

a&o



Sustainability Report 2024

Table of Contents

3	About a&o Hostels – Company Profile
4	CEO’s Foreword
5	Strategic Foundations: Materiality and Sustainable Development Goals <i>Outlines the frameworks guiding a&o’s sustainability focus, including materiality and the six most relevant SDGs</i>
7	a&o Sustainable Business Strategy <i>Introduces the company’s ESG-based strategy, setting the stage for the Environment, Social and Governance sections</i>
8	Environmental Protection at a&o – The ‘E’ of ESG <i>Details initiatives on climate action, energy efficiency, emissions reporting and sustainable resource management</i>
14	Social Commitment of a&o – The ‘S’ of ESG <i>Covers workforce development, employee well-being, human rights and community engagement initiatives</i>
20	Sustainable Corporate Governance at a&o – The ‘G’ of ESG <i>Explains the governance structures, ESG oversight, ethical policies and sustainability-related certifications</i>
26	Appendix
27	Imprint

About a&o Hostels

Company Profile

Founded in 2000, a&o Hostels is Europe's largest privately-owned hostel chain, operating over 40 properties across 11 European countries. With a capacity exceeding 28,000 beds across single, double, family and multi-bed rooms, a&o provides flexible and affordable accommodations tailored to the needs of young travellers, families, educational groups and business professionals.

Our unique hybrid concept combines the comfort of hotels with the social atmosphere of youth hostels, offering seminar and conference spaces, outdoor areas, communal kitchens and lively bars. This model is built on three pillars: professionalism, accessibility through central locations and openness to all.

In 2024, we welcomed approximately 2.8 million guests, achieving over 6.2 million overnight stays. New openings in Brighton (a&o Brighton Beach), Antwerp (a&o Antwerpen Centraal) and Brussels (a&o Brussel Centrum) further strengthened our European presence, with a&o Firenze Campo di Marte (Florence) opening in early 2025.

Sustainability is at the core of our strategy.

We prioritise resource efficiency by repurposing existing buildings and minimising construction-related emissions. Our locations near major public transportation hubs promote sustainable urban mobility. Measures such as **investments in renewable energy systems, energy-efficient retrofits, waste reduction initiatives and partnerships with sustainability-focused suppliers** reflect our drive toward responsible growth.

28.000 beds
40+ properties
11 countries



CEO's Foreword

Dear Stakeholders,

Looking back on the journey we began in 2000, I am reminded of a simple but powerful belief: that travel should be accessible to everyone. As someone passionate about exploring new places, I know firsthand how difficult it can be to find affordable, comfortable accommodation in central locations. This realisation inspired us to create a&o Hostels — a place where everyone, from students on a budget to groups of friends and families, can stay in the heart of the city without compromise.

From the outset, we understood that efficiency and affordability had to go hand in hand with responsibility. We started with small, deliberate steps: installing water-saving showerheads, switching to LED lighting and repairing furniture instead of replacing it. These modest actions laid the foundations for a culture of sustainability that has continued to grow with us over the years.

In 2024, we welcomed over 6.2 million overnight stays a milestone that reflects the trust of our guests and the commitment of our staff. However, this year marked a pivotal moment in our sustainability journey. When we originally set our 'Net Zero in 2025' goal, we planned to cut emissions as much as possible and offset the rest. But the landscape around carbon offsetting has changed. Public concerns about transparency and effectiveness have grown and we share these concerns. Rather than relying on offsetting, we are now prioritising direct, verifiable emissions reductions within our own operations and value chain.

To support this shift, we are making focused investments with measurable impact in internal sustainability projects, emphasizing energy

efficiency, renewable energy, waste reduction and close collaboration with our suppliers to strengthen data-driven sustainability practices. By making these changes, we aim to drive measurable progress in reducing emissions and to promote long-term environmental responsibility.

Beyond operational improvements, we continue to invest in social projects that promote education, cultural engagement and community development, such as *a&o educare* and *art&o*.

These initiatives reflect our belief that sustainability is not just about protecting the environment, but also about fostering opportunities for the communities we serve.

Looking ahead, we recognise that achieving meaningful progress requires collaboration, transparency and shared accountability. As we continue to refine our practices and drive measurable improvements, we remain committed to engaging constructively with all our stakeholders.

Together, we can advance towards a more sustainable and equitable future for travel and hospitality.

Thank you for your continued support.

Sincerely,
Oliver Winter
CEO, a&o Hostels



Strategic Foundations:

Materiality and Sustainable Development Goals

At a&o, our sustainability strategy is guided by two key frameworks: a regularly updated materiality assessment and a clear focus on the Sustainable Development Goals (SDGs) most relevant to our operations. These provide the basis for identifying our priority fields of action and shaping our business strategy, which is outlined in Section 4.

Materiality Assessment – Priority Fields of Action

We begin with our materiality assessment, which helps prioritise the sustainability topics most relevant to our business and stakeholders. In 2024, we updated our materiality assessment to reflect evolving sustainability challenges, regulatory developments and stakeholder expectations. Building upon our 2023 materiality exercise, this update enabled us to refine our focus on the sustainability topics most relevant to a&o’s operations, stakeholders and broader value chain.

