

Deconstructing ESG Strategies deployed in Global Hospitality Chains and Repurposing them for a more Sustainable Future

Tushar Narula
Imperial College Business School
University of California at Berkeley
Address - 1 Cheval Place, Knightsbridge, London, SW7 1EW
Email Address – tn120@imperial.ac.uk
Phone: 07383482182
Main Text Word Count: 4375

ABSTRACT

Global hospitality chains have been a significant contributor towards the increasing threat of climate change and many societal issues, through their conspicuous consumption and ostentatious display. As one moves towards a sustainable and socially just world, it is important to holistically identify exposures around their value chain and mitigate Environmental, Social and Governance (ESG) risks. Hence this research seeks to identify the core elements of the current ESG strategies, by deconstructing primary data through interviews with senior hospitality professionals and secondary data (benchmarking ESG policies) of 26,811 Properties of eight Major global hotel chains.

The findings were structured to provide insights, prioritizing actions distributed into four categories of the value chain (design, operations, engagement, investment). It further guides an ESG strategy framework as a management and planning tool highlighting a 3-stage pathway of ESG integration. It encompasses management actions and recommendations around all elements of the value chain.

KEYWORDS: Sustainability, Management, ESG, Strategy, Hospitality, Value Chain

TABLE OF CONTENTS

S No.	Content	Page No.
1)	Introduction and Literature Review	4
2)	Data and Methodology	8
3)	Analysis and Discussion	9
4)	Results and Recommendations	13
5)	Conclusion	19
6)	References	20
7)	Appendix (1-14)	24

1. INTRODUCTION & LITERATURE REVIEW:

The market size of the hotel and resort industry worldwide is speculated to be at 1.22 trillion US dollars in 2021. (Statista,2021) The segment has an essential role in job creation, cultural preservation and economic development throughout the world. (Fortune Insights, 2021)

The global hospitality industry is also a significant contributor towards the increasing threat of climate change and many other societal issues such as human rights violations, employment, excessive water usage and poor waste management. This has created significant vulnerabilities across areas of design, operations, management, consumer engagement and investment actions. Emissions from lodging tend to be significantly high in hospitality developments through the production of massive amounts of carbon in the construction phase, and through the clearing of natural areas which act as carbon sinks by absorbing emissions. Hotels are among the most energy intensive building types due to their multi-usage functions and round the clock operations. (Huang, 2015) These energy-intensive systems create CO₂, as do the water heaters used to warm showers, pools, and spas. While hotels can lessen their footprint by utilizing clean energy sources, most still depend on dirty fossil fuels for the majority of their energy. Only 21% of hotels currently have on-site renewable energy for the functioning of their operations. (Greenview, 2018) Due to the hosting of extravagant events and creating luxurious experiences for their consumers, there are extra sources of emissions, damage to local ecosystems and harm indigenous communities. The major obstacles of ESG integration in global hotel chains included monitoring and standardization, lack of ESG education in management, varied tapestry of the ownership structure, significant impact of COVID 19, and resource availability. They are elaborated in appendix 1.

Observing the pressures from various stakeholders and the changing perception of the consumers, it is imperative for global hospitality chains to embed sustainability in its decision making throughout the value chain. It's crucial to create quantifiable metrics for the accurate monitoring of environmental, social, governance considerations. The study focuses on the identification of the core elements of strategies deployed by analyzing management actions, benchmarking best practice and identifying areas of opportunity. The objective of the analysis is to guide the creation of an ESG Framework including a 3-stage pathway for global hotel chains to future proof their business model and renew their activities with a lens of responsibility. The report structure follows the intent by covering the literature review and providing a rationale for ESG integration. It further follows the explanation of data, methodologies and discusses the implications.

The literature review indicated that leadership has a significant role to play in the implementation of policies to improve ESG integration business practices. (Melissen,2016)

Certification schemes and rating tools are the main drivers of integrating sustainable practices in design of hotels. The commitments for the future are to have almost all of the new hotels as low carbon buildings. Energy and sustainability certification has also shown to reduce operating costs, property risks and increased the value of commercial property by an average of nearly 15%. (ARUP, 2021) These design metrics are also tailored towards the local environmental

requirements. A further breakdown of hotel eligible rating systems in APAC region are included in appendix 2.

