- Corporate employees (affected stakeholders & users of the sustainability statement)
- Hotel & camping employees (affected stakeholders & users of the sustainability statement)
- "Food" suppliers (affected stakeholders)
- "Development" suppliers (affected stakeholders & users of the sustainability statement)

All of these stakeholders, classified as particularly relevant, were fundamentally included in the process for identifying material impacts, risks, and opportunities (IROs). The involvement of relevant stakeholders took place through workshops, professional interviews, as well as further participation formats tailored to the respective groups (e.g. personal meetings with owners and investors). The intensity of involvement was deliberately varied to ensure the most individual and thus adequate approach possible for each stakeholder group. The results of the stakeholder dialogue were comprehensively taken into account in the identification of material IROs.

Information on the perspectives and interests of affected stakeholders

[ESRS 2 SBM-2.45d]

The Executive Board and the Supervisory Board are informed at least semi-annually, within the framework of ordinary Supervisory Board meetings, about developments in connection with the perspectives and interests of affected stakeholders. On occasion, this also takes place at shorter intervals, particularly at Executive Board level.

Topic-specific disclosure requirements

[ESRS 2 Annex C in conjunction with SBM-2]

Own workforce

[S1-SBM-2]

FMTG takes into account the interests, perspectives, and rights of its workforce in shaping its business model and strategic orientation. This includes, in particular, the respect for human rights, fair working conditions, and the involvement of employees in decision-making processes, where structurally possible and necessary. In the ongoing development of the sustainability strategy, feedback systems, internal employee surveys, and employer review data are systematically evaluated to integrate employee needs into HR strategy, site development, and service offerings. The aim is to create a stable, equitable, and socially responsible working environment that contributes to the long-term competitiveness of FMTG.

Affected communities

[S3-SBM-2]

So far, a systematic involvement of affected communities in shaping the corporate strategy or business model has not taken place. The assessment of relevant impacts, risks, and opportunities is currently based on internal company evaluations, supplemented by external sources such as publicly available information, legal frameworks, and industry-specific knowledge.

When making location-based decisions, FMTG regularly considers local circumstances as well as the interests of those communities that may be affected in their living environment by the operation or development of hotels and campsites. Safeguarding their rights – in particular with regard to the environment, social living conditions, and health – is a matter of course for FMTG.

In the future, it is planned to involve affected communities more actively in relevant ESG issues, in order to integrate their perspectives into future strategic decisions at an early stage.

Consumers and end-users

[S4-SBM-2]

The targeted involvement of hotel and camping guests – as a central group of consumers and end-users – in corporate decision-making processes to address actual or potential impacts has so far not taken place within the framework of formalized procedures. Assessments of relevant topics are currently based on a combination of internal evaluations, ongoing guest feedback, selected individual interviews, as well as consideration of regulatory requirements and industry standards.

In day-to-day operations, feedback from guest surveys, reviews, or personal contact is regularly documented and, if necessary, incorporated into the further development of offers, processes, or communication measures. Responsibility for processing and taking account of this feedback lies with the individual properties as well as the central Quality and People Development function. A systematic effectiveness review of these feedback processes has not yet been established.

With a view to future reporting periods, FMTG plans to expand structured feedback formats on ESG topics, in order to integrate the perspectives of its guests more strongly and purposefully into strategic considerations going forward.

10. MATERIALITY ASSESSMENT FMTG

Description of the process to identify and assess material impacts, risks and opportunities

[ESRS 2 IRO-1]

Methods and assumptions in the context of the materiality analysis

[ESRS 2 IRO-1.53a]

This report is based on the implementation of an extensive materiality analysis, in which FMTG's material impacts, risks, and opportunities ("IROs") relating to sustainability aspects in the areas of environment, social, and governance were identified. The materiality analysis was carried out in line with the principle of "double materiality" as required by CSRD/ESRS, taking into account both impact materiality ("inside-out" perspective) and financial materiality ("outside-in" perspective).

The two perspectives are illustrated in the graphic below:

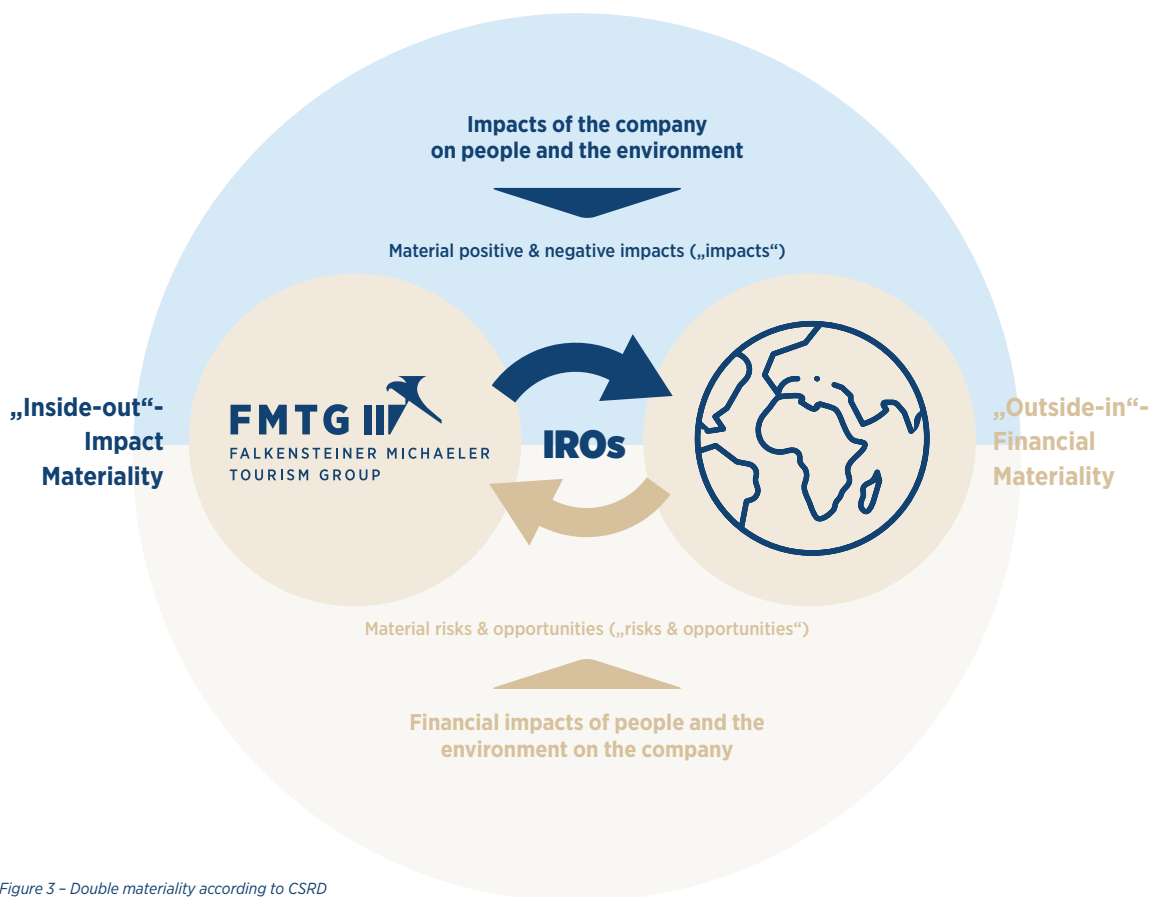


Figure 3 – Double materiality according to CSRD

The materiality analysis of FMTG is based on the following four steps, which are explained in more detail below:

1. Context analysis & identification and evaluation of the most important stakeholders
2. Identification of potentially relevant topics & impacts, risks, and opportunities
3. Assessment and identification of material IROs in relation to sustainability aspects
4. Validation of the results of the materiality analysis, resulting in the most material sustainability aspects based on the material IROs

In addition to the requirements of the ESRS, the Implementation Guidance “EFRAG IG 1– Materiality Assessment” published by EFRAG in May 2024 was also taken into account. This document serves as a guideline and reference for the substantive specification of the necessary steps in the materiality process.

All fully consolidated group companies, those under operational control, as well as the upstream and downstream value chain of FMTG were considered in the analysis.

Through internal workshops, peer analyses, comprehensive surveys of internal and external stakeholder groups, as well as validation by management, a reliable and meaningful result was achieved, which is explained in more detail below.

The first significant step in the materiality analysis, prior to identifying and assessing the material impacts, risks, and opportunities, was to provide contextual understanding of the subject of sustainability reporting to the most relevant FMTG departments, as well as to identify the most relevant internal and external stakeholders across the entire value chain of FMTG (see chapter SBM-2 for details). Particular emphasis was placed on ensuring that all participants were sufficiently informed about the relevant regulations, the necessary steps of the materiality analysis, and the key principles and conceptual connections of sustainability reporting.

Process for identifying, assessing, prioritizing, and monitoring potential and actual impacts

In order to both meet legal requirements and successfully process the strategic objectives and results of the stakeholder dialogue, the first step was to identify the (potentially) most significant environmental, social, and governance topics and related impacts, risks, and opportunities (IROs) as part of a comprehensive stakeholder dialogue. The result of this step was a “long list” of FMTG’s impacts on people and the environment in relation to sustainability aspects.

After conducting an internal workshop with the Executive Board and selected senior managers from the various business units, this first list of potentially relevant impacts from the perspective of internal stakeholders was complemented by a comprehensive stakeholder dialogue with FMTG’s most relevant external stakeholders. The emphasis was placed on a qualitative survey. The data collection and validation were carried out through personal but anonymous interviews. The identified impacts were recorded and documented in the ESG reporting tool “Code Gaia.” Subsequently, they were grouped and consolidated to merge similar or identical impacts and eliminate duplicates. The outcome was a “long list” of potentially material positive and/or negative impacts, which were then subjected to a materiality assessment, ultimately resulting in a “short list” of the most material positive and negative impacts. Together with the material financial risks and opportunities, this “short list” formed the basis for the relevant reporting contents in accordance with CSRD/ESRS.

In principle, the materiality assessment of impacts was carried out in line with the general requirements of ESRS 1 Chapter 3.4 as follows:

Negative impacts:

1. For actual negative impacts: according to the severity of the impacts
2. For potential negative impacts: according to severity and likelihood of the impacts

Severity was based on the following factors:

- a. scale
- b. scope
- c. irremediability of the impacts

In the case of potential negative impacts on human rights, the severity of impacts takes precedence over their likelihood.



Positive impacts:

1. For actual positive impacts: materiality assessment based on the scale and scope of the impacts
2. For potential positive impacts: materiality assessment based on scale, scope, and likelihood of the impacts

Methodology for impact assessment:

The following steps were applied in the materiality assessment process for each impact:

- I. Whether the impact is specific to one country or several countries
- II. Whether the impact depends heavily on a particular location or asset
- III. Whether information about the risk or opportunity must be reported for specific subsidiaries (= company-specific) or group-wide
- VI. Whether the impact has a positive or negative contribution to people or the environment
- V. Whether the impact is actual or potential
- VI. The magnitude of the impact (local/regional vs. national vs. supranational)
- VII. The extent of the impact (full vs. partial vs. de minimis but cumulative)
- VIII. The irremediability of the impact (i.e. the time required for the environment to return to its original state)
- IX. For a negative impact: how severe it is
- X. For a potential impact: the likelihood of occurrence (more likely: 50% to <100% vs. less likely: >0 to <50%)

The assessment period was determined in accordance with the definitions in ESRS 1 Chapter 6.4:

- a. Short-term: the reporting period applied in the company's financial statements
- b. Medium-term: from the end of the short-term period up to five years
- c. Long-term: more than five years

Process for identifying, assessing, prioritizing, and monitoring risks and opportunities with financial impacts

[ESRS 2 IRO-1.53c]

The identification of material financial risks and opportunities ("Risks and Opportunities") that affect the business activities of the entire FMTG, including the upstream and downstream value chain, was carried out in a workshop with FMTG's senior financial managers. Prior to the identification and assessment process, an introduction was given to convey an understanding of "financial effects," "risks," and "opportunities" in line with the regulatory requirement of double materiality, specifically the "outside-in" perspective.

The procedure for identifying and assessing impacts was also considered and linked to the identification of risks and opportunities, since the presence of certain ESG-related impacts indicates financial risks and opportunities.

A variety of types of risks and opportunities were addressed and assessed for relevance in this step:

Risks:

Transition risks

- Physical risks associated with climate change
- Legal risks
- Financing/investment risks

Opportunities:

- Market opportunities
- Innovation
- Efficiency gains in terms of resource optimization
- Improved access to financing and capital
- Reputational benefits

The identified risks and opportunities were first compiled into a (longer) list, similar to the impact identification process described above, before being assessed to identify the material financial risks and opportunities of FMTG. This ultimately resulted in a “short list” of material risks and opportunities.

The following methodology was applied in the assessment process:

- I. Assessment of whether the risk/opportunity is specific to one country or several countries
- II. Assessment of whether the risk/opportunity depends heavily on a particular location or asset
- III. Assessment of whether certain information about the risk/opportunity must be reported for specific subsidiaries (= company-specific)
- IV. Determination of the (expected) scale of financial impacts of the respective risk/opportunity and definition of the area of the company's finances affected
- V. Definition of a financial threshold and assessment of whether the risk/opportunity lies above or below this threshold
- VI. Assessment of the timeframe over which the risk/opportunity is realized (short/medium vs. long-term)
- VII. Assessment of the probability of occurrence (50% to <100% vs. >0 to <50%)

The assessment of the scale of financial impacts in step IV was carried out quantitatively wherever possible; where a quantitative estimate was not possible, qualitative characteristics were applied.

The materiality threshold for financial evaluation in step V was defined as 5% of FMTG's consolidated EBIT.

The assessment periods were determined, as with the impact assessment, in accordance with the definitions in ESRS 1 Chapter 6.4:

- a) Short-term: the reporting period applied in the company's financial statements
- b) Medium-term: from the end of the short-term period up to five years
- c) Long-term: more than five years

Description of the decision-making process and associated internal control procedures

[ESRS 2 IRO-1.53d]

The decision-making process within the materiality analysis was carried out step by step, in line with the regulatory requirements of ESRS, and based on the results of internal workshops and feedback from FMTG's key stakeholders. A central role was played by the multi-part internal workshop series, which not only facilitated in-depth discussion but also served as an internal control mechanism. The Executive Board, the Executive Committee, and other senior managers were continuously informed of the progress of the process and actively involved in assessing and prioritizing the material topics, and thus in the final decision-making process.





As a final step in the materiality analysis, all identified material impacts, risks, and opportunities were validated, consolidating the results and “short lists” from both spheres. Following a final review and analysis by Michaeler & Partner ESG, a final shortlist of material impacts, risks, and opportunities in the areas of environment, social, and governance was derived in coordination with the Executive Board. This forms the basis for the further content of this report.

An overview of FMTG’s material impacts, risks, and opportunities can be found in the disclosures under ESRS 2 SBM-3 below. A detailed list with comprehensive explanations is provided in the respective sections on environmental, social, and governance information.

Input parameters used

[ESRS 2 IRO-1.53g]

For the materiality analysis, both internal company data (e.g., from the areas of energy, procurement, HR, and operations) and external sources were used. The latter included, in particular, reports from comparable tourism companies as well as studies and reports on tourism and sustainability. The analysis covered the entire value chain – particularly upstream processes such as energy and food procurement – as well as the assumptions on emissions calculation described in detail in Chapter E1. The level of detail was guided by data availability – where data gaps existed, reasonable conservative assumptions were made or estimates were carried out.

Topic-specific requirements

[ESRS 2 Annex C in conjunction with IRO-1]

Climate change

[E1-IRO-1]

Procedure regarding impacts on climate change

The analysis of FMTG’s impacts on climate change was of high importance in the materiality analysis. In particular, the influence on greenhouse gas emissions was identified at an early stage of the analysis, which is why FMTG decided to conduct a comprehensive process to establish a company-wide carbon footprint, the so-called Corporate Carbon Footprint (CCF). The methodology follows the internationally recognized Greenhouse Gas Protocol and includes the systematic accounting of emissions in Scope 1, Scope 2, and – where material – Scope 3. This process considers both historical and projected emissions to assess their potential impacts on the environment, business activities, and stakeholders, and to derive effective mitigation strategies.

The determination of greenhouse gas emissions in accordance with the GHG Protocol is presented in detail under disclosure requirement E1-6.

Procedure for identifying climate-related risks and opportunities

As part of the double materiality analysis, climate-related risks and opportunities were identified using different channels and methods. In the first step, guidance documents were used to support the identification of industry-specific risks and opportunities. Additional risks and opportunities were collected during workshops and dialogues with internal and external stakeholders. Maps showing climatic trends and changes from the European Environment Agency (EEA) served as an additional basis.

Pollution

[E2-IRO-1]

Procedure regarding impacts related to environmental pollution

As part of the procedure for identifying and assessing material impacts, risks, and opportunities related to pollution, the locations of hotels and campsites were screened to capture actual and potential environmental impacts both in the company’s own operations and within the upstream and downstream value chain. Consultations with key stakeholders were carried out to incorporate both internal and external perspectives on the impacts of FMTG’s business activities on air, water, and soil pollution, thereby validating the relevance and materiality of the identified topics. Stakeholders from affected communities were not yet involved in this first materiality analysis but are expected to be more actively engaged in upcoming reporting periods.

Water and marine resources

[E3-IRO-1]

Procedure regarding impacts related to water and marine resources

In accordance with ESRS IRO-1 in connection with ESRS E3 on water and marine resources, the company applied specific methods to systematically identify material impacts, risks, and opportunities related to water availability, quality, and use. For this purpose, the company's assets and operational activities, as well as relevant parts of the upstream and downstream value chain, were examined.

The procedure was based on a risk-oriented analysis, including the following elements:

- Review of the interfaces between operational activities/assets and water/marine resources along the value chain
- Consideration of geographic, climatic, regulatory, and ecological location characteristics
- Analysis of operational water consumption data and use of relevant resources

Within the materiality analysis, the following data sources and evaluation criteria were used:

- External indicators on water stress
- Hydro-geographical maps and catchment areas (HORA 3D pre-screening)
- Internal operational data on consumption and wastewater
- Environmental information on upstream supply chains (e.g. textiles, food, construction)

Subsequent water-related risk screenings covered physical water risks (e.g. water stress, sea level change, precipitation intensity), geographic location analyses, and the evaluation of operational consumption and real-time data. Sources regarding local water stress levels, regulatory developments, and climate-related changes were also taken into account.

Stakeholder consultation

Within the materiality analysis, the views and opinions of key stakeholders regarding water and marine resources were considered. Going forward, FMTG plans to conduct consultations with local stakeholders and affected communities to gain a deeper understanding of regional water-related challenges and ensure that external perspectives are integrated into updated materiality and risk assessments.

Biodiversity and ecosystems

[E4-IRO-1]

Procedure regarding impacts on biological diversity and ecosystems

FMTG has analyzed its actual and potential impacts on biological diversity and ecosystems both at its own sites and along the upstream and downstream value chain. The assessment was based on criteria such as land sealing, potential encroachment into protected areas, loss of natural habitats, and impacts on endangered species.

Transition and physical risks (e.g., through stricter conservation regulations or the loss of ecosystems) were analyzed together with opportunities (e.g., through biodiversity-promoting land use or nature-based solutions). The assessment was based on an analysis of corporate impacts and dependencies and applied criteria such as exposure to regulatory changes, site-specific risks, and ecosystem-based resilience.

To incorporate local perspectives, FMTG plans to conduct consultations with affected communities in a future update of the materiality analysis. The feedback will be used to refine impact and risk assessments on a site-specific basis and to identify potential conflicts of use at an early stage. In the 2024 reporting period, affected communities were not yet consulted.

The company's relevant dependencies on biodiversity and ecosystem services, and the associated systemic risks, have not yet been thoroughly analyzed.

In the context of disclosure pursuant to ESRS E4-IRO-1, it must also be stated whether FMTG, with its hotels and campsites, has sites in or near areas of protected biodiversity, with a focus on Natura 2000 areas and nationally designated protected areas. The evaluation assesses whether FMTG's business



activities in these areas potentially or actually have negative impacts on natural habitats or protected species, for example through land use, noise, light emissions, or water abstraction. Specifically, the interactive map of protected areas published by the European Environment Agency (EEA), was used to assess whether FMTG sites are located in or near protected areas (e.g., according to Natura 2000, the Habitats or Birds Directive, as well as national designations).

The affected FMTG sites located in or near protected areas are listed in the topic-specific disclosures under ESRS E4.

Negative impacts on protected areas from FMTG activities were not identified in the reporting period. On the basis of this assessment, it has therefore not yet been examined whether explicit remedial measures to prevent, mitigate, or compensate for biodiversity losses are required.

Resource use and circular economy

[E5-IRO-1]

Procedure related to resource use and circular economy

To identify material impacts, risks, and opportunities in connection with resource use and the circular economy, FMTG's own assets and business activities as well as relevant sections of the upstream and downstream value chain were reviewed.

The analysis focused in particular on resource outflows, especially waste streams (e.g., residual waste, hazardous waste, organic waste, surplus food, non-recyclable materials) of FMTG.

Stakeholder involvement

In the course of the materiality analysis, FMTG involved its most important stakeholders in identifying material impacts, risks, and opportunities related to resource use and the circular economy. In addition, consultations with affected communities and other stakeholders are planned for the future, particularly with regard to local resource conflicts or waste disposal, in order to integrate external perspectives into the assessment.

Business conduct

[G1-IRO-1]

Procedure related to governance

An integral part of the overall materiality process was also the identification and assessment of impacts, risks, and opportunities in relation to aspects of governance in accordance with ESRS G1. The purpose was to systematically identify currently and potentially relevant topics related to governance and to assess their significance in the context of the Group's business activities.

Key assessment criteria were taken into account, including the specific locations of the operations, since these are significantly influenced by regulatory frameworks and specific governance risks – for example in relation to corruption, transparency requirements, or human rights.

FMTG's activities in the international tourism and leisure industry bring additional challenges, such as dealing with seasonal staff, consumer protection, data protection, and diversified ownership and operating models. The structure of transactions – for example in developments, joint ventures, or cross-border supply relationships – was also considered with regard to impacts, risks, and opportunities in connection with governance.

The findings from this process directly informed the assessment of materiality and form the basis for deriving appropriate governance measures, the further development of compliance management, and risk prevention within the Group.

