capsule services AG

Sustainability Report 2024



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Foreword

A message from our CEO



Ensuring a sustainable future is not just a goal for capsule hotels; it is a responsibility we hold deeply as an organisation.

This sustainability report is a testament to our unwavering commitment to environmental stewardship, community engagement, and responsible hospitality. While this is our first formal report, our sustainability journey began three years ago with a clear mission: to identify improvement areas and take meaningful actions toward a more sustainable future.

The key takeaways from this report highlight the strides we've made. From confirming carbon emissions 80% lower than the average hotel room to fostering strong partnerships with local suppliers, our efforts are setting a new benchmark in the industry. Through our innovative capsule design, energy efficiency, and eco-conscious practices, we offer solo travellers—our primary guests—not just a place to stay but an opportunity to be part of a movement that values sustainable travel.

We recognise the growing demand for sustainability among the current generation of travellers. Their expectations drive us to go beyond industry norms, pushing boundaries to lead boldly in this space. At capsule hotels, we aim to inspire not only our guests but also the wider hospitality industry to join us on this path. By aligning our operations with the Sustainable Development Goals (SDGs), we are not just meeting today's needs but paving the way for a resilient future.

At capsule hotels, we're committed to walking the talk when it comes to sustainability. We don't believe in making empty promises or using flashy marketing buzzwords without substance. That's why we've taken the extra step to have our practices certified and externally audited. This ensures that what we say matches what we do, giving our guests and stakeholders confidence that we're truly making a difference.

From the very beginning, we understood the need for dedicated expertise. Our Sustainability Lead, Valentina Rodoni, has been instrumental in embedding sustainability into every layer of our organisation. Her passion, coupled with the support of the management, has fostered a culture of awareness and accountability. Valentina's tireless efforts have been pivotal in transforming our sustainability vision into reality, and for that, we couldn't be more grateful.

Together, we have built a foundation that ensures sustainability remains at the heart of our growth. We will continue to innovate, adapt, and lead by example, making sustainability not just a part of our story but a core chapter in the future of hospitality.

Adrie Vreeke

Company profile

We established capsule services AG in 2018 to reshape the hospitality landscape and opened our first capsule hotel. Today, we have built and run four innovative capsule hotels across Switzerland, featuring around 400 Swiss Capsule™ units. Our Swiss Capsule™ showcases Swiss craftsmanship and is designed to enhance quality and comfort for solo travellers. Since our first opening, we have welcomed over 200,000 guests from more than 170 countries, providing them with a unique experience.





Our passionate core team of 13 works closely with the teams at each capsule hotel, embodying our core values. We prioritise people and their well-being, leveraging strengths, setting ambitious goals, and fostering adaptability for the future.

We take a forward-thinking approach, integrating sustainability as a foundational pillar of our business model. We ensure our operations align with all aspects of sustainability — caring for people, protecting the planet, upholding fair and sustainable governance, and promoting economic and local well-being and sustainable futures. With a commitment to innovation and global connectivity, we continue to set new standards, blending Swiss precision with a personalised, eco-conscious hospitality experience.

The capsule hotels



theLAB capsule hotel
Lucerne

2018

16 capsules



capsule hotel alpine garden
Zürich

2022

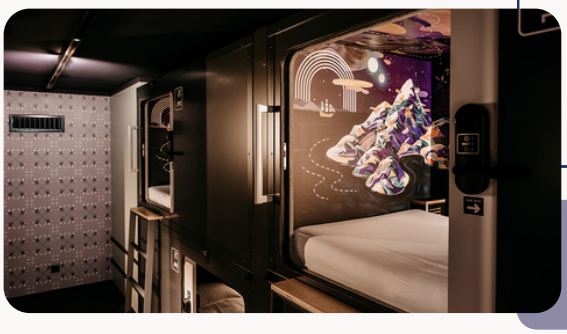
144 capsules



Hyve
Basel

capsules since 2020
acquisition
2023

130 beds
32 capsules



capsule hotel chapter lucerne
Lucerne

2024

79 capsules

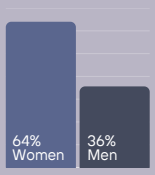
Main figures

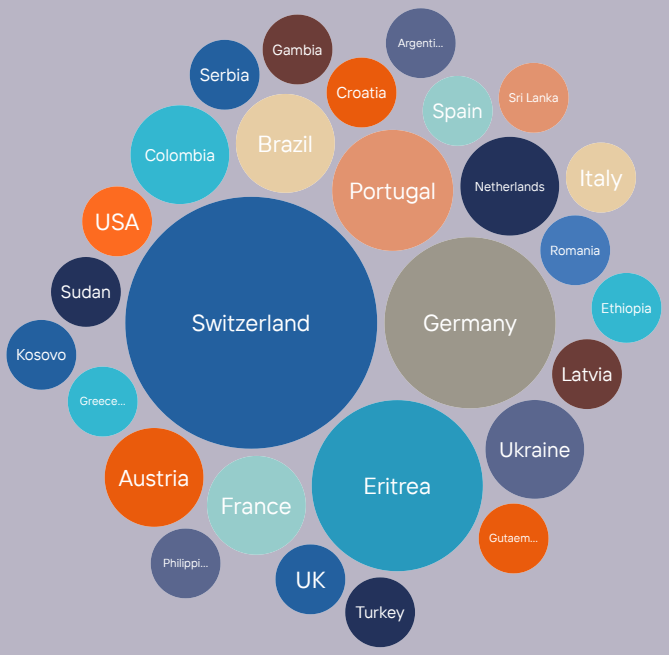
capsule services & capsule hotel group
status end of 2024