For operations, most countries include the following: land use, water, energy efficiency, innovation, waste and materials (Reid, 2017) In several hotel sustainability management practices studies, waste management hierarchy (i.e. 3R strategy) is often adopted (Oriade, 2020) In the categorization of sustainability practices by geographic location, it was observed that urban, coastal and other property types have their practices determined by regional priority and have common focal points such as energy efficiency and water management indicated in appendix 3. To increase internal capacity, sustainability training is also mandated. (Greenview, 2018) The green lodging report also indicates that only 62.7% hotels involve guest to support green initiatives.

Moving on to engagement, stakeholder theory has been considered an appropriate approach for addressing environmental management issues (Stanwick and Stanwick, 1998) and emphasizes the importance of external stakeholders in assessing environmental performance and reporting. For global hospitality chains, the internal stakeholders identified are owners and employees. This is due to control on major activities such as operations and decision-making regarding policy implementation. The external stakeholders are customers, suppliers, consultants, local governments, hotel associations, NGO's and the wider community influencing through preferences, regulations and energy efficiency audits. The most significant strategies for gaining support of internal stakeholders include the highlighting of improved Return on Investment (ROI) and company image. The implementation of carbon footprint reduction programmes and assigning representatives increase effectiveness levels. For external stakeholders, tours regarding green hotel attributes, lobbying and knowledge assets are the main components utilized (Chan,2020). The most significant strategies are also expanded on appendix 4.

For the consumers, operationalizing green awareness requires hotels to consider important dimensions of consumers' environmental concerns, awareness of green products, and brand image. (Oriade, 2020) Sustainability awareness in large hotel groups is connected to the organizational culture and is mainly influenced through the management practice found by the theoretical model indicated in appendix 5.

The most commonly reported indicators for global hotel chains in GRI reports are community assessment, skill development supply chain engagement. This showcases a lack of reporting efforts regarding commitments in natural capital preservation and biodiversity value. For monitoring and disclosing, the most commonly disclosed climate risks in CDP responses recorded were Emissions Reporting Obligations, Product Efficiency Regulations, Carbon Taxes and Cap and Trade Schemes (World Travel and Tourism Council,2020)

The industry price differentiation criteria include the physical attributes (e.g., facilities and amenities), location-specific attributes, reputation (Gao,2020) and highlight that mitigation of physical and transition risk is crucial in order to maintain the competitive advantage impacting pricing advantages for global hotel groups. The literature review regarding regulatory and policy perspectives can be found on appendix 6.

1.1) RATIONALE:

The business case for adoption of responsible ESG strategies in luxury hotel chains can be supported through:

Cost Effectiveness – The accommodation of best ESG practices can help in reducing costs throughout the value chain by choosing sustainable technologies and resources in design, operations and management processes. By responsibly structuring an ESG strategy, hotels can include options that reap dual benefits of reducing the three scopes of emissions and operating costs. According to ENERGY STAR®, "energy represents the single fastest-growing operating cost in the hotel industry." (Esper,2021) By working towards green built environment certifications, changing of lighting/water management options, and utilizing optimal waste management strategies, a hotel can build long term enterprise value. A sustainable building is at least 20% more resource efficient, which reduces utility costs. Sustainability upgrades have a typical payback period of less than one year in utility savings for new builds and from one to ten years for retrofits (Sustainable Hospitality Alliance, 2020) A sustainable global hotel chain can significantly boost profits through utility savings. Effectively, appendix 7 showcases a 5.39% weighted average reduction in GHG emissions per square meter for a case study of 2824 hotels deploying such strategies. (Ricaurte,2020) In the case study of ITC Rajputana, Jaipur, India, the USD 100,000 project significantly offset carbon emissions for the hotel, resulting in annual savings of USD 25,000 and a 4-year payback period. (Sustainable Hospitality Alliance, 2020)

