

Sustainability Report

OUR JOURNEY TO A SUSTAINABLE FUTURE

BAUR AU LAC

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Foreword

CHRISTIAN VON RECHENBERG & TEAM

Baur au Lac has always stood for tradition, excellence and progress – from the time of horse-drawn carriages to today's modern cooling and heating systems, which we operate with water from Lake Zurich. This progress goes hand in hand with our deep-rooted commitment to sustainability, which is an integral part of our daily actions.

Our journey towards sustainability is not only a response to the demands of our times, but also a conscious decision embedded in our corporate philosophy. Back in 2004, we took an important step with the construction of a lake water pipeline to keep our house cool and heated in a sustainable way. But our quest for a more sustainable future does not end here.

Two years ago, we decided to pursue our efforts even more purposefully. To achieve this, we opened a position for a Quality & Sustainability Manager and assembled a Green Team of dedicated employees from different departments. Together, we are working on continuously reducing the ecological footprint of our hotel and expanding our commitment to the environment. We rely on innovative solutions and sustainable practices throughout the hotel – from energy and water management to fair working conditions and regional partnerships.

The Green Globe Certification guidelines are designed to help us continue our journey and intensify our efforts. For us, sustainability is more than just a word – it is a promise to continue our journey with passion and determination.

Kind regards,

Christian von Rechenberg & Team

Portrait

The Baur au Lac, a luxury hotel in Zurich for 180 years, is run by the Kracht family. Since summer 2022, Marguita Kracht, together with her father Andrea Kracht, has managed the hotel in the seventh generation.

The hotel is located in a private 1,400-square-metre park on the banks of Lake Zurich with a view of the Alps. It is renowned for its exclusive location and proximity to Paradeplatz and important cultural attractions. The Baur au Lac has 119 rooms, including 27 Junior suites and 18 Art Deco suites. The historic "Le Hall" hotel hall is the heart of the hotel and is known as "Zurich's living room".

The hotel's gastronomy is also outstanding. The Baur's Brasserie & Bar, opened in September 2019, offers a modern interpretation of the classic brasserie. The Michelin-starred Pavilion restaurant, awarded two Michelin stars, was replaced with the Marguita Restaurant and terrace in summer 2024.

This marks a fresh chapter in our long tradition of first-class hospitality. It is a modern reinterpretation of the esteemed heritage of the Baur au Lac.



Marguita Kracht, with her father Andrea Kracht, joins her father in the management of the Baur au Lac, continuing the family tradition in the seventh generation

Rich history

The Baur au Lac has been setting standards in the international hotel industry for 180 years. It is situated in Zurich, Switzerland, in a uniquely privileged location in its own park, on the shores of Lake Zurich, yet just a stone's throw from Paradeplatz, the bustling banking centre and all the major cultural and tourist attractions.

1844

In 1844, Johannes Baur, inspired by the beauty of the Alpine landscape, laid the foundation for the extraordinary hotel on the shores of Lake Zurich.

He transformed a former war port into a stylish residence that quickly became a destination for guests looking for a private retreat and peace and quiet.





1854

Just ten years later, the Baur au Lac was a jewel that exceeded all expectations with its luxurious charm and captivated the European nobility right from the start.

Among the illustrious guests were Empress Sisi of Austria, who spent an entire summer here, as well as the Russian Tsarina and the German Emperor Wilhelm II.

1852

In 1852, Johannes Baur was succeeded by his son Theodor and in 1890 the Cologne hotelier Karl Kracht, married to Theodor's daughter Emmy, took over the management. Under new leadership, yet with an unaltered family spirit, the hotel has continued the tradition to this day.

1898

Under Karl Kracht's leadership, the Baur au Lac underwent a significant expansion in 1898 to 17,000 square metres, including 1,400 square metres of gardens – a sign of the family's deep devotion over six generations.

1914

After Karl's unfortunate death in 1914 and shortly after the completion of the new pavilion, his nephew Hans Kern took over the management during this difficult time.

1916

At the age of just 20 and 25, Karl's two sons, Fritz and Hermann Kracht, succeeded him as managing directors.

1949

1949 marked the beginning of a transformative period of renewal under Charles Kracht.





1990

The ongoing renewal, driven by the pursuit of perfection, continued in 1993, when Andrea Kracht, together with his mother Marguita and sister Gabrielle, carried out one of the largest renovations in the history of the Swiss hotel industry.

2019

In 2019, we reached a historic milestone: 175 years of uninterrupted excellence as one of the oldest five-star hotels, still owned by the founding family.

2024

Today, we welcome guests from all over the world as part of our extended family, always striving to combine innovation with the warm hospitality of the Baur au Lac.

Facts & Figures

The following points summarise the most important facts of the Baur au Lac.

- 5-star superior hotel in the heart of Zurich
- 119 rooms and suites (including 27 Junior suites and 18 suites)
- Approx. 350 employees
- 15 trainees
- 26 interns
- A multicultural team representing 48 nationalities
- 365 days of hotel operations per year since 1844
- Hotel park
- 5 seminar rooms, including the legendary
 "Le Petit Palais"
- Company-owned wine shop called "Baur au Lac Vins"

AFFILIATIONS AND MEMBERSHIPS

The Baur au Lac is one of the "Leading Hotels of the World", a global alliance of over 400 luxury hotels and one of the "Swiss Deluxe Hotels", the association of Switzerland's leading five-star hotels.





INDUSTRY-SPECIFIC MEMBERSHIPS

Alongside local memberships, industry-specific memberships are also essential, as they encourage the exchange of expertise and good practices. They strengthen cooperation within the industry and support the development of environmentally-friendly solutions. Such memberships create a strong sense of community.

AWARDS

The Baur au Lac and its employees received numerous awards for its outstanding achievements in 2023:

- Third place in the Bilanz Hotel rankings
 "Best City Hotel in Switzerland"
- Bronze Awards Swiss Wine List Award
 "Upscale Cuisine" with Baur's
- Carmen Többen wins the gold medal at the Swiss Skills 2023 vocational championships at Euro Skills Gdańsk 2023
- Two apprentices reached third place in the canton of Zurich at the Hotel & Gastro formation Zurich
- Mirco Kristal is named Marmite Youngster 2023 in the "Cuisine" category

LOCAL MEMBERSHIPS

Local memberships are important for sustainability as they strengthen the community and promote environmentally-friendly practices. They support the regional economy and reduce the ecological footprint. They also foster the exchange of knowledge and resources, which in turn promotes sustainable solutions.