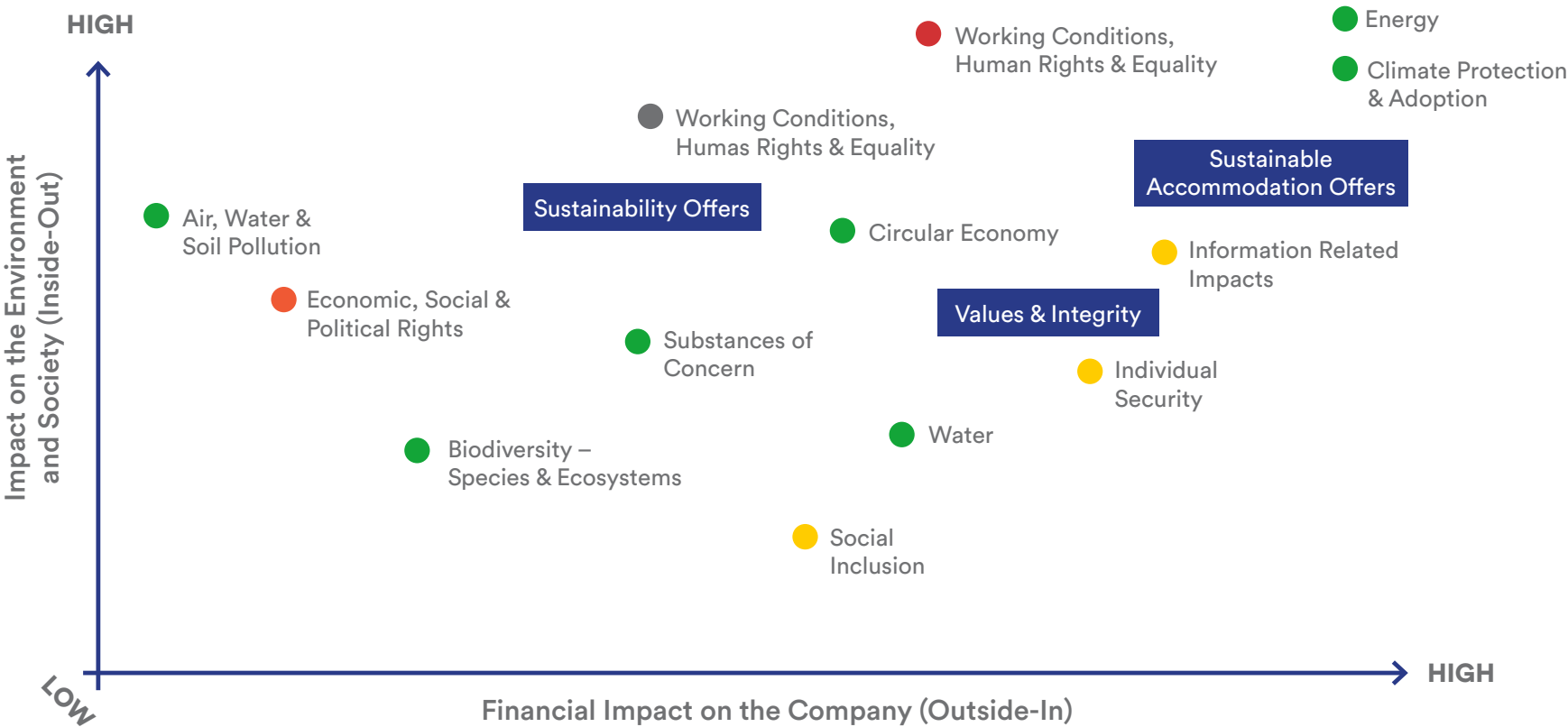
Our internal team evaluated each topic using a double materiality approach, considering both:

- Impact on society and the environment (inside-out perspective)
- Impact on business success and resilience (outside-in perspective)

This assessment was conducted with reference to internationally recognised sustainability frameworks, including the United Nations SDGs and aligned with emerging requirements under the Corporate Sustainability Reporting Directive (CSRD).

As part of this refinement, three topics — Ocean Resources, Rights of Indigenous Peoples and Substances of Concern — were excluded from the 2024 materiality matrix. These topics were assessed as having limited direct relevance to a&o’s core activities. This sharper focus allows us to allocate resources more effectively to areas where we can drive tangible impact, such as climate protection, energy efficiency and responsible sourcing.

Our updated materiality matrix serves as a key foundation for aligning our sustainability strategy with the areas of highest material impact and stakeholder importance.



Strategic Foundations:

Materiality and Sustainable Development Goals

Sustainable Development Goal Priorities

Complementing this analysis, a&o also aligns its sustainability efforts with selected UN SDGs. Since identifying our key sustainability priorities in 2022, a&o has continued to focus on six UN SDGs that align most closely with our operations and impact:



These goals were selected through a comprehensive analysis of our value chain and remain central to both our materiality assessment and broader sustainability strategy in 2024.

Through targeted initiatives — such as **water conservation measures**, the **expansion of renewable energy use**, the **promotion of fair labour practices** and the **transformation of existing urban buildings into sustainable hostels** — we aim to contribute meaningfully to the advancement of these global objectives.

Together, the materiality assessment and our SDG focus define the foundation of a&o’s sustainable business strategy.

The next section outlines how these frameworks translate into our structured priorities across the Environmental (E), Social (S) and Governance (G) dimensions.

Sustainable Business Strategy

a&o’s sustainability strategy is structured around the three core pillars: Environment, Social and Governance, with actionable priorities embedded across our daily operations.

Environment

Social

Governance

These pillars help ensure that sustainability is not treated as a stand-alone initiative but is integrated into every aspect of our decision-making, from procurement and facility management to employee training and community partnerships.

In 2024, we focused on addressing the most material impacts identified through our updated materiality assessment, including **climate protection, responsible sourcing, workforce well-being and ethical governance**.