Risk Management – Due to the extensive supply chains and footprints of global luxury hotel groups, they are exposed to many physical and transitional risks. The physical risks could incur through extreme weather event possibilities. The transition risk can occur through ever-changing policy as well as investor preferences in different locations. The tail risk of hotel groups increases with vulnerabilities linked to fluctuating land use and food sufficiency patterns in the global south. (OECD, 2021) According to Sustainalytics, groups such as Accor, Hyatt, Marriott and other industry competitors have a medium ESG risk and high exposures (Sustainalytics, 2020). Through a robust ESG strategy, a hotel group can effectively manage risks by creating internal policies and addressing them through appropriate mitigation actions. Hotel chains can increase revenue by building consumer awareness, reducing reputational risk and also shield themselves from regulatory risk.

Expanding Consumer Market and Gaining a Competitive Advantage – With changing consumer behavior and the increasing willingness to protect the environment, a global hotel chain can tap into new markets of emerging eco tourists. Hoteliers realize that the guest experience can be enhanced by the integration of natural elements. The global ecotourism market is projected to reach US\$ 333.8 billion by 2027 and also has low price sensitivity. (Statista,2021) Having a green certification allows hotels to draw these ecologically-minded guests to their locations.

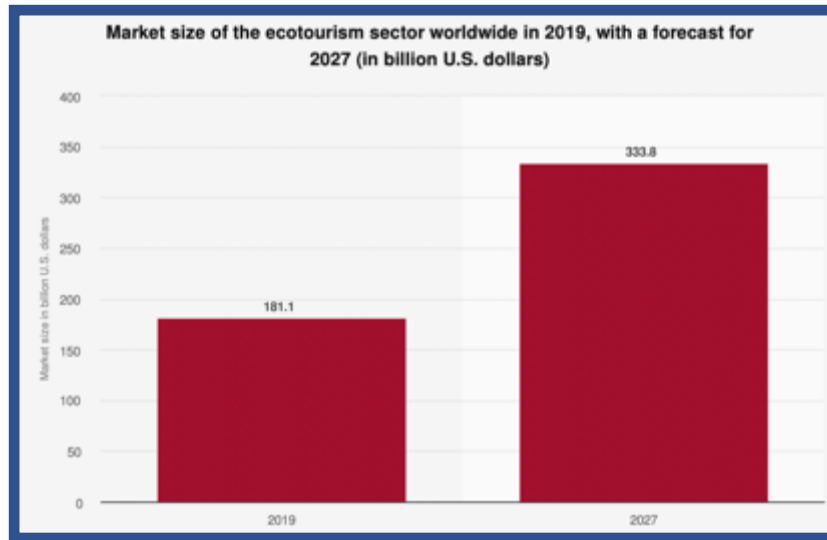


Diagram 1: 2027 Market Size Forecast for Eco Tourism Worldwide
Source: Statista, 2021

Increase Investment Opportunities - In terms of financing new commercial developments, green loans are becoming much more commonplace, as investors move towards their individual sustainability targets. (Arthur, 2021) Ensuring their alignment with the latest sustainability requirements would provide credible evidence for government schemes and investment opportunities from various stakeholders at different time periods and phases of operation. These benefits can include tax write offs for green buildings, grants and premium discounts. Investing in hotel portfolios with strong environmental, social and governance (ESG) metrics mitigates future risk to revenue and opens doors to green finance mechanisms such as ESG-linked loans and green bonds created by financial institutions (e.g., IFC), banks and REITs. IFC has financed almost \$1 billion in green hotels. (Sustainability Hospitality Alliance, 2020). Other benefits such as human capital retention and sustainable resource utilization are included with detailed case studies on appendix 8.

2. DATA & METHODOLOGY:

The research regarding identification of core pillars of ESG strategy in global hospitality chains has been holistically structured to cover various components of current landscape, obstacles, green transition and future looking innovative frameworks. The scoping of the research covers global hospitality chains exclusively. The approach of the research is grounded in academic and practitioner findings. The primary data collection was conducted through interviews. The interviews were with senior practitioners in organizations such as Taj Group, Marriott Hotels, Soneva Group and Hilton group of hotels. All names and positions of the valuable Interview Insights are included in the appendix 9.