Company Philosophy

Our corporate philosophy forms the basis of day-to-day work and shapes the decisions of the Baur au Lac. It unites our core values and beliefs that help achieve long-term goals. In line with this philosophy are the corporate values that support the commitment to quality, integrity and sustainability in all areas.

By applying these values to specific business areas, a coherent approach is achieved that takes into account both environmental and social as well as economic aspects of sustainability. The Baur au Lac sustainability strategy aims to fulfil responsibility towards the environment, employees and society. To ensure that the targets are achieved, the measures are continuously monitored and evaluated.

The following points are essential for the Baur au Lac and are experienced and applied on a daily basis:

COMMUNICATION

Our communication is fair, honest and understandable. We inform in a timely, transparent and open manner. In this way, we make an important contribution to a positive working environment and to foster cooperation.

OUALITY

Our internal quality management system is used to optimise processes, secure expertise and continually improve quality and service.

Feedback from guests and employees, results of internal audits, external influencing factors and requirements of interested parties flows into our improvement process and enables us to continuously improve.

CORPORATE SOCIAL RESPONSIBILITY

We assume responsibility before our employees, the environment and society. As an ambassador for the Swiss luxury hotel industry, we are actively committed to the sustainable development of our company.

CORPORATE VALUES

Our corporate values reflect what characterises the Baur au Lac as a company and guide our daily actions:

- EXCITE

We inspire our guests with warmth, performance and quality

- DEVELOP

We create an attractive overall product with a balance between tradition and modernity

- TOGETHER

We foster a sense of togetherness through a familial and professional working environment

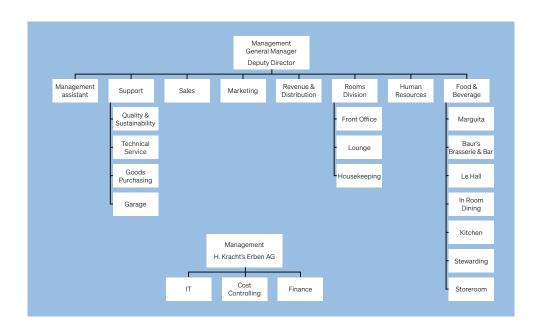
- ROLE MODEL

We cultivate a goal-orientated and participative management style and promote open communication with a healthy error culture.

THE BAUR AU LAC'S ORGANISATIONAL CHART

Why is the organisational chart important for sustainability?

- Clear responsibilities: a well-structured organisational chart ensures that each department and every employee knows exactly the role they play in sustainability initiatives. This promotes a sense of responsibility and engagement at all levels.
- Efficient communication: the clear hierarchy and structure of the organisational chart improves communication between departments. This is critical to coordinating sustainable practices and ensuring that all employees are informed of the latest developments and best practices.
- Resource allocation: a well-thought-out organisational chart makes it possible to allocate resources in a targeted and efficient manner. This helps to successfully implement projects to reduce the environmental footprint and promote social responsibility.
- Continuous improvement: the clear structure makes it possible to monitor and assess progress in sustainability efforts more effectively. This allows us to continuously improve and adapt strategies to become even more sustainable.



A well-designed organisational chart is an important tool for promoting sustainability, creating clarity, improving communication and ensuring that resources are used efficiently. This structure allows us to fulfil our responsibility towards the environment and society while offering guests an unforgettable experience.

Due to its importance, the Baur au Lac has set up a special sustainability team (called the "Green Team"), which is headed by the Quality & Sustainability Manager. The Green Team works closely with all the departments in the hotel to ensure that sustainability goals are integrated into their daily operations.

Sustainability strategy

Making a contribution to the environment and society is crucial. Baur au Lac wants to help ensure that future generations can experience the same beauty and diversity in nature that we enjoy today. The following points were addressed and will be explained in detail in the following sections:

ENVIRONMENTAL SUSTAINABILITY

The CO₂ footprint is significantly reduced through the use of energy-efficient technologies and renewable energies.

In the area of water management, water consumption is optimised by introducing innovative reduction measures.

A new recycling programme and the minimisation of single-use plastic are key components of the waste strategy.

In addition, the local flora and fauna are actively promoted through sustainable gardening practices.



SOCIAL SUSTAINABILITY

Continuous investment in employee training and further training not only promotes their professional development, but also makes a significant contribution to their satisfaction.

At the same time, strong social projects and partnerships with non-profit organisations make a significant contribution to the local community. These initiatives strengthen and foster a sense of belonging.

Guests of the Baur au Lac are actively informed about sustainable practices and are encouraged to adopt environmentally-friendly behaviours during their stay.

ECONOMIC SUSTAINABILITY

Working with suppliers who apply sustainable and ethical practices is a pioneering approach to responsible procurement. The aim is to ensure that all partners and suppliers of the Baur au Lac share the same high standards.

Well-planned and continuous investments in technologies and infrastructure are crucial for ensuring economic stability.

Transparency and regular reporting on the progress and challenges of sustainability are important to build trust and drive continuous improvement.

MONITORING AND EVALUATION

Regular reviews and assessments of sustainability measures through internal and external audits ensure that the stated objectives are pursued and continuous improvements are made.

SUSTAINABILITY GOALS

Reducing energy consumption and introducing the recycling programme are short-term goals of the Baur au Lac, which have already been implemented.

In the medium term, the Baur au Lac aims to increase the share of renewable energies and implement an improved water management system.

The Federal Act of 30 September 2022 on Climate Protection Goals, Innovation and Strengthening Energy Security (CIA) sets the net-zero target by 2050 at legislative level. All companies must have net-zero emissions in 2050. In the long term, the Baur au Lac also focuses on achieving carbon neutrality, as well as full transition to sustainable sourcing practices. These ambitious goals are regularly included in the decision-making process for new projects.



Interest Groups

The most important interest groups and stakeholders for the Baur au Lac are defined as follows and in some cases explained further below:

- GUESTS

Hotel guests are at the heart of the Baur au Lac's corporate development. In order to fulfil the growing demand for sustainable offers in the accommodation and catering sector, the services are constantly being adapted. At the same time, guests should be given the freedom to influence how sustainably their stay is organised.