Disclosure requirements in ESRS covered by the undertaking's sustainability statement

[ESRS 2 IRO-2]

ESRS-REQUIREMENT	TITLE OF DISCLOSURE REQUIREMENT	REFERENCE/SOURCE			
ESRS 2 GENERAL DISCLOSURES					
BP-1	General basis for preparation of sustainability statements	Chapter 5. Basis for Report Preparation (p. 17)			
BP-2	Disclosures in relation to specific circumstances	Chapter 5. Basis for Report Preparation (p. 17 f.)			
GOV-1	The role of the administrative, management and supervisory bodies	Chapter 6. Governance (p. 19 f.)			
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	Chapter 6. Governance (p. 20 f.)			
GOV-3	Integration of sustainability-related performance in incentive schemes	Chapter 6. Governance (p. 21)			
GOV-4	Statement on due diligence	Chapter 7. Due Diligence and Risk Management (p. 22)			
GOV-5	Risk management and internal controls over sustainability reporting	Chapter 7. Due Diligence and Risk Management (p. 22)			
SBM-1	Strategy, business model and value chain	Chapter 8. Strategy and Business Model of FMTG (p. 23 ff.)			
SBM-2	Interests and views of stakeholders	Chapter 9. Stakeholders (p. 27 f.)			
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Chapter 10. FMTG Materiality Analysis (p. 38 ff.); all information in chapters on Environment, Social & Governance in connection with SBM-3 (EI: p. 52 ff.; E3: p. 63 ff.; E4: p. 71; E5: p. 75 ff.), Soziales (SI: p. 83 ff.; S3: p. 97 ff.; S4: p. 103 ff.) & Governance (GI: p. 111 ff.)			
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities		Chapter 10. FMTG Materiality Analysis (p. 29 ff.)		
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement		Chapter 10. FMTG Materiality Analysis (p. 36 ff.)		
MDR-P	Policies adopted to manage material sustainability matters		Chapter 12. MDR – Logic/Explanation (p. 42 f.) all information in chapters on Environment, Social & Governance		
MDR-A	Actions and resources in relation to material sustainability matters				
MDR-M	Metrics in relation to material sustainability matters				
MDR-T	Tracking effectiveness of policies and actions through targets				
E1 CLIMATE CHANGE					
E1-1	Transition plan for climate protection		p. 51		
E1-2; E1-3; E1-4	Concepts, actions, and targets in relation to climate protection and adaptation to climate change		p. 57 ff.		
E1-5	Energy consumption and energy mix		p. 59		
E1-6	Gross GHG emissions of Scope 1, 2, and 3 categories and total GHG emissions		p. 60 f.		
E3 WATER AND MARINE RESOURCES					
E3-1; E3-2; E3-3	Concepts, actions, and targets in relation to water and marine resources		p. 66 f.		
E3-4	Metrics related to water resources (consumption & intensity)		p. 68		
E4 BIODIVERSITY AND ECOSYSTEMS					
E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model		p. 70		
E4-2; E4-3; E4-4	Concepts, actions, and targets in relation to biodiversity and ecosystems		p. 72 f.		
E4-5	Metrics for impacts related to biodiversity and ecosystem changes		Not relevant		



E5 RESOURCE USE AND CIRCULAR ECONOMY

**E5-1; E5-2;
E5-3** Concepts, actions, and targets in relation to resource use and circular economy **p. 76 ff.**

E5-4 Resource inflows **Not relevant**

E5-5 Resource outflows **p. 79 f.**

S1 OWN WORKFORCE

S1-1 Concepts in relation to own workforce **p. 89**

S1-2 Processes for involving own workforce and workers' representatives in relation to impacts **p. 89**

S1-3 Processes to remediate negative impacts and channels for own workforce to raise concerns **p. 90**

S1-4 Actions in relation to material impacts on own workforce **p. 90 f.**

S1-5 Targets in relation to own workforce **p. 91**

S1-6 Characteristics of own employees **p. 92**

S1-7 Characteristics of non-employee workers **Not relevant**

S1-8 Collective bargaining coverage and social dialogue **p. 93**

S1-9 Diversity metrics **p. 93**

S1-10 Adequate remuneration **p. 93**

S1-11 Social protection **p. 93**

S1-12 People with disabilities **p. 93**

S1-13 Training and skills development metrics **p. 94**

S1-14 Occupational health and safety metrics **p. 95**

S1-15 Work-life balance metrics **p. 95**

S1-16 Compensation metrics **p. 95**

S1-17 Incidents, complaints, and severe impacts related to human rights **p. 96**

S3 AFFECTED COMMUNITIES

S3-1 Concepts in relation to affected communities **p. 100**

S3-2 Processes for engaging with affected communities regarding impacts **p. 100**

S3-3 Processes for remediation of negative impacts and channels for affected communities to raise concerns **p. 100**

S3-4; S3-5 Targets and actions in relation to affected communities **p. 100 f.**

S4 CONSUMERS AND END-USERS

S4-1 Concepts in relation to consumers and end-users **p. 104 ff.**

S4-2 Processes for engaging with consumers and end-users regarding impacts **p. 106**

S4-3 Processes for remediation of negative impacts and channels for consumers and end-users to raise concerns **p. 106**

S4-4; S4-5 Targets and actions in relation to consumers and end-users **p. 106**

G1 GOVERNANCE

G1-1 Concepts in relation to corporate policy and corporate culture **p. 100**

G1-2 Management of supplier relationships **p. 114 f.**

G1-3 Prevention and detection of corruption and bribery **p. 115**

G1-4 Cases of corruption or bribery **p. 115**

G1-5 Political influence and lobbying activities **Not relevant**

G1-6 Zahlungspraktiken **p. 115**

Material impacts, risks and opportunities and their interaction with strategy and business model

[ESRS 2 SBM-3]

Material impacts, risks and opportunities

[ESRS 2.48a in conjunction with 2.49]

FMTG makes use of the option to provide the more detailed descriptive information on its material impacts, risks, and opportunities directly within the respective topic-specific ESRS.

In line with ESRS 2, however, a statement on the material impacts, risks, and opportunities is presented here.

The presentation is based on the ESRS topics identified as essential for the FMTG. Each of these standards is associated with specific impacts, risks, and opportunities, resulting both from FMTG's own operations and along the upstream and downstream value chain. These topics were identified within a structured, multi-stage double materiality process and form the basis for the further explanations in this report.

Material Impacts, Risks and Opportunities – Falkensteiner Michaeler Tourism Group (FMTG)

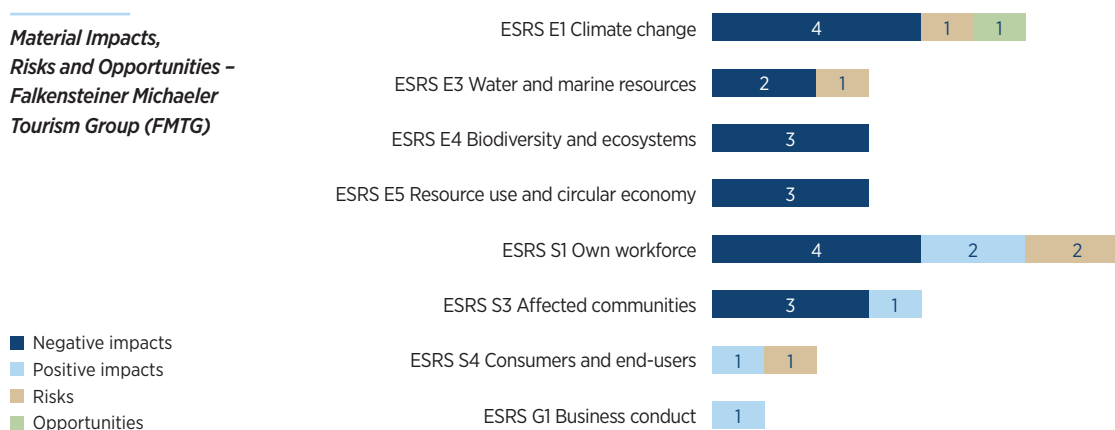


Figure 4 – Material IROs FMTG





Statement on the Material Impacts, Risks and Opportunities

SUSTAIN-ABILITY MATTERS	ESRS	SUBTOPIC	DESCRIPTION	IMPACT, RISK OR OPPORTUNITY
ENVIRONMENTAL ASPECTS				
Climate Change	ESRS E1	Climate Change mitigation & Energy	High CO ₂ emissions & energy consumption from hotel operations	Negative Impact
		Climate Change mitigation	Mobility-related emissions from hotel operations	Negative Impact
		Climate Change mitigation	High CO ₂ emissions caused within the (upstream) value chain	Negative Impact
		Climate Change mitigation	High CO ₂ emissions from guest arrivals and departures (guest mobility)	Negative Impact
		Climate Change adaption	Business activity constraints due to climate change and extreme weather events	Risk
		Climate Change mitigation	Opportunity to access investments and funding by integrating ESG & sustainability in business model	Opportunity
Water and Marine Re-sources	ESRS E3	Water	High water withdrawal and significant water consumption from hotel and camping operations	Negative Impact
			Increased water consumption due to high food demand	Negative Impact
			Business activity constraints due to increasing water scarcity	Risk
Biodiversity and Ecosys-tems	ESRS E4	Impacts on the Scope and State of Ecosystems	Disruption of natural processes of flora and fauna due to hotel operations and guests	Negative Impact
			Reduction of habitats for flora & fauna due to soil sealing	Negative Impact
		Direct Causes of Biodiversity Loss	Loss of biodiversity due to high food consumption and associated resource-intensive production	Negative Impact
Resource Use and Circular Economy	ESRS E5	Resource Inputs, incl. Use	High resource consumption in the upstream value chain (e.g. construction activities)	Negative Impact
			Increased resource consumption in upscale hospitality and upstream value chain	Negative Impact
		Waste	Generation of large amounts of waste through hotel operations	Negative Impact
SOCIAL ASPECTS				
Own Workforce	ESRS S1	Working Conditions	Partially reduced employee comfort due to quality differences in staff accommodation	Negative Impact
		Working Conditions: Secure Employment	Employment insecurity due to seasonal contracts	Negative Impact
		Working Conditions: Fair Remuneration	Employee dissatisfaction due to lower pay compared to other industries	Negative Impact
		Working Conditions: Social Dialogue	Dissatisfaction due to insufficient social dialogue	Negative Impact

Own workforce	ESRS S1	Working Conditions: Secure Employment	Stable employment relationships	Positive Impact
		Company-specific Aspect	Promoting employee recovery and wellbeing	Positive Impact
		Company-/Industry-specific Aspect	Shortage of (qualified) workers in tourism and hospitality	Risk
		Working Conditions	Loss of attractiveness and employee turnover due to poor working conditions	Risk
SOCIAL ASPECTS				
Affected Communities	ESRS S3	Company-specific Aspect	Decline in tourism acceptance within the local community	Negative Impact
		Economic, Social and Cultural Rights of Communities	Price increases for everyday goods due to regional tourism growth and high guest volumes	Negative Impact
			Reduced availability of space for housing and infrastructure in local areas	Negative Impact
			Increase in regional value creation for people and businesses	Positive Impact
Consumers and end-users	ESRS S4	Company-specific Aspect	Contribution to guest wellbeing and health-promoting experience	Positive Impact
		Information-related Impacts on Consumers and/or end-users	Risk of financial damage and reputational loss due to data protection breaches	Risk
GOVERNANCE ASPECTS				
Business conduct	ESRS G1	Corporate Culture	Improved corporate culture	Positive Impact

Figure 5 – Statement on the Material IROs

A detailed description is therefore provided in the following sections on environmental, social, and governance information in accordance with the relevant requirements of the topic standards, taking into account the supplementary topic requirements for SBM-3 in accordance with ESRS 2 Appendix C for certain standards:

- ESRS E1 Climate change (paragraphs 18 and 19)
- ESRS E4 Biodiversity and ecosystems (paragraph 16)
- ESRS S1 Own workforce (paragraphs 13 to 16)
- ESRS S3 Affected communities (paragraphs 8 to 11)
- ESRS S4 Consumers and end-users (paragraphs 9 to 12)

Influence of material impacts, risks and opportunities on strategy and business model

[ESRS 2 SBM-3.48b]

As part of its materiality analysis, FMTG assessed the extent to which the identified material impacts, risks, and opportunities influence the existing business model, the company's value chain, as well as strategic orientation and decision-making processes. Both the current influence of existing matters and the potential expected influence over the short-, medium-, and long-term horizons were taken into account. The assessment was carried out in the context of operational processes, strategic projects, investment decisions, and the company's handling of external regulatory or market developments.

The company has examined or implemented measures for material IROs that may lead to adjustments in operations, product and service offerings, or site development. The specific type of response – such as technical measures, organizational changes, or strategic decisions – is described in the respective topic-specific sections.



Resilience of strategy and business model in relation to material impacts, risks and opportunities

[ESRS 2 SBM-3.48 f.]

FMTG has qualitatively assessed the resilience of its strategy and business model with regard to the material impacts, risks, and opportunities identified within the double materiality analysis. The analysis considers the company's ability to respond to relevant external changes, adapt to sustainability-related challenges, and effectively leverage opportunities.

The qualitative assessment was based on the time horizons provided in ESRS 1 Chapter 6 (short-, medium-, and long-term) and was carried out through consultation with internal decision-makers. A quantification of resilience was not conducted.



11. MINIMUM DISCLOSURE REQUIREMENTS (MDR) – LOGIC/EXPLANATION

General

[ESRS 2.60 ff.]

ESRS 2 contains minimum disclosure requirements (“MDR”) regarding the reporting of relevant concepts, actions, targets, and metrics of the company in connection with material sustainability matters. These minimum disclosures must be applied, on the one hand, when the company provides information on its concepts (Policies – P) and actions (Actions – A) to prevent, mitigate, and remediate material impacts, to address material risks, and to seize material opportunities. On the other hand, they apply when the company provides information on its metrics (Metrics – M) and targets (Targets – T) in connection with the individual material sustainability matters of the topical standards in the areas of environment, social, and governance.

These minimum disclosure requirements are an integral part of the topical ESRS, must be applied together with them, and ensure that the material sustainability matters of the company are disclosed transparently and comprehensibly, as well as sufficiently documented.

FMTG has largely taken the underlying minimum requirements into account within the present reporting in the topical standards, but has not yet fully implemented them in accordance with the respective extensive detailed requirements (see the following chapters on Environment, Social, and Governance). Full implementation of the MDR is targeted for future reporting periods. The following provides an overview and explanation of the MDR in accordance with ESRS:

Concepts for dealing with material sustainability matters – MDR-P

[ESRS 2.63 ff.]

- Description of the strategic approaches in concepts that the company has developed for dealing with material impacts, risks, and opportunities. This includes the main content, scope of application, the top-level responsible persons in the company, as well as consideration of stakeholder interests.
- Objective: To provide an understanding of the existing concepts in order to prevent, mitigate, and remediate actual and potential impacts, to better address risks, and to make use of possible opportunities.

Actions and resources in relation to material sustainability matters – MDR-A

[ESRS 2.66 ff.]

- Information on the actions implemented and planned, their objectives, the implementation period, and the resources available (OpEx and CapEx) with which the individual material sustainability matters are managed, including action plans and allocated and/or planned resources.
- Objective: To prevent, mitigate, and remediate impacts in order to address risks and opportunities and, where applicable, to achieve the requirements and objectives of related concepts.

Metrics in relation to material sustainability matters – MDR-M

[ESRS 2.73 ff.]

- Disclosure of all relevant metrics used to assess the performance and effectiveness of the actions. This includes both topical and company-specific metrics, including the methods and significant assumptions underlying their calculation, as well as their limitations.
- Objective: To provide an understanding of the metrics the company applies to track the effectiveness of its actions in dealing with material sustainability matters.



Tracking the effectiveness of policies and actions through targets – MDR-T

[ESRS 2.78 ff.]

- Definition of and reporting on measurable, time-bound, and outcome-oriented targets for progress assessment, as well as whether and how stakeholders were involved.
- Objective: To verify the effectiveness of the measures taken to address material impacts, opportunities, and risks. These targets are aligned with material sustainability matters and are intended to ensure the achievement of strategic objectives.



ENVIRONMENTAL INFORMATION

1. EU TAXONOMY REGULATION

EU Taxonomy in the context of FMTG

For FMTG, the EU Taxonomy represents a central instrument for increasingly aligning its financial flows – in particular turnover and capital expenditures – with ecological sustainability. In this way, FMTG contributes to achieving the environmental objectives of the European Union. The EU Taxonomy Regulation and its delegated acts, which define the technical screening criteria, provide a uniform regulatory framework for the classification of environmentally sustainable economic activities.

In the 2024 financial year, the focus was on identifying the underlying taxonomy-relevant economic activities within FMTG's business operations. An initial qualitative review was carried out on the basis of the technical screening criteria for the individual environmental objectives – with a focus on climate change mitigation, climate change adaptation, as well as the protection of biodiversity and ecosystems.

A detailed review regarding full taxonomy alignment – in particular with respect to compliance with the technical screening criteria, the DNSH (“Do No Significant Harm”) test, and the Minimum Safeguards – has not yet been carried out in the current reporting year. This is planned for the coming reporting years, whereby any potential impacts of the amendments currently under discussion – keyword “Omnibus” – will also be taken into account in the assessment and determination of the further approach.

Relevant economic activities of FMTG and connection to Taxonomy KPIs

The determination of the taxonomy-relevant shares of turnover and capital expenditures (CapEx) is based on those economic activities of FMTG that fall under the following economic activities classified in the EU Taxonomy:

DESCRIPTION OF ECONOMIC ACTIVITY	LINK TO KPI	
	KPI TYPE	DESCRIPTION
Hotels, holiday, camping grounds and similar accommodation	Turnover	Revenue from (fully consolidated) operational hotel activities of FMTG
	Capital expenditure (CapEx)	Additions to property, plant and equipment or partially capitalised leasing (e.g. hotel lease, large machinery)
Acquisition and ownership of buildings	Turnover	Rental/lease income generated, e.g. from the rental of an office property in Belgrade (IAS 40)
	Capital expenditure (CapEx)	Specific maintenance or repair expenses related to the rented property
Construction of new buildings	Capital expenditure (CapEx)	Development costs of newly built hotels recorded as fixed assets, or the development of new additional buildings at existing hotels prior to the start of accommodation activities
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	Capital expenditure (CapEx)	Installation of e-charging stations in parking lots, garages, etc. at individual hotel and camping sites of FMTG
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	Capital expenditure (CapEx)	Technical systems to improve efficiency in building operations, such as building automation and energy management systems, smart meters, or façade/roof elements with greening function
Installation, maintenance and repair of renewable energy technologies	Capital expenditure (CapEx)	Procurement/installation of photovoltaic systems, solar panels, or heat pumps
Acquisition, financing, leasing, rental and operation of vehicles of classes M1, N1	Capital expenditure (CapEx)	Company fleet vehicles acquired either via direct purchase or leasing

Disclosure of Taxonomy KPIs pursuant to Article 8 of the Taxonomy Regulation

As part of the EU Taxonomy disclosure pursuant to Article 8 of Regulation (EU) 2020/852 in conjunction with Delegated Regulation (EU) 2021/2178, FMTG publishes the shares of its taxonomy-eligible and taxonomy-aligned turnover as well as capital expenditures (CapEx). The determination of these shares is based on the consolidated financial statements of FMTG prepared in accordance with International Financial Reporting Standards (IFRS). Taxonomy-eligible revenue predominantly consists of turnover generated by FMTG's operational hotel, accommodation, and camping business. A minor share of total revenue is attributable to the rental of an office property in Belgrade, Serbia.

For the presentation of the CapEx KPI, a methodological approach was applied that enables a differentiated allocation of investments to the relevant taxonomy-relevant economic activities. Investments related to ongoing hotel and camping operations – including (hotel) properties required for carrying out these activities – were, where they could not be allocated to a more specific economic activity (e.g., acquisition of a photovoltaic system under “Installation, maintenance and repair of renewable energy technologies”), assigned to the activity “Hotels, holiday, camping grounds, and similar accommodation.”

Investments in new construction projects currently under development, where no operational accommodation business is yet taking place, were assigned to the activity “Construction of new buildings.” Investments in existing buildings – in particular existing staff housing as well as an office building rented to third parties – were assigned to the activity “Acquisition and ownership of buildings.” In the presentation of revenue and CapEx KPIs, the materiality threshold of 10% – based on the share of the relevant economic activities in total turnover or total CapEx – as discussed in the course of the so-called Omnibus initiative, was not yet applied in the 2024 reporting year. In addition, no taxonomy-related operating expenditures (OpEx) are reported in the 2024 reporting year, since, in light of the planned amendments under the so-called Omnibus package – in particular the intended shift to voluntary application and the introduction of a 25% materiality threshold – a concrete collection and disclosure was refrained from.