59 employees

28 different nationalities







100%
in-house employees

average **age 35**
years old

Shareholders
capsule hotel group

250+



SMEs supported
Small Medium Enterprises and Local Businesses

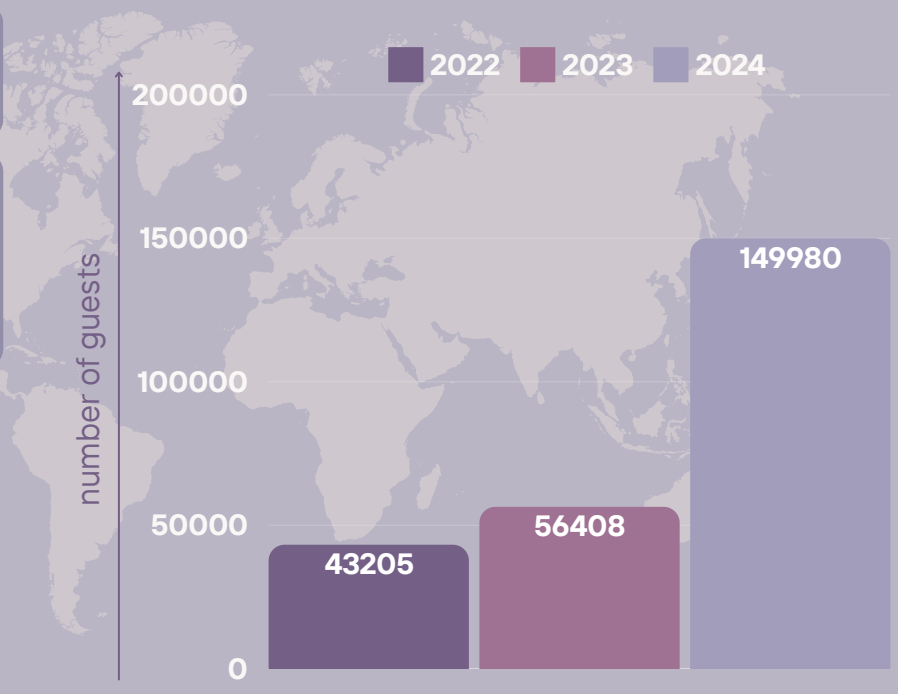
12 local businesses are our sole suppliers for cheese, coffee, beer, wine, cookies and salty snacks, crafts and souvenirs



Guests

177 different nationalities

173'591 total guests welcomed between 2022 - 2024



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Why do we focus on sustainability?

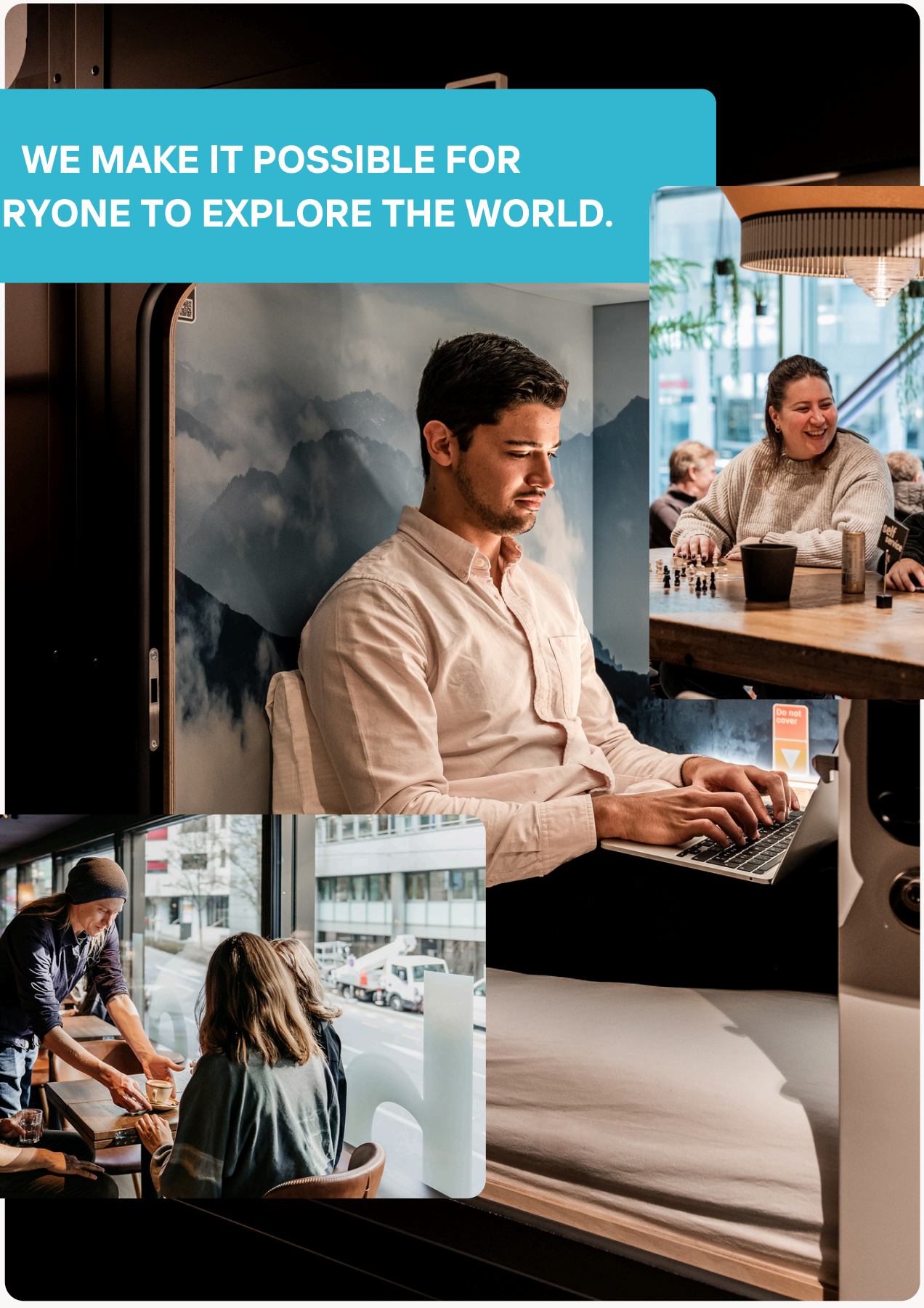
We care about our impact and contribution to the world, and we are committed to making a positive impact. In the hospitality industry, we understand our significant influence on the environment, local communities, and economic development. Our goal is to drive positive change and meaningful contributions rather than negative outcomes.