- EMPLOYEES

Employees are also crucial for sustainable development. They are trained to implement environmentally-friendly practices and continuously improve them with the help of the Green Team. Their commitment and satisfaction foster a positive working culture and contribute to the long-term success of the hotel.

- PARTNERS AND SUPPLIERS

The hotel maintains long-standing partnerships, which are characterised by open communication. An agreed supplier code promotes sustainable practices. In addition, the Baur au Lac attaches great importance to social responsibility by requiring fair working conditions and ethical business practices.

- OWNER

Since its founding in 1844, the hotel has been owned and run by seven generations of the Kracht family. Their commitment and strategic decisions shape the hotel's long-term vision and values. Ownership allows and promotes sustainable development by providing the necessary financial resources, which contributes significantly to the hotel's stability and success.

- CITY OF ZURICH

The city of Zurich is deeply committed to sustainable development. Zurich promotes renewable energy, improves public transport, maintains and expands green spaces and operates efficient waste management. These measures make Zurich an important partner, since both parties are committed to a sustainable future.

- HOTELLERIESUISSE INDUSTRY ASSOCIATION

The HotellerieSuisse association is a co-signatory of the Swiss Tourism Sustainability Charter and attaches great importance to this issue. It is particularly important to note that HotellerieSuisse has been completely climate-neutral since 2014.

Fields of action

EMPLOYEES

The field of action "Employees" deals with all aspects of the employees at the Baur au Lac. They are the soul of the hotel and its most important resource.

Educational and further training, equal opportunities, work-life balance or operational health management (OHM) are examples of topics related to sustainability reporting in this area.

WELL-BEING

The Baur au Lac attaches great importance not only to the well-being of its employees, but also to its new employees having a successful start in their new working environment. A key component of the onboarding process is Welcome Day, which aims to welcome new employees and give them an in-depth presentation of the Baur au Lac and its corporate philosophy. Employees also have the opportunity to get to know each other, make initial connections and learn interesting facts about the Baur au Lac. Another highlight of the Welcome Day is a guided hotel tour where the new employees get to know the hotel and its special features. There is also a joint lunch in the newly renovated staff restaurant "Relax".

The new employees also complete cross-working sessions as part of the induction plan. These take place in various departments and allow them to familiarise themselves with and better understand the internal relationships and processes.

A good onboarding process is crucial for the well-being of new employees. A structured induction enables new employees to quickly familiarise themselves with their role and the company and promotes a sense of belonging and motivation, which is why greater attention will be paid to onboarding in the future.

COMMUNICATION

Internal communication at the Baur au Lac is controlled via the ShareauLac platform and message boards at the staff entrances. With these two communication tools, employees have access to all the necessary information, news and documents.

Regular management talks at the Baur au Lac provide a platform for the general manager to answer employees' questions and provide transparent information about news and changes. These discussions encourage open dialogue and enable employees to take an active part in the company's development. Management meetings are also held once a month, where management employees discuss key figures, processes and important developments.

In addition to digital communication, interpersonal communication remains a key component. Direct communication fosters understanding and cooperation amongst employees and strengthens the sense of community and is not overlooked in today's increasingly digital world.



FOCUS ON TEAM SATISFACTION

At the Baur au Lac, employee well-being and satisfaction is extremely important. In order to ensure that employees are provided with a positive and supportive working environment, various initiatives have been launched to regularly receive feedback from employees and adapt the work environment.

Through personal discussions, regular team meetings and employee surveys, the opinions and suggestions of employees are continuously sought and, where possible, implemented. The 2022 Great Place to Work survey saw, for example, that the employee restaurant no longer met current needs. This point was received, and a new restaurant opened in May 2024.

Employee satisfaction is not only of great importance to the employees themselves, but also to the company in the sense of sustainability. Satisfied employees are more motivated, productive and loyal. This leads to lower staff turnover, which in turn reduces the cost of recruiting and training new employees. A positive working environment also promotes creativity and innovation, which in turn leads to higher service quality and customer satisfaction.

In 2023, several workshops were held as part of employer branding, in collaboration with an external company. The aim was to identify areas for action in order to strengthen the loyalty of existing employees to the company and attract new talent. In these workshops, which were attended by numerous employees, various internal and external measures were defined and are now being implemented step by step.

In addition to the above-mentioned aspects, the following measures are also important for the Baur au Lac:

- Open communication: transparency and regular interaction between employees and management promote trust and respect.
- Development opportunities: offers for professional and career development show employees that their future is important to the company. In 2023, 16 employees were promoted internally.
- Health promotion: measures to promote health, such as sports offers or ergonomic workplaces, improve employees' psychological and physical well-being
- Employee participation: involving employees in decision-making processes and the opportunity to contribute their ideas and proposals enhances a sense of belonging and appreciation

EMPLOYEE EVENTS

A key component of the corporate culture are joint events that strengthen the sense of togetherness and team spirit among employees. A large staff party is held once a year, to which family members are also cordially invited. This party brings together the Baur au Lac family and pays tribute to the successes of the past year. The focus is on enjoying a moment together, exchanging ideas and experiencing the comradery that sets the team apart. It is an opportunity to come together away from day-to-day work and strengthen the connection that drives the hotel as a whole.

Throughout the year, special events such as birthdays, anniversaries, the birth of children and retirement are celebrated together. These events provide an opportunity to congratulate employees and recognise significant milestones in their lives. In 2023, a total of 27 employees were honoured for their many years of loyalty.

Important milestones such as the completion of apprenticeships or holidays such as Easter, Christmas or New Year's Eve are also celebrated internally. Whether through a joint aperitif, a small gift or a festively arranged staff restaurant – these gestures show the company's appreciation for its employees.