SHARE OF REVENUE / TOTAL REVENUE

	TAXONOMY-ALIGNED PER OBJECTIVE	TAXONOMY-ELIGIBLE PER OBJECTIVE
CCM	0 %	0.6 %
CCA	0 %	0 %
WTR	0 %	0 %
CE	0 %	0 %
PPC	0 %	0 %
BIO	0 %	94.9 %

Figure 6.2 – EU Taxonomy Revenue /
Total Revenue

95.6 %

CCM: Climate Change Mitigation
WTR: Water and Marine Resources
PPC: Pollution Prevention and Control

CCA: Climate Change Adaption
CE: Circular Economy
BIO: Biodiversity and Ecosystems

CAPEX SHARE / TOTAL CAPEX

	TAXONOMY-ALIGNED PER OBJECTIVE	TAXONOMY-ELIGIBLE PER OBJECTIVE
CCM	0 %	23.7 %
CCA	0 %	0 %
WTR	0 %	0 %
CE	0 %	0 %
PPC	0 %	0 %
BIO	0 %	68.9 %

Figure 7.2 – EU Taxonomy CapEx /
Total CapEx

92.6 %

CCM: Climate Change Mitigation
WTR: Water and Marine Resources
PPC: Pollution Prevention and Control

CCA: Climate Change Adaption
CE: Circular Economy
BIO: Biodiversity and Ecosystems

Figure 6.2. – EU Taxonomy Revenue / Total Revenue

Figure 7.2. – EU Taxonomy CapEx / Total CapEx

Turnover

Share of Turnover from Goods or Services Associated with Taxonomy-aligned Economic Activities – Disclosure for the Year 2024

Financial year	2024	Substantial contribution criteria								DNSH criteria ('Does Not Significantly Harm')																															
ECONOMIC ACTIVITIES (1)				CODE (2)		TURNOVER (3)		PROPORTION OF TURNOVER, YEAR 2024 (4)		CLIMATE CHANGE MITIGATION (5)		CLIMATE CHANGE ADAPTION (6)		WATER (7)		POLLUTION (8)		CIRCULAR ECONOMY (9)		BIODIVERSITY (10)		CLIMATE CHANGE MITIGATION (11)		CLIMATE CHANGE ADAPTION (12)		WATER (13)		POLLUTION (14)		CIRCULAR ECONOMY (15)		BIODIVERSITY (16)		MINIMUM SAFEGUARDS (17)		PROPORTION OF TAXONOMY-ALIGNED(A.1.) OR ELIGIBLE (A.2.) CAPEX, YEAR 2023 (18)		CATEGORY ENABLING ACTIVITY (19)		CATEGORY TRANSITIONAL ACTIVITY (20)	
Text			Currency	%	Y, N, N/EL	Y, N, N/EL	Y, N, N/EL	Y, N, N/EL	Y, N, N/EL	Y, N, N/EL	Y, N, N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T																					
A. TAXONOMY-ELIGIBLE ACTIVITIES																																									
A.1. Environmentally sustainable activities (Taxonomy-aligned)																																									
-			0	0.0 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-																					
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)			0	0.0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %																														
Of which enabling			0	0.0 %																																					
Of which transitional				0.0 %																																					
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																																									
Hotels, holiday, camping grounds and similar accommodation		BIO 2.1.	201,058,631	94.9 %	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	EL							-																							
Acquisition and ownership of buildings		CCM/CCA 7.7.	1,469,745	0.7 %	EL	EL	N/EL	N/EL	N/EL	N/EL	N/EL							-																							
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)			202,528,376	95.6 %	0.7 %	0 %	0 %	0 %	0 %	0 %	94.9 %							-																							
Turnover of Taxonomy-eligible activities (A.1+A.2)				95.6 %	0.7 %	0 %	0 %	0 %	0 %	0 %	94.9 %							-																							
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																																									
Turnover of Taxonomy-noneligible activities			9,406,210	4.4 %																																					
TOTAL (A+B)			211,934,586	100 %																																					

Figure 6.1. – Revenue EU Taxonomy 2024 FMTG



Capital Expenditure (CapEx)

CapEx Share from Products or Services Associated with Taxonomy-aligned Economic Activities – Disclosure for the Year 2024

Financial Year	2024	Criteria for Substantial Contribution						DNSH Criteria ("Do No Significant Harm") (*)												
ECONOMIC ACTIVITIES (1)	CODE (2)	CAPEX (3)	PROPORTION OF CAPEX, YEAR 2024(4)	CLIMATE CHANGE MITIGATION (5)	CLIMATE CHANGE ADAPTATION (6)	WATER (7)	POLLUTION (8)	CIRCULAR ECONOMY (9)	BIODIVERSITY (10)	CLIMATE CHANGE MITIGATION (11)	CLIMATE CHANGE ADAPTATION (12)	WATER (13)	POLLUTION (14)	CIRCULAR ECONOMY (15)	BIODIVERSITY (16)	MINIMUM SAFEGUARDS (17)	PROPORTION OF TAXONOMY-ALIGNED(A.1) OR ELIGIBLE (A.2) CAPEX, YEAR 2023 (18)	CATEGORY ENABLING ACTIVITY (19)	CATEGORY TRANSITIONAL ACTIVITY (20)	
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
-		0	0.0 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0.0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %	-	
Of which enabling		0	0.0 %																	
Of which transitional			0.0 %																	
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Hotels, holiday, camping grounds and similar accommodation	BIO 2.1.	15,389,837	68.9 %	N/EL	N/EL	N/EL	N/EL	N/EL	EL									-		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM/CCA 6.5.	329,721	1.5 %	EL	EL	N/EL	N/EL	N/EL	N/EL									-		
Construction of new buildings	CCM/CCA 7.1. / CE 3.1.	4,737,916	21.2 %	EL	EL	N/EL	N/EL	EL	N/EL									-		
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM/CCA 7.4.	21,723	0.1%	EL	EL	N/EL	N/EL	N/EL	N/EL									-		
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM/CCA 7.5.	33,482	0.1%	EL	EL	N/EL	N/EL	N/EL	N/EL									-		
Installation, maintenance and repair of renewable energy technologies	CCM/CCA 7.6.	49,427	0.2 %	EL	EL	N/EL	N/EL	N/EL	N/EL									-		
Acquisition and ownership of buildings	CCM/CCA 7.7.	123,563	0.6 %	EL	EL	N/EL	N/EL	N/EL	N/EL									-		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		20,685,669	92.6 %	23.7 %	0 %	0 %	0 %	0 %	68.9 %									-		
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		20,685,669	92.6 %	23.7 %	0 %	0 %	0 %	0 %	68.9 %									-		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
CapEx of Taxonomy-non-eligible activities		1,653,617	7.4 %																	
TOTAL (A+B)		22,339,286	100 %																	

Figure 7.1. – CapEx EU Taxonomy 2024 FMTG

2. CLIMATE CHANGE

[ESRS E1]

Introduction

Progressing climate change is one of the most severe global challenges of our time and has a direct impact on the tourism industry – both through physical risks and through increasing expectations from regulators, guests, and investors.

For FMTG, the responsible management of climate-related impacts and risks is a core element of corporate strategy. The aim is both to significantly reduce greenhouse gas emissions and to strengthen the resilience of locations to climatic changes. At the same time, opportunities should be leveraged to ensure that FMTG's business model remains sustainably attractive.

The focus is particularly on:

- the energy-intensive operational areas of hotels – such as heating, cooling, gastronomy, and wellness & spa services,
- climate-relevant aspects in the camping sector, such as energy consumption, infrastructure resilience, and mobility,
- as well as real estate developments, which are to be designed as sustainably as possible through energy-efficient planning, sustainable building materials, and the use of renewable energies.



Connection to our corporate values

FMTG's actions in the area of climate change adaptation are guided by its core values:

- **Ambitious:** We pursue ambitious targets to reduce our CO₂ footprint along our entire value chain – from hotel and camping operations to project development.
- **Grounded:** We promote respectful use of resources and rely on practical, environmentally friendly solutions in day-to-day operations.
- **Bold:** We proactively invest in innovative technologies and future-oriented concepts for climate-friendly hospitality and infrastructure.
- **Relationship-driven:** We actively involve our guests, employees, and business partners in our climate protection measures and rely on shared responsibility.

Materiality of the topic

The topic of climate change was classified as material within the framework of the double materiality analysis – both with regard to the impacts of FMTG's business activities on the climate and with respect to climate-related risks and opportunities.

This chapter discloses the information required under ESRS E1 in conjunction with ESRS 2. This includes information on governance, strategy, as well as material climate-related impacts, risks, and opportunities. In addition, this chapter contains information on the underlying procedures, specific targets, measures, and key performance indicators (KPIs) concerning greenhouse gas emissions, as well as adaptation to climate change in the context of FMTG's hotel, camping, and development activities.



Topic-specific disclosure requirements

[ESRS E1 in conjunction with ESRS 2]

Governance

Integration of sustainability-related performance in incentive schemes

[E1-GOV-3]

Reference may be made here to the relevant information on E1-GOV-3 in the section General Information – 6. Governance.

Strategy

Transition plan for climate change mitigation

[E1-1]

FMTG does not yet have a formal transition plan for the reporting period in question. The aim is to develop such a plan in the coming years, based on scientifically sound targets (e.g., SBTi – Science-Based Targets Initiative). This plan will form the basis for aligning FMTG's strategy and business model with the transition to a sustainable economy and the goal of limiting global warming to 1.5 °C in accordance with the Paris Agreement and the goal of achieving climate neutrality by 2050.

Material impacts, risks and opportunities and their interaction with strategy and business model

[E1-SBM-3]

FMTG reports in accordance with ESRS 2 SBM-3 in conjunction with ESRS E1-SBM-3 on the material climate-related impacts, risks, and opportunities as well as their interaction with strategy and business model.

The reporting is carried out in line with the specific requirements of ESRS 2 and the topic-specific requirements of ESRS E1, including application requirements (AR) in accordance with Annex A.

FMTG makes use of the option to provide the disclosures pursuant to ESRS 2 paragraph 46 on SBM-3 in this topic-specific ESRS E1 (cf. ESRS 2 paragraph 49).

Material climate-related impacts

DESCRIPTION OF IMPACT	IMPACT DESCRIPTION	SUB-TOPIC	TYPE OF IMPACT
High CO₂ emissions & energy consumption from hotel operations	The use of non-renewable energy sources for heating, cooling, etc. at the locations of hotels and camping resorts leads to increased CO ₂ emissions as part of operational activities. Energy demand is particularly high in wellness areas, pools, kitchens and sanitary facilities. The resulting energy-related GHG emissions directly contribute to climate change.	Climate mitigation & Energy	Actual negative impact
Mobility emissions in operations	In day-to-day operations of FMTG, mobility-related emissions arise – for example, from internal services, transport routes and logistics trips. Especially in rural regions with limited public transport, many petrol or diesel vehicles from the company fleet are in use.	Climate mitigation	Actual negative impact
High CO₂ emissions in the upstream value chain	A significant share of upstream CO ₂ emissions (Scope 3) comes from emission-intensive procurement and construction processes, such as concrete, steel, insulation, furnishings, textiles and cleaning products. Food products from industrial and conventional agriculture also contribute to FMTG's GHG footprint.	Climate mitigation	Actual negative impact
High CO₂ emissions from guest travel (guest mobility)	Guest travel to FMTG sites by car, plane, etc. (downstream in the value chain) negatively impacts FMTG's CO ₂ balance.	Climate mitigation	Actual negative impact

Figure 8.1 – Material Impacts ESRS E1



LINK TO STRATEGY AND BUSINESS MODEL	POSITION IN THE VALUE CHAIN	TIME HORIZON	TYPE OF RESPONSIBILITY
FMTG's business model is based on the operation of high-quality hotels and premium camping infrastructure with relaxation and comfort offerings (e.g. pool, spa, gastronomy). Reducing energy-related emissions is therefore a strategic lever of the company-wide sustainability strategy. This is further reinforced by our ambitions in climate protection and decarbonisation. Measures include energy efficiency, electrification of heat supply, and gradual transition to renewable energies.	Own operations	<u>Short term:</u> The environmental impact of CO₂ emissions arises directly from the use of fossil energy sources. <u>Medium term:</u> Continued fossil energy emissions increase atmospheric CO₂ levels. <u>Long term:</u> Accumulation of GHG emissions leads to systemic climate changes with global scenarios affecting people and nature (e.g. rising temperatures, more extreme weather events).	Direct responsibility for emissions caused at own sites
Employee mobility is strongly embedded in FMTG's business model	Own operations	see above	Direct responsibility for company mobility activities with own vehicles (Scope 1) and indirect for necessary business travel such as rental cars or air travel (Scope 3)
FMTG's business model is based on the operation and development of high-quality tourism infrastructure. Accordingly, there is high demand for materials and upstream inputs that enable business activities in the first place.	Upstream value chain (procurement and product-related suppliers)	<u>Short and medium term:</u> Emissions from ongoing and planned projects via standardised procurement processes. <u>Long term:</u> Cumulative contribution to climate change, especially from long-lasting (construction) products.	Indirect – influenced by the choice and control of construction and supplier portfolio
Guest travel to FMTG sites occurs primarily through motorised individual transport. FMTG promotes environmentally friendly alternatives such as train travel and e-mobility.	Downstream value chain	<u>Short and medium term:</u> Guest mobility emissions occur directly and at least in the medium term, as changing mobility behaviour requires time, infrastructure and cooperation models. <u>Long term:</u> Cumulative contribution to climate change.	Indirect, but influenceable through framework conditions, information and offers of alternative, more sustainable travel options

Material climate-related risks and opportunities

DESCRIPTION OF RISK OR OPPORTUNITY	RISK/OPPORTUNITY DESCRIPTION	SUB-TOPIC	TYPE OF RISK	POSITION IN THE BUSINESS MODEL AND VALUE CHAIN
Restriction of business activities due to climate change and extreme weather events	As climate change progresses, several FMTG sites face increasing risks of climate-induced extreme weather events – such as storms, flooding, heavy rain, heatwaves, and landslides. These risks can lead to damage to infrastructure, limited accessibility, business interruptions, and constraints in guest operations. This may result in short-term revenue losses as well as medium- to long-term investment needs.	Climate Change Adaptation	Climate-related physical risk	<u>Business Relevance:</u> Hotel and camping sites with exposed infrastructure (e.g. outdoor areas, pools, access roads) as well as supply and logistics systems are affected. <u>Position in the Value Chain:</u> The risk affects both own operations and the upstream value chain in the form of external service providers/suppliers for FMTG (transport, energy supply, staff availability) in the regions concerned. <u>Geographic Concentration:</u> Italy: Southern Italy (heat, drought), South Tyrol (storms, mudslides, avalanches) Croatia: coastal regions with flood risk and storm surges Austria: Alpine regions with high susceptibility to storms, mudslides, landslides
Qualification for investments and subsidies considering ESG & sustainability in the business model	National, regional and EU-wide subsidy programs provide financial incentives for investments in climate-friendly technologies, construction and operational measures. This includes, for example, energy efficiency measures (e.g. thermal refurbishments), expansion of renewable energy (e.g. photovoltaic systems), development of e-mobility infrastructure and conversion of fossil-based heating and cooling systems.	Climate mitigation	Climate-related transition opportunity	<u>Business Relevance:</u> Concerns both new construction and refurbishment of existing hotels and camping sites, investments in building technology, energy supply and mobility offerings. <u>Position in the Value Chain:</u> Relevance in own business activities (buildings, fleet, energy supply) as well as in upstream planning and investment decisions. <u>Geographic Concentration:</u> Particularly relevant in EU countries with pronounced subsidy programs, especially Austria, Italy (incl. South Tyrol) and Croatia within EU-financed programs (e.g. Green Deal, EFRR, Recovery and Resilience Facility).

Figure 8.2. – Material Risks and Opportunities ESRS E1



IMPACT ON STRATEGY, BUSINESS MODEL AND DECISION-MAKING

Strategic adjustments: integration of climate-related site criteria (e.g. topography, drainage, protective infrastructure) into future project decisions.

Planned actions: expansion of resilient infrastructure (e.g. flood protection, heat protection, seawater desalination, drinking water treatment), increased requirements in new construction and renovation projects, diversification of sites.

RESILIENCE OF STRATEGY AND BUSINESS MODEL IN ADDRESSING KEY RISKS / EXPLOITING KEY OPPORTUNITIES

Current status: Resilience varies by location; in some regions minimum standards already exist, elsewhere adaptation is required.

Measures: extension of technical standards, adjustments within risk management systems, continuous review of exposure of existing properties.

Outlook: further scenario analyses and climate vulnerability assessments in planning; integration of climate-related physical risks into strategic portfolio and project decisions.

CURRENT FINANCIAL EFFECTS ON EARNINGS, FINANCIAL POSITION AND CASH FLOWS

- Site-specific additional costs for maintenance, operational disruptions
- Investments & expenses for preventive measures such as reinforcement, fortifications, etc.

Short-term measures: systematic assessment of available subsidies, targeted use for ongoing construction and refurbishment projects.

Strategic adjustments: integration of subsidy management and climate protection investments into corporate strategy and project planning.

Planned actions: expansion of climate-friendly technologies at all locations, prioritisation of investments with optimal subsidy eligibility.

Current status: The corporate strategy already includes systematic use of subsidies in climate protection.

Measures: expansion of internal expertise in subsidy management and applications, integration into planning and financing processes.

Outlook: further institutionalised use of subsidy opportunities, e.g. within larger EU programs and sector-specific funds.

- Use of existing subsidy programs (e.g. photovoltaic subsidies, refurbishment subsidies, investment premiums, co-financing of ongoing projects).
- Reduction of investment costs through grants, tax incentives and favourable financing terms."

Resilience of strategy and business model in relation to climate change

In the course of 2024, FMTG began analyzing its relevant physical climate risks as well as transition risks.

FMTG uses an online tool from MunichRE for the identification and subsequent evaluation of physical climate risks, which enables a sound and data-based determination of exposure to climate risks and natural disasters.

FMTG records acute and chronic physical climate risks for each of its sites in the following risk categories:

Die FMTG erhebt für jeden ihrer Standorte akute und chronische physische Klimarisiken der folgenden Risikokategorien:

- Temperature-related risks
- Wind-related risks
- Water-related risks
- Mass-movement-related risks

The physical climate risks collected are then assessed with regard to their relevance for the respective site, in order to take into account only those risks that may have a negative impact on the site.

With regard to the period under consideration, the physical climate risks are recorded for the following time horizons/years from the online tool:

- Assessment year / status quo
- 2030
- 2040
- 2050
- 2100

The climate risks are also recorded according to the respective SSP/RCP scenarios³. Four different scenarios with the following characteristics are used:

- **SSP1/RCP2.6 („Sustainability“):**
 - Sustainable development, protection of global commons, lower income inequality, resource-conserving consumption
 - Net zero CO₂ emissions around 2075
 - Warming by 2100: approx. +1.6 to +1.8°C
- **SSP2/RCP4.5:**
 - Development continues as before, moderate cooperation, stagnating environmental quality
 - CO₂ emissions decline only after 2050 but do not reach net zero
 - Warming by 2100: approx. +2.4 to +2.7°C
- **SSP3/RCP7.0:**
 - Increasing nationalism, low international cooperation, rising inequality, environmental destruction in many regions
 - CO₂ emissions double by 2100
 - Warming by 2100: approx. +3.6°C (2.8–4.6°C)
- **SSP5/RCP8.5:**
 - Strong economic globalization, technological progress, but based on intensive use of fossil fuels
 - Tripling of CO₂ emissions by 2075
 - Warming by 2100: approx. +4.3 to +4.4°C

⁴ RCPs (Representative Concentration Pathways) describe possible development pathways of greenhouse gas concentrations in the atmosphere up to the year 2100; SSPs (Shared Socioeconomic Pathways) describe possible societal, economic, and political developments up to the year 2100 – independent of the level of climate protection pursued.



For the hospitality industry, the RCP2.6 and RCP4.5 scenarios are particularly relevant, as these currently represent the most likely developments.

- **RCP2.6** stands for an ambitious climate protection scenario in line with the Paris Agreement. For the industry, it signals increasing regulatory requirements, investments in energy efficiency, and growing demand for sustainable offerings.
- **RCP4.5** describes a moderate climate pathway with limited but noticeable climate impacts. For the hospitality industry, this means a need to adapt to higher temperatures, extreme weather events, and potential risks for tourist destinations.

Both scenarios serve as a basis for risk analyses, investment decisions, and sustainability strategies in the hospitality industry, which is why FMTG also uses these two scenarios for its risk assessment. To identify all relevant transition risks (= risks arising from the shift to a climate-neutral and more sustainable economy), FMTG applies the following approach:

As part of the double materiality analysis, internal and external stakeholders were surveyed in order to take their individual expectations and risk assessments into account. In addition, as part of the materiality analysis, the finance department was involved in estimating the financial effects, applying a defined threshold in order to capture only relevant financial effects. Furthermore, those transition risks that arise from regulatory developments, changing market requirements, and shifts in consumer behavior were also taken into account – for example, due to stricter sustainability requirements in laws/regulations, shifts in demand, or new expectations regarding sustainable business models.

Management of impacts, risks and opportunities

Description of the process to identify and assess material impacts, risks and opportunities

[E1-IRO-1]

Reference may be made here to the disclosures under ESRS 2 IRO-1 in conjunction with E1-IRO-1 in the section General Information – 10. Materiality Analysis.

Policies, actions and targets in connection with climate change mitigation and adaptation

[E1-2; E1-3; E1-4]

FMTG has implemented a wide range of measures across all its business areas, all aimed at contributing to climate protection. All existing and newly defined measures were collected for the first time in the 2024 reporting year in order to consolidate them within the Group's ESG strategy.

In parallel, for the 2024 financial year, a Corporate Carbon Footprint (CCF) was prepared for the first time, based on the Greenhouse Gas Protocol. For this purpose, the following material consumption data in the Scope 1, 2, and 3 categories were recorded, among others:

- **Scope 1**
 - Fuels
 - Refrigerants
- **Scope 2**
 - Purchased energy (electricity, heat, cooling, etc.)
- **Scope 3**
 - Transportation
 - Waste
 - Business travel
 - Purchased goods and services

The detailed disclosures on the CC are provided later under disclosure requirement E1-6.

In the 2025 financial year, all targets and measures will be consolidated in an Environmental Policy in order to supplement them with a quantitative component. The targets and measures defined to date are currently based on the results of the materiality analysis as well as on existing measures that were implemented based on experience and the Group's previous strategic direction.

In the 2024 reporting year, a wide range of measures were already taken to enable and drive the continuous reduction of the Group's CO₂ emissions.

Preparation of a holistic Corporate Carbon Footprint (CCF)

As a first step to transparently record FMTG's total CO₂ emissions, the footprint of the entire Group was recorded with the help of CCF software. All relevant office locations, hotel operations, and camping operations were included. The consumption data collected and the resulting emissions serve as a starting point for defining effective measures for the coming years.

Ensuring comprehensive digitalized consumption data collection

For many years, FMTG has been using remotely readable smart meters, which transmit data into a consumption data monitoring tool. This tool serves, on the one hand, as a daily instrument for local building services to identify inefficiencies and technical faults, and on the other hand, as the basis for the holistic recording of consumption data. While the majority of all consumption is already recorded automatically, coverage is continuously being expanded in order to simplify and improve data-based processes.

Renewable energy

The development and, above all, the operation of hotel and camping facilities require a large amount of energy in order to offer guests a relaxing and enjoyable holiday experience. To reduce the CO₂ emissions resulting from energy consumption, FMTG relies on the use of renewable energy. In the 2024 financial year, all Austrian office locations and operations were already supplied with CO₂-free electricity from hydropower.