Travellers are increasingly interested in eco-friendly practices and sustainability. To meet this demand, we provide a sustainable alternative to traditional hotels. Our capsule hotels feature spacious rooms with multiple capsules that use minimal energy and shared facilities (bathrooms, open zone and lounge area, coworking spaces) that maximise overall energy efficiency and resource use.

Additionally, we see an opportunity to educate ourselves and our guests about sustainable practices. By promoting awareness and encouraging eco-friendly choices, we aim to inspire a broader commitment to sustainability within the hospitality industry and beyond.

Sustainability is a journey and we are committed to continuously improve and communicate our progress with our guests and stakeholders - we are committed to being transparent and honest about all the steps we take.

WE MAKE IT POSSIBLE FOR EVERYONE TO EXPLORE THE WORLD.



Values

PEOPLE FIRST

People are the core and essence of every successful business. Our relationships and partnerships with our stakeholders are grounded in trust, fairness, and respect – values that form the foundation of a sustainable social environment and that we hold without compromise.



STRENGTH ORIENTED

At capsule services, we recognise and value the unique talents of each team member, including our carefully selected partners and suppliers. We focus on personal strengths within our team, fostering growth, independence, and a strong sense of responsibility.



GO BIG

We believe in aiming high and encouraging ideas, transformations, and innovation – always while considering the impacts and reach of our commitments. And part of our decision process is, everything we do should be scalable.



ADAPT FOR THE FUTURE

Together with our stakeholders, we wish to keep evolving to meet the industry's needs while respecting our planet's boundaries and its people. We embrace change and innovation by learning from our experiences.



Sustainability Vision

Sustainability for us

As a company working in the hospitality industry, we acknowledge that we have a **responsibility to facilitate sustainable travel, making it easy and affordable**. Our Mission is to **make it possible for everyone to explore the world** and experience new places, while ensuring that our actions and impacts align with our values.

Sustainability entails different aspects and dimensions. We acknowledge the ecosystems, synergies and connections between all of them and consider them in our sustainability strategy. We focus on **environmental, social, and governance** (ESG) aspects, as well as on fostering a **regenerative and balanced economic approach**.

We are committed to **responsible and sustainable growth,** balancing profitability with our sustainability goals. By expanding our efficient, intrinsically sustainable capsule hotels and increasing our presence in new locations, we **create value for a wide network of stakeholders**: our guests, employees, local suppliers and producers, the communities we serve, and the entrepreneurs and innovators we collaborate with.



Our Goals

Integrating sustainability into every decision: Sustainability is an intrinsic cornerstone of the business model. We build on it and take it into account in our decisions and actions.

Inspiring change in the hospitality industry: We strive to be a best practice in the hospitality industry and inspire others to follow the sustainability journey.

Raising awareness on sustainable hospitality practices through engagement and integration: We aim to educate both guests and industry peers on sustainable acctions and responsible hospitality.

Impact Framework & SDGs

Sustainability for us

Our journey toward sustainability started with a straightforward task: Figuring out where we stand. We conducted a materiality analysis that focused mostly on environmental impact areas where we could significantly reduce our footprint. But we didn't stop there - we also assessed and considered other important aspects across different dimensions that needed our attention and action. From this comprehensive understanding, we developed our **Impact Framework.** This framework isn't just a set of goals; it's the foundation that supports all our decisions and actions, helping us consistently work toward a more equitable and sustainable future.

ENVIRONMENTAL IMPACT

Measuring, managing and minimising our environmental impact through resource efficiency, reducing carbon footprint, and promoting sustainable practices.



PEOPLE & COMMUNITY

Supporting local communities and ensuring the wellbeing of our employees and stakeholders by promoting education, local engagement, and social equity.



RESPONSIBLE LEADERSHIP

Upholding high standards of transparency, accountability, and ethical practices within our organisation, including fair wages, employee support, sustainability reporting, certifications, and transparent communication.



LOCAL FOCUS & SUSTAINABLE FUTURES

Fostering sustainable economic growth by integrating local economies into our supply chain, and ensuring that our growth benefits both the company and the surrounding community.



Impact Framework & SDGs

Each key area of focus is linked with specific Sustainable Development Goals (SDGs) to reflect our commitment to making impactful contributions in these areas. The SDGs were developed by the United Nations in an effort to address global challenges like poverty, inequality, and climate change, and provide an understandable and common set of goals and targets for companies to focus their efforts toward sustainable development. These goals are like a common language, and they can be used to set a common ground for companies working in tourism and hospitality as well.

We delved into all SDGs and selected the ones that we already contribute to as well as those we aim to support with our actions and goals in the future. In the text box below you can gain an overview of the SDGs allocated to each key area and the way we support them.

Through our focused efforts and strategic alignment with these SDGs, we aim to not only fulfil our responsibilities but also inspire others within and beyond our industry to join in these global efforts.

ENVIORNMENTAL IMPACT

- **SDG 6 (Clean Water and Sanitation):** We reduce water waste and promote water conservation.
- **SDG 7 (Affordable and Clean Energy):** We implement energy-efficient practices and solutions.
- **SDG 12 (Responsible Consumption and Production):** We focus on reducing waste and enhancing recycling efforts.
- **SDG 13 (Climate Action):** We commit to reducing our carbon footprint and improving our environmental management practices.

PEOPLE & COMMUNITY

- **SDG 8 (Decent Work and Economic Growth):** We ensure fair labour practices and support community employment.
- **SDG 12 (Responsible Consumption and Production):** We encourage sustainable local consumption.
- **SDG 17 (Partnerships for the Goals):** We collaborate with local businesses and stakeholders to strengthen community ties.

RESPONSIBLE LEADERSHIP

- **SDG 8 (Decent Work and Economic Growth):** We maintain transparency and ethical business practices.
- **SDG 13 (Climate Action):** We lead by example in implementing sustainable business practices.
- **SDG 16 (Peace, Justice, and Strong Institutions):** We uphold strong governance and ethical standards.