BENEFITS AND PERKS

Employees of the Baur au Lac enjoy the following benefits and perks:

- Family & Friends rate at the Baur au Lac
- Employee rates in Swiss Deluxe Hotels
- Access to an employee portal with discounted products (brands for employees)
- A discount of up to 35% on Baur au Lac Vins beverages
- Freshly renovated staff restaurant with attractive prices (excluding flat-rate deductions)
- Free fruit, bread and pastries
- Annual staff events
- 72 staff rooms in a good location with bathroom facilities
- Excursions for trainees
- Monthly allowance for health insurance
- Organisation of sporting activities Zurich Marathon and Monday Night Skate
- Free admission to Zurich Zoo (limited daily number of tickets)
- Free admission to the Kunsthaus Zürich (limited daily number of tickets)
- 10% discount on all dental services and products professional partner dental institute
- 15% discount on beauty salon treatments at a partner company
- 10% discount at "The Nail Bar"
- Graf Faber Castell & Caran d'Ache stationery products can be purchased at cost prices
- Special price with an exclusive car manufacturer (purchase and leasing)

DEVELOPMENT OPPORTUNITIES

For the Baur au Lac, the continuous development of employees is a high priority in order to keep up to date and to be able to act in a timely manner. For this reason, we regularly offer internal and external training sessions based on an annual training plan. This plan was revised based on a comprehensive employee survey and covers all relevant professional topics, including safety, fire safety, leadership, sustainability and more. In addition, department-specific training and further education, such as courses on wine, hygiene training and the like, are also organised.

The Baur au Lac also supports individual further education requirements such as job-specific or language courses and even entire degree programmes. The weekly in-house German course should also be emphasised, which further improves communication within the multicultural team, which consists of 48 nationalities.

Depending on the position, there is the possibility of taking up a part-time position. Out of the 347 employees, 52 work part-time (15%) and 295 full-time (45%). These work models help to improve employee work-life balance and increase their satisfaction. For the Baur au Lac, this results in increased staff retention, reduced fluctuation and increased productivity, which is why these models will remain of great importance in the future.

SHARING EXPERIENCES

There are various exchanges of experience within the hotel industry, also known as ERFA (experience-exchange) groups. These are organised groups where hoteliers and other industry members meet regularly to share their experiences, discuss operational challenges and learn from each other.

These groups also provide an important platform for benchmarking together and developing new ideas and allow the Baur au Lac to discuss current trends with colleagues and drive innovation.

VOCATIONAL TRAINING

In 2023, the Baur au Lac trained a total of 15 apprentices in the Federal VET Diploma programme in the professions of catering specialist, chef, hotelier and commercial employee in the hotel-gastro-tourism sector. In addition, 68 interns were supervised in various departments of the hotel in the same year. These training and internship programmes underline the commitment of the Baur au Lac to nurture young talents and ensure high-quality education in the hotel industry.

It is particularly noteworthy that two apprentices were among the best in the canton in 2023 and received a corresponding diploma. This not only shows the high quality of the training at the Baur au Lac, but also the attractiveness of the hotel as a training establishment.

HEALTH PROMOTION INITIATIVE

The Baur au Lac attaches great importance to the well-being and health of its employees and implements a health management programme to this end. This includes measuring and evaluating health data in order to record absences, work accidents and employee health complaints. If an employee is absent due to illness several times, discussions are held with them to discuss the best possible support from the Baur au Lac.

Clear, measurable health targets are set throughout the company, such as reducing illness-related absences or improving employee satisfaction, and line managers are trained to closely accompany and support employees with many absences. The workstations are ergonomically optimised by continuously investing in modern office furniture such as standing desks or ergonomic seating. In addition, all employees receive discounts in the nearby fitness centre.

The effectiveness of the measures is regularly reviewed on the basis of key figures and feedback from employees.

SAFETY

The safety of employees at the Baur au Lac is a key aspect of corporate responsibility and is crucial for the sustainable success of the hotel. It includes not only physical protection against accidents and injuries, but also promoting mental well-being and general health. In order to react quickly and efficiently in exceptional situations, the Baur au Lac has entered into a collaboration with Carelink. Carelink is a leading Swiss organisation for psychosocial emergency assistance that supports companies and institutions in the event of extraordinary events. The Carelink specialists provide on-site support for the Baur au Lac and those affected in the event of an incident and are integrated into the internal crisis management system.

Another important element of safety is recurring evacuation drills. These exercises help employees to familiarise themselves with escape routes and collection points, reduce panic and uncertainty in the event of a serious emergency, and offer the opportunity to review and, if necessary, improve existing evacuation plans for their effectiveness.

In addition to the evacuation drills, first aid courses are offered and carried out at the hotel. It is essential to continually train employees so that they can provide immediate and effective assistance in the event of an emergency. This confidence is also regularly conveyed during window cleaning through training in the correct use of window fall protection.

There is still potential that can be leveraged, and this is why we are constantly working to further improve safety standards. This continuous effort ensures that the Baur au Lac remains a safe place to work.

Environment

THE BAUR AU LAC PARK AND ITS RESIDENTS

BAUR AU LAC PARK

The Baur au Lac actively contributes to the promotion of the landscape and ecosystems by preserving and maintaining its park and impressive tree population.

Some of the notable trees in the park include the giant sequoia, the plane trees, the ginkgo, the blue Atlas cedar, the Japanese maple, the white birch, the Caucasian spruce, the bottlebrush buckeye, the red fir, the weeping willow, the Nootka cypress and the tulip tree. The giant sequoia and several plane trees, for example, have stood in Baur au Lac Park for over a century and are witnesses to the passage of time.

Trees are of great importance for the environment for a number of reasons: they act like "vacuum cleaners" for our planet, absorbing harmful gases such as carbon dioxide through photosynthesis and releasing clean oxygen. Furthermore, trees are more than 50% of water and serve as a natural sponge. They catch rain, filter it and gently release excess water. A single tree can house hundreds of types of insects, plants and animals, which promotes biodiversity. Trees also play an important role in climate protection, as they store carbon in their biomass and soil. They are more efficient and cost-effective than many technical solutions.

HONEY BEES AT BAUR AU LAC PARK

Since 2016, Baur au Lac Park has been home to four bee colonies with 20,000 bees each in the park. These 80,000 bees belong to the gentle subspecies of western honeybees, the "Apis mellifera carnica".

The honey bees fly up to three kilometres around the Baur au Lac on their foraging flights. Their flight area extends from the China Garden to the Botanical Garden, the ETH, the main railway station, the Arboretum and the Rietberg Museum to the Mythenquai lido.

Each bee colony produces 20 to 40 kg of honey,

depending on the weather and the amount of blossom. This is equivalent to a honey yield of 80 to 160 kg per year. Laboratory analyses have detected 29 different types of pollen in Baur au Lac honey, including forget-me-not, sweet chestnut, horse chestnut, wild garlic, sweet mock orange, smoke tree, maple and honey locust. Baur au Lac honey usually has a "blackberry finish", even if the sensory qualities can change over the course of the year and from year to year.