However, FMTG does not rely exclusively on purchased CO₂-free electricity, but also pushes for the expansion of self-generated renewable energy at its sites. As early as 2024, 6 hotel locations were equipped with photovoltaic systems, which cover up to 11% of their own electricity needs. Heating and cooling supply has also already been made CO₂-reduced at many sites by switching to district heating or heat pumps. FMTG is continuously driving the decarbonization of its sites and is constantly seeking opportunities, which are evaluated in terms of technical feasibility and economic viability.

These existing measures are consistently being further developed and will also play a central role in the future Environmental Policy (see above). As part of FMTG's ESG strategy, additional goals and measures have also been defined, covering the following areas:

- Corporate Carbon Footprint (CCF) of the entire Group by 2024
- Holistic digitalized consumption data collection
- Increase in the share of purchased or self-produced renewable energy
- Exit from fossil fuels
- Repair and optimization of building management systems in hotels and campsites
- Increase in the share of vehicles with alternative drives (hybrid and electric) in the FMTG vehicle fleet
- Increase in the share of local products in hotel operations in order to reduce transport emissions
- Support for CO₂-reduced mobility during guest stays and arrivals



Key performance indicators in connection with climate protection and climate change adaptation

Energy consumption and energy mix

[E1-5]

E1-5 37 Total Energy Consumption

ENERGY CONSUMPTION AND ENERGY MIX	2024	HOTELS & CAMPING	ASSETS, DEVELOP- MENT & OTHER PROPERTIES	FMTG OFFICES
Total consumption of fossil energy (MWh)	42,810	41,250	1,369	191
Share of fossil sources in total energy consumption (%)	50.5 %	49.7 %	96.8 %	51.8 %
Consumption from nuclear sources (MWh)	-	-	-	-
Share of consumption from nuclear sources in total energy consumption (%)	-	-	-	-
Fuel consumption for renewable sources, incl. biomass (MWh)	-	-	-	-
Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources (MWh)	41,657	41,433	46	178
Consumption of self-generated renewable energy, excluding fuels (MWh)	346	346	-	-
Total consumption of renewable energy (MWh)	42,003	41,779	46	178
Share of renewable sources in total energy consumption (%)	49.5 %	50.3 %	3.2 %	48.2 %
Total energy consumption (MWh)	84,813	83,029	1,415	369

Figure 9.1. – Total Energy Consumption

E1-5 38 Energy Consumption from Fossil Sources

ENERGY CONSUMPTION AND ENERGY MIX	2024	HOTELS & CAMPING	ASSETS, DEVELOP- MENT & OTHER PROPERTIES	FMTG OFFICES
Fuels from coal and coal products (MWh)	-	-	-	-
Fuels from crude oil and petroleum products (MWh)	244	244	-	-
Fuels from natural gas (MWh)	12.306	12.306	-	-
Fuels from other fossil sources (MWh)	-	-	-	-
Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources (MWh)	30.260	28.700	1.369	191

Figure 9.2. – Energy Consumption from Fossil Sources

E1-5 40 Energy intensities

ENERGY INTENSITY PER M ² & PER OVERNIGHT STAY	2024
Energy intensity per m ² (MWh/m ²)	0.20
Energy intensity per overnight stay (MWh/BN)	0.04

Figure 9.3. – Energy intensity

Gross Scopes 1, 2, 3 and Total GHG emissions

[E1-6]

In the 2024 reporting year, FMTG prepared a Group-wide Corporate Carbon Footprint (CCF) for the first time. The calculation was carried out in accordance with the internationally recognized guidelines of the Greenhouse Gas Protocol (GHG) and forms the central data basis for systematic climate management.

The CCF was created with the help of the ESG software Code Gaia, which was used for data collection and conversion into CO₂ equivalents. The following databases were used by Code Gaia as the calculation basis for emission values:

- GHG Protocol (GHG)
- International Renewable Energy Agency (IRENA)
- Ecoinvent
- German Environment Agency (UBA)
- European Environmental Agency (EEA)
- International Energy Agency (IEA)
- Department for Environment, Food & Rural Affairs (DEFRA)
- Environmental Protection Agency (EPA)
- German Federal Ministry for Digital and Transport
- Climatiq
- Exiobase
- The Waste and Resources Action Programme (WRAP)

The CCF covers all Scope 1 emissions (direct emissions from own sources, e.g. stationary combustion), Scope 2 emissions (indirect emissions from purchased energy), as well as selected Scope 3 categories along the upstream and downstream value chain.

Approach and methodology

The direct emissions from Scope 1 were recorded, on the one hand, through the consumption data monitoring solution used by FMTG, specifically EUDT, and on the other hand, through an internal survey of business trips undertaken during the reporting year and the number of kilometers driven with company vehicles.

The necessary data for all indirect Scope 2 emissions, which consist of purchased electricity, heat, and cooling, were also collected using EUDT, via supplier invoices showing consumption values, and in a few cases through extrapolations. The prioritization of the individual (sub-)categories of Scope 3 emissions was carried out as part of a specific materiality assessment, in which all 15 subcategories of Scope 3 were evaluated. The assessment was based on the following criteria:

- Relevance for greenhouse gases
- Controllability by FMTG
- Strategic relevance from the company's perspective

On the basis of this assessment, the following Scope 3 categories (a total of 9) were identified as material and included in the emissions balance:

- 3.1 Purchased goods and services
- 3.2 Capital goods
- 3.3 Fuel- and energy-related emissions
- 3.4 Upstream transport and distribution
- 3.5 Waste from own operations
- 3.6 Business travel
- 3.7 Employee commuting
- 3.13 Downstream leased assets
- 3.15 Investments

The collection and evaluation of the emissions data was carried out in a standardized manner across the Group and forms the basis for the future development of concrete reduction targets and measures.



E1-6 44 GHG Gross Emissions of Categories Scope 1, 2 and 3 as well as Total GHG Emissions

SCOPE OVERVIEW	2024 FMTG TOTAL	AUSTRIA (AT)	ITALY (IT)	CROATIA (HR)	SERBIA (RS)	SLOVAKIA (SK)	CZECH REPUBLIC (CZ)	SLOVENIA (SI)
Scope 1 GHG emissions (tCO₂e)	2,762	607	650	1,234	-	139	131	-
Gross Scope 1 GHG emissions (tCO ₂ e)	2,762	607	650	1,234	-	139	131	-
Biogenic emissions in Scope 1 (tCO ₂ e)	25	10	5	11	-	-	0	-
Scope 2 GHG emissions (tCO₂e)	11,331	1,157	2,437	2,658	2,397	397	2,271	14
Gross location-based Scope 2 GHG emissions (tCO ₂ e)	15,574	5,087	2,025	3,343	2,243	174	2,693	9
Gross market-based Scope 2 GHG emissions (tCO ₂ e)	11,331	1,157	2,437	2,658	2,397	397	2,271	14
Total Gross indirect Scope 3 GHG emissions (tCO₂e)	34,691	11,924	9,168	8,472	2,563	545	1,969	49
Scope 3.1 – Purchased goods & services (tCO ₂ e)	19,355	7,913	4,005	5,333	573	370	1,131	30
Scope 3.2 – Capital Goods (tCO ₂ e)	94	94	-	-	-	-	-	-
Scope 3.3 – Fuel- and energy-related activities (tCO ₂ e)	5,686	1,783	752	1,814	788	68	479	2
Scope 3.4 – Upstream transportation & distribution (tCO ₂ e)	4,764	1,975	977	1,270	101	88	339	14
Scope 3.5 – Waste generated in operations (tCO ₂ e)	136	40	21	29	16	16	11	3
Scope 3.6 – Business travel (tCO ₂ e)	167	116	10	27	2	2	9	1
Scope 3.7 – Employee commuting (tCO ₂ e)	5	5	-	-	-	-	-	-
Scope 3.13 – Downstream leased assets (tCO ₂ e)	1,083	-	-	-	1,083	-	-	-
Scope 3.15 – Investments (tCO ₂ e)	3,403	-	3,403	-	-	-	-	-
Total GHG emissions (location-based) (tCO₂e)	53,027	17,619	11,844	13,049	4,806	858	4,793	59
Total GHG emissions (market-based) (tCO₂e)	48,783	13,688	12,255	12,365	4,960	1,081	4,371	63

Figure 10 – Scope 1-3 Overview

E1-6 53 GHG Emission Intensities

GHG INTENSITY BASED ON NET REVENUE	2024
Total GHG emissions (location-based) per net revenue (tCO ₂ e/TEUR)	0.22
Total GHG emissions (market-based) per net revenue (tCO ₂ e/TEUR)	0.20

Figure 11.1. – GHG Intensity based on net Revenue

GHG INTENSITY PER SQM	2024
Total GHG emissions (location-based) per sqm (tCO ₂ e/m ²)	0.13
Total GHG emissions (market-based) per sqm (tCO ₂ e/m ²)	0.12

Figure 11.2. – GHG intensity per sqm

GHG INTENSITY PER BED NIGHT	2024
Total GHG emissions (location-based) per bednight (tCO ₂ e/BN)	0.03
Total GHG emissions (market-based) per bednight (tCO ₂ e/BN)	0.03

Figure 11.3. – GHG intensity per bed night

3. WATER AND MARINE RESOURCES

[ESRS E3]

Introduction

Water is an indispensable resource for people, ecosystems, and the economy. In particular, for the hotel and tourism industry, the availability of high-quality water is of central importance – whether for guest satisfaction, gastronomy, wellness services, or general operations.

For FMTG, responsible management of water and marine resources is of strategic importance both along its own business activities and in the upstream and downstream value chain. The sustainable use of this resource is essential for the long-term operation of hotels and camping sites – especially in regions prone to water stress.

Connection to our corporate values

FMTG's commitment in the area of water and marine resources is linked to its core values as follows:

- **Ambitious:** We define targets to reduce water consumption and systematically pursue them using digital measuring systems and continuous improvement of our water-related processes.
- **Grounded:** We regard water as a valuable resource and consistently apply water-saving technologies and efficient operating procedures in our businesses.
- **Bold:** We invest in innovative technologies for water reduction and treatment, test new concepts such as flow restrictors or alternative sanitary technologies, and rely on future-oriented solutions in the planning, construction, and operation of our sites.
- **Relationship-driven:** We actively involve guests, employees, and local partners in our efforts to protect water resources and foster a shared sense of responsibility.

Materiality of the topic

The environmental aspect of water and marine resources was identified as material in the course of the double materiality analysis – both with regard to the impacts of FMTG's business activities on water ecosystems and with respect to water-related risks along the value chain.

This chapter contains the corresponding disclosures in accordance with ESRS E3 in conjunction with ESRS 2. These include information on material water-related impacts and risks, the underlying procedures, as well as relevant concepts and measures. In addition, specific targets and key performance indicators (KPIs) for the sustainable use and protection of water resources are presented.





Topic-specific disclosure requirements

[ESRS E3 in conjunction with ESRS 2]

Strategy

Material impacts, risks and opportunities and their interaction with strategy and business model

[E3-SBM-3]

FMTG reports in accordance with ESRS 2 SBM-3 in conjunction with ESRS E3-SBM-3 on its material water-related impacts and risks as well as their interaction with the strategy and business model. Material opportunities in relation to water and marine resources were not identified.

The reporting follows the specific requirements of ESRS 2 and the topic-specific requirements of ESRS E3, including application requirements (AR) in accordance with Annex A.

FMTG makes use of the option to provide the disclosures pursuant to ESRS 2 para. 46 on SBM-3 in the present topic-related ESRS E3 (cf. ESRS 2 para. 49).

Material water-related impacts

DESCRIPTION OF IMPACT	IMPACT DESCRIPTION	SUB-TOPIC	TYPE OF IMPACT
High water withdrawal and extensive water consumption from hotel and camping operations	The operational activities of FMTG (hotels, camping, wellness, gastronomy) require high water consumption. In water-stressed regions – for example, in Southern Europe or near coastal areas – the associated freshwater consumption can lead to conflicts of use, reduced availability, and burdens on water-relevant ecosystems.	Water Resources	Actual negative impact
Increased water consumption due to high food demand	In the upstream value chain, there is indirect intensive use of existing water resources due to high food demand, which is particularly required for catering services within downstream operations. This demand is based on water-intensive agricultural and production processes.	Water Resources	Actual negative impact

Figure 12.1 – Material Impacts ESRS E3

Material water-related risks

DESCRIPTION OF RISK	RISK/OPPORTUNITY DESCRIPTION	SUB-TOPIC	TYPE OF RISK	POSITION IN THE BUSINESS MODEL AND VALUE CHAIN
Restriction of business activities due to increasing water scarcity	Due to climate-related changes – in particular increasing drought periods, declining groundwater levels and increasing conflicts over use – several FMTG sites face a high risk of restricted operations due to limited water availability. Particularly affected are water-intensive operational areas such as pools, wellness facilities, sanitary facilities and gastronomy. Possible consequences include business interruptions, reduced usability of facilities or impaired guest experiences.	Water Re-sources	Water-related physical risk	<u>Business Relevance:</u> Primarily affected are water-intensive services in operations, especially wellness and pool areas, sanitary facilities and gastronomy. <u>Position in the Value Chain:</u> The risk affects both operational activities as well as upstream decisions in site planning, construction execution and project development. <u>Geographic Concentration:</u> The risk is particularly relevant at FMTG sites in Southern Italy, near Croatian coastal regions, and partly in Alpine areas of Austria, where seasonal or structural water stress occurs.

Figure 12.2 – Material Risks and Opportunities ESRS E3



LINK TO STRATEGY AND BUSINESS MODEL	POSITION IN THE VALUE CHAIN	TIME HORIZON	TYPE OF RESPONSIBILITY
The use of water resources is structurally embedded in FMTG's business model (e.g. pools, wellness, gastronomy) as well as in the quality and service standards of premium hotels and holiday resorts. As part of our sustainability efforts, we continuously expand water-saving technologies (e.g. sensor systems or flow restrictors) and strategically anchor these practices.	Own operations	<u>Short term:</u> Impacts on available water resources occur directly through ongoing operations. <u>Medium term:</u> Stress on local resources from repeated intensive use, especially in areas with elevated water stress. <u>Long term:</u> Systemic effects on available water resources through structural climate change (e.g. reduced precipitation, increased tourism demand in sensitive regions).	Direct
High-quality food offerings, which are fundamental to the guest experience in FMTG's hotel and camping operations, are an integral part of the business model.	Upstream value chain	<u>Short term:</u> Water consumption arises directly from daily food and goods demand in operations. <u>Medium term:</u> In sensitive agricultural regions, this can affect water resources, agricultural capacity and local ecosystems. <u>Long term:</u> Degradation of ecosystems and competition for use.	Indirect
IMPACT ON STRATEGY, BUSINESS MODEL AND DECISION-MAKING	RESILIENCE OF STRATEGY AND BUSINESS MODEL	CURRENT FINANCIAL EFFECTS ON EARNINGS, FINANCIAL POSITION, AND CASH FLOWS	
<u>Short-term measures:</u> introduction of systematic water consumption monitoring, initial technical retrofits for efficiency increases, training measures for staff. <u>Strategic adjustments:</u> integration of water-related risk indicators into site selection and project development, as well as consideration in overall risk management. <u>Future responses:</u> testing of alternative supply systems (e.g. greywater or rainwater use), stepwise relocation of water-intensive service offerings to regions with stable water supply.	Current strategic resilience is rated as limited in individual water-stressed regions. First countermeasures have been initiated, including technical retrofits, consideration of water availability in project development and testing of alternative supply solutions. For future reporting periods, further resilience assessments and climate-related scenario analyses are planned, in line with ESRS 1 Chapter 6 (time horizons).	– Increased additional costs due to municipal water charges, special levies and regulatory requirements in high-risk regions. – Additional expenditures for consumption control and emergency supply. – Initial investments in water-saving infrastructure and technical retrofits (e.g. fittings, recovery systems).	

Management of impacts, risks and opportunities

Description of the process to identify and assess material impacts, risks and opportunities in relation to water and marine resources

[E3-IRO-1]

Reference may be made here to the disclosures under ESRS 2 IRO-1 in conjunction with ESRS E3-IRO-1 in the section General Information – 10. Materiality Analysis.

Additional information on the results of the materiality analysis

Geographical areas of material importance for water resources

[E3 AR 15 lit. a]

- **Italy** (particularly Southern Italy and South Tyrol):
Seasonal water scarcity with regionally varying water supply; increasing uncertainty of precipitation due to climate change; pressure on public supply networks due to peak tourist season.
- **Croatia:**
Limited freshwater reserves in coastal areas; high consumption, especially in the main summer season; risks from overuse of local groundwater bodies; additional pressure from possible saltwater intrusion.
- **Austria** (alpine and rural regions):
 - **Alpine regions:** High water availability, but at the same time major responsibility for protecting sensitive river basins (e.g. wastewater management, handling of chemical cleaning agents).
 - **Southern Burgenland:** Rural region with partly small-scale supply systems; limited public infrastructure for water recovery and seasonal shortages during dry periods.

Raw materials related to marine resources used by the company

[E3 AR 15 lit. b)]

- **Fish and seafood:**
Used in hotel kitchens at all locations – especially in Italy and Croatia; focus is on sourcing from the most sustainable fisheries possible.
- **Gravel and sand from coastal extraction:**
Used for construction, renovation, or refurbishment activities (e.g. foundation work, terraces, pathways); potential impacts on marine ecosystems are taken into account when selecting suppliers and planning sites.

Sectors/segments with material impacts, risks and opportunities in relation to water and marine resources

[E3 AR 15 lit. c]

- **Tourism operations (hotel and camping offers):**
Direct water consumption for pools, wellness areas, kitchens, laundry, and cleaning; high consumption peaks in summer months and holiday periods; potential impacts on local water availability.
- **Construction and project development:**
Relevance through water consumption in construction processes (e.g. concrete mixing, cooling, cleaning), possible discharges into soil or sewage systems; indirect pressure on resources through material use.
- **Procurement (upstream value chain):**
High virtual water volumes in the production of food (especially meat, fruit and vegetables, beverages), textiles (e.g. laundry processes), and furnishings (e.g. ceramic products, furniture).

Polices, actions and targets in connection with water and marine resources

[E3-1; E3-2; E3-3]

FMTG pursues a systematic approach to the sustainable use and protection of water resources throughout the entire life cycle of its hotel and tourism infrastructure.



In the development of new hotel and camping sites, and especially in their operation, a responsible and economical use of the resource water is practiced. The implementation of water protection measures during construction, the installation of water-saving fittings, and the use of greywater and rainwater for irrigation of green spaces are some of the measures already implemented. All existing and planned measures will be consolidated in the Group's Environmental Policy in 2025 in order to define a holistic program of measures across all business units. This policy also provides for the development of specific concepts for dealing with water stress at (potentially) affected sites and, if relevant in the future, for the sustainability of marine ecosystems.

Already in the 2024 reporting year, several measures were successfully implemented, as FMTG had previously placed great value on the conscious use of the resource water.

Comprehensive digitalized water consumption monitoring

A first milestone is the complete and cross-site recording of water withdrawals, consumption, and discharges via remotely readable meters. The aim is to make water-related impacts measurable and to develop corresponding control mechanisms. The water consumption recorded in 2024 was based on 91% actual measured values (measured in liters). Only 9% had to be supplemented by extrapolations. Of the actual measured values, 36% were recorded via digitalized consumption meters. For the remaining sites, meter readings were either read manually or taken from invoices.

Reduction of water consumption in operations

To reduce water withdrawals from public supply networks, new builds are equipped with water fittings that meet the flow rate requirements of the EU Taxonomy. Existing properties will gradually be fitted with water flow restrictors in sanitary areas in order to comply with international standards (Austrian Ecolabel as well as the EU Ecolabel). In the 2024 reporting year, 9 hotel operations were already equipped with such fittings to better regulate water consumption. In new construction projects, water-saving fittings are already installed in the development phase that comply with the criteria of the EU Taxonomy Regulation, specifically with regard to the environmental objective "Sustainable use and protection of water and marine resources."

Use of alternative water sources

At the Falkensteiner Resort Punta Skala – comprising Hotel & Spa Iadera, Family Hotel Diadora, Residences Senia, and the Falkensteiner Luxury Villas – a seawater desalination plant is used. This ensures the water supply of the entire resort without reliance on the public water network by desalinating seawater and preparing it for use in operations. In addition, FMTG relies on alternative water sources such as rainwater and greywater, as well as the use of lake water, particularly for garden and landscape maintenance, in order to minimize withdrawals from freshwater sources. To minimize the use of drinking water for irrigation of green spaces, 17 hotel and camping sites already use alternative water sources for irrigation or, where possible, dispense entirely with irrigation systems.

Furthermore, FMTG systematically analyzes all sites with regard to the risk of water stress. The basis for this is available hydrological data and regional water availability indicators. Based on this risk analysis, from 2025 onwards, individual action plans will be developed at site level to reduce water-related impacts, promote the protection of aquatic ecosystems, and at the same time strengthen operational resilience to water-related risks.

FMTG continuously implements measures in both new construction projects and existing accommodation operations, all aimed at the continuous reduction of water consumption.

