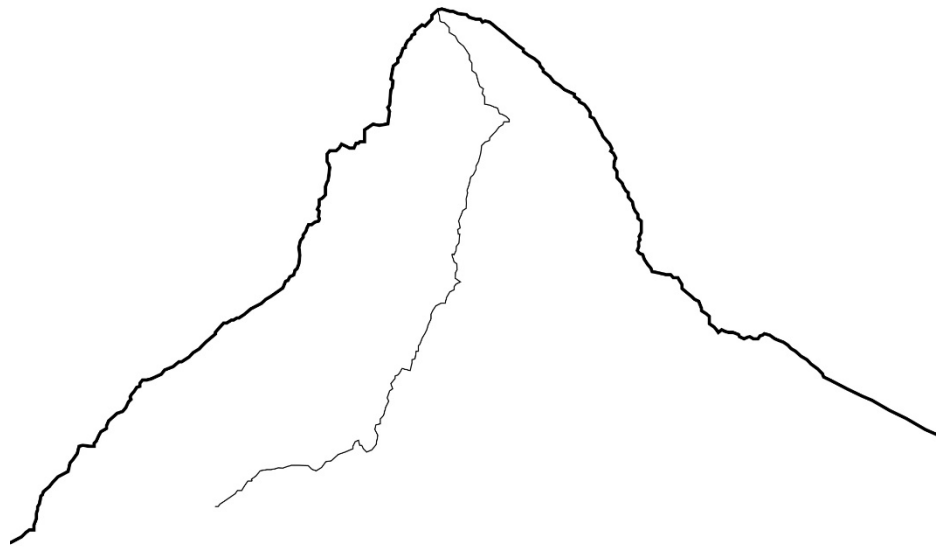


**2021 Environmental
Report**



TWO MILLION YEARS

and we still care matterhorn-group.ch



Introduction

The aim of this Environmental Report is to provide our clients, our business partners and the public with information about the objectives and activities of Matterhorn Group AG in relation to protecting our environment.

The corporate purpose of Matterhorn Group AG is to manage hotels and restaurants. As part of its corporate purpose, Matterhorn Group AG operates five hotels in and around the Zermatt mountain region. These include the five-star Grand Hotel Zermatterhof in Zermatt, but also the 3100 Kulmhotel Gornergrat and the Riffelhaus 1853 in the sensitive Zermatt mountain region. It also manages about a dozen other restaurants with a total seating capacity of around 5,500, most in the Zermatt mountain region.

The environmental theme of the reporting year was “year of waste and disposal”. The coronavirus crisis continued to have a profound negative impact on the business activities of Matterhorn Group AG in the 2020/2021 financial year. Although the opening times of the individual operations were extended again compared to the previous year, and the Riffelhaus 1853 and the Buffet & Bar Riffelberg in particular were open during the summer season, Matterhorn Group AG’s revenue was down 6.6% on the previous year. This means that the comparisons over several years shown in the report are not overly meaningful. The implementation of environmental measures had to be limited to a minimum on account of the exceptionally difficult circumstances.

Commitment to sustainability

Matterhorn Group AG is committed to sustainable development.

At our company, protecting the environment is an important part of our corporate policy. We are aware that our activities have an impact on the environment. For this reason, we view it as our obligation to reduce the impact of our economic and technical activities to an absolute minimum.

Assuming our responsibility when dealing with the environment and resources means we need to determine and evaluate the relevant environmental aspects as well as meet the defined environmental objectives and review them using clear criteria.

Environmental policy

As part of its corporate duty of care, Matterhorn Group AG has defined an environmental policy with overarching environmental objectives and principles of action.

The principles of our environmental policy are based on an awareness of our responsibility towards our unique nature and landscape, our built environment, and our fellow human beings and future generations. We also take account of the extensive legal requirements, which require the sustainable use of energy.

By defining objectives along the entire value chain and implementing these objectives through suitable measures, we achieve an improved level of sustainability in the relevant environmental areas.

Legal and agreed obligations

We review and document the compliance of our corporate activities with the law on an ongoing basis with a legislative database that is continuously updated.

Furthermore, Matterhorn Group AG has concluded a CO₂ agreement with the Swiss Federal Office for the Environment (FOEN) for the five-star hotel Grand Hotel Zermatterhof and the Riffelhaus 1853, under which Matterhorn Group AG made a commitment to emit no more than 2,411 tonnes of CO₂ equivalent greenhouse gases from these operations by the year 2021 (emissions target). This target was exceeded by a good 20% – not least thanks to the investment in pellet heating at the Grand Hotel Zermatterhof. The programme is set to continue until 2025.

Employees

Matterhorn Group AG has developed an internal label that can be used to represent and communicate all of the company's environmental activities. The aim is to make employees aware of the commitment by Matterhorn Group AG to assuming its responsibility towards the environment and taking this commitment seriously. At the same time, we hope to promote environmentally friendly behaviour among employees.