The Bee House is a miniature version of the Baur au Lac, modelled on the original construction plans and manufactured in a body shop. The approach path of the Bee House is located exactly where the hotel guests enter the hotel. Instead of an entrance door, there is a landing board that previously served as a pew in the Stans convent.

During major events in the city, the bees are evacuated because the crowds and loud music release vibrations and odours that can disorientate and harm the bees. The beekeeper takes the bees more than three kilometres away so that they are not flying back and are left in peace.

WHY DOES THE BAUR AU LAC HAVE BEES IN THE PARK?

The Baur au Lac launched this project to counteract bee mortality and raise awareness of this issue. Bees are responsible for about a third of the foods consumed by humans, which is why their protection is of great importance.



We are actively committed to global climate protection and invest in internal resource and energy efficiency.

Climate, energy and water

CLIMATE COOLING WITH LAKE ZURICH WATER

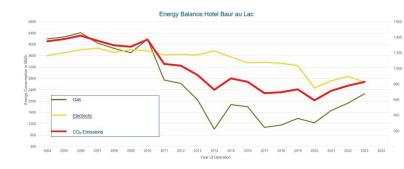
The Baur au Lac uses an innovative method of cooling by utilising lake water from Lake Zurich. The way it works is easily explained: first, the pump draws cold lake water from Lake Zurich, which is then filtered. Due to the depth of the lake, the water remains constantly cool. This cold lake water is used to cool the air conditioning or other systems and flows back into Lake Zurich. Furthermore, the lake water flows through a heat exchanger and is used for the heating system. The water used is then routed back to the lake. This closes the cycle and water is used effectively. The Baur au Lac technical service records daily data on how much water has been withdrawn, the inlet and outlet temperature of the water and how efficiently the pumps are running.

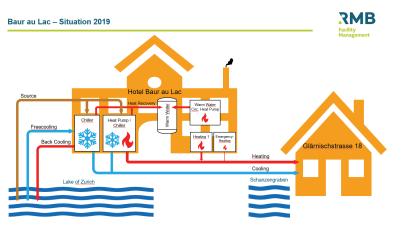
This approach is particularly sustainable as it uses the natural environment to save energy and reduce the environmental impact. In the privileged location of the Baur au Lac, Lake Zurich is an ideal source of this method. The use of the lake water pump has already been able to achieve a significant CO_2 reduction.

CO2 EVALUATION

The Baur au Lac works together with the Energy Agency of the Swiss Private Sector (EnAW) to optimise its energy efficiency and reach target agreements. Furthermore, a CO₂ evaluation is also prepared: first all relevant hotel energy consumption data are collected, including electricity, gas, water and waste production. This data is analysed by the Energy Agency to calculate CO₂ emissions and identify high energy consumption areas.

Based on this analysis, the Energy Agency prepares a report that contains current CO_2 emissions and recommendations for reduction.





Target paths and actual values		Energy savings [kWh/a]		Emissions reductions [tCO ₂ /a]	
		Target path	Actual values	Target path	Actual values
	2013	0	1'061'135	0	230
	2014	333 323	1'247'513	71	266
	2015	666'645	1'249'959	142	266
	2016	999'968	1'249'959	213	266
	2017	1'003'968	1'264'959	213	266
	2018	1'007'968	1'264'959	213	266
	2019	1'011'968	1'264'959	213	266
	2020	1'011'968	1'264'959	213	266
	2021	1'011'968	1'264'959	213	266
	2022	1'011'968	1'264'959	213	266
	2023	1'113'165	1'264'959	234	266
	2024	1'214'362		255	
	Total	10'387'270		2192	2891
Energy consumption in kWh/a		Electricity (purchase)		Natural gas	
	2012		3'344'451		2'381'538
	2013		3'305'926		1'874'243
	2014		3'490'706		892'308
	2015		3'216'746		1'642'631
	2016		3'223'455		1'680'677
	2017		3'369'754		1'033'448
	2018		3'333'303		1'030'946
	2019		3'201'994		1'239'044
	2020		2'424'559		1'158'591
	2021		2'680'845		1'544'522
	2022		2'849'508		1'800'448
	2023		2'656'962		2'034'398



2024

ZERTIFIKAT

Energie-Agentur der Wirtschaft

Baur au Lac, Zürich ist dabei!

Das Baur au Lac, Zürich ist seit 2005 Teilnehmerin bei der Energie-Agentur der Wirtschaft und setzt sich damit für einen wirtschaftlichen Klimaschutz ein.

Baur au Lac, Zürich setzt auf folgendes EnAW-Angebot:

Zielvereinbarung: Das Unternehmen hat sich zu Zielen zur Steigerung der Energieeffizienz und Reduktion der Treibhausgase verpflichtet. Die Ziele werden massnahmenorientiert über zehn Jahre umgesetzt, die Zielerreichung wird jährlich überprüft.

12.02.2024

Frank Ruepp Energie-Agentur der Wirtschaft Benjamin Marti

Energie-Agentur der Wirtschaft



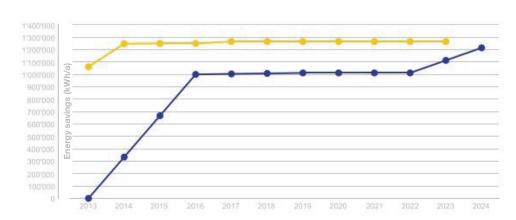
SME Model: Management Summary 2023

MANAGEMENT SUMMARY ON MONITORING 2023

H. Kracht's Erben AG, Baur au Lac

Energy savings

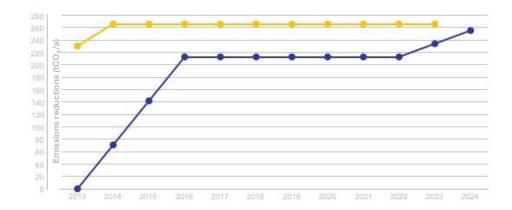




Emissions reductions







Energy

The Baur au Lac is continuously committed to improving its energy efficiency. An important part of this commitment is replacing old devices with energy-efficient devices during renovation work.