The following sections outline how these priorities are implemented across our network, highlighting specific actions taken and the measurable progress achieved under each ESG dimension.

E Environmental Protection at a&o

- Climate Action Approach
- Driving Operational Emissions Reductions
- Monitoring Progress and Environmental Targets
- Managing Environmental Risks
- Greenhouse Gas Emissions Reporting
- Scope 3 Emissions and Supply Chain Responsibility
- Resource Conservation and Circular Economy Principles
- Waste Reduction and Sustainable Operations



Climate Action Approach

Environmental protection plays a central role in a&o’s sustainability strategy. In line with our mission to make responsible travel accessible, we committed in 2019 to achieving **Net Zero emissions in 2025**. While our initial strategy combined emissions reductions with carbon offsetting, evolving stakeholder expectations and growing concerns around offsetting transparency have led us to **prioritise direct operational and supply chain emissions reductions as our primary focus**.

To support this shift, we are directing resources toward **renewable energy, energy efficiency measures** across our value chain, such as:

- building retrofits,
- water conservation initiatives,
- waste reduction programs, and
- sustainable procurement practices

Through these combined efforts, we aim to align with global climate goals and achieve measurable environmental improvements throughout our operations.

Driving Operational Emissions Reductions

We emphasise **retrofitting and repurposing existing buildings to reduce the need for highly carbon-intensive materials** (such as cement clinker-based concrete or virgin steel), **thereby minimising demolition waste**.

In combination with green electricity, water-saving technologies, photovoltaic systems and targeted energy efficiency projects, **we achieved a 78% reduction in CO₂e emissions per overnight stay from 2015 to 2023, lowering our footprint from 15 kg to 3.32 kg**.

In 2024, our emissions per overnight stay rose slightly to 3.65 kg CO₂e, driven by operational expansion and refined emissions calculation methodologies that provide more accurate data. While this increase represents a challenge, it is consistent with our broader goal of responsible growth. **We continue to renovate and repurpose older or underused buildings, significantly limiting environmental impacts compared to new construction**. A relevant example is our a&o Kunsthalle in Leipzig, housed in a 19th-century railway mail depot, now a cultural space that has hosted over 40 exhibitions.







We measure our emissions in line with the *Greenhouse Gas Protocol* and conduct regular energy audits to identify inefficiencies. Although organic growth can affect both absolute and per-stay emissions, our overall footprint remains lower than it would be under a new-build model.

Looking ahead, we will increase our investments in energy-efficient upgrades, strengthen sustainability-based procurement, and track our progress in line with recognised best practices. **Our objective is to provide affordable travel options that reduce carbon emissions and revitalise urban areas through the responsible adaptation of existing structures**.

Environmental
targets and
time horizon

* In our 2023 Sustainability Report, we set a target to achieve CO₂e-neutral linen services in 80% of our hostels. Progress towards this goal has been limited by current market conditions, including a shortage of suppliers able to deliver carbon-neutral solutions at scale, the high resource demands of laundering, and ongoing challenges in managing textile waste. To help move things forward, we are hosting a supplier convention in November 2025 to work directly with our partners on overcoming technological, operational and sustainability barriers together.

* In 2024, we discontinued our special sustainability accommodation packages, which had allowed guests to offset the emissions from their stay for a small additional fee. This decision reflects growing doubts about the effectiveness of carbon offsets and our commitment to prioritising direct emissions reductions that deliver more transparent, measurable impact.

TARGET	HORIZON	STATUS 2022	2023	2024	PROGRESS
Total CO₂e emissions (tonnes) across all operations	N/A	20,788 t	20,219 t	22,823.45 t	N/A
Use only green electricity in all European hostels, guaranteed by individual green electricity purchasing contracts (where available)	2023	97%	97%	98%	Maintained 
Extend the installation of photovoltaic systems in our hostels where possible	2026	20%	20%	40%	Improved 
Improve the energy efficiency ratings by at least one EPC class for 80% of our properties currently rated below Level C	2026	All hostels have an EPC	2 hostels completed; further planned for 2024 onwards	Assessments completed for 12 properties	On track 
Investigate increasing the number of hostels with CO₂e-neutral linen service to 80% and options to reduce the linen transport distances*	2025	In progress	In progress	In progress	Paused—see footnote* 
Shift the company vehicle fleet to 90% hybrid or full electric vehicles	2025	75%	100%	100%	Achieved 
Offer special sustainability accommodation packages at select locations at minimal additional cost*	2023	40%	100%	Discontinued	Discontinued—see footnote* 
Achieve a 5% reduction in total energy consumption (electricity, heating, and gas) per guest overnight stay by 2027, compared to the 2025 baseline	2027	-	N/A	N/A	Baseline to be established in 2025
Transition to bulk produce in breakfast buffets across all feasible a&o properties by 2025 to minimize packaging waste	2025	20% of a&o properties	N/A	N/A	Baseline to be established in 2025