LOCAL FOCUS & SUSTAINABLE FUTURES

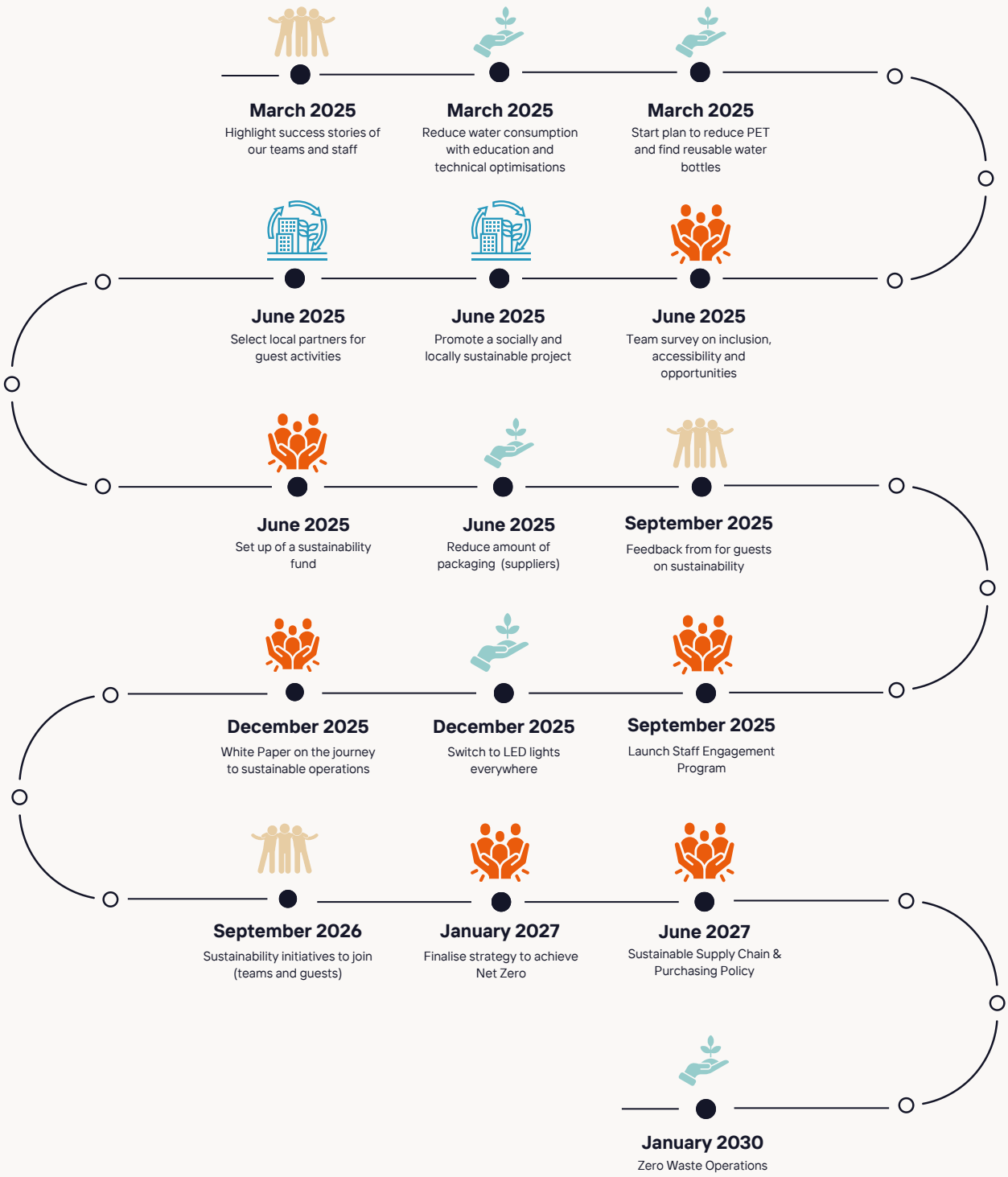
- **SDG 8 (Decent Work and Economic Growth):** We contribute to economic development by investing locally.
- **SDG 12 (Responsible Consumption and Production):** We prioritise local sourcing and sustainable resource use.



Timeline Roadmap

- Environmental Impact
- People & Community
- Responsible Leadership
- Local Focus & Sustainable Futures

This visual representation outlines our **roadmap** for the actions and goals we aim to achieve from next year through 2030. Each goal is linked to a key focus area, and in the chapters that follow, we dive deeper into each focus area, detailing the specific goals and plans tied to them.



Future Goals & Initatives

ONGOING ACTIVITIES

There are several ongoing initiatives that are essential to us as part of our commitment to responsible business practices. These include publishing our Code of Conduct, Group Standards, and Policies; establishing a Sustainable Supply Chain and Purchasing Policy; and creating a sustainability checklist for any future properties.

We're also exploring partnerships with local NGOs and associations that share our values and goals, and we plan to establish a sustainability fund within the company to support selected projects and emerging entrepreneurs. Additionally, we're focused on finding a dedicated partner to help us measure our total CO2 emissions across all scopes, paving the way for a compensation strategy and a clear roadmap to achieve Net Zero.

LONG-TERM GOALS

Dimension	Focus	SDG	Goal	Action	Deadline
Responsible Leadership	Impact	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Define the strategy towards Net Zero, by first analysing the carbon footprint of our hotels (scope 1, 2 and 3) in detail and selecting plan to offset and remove the remaining emissions	Find a company to run the detailled analysis of our CO2 emissions, evaluate the compensation needed (what we can not eliminate) and finalise the timeline to achieve Net Zero	January 2027
Responsible Leadership	Impact	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Implementation of our Sustainable Supply Chain & Purchasing Policy	Finalise the policy and start with its implementation, with precise goals of change every year	June 2027
Environmental Impact	Waste	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Achieve Zero Waste operations	Analyse the current situation of waste and operations, define boundaries, keep measuring the types of waste we have at each location and set precise reduction or substitution targets every year	January 2030

Environmental Impact 3

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ENVIRONMENTAL IMPACT

Measuring, managing and minimising our environmental impact through resource efficiency, reducing carbon footprint, and promoting sustainable practices.