Resources and energy

Production of pellets using community wood

Matterhorn Group AG is a wholly owned subsidiary of the Citizens' Community of Zermatt. The Citizens' Community of Zermatt owns around 900 hectares of forest. Management of the forest results in natural wood waste (e.g. bark, branches, etc.), which has few good uses.

Working together with expert partners, the Citizens' Community of Zermatt has acquired an interest in Matterhorn Pellet AG – a company that converts the wood waste into wooden pellets without using any chemical additives. The proceeds from the sale of this wood are reinvested in the environmental management of the forest.

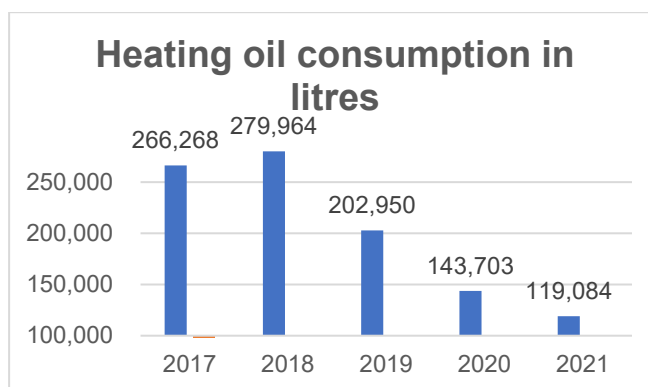
The wood pellets can be used for targeted energy management by the Matterhorn Group AG operations that use pellet heating as a local, alternative, renewable and environmentally friendly fuel for generating heat.

CO₂ emissions

The replacement of traditional oil heating with pellet heating at the five-star Grand Hotel Zermatterhof had a substantial impact on the air emissions (CO₂ emissions) produced by Matterhorn Group AG.

Consequently, CO₂ emissions of the affected operations fell from 146 tonnes to 25 tonnes of CO₂ – a reduction of 121 tonnes of CO₂ equivalent in the reporting year.

Oil consumption



The average consumption of heating oil by Matterhorn Group AG over the past five years was around 202,394 litres per year.

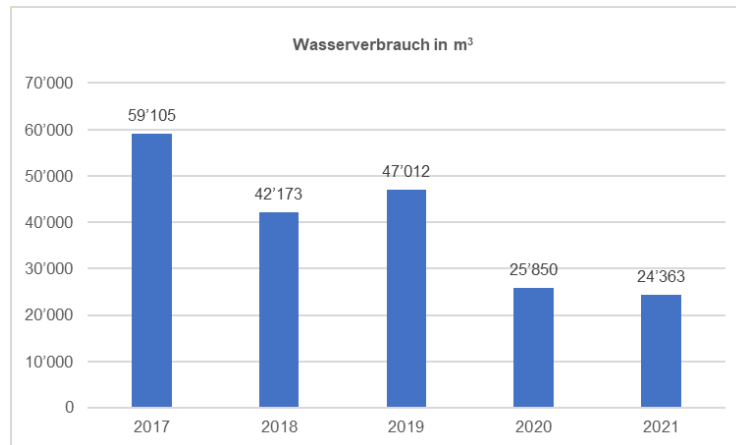
Lower occupation of the staff housing in the village led to a further reduction in consumption.

Since the conversion of the five-star Grand Hotel Zermatterhof, 70% of Matterhorn Group AG's operations have been heated with renewable and environmentally friendly energy.

Gas consumption

Usage in Matterhorn Group AG's operations is relatively low at 2,211 kg per year and primarily down to the two wood/gas pizza ovens in the Italian restaurants. Gas consumption also fell, by around 44%, as a result of the business downturn caused by the coronavirus restrictions.

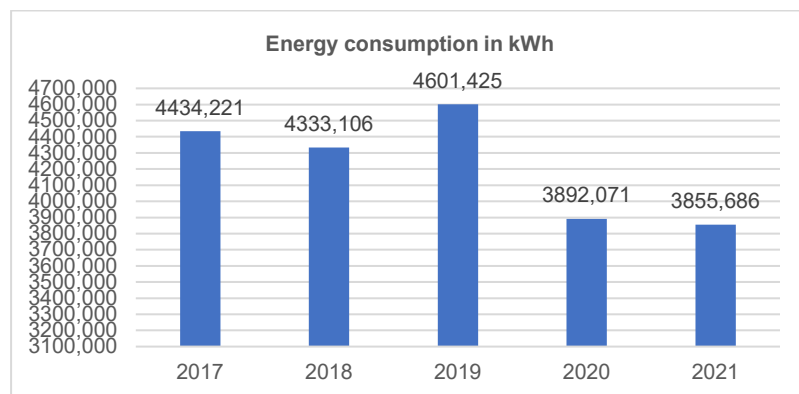
Water/wastewater



Water consumption fell by 45% in the previous year due to the coronavirus. It was down a further 6% in the reporting year, commensurate with the business downturn.

Almost all public toilets in Matterhorn Group AG's mountain operations have waterless urinals. The procurement of environmentally friendly dishwashers is also continually reducing the amount of wastewater.