Environmental targets and time horizon

TARGET	HORIZON	STATUS 2022	2023	2024	PROGRESS
Eco pest control only by licensed contractors with non-hazardous cleaning materials	2024	75%	100%	100%	Achieved
Enhance collaboration and dialogue with waste removers to improve the separation and recycling of materials at their sites, in order to increase the reuse of materials and promote a circular economy	2025	40%	60%	80%	Maintained
Implement of a&o responsible sourcing standards	2023	20%	100%	100%	Achieved
Initiate ISO 5001 implementation for energy efficiency management	2026	N/A	10%	30%	Improved
Implement Smart Thermostats in all properties	2028	N/A	N/A	5% (Pilot program initiated)	Improved
Shorten food transportation by 10% annually by prioritising the procurement of local food sources. Additionally, we plan to discontinue offering tropical fruits and seafood, with a target completion date of 2026	2027	50%	70% (e.g. regional food for Venice, delivery of food only every three days)	80%	On track
Unseal 250m² of surface annually across all a&o locations	2026	10%	In progress	100%	Achieved
Install electric vehicle (EV) charging stations in all properties, where feasible, considering available space, infrastructure and parking availability	2030	10%	30%	56% of our properties have EV charging stations.	Improved
Ensure all workwear is made from recyclable materials by 2025	2030	30%	90%	100%	Achieved
Achieve complete paperless digital registration across all properties	2026	12%	35%	50%	Improved

Monitoring Progress and Environmental Targets

Our progress is systematically tracked through quarterly internal reviews and verified annually by third-party audits. We have set ambitious environmental targets with defined time horizons, tracking critical indicators such as **emissions reductions, energy savings and procurement improvements**.

Managing Environmental Risks

Environmental risks are systematically identified across our operations through regular audits and data-driven analysis. In 2024, external energy engineers conducted in-depth evaluations of **building infrastructure, heating systems, ventilation systems and operational workflows to identify inefficiencies and opportunities for improvement**. These findings directly inform our retrofit programmes and long-term operational planning.

Greenhouse Gas Emissions Reporting

We calculate greenhouse gas (GHG) emissions in accordance with the Greenhouse Gas Protocol framework, **covering Scope 1, Scope 2 and relevant Scope 3 emissions**. This process is supported by Code Gaia, a sustainability data platform facilitating the collection, analysis and verification of emissions data across our value chain.

The insights gained inform our emissions reduction strategies, prioritising areas for action and continuous improvement.

CO2E EMISSIONS ACCORDING TO THE GHGP (IN TONS CO2E)

Scope 1:	Scope 2:	Scope 3:	Total emissions of a&o Hostels GmbH & Co. KG for Scope 1, 2 and 3	CO2e emissions per overnight stay
CO2e released directly in the company from production (e.g., combustion processes and company vehicles)	All emissions generated off-site - in the form of electricity, steam, (district) heating and cooling	CO2e emissions released from upstream processes		
2022: 2,445.44 t	5,588.33 t	12,754.63 t	20,788.4 t	3.74 kg
2023: 1,027.30 t	5,842.78 t	13,348.98 t	20,219.06 t	3.32 kg
2024: 1,486.21 t	6,914.35 t	14,461.22 t	22,861.78 t	3.65 kg

[Click here to read
our ‘Responsible Sourcing Policy’](#)

Scope 3 Emissions and Supply Chain Responsibility

Scope 3 emissions represent a substantial portion of our total carbon footprint, with purchased goods and services identified as major contributors. To manage these indirect emissions, we have introduced our *a&o Responsible Sourcing Policy* applicable to all Tier 1 suppliers.

Under this policy, suppliers must annually disclose GHG emissions, using primary activity data wherever possible. We recognise that challenges remain due to differing supplier reporting maturity and ongoing reliance on industry-average emissions factors. Therefore, the *a&o Responsible Sourcing Policy* is reviewed biennially to align with evolving standards and capabilities.

Our ongoing efforts focus on close collaboration with suppliers to enhance data transparency and drive tangible emissions reductions throughout the supply chain.

Resource Conservation and Circular Economy Principles

a&o prioritises the conservation of existing resources through the adaptive reuse of existing buildings. Past examples include:

- the transformation of the historic Imperial Post Office into a&o Leipzig Hauptbahnhof,
- the adaptive reuse of a 1960s administrative building for a&o Firenze Campo di Marte

Both projects preserved original architectural elements such as brickwork, timber beams and industrial features, significantly reducing the need for new materials and demonstrating our alignment with circular economy principles.

Waste Reduction and Sustainable Operations

Since 2000, we have practised waste separation across our hostels. To further minimise environmental impact, we have **introduced bulk soap dispensers and bulk condiment dispensers** at all feasible locations.

In addition, we are piloting *FoodNotify*, a digital platform for food ordering, inventory management and waste tracking. Through *Food-Notify*, we aim to **reduce food waste** by enabling staff to digitally log discarded items and gain real-time insights into waste quantities and patterns.

The rollout will continue through 2025, to establish waste baselines and set targeted reductions by 2026.



S Social Commitment of a&o

- **Workforce Management and Development**

- Training and Development

- Health and Safety

- Employee Wellbeing and Internal Communication

- Diversity and Inclusion

- Human Rights and Working Conditions

- **Community Engagement and Sponsorships**

- Arts & Culture

- Youth and Education Programs

- Community Sports Partnerships



As of 2024, our workforce consisted of 1,321 employees across 11 countries. **Women represented 43% of the total workforce and held 46% of leadership roles in both operational and headquarters positions.**

1321 employees

43% women

46% women
in leadership roles

TARGET	HORIZON	STATUS 2022	2023	2024
Employees				
Implementing a company mental health management programme	2024	N/A	20%	100%
Implementing human resources software	2026	50%	80%	80%
Human Rights				
Developing a human rights policy statement	2023	10%	100%	100%
Integrating human rights decision-making criteria in procurement processes and purchasing conditions	2023	30%	100%	100%