Introduction & Content

We strive to minimise our environmental impact to the minimum by adopting sustainable practices in our operations. This includes energy-efficient designs and appliances, water conservation, and waste reduction. Our goal is to offer a sustainable option to travel and overnight in different destinations and city centres, while preserving our planet.

Our future goals and actions for this focus area are detailed in the “Goals Table” on the next page. Following this, we provide an overview of the CO2e analysis conducted on our capsules, which helps us assess our position and benchmark against industry standards. The KPIs for the “Environmental Impact” focus are presented right after.





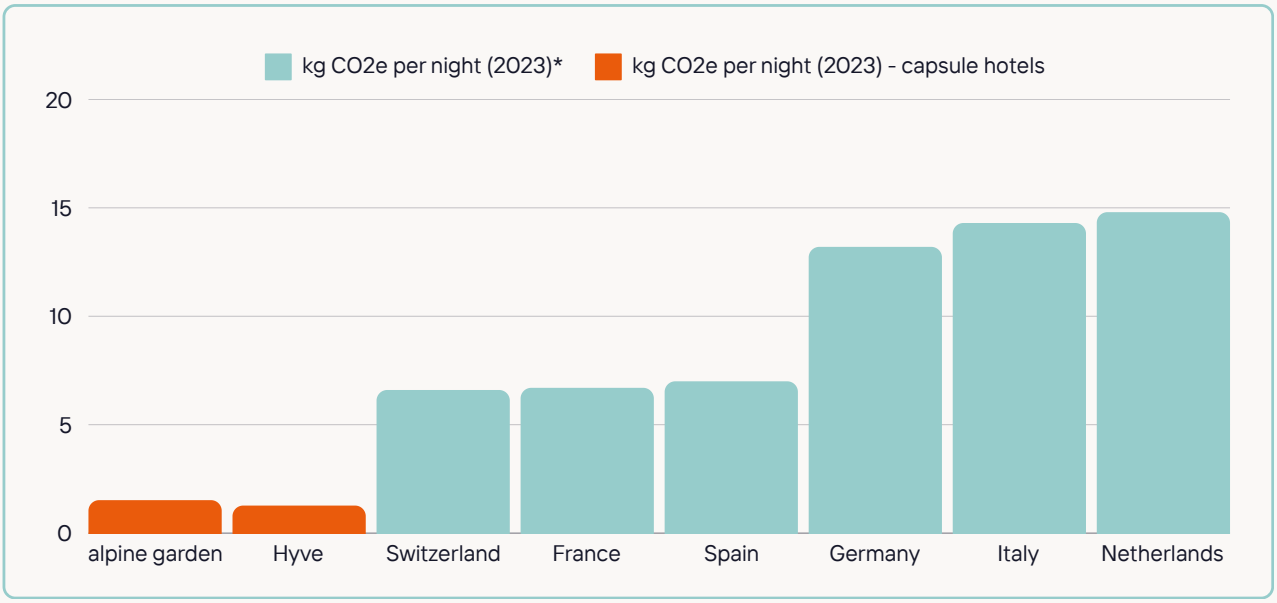
CO2 Analysis & Benchmark

To define our future goals and the path to achieve them, we first needed to understand our current position. We conducted an analysis of the CO2e emissions from our hotels alpine garden and Hyve to gain a comprehensive view of our impact. Following this, we performed a materiality analysis to identify our priority areas.

We utilised two distinct tools for our CO2e emissions calculations. The primary tool, the HCMI by the Sustainable Hospitality Alliance, was used to determine the CO2e emissions per bed per night. To validate our findings, we conducted a reference check using the Business Carbon Calculator by Normative. It is important to note that the Normative tool does not account for laundry tonnage—whether outsourced or internal—and considers factors such as machinery, vehicles, and heating type and amount.

The results from both tools revealed a consistent gap in CO2 emissions due to the differences in input data. Given that HCMI is a more widely recognised and utilised tool compared to Normative, we decided to base our calculations primarily on the HCMI results. We calculated the CO2e emissions for both Hyve and alpine garden.

The bar chart below illustrates the kilograms of CO2e emissions per overnight stay by country. Hyve generates 1.27 kg CO2e per guest per night, which is 81% less carbon-intensive compared to the Swiss average of 6.6 kg CO2e per guest per night. Similarly, alpine garden produces 1.52 kg CO2e per guest per night, which is 77% less carbon-intensive than the average Swiss hotel.