The following objectives in the area of water and marine resources are pursued and further developed within the framework of the Environmental Policy:

- Comprehensive measurement of water consumption in hotel and camping operations (hotel rooms, bathrooms, public baths) to identify inefficiencies and savings potential
- Reduction of water consumption in all hotel and camping operations (hotel rooms, bathrooms, public baths) in order to comply with the thresholds of the EU Taxonomy and/or the EU Ecolabel
- Avoidance of drinking water use for irrigation of green spaces
- Raising guest awareness regarding moderate water consumption
- Expansion of alternative water supply sources (desalination plants, use of lake water, etc.), especially in regions with increased water stress (focus on Italy and Croatia)
- Conducting a site-based water stress analysis for all operations in 2025

Key performance indicators in connection with water resources

[E3-4]

Water consumption

Total water consumption and total volume of water recovered and reused

[E3-4.28]

WATER CONSUMPTION	2024
Total water consumption (m ³)	730,460
Water consumption in areas with water stress (m ³)	112,006
Total volume of water recovered and reused (m ³)	73,958
Total volume of water stored (m ³)	-
Changes in storage (m ³)	-

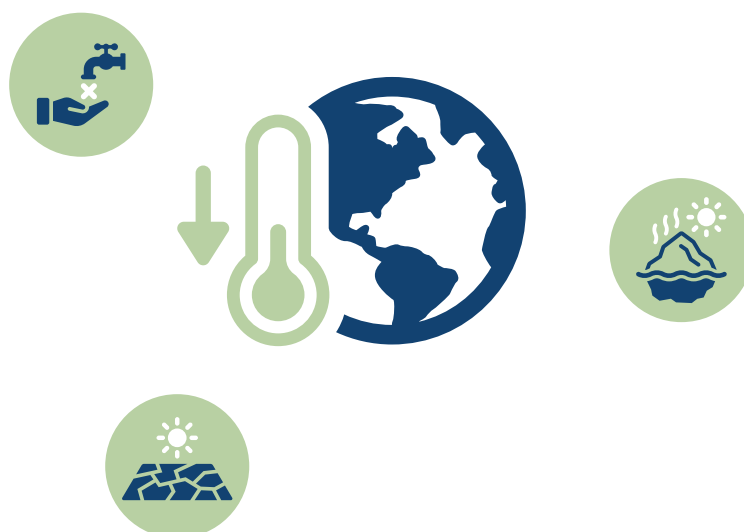
Figure 13 – Water Consumption

Water intensity

[E3-4.29]

WATER INTENSITY PER NET REVENUE	2024
Water intensity per net revenue (m ³ /TEUR)	2.97

Figure 14 – Water Intensity per Net Revenue





4. BIODIVERSITY AND ECOSYSTEMS

[ESRS E4]

Introduction

The preservation of biodiversity and the protection of functioning ecosystems are essential prerequisites for sustainable tourism. Intact landscapes, species-rich habitats, and ecological diversity make a decisive contribution to the attractiveness of tourist destinations while also securing fundamental ecosystem services such as sufficient water storage, pollination, climate regulation, or soil health. The increasing loss of biodiversity and the ongoing fragmentation of habitats therefore represent not only an ecological but also an economic risk for the tourism industry.

FMTG recognizes the importance of healthy ecosystems for the long-term success of its hotel, camping, and development activities. The goal is to preserve natural habitats along the entire value chain, minimize impairments, and – where possible – contribute to ecological enhancement. Particular emphasis is placed on respectful interaction with sensitive natural areas at all sites and the integration of biodiversity-promoting measures into operational and development processes.



Connection to our corporate values

FMTG's commitment in the field of biodiversity and ecosystem protection is closely linked to its core values:

- **Driven for success:** We pursue clear goals for the protection of biodiversity – for example, through near-natural landscaping and the promotion of native species – and continuously develop our measures further. In doing so, we are guided by recognized environmental standards and international biodiversity objectives.
- **Grounded:** We respect nature at our sites and ensure that our green spaces are designed as close to nature as possible. We strive to avoid or offset interventions in sensitive habitats as far as possible.
- **Courageous:** We support the reduction of land sealing and the promotion of natural areas and biodiversity – especially in the regions of our hotels and development projects that are located in or near protected areas.
- **Relationship-oriented:** We work together with our stakeholders to jointly implement measures for the protection and restoration of biodiversity.

Materiality of the topic

The topic area “Biodiversity and ecosystems” was classified as material as part of the double materiality analysis.

This chapter therefore discloses the information required under ESRS E4 in conjunction with ESRS 2. This includes information on the strategic relevance of the topic, details on the material impacts in relation to biodiversity and ecosystems, the underlying procedures, as well as disclosures on concepts, actions, targets, and relevant key performance indicators (KPIs).

Topic-specific disclosure requirements

[ESRS E4 in conjunction with ESRS 2]

Strategy

Transition plan and consideration of biodiversity and ecosystems in strategy and business model

[E4-1]

The findings from the identification of material impacts (see details under E4-SBM-3 and E4-IRO-1) in connection with biodiversity and ecosystems are increasingly incorporated into the strategic orientation and further development of the business model, with the aim of strengthening resilience to biodiversity risks and ensuring alignment with biodiversity-related objectives.

A biodiversity-specific resilience analysis was not yet conducted in 2024. Such an analysis is planned for upcoming reporting periods.

Material impacts in relation to biodiversity and ecosystems

DESCRIPTION OF IMPACT	IMPACT DESCRIPTION	SUB-TOPIC	TYPE OF IMPACT
Disturbance of natural processes of flora and fauna due to hotel operations and guests	Hotel and camping operations affect nearby habitats for plants and animals and can disrupt their natural processes. For example, evening or night-time lighting can disturb the biorhythm of nocturnal species, especially when located directly at or close to hotel and camping sites (such as in alpine regions, lakes or coastal areas).	Impacts on the extent and condition of ecosystems	Actual negative impact
Reduction of habitats for flora & fauna due to soil sealing	Especially new hotel and camping sites lead to additional sealing of natural soil and green areas, unless previously sealed land (e.g. former industrial sites, other brownfields) is used. Soil sealing affects existing habitats and permanently impairs natural regeneration of ecosystems.	Impacts on the extent and condition of ecosystems	Actual negative impact
Loss of biodiversity due to high food demand and associated intensive production	The high demand for food required in FMTG's hotel, gastronomy and camping operations contributes to the burden on global ecosystems. Intensive agricultural production, which is necessary to ensure constant food availability, leads to deforestation, monocultures, soil overuse and high water consumption. This has direct effects on species loss and destruction of natural habitats.	Direct drivers of biodiversity loss	Actual negative impact

Figure 15 – Material Impacts ESRS E4



Material impacts, risks and opportunities and their interaction with strategy and business model

[E4-SBM-3]

FMTG reports in accordance with ESRS 2 SBM-3 in conjunction with ESRS E4-SBM-3 on the material impacts in connection with biodiversity and ecosystems and their interaction with the strategy and business model. No material financial risks and opportunities were identified in relation to biodiversity and ecosystems.

The reporting is based on the specific requirements of ESRS 2 and the topic-specific requirements of ESRS E4, including application requirements (AR) in accordance with Annex A.

FMTG makes use of the option to provide the disclosures pursuant to ESRS 2 para. 46 on SBM-3 in the present topic-specific ESRS E4 (cf. ESRS 2 para. 49).

LINK TO STRATEGY AND BUSINESS MODEL	POSITION IN THE VALUE CHAIN	TIME HORIZON	TYPE OF RESPONSIBILITY
Tourism use of natural areas – particularly in camping – is an integral part of our business model. At the same time, this proximity to nature requires responsible management of ecological impacts. The management of visitor flows, lighting concepts, and information offerings for guests on ecological considerations are strategically relevant instruments that should be pursued more strongly in the future.	Own operations	<u>Short term:</u> Disturbance of behaviour and habitats of sensitive species due to lighting, noise or guest frequency. <u>Medium term:</u> Changes in species composition or decline in local populations due to ongoing disturbance. <u>Long term:</u> Loss of ecological functions in used or adjacent habitats (e.g. decline in food chains, insects, soil organisms).	Direct
Real estate and hotel development at new sites is an essential pillar of FMTG's business model. At the same time, preserving ecological quality and landscape attractiveness is central to long-term success. Avoiding or minimising soil sealing through compact building design, re-use of existing areas, or ecological compensation measures is an integral part of the long-term sustainability strategy in development.	Own operations (project development, planning and commissioning of construction services in hotel and infrastructure projects); execution carried out by external construction companies on behalf of FMTG as project owner.	<u>Short term:</u> Immediate loss of vegetation areas and microhabitats due to soil sealing. <u>Medium term:</u> Impairment of ecological connectivity (e.g. migration corridors, buffer zones). <u>Long term:</u> Permanent reduction of biodiversity and resilience of ecosystems due to irreversible land loss.	Direct (through site selection, land-use planning and role as project owner)
High-quality culinary offerings are another core component of FMTG's service portfolio. At the same time, shifting to regionally, ecologically and biodiversity-friendly produced food can deliver significant ecological benefits.	Upstream value chain (food production, processing and procurement)	<u>Short term:</u> Negative impacts directly related to products from conventional production (e.g. monocultures, industrial livestock). <u>Medium term:</u> Loss of local species and ecosystem services in regional agricultural chains. <u>Long term:</u> Irreversible decline of ecological diversity, functional loss and agricultural resilience due to intensive supply chains.	Indirect (through supplier selection, procurement standards and menu planning)

Management of impacts, risks and opportunities

Description of the process to identify and assess material impacts, risks and opportunities in connection with biodiversity and ecosystems

[E4-IRO-1]

Reference may be made here to the disclosures under ESRS 2 IRO-1 in conjunction with E4-IRO-1 in the section General Information – 10. Materiality Assessment.

Policies, actions and targets in connection with biodiversity and ecosystems

[E4-2; E4-3; E4-4]

FMTG places great importance on the preservation and promotion of biodiversity, particularly in regions where its hotels and camping sites are operated. In the 2024 reporting year, the proximity of hotel and camping sites to protected areas (Natura 2000 and national protected areas) was therefore analyzed.

2024	NUMBER OF SITES WITHIN A NATURA 2000 AREA	NUMBER OF SITES NEAR (<2KM) A NATURA 2000 AREA
Austria	0	3
Italy	0	2
Croatia	1	3
Czech Republic	0	1
Slovakia	0	1
Slovenia	0	1





In the first step, all sites were analyzed to identify whether and which protected areas are located in the extended vicinity of the operations. The focus was on all protected areas where an FMTG site is located within a radius of up to 2 kilometers. As a result, 11 sites were identified as being located near a protected area. One of them is additionally located inside a protected area.

A further analysis of the potential negative impacts that may result from the regular operation of hotels and camping sites on adjacent protected areas has not yet been carried out. Such an analysis is planned for the coming reporting periods.

Regardless of this, FMTG has set itself the goal in the area of biodiversity and ecosystems of making a positive contribution in the future through active cooperation with protected areas, continuous awareness-raising among guests and employees, as well as biodiversity-promoting areas at all sites. All planned goals and measures will be consolidated in the Group's Environmental Policy in 2025.

Based on the results of the materiality analysis, as well as on FMTG's experience, measures in the field of biodiversity and ecosystems were already implemented in the 2024 reporting year.

High-quality biodiversity areas and avoidance of invasive plant species

When designing green spaces, care is taken to refrain from the use of non-native invasive species in order to minimize negative effects on local ecosystems.

At present, measures are being implemented at two sites in Austria:

- In Upper Austria, at the Falkensteiner Hotel Bad Leonfelden, a 2.7-hectare conservation meadow has been established in cooperation with a local organization and is actively maintained. Through extensive management, habitats are created for wild bees, insects, reptiles, and ground-nesting birds.
- At the Falkensteiner Balance Resort Stegersbach in Burgenland, Austria's largest hotel-owned permaculture garden is operated on the property. On an area of 5,000 m² (0.5 hectares), a diversity of 60 vegetable varieties, fruit trees, and herbs is cultivated, while ensuring that the garden is designed as a diverse, close-to-nature, resilient, and largely self-regulating ecosystem.

Awareness-raising among guests and employees

In excursions offered by protected areas, guests and employees are informed about the special features of the respective protected areas as well as about correct behavior during their stay.

Falkensteiner Hotels & Residences also rely on an innovative edutainment concept that combines education and entertainment. The focus is on nature, sports, science, creativity, and play, complemented by pedagogical approaches such as Montessori methods. Regionally, the program is extended and adapted through the so-called Ecotainment concept, which conveys environmental education in a playful way and introduces children of all ages to sustainable topics. Specific concepts in accordance with ESRS E4.24 have not yet been adopted in this context in the current reporting period.

In the coming reporting period, the measures and targets in the area of biodiversity and ecosystems will be consolidated and expanded in the Environmental Policy. The establishment of high-quality biodiversity areas, active cooperation with protected areas, awareness-raising among guests and employees, as well as the increased use of organic products in hotel operations will play a significant role.

Key performance indicators in connection with biodiversity and ecosystem changes

[E4-5]

The reporting of key performance indicators in relation to ESRS E4 was assessed as not relevant or not material to information. Further reporting is therefore not required.

5. RESOURCE USE AND CIRCULAR ECONOMY

[ESRS E5]

Introduction

Responsible use of natural resources and consistent alignment with the principles of the circular economy are central levers for reducing environmental impacts in the tourism industry. A future-proof tourism model requires closing material cycles, reducing waste, and using resources efficiently – both in day-to-day hotel operations and in the development and maintenance of tourism infrastructure.

The ESRS E5 standard contains requirements regarding resource use, waste management, and measures to promote circular processes. The focus is particularly on resource efficiency, product durability, reuse of materials, and dismantling and recyclability. For FMTG, this primarily means taking a holistic view of material flows in its operations – from furniture to cleaning products to gastronomy. FMTG also relies on resource-saving solutions in camping sites and project developments, for example through the use of sustainable building materials, dismantling options, and targeted waste separation on construction sites.



Connection to our corporate values

Our commitment in the area of resource use and circular economy is closely linked to the core values of FMTG:

- **Driven for success:** We continuously work on systematically and measurably improving resource use in our operations – from procurement to use to disposal.
- **Grounded:** We rely on proven, durable materials and on responsible, sustainable procurement.
- **Courageous:** We test innovative approaches – such as modular construction concepts or circular building materials.
- **Relationship-oriented:** We actively involve our supply chains in order to jointly identify and implement circular solutions.

Materiality of the topic

The topic area “Resource use and circular economy” was identified as material in the course of the double materiality analysis with regard to the ecological impacts of FMTG’s business activities.

This chapter therefore discloses the information required under ESRS E5 in conjunction with ESRS 2. This includes information on identified material impacts and the underlying procedures. In addition, information on concepts, actions, targets, as well as relevant key performance indicators (KPIs) in connection with resource conservation and circularity is provided.



Topic-specific disclosure requirements

[ESRS E5 in conjunction with ESRS 2]

Strategy

Material impacts, risks and opportunities and their interaction with strategy and business model

[E5-SBM-3]

FMTG reports in accordance with ESRS 2 SBM-3 in conjunction with ESRS E5-SBM-3 on its material impacts in connection with resource use and circular economy and their interaction with the strategy and business model. No material financial risks and opportunities were identified in relation to this environmental aspect.

The reporting is based on the specific requirements of ESRS 2 and the topic-specific requirements of ESRS E5, including application requirements (AR) in accordance with Annex A.

FMTG makes use of the option to provide the disclosures pursuant to ESRS 2 para. 46 on SBM-3 in the present topic-specific ESRS E5 (cf. ESRS 2 para. 49).



Material impacts in relation to resource use and circular economy

DESCRIPTION OF IMPACT	IMPACT DESCRIPTION	SUB-TOPIC	TYPE OF IMPACT
High resource consumption in the upstream value chain (especially construction activity)	The construction of new hotel and camping sites as well as ongoing expansion of existing operations causes significant consumption of non-renewable resources. These include mineral raw materials (e.g. sand, gravel, limestone), metals, wood products as well as energy-intensive materials such as cement or steel. The extraction and processing of these raw materials frequently lead to usage conflicts, loss of natural habitats, high energy use and ecological impacts in mining regions.	Resource inputs, incl. Use	Actual negative impact
Increased resource consumption in premium hospitality and the upstream value chain	Equipping hotels with high-quality furniture, decorative materials, appliances and textiles as well as daily use of products such as cosmetics, cleaning agents or office supplies results in continuous resource consumption. In addition to product manufacturing, product life span and often high replacement frequency are relevant factors. This affects both natural raw materials and petrochemical-based materials.	Resource inputs, incl. Use	Actual negative impact
Generation of large amounts of waste from hotel operations	Daily hotel operations generate significant amounts of residual waste, packaging waste, food waste, hygiene products and cleaning residues. In many cases, consistent separation is lacking, which hampers recycling. In addition, most products are delivered in single-use packaging or without return options. This burdens local waste infrastructures and leads to landfill or thermal disposal of potentially recyclable material streams.	Waste	Actual negative impact

Figure 16 – Material impacts ESRS E5

Management of impacts, risks and opportunities

The description of the process to identify and assess the significant impacts, risks, and opportunities associated with resource use and the circular economy.

[E5-IRO-1]

Reference may be made here to the disclosures under ESRS 2 IRO-1 in conjunction with E5-IRO-1 in the section General Information – 10. Materiality Analysis.

Concepts, measures, and goals related to resource use and the circular economy

[E5-1; E5-2; E5-3]

FMTG's value chain – starting with the development of hotel properties and camping sites, through operations, and up to recurring renovations – results in increased resource consumption.

In new developments and renovations of properties, FMTG complies with both international requirements and internal standards in order to build hotels and camping sites with resource awareness.

In the 2024 reporting year, FMTG identified the most important topic areas for the definition of measures through the double materiality analysis as well as through the analysis of existing regula-



LINK TO STRATEGY AND BUSINESS MODEL	POSITION IN THE VALUE CHAIN	TIME HORIZON	TYPE OF RESPONSIBILITY
FMTG is not an operator but a project developer in the area of tourism infrastructure. Accordingly, construction activity is a central part of the corporate strategy. Sustainability requirements for building materials or circular building methods are considered in new projects, especially within the framework of building certification, but are not yet consistently implemented or systematically managed.	Upstream value chain	<u>Short term:</u> Resource consumption and environmental impact occur immediately through ongoing (construction) projects. <u>Medium term:</u> Recurring construction increases raw material demand and reinforces usage patterns. <u>Long term:</u> Excessive consumption of non-renewable resources contributes to depletion of natural reserves and degradation of ecosystems.	Indirect
FMTG's service promise in premium family holiday hotels is based on high quality standards in equipment and ambiance. Resource-efficient product design, durability and circularity have so far played a subordinate role in procurement, but are increasingly considered in strategic development.	Upstream value chain	<u>Short term:</u> Resource consumption arises continuously from daily operations and procurement. <u>Medium term:</u> Recurring demand due to replacement cycles and standardisation. <u>Long term:</u> Permanent demand for primary raw materials reinforces linear economic structures.	Indirect
High volumes of waste in hotel operations pose an ecological and operational challenge. They generate costs, place a strain on local infrastructure, and have a negative impact on sustainability image. Targeted waste management—through prevention, reuse, and sustainable procurement, for example—supports FMTG's strategic goals and strengthens the future viability of its business model.	Own operations	<u>Short term:</u> Waste volumes arise daily and are strongly site-dependent. <u>Medium term:</u> Without countermeasures, waste volumes increase proportionally with occupancy and comfort levels. <u>Long term:</u> The system remains focused on linear consumption, reinforcing ecological and economic inefficiencies.	Direct and indirect, depending on (individual) guest behaviour

tions, market trends, and many years of experience. The areas of action defined as key topics were: waste separation and measurement, food waste, sustainable real estate development, ecological consumables, and packaging waste. These were actively addressed primarily in the 2024 reporting year, partly also before. All measures and targets will be consolidated in the Group's Environmental Policy in 2025.

In the 2024 reporting year, FMTG already implemented several measures demonstrating its approach in the area of resource use and circular economy:

Waste separation and measurement

Due to the operation of hotels and camping sites in 7 countries, different national systems with varying levels of detail overlap. As part of an internal hotel analysis in summer 2024, all hotel and camping sites were analyzed with regard to their waste separation and measurement. This created an initial clear status quo in order to identify the most urgent areas of action to enable comprehensive waste separation and measurement. The Group pursues the long-term goal of decoupling from linear material flows and increasingly viewing waste from hotel and camping operations as a resource. Careful separation should ensure that these can subsequently be returned into the cycle.



Avoidance of food waste

Within FMTG, food waste is reduced through the implementation of a wide range of measures. Examples include raising guest awareness, offering smaller plates and portion sizes at buffets, reprocessing uneaten food into a light-lunch format, or reprocessing in the staff canteen. Various, partly AI-based, solutions were tested for the precise measurement of food waste, and the Group continues to work on establishing an accurate measurement solution.

Sustainable project development

The group is focusing on sustainable real estate development in its two largest current developments in Italy, in Saló on Lake Garda and in Licata in Sicily. Both projects are being built in accordance with the requirements of the EU Taxonomy Regulation, with the project in Saló also being certified according to the sustainability standards of the DGNB, the German Sustainable Building Council.

This means that both projects are being developed in accordance with strict and transparent standards which, in addition to other key environmental objectives, actively

support the transition to a circular economy and the conservation of resources. This is achieved in particular by reducing construction and demolition waste and promoting recycling and the reuse of materials.

The existing measures already reflect the efforts FMTG has made in the field of circular economy and resource use. Nevertheless, further development of the goals and measures is essential in order to maximize the positive contribution. The following long-term goals will be further developed, specified, and supplemented with quantitative targets in the coming reporting years:

- Ensuring comprehensive waste separation and measurement at all hotel and camping sites
- Recording and reducing food waste
- Use of resource-saving and CO₂-reduced building materials
- Reduction of packaging waste
- Avoidance of single-use products in hotel and camping operations
- Expansion of the use of certified customer-facing consumables

Key performance indicators in connection with resource use and circular economy

Resource inflows

[E5-4]

FMTG does not consume raw materials (natural resources that are transformed into products or services) that are processed in the course of its activities to produce specific goods or services. Specifically, FMTG consumes inputs understood as end products and services provided to guests in hotels to ensure daily operations.

Information on the weight of resource inflows was therefore assessed as not relevant for information or reporting purposes.



Resource outflows

[E5-5]

Waste

Total amount of waste generated

[E5-5.37]

WASTE VOLUMES	2024
Total waste generated (t)	4,422
Total waste diverted from disposal (t)	133
Waste prepared for reuse (t)	-
Waste recycled (t)	41
Waste – other recovery operations (t)	92
Total waste directed to disposal (t)	4,288
Waste incinerated (t)	19
Waste landfilled (t)	785
Waste – other disposal operations (t)	3,484
Total non-recycled waste (t)	4,380
Percentage of non-recycled waste (%)	99 %

Figure 17 – Waste Volumes

Waste Composition

WASTE COMPOSITION	2024
Residual waste (t)	2,865
Organic and garden waste	731
Glass waste (t)	365
Paper waste (t)	343
Metal waste (t)	69
Plastic waste (t)	40
Hazardous liquid waste (t)	6
Kitchen and food waste (t)	2
Batteries (t)	2
Electronic equipment (t)	1
Other (t)	0

Figure 18 – Waste Composition

Hazardous waste and radioactive waste

[E5-5.39]

GEFÄHRLICHE UND RADIOAKTIVE ABFÄLLE	2024
Waste volume - hazardous waste (t) (t)	7.74
Waste volume - radioactive waste (t)	-

Figure 19 – Hazardous and Radioactive Waste

SOCIAL INFORMATION

1. OWN WORKFORCE

[ESRS S1]

Introduction

Employees are the backbone of every tourism offering – particularly in upscale holiday hospitality, where personal care, service quality, and authenticity are decisive success factors. The demands for flexibility, presence, and communication skills are high – as are the expectations for a responsible and appreciative working environment.