Total workforce (fixed staff and part-time)	Turnover rate at headquarters (excluding part-time staff)	Gender ratio of total workforce (m / f)	Investment in education / training	Reported occupational health incidents / deaths
2022: 1,200	12,5 %	468 f (39%) 732 m (61%)	EUR 250,000	12/0
2023: 1,306	14,5 %	536 f (41%) 770 m (59%)	EUR 300,000	5/0
2024: 1,321	13,3 %	568 f (43%) 753 m (57%)	EUR 350,000	0

Training and Development

We invested €350,000 in **employee training programmes** during 2024, **supporting professional skills enhancement and career advancement**. Key training initiatives included:

- leadership development workshops,
- time management sessions,
- structured onboarding programmes for new hires,
- specialised role-specific training for hospitality staff

Our *a&o Academy*, established in 2013, serves as the cornerstone of our employee development strategy. It offers multi-week courses covering service standards, cleaning procedures and staff management topics. Employees receive certifications upon completing each module, supporting internal career progression.

Additionally, vocational training programmes provide hands-on experience across various departments at designated training hostels, preparing future managers with a comprehensive understanding of hostel operations. To further support long-term growth, we collaborate with external institutions to offer dual-study programmes, combining academic learning with practical experience.



Health and Safety

Ensuring the health and safety of our employees remains a top priority at a&o. In 2024, we conducted training sessions across multiple hostel locations, covering:

- fire protection procedures,
- HACCP (Hazard Analysis and Critical Control Points) food safety standards,
- first aid response

Employee Wellbeing and Internal Communication

Recognising the importance of mental health, we launched the *Nilo* initiative in 2024, offering workshops, one-on-one coaching sessions and confidential support services. **Approximately 22.4% of employees (292 individuals) registered in this programme during its first year.**

We also strengthened communication between headquarters and operational teams through the HR on Tour initiative. HR representatives conducted site visits, attended staff meetings, shared updates on company policies and held individual discussions with employees to foster open dialogue and engagement.

Diversity and Inclusion

We are committed to creating an inclusive workplace where all employees are treated equitably regardless of race, ethnicity, gender identity, religion, disability status, age, or sexual orientation.

This principle is embedded in our *a&o Code of Ethics* and reinforced through ongoing training programmes.

Human Rights and Working Conditions

Respecting human rights is central to our sustainability strategy. Our approach is guided by the *a&o Declaration of Principles on Human Rights*, which outlines our commitment to fair treatment and the prevention of human rights violations within our operations and supply chains.

Our *a&o Code of Ethics* and *a&o Responsible Sourcing Policy* extend these standards to our suppliers, requiring alignment with our ethical principles. Accessible grievance mechanisms are available via confidential email (legal@aohostels.com) and postal mail, enabling employees and stakeholders to report concerns securely.

In 2024, a&o Hostels allocated €272,000 to community-focused initiatives supporting arts and culture promotion, youth education programmes and sports partnerships. These efforts reflect our belief in strengthening communities and fostering long-term social impact.

Arts & Culture

In partnership with Kunsthalle Leipzig e.V., a&o supported a range of exhibitions and public programmes fostering contemporary art, critical discourse and community engagement. Highlights from 2024 included:

Tetrachromat (March–April):

A duo exhibition by Maja Behrmann and Tiziana Jill Beck exploring experimental color theory and expanded visual perception.

Zwischen Atlas und Axis (July–August):

A diploma exhibition by Jonas Liesaus addressing spatial and conceptual approaches to mapping and movement.

Spooning (July–August):

A group exhibition led by students from HGB Leipzig under Prof. Speier, focusing on sculptural and performative elements of contemporary art.

Shine Bright Like (September–December):

A solo exhibition by Margarita Wenzel examining Leipzig’s colonial history through immersive installations combining text, sound, and modular structures.



Public engagement was central to these initiatives, featuring symposia such as “Mining the Palace,” exploring colonial narratives in museum culture and “The Development of Leipzig’s City Centre,” addressing urban identity and planning.

Additionally, Kunsthalle launched an independent publication series, with editions dedicated to “Tetrachromat” and “Shine Bright Like.”

Looking ahead to 2025, three major exhibitions accompanied by public programmes are planned to further strengthen Kunsthalle’s role as a hub for contemporary art in Leipzig

Youth and Education Projects

Through our non-profit organisation, *a&o educare e.V.*, we implemented a series of impactful projects during 2024, including:

The “Insektenhostel” :

A biodiversity initiative in Frankfurt/Main, promoting environmental education.

The “Christmas-Wish-Tree” campaign:

A charitable initiative to benefit children and teenagers, supported by SOS-Kinderdorf Berlin’s community programs.

To deepen sustainability awareness among young travellers and guests, interactive displays highlighting the UN SDGs were installed at 10 hostels.

Looking ahead to 2025, *a&o educare* plans to launch a web app to support solidarity-based school trip financing and to develop digital adventure tours aligned with the SDGs.

Community Sports Partnerships

During the 2024–2025 season, we continued our support for local sports communities, investing €233,500 in partnerships with various clubs and organizations, including:

FC Union Berlin, Hertha BSC, SK Sturm Graz, FC Hansa Rostock, BFV Berliner Fußball Verband, Eisbären Juniors Berlin, Füchse Berlin Reinickendorf, ttc berlin eastside, ALBA Berlin Basketballteam, TOP Sportmarketing Berlin GmbH / Landesportbund Berlin, DESG Deutsche Eisschnelllauf Gemeinschaft, BAES Deutschland GmbH, SV Handwerk, creative sportmarketing Dresden / Marathon Dresden, AEG Anschütz / Eisbären GmbH Uber Arena, Skyliners Basketball

Additionally, this year we established a partnership with **Caritas Graz**, becoming the main sponsor of the Austrian Women’s National Team at the Homeless World Cup. This partnership includes support for the “**streetfootbALL Austria**” initiative, using football to encourage social integration and address challenges such as homelessness and migration in Graz, Vienna, Salzburg and Klagenfurt.