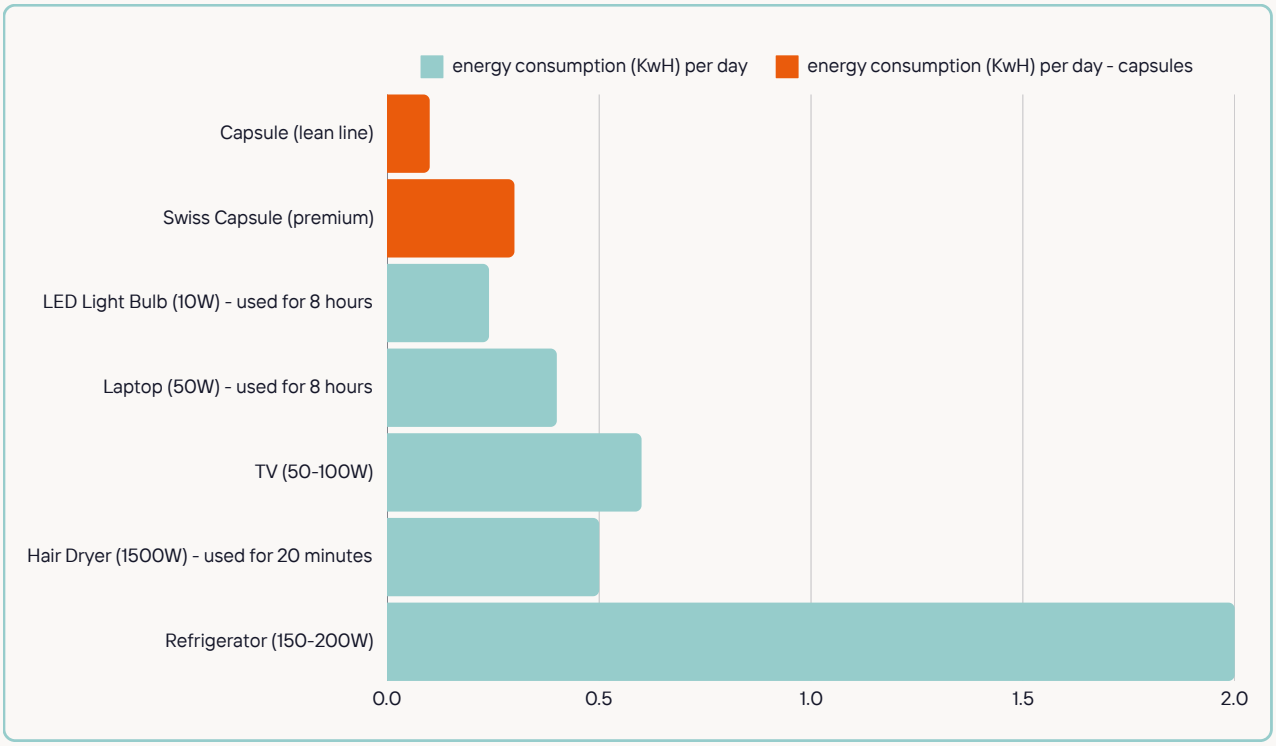


Note. Data from "Greenhouse Gas Reporting: Conversion Factors 2023," by the Department for Energy Security and Net Zero, 2023 (https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2023).

Currently, we are collecting and measuring relevant data to conduct a full Scope 1, 2, and 3 analysis in collaboration with an external company specialising in this type of research. The results of this comprehensive analysis will be included in one of our upcoming reports, and in the meantime, we will report each year on the results and progress we measure.

Capsules & Energy Consumption

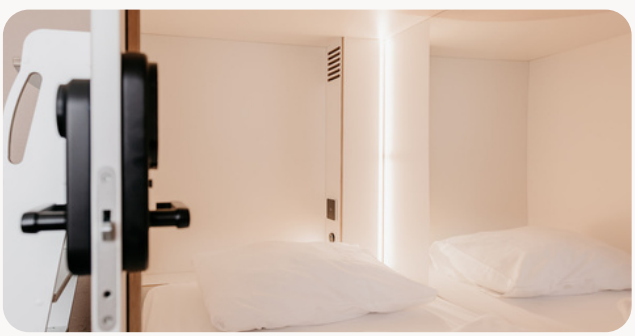
To give a clear sense of our commitment to energy efficiency, we've created a comparison of our capsule energy consumption alongside everyday devices. The chart below shows the minimal energy use of our Lean Line capsules (0.1 kWh per day) and Swiss Capsule (0.3 kWh per day), which are significantly lower than common household items like TVs, hairdryers, or laptops By optimising our capsules design to be energy-efficient, we are able to offer our guests and partners a comfortable stay that also has a minimal impact on energy use.











Goals & KPIs

This table provides an overview of our sustainability goals across each focus area, connected to specific actions and Sustainable Development Goals (SDGs). Each goal has an associated deadline to track our progress transparently, and the actions outlined demonstrate our commitment to making measurable improvements. Every year, we will report on the status of each goal, based on the benchmark and KPIs we are currently gathering. In every focus area, from water and waste management to energy efficiency, our framework ensures we stay on course toward creating meaningful, lasting change.

Focus	SDG	Goal	Action	Deadline
Water	6 CLEAN WATER AND SANITATION	Reduce water consumption through technical optimisation and gather data to measure the changes	Installation of water-saving faucets and shower heads at all properties	March 2025
Water	6 CLEAN WATER AND SANITATION	Reduce water consumption by changing guests' behaviour	Installation of consumption displays in showers: find / design indicators, calculate investment - order, implement	March 2025
Waste	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Educate and communicate to our international guests that in Switzerland, tap water is drinkable, with the aim of reducing the use of PET bottles and invite guests to reuse their bottles	Prepare proper communication and information, share at all properties	March 2025
Waste	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Deisgn a reduction path to reduce the use of PET bottles and initiate the sale and rental of reusable bottles as a replacement for PET bottles.	Find the most optimal option for our branded bottles, evaluate costs, find optimal price for guests (sale and rent) and implement	March 2025
Waste	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Reduce the amount of packaging by having a dialouge with our suppliers and try to find more optimal solutions together	Check all products at all locations, draw up a list of products that could potentially be supplied without packaging and contact the suppliers - this is just a recommendation at the moment, but we will introduce a Sustainable Supply Chain & Purchasing Policy in the future, and will require more sustainable packaging options.	June 2025
Energy	7 AFFORDABLE AND CLEAN ENERGY	Switch 95% of all lights to LED lights everywhere	Check in all properties which lights are not LED, switch to LED	December 2025

Key Performance Indicators (**KPIs**) Environmental Impact:

- **Water consumption**: Percentage reduction in water usage per guest per night
- **Waste reduction**: Reduction in single-use plastics or PET bottles consumed annually
- **Energy efficiency**: Percentage of energy sourced from renewable providers; decrease in overall kWh consumption
- **Guest awareness**: Percentage of guests engaging in sustainable behaviours (e.g., reusable bottle usage)
- **Supplier engagement**: Number of suppliers adhering to sustainable packaging guidelines.

People & Community 4

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Our People, our Company p. 24



PEOPLE & COMMUNITY

Supporting local communities and ensuring the wellbeing of our employees and stakeholders by promoting education, local engagement, and social equity.

Introduction & Content

People & Community

People are at the heart of our company. We enhance the well-being of our employees, guests, and communities by supporting local businesses, promoting diversity, and creating a welcoming environment open to everyone. Our commitment translates to a positive community impact, and a thought-through and outstanding service.