The ESRS S1 – Workforce standard requires companies to systematically record and disclose the impacts of their business activities on their own workforce. The focus is particularly on information regarding working conditions, forms of employment, remuneration, health and safety, equal opportunities, training measures, as well as participation in social dialogue processes.

For FMTG, the topics of job quality and employee retention have particular strategic relevance. As an operator of hotels, camping sites, and tourism development projects in several European countries, around 2,000 employees are employed on a seasonal and year-round basis. FMTG's aim is to provide a working environment that combines stability, development opportunities, and lived appreciation.





Connection to our corporate values

Our actions in relation to our own workforce are guided by the central values of FMTG as follows:

- **Driven for success:** We promote diverse training and further education, leadership programs, and career opportunities.
- **Grounded:** We act pragmatically, responsibly, and with a clear focus on the well-being of our employees.
- **Courageous:** We drive diversity and inclusion and aim to set new standards for contemporary employer brands in tourism.
- **Relationship-oriented:** We foster long-term relationships through fair working conditions, open communication, and lived appreciation.

Materiality of the topic

The social sustainability aspect Workforce was classified as material as part of the double materiality analysis – both with regard to the impacts of FMTG’s business activities on its own employees and in relation to financial risks that affect FMTG in this context.

This chapter therefore discloses the information required under ESRS S1 in conjunction with ESRS 2. This includes information on governance, strategy, and material impacts, risks, and the underlying processes in relation to the company’s workforce. In addition, disclosures are made regarding concepts, targets, actions, and relevant key performance indicators (KPIs).

Topic-specific disclosures

[ESRS S1 in conjunction with ESRS 2]

Strategy

Interests and views of stakeholders

[S1-SBM-2]

Reference may be made here to the relevant disclosures on S1-SBM-2 in the section General Information – 9. Stakeholders.

Material impacts, risks and opportunities and their interaction with strategy and business model

[S1-SBM-3]

FMTG reports in accordance with ESRS 2 SBM-3 in conjunction with ESRS S1-SBM-3 on the material impacts and risks in relation to the company’s workforce and their interaction with the strategy and business model. No material opportunities were identified in this respect.

The reporting is based on the specific requirements of ESRS 2 and the topic-specific requirements of ESRS S1, including application requirements (AR) in accordance with Annex A.

FMTG makes use of the option to provide the disclosures pursuant to ESRS 2 para. 46 on SBM-3 in the present topic-specific ESRS S1 (cf. ESRS 2 para. 49).

Material impacts on the company's workforce

DESCRIPTION OF IMPACT	IMPACT DESCRIPTION	SUB-TOPIC	TYPE OF IMPACT
Partially limited comfort due to quality shortfalls in staff accommodation	At several seasonal operating locations of FMTG, employees are accommodated in staff housing. The comfort and furnishings of these accommodations vary. In some cases, the comfort is limited and the furnishings outdated.	Working conditions	Actual negative impact
Employment insecurity due to seasonality and temporary contracts	The employment of staff takes place primarily on a seasonal basis, especially at locations with strong demand fluctuations between seasons (e.g., summer and winter tourism). This results in seasonal employment, which, if not integrated into structural personnel planning, can lead to uncertainty and discontinuities in FMTG operations.	Working conditions: Secure employment	Actual negative impact
Dissatisfaction due to lower pay compared to other industries	Wages in the tourism industry are frequently lower than in other industries with comparable requirements. This particularly affects seasonal and operational employees. The risk exists of potential dissatisfaction, job changes, or departures to better-paid industries.	Working conditions: Fair remuneration	Actual negative impact
Dissatisfaction due to lack of social dialogue	At certain FMTG locations, insufficient participation in decision-making processes or insufficient communication can lead to dissatisfaction, misunderstandings, or a perceived lack of appreciation.	Working conditions: Social dialogue	Actual negative impact
Stable employment relationships	Long-term employment relationships, especially for seasonal staff, contribute to stable working conditions. Stable employment relationships are of long-term importance for FMTG operations, as they ensure planning security.	Working conditions: Secure employment	Actual positive impact

Figure 20 – Material impacts ESRS S1



LINK TO STRATEGY AND BUSINESS MODEL	POSITION IN THE VALUE CHAIN	TIME HORIZON	TYPE OF RE-SPONSIBILITY
High-quality staff housing is a strategic component of personnel management. A company-wide quality strategy for staff housing is currently in development.	Own business activity	<u>Short-term:</u> Partially reduced comfort and lack of satisfaction compared to employees in other hotel and camping operations with better staff housing. <u>Mid-term:</u> Effects on employee retention and satisfaction. <u>Long-term:</u> Potential reputational risks and reduced attractiveness as an employer.	Direct
FMTG operates several locations with strong seasonal demand fluctuations. Seasonal personnel planning must be integrated into structural HR management. Measures for better integration and recurring employment are planned.	Own business activity	<u>Short-term:</u> Restrictions in employment continuity during ongoing operations. <u>Mid-term:</u> Reduced development opportunities and lower operational commitment. <u>Long-term:</u> Structural challenges in staff recruitment.	Direct
As a tourism company, FMTG is subject to industry-specific framework conditions, including collective agreements. Positioning through additional benefits, career development opportunities, and non-monetary incentives is under review and is continuously revised and updated.	Own business activity	<u>Short-term:</u> Dissatisfaction due to perception of (subjectively) insufficient income. <u>Mid-term:</u> Effects on employee retention and fluctuation. <u>Long-term:</u> Effects on employer attractiveness and staff availability.	Direct
The establishment of a generally satisfactory social dialogue at FMTG with its numerous international employees from various countries represents a major challenge. In order to ensure sufficient participation, communication structures, employee meetings, etc., are being continuously expanded. For concerns, feedback, and suggestions, social dialogue is being expanded to ensure greater satisfaction. Corresponding measures such as regular employee surveys are implemented and continuously expanded.	Own business activity	<u>Short-term:</u> Dissatisfaction due to lack of participation. <u>Mid-term:</u> Loss of trust and disturbed communication. <u>Long-term:</u> Impairment of workplace climate and cooperation.	Direct
Reliable, long-term employment across several seasons contributes to employee satisfaction, service quality, and knowledge retention, and helps reduce turnover.	Own business activity	<u>Short-term:</u> Stable working conditions have an immediate positive effect on satisfaction. <u>Mid-term:</u> Promotion of loyalty and performance commitment. <u>Long-term:</u> Positive effects on employer resilience and operational stability.	Direct

Material impacts on the company's workforce

DESCRIPTION OF IMPACT	IMPACT DESCRIPTION	SUB-TOPIC	TYPE OF IMPACT
Promotion of employee recovery and wellbeing	To promote health, recovery, and well-being, FMTG provides its employees with targeted offers. These include, in particular, attractive employee rates for stays in its own hotels, including discounted wellness services and treatment options. This offer is supplemented by initiatives such as bike leasing and discounted fitness programs. These measures make an important contribution to strengthening physical and mental well-being – and at the same time promote employee satisfaction and long-term loyalty to the company.	Company-specific aspect	Actual positive impact

Material risks in relation to the company's workforce

DESIGNATION OF THE RISK OR OPPORTUNITY	DESCRIPTION OF THE RISK OR OPPORTUNITY	SUBTOPIC	TYPE OF RISK	POSITION IN THE BUSINESS MODEL AND IN THE VALUE CHAIN
Shortage of (qualified) workers in tourism and the hotel industry	In certain operational units of FMTG there is a shortage of qualified specialists – particularly in the areas of kitchen, service, technology and reception. The causes are rooted in structural developments in the labor market (migration of workers into other industries, up to and including the departure abroad). This shortage is intensified by the general attractiveness of the tourism and gastronomy sectors. This significantly increases the recruitment effort, fluctuation, training requirements, loss of knowledge, and quality risks in guest service.	Company- or industry-specific aspect	Structurally induced risk (labor market-based, location-transcending)	<u>Operational Relevance:</u> Affects almost all operational FMTG locations, especially during the main seasons in summer and winter. <u>Position in the Value Chain:</u> Own business activity <u>Geographical Concentration:</u> Especially relevant in peripheral regions with high labor shortages, e.g., rural regions in Austria, South Tyrol, coastal regions of Croatia.
Loss of attractiveness and staff departures due to poor working conditions	Unsatisfactory working conditions – such as irregular working hours, inadequate compatibility of work and family life, or lower remuneration compared to other industries – negatively impact satisfaction and loyalty. This results in reduced quality and availability of employees and thus in diminished service quality and guest satisfaction. At the same time, the risk increases with regard to, e.g., higher fluctuation rates, motivation and competitive disadvantages due to staff shortages.	Working conditions	Risk due to internal company factors (organizational, structural)	<u>Operational Relevance:</u> Particularly affects staff in operational service (housekeeping, kitchen, service), but also in service companies. <u>Position in the Value Chain:</u> Own business activity <u>Geographical Concentration:</u> Particularly pronounced in all core regions with seasonal operations.

Figure 21 – Material risks and opportunities ESRS S1



LINK TO STRATEGY AND BUSINESS MODEL	POSITION IN THE VALUE CHAIN	TIME HORIZON	TYPE OF RE-RESPONSIBILITY
The promotion of employee health, recovery, and well-being is closely linked to service quality at FMTG. Employees benefit from free or significantly reduced holiday opportunities at FMTG facilities, especially outside of peak demand periods. Employees who use these services benefit from improved health and well-being. A strong bond with the company is created, which in turn strengthens the understanding of service quality.	Own business activity	<u>Short-term:</u> Direct improvement of well-being and health through the use of appropriate offers. <u>Mid-term:</u> Reduction of stress symptoms and absenteeism. <u>Long-term:</u> Strengthening of employee loyalty and reduction of fluctuation.	Direct
IMPACT ON STRATEGY, BUSINESS MODEL, AND DECISION-MAKING	RESILIENCE OF STRATEGY AND BUSINESS MODEL	CURRENT FINANCIAL EFFECTS ON EARNINGS, FINANCIAL POSITION, AND CASH FLOWS	
<u>Short-term measures</u> Intensification of recruiting, use of personnel leasing. <u>Strategic adjustments:</u> Development of an FMTG-specific profile, expansion of benefits, attractiveness programs, and employee development. <u>Planned measures:</u> Introduction of a systematic talent management, cooperation with tourism schools, focus on year-round positions at selected locations.	<u>Current status:</u> Measures against labor shortages exist selectively, but are not yet group-wide. <u>Measures:</u> A planned HR strategy with a focus on recruiting, retention, and employer branding. <u>Outlook:</u> Development of structured personnel development and recruiting measures, long-term retention campaigns, intensified cooperation with educational institutions.	- Increased personnel costs due to overtime. - Higher fluctuation costs through repeated onboarding and training.	
<u>Short-term measures:</u> Individual sites already offer additional benefits such as free meals, wellness use, or mobility. <u>Strategic adjustments:</u> Expansion of HR development strategies with a focus on retention and development. <u>Planned measures:</u> Introduction of feedback tools, leadership development, site-specific HR standards.	<u>Current status:</u> Feedback systems exist in the form of employee surveys, but so far only as a basis for improvements. <u>Outlook:</u> First investments in employee retention, new HR roles, and new leadership standards. <u>Outlook:</u> Targeted programs to increase employer attractiveness (additional benefits, career models, retention innovations).	- Increased fluctuation costs (exit interviews, recruitment, training). - Lower service quality due to staff shortages. - Image losses in employer branding and competitiveness.	

Supplementary disclosure requirements

[ESRS S1-SBM-3.14]

The following information relates to the full group of workers affected by the material social impacts and risks of FMTG within the meaning of the ESRS S1 – Workforce standard. All information presented here relates to employees directly employed by FMTG.

a) Types of workers affected

The material impacts and risks primarily affect directly employed staff – particularly in the operational areas of hotel and camping operations. This includes both permanent and seasonal employment relationships. Self-employed persons are only involved in exceptional cases – for example as external trainers or interim consultants – and are currently not materially affected.

b) Systemic or context-specific negative impacts

The key negative impacts – such as the limited availability of qualified workers and challenging working conditions (e.g., shift work, limited work-life balance) – are not attributable to individual incidents or site-specific issues, but reflect systemic challenges within the European tourism and hospitality industry. Particularly affected are regions with strong seasonal demand, structurally weak labor markets, or difficult infrastructure connections.

c) Positive impacts and groups affected

In addition to negative impacts, FMTG's business activities also generate positive social impacts on its own workforce. These mainly relate to two aspects:

- **Stability and security of employment:** Especially for returning seasonal workers – such as in Austria, South Tyrol, and Croatia – FMTG provides reliable employment prospects over several years. Structured re-entry processes, planning security, and long-term contracts create social security that is not a given in the tourism sector.
- **Promotion of recovery and well-being:** At all sites, employees benefit from specific additional offerings to support well-being and regeneration – such as staff rates for hotel stays, access to the company's own wellness/recreation facilities, or dedicated areas at workplaces for retreat and personal break arrangements. These contribute to health promotion, stress reduction, and employee retention.

These positive effects apply to both year-round/permanent employees and returning seasonal workers with temporary employment contracts at all FMTG sites.

d) Material risks

As part of the double materiality analysis, two key risks were identified:

- **Shortage of skilled workers:** A structurally driven shortage of qualified employees with negative impacts on operational stability, service quality, and the medium- to long-term scalability of the business model.
- **Loss of attractiveness as an employer:** Increased staff turnover and low retention due to demanding working hours, unsatisfactory pay, limited opportunities for participation, and lack of development prospects.

These risks are offset by strategic potentials: FMTG sees substantial opportunities in specifically increasing employer attractiveness, further developing corporate culture, building internal career models, and stronger differentiation as a sustainable employer – both to secure staff levels and to improve the guest experience.



e) Impacts in the context of the ecological transition

In the course of the transformation towards more environmentally friendly and climate-neutral business models – e.g., through energy-efficient refurbishments, digitalization, mobility shifts, or changes in building technology – no profound restructuring or staff reductions are currently expected. Rather, new requirements for job profiles are emerging in specific areas, such as building management, data processing, or sustainability. FMTG sees relevant opportunities in this regard, for example through further training, new role profiles in sustainability management, or strengthening the employer image via “green jobs” and sustainable skills development.

Management of impacts, risks and opportunities

[S1-IRO-1]

Policies related to own workforce

[S1-1]

FMTG pursues a holistic HR strategy aimed at creating an attractive, safe, and inclusive working environment. Particular focus is placed on strengthening leadership skills, structured onboarding processes for new employees, increasing employee satisfaction, and targeted skills development across all hierarchical levels.

To ensure effective and efficient HR management, emphasis is placed on a modern and standardized data basis, transparent management of HR indicators, and the continuous development of standards, processes, and policies.

In addition, FMTG is committed to fair career opportunities, the promotion of diversity and social dialogue, as well as the creation of good working and living conditions. These principles form the foundation for sustainable corporate development in line with the company’s corporate values and serve the long-term retention and satisfaction of employees. These principles will be enshrined in future social policy and explicitly extended to include issues such as the exclusion of human trafficking, forced labor, and child labor. At the same time, reference will be made to existing occupational safety measures for the prevention of accidents at work, as well as to concepts for promoting diversity, equal opportunities, and the prevention of discrimination and harassment.

Processes for engaging with own workforce and workers’ representatives about impacts

[S1-2]

The perspectives of the company’s own workforce were taken into account as part of the materiality analysis and will in future be systematically incorporated into the further development of work-related measures and strategies. The aim is to identify potential impacts on employees at an early stage and to address them appropriately.

a) Type of involvement

As part of the materiality analysis, anonymized qualitative interviews were conducted with employees at the corporate headquarters. For employees at the hotel and camping sites, feedback was provided indirectly through responsible managers – in particular general managers, regional operations managers, and central staff functions (e.g., HR, Quality & People Development).

b) Phase and frequency of involvement

The involvement took place as part of the 2024 materiality analysis. Looking ahead, the perspectives of employees are to be regularly considered in the context of ESG strategy processes and personnel development measures – among other things through a planned anonymous survey and the introduction of an internal ideas competition.

c) Responsibility within the company

Operational responsibility for involvement lies primarily with the Human Resources department. Strategic anchoring takes place in coordination with the Operations division and the Executive Board of FMTG.

Processes to remediate negative impacts and channels for own workers to raise concerns

[S1-3]

In the 2024 reporting year, FMTG did not yet have a structured, easily accessible (digital) reporting channel for recording negative impacts on workers. Employees, however, had the opportunity to contact their direct supervisors or the central HR department of the Group. This concerned, for example, issues related to working conditions, discrimination, health and safety, or interpersonal conflicts.

The Code of Conduct obliges all employees to report actual or suspected violations of applicable law or internal rules. The Code also stipulates that whistleblowers are protected against disadvantage.

Starting from the 2025 financial year, a Group-wide digital whistleblower platform will be introduced. This will be accessible to all employees and will allow confidential and anonymous reporting of negative impacts. Reports will be forwarded to the central Human Resources department and reviewed while ensuring confidentiality. The goal is to increase the transparency and effectiveness of existing structures and to ensure a uniform, low-threshold access point for reporting human rights or work-related concerns – in line with the Code of Conduct and the EU Whistleblower Directive.

Actions in relation to material impacts on the company's workforce

[S1-4]

The impacts recorded and analyzed in the 2024 reporting year serve, in conjunction with the fundamental orientation of the HR strategy, as the basis for formulating effective and holistic measures.

The Group-wide applicable Code of Conduct provides all employees in FMTG's business units with a binding framework for value-based conduct. Respect, appreciation, courage, openness, and trust form the foundation of daily collaboration. These principles have shaped FMTG's corporate actions for many years and are firmly embedded in the corporate culture.

FMTG and all persons working within the company comply with applicable laws, regulations, and provisions. It is the duty of all employees to know the laws and regulations relevant to their activity. FMTG respects international human rights as laid down in the Universal Declaration of Human Rights and the European Convention on Human Rights. The company aligns its actions with the SDGs and ethical standards.

Topics perceived by FMTG employees as particularly relevant – such as good working conditions, secure and stable employment relationships, fair remuneration, and a functioning social dialogue – were identified as part of the stakeholder dialogue. They form central starting points for the further development of existing standards, guidelines, and policies. The dynamic growth of FMTG requires continuous further development of these foundations to ensure that the Group-wide applicable values are effectively embedded in all operations and markets and remain understandable and accessible to all employees.

Employee recovery and the reconciliation of work and family life are central issues that were identified in the 2024 analysis and adopted as a starting point. The core business of FMTG is to provide its guests with a relaxing holiday experience. Through the offer of special staff rates, FMTG employees can also enjoy the holiday experience that they help ensure daily for guests – at attractive conditions in one of the many hotels or camping sites.

Targets related to managing material impacts, advancing positive impacts, as well as to risks and opportunities

[S1-5]

In order to provide all employees with a positive, motivating, equitable, and safe working environment, the intended targets must be both ambitious and realistic and be continuously further developed in a dynamic process. In the future, the Group-wide valid Social Policy will consolidate all goals and measures, which will address the following core topics, among others:

- Introduction of a Group-wide HR data management system
- Expansion of middle- and top-management training
- Standardization of the onboarding process for line staff
- Continuous increase in employee satisfaction
- Promotion of training and skills development for employees at all hierarchical levels, including quantitative training-hour targets
- Establishment of transparent and structured career development plans
- Ensuring and supporting gender diversity as well as social dialogue
- Continuous structuring of mission statements, guidelines, and standards
- Optimization of employee housing in hotel and camping operations



Key performance indicators

Characteristics of the undertakings Employees

[S1-6]

Disclosure Requirement S1-6 – Characteristics of the undertakings Employees

Total number of employees by headcount and breakdown by gender and country for countries in which the company has 50 or more employees that make up at least 10% of the company's total workforce:

TOTAL		AUSTRIA		ITALY	
Female	1.205	Female	438	Female	239
Male	1.135	Male	393	Male	293
Diverse	0	Total	831	Total	532
No information	0				
Total	2.340				
		CROATIA			
		Female	436		
		Male	389		
		Total	825		

Total number of employees by headcount or full-time equivalents (FTE)

I.) Employees with permanent employment contracts including breakdown by gender:

TOATAL	1,354
Female	662
Male	692

II.) Employees with fixed-term employment contracts including breakdown by gender:

TOATAL	986
Female	543
Male	443

Total number of employees who left the company during the reporting period:

2,007 excl. double counting

2,091 incl. double counting (multiple exits of employees in 2024)

Employee fluctuation rate during the reporting period:

86 % excl. double counting

89 % incl. double counting

This relatively high rate is primarily seasonal, not structurally driven.
For comparison:

13 % among corporate employees

Figure 22 – Characteristics of the company's employees

Characteristics of non-employees in the undertaking's own workforce

[S1-7]

No relevance for the indicator.



Collective bargaining coverage and social dialogue

[S1-8]

Disclosure Requirement S1-8 – Collective Bargaining Coverage and Social Dialogue

Coverage of all employees by collective bargaining agreements in %:

COUNTRY	COVERAGE RATE
Austria	98 %
Croatia	27 %
Italy	100 %

Percentage of own employees outside the EEA covered by collective agreements, broken down by regions:

COUNTRY	ABDECKUNGSGRAD
Serbia	100 %

Total percentage of employees who are covered by employee representatives, with country-level details for each EEA country in which the company has a significant number of employees:

LAND	ABDECKUNGSGRAD
Austria	13 %
Croatia	49 %
Italy	0 %
Gesamt	21 %

Figure 23 – Collective bargaining coverage and social dialogue

Persons with disabilities

[S1-12]

Disclosure Requirement S1-12 – Persons with Disabilities

Percentage of persons with disabilities among employees:

0.17 %

Figure 27 – People with disabilities

Diversity metrics

[S1-9]

Disclosure Requirement S1-9 –

Diversity Metrics

Gender distribution by number as well as percentage at the top management level:

TOP MANAGEMENT LEVEL	
Number	1 (sole executive board member)
Gender	Male
In %	100 %

Distribution of employees by age groups: under 30 years, 30–50 years, over 50 years:

AGE GROUPS		
unter 30	801	34 %
30-50	1.134	48 %
über 50	405	17 %
Gesamt	2,340	100 %

Figure 24 – Diversity Metrics

Adequate wages

[S1-10]

Disclosure Requirement S1-10 – Adequate Remuneration

„Indication of whether all employees receive adequate remuneration in accordance with the applicable reference values.