As a rule, around 10% of all hotel rooms are renovated each year. Over the last 10 years, the catering areas (three restaurants including the sanitary facilities, the terrace, four banqueting rooms and a kitchen) and public areas (atrium, reception, concierge, telephone switchboard, lobby and fitness centre) and the staff offices have also been renovated and optimised in terms of energy efficiency. Ventilation centres and air conditioning units were also replaced, and the lighting was converted to LED. This switch offers many advantages: LEDs use significantly less energy than conventional bulbs, have a longer lifespan and thus reduce both energy consumption and maintenance costs. In addition, intelligent control systems are used to further optimise energy consumption. Automated lighting systems and intelligent thermostats help to regulate energy consumption and avoid unnecessary consumption. These technologies help to make operations more efficient and reduce the hotel's environmental footprint.

Another important aspect is awareness-raising and training for employees. Targeted training programmes raise awareness of energy-efficient behaviour in the workplace.

WATER

CONSTRICTION FILTER FOR THE BACK OF HOUSE AREAS

The back of house areas of a hotel include all the rooms behind the scenes. In these areas, constriction filters have been installed in the water taps. This measure allows considerable water savings, as about one third of less water is consumed per tap. This corresponds to a saving of about six litres of water per minute.

This initiative is currently in its trial phase. At the same time, we are looking for possible future solutions for the guest rooms to optimise water consumption there as well.

WATER SAVINGS THROUGH GUEST DECISIONS

A new method has been implemented to optimise water and energy consumption in the guest area while also providing guests with greater scope for decision-making. Since September 2023, hotel guests have been able to use the "SuitePad" (digital guest folder) in their rooms to determine for themselves how often their bed linen and towels are changed. They can choose between having their linen changed daily or every two days.

This measure has already met with a remarkable response. Many guests opt for the more environmentally-friendly option, which leads to significant savings in water and energy. Reducing the daily linen change not only contributes to the conservation of resources, but also reduces CO₂ and the use of detergents. In addition, operating costs are reduced and the amount of work required for cleaning staff is reduced.

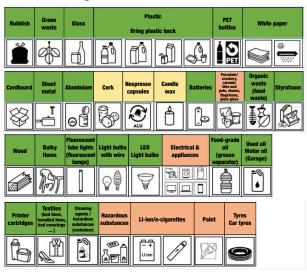
SUSTAINABLE TEXTILE CLEANING

The following measures were successfully implemented with the housekeeping and laundry team:

Bed linen and uniforms are cleaned without the use of perchloroethylene (PER). This dry cleaning method, also known as tetrachloroethene, is often used for delicate and high-quality textiles such as evening dresses and suits. Although perchloroethylene leaves no chemical residues in the treated fabrics, disposal and handling are problematic.

Instead, cleaning methods such as the use of hydrocarbon solutions without fluorine are used, which do not cause any environmentally harmful emissions. Only products that comply with the European Ecolabel are used for external dry cleaning of textiles. Furthermore, uniforms and guest towels are supplied free of plastic.

Currently 32 materials



WASTE MANAGEMENT AND RECYCLING

The Baur au Lac has implemented various measures to separate and reduce waste and promote recycling. In all areas of the hotel, waste is sorted carefully to ensure

recyclable materials are properly disposed of. The new disposal concept includes the separation of 32 different materials. These materials are professionally returned to the material cycle by the recycling partner in accordance with the latest findings. Appropriate training and information campaigns have been implemented.

REDUCTION OF PREVENTABLE FOOD WASTE

Particular attention is paid to the reduction of food waste. In collaboration with Kitro, a company that specialises in reducing food waste, technologies are used to measure and analyse food waste. This is done by weighing and photographing the waste. The device can identify up to 20 different foods and create individual reports. These analyses make it possible to take targeted measures to reduce waste and increase the efficiency in the kitchen. As a result, initial progress has already been made in reducing food waste.

WHAT IS KITRO?

KITRO is a Swiss company specialising in reducing food waste. It uses modern technologies and artificial intelligence to measure and analyse food waste in the restaurant and hotel industry.

KITRO's main goal is to estimate the value of food and avoid waste. Through automated data collection and analysis, companies can significantly reduce their food waste. This not only reduces costs, but also reduces CO2 emissions, water consumption and land use.

The added value for sustainability is the significant reduction of food waste, which leads to more efficient use of resources and a smaller environmental footprint. Internally, KITRO improves processes by providing detailed insights into waste quantities and causes. In this way, companies can take targeted measures to optimise their processes and make them more sustainable.

ADDITIONAL SUSTAINABLE INITIATIVES AT THE BAUR AU LAC

REUSING COFFEE GROUNDS TO GROW MUSHROOMS

Used coffee grounds are no longer disposed of, but instead recycled and used to grow mushrooms. Coffee grounds are a valuable raw material, rich in nutrients and ideal for mushroom breeding.

The used coffee grounds are collected, cooled and collected by a local partner by e-bike.

REUSE OF WIRE BAIL JARS TO SUPPORT LOCAL BUSINESSES

Wire bail jars are passed on to a local company for further use. This company, specialising in the production of preserved and fermented foods, uses these glasses for products made from Swiss organic vegetables.

SOAP RECYCLING

Discarded bathroom items such as solid soap, shower gel, shampoo and conditioner are passed on to the non-profit organisation SapoCycle, which recycles these products and converts them into reusable items. The organisation works with people with disabilities to recycle the soaps. This creates jobs and promotes social integration.

The hotel features blue collection boxes filled daily by the housekeeping team. The full boxes are picked up and brought to SapoCycle. The collected soaps are thoroughly cleaned and sterilised. The soaps are then sorted by type and quality.

The solid soaps are cut into small pieces and processed into new soaps. Liquid products undergo another process in which no additional chemicals are added. These processes help reduce waste and protect the environment.

Recycled soaps are distributed to people in need to improve the hygienic conditions for children, families and communities in need and to reduce the spread of disease.

REUSABLE CUPS FOR EMPLOYEES

Disposable cups for coffee and tea led to a large volume of waste, so we have switched to reusable, washable cups.

Reusable cups are not personalised and are available for internal use. After use, they are rinsed and reused. The cups are made of coffee bean husks and polypropylene, are neutral in flavour, break-proof and dishwasher-safe. During product development, care was taken to solve an environmental problem by reusing a waste product and reducing the amount of waste.

SUSTAINABLE CANDLE WAX RECYCLING

This initiative aims to conserve resources and reduce waste by collecting leftover candles and turning them into new candles.