In this chapter, you will find a detailed breakdown of actions related to the focus area “People and Community” in the “Goals Table.” Additionally, we have provided a list of KPIs that we are currently tracking or intend to track moving forward.









Goals & KPIs

In this "People and Community" focus area, we're committed to fostering a culture of sustainability and social responsibility across our community of guests and staff. Our plans involve implementing specific initiatives that will raise awareness, encourage feedback, and inspire sustainable behaviours, all aligned with key Sustainable Development Goals. Each goal is accompanied by targeted actions, deadlines, and clear intentions to create an inclusive environment where everyone feels part of our sustainability journey.

Focus	SDG	Goal	Action	Deadline
Growth and oppotunities	8 DECENT WORK AND ECONOMIC GROWTH	Empower the people in our team by highlighting success stories of employees who have been evolving in the company	Decide which format we want to use and conduct an interview or create portrait of employees who have been with the company for more than 4 years, and share their story to inspire others to grow with us	March 2025
Education	17 PARTNERSHIPS FOR THE GOALS	Engage guests by asking feedback on the sustainability practices around the hotel, in order to improve our concept	Set up a feedback form and share it with guests at the end of their stay	December 2025
Awareness	17 PARTNERSHIPS FOR THE GOALS	Engage the staff and guests with sustainability initatives of different kinds	Decide on an initiative or project to engage and educate staff and guests in relation to sustainable activities and behaviour, i.e. trash pickup, regenerative farming, volunteering	September 2026

KPIs People& Community:

- **Guest Feedback:** Collecting guest feedback on sustainability practices, aiming for a high satisfaction or improvement rate.
- **Staff Engagement**: Engaging a majority of our staff in annual sustainability initiatives.
- **Community Impact:** Partnering in community projects each year, including volunteer hours by staff or guests.
- **Sustainability Awareness**: Increasing staff awareness on sustainability topics through periodic surveys and assessments.







The Team



Responsible Leadership 5

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RESPONSIBLE LEADERSHIP

Upholding high standards of transparency, accountability, and ethical practices within our organisation, including fair wages, employee support, sustainability reporting, certifications, and transparent communication.

Introduction & Content

With Responsible Leadership, we focus on good governance practices, prioritising transparency, ethical principles, and responsible decision-making. We foster a culture of integrity, ensuring fair wages, employee well-being, and clear communication, building trust with guests, partners, and the community.

In this chapter, we outline the core focus areas "Responsible Leadership" and the detailed actions corresponding to it, in the "Goals Table." You will then find a list of KPIs that we currently measure or plan to measure in the future.







Goals & KPIs

Responsible Leadership

In our "Responsible Leadership" focus, we are committed to building a company culture grounded in accountability, inclusivity, and forward-thinking environmental stewardship. Through targeted initiatives, we aim to lead by example, creating positive impacts within our company and the wider hospitality industry. We have set concrete goals and actionable steps to establish responsible practices that align with the Sustainable Development Goals, emphasising transparency and community support.

Focus	SDG	Goal	Action	Deadline
Impact		Set up a sustainability fund to support entrepreneurs, start-ups, and sustainability-related NGOs	Make a list of people, companies, NGO's projects we would like to support and choose the donation amount / approach to it	June 2025
Company		Raise awareness of inclusion within the team at our company	Prepare survey questions on awareness, inclusivity, communication and send out	June 2025
Company		Launch a complete Staff engagement program	To complement and enhance the already existing initiatives we have in the company to improve, support and empower the teams, define a yearly program.	September 2025
Communication, Reporting		Publication of a Whitepaper focussed on "Sustainable Hostel Operations", to show how we operate our hostels sustainabily and the path to achieve it. The goal is to both transparent about the journey and support other hotelliers with ideas and concrete examples from our experience.	Carry out research and include our journey, write and publish the White Paper - serves as a guide for us, and for others	December 2025

KPIs Responsible Leadership:

- **Sustainability fund impact**: Number of supported entrepreneurs, NGOs, or projects each year.
- **Inclusivity awareness**: Staff survey results on inclusivity, with a goal of high awareness and inclusivity ratings.
- **Staff engagement**: Successful participation in workshops, roundtables, and engagement activities from our yearly program.
- **Climate strategy**: Progress on carbon footprint analysis and timeline adherence for achieving climate neutrality.
- **Whitepaper reach**: Engagement metrics on the publication, including readership and industry feedback.

Local Focus & Sustainable Futures

6

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LOCAL FOCUS & SUSTAINABLE FUTURES

Fostering sustainable economic growth by integrating local economies into our supply chain, and ensuring that our growth benefits both the company and the surrounding community.

Introduction & Content

Local Focus & Sustainable Futures

We believe in fostering local well-being and ensuring sustainable futures through our business activities. This means investing in local economies and creating job opportunities, prioritising local sourcing and partnerships, and adopting sustainable practices that benefit both the environment and the local communities.

Our goal is to establish a regenerative cycle, where our growth contributes to the long-term prosperity and environmental health of the regions we operate in.

This commitment is reflected in specific, measurable goals, detailed in the Goals Table below, and tracked through KPIs designed to evaluate our impact on both local focus and sustainable futures.





Goals & KPIs

Local Focus & Sustainable Futures

For our “Local Focus and Sustainable Futures” area, we’re committed to building strong connections with the communities we serve and supporting their resilience. By investing in partnerships and initiatives that benefit the local economy, we aim to create meaningful experiences for guests and actively contribute to the sustainability and vitality of our host regions. Our objectives align with the Sustainable Development Goals (SDGs), underscoring our intention to foster community growth and sustainability, and to create a positive social and environmental impact.

Focus	SDG	Goal	Action	Deadline
Impact		Promote at least one project to foster social sustsainability, with a focus on the local community	Find, evaluate and select at least one project to support the local community / entreperenurs/ NGOs	June 2025
Impact		Select partners for guest activities that can foster synergies with the local producers and community in general	Prepare tours and activities for guests together with local businesses	June 2025

KPIs Local Focus & Sustainable Futures:

- **Local projects support**: Number of community or social sustainability projects supported annually.
- **Guest engagement in local activities**: Participation rates in guest activities with local partners.
- **Economic contribution**: Spending on local suppliers and services, supporting local economies.
- **Community feedback:** Feedback from local businesses and guests on the impact of collaborative activities.