Yes, all employees receive adequate remuneration in accordance with the applicable reference values pursuant to ESRS S1, Art. 69 lit. a) & b).

Figure 25 – Adequate wages

Social protection

[S1-11]

Disclosure Requirement S1-11 – Social Protection

Indication of whether all employees are covered against loss of earnings due to significant life events as referred to in lit. a) to e) by public programs or by benefits offered by the company:

Yes, all employees are covered against loss of earnings due to the life events referred to in lit. a) to e).

Figure 26 – Social protection



KPIs for training and skills development

[S1-13]

Through the “Quality & People Development” department, FMTG not only ensures its brand standards and service quality but also continuously improves them. The systematic training concept was set up across all hierarchical levels and ranges from general onboarding processes to leadership expertise training. The program includes the following training paths to equip FMTG employees with the necessary skills and competencies:

- Onboarding Trail
- Youngstars for Future
- Departmental Trainings & Coaching on the Job
- Coaching & Training – Growing to Excellence
- Leadership Development Path
- Leadership Expertise

At FMTG, training and skills development also include topics such as self-care, implemented through yoga classes for employees, the annual FMTG Team Days, and Ideathlons – cross-departmental training and networking formats for managers of Falkensteiner Hotels. These promote professional exchange, inspire through external input, and support the continuous further development of operations at each hotel.

The following KPIs on training and further education provided by Quality & People Development are disclosed as followst:

	YOUNGSTAR TRAININGS	LEADERSHIP PATH TRAININGS	ON THE JOB TRAINING & COACHING RALLYES & CAMPS	E-LEARNING
Number of Trainings	5	9	-	-
Days	10	14	658	-
Participants	61	128	-	450
QPD Hours	-	-	5,264	n/a
Participant Hours	4,880	14,336	-	1,464
Explanation	According to registrations	Laut Anmeldungen	Laut Arbeitsplan QPD	Laut FALQON

Figure 28 – Training hours QPD TEAM 2024



KPIs for health and safety

[S1-14]

Disclosure Requirement S1-14 – Health and Safety Metrics

Percentage of persons among the company's workforce who are covered by the company's health and safety management system based on legal requirements and/or recognized standards or guidelines:

No relevance for FMTG

Number of fatalities attributable to work-related injuries and illnesses:

Number::	0
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Number and rate of recordable work-related accidents

Number:	129
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Rate:	Insufficient data available
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Number of cases of recordable work-related illnesses, subject to legal restrictions on data collection:

Number:	0
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Number of lost days attributable to work-related injuries and fatalities resulting from work-related accidents, to work-related illnesses, and to fatalities resulting from illnesses:

LOST DAYS

due to work-related injuries from work accidents:	129
---	-----

due to work-related fatalities from work accidents:	0
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due to work-related illnesses:	0
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due to fatalities resulting from work-related illnesses:	0
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Figure 29 – KPIs for health and safety

KPIs for work-life balance

[S1-15]

Disclosure Requirement S1-15 – Metrics for Work-Life Balance

Percentage of employees entitled to leave from work for family reasons:

All employees are entitled to leave from work for family reasons based on social policy and/or collective bargaining agreements.

Figure 30 – Metrics for Work-Life Balance

Remuneration KPIs

[S1-16]

Disclosure Requirement S1-16 – Remuneration Metrics

Percentage of employees entitled to leave of absence for family reasons:

Gender pay gap in %	8.90 %
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Ratio of annual total compensation of the highest-paid individual to the median annual total compensation of all employees:	15.69
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Figure 31 – Remuneration Metrics



Incidents, Complaints, and Severe Impacts in Connection with Human Rights

[S1-17]

Total number of cases of discrimination, including harassment, reported during the reporting period:	0
Number of complaints raised through channels available to the company's workforce (including harassment):	0
Total amount of significant fines, sanctions, and compensation payments in connection with the incidents and complaints described above:	EUR 0.-
Number of severe incidents related to human rights in connection with the company's workforce during the reporting period:	0
Total amount of fines, sanctions, and compensation payments in connection with the incidents described under letter a, as well as a reconciliation of the monetary amounts with those most significant disclosed in the financial statements:	EUR 0.-

Figure 32 – Incidents, Complaints, and Severe Impacts in Connection with Human Rights

As part of the initial collection of the above-mentioned KPIs on FMTG's workforce in the 2024 financial year, not all countries could yet be fully taken into account. This is due to the fact that the Group-wide introduction of a new HR system for recording all relevant employee data was not yet completed in the reporting period. Sites in Slovakia, Slovenia, and Serbia were particularly affected. For the coming reporting period, full and consistent integration of all data is planned. For the reasons mentioned, there are also deviations from the employee KPIs reported in the FMTG Annual Report 2024.





2. AFFECTED COMMUNITIES

[ESRS S3]

Introduction

Hotels, campsites, and tourism development projects are always embedded in a broader social context. The business activities of FMTG directly or indirectly affect the quality of life, infrastructure, environmental perception, and social structures of the regions – particularly in rural areas with a strong focus on tourism.

Local anchoring, social participation, and the involvement of regional stakeholders are of strategic relevance for FMTG – both in terms of long-term acceptance and shared value creation.

Connection to our corporate values

Our actions in dealing with affected communities are guided by the core values of FMTG:

- **Driven for success:** We are aware of our social impact and aim to make it measurable and improve it through new formats of participation and cooperation in the region.
- **Grounded:** We respect local traditions and cultural characteristics and act with consideration for regional specificities.
- **Courageous:** We deliberately set impulses for sustainable regional development – through investments, cooperation, or social initiatives.
- **Relationship-oriented:** We cooperate with local businesses, authorities, associations, and educational institutions to jointly promote positive effects.

Materiality of the topic

The social aspect “affected communities” was classified as material within the framework of the double materiality analysis, with regard to the impact of FMTG’s business activities on the local or surrounding population at its locations.

In this chapter, the disclosures required by ESRS S3 in conjunction with ESRS 2 are presented. These include information on strategy as well as on material impacts and the underlying processes. In addition, disclosures are made on concepts, targets, and measures.

Topic-specific disclosures

[ESRS S3 in conjunction with ESRS 2]

Strategy

Stakeholders’ interests and views

[S3-SBM-2]

Reference may be made here to the relevant disclosures under S3-SBM-2 in the section General Information – 9. Stakeholders.

Material impacts, risks, and opportunities and their interaction with strategy and the business model

[S3-SBM-3]

FMTG reports in accordance with ESRS 2 SBM-3 in conjunction with ESRS S3-SBM-3 on the material impacts in relation to affected communities as well as their interaction with strategy and the business model.

No material financial risks or opportunities were identified in this context. The reporting follows the specific requirements of ESRS 2 and the topic-specific requirements of ESRS S4, including application requirements (AR) according to Annex A. FMTG makes use of the option under ESRS 2 para. 46 to report the requirements of SBM-3 in the present topic-specific ESRS S3 (cf. ESRS 2 para. 49).

Material impacts on affected communities

DESCRIPTION OF IMPACT	IMPACT DESCRIPTION	SUB-TOPIC	TYPE OF IMPACT
Decline in tourism acceptance in the affected community	High visitor frequency, increased operational density, and infrastructural stresses (e.g., traffic volume, noise, land use pressure) can, in some regions, reduce societal acceptance for tourism use. This particularly affects smaller or infrastructurally limited communities, where tourism expansion can lead to conflicts of use (e.g., between local population and tourism industry).	Company-specific aspect	Actual negative impact
Price increases for everyday goods due to increased attractiveness of the region and high guest arrivals	In touristically highly frequented regions, increased demand—particularly seasonal—can lead to price increases for goods of daily need (e.g., food, housing, services). This especially affects lower-income households and local residents without direct participation in tourism.	Economic, social, and cultural rights of communities	Actual negative impact
Reduction of available land for local housing and infrastructure	In strongly touristically used regions, development, site expansion, and land consumption can increase the pressure on available plots for municipal housing, social infrastructure, or local supply. This can lead to land use conflicts with communities and regional stakeholders.	Economic, social, and cultural rights of communities	Actual negative impact
Increase of value creation for people and businesses in the region	Tourism investments and operational settlements of FMTG can contribute to local value creation – for example through employment, suppliers, service relationships, tax revenues, or shared infrastructure projects. Regional businesses and workers benefit from this.	Economic, social, and cultural rights of communities	Actual negative impact

Figure 33 – Material effects ESRS S3



LINK TO STRATEGY AND BUSINESS MODEL	POSITION IN THE VALUE CHAIN	TIME HORIZON	TYPE OF RESPONSIBILITY
As a tourism developer and operator, FMTG depends on the approval of local stakeholders. Site acceptance is a prerequisite for investments, operational stability, and tourism growth. The long-term attractiveness of our locations significantly depends on a balanced ratio between tourism use and regional quality of life.	Own business activity (operation and development of tourism offers), indirect knock-on effects with municipal and societal stakeholders.	<u>Short-term:</u> Noticeable tensions in affected communities due to higher burden from arrival and departure traffic on local infrastructure. <u>Mid-term:</u> Increasing risk of local resistance, participatory opposition, or restrictions in project implementation. <u>Long-term:</u> Declining societal legitimacy of tourism projects, potential approval obstacles, and reputational risks.	Direct (through operational activities, external impacts, land use) and indirect (through secondary tourism effects, guest streams, market positioning).
The economic upgrading through tourism is part of FMTG's strategic positioning. At the same time, we recognize possible target conflicts with the social needs of local households. A balanced relationship between tourism demand development and regional supply is central for sustainable site responsibility.	Own business activity (site-related price increases), indirect market mechanisms (guest demand, regional marketing, second homes).	<u>Short-term:</u> Higher tourist demand in highly frequented seasons (esp. tourism main season) leads to price increases in living costs (e.g., housing, food, services). <u>Mid-term:</u> Stronger social differentiation, polarization, and increased impairment of local interests through steadily increasing general price level. <u>Long-term:</u> Structural displacement of everyday goods for the local population, especially for lower-income households.	Partly direct and indirect (via price pressure through tourism demand, rental and consumer behavior, indirect land appreciation).
FMTG invests in tourist infrastructure at locations with high demand potential, but usually not in regions affected by "overtourism." Increasingly, the limited availability of suitable land plots is being considered. Coordinated land use planning for regional balance is an integral part of responsible project development.	Own business activity (development, hotel and camping projects).	<u>Short-term:</u> Land consumption by new construction projects can lead to conflicts of use with the local community. <u>Mid-term:</u> Reduced availability of building plots for municipal or social infrastructure. <u>Long-term:</u> Restrictions in the development of regional structures (e.g., schools, care, housing).	Direct (via site planning, project implementation, land consumption).
FMTG consciously pursues the goal of strengthening regional partners and economic cycles on site. Active participation of local stakeholders is essential for resilience, legitimacy, and social acceptance of our operations and project development.	Own activities (employment, procurement), upstream value creation (local products, crafts, services), sustainable regional effects (traffic, trade, leisure economy).	<u>Short-term:</u> Orders for local businesses through construction, renovation, or other cooperations. <u>Mid-term:</u> Building up regional supplier networks, stable employment and training opportunities. <u>Long-term:</u> Regional establishment of business partnerships, continuous economic strengthening of the environment.	Direct (via business decisions, procurement, local investments) and indirect (via demand effects, municipal taxes, clustering).

Management of impacts, risks, and opportunities

[S3-IRO-1]

Policies related to affected communities

[S3-1]

FMTG, through its group-wide Code of Conduct, is committed to a responsible and respectful approach toward local communities at all its locations. As part of its values-based self-image, it strives to be a reliable and constructive partner that respects the characteristics of the respective regions, promotes social engagement, and makes a positive contribution to local development.

This approach shapes both the day-to-day operations of the hotels and campsites and the procedures for new planning and project developments. Active involvement of relevant stakeholders, the promotion of regional structures, and a sensitive approach to social and ecological conditions on site are central elements of its understanding of corporate responsibility.

On this basis, the concept of dealing with affected communities – which will be anchored in the future Social Policy – is continuously developed with the aim of aligning entrepreneurial action with the needs and expectations of people in the respective regions.

However, there is currently no separate concept specifically geared toward respecting the human rights of affected communities – including indigenous peoples – or mechanisms for monitoring compliance with the UN Guiding Principles, the ILO Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines for Multinational Enterprises. Relevant standards are systematically taken into account in the development of social policy. No cases of non-compliance with these international standards in relation to affected communities were reported during the current reporting period – neither within our own activities nor along the upstream or downstream value chain.

Processes for involving affected communities about impacts

[S3-2]

A systematic and company-wide standardized involvement of affected communities in decision-making processes to address actual or potential impacts does not currently exist. However, in location-related projects – particularly new constructions or major renovation works – the concerns of the surrounding population and relevant local stakeholders are taken into account on a case-by-case basis. This takes place through informal discussions, legally required procedures, or project-related feedback loops.

Involvement generally takes place in the early project phases during site development. Responsibility for coordinating with local stakeholders lies with project development, supported by the sustainability team and – depending on the project – regional (construction) management.

A formalized assessment of the effectiveness of this involvement is not yet implemented. However, insights from coordination are regularly incorporated into project design and operational planning.

Processes to remediate negative impacts and channels for affected communities to raise concerns

[S3-3]

In the 2024 reporting year, FMTG had no structured, group-wide channel through which affected communities could systematically submit concerns or complaints. The introduction of an appropriate reporting and complaints mechanism is planned for the 2025 financial year to strengthen interaction with local communities and to identify and address potential negative impacts at an early stage.

Targets and actions in relation to affected communities

[S3-4; S3-5]

The hotel and camping operations see themselves as part of the local society and also aim to be perceived as such. Both the businesses and guests benefit from the cultural and natural offerings of the regions in which FMTG operates its sites. In return, efforts are made to maximize all positive impacts on the local



community and to mitigate as far as possible the partly unavoidable negative impacts.

In planning, and particularly during the construction phase of new projects, FMTG seeks to mitigate the temporarily increased burden on affected communities as much as possible. As already mentioned in ESRS E5 Resource Use and Circular Economy, FMTG adheres to the requirements of the EU Taxonomy Regulation and established building certification systems for new projects, committing itself to implementing certain protective measures. FMTG therefore strives to ensure that all its construction sites are operated with as little dust, waste, and noise as possible. This minimizes not only the impact on nature and the environment but also on local residents.

Another negative impact identified in the course of the materiality analysis is the potential increase in the prices of everyday goods, including housing costs, resulting from the overall attractiveness of the region and the associated increase in demand. FMTG develops and operates hotel properties, campsites, and holiday apartments that are designated for commercial purposes. Therefore, no residential housing is withdrawn from the market through temporary (short-term) rentals.

Furthermore, FMTG offers a comprehensive food & beverage (F&B) offering in its accommodation operations, so that guests have access to a wide range of culinary services throughout their stay and can thus forgo self-catering.

Tourism operations generally also contribute to strengthening local value creation, as the region as a whole becomes more attractive and adjacent businesses from different sectors can benefit from the increased frequency of FMTG guests. In addition, FMTG actively seeks to integrate local businesses, natural areas, and other attractions into its offering. Temporary pop-up markets and art exhibitions held in hotel premises, for example, serve as exhibition spaces and help increase the reach of local producers and artists.

In addition to the measures already established, FMTG has set itself the goal of expanding its efforts in the area of local communities. The following areas will play an important role in future quantitative and qualitative goals and measures:

- Continuous expansion of networking with local communities
- Establishment of structured Group-wide cooperation with non-profit organizations
- Increase in the share of regional products to strengthen local value creation
- Ensuring low-emission construction sites in new projects
- Increase in the share of local employees in hotel and camping operations
- Promotion of public travel by guests to relieve the burden on local infrastructure

Key performance indicators

The ESRS S3 standard does not contain specific requirements for the disclosure of KPIs in connection with affected communities. In addition, no relevant company-specific KPIs were identified.

3. CONSUMERS AND END-USERS

[ESRS S-4]

Introduction

As a provider of high-quality vacation experiences, FMTG places the needs, rights, and trust of its guests at the center of its actions. In upscale leisure hospitality, guest orientation means far more than comfort, service, and experience – it also includes responsibility for health, safety, data protection, transparency, and sustainability.

For FMTG, this means designing an experience offering that meets the highest quality standards while also being responsible and forward-looking. Guests are regarded as partners in a shared responsibility for sustainable tourism – with the aim of fostering conscious decisions and ensuring long-term satisfaction.

Connection to our corporate values

Our values are also reflected in our interactions with guests and the design of our offerings:

- **Driven for success:** We continuously develop offerings that meet the highest quality standards while being ecologically and socially responsible.
- **Grounded:** We communicate honestly and provide clear information to our guests.
- **Courageous:** We promote sustainable choices by our guests – through environmentally friendly initiatives, resource-saving services, and transparent information.
- **Relationship-oriented:** We build on trust and authentic hospitality as the basis for long-term customer loyalty.

Materiality of the topic

As part of the double materiality analysis, the topic of “Consumers and End-users” was classified as material – both regarding the impacts of FMTG’s business activities on its guests and with respect to potential risks.

Accordingly, this chapter discloses the information required under ESRS S4 in conjunction with ESRS 2. These include disclosures on strategy, material impacts, risks, and the underlying processes relating to consumers and end-users. In addition, disclosures on concepts, goals, and measures are provided.





Topic-specific disclosures

[ESRS S4 in conjunction with ESRS 2]

Strategy

Interests and views of stakeholders

[S4-SBM-3]

Reference is made here to the relevant information on S4-SBM-2 in the section General Information – 9. Stakeholders.

Material impacts, risks and opportunities and their interaction with strategy and business model

[S4-SBM-3]

FMTG reports in line with the requirements of ESRS 2 SBM-3 in conjunction with ESRS S4-SBM-3 on the material impacts and risks relating to consumers and end-users, as well as their interaction with the strategy and business model. No material financial opportunities were identified in this context.

Reporting follows the specific requirements of ESRS 2 and the topic-specific requirements of ESRS S4, including application requirements (AR) according to Appendix A.

FMTG makes use of the option under ESRS 2 paragraph 46 to provide the required SBM-3 disclosures within this topic-specific ESRS S4 (see ESRS 2 paragraph 49).

Material impacts on consumers and end-users

DESCRIPTION OF IMPACT	IMPACT DESCRIPTION	SUB-TOPIC	TYPE OF IMPACT
Contribution to well-being and to health-promoting experiences of guests	Due to natural surroundings, high-quality infrastructure, and targeted offers for recreation, exercise, and healthy nutrition, the hotels and camping operations of FMTG promote the physical and mental well-being of guests. The stay can contribute to relaxation, stress reduction, physical regeneration, and mental balance. This corresponds to a socially increasing need for health-promoting leisure and recreation spaces as well as the new lifestyle trend "longevity."	Company-specific aspect	Actual positive impact

Figure 34 – Material impacts ESRS S4

Material risks in relation to consumers and end-users

DESIGNATION OF THE RISK	DESCRIPTION OF THE RISK OR OPPORTUNITY	SUBTOPIC	TYPE OF RISK	POSITION IN THE BUSINESS MODEL AND IN THE VALUE CHAIN
Risk of financial damages and reputational losses as a result of data protection breaches	The processing of personal data of guests – e.g., within the framework of bookings, customer programs, marketing activities, and digital services – is subject to strict data protection requirements (especially GDPR). Inadequate security measures, incorrect processing, or lack of transparency can lead to data protection violations. This results in considerable financial risks in the form of official fines, civil lawsuits, or compensation claims. In addition, there is the risk of reputational damage, which can negatively affect guest satisfaction and customer loyalty.	Information-related impacts for consumers and/or end-users	Financial risk due to regulatory non-compliance, potential penalties as well as revenue-relevant loss of trust.	<u>Operational Relevance:</u> Central systems in the areas of marketing, guest booking, CRM, IT infrastructure are affected. <u>Position in the Value Chain:</u> Own business activity, especially digital interfaces with end-users. <u>Geographical Concentration:</u> Relevant in all markets with active guest data processing (e.g., EU area with GDPR).

Figure 35 – Material risks ESRS S4

Management of impacts, risks, and opportunities

[S4-IRO-1]

Policies related to consumers and end-users

[S4-1]

FMTG is committed to responsible, transparent, and respectful interaction with its guests – one of the company's key stakeholder groups. The group-wide Code of Conduct forms the binding basis for dealings with consumers and end-users across all business units.

The aim is to provide guests with a high-quality, safe, and fair offering at all times. Central to this are the protection of consumer rights, data protection, health and safety, as well as clear and transparent communication. FMTG is committed to ensuring that information on its services is understandable, complete, and transparent.



LINK TO STRATEGY AND BUSINESS MODEL	POSITION IN THE VALUE CHAIN	TIME HORIZON	TYPE OF RESPONSIBILITY
The promotion of guests' well-being is a central component of FMTG's service promise. In its positioning as a provider of premium family holiday hotels with high comfort and recreation standards, it is firmly anchored. Health-promoting framework conditions – from opportunities for exercise and relaxation to balanced nutrition – are specifically integrated into the service portfolio.	Own business activity	<u>Short-term:</u> Direct impulses for recreation and health during the stay. <u>Mid-term:</u> Long-term guest satisfaction, customer loyalty, and contribution to preventive health promotion in everyday life. <u>Long-term:</u> Strengthening of societal awareness for health- and environmentally-conscious lifestyles as well as reputational advantages through consistent focus on health- and recreation-promoting offers.	Direct (through the design of the operational offer, relevant infrastructure, services, nutrition offer, etc.)