The secondary research covered academic, practitioner and business-related research. Innovative tools such as carbon measurement initiatives were used from organizations such as Sustainability Hospitality Alliance. The critical evaluation on the managerial theme is intended to strengthen the existing literature and guide future research in the dimension

The research was supported by the following analysis methods:

Benchmarking ESG analysis of global hospitality group's value chains - The ESG Analysis conducted included a holistic and detailed review of **26,811 properties by 8 major hotel groups**. It had a holistic lens on the value chain and included the elements of design, operations, management actions, external communications and investment & offsetting opportunities. Best practice and strategy methods were identified in all mentioned categories. Sections of the analysis can be found on appendix 10.

ESG Strategy Integration and management Analysis – To identify the methods utilized for ESG integration through choice of metrics. The analysis table leverages the HSBC Leading Change Framework and the McKinsey 7S Framework in order to understand the level of ESG integration by global hotel chains. The prioritized metrics in the analysis leverage the hard and soft elements to observe the transformation of organization through strategic changes. Through the corporate purpose and strategy metrics, it is intended for a global chain to achieve a sustained competitive advantage. The systems metrics ensure the focal areas of decision-making consideration of the triple bottom line. The soft internal elements target towards increasing the internal capacity of ESG integration through enhancement of skills, shared values and a unique approach style. The analysis can be found on appendix 11.

SWOT Analysis – Identified and filtered strengths, weakness, opportunities, threats of deployed ESG strategies by hotel chains to systematically design recommendations

3. ANALYSIS & DISCUSSION:

3.1) ESG Benchmarking Analysis:

Overarching Observations:

To combat the vast variety of exposures and different hierarchical structures, the global hotel chains launch comprehensive programmes and ESG frameworks in order to prioritize the main issues in their value chains and analyze strategic position, choices and actions. This overarching framework has a link with the overall group philosophy and vision statements. It also has a Sustainability/Responsibility Committee to govern the wide horizon of activities covered. In terms of reporting, forests and encompassing biodiversity preservation are the most neglected components with all CDP ratings as F or not reported. Further, SDG Goal 12 (responsible consumption and production) – is the most prioritized material goal identified in the analysis due to the various stakeholders involved in the global chain such as suppliers and consumers.

Design:

Beginning with the findings in the design phase, the main interventions are environmental and connect to the scope 1 and scope 2 emissions of the hotel groups. The driving motivator is cost efficiency and has materiality due to the direct impact on ESG commitments. Multiple retrofits are mainly targeted towards reduction in energy usage such as building envelope for efficient insulation, LED lighting fixtures, monitoring sensors and upgrades on HVAC for the existing properties which account for 80% of the building stock of the various global hotel groups. The scoping of the boundary of design phases includes corporate offices, owned, managed and franchised properties. Due to reduced accountability and control of the group, there are less interventions in the franchised properties.



Diagram 2: Accor's green transition case on design

Source: Accor, 2021

Operations:

Moving to the operations phase, the majority of energy usage and GHG emissions comes from franchised hotels that historically have not been counted within most brands' current inventories in line with the findings of Sustainable Hospitality Alliance. The main environmental metric utilized is Carbon Per Occupied Room (CPOR). Additionally, % of renewable energy, % reduction in water and % reduction in waste intensity act as the three performance evaluation levers that further contribute towards meeting of targets and strategy alignment. Single use plastic elimination has also been a top priority for all hotels in the analysis as they were a part of target setting, policy formation and actions by management.

The main actions include amenity transition from individual bath toiletries to full size dispensers to reduce amount of plastic or move to biodegradable options. The food operations also included various gateways for ESG integration around sourcing, menu design, biodiversity preservation and waste management, making it one of the most essential levers of change.