Through these partnerships, we aim to promote healthy lifestyles and strengthen local community ties.



Sustainable Corporate Governance at a&o

- **Board's Role in Sustainability Oversight**
- **Ethics, Integrity and Compliance**
- **Certifications and Standards**
 - Quality Management
 - GreenSign Certification
 - Sustainable Fitch ESG Rating



Sustainable governance at a&o defines the structures and processes that guide decision-making for the benefit of all stakeholders.

To deepen sustainability awareness among young travellers and Our integrated approach systematically balances economic objectives with environmental stewardship and social responsibility across the entire value chain, supported by clear governance structures and accountability mechanisms.

TARGET	HORIZON	STATUS 2022	2023	2024
Sustainable Business Strategy				
Conduct a materiality assessment according to the new requirements of the Corporate Sustainability Reporting Directive (CSRD)	2027	N/A	20%	40%
Set up of core KPIs, interim and long-term targets and integrate them into the steering of the company	2024	40%	70%	100%
a&o Management				
Integrate sustainability into the a&o compensation scheme (where appropriate)	2024	50%	80%	100%
Implement ISO 9001	2025	N/A	40%	100%
Policies and Guidelines				
a&o Integrity Code:				
• Formulate, approve and communicate to all employees	2023	80%	100%	100%
• Integrate into employee contracts	2023	30%	100%	100%
a&o Responsible Sourcing Policy:				
• Communicate to all suppliers	2023	40%	100%	100%
• Roll out for key suppliers (including definition of joint efforts)	2023	10%	100%	100%

Governance

a&o's governance model combines strategic oversight with operational execution through a clearly defined hierarchy. As the parent company, a&o Hostels GmbH & Co. KG operates under the leadership of CEO Oliver Winter from its Berlin headquarters, maintaining oversight through a five-member Management Team (C-level). This governing body provides top-level guidance on strategic matters and ensures adherence to all regulatory, legal, and operational requirements.

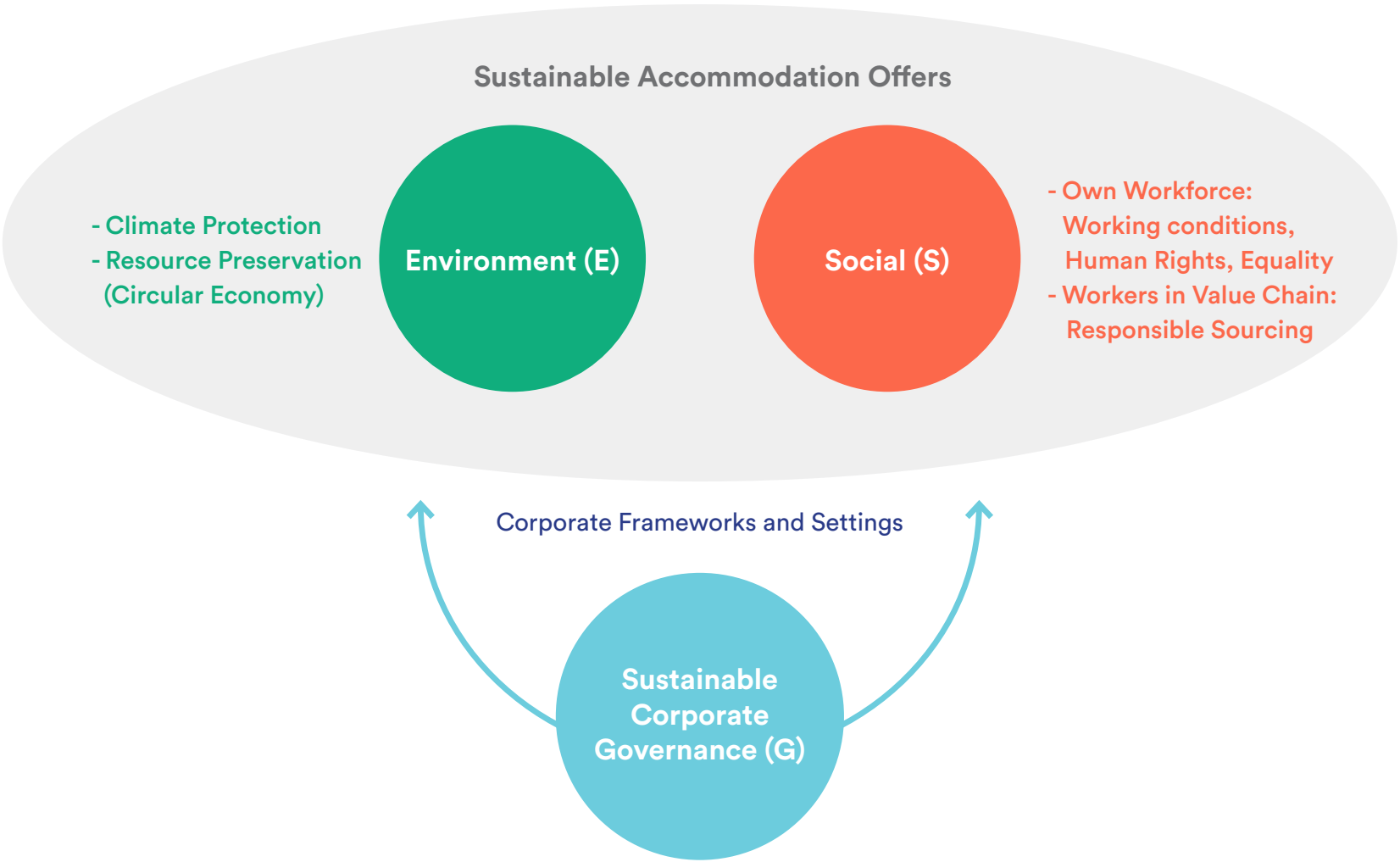
The CEO serves as the highest ESG decision-making authority, establishing sustainability strategies and objectives implemented by the dedicated ESG Department. This team collaborates closely