IMPACT ON STRATEGY, BUSINESS MODEL, AND DECISION-MAKING	RESILIENCE OF STRATEGY AND BUSINESS MODEL	CURRENT FINANCIAL EFFECTS ON EARNINGS, FINANCIAL POSITION, AND CASH FLOWS
<u>Short-term measures:</u> Implementation of technical and organizational data protection measures, employee training, adjustment of forms and consent declarations. <u>Strategic adjustments:</u> Establishment of a harmonized data protection system, integration of data protection standards into the internal control system (ICS) and the Digital Strategy. <u>Planned measures:</u> Introduction of automated deletion processes, implementation of data protection logbooks within tools, systematic review of external service providers (consultants).	<u>Current status:</u> Data protection requirements are generally considered; central standards, however, are still under development. <u>Measures:</u> Establishment of uniform data protection processes, training measures, assignment of external data protection experts. <u>Outlook:</u> Data protection will become an integral part of the digital brand positioning; continuous improvement of protection and secure customer data handling is planned.	- Costs for team building, software, and internal training effort. - Image and trust risks with potential impact on guest behavior (e.g., cancellations of digital services).

In handling complaints, feedback, and suggestions for improvement, FMTG pursues a solution-oriented, service-driven approach that enables the continuous enhancement of the guest experience. The satisfaction and trust of end-users are at the core of the quality strategy.

In addition, the group attaches great importance to protecting particularly sensitive guest groups – such as families, children, or people with disabilities. This is reflected in barrier-free access, child-friendly services, and compliance with safety standards in leisure activities.

Through continuous training, group-wide standards, and responsible market behavior, FMTG ensures that the expectations and needs of its guests are not only respected but also actively integrated into the further development of services. These principles are implemented across the group and are subject to regular review.

There is currently no independent concept for respecting the human rights of consumers and end-users, such as the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines for Multinational Enterprises. The development of relevant content—including binding procedures for involving user groups and remedying potential human rights violations—is planned as part of future social policy. Furthermore, no violations of human rights obligations in relation to consumers or end-users were reported during the reporting period.

Processes for engaging with consumers and end-users about impacts

[S4-2]

The targeted involvement of hotel and camping guests – as the core group of consumers and end-users – in corporate decision-making to address actual or potential impacts is not yet carried out within formalized procedures. Instead, the assessment of relevant issues is based on a combination of internal analyses, continuous guest feedback, selected individual interviews, as well as consideration of regulatory requirements and industry standards.

In day-to-day operations, feedback from guest surveys, reviews, or personal interactions is regularly documented and, where necessary, integrated into the further development of services, processes, or communication measures. Responsibility for processing and integrating this feedback lies with the individual establishments and the central Quality & People Development team.

Looking ahead, FMTG plans to expand structured feedback formats on ESG topics, to integrate guest perspectives more strongly and purposefully into strategic deliberations.

Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

[S4-3]

In the 2024 reporting year, FMTG did not yet have a group-wide structured process for recording and addressing potential negative impacts on consumers and end-users. Existing feedback channels – such as guest surveys or contact forms – were the responsibility of the respective establishments or operational hotel management. A systematic recording and evaluation of such feedback regarding human rights or sustainability-related impacts had not yet been carried out.

Starting with the 2025 financial year, the introduction of a standardized, group-wide reporting and complaints mechanism is planned. This will allow guests, consumers, and other affected end-users to raise concerns regarding certain negative experiences or issues in a structured way. The goal is to strengthen transparency and effectiveness in interactions with all guests.

Actions and targets relating to consumers and end-users

[S4-4; S4-5]

Through its diverse vacation experience – which includes culinary, active, and wellness-oriented offerings – FMTG makes an active contribution to the recovery and health promotion of its guests. This positive impact has also been considered relevant by several stakeholder groups and is further strengthened and expanded through the ongoing refurbishment and expansion of existing sites as well as through FMTG's expansion strategy.

To ensure high quality standards as well as the professional and social competence of employees in the hotel and camping operations, the Quality & People Development team promotes the continuous development of the Group-wide training and further education strategy.

FMTG is aware of the great importance of confidentiality and data protection. It therefore commits itself to protecting all confidential data and information of all stakeholders – particularly those of its guests – to the best possible extent. The Group-wide Code of Conduct obliges all employees to fully comply with applicable legal requirements for the protection of personal data. In addition, FMTG takes appropriate organizational and technical measures to ensure the secure and confidential processing

and storage of sensitive information.

To promote positive impacts and minimize potential risks, FMTG has set long-term targets, which will be consolidated in a Group-wide Social Policy in the 2025 financial year. The focus will be particularly on the following areas:

- Positively influencing guest behavior through communication of FMTG's ESG strategy and by involving guests in initiatives for more sustainability-conscious behavior during their hotel stay
- Ensuring transparent and fact-based communication of FMTG's sustainability goals and measures
- Establishing and tracking the KPI "Health Promotion and Recreation" in 2026 in order to make FMTG's positive impact on guests measurable

Key performance indicators

The ESRS S4 standard does not contain specific requirements for the disclosure of KPIs in relation to consumers and end-users. In addition, no relevant company-specific KPIs were identified.



GOVERNANCE- INFORMATION

BUSINESS CONDUCT

[ESRS G1]

Introduction

Responsible, transparent, and integral corporate governance (“Good Governance”) is a prerequisite for long-term value creation, regulatory compliance, and stakeholder trust. The ESRS G1 – Governance standard requires disclosures on steering mechanisms, corporate culture, supplier relationships, anti-corruption measures, political influence, and payment practices.

For FMTG, careful corporate governance is of essential importance in the context of its international business activities – both in ongoing hotel and camping operations, project development, and strategic investments for expansion purposes. Responsible corporate governance is regarded as a prerequisite for sustainable growth, trust, and resilience, while at the same time being the basis for effective management of sustainability topics.

Connection to our corporate values

Our understanding of good governance is closely linked to FMTG’s values:

- **Driven for success:** We commit ourselves to the highest integrity standards and establish our governance structures based on efficiency, effectiveness, and future viability.
- **Grounded:** We consistently comply with legal and ethical requirements – in all countries and regions in which we operate.
- **Courageous:** We further develop our steering and control processes and use modern, digital solutions for transparency and traceability.
- **Relationship-oriented:** We cultivate an open, dialogue-oriented corporate culture and foster responsibility at all levels – in contact with employees, business partners, and owners.



Materiality of the topic

The governance aspect was classified as material in the double materiality analysis with regard to its (potential) impact.

This chapter therefore discloses the information required under ESRS G1 in conjunction with ESRS 2. These include information on governance, strategy, material impacts, and the underlying processes in relation to governance. In addition, disclosures are provided on concepts and related measures.



Topic-specific disclosure requirements

[ESRS G1 in conjunction with ESRS 2]

Governance

The role of administrative, management, and supervisory bodies

[G1-GOV-1]

Reference may be made here to the relevant disclosures on G1-GOV-1 in the section General Information – 6. Governance.

Strategy

Material impacts, risks, and opportunities and their interaction with strategy and business model

[G1- SBM-3]

FMTG reports in accordance with ESRS 2 SBM-3 in conjunction with ESRS G1-SBM-3 on its material impacts in relation to corporate governance and their interaction with the strategy and business model. No material financial risks or opportunities were identified in relation to governance.

The reporting is based on the specific requirements of ESRS 2 and the topic-specific requirements of ESRS G1, including application requirements (AR) in accordance with Annex A.

FMTG makes use of the option under ESRS 2 para. 46 to provide the required SBM-3 disclosures within the present topic-specific ESRS G1 (cf. ESRS 2 para. 49).

Material impacts related to business conduct

DESCRIPTION OF IMPACT	IMPACT DESCRIPTION	SUB-TOPIC	TYPE OF IMPACT
Improved corporate culture	A lived, value-oriented corporate culture – supported by clear ethical guidelines, transparent processes, and responsible leadership in the sense of good governance – can strengthen employee trust, foster identification with the company, and positively influence intrinsic motivation. Such a culture has a positive effect on workplace atmosphere, loyalty, and staff engagement and thus contributes to long-term organizational stability.	Corporate culture	Potential positive impact

Figure 36 – Material impacts ESRS G1

Management of impacts, risks, and opportunities**Description of the process to identify and assess material impacts, risks, and opportunities****[G1-IRO-1]**

Reference may be made here to the disclosures on ESRS 2 IRO-1 in conjunction with ESRS G1-IRO-1 in the section General Information – 10. Materiality Analysis.

Business conduct policies and corporate culture**[G1-1]**

FMTG has anchored its principles of integral corporate governance and ethical conduct in a Group-wide Code of Conduct (currently valid in its fourth version, dated January 1, 2023). The Code of Conduct applies to all employees, managers, and business partners and establishes binding guidelines for lawful, responsible, and values-based action.

Development and promotion of corporate culture

FMTG's corporate culture is based on central principles such as responsibility, efficiency, enthusiasm, authenticity, and cordiality. These principles are set out in the Code of Conduct and form the framework for daily collaboration within the Group. The Code defines basic behavioral requirements, refers to international standards, and formulates concrete expectations for proper conduct with colleagues, customers, and business partners. The document does not contain systematic evaluation mechanisms or impact analyses of corporate culture.

Mechanisms for detecting and reporting violations

The Code of Conduct stipulates that employees are obliged to report any violations of applicable regulations or internal policies. Reports are to be submitted to the Group Compliance Officer as the responsible body. Notifications are treated confidentially and reviewed while safeguarding the rights of all parties involved. External reporting channels or the involvement of external stakeholders in the reporting process are not foreseen in the Code.

Corruption prevention

The Code contains clear rules to prevent corruption, bribery, acceptance of advantages, and granting of benefits. Employees are instructed to decline inappropriate benefits and to avoid even the appearance of impropriety.



LINK TO STRATEGY AND BUSINESS MODEL	POSITION IN THE VALUE CHAIN	TIME HORIZON	TYPE OF RESPONSIBILITY
FMTG pursues a value-based leadership approach and integrates integrity, transparency, and accountability systematically into decision-making processes. This is reflected, among other things, in the establishment of a group-wide Code of Conduct, internal feedback formats, and the promotion of both professional and personal training of employees. A strong corporate culture is regarded as a strategic success factor for stable growth in a competitive labor market environment.	Own business activity	<u>Short-term:</u> Improved morale among employees, positive feedback in feedback formats, higher participation in internal initiatives. <u>Mid-term:</u> Improved internal cooperation, reduced fluctuation, more stable teams. <u>Long-term:</u> Increased resilience against external challenges and sustainable anchoring of ESG principles in everyday work.	Direct

Protection of whistleblowers

Employees who provide information in good faith are protected from disadvantage or disciplinary consequences in accordance with the Whistleblower Protection Act (HSchG). The Code explicitly provides that whistleblowers are protected and must not fear reprisals.

A specific whistleblower protection and training concept beyond the Code of Conduct does not currently exist. However, an extension by means of a structured system is planned as part of the introduction of the digital whistleblower platform from the next reporting period onwards (see below).

Internal investigations

The review of incoming notifications is carried out by the responsible internal body, observing independence and objectivity. The Code provides that violations are adequately pursued and appropriate consequences initiated.

Training on governance

A specific training concept on governance, ethics, or integrity is not yet fully established. Work is underway on developing a Group-wide concept for internal organizational training on governance topics.

Particularly risk-exposed persons

The Code does not explicitly name particularly corruption-prone functions or organizational areas. However, from FMTG's perspective, it is assumed that employees with direct decision-making responsibility for contracts or procurement processes are particularly exposed to corresponding risks – compared to purely operational functions without financial authority.

Planned further development

For the 2024 financial year, no specific targets exist in relation to governance. However, all goals and measures in the area of governance will be consolidated in a "Governance Policy" in the 2025 financial year.

From the next reporting period, FMTG will introduce a Group-wide digital whistleblower platform. This will be available to all employees and will allow simple, confidential, and anonymous reporting of violations of the Code of Conduct or applicable law. Reports will be forwarded to an independent internal body and reviewed confidentially. It will be ensured that whistleblowers are effectively protected against reprisals or retaliation – in line with the EU Whistleblower Directive (2019/1937) and the Whistleblower Protection Act (HSchG).

Currently, the Code of Conduct forms the basis of FMTG's responsible corporate governance. The governance structure established in the 2024 reporting year, designed to successfully integrate sustainability aspects into day-to-day operations, serves as an additional instrument to strengthen good governance principles.

To further develop internal steering and control mechanisms in the area of governance, FMTG relies on the targeted integration of international standards and certification systems.

In developing new hotel and camping projects, sustainability criteria are considered at an early stage based on external benchmarks – in particular, criteria in accordance with the EU Taxonomy Regulation and certification according to international building certification standards.

In ongoing operations, recognized environmental labels – particularly the Austrian Ecolabel and the EU Ecolabel – are being introduced comprehensively to externally validate the implementation of ecological standards and to systematically evaluate environmental performance.

To ensure informed and responsible decisions across all business areas, FMTG will introduce a Group-wide ESG risk management system in 2025. The aim is the systematic identification, assessment, and management of material risks in the areas of environment, social, and governance, including their interactions with strategic objectives and decision-making processes. The resulting insights will be shared with relevant decision-makers within the Group as needed and integrated into existing steering processes. ESG risk management will thus form a central basis for strengthening the resilience of the business model and preparing for regulatory and market changes in the ESG context.

Management of supplier relationships

[G1-2]

FMTG procures a wide range of goods and services for its hotel, camping, and development operations from national and international procurement markets. Collaboration with suppliers generally takes place within the framework of established business relationships based on standardized contractual agreements.

Approach to supplier management

FMTG's supplier management is based on criteria such as reliability, quality, delivery capability, and price stability. In selection and award decisions, industry-specific risks – such as supply security, price sensitivity, or market structure – are also taken into account. Sustainability aspects along the supply chain are gaining increasing importance but are not yet systematically anchored. A structured assessment of potential negative environmental or social impacts of suppliers is not yet carried out comprehensively.

Consideration of social and ecological criteria

In certain procurement areas – such as regional food products, ecological building materials, or cleaning agents – social and ecological criteria are already taken into account. However, a Group-wide uniform guideline with a focus on sustainability aspects for supplier selection does not currently exist. Stronger consideration of sustainability-related requirements is planned in the future.

Concept for avoiding late payments

A specific concept for avoiding late payments to suppliers – particularly to small and medium-sized enterprises – does not currently exist. Payments are generally made on the basis of agreed terms and payment deadlines. Differentiation by company size of supplier partners is not yet foreseen in the payment process.

Prevention and detection of corruption and bribery

[G1-3]

FMTG explicitly rejects any form of corruption, bribery, or unlawful granting of advantages. This fundamental attitude is bindingly anchored in the Group-wide Code of Conduct (Version 4), which applies to



all employees and business partners. It defines clear rules of conduct regarding the rejection of inappropriate benefits and the avoidance of the appearance of undue influence. In case of uncertainty, employees are instructed to contact the responsible Group Compliance Officer.

An independent prevention concept or structured risk analyses on corruption and bribery do not currently exist. Internal training on these topics is not yet conducted in a standardized manner. The further development of compliance structures is in progress.

The reporting and protection mechanisms for whistleblowers relevant to this disclosure requirement, as well as the planned introduction of a Group-wide digital whistleblower platform, have already been described in detail above under G1-1.

Key performance indicators

Incidents of corruption or bribery

[G1-4]

During the reporting period, no confirmed cases of corruption or bribery were identified at FMTG. No internal investigations were initiated due to corresponding allegations, and no legal proceedings are pending in connection with such violations.

Political influence and lobbying activities

[G1-5]

For FMTG, there are no relevant activities or material impacts, risks, and opportunities in the area of political influence or lobbying within the meaning of disclosure requirement G1-5. The company does not participate in organized lobbying initiatives, maintains no institutional political contacts, and does not make donations to parties or political officeholders.

As part of the materiality analysis, it was determined that this sub-topic is not relevant or material. Accordingly, further reporting on this area is not required.

Payment practices

[G1-6]

In relation to disclosure requirement G1-6, no specific risks or material impacts associated with payment practices were identified during the reporting period. Payments to suppliers are generally made in accordance with contractually agreed conditions. A structured analysis by company size (e.g., SMEs) or systematic measures to avoid late payments do not exist.

This aspect was assessed as not relevant or not material. Further reporting is therefore not required. Reference is also made above to the explanations concerning disclosure requirement G1-2 – Management of supplier relationships.



OUTLOOK

The beginning of our sustainability journey

With this Sustainability Report, FMTG begins its journey toward a structured, Group-wide sustainability management system. The goal is to anchor the sustainable orientation of the Group as a key component of the business model going forward – in a way that is transparent and comprehensible for employees, guests, and all other relevant stakeholders.

Sustainability has history – and a future

At the same time, the report provides insights into FMTG's previous efforts in the areas of environment, social, and governance (ESG), which are already reflected today in the Group's lived values and numerous individual initiatives. As the first reporting year, 2024 therefore marks an important starting point: existing and planned measures are systematically recorded, presented in a structured way, and embedded in the strategic context for the first time.

Emission balance as a strategic lever

An important foundation for this is the first-time Group-wide Corporate Carbon Footprint (CCF), which makes visible the central emission drivers – particularly in the areas of energy and resource consumption. It serves as the starting point for developing effective and realistic packages of measures for emission reduction.

Sustainability as a leadership responsibility within the Group

Systematically embedding sustainability throughout the Group requires clear responsibilities, suitable steering mechanisms, and integration into strategic decision-making processes at all levels. Building on this report, governance structures are to be further developed and the Group-wide understanding of sustainability strengthened – also with regard to new regulatory requirements and entrepreneurial opportunities.

Transparency and dialogue as guiding principles

FMTG does not see this report as a mere obligation, but rather as an invitation to dialogue. The continuous improvement of sustainability performance will also in the future be accompanied by transparent communication, feedback from stakeholder dialogue, and an open approach to challenges and conflicting objectives. This will make sustainability a lived part of FMTG and its corporate culture.

From analysis to target definition

On the basis of these insights, FMTG's ESG performance will be gradually further developed and improved – with the goal of defining accurate, measurable, ambitious, and at the same time realistic quantitative targets in the future. However, robust target setting requires sound experience gained over several reporting periods. Therefore, this development will continue in the coming years and be further specified in the next report.

APPENDIX

List of datapoints in cross-cutting and topical standards that derive from other EU legislation

ESRS DISCLOSURE REQUIREMENT	RELATED DATA POINT		SFDR REFERENCE (*)	PILLAR 3 REFERENCE (*)	BENCHMARK REGULATION REFERENCE (*)	EU CLIMATE LAW REFERENCE (*)	SOURCE / REFERENCE
ESRS 2 GOV-1	21d	Board's gender diversity	x		x		p. 17
ESRS 2 GOV-1	21e	Percentage of board members who are independent			x		p. 17
ESRS 2 GOV-4	30	Statement on due diligence	x				p. 22
ESRS 2 SBM-1	40d (i)	Involvement in activities related to fossil fuel activities	x	x	x		not material
ESRS 2 SBM-1	40d (ii)	Involvement in activities related to chemical production	x		x		not material
ESRS 2 SBM-1	40d (iii)	Involvement in activities related to controversial weapons	x		x		not material
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ESRS E1-1	14	Transition plan to reach climate neutrality by 2050				x	p. 51
ESRS E1-1	16g	Undertakings excluded from Paris-aligned Benchmarks		x	x		not material
ESRS E1-4	34	GHG emission reduction targets	x	x	x		p. 58
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ESRS E1-5	40 to 43	Energy intensity associated with activities in high climate impact sectors	x				not material
ESRS E1-6	44	Gross Scope 1, 2, 3 and Total GHG emissions	x	x	x		p. 60 f.
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ESRS E1-7	56	GHG removals and carbon credits				x	not material
ESRS E1-9	66	Exposure of the benchmark portfolio to climate-related physical risks			x		not material
ESRS E1-9	66a	Disaggregation of monetary amounts by acute and chronic physical risk		x			not material
ESRS E1-9	66c	Location of significant assets at material physical risk		x			not material
ESRS E1-9	67c	Breakdown of the carrying value of its real estate assets by energy-efficiency classes		x			not material
ESRS E1-9	69	Degree of exposure of the portfolio to climate-related opportunities			x		not material
ESRS E2-4	28	Amount of each pollutant listed in Annex II of the E- PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	x				not material
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ESRS 2 – SBM-3 – E4	16c		x				p. 70 ff.
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ESRS 2 SBM-3 – S1	14f	Risk of incidents of forced labour	x				not material
ESRS 2 SBM-3 – S1	14g	Risk of incidents of child labour	x				not material



ESRS DISCLOSURE REQUIREMENT	RELATED DATA POINT		SFDR REFERENCE (1)	PILLAR 3 REFERENCE (2)	BENCHMARK REGULATION REFERENCE (3)	EU CLIMATE LAW REFERENCE (4)	SOURCE / REFERENCE
ESRS S1-1	20	Human rights policy commitments	x				p. 89
ESRS S1-1	21	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions			x		p. 89
ESRS S1-1	22	processes and measures for preventing trafficking in human beings	x				p. 89
ESRS S1-1	23	workplace accident prevention policy or management system	x				p. 89
ESRS S1-3	32c	grievance/complaints handling mechanisms	x				p. 90
ESRS S1-14	88b + 88c	Number of fatalities and number and rate of work-related accidents	x		x		p. 95
ESRS S1-14	88e	Number of days lost to injuries, accidents, fatalities or illness	x				p. 95
ESRS S1-16	97a	Unadjusted gender pay gap	x		x		p. 95
ESRS S1-16	97b	Excessive CEO pay ratio	x				p. 95
ESRS S1-17	103a	Incidents of discrimination	x				p. 96
ESRS S1-17	104a	Non-respect of UNGPs on Business and Human Rights and OECD Guidelines	x		x		p. 96
ESRS 2 SBM-3 – S2	11b	Significant risk of child labour or forced labour in the value chain	x				not material
ESRS S2-1	17	Human rights policy commitments	x				not material
ESRS S2-1	18	Policies related to value chain workers	x				not material
ESRS S2-1	19	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	x		x		not material
ESRS S2-1	19	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8			x		not material
ESRS S2-4	36	Human rights issues and incidents connected to its upstream and downstream value chain	x				not material
ESRS S3-1	16	Human rights policy commitments	x				not material
ESRS S3-1	17	non- respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines	x		x		p. 100
ESRS S3-4	36	Human rights issues and incidents	x				p. 100
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ESRS S4-1	17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	x		x		p. 106
ESRS S4-4	35	Human rights issues and incidents	x				not material
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(1) Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (OJ L 317, 9.12.2019, p. 1).

(2) Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation) (OJ L 176, 27.6.2013, p. 1).

(3) Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of an investment fund, and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).

(4) Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing a framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ("European Climate Law") (OJ L 243, 9.7.2021, p. 1).

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