Leftover candles are often a valuable fuel. The paraffin used is easy to reuse and retains its desired properties. The Baur au Lac donates used candle wax to the candle manufacturer "Verein Zürcher Eingliederung", where it is recycled. The manufacturer handles the recycling and offers people with mental or psychological disabilities meaningful tasks and social participation. The leftover candles are collected, cleaned, sorted and made into new candles.

PROMOTING THE LOCAL ENVIRONMENT

The Baur au Lac has created a new brochure for its guests, showcasing a wide range of experiences in Zurich and the surrounding area – from adventure sports to cultural events. The aim is to always provide guests with the best tips and information. This brochure is available digitally through the concierge or reservation team.

SUSTAINABLE COFFEE

The entire range of coffees has been switched to fair trade and organic coffee. This carefully selected switch perfectly complements the hotel's previous product range and supports the hotel's sustainable development.

Organic coffee is grown and processed according to strict ecological standards. The cultivation areas are farmed without synthetic pesticides, herbicides or chemical fertilisers, which contributes to the reduction of environmental impact and to the protection of biodiversity. Sustainable coffee farms are also committed to preserving the soil and conserving water resources.

Fair trade coffee aims to ensure fair working conditions and fair pay for coffee farmers. It is produced according to social, economic and environmental criteria. Farmers receive a fixed minimum price for their coffee, as well as a fair trade premium that is invested in community projects. The origin of the coffee beans is traceable and fair trade practices are observed.

SUSTAINABLE RECYCLING PROGRAMME FOR COFFEE CAPSULES AND COFFEE PADS

The Baur au Lac Hotel is actively involved in the recycling programme for coffee capsules. The hotel has special collection bins for used pads and capsules.

The aluminium sleeves of the capsules and pads are transformed into various products such as knives, pens, car parts or lamps. Aluminium recycling consumes significantly less energy than the production of new aluminium; the material can be melted down and reshaped again and again without losing its properties.

The coffee grounds from the capsules and pads are converted into biogas, which is used to generate heat and electricity. In addition, a high-quality organic fertiliser is produced that is made available to farmers in the region. The energy from the biogas plant also saves a significant amount of CO2 emissions.

SUSTAINABLE PAPER AT THE BAUR AU LAC

The Baur au Lac Hotel focuses on sustainability and purchases printing and writing paper, envelopes as well as invoice and business templates locally. These products consist of at least 30% recycled ingredients or non-tree fibres or are FSC-labelled.

EXCHANGE AND TRANSFER OF MATTRESSES

In order to maintain the quality of sleep comfort at a consistently high level, the mattresses are replaced regularly with new ones. However, the old mattresses are not disposed of, but will be retained and passed on to recognised social organisations.

SUSTAINABLE BEDDING

The duvets and pillows are made from organic cotton and down from animals raised in a controlled and organic manner, which guarantees a reduced ecological footprint and a healthy sleep climate.

The high quality and careful processing of the bedding ensure a long service life, which means it needs to be replaced less frequently and produces less waste. Modern technologies in production conserve resources and minimise energy consumption.

A special recycling process extends the life cycle of feathers and down by gently cleaning and reusing them. Non-reusable components are composted. The production company also ensures fair wages, fair social benefits and the protection of resources and the environment.

SUSTAINABLE SOURCING

The Supplier Code of Conduct ensures that all partners meet the same high standards of sustainability and ethical business practices.

An integral part of sustainable purchasing is the waste reduction policy, which aims to minimise waste and use resources efficiently. The reorganisation of waste management and the reduction of food waste are key elements of this strategy.

The Baur au Lac is actively working to continuously increase the proportion of sustainably produced food. The promotion of local sourcing is maximised in order to strengthen the regional economy and reduce the environmental impact of long transport routes.

Another important aspect is the reduction of plastic throughout the process. Alternative packaging units and reusable containers are preferred and demanded to minimise the use of disposable plastic and reduce the environmental impact.

Society and market

This area of action is about maintaining relationships with external stakeholders. Topics such as social projects, donations, sponsorships and corporate volunteering are part of this commitment.

SOCIAL COMMITMENT

SUSTAINABLE DEVELOPMENT THROUGH DONATION AND CHARITY EVENTS

The Baur au Lac is aware of its responsibility and is regularly involved in fundraising and charity events. Through these activities, it makes a significant contribution to sustainable development, in line with the first goal of the United Nations Sustainable Development Goals (SDG), which is part of the 2030 Agenda.

The Sustainable Development Goals aim to improve the lives of all people around the world, eliminate poverty and promote peace and health.

A MATTER CLOSE TO OUR HEARTS: THE "KISPIBALL" - A CELEBRATION FOR A GOOD CAUSE

In 2005, the Baur au Lac and the Zurich Children's Hospital created a very special event, the "Kispiball", a lavish celebration with culinary highlights on the one hand, as well as music, dance and entertainment on the other. Above all, however, this is a charity event that aims to generate as much profit as possible for the Zurich Children's Hospital. The proceeds of each ball go to a special purpose/project of the Children's Hospital. In recent years, a total of around CHF 9 million has been transferred to the Children's Hospital as a result.

PARTNERSHIP FOR KNOWLEDGE TRANSFER AND INNOVATION

The Baur au Lac is collaborating with the St. Gallen Symposium, a world-leading platform for cross-generational dialogue and collaboration. The St. Gallen Symposium brings together today's managers with

future leaders and offers a student-centred platform for discussing important social and economic issues at the highest level.

For the Zurich area, the Baur au Lac supports the St. Gallen Symposium by providing free event facilities.

Through this support, the hotel helps to ensure that key social issues are discussed comprehensively and at a high level.

LUNCH FOR PEACE

In 2022, the Baur au Lac was actively involved in the Lunch for Peace initiative, which was to promote intercultural dialogue and mutual understanding. Ten top chefs and several producers joined forces to offer lunch at various food stalls at Bürkliplatz. All the proceeds were donated to the Swiss Red Cross. The initiative aimed to bring people from different countries of origin and cultures together.

The Baur au Lac supported this project by providing its resources and expertise free of charge. There are also plans to participate in the initiative again in the future.