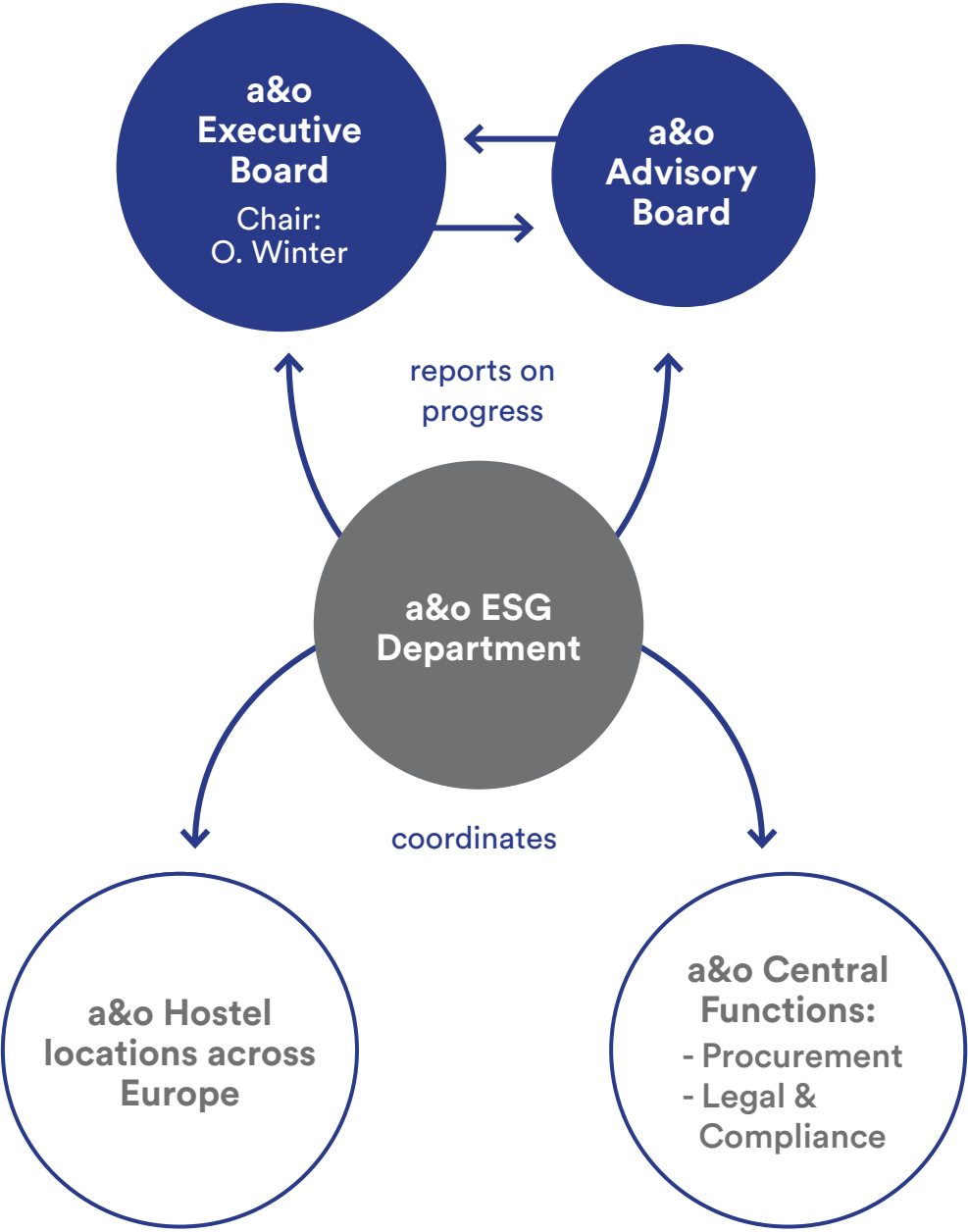
with Procurement, Legal, Marketing, Finance, and Construction, driving initiatives through a structured reporting framework supported by detailed performance scorecards

The organisational structure was further strengthened in 2023 with the establishment of the ESG Task Force, comprising representatives from all properties. This cross-functional team acts as both a feedback mechanism for operational challenges and a platform for continuous improvement, ensuring that sustainability remains embedded in daily operations at all levels.

Sustainability at a&o

Managing material sustainability topics





Board’s Role in Sustainability Oversight

In 2024, the Advisory Board held four dedicated strategy sessions to systematically review progress against predefined ESG objectives, ensuring environmental and social considerations remain seamlessly integrated into core business operations. In its oversight capacity, the Advisory Board tracks clearly defined performance indicators, such as carbon footprint reductions, to uphold transparency and accountability.