Energy consumption



Energy consumption is slightly lower than in the previous year despite the longer business opening times.

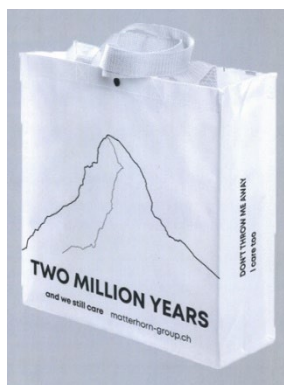
The conversion to energy-saving LED bulbs is continuing all the time but proving to be a long process.

Disposal/recycling/waste reduction

Matterhorn Group AG plays its part in reducing the amount of plastic waste. Switching cleaning products to reusable spray bottles cuts plastic waste by

60% while also reducing packaging waste. The use of refillable shower gel and shampoo dispensers likewise reduces plastic waste.

Due to the coronavirus restrictions, the mountain restaurants had to switch to takeaway concepts during the winter season, meaning that a large quantity of disposable tableware had to be used. Biodegradable products were used wherever possible, although supply shortages meant that this was not always achievable.



A programme aimed at replacing plastic straws with compostable products in the Matterhorn Group AG restaurants was implemented and maintained. Single-use bags in the Matterhorn Group AG retail shops are to be replaced by biodegradable and reusable carrier bags made of natural products. Because of the products used to manufacture them and the fact that they can be used multiple times, they are much better for the environment than plastic bags. The fact that no plastic bags were used due to the long closure of the retail shops in the financial year meant that the project launch had to be postponed.

Matterhorn Group AG is working towards minimising the amount of waste produced, with any waste that does occur being disposed of in an environmentally friendly manner or recycled. In addition, the strict separation of waste at all Matterhorn Group AG operations promotes sensible treatment and recycling of operational waste. Furthermore, Matterhorn Group AG's food and kitchen waste goes to the Zermatt biogas plant, where it is used to produce green electricity and district heat.

Products

Home-made regional specialities

As the sole shareholder of Matterhorn Group AG, the Citizens' Community of Zermatt is the owner of various alps in the Zermatt region. For the past few years, the Stafelalp and the Riffelalp have been home to dry and dairy cows as part of a collaboration between private farmers and the Citizens' Community of Zermatt. These animals are making a significant contribution to the conservation of the alps and the maintenance of the mountain landscape and flora.



The milk they produce is used to make Alpine cheese, and their meat is used in specialities from the Valais region, such as air-dried meat and home-made sausage, among other things.

These products are made available in Matterhorn Group AG's hotels and restaurants. This allows Matterhorn Group AG's operations to offer its guests the best and most high-quality products from Zermatt. In doing so, Matterhorn Group AG is promoting regional and sustainable products with an added environmental benefit that provide added value for our guests.

Valais platter

The “Valais platter” regional speciality sold by Matterhorn Group AG contains only products that are AOP (*appellation d’origine protégée*) or IGP (*indication géographique protégée*) certified. These products are traditional specialities that have a strong connection to their region of origin. They have been produced with passion by cheesemakers, bakers, butchers and distillers for generations.

Other Valais products

Matterhorn Group AG offers various regional specialities at its hotels and restaurants.

For example, the wine selection offered by Matterhorn Group AG includes some wines that can only or almost only be found in the region.

Its menus also include some local fish products (perch), among other things.

In this way, too, Matterhorn Group AG promotes regional and sustainable products that provide an added value for our guests and contribute to the profitability of regional production.

Logistics

We are committed to environmentally friendly and resource-efficient logistics. In this respect, we seek a balance between economic and environmental efficiency.

The offering of Zermatt water, the procurement of water and wines from Valais as well as regionally produced products, in particular, help to reduce environmental pollution by largely or even entirely eliminating transport channels.

Suppliers, partners and contractors

When selecting suppliers, partners and contractors, we give preference to those who act in accordance with environmental rules and support our environmental policy. We review the environmental performance of suppliers and partners as part of an annual supplier and partner assessment.

Infrastructure/sustainable building

Particularly with respect to building insulation, improvements were achieved through roof renovations and the replacement of windows.

Environmental monitoring of construction projects in mountain areas is a matter of course for us.

Certifications as an environmental policy tool

A credible environmental policy is a fixed element of a corporate culture focused on sustainable success. For this reason, Matterhorn Group AG is certified in accordance with both ISO 9001:2015 and ISO 14001:2015. While ISO 9001:2015 specifies the requirements for quality management systems,



ISO 14001:2015 defines the globally valid criteria for efficient environmental management systems.



Matterhorn Group AG has been certified with the “Valais Excellence” label since the 2019/2020 financial year. This label is used to recognise responsible, active and creative Valais companies that create true added value in the Canton of Valais and are committed to, among other things, sustainable environmentally friendly development.



The Matterhorn Group AG operations were awarded the “Swisstainable leading” label by Switzerland Tourism in the reporting year. This label enables Matterhorn Group AG to visibly and effectively demonstrate its commitment to sustainability in the tourism sector.