COMBATTING FOOD WASTE

Under the motto "Tasting not Wasting", the Baur au Lac, together with "Swiss Table" foundation (Schweizer Tafel), is committed to combatting food waste and promoting sustainable practices in the catering industry. The kitchen crew at the Baur au Lac creates various dishes from high-quality products that are discarded and donated by retailers, demonstrating how valuable discarded fresh produce can be. What exactly is on the gala menu depends entirely on the selection of food donations, which will be delivered by Swiss Table on the morning of the event.

All of the proceeds from the event as well as all donations (approx. CHF 30,000) received during the course of the evening will be donated to Swiss Table.

OTHER IN-KIND DONATIONS

The Baur au Lac works together with "MateriaBona" to collect and pass on valuable but no longer required in-kind donations. "MateriaBona" is a non-profit organisation that provides donations in kind to social organisations. This saves valuable resources from being thrown away and gives them a new purpose. This not only contributes to environmental protection, but also supports people who rely on such donations.

FUTURE DAY IN THE CANTON OF ZURICH

Future Day in the canton of Zurich offers pupils the opportunity to gain fascinating insights into the professional world. By working together with the Baur au Lac, young people can spend a day looking behind the scenes of one of Switzerland's most renowned hotels, gain practical experience and discover their professional interests. They learn about various careers in the hotel and hospitality industry and can apply their theoretical knowledge in a real working environment. In 2023, the Baur au Lac welcomed 17 young people and shared an exciting and unforgettable day with them.

SUPPORTING THE LOCAL ANIMAL WELFARE ASSOCIATION

The Baur au Lac demonstrates its commitment to animal welfare by donating high-quality, discarded animal accessories such as feeding bowls and other utensils to the local animal welfare association. Through this sensible reuse of resources that would otherwise remain unused, the hotel supports the organisation in its important work. The donated accessories help to improve the care of the animals.

ART IN THE PARK: ART AND CULTURE AT THE HEART OF THE BAUR AU LAC

During "Art in The Park", the Baur au Lac allows guests to experience art and culture in a relaxed and inspiring environment. This annual exhibition of high-class sculptures brings local and international artists together and provides them with a platform to showcase their works to a broad audience in the hotel's park.

With "Art in The Park", Baur au Lac makes a valuable contribution to promoting art and culture and strengthening the community, and shows how art can act as a connecting element.



Tugenia

TUGENIA

The Baur au Lac Zurich and the "Historische Zürichseebote" foundation have entered into a partnership to offer the hotel's guests a unique experience on Lake Zurich. The historic electric motorboat "Tugenia", built in 1904, can be used for exclusive picnics where guests can enjoy the picturesque backdrop of the Swiss Alps and experience culinary highlights.

This collaboration takes into account various Green Globe indicators, including experience and interpretative tourism as well as cultural heritage. This partnership will make a sustainable and positive contribution to tourism that extends far beyond the immediate business activities.

ART AT THE BAUR AU LAC

The integration of local art is an essential part of the philosophy aimed at promoting the region's cultural diversity and artistic heritage. Numerous picture frames can be found in the guest rooms, while the lobby is decorated with gold-plated frames produced by a prestigious atelier in Zurich. Lithographs come from an art dealer in Chur, while antique furniture and decorative objects are sourced from an antiques dealer in Vevey. Lithographs by a talented artist from Appenzell Innerrhoden and works by a Swiss-French architect and artist are exhibited in some of the rooms. In addition, photographs of sculptures by a well-known Swiss sculptor and painter, as well as works by a renowned Swiss photographer, adorn many of the rooms.

A particular highlight is the work of art behind the reception, created by a famous Swiss artist named Nicola Party especially for this location. Other works by Swiss artists can also be found in the rooms of the Baur au Lac, reflecting the diversity and richness of the local art scene. This careful selection and presentation of local works of art not only contributes to aesthetic design, but also promotes awareness and appreciation for the region's cultural treasures.



Art in the Park

Prospects for a greener and fairer future

The hotel industry is facing a variety of challenges, such as the changing labour market situation, advancing globalisation, climate change, currency risks, digitalisation and demographic change.

DIGITALISATION

The future of the hotel industry is already heavily shaped by digitalisation, and this will intensify in the coming years. Technologies such as concierge robots that provide tips for excursions and the ability to purchase rooms via app and smartphone are becoming increasingly important. The aim should be to automate superfluous repetitive work without neglecting personal contact with guests. The Baur au Lac therefore explores digital trends and examines their implementation in-house. One of the current priorities is the introduction of a document management system to increase work efficiency and reduce paper consumption.

CHANGED LABOUR MARKET SITUATION

Competition for top talent in the hotel industry is becoming increasingly intense, as the market for well-trained specialists is shrinking. To counteract this development, the Baur au Lac is taking specific measures to increase the attractiveness of the sector. As mentioned, projects such as employer branding, support for further training, work-life balance and an appreciative management culture are essential for retaining existing employees and attracting new talent. A healthy error culture, open communication and strong team cohesion create a motivating working environment.

CLIMATE CHANGE

Tourism suffers from the consequences of climate change and at the same time contributes to its development. It is therefore crucial to face the challenges of climate change and to develop appropriate strategies. The Baur au Lac is committed to the sustainability chart of Swiss tourism and continuously reduces greenhouse gas emissions per overnight stay. Planned future measures include energy and resource efficiency as well as the reduction of food waste. A more intensive collaboration with partners such as myclimate and participation in initiatives such as "Cause We Care" are also planned.

These comprehensive measures reflect the Baur au Lac's commitment to addressing the current challenges and making a positive contribution to society and the environment.

Closing remarks

We look back on an eventful and pioneering development with pride and pleasure. The last few years have been shaped by numerous projects, innovative ideas and the tireless commitment of our employees and partners. That said, our journey towards sustainability is far from complete.

The aim now is to carefully measure, analyse and continuously optimise the measures, standards and processes that have been started. At the same time, many new opportunities are opening up for us to take further initiatives and develop further in all dimensions of sustainability.

This first step was possible solely through the valuable support and the dedication of our partners and, of course, our team. Their tireless commitment and passion made a decisive contribution to the success and creation of this sustainability report. We are very grateful for this and look forward to continuing this journey together in the future. Sustainability is more than just a goal for us – it is our promise to continue to act with passion and determination in the future.

We are excited about the next steps in our journey together and look forward to continuing to work together for a more sustainable future.

Kind regards,

Christian von Rechenberg and the Baur au Lac team

BAUR AU LAC