The ESG function provides quarterly progress reports detailing initiatives ranging from energy efficiency improvements and waste reduction measures to responsible sourcing practices. These updates provide the Advisory Board with comprehensive insights necessary to guide strategic decision-making and maintain ongoing adherence to established sustainability standards.

Ethics, Integrity and Compliance

a&o’s ethical framework is defined by the corporate *Code of Ethics*, introduced in 2022, which provides clear guidance for decision-making across all organisational levels. In 2024, training on the Code was made available to all employees to promote a consistent understanding and application of these standards. The Code serves as an internal guide for employee conduct and reflects our organisational values when interacting with partners, customers and other stakeholders.

This ethical commitment extends to our value chain through the *Responsible Sourcing Policy*, implemented in 2023, which establishes clear environmental and social requirements for suppliers. The policy outlines expectations for responsible business practices and ensures that **sustainability considerations are systematically integrated into procurement decisions.**

Certifications and Standards

In 2024, we achieved several certifications that affirm our dedication to quality management, sustainability and governance across our operations. These recognitions highlight our structured approach, accountability and evolving ESG performance.

Quality Management

We achieved ISO 9001:2015 certification, formalising our approach to maintaining consistent and high-quality processes across all operational areas. The certification demonstrates that we have implemented structured procedures for risk identification, workflow improvement and accountability in service delivery. It also provides a systematic framework for regularly reviewing and refining practices to meet both internal objectives and stakeholder expectations, strengthening the governance foundations of our ESG strategy.



GreenSign Certification

GreenSign, a certification recognised by the Global Sustainable Tourism Council (GSTC), evaluates hotels based on three pillars: **Ecology, Economy and Social Responsibility**. The certification process includes self-evaluation, external audits and scoring based on over 130 criteria, with conformity rates ranging from 50% to 100%.

In 2024, a&o completed nine sustainability audits. Recertifications were achieved for Aachen, Bremen, Frankfurt Ostend, Prague and Stuttgart, while first-time certifications were awarded to Warsaw, Rotterdam, Budapest and Edinburgh. Among these, a&o Hostel Edinburgh City achieved a 90% conformity rate.

These certifications reflect a&o’s ongoing commitment to maintaining transparency, enhancing accountability and continuously improving sustainability practices across its properties.

Sustainable Fitch ESG Rating

In 2024, Sustainable Fitch reaffirmed our ESG Entity Rating at ‘2’ on its scale of 1 to 5. This rating indicates good overall alignment with ESG principles. According to Sustainable Fitch’s methodology, a rating of ‘2’ reflects that our business strategy, operations and governance practices incorporate ESG considerations effectively, with some areas for further improvement.

Sustainable Fitch provides ESG Entity Ratings to assess how organisations integrate ESG factors into their strategy, management and operations. The ratings evaluate policies, outcomes and impacts across environmental, social and governance dimensions. Ratings are assigned on a scale from ‘1’ (excellent) to ‘5’ (poor), with a score of ‘2’ indicating strong alignment with ESG best practices.

Maintaining an external ESG rating further reinforces our commitment to transparency, continuous improvement and alignment with international sustainability standards.



Click here to read the ‘Sustainable Fitch Rating’ of a&o



Appendix

Report profile

The a&o Sustainability Report 2024 provides an overview of our sustainability initiatives and progress during the reporting period from January 1 to December 31, 2024. This report outlines key actions taken to address environmental, social and governance (ESG) challenges relevant to our operations and stakeholders.

We aim to publish annual updates, with the next report covering 2025 set for release in 2026. As part of this process, we are carefully monitoring developments in sustainability reporting frameworks, including the Corporate Sustainability Reporting Directive (CSRD) and its associated European Sustainability Reporting Standards (ESRS). Our objective is to ensure full compliance with CSRD requirements in accordance with regulatory timelines and obligations.

CO2e calculation

All Co2e emissions include the following seven greenhouse gases covered by the Kyoto Protocol: Carbon dioxide (CO2), Methane (CH4), Nitrous oxide (N2O), Hydrofluorocarbons (HFC), Perfluorinated hydrocarbons (PFC), Sulphur hexafluoride (SF6) and Nitrogen trifluoride (NF3).

Accounting period:	Calendar year 2024
Organizational Boundaries:	Over 40 European hostels and headquarters of the a&o Hostels GmbH & Co. KG, Adalbertstraße. 50 10179 Berlin
Reference products:	Affordable accommodation centrally located for backpackers, youth groups, families and business travellers, co-working spaces and conference rooms
Evaluation Measures:	Recognised emission factors are used to determine the a&o Co2e footprint, e.g., those of the German Federal Environment Agency (UBA) or the British Department for Environment, Food and Rural Affairs (DEFRA).

In line with the requirements of the Greenhouse Gas Protocol, all CO2-e emissions were included—those in the company itself, eight categories in the upstream chain and a further seven categories in downstream product use and disposal.

Imprint

Publisher:	a&o GmbH
Responsible for the publisher:	Phillip Winter, Chief Marketing Officer
Greenhouse Gas data:	Greenhouse Gas Emissions collected and processed by Code Gaia GmbH
Design:	Sofia Harley
Creative Supervisor:	Cedric Coy
Photos:	© 2024 a&o Hostels. All rights reserved.
Contact for questions about the report:	a&o Hostels GmbH & Co. KG Arben Maliqi, Director of ESG
Mail:	esg@aohostels.com

You can find additional information on sustainability at a&o at:
<https://www.aohostels.com/en/sustainability/>

©2024 a&o GmbH
Reprint, also in extracts, only with written permission of the publisher.