Certifications & Partnerships

7



Certifications & Partnerships 7

Our journey toward impactful sustainability is enhanced by key partnerships and certifications, which support our commitment to quality, environmental responsibility, and inclusive hospitality.

Europe's Famous Hostels (EFH)

Hyve and chapter lucerne are proud members of EFH, an association of independently-owned hostels across Europe, known for setting high hospitality standards and enhancing the guest experience. Our lead sustainability contributes to EFH's ESG (Environmental, Social, and Governance) committee, assisting members on their sustainability paths and identifying funding opportunities for sustainability-focused projects. EFH also champions sustainable travel with the **Eco Wanderer** initiative, a tool enabling travellers to calculate and reduce their CO_2 emissions. Guests who use public transport, such as trains or buses, to travel between member hostels receive discounts proportional to the CO_2 saved. This initiative highlights EFH's dedication to promoting eco-friendly travel and empowering hostels to contribute to a greener futurement to quality, environmental responsibility, and inclusive hospitality.

Swisstainable Level II - engaged

alpine garden, chapter lucerne, and Hyve hold the second level of the Swisstainable program. This certification, backed by Switzerland Tourism and HotellerieSuisse, acknowledges our commitment to sustainable practices and highlights our goal of promoting sustainable travel within Switzerland. As members of HotellerieSuisse, Switzerland's premier hospitality association, we adhere to high standards of quality and service, aligning with industry best practices and innovations in Swiss hospitality.

Good Travel Seal Level III

We are proud to announce that our hotels - Hyve, chapter lucerne, and alpine garden - have achieved the Good Travel Seal (GTS) Level 3 Platinum certification from Green Destinations. This prestigious recognition reflects our commitment to sustainability, as the GTS evaluation is based on the comprehensive Global Sustainable Tourism Council (GSTC) Industry Criteria, setting a high standard for responsible tourism practices.

Certifications & Partnerships 7

MyBluePlanet

Partnering with this Swiss NGO, we conducted a comprehensive materiality analysis, assessing our environmental impact across all our properties. MyBluePlanet supports us in setting actionable climate targets under their "climate actions" initiative, helping to reduce our ecological footprint and achieve tangible results.

Educational Collaborations: Lucerne University of Applied Siences and Arts

We regularly collaborate with educational institutions, engaging students in projects and case studies that bring fresh perspectives to real-world challenges. This both fosters an exchange of innovative ideas and supports future professionals in their development, as well as contribute valuable knowledge and data-based research for our company.

Conscious Coliving Training

To further enhance community-focused hospitality, two of our team members completed the Conscious Coliving training programme. This programme provides tools and knowledge to become effective community facilitators, which helps foster a collaborative, supportive atmosphere within our properties.

Coliving Awards Winner (2023)

Hyve was honored with the Blended Living Award at the 2023 Coliving Awards, which celebrates excellence in coliving spaces that integrate work, life, and community. This award highlights our commitment to creating innovative, sustainable, and vibrant environments where guests can connect, collaborate, and feel at home.

Travel Proud Badge by Booking.com

Awarded to Hyve, chapter lucerne, and alpine garden, the Travel Proud badge represents our commitment to inclusive and welcoming hospitality, especially for LGBTQ+ travellers. This badge showcases our dedication to an environment where all guests feel respected and valued.

Acknowledgments 8

This first sustainability report is the result of collective effort, and we'd like to take a moment to express our heartfelt gratitude and recognise the people and teams who made it possible.

A special thanks goes to **Pierre** Strub, whose guidance in the early stages was pivotal in supporting the process to shape our sustainability strategy. His expertise helped us define our focus and define the steps to move forward with confidence. And a great heartfelt acknowledgment and thanks also goes to **Carola** Dieners, who played a crucial role in drafting this report. From structuring the content to ensuring its relevance and coherence, her attention to detail and dedication have been invaluable throughout the process. This report would not have been possible without her support and commitment - Thank you, Carola!

We also want to thank our **Management Team** for their support and dedication to embedding sustainability into the core of what we do at capsule services and capsule hotels. This commitment is what makes a difference and makes it possible to hold sustainability high in our priorities.

And to **our teams** and **managers** for walking with us on this journey toward sustainability, a great great thank you. Your willingness to listen, engage, provide thoughtful input, and go the extra mile has been invaluable. Whether through brainstorming ideas or implementing new practices, your commitment has made a real difference in turning our vision into action.

We would like to extend our sincere gratitude to **Max** Rüttinger from myblueplanet for his invaluable support in helping us define the climate actions in our sustainability strategy.

Max also played a key role in facilitating workshops with our employees, ensuring their involvement and understanding of our goals.

Our thanks also go to the entire **myblueplanet** program for their inspiring work in fostering sustainability, especially for SMEs. We were honoured to be chosen as hosts for the myblueplanet ERFA day, welcoming hospitality and industry professionals to collaborate and share ideas on building a sustainable future.

A special thank-you goes to Dr. **Julianna** Priskin for her continued engagement with us through her classes and the always stimulating exchanges about sustainability. These conversations are always a source of inspiration and valuable insight.

We are also deeply appreciative of **Holger** Sigmund for his guidance and support in our successful application for the Good Travel Seal. His support was instrumental in achieving this important milestone.

We would like to express our gratitude to our partners and to **Europe's Famous Hostels** (EFH), of which we are proud members, for their ongoing collaboration and shared commitment to advancing sustainability in the hospitality industry.

Finally, a big thank-you to our **guests**. Your support motivates us to keep raising the bar for environmental and social responsibility. And we are just beginning!

Together, we're building a future that we can all feel proud of. Thanks for being part of this journey with us.

Dearly

Valentina & the capsule services team

Good Travel Seal **Score Cards**







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