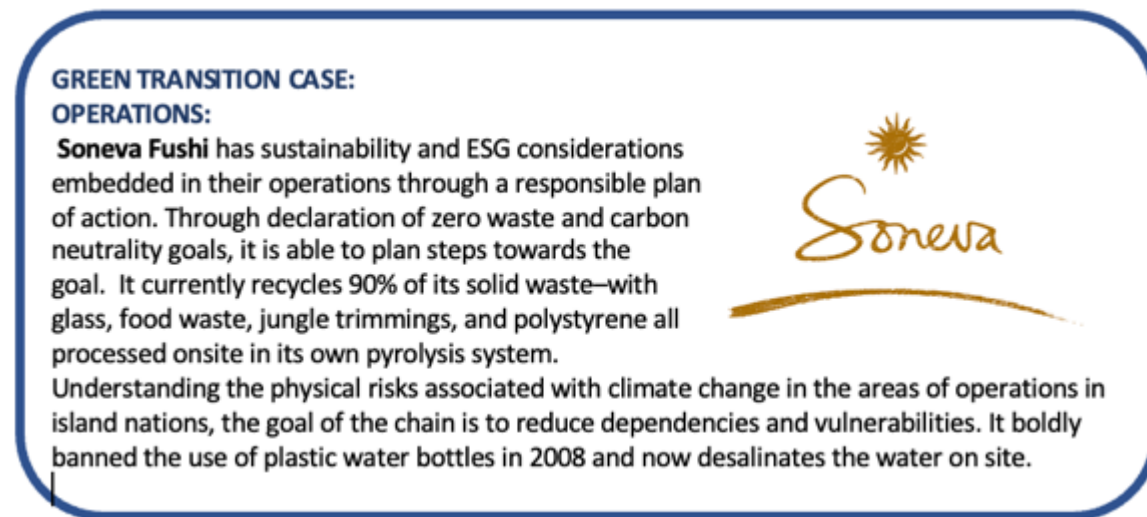


Diagram 3: Soneva's Green Transition of Operations

Source: Soneva, 2021

Further green transition cases around the value chain can be found on appendix 12.

External Engagement and Communications:

Global hotel chains are extremely dependent on the consumer/guest behavior and actions for impactful changes. Here the functioning of large corporate clients and meeting divisions have a significant role to play. Eco designed meeting rooms, carbon optimizers for seminar footprint creates a competitive advantage for large business opportunities. Further, participation in industry initiatives guide the actions of global chains and are considered to be a significant lever of change in addition to the legal frameworks.

The findings further indicated that partnerships allow leveraging of resources and correct implementation of action plans. The most prioritized partnerships are with NGO's and academic institutions. As guest's reciprocation is extremely important, it is essential to have an independent comprehensive feedback measuring tool designed to help evaluate guest satisfaction

dynamically. Innovative communication tools for guest engagement also included the employee trainings, signposting and marketing strategies that interact with the guest experiences in common areas such as pools, spas and restaurants.

Investment and Carbon Offsetting Opportunities:

The major investment engagement is in various dimensions of social impact. It acts as a supporting mechanism and enabler of infrastructure building for divisions in emerging markets and island nations. For offsetting emissions, tree Planting is the most highlighted environmental investment by the hotel chains.

Investment actions are intended to increase internal ESG awareness of employees, biodiversity preservation and the development of sustainable trip for its customers. There is a lack of formal interaction with the offsetting of residual emissions and commitment towards the innovation technology due to reduced accountability of scope 3 emissions and franchised properties. The lack of net zero commitments in the field also creates more scope for resource efficient hospitality startups.

Regulation:

Regulatory pressure has a significant impact on the ESG position of global hotel chains in the area of operations. Strict regulatory requirements have a positive impact in areas of waste management with examples such as ban on single used plastics. It strengthens the commitments of hotel chains and positively adds to their voluntary ESG commitments. It is an important lever to focus on for emerging markets and exotic island nations that are dependent on natural resources for their survival.

Interview Insights regarding importance of regulation:

“The need for local and global regulation alignment is essential in the advancement of ESG in the industry. I have observed that local regulations are a more significant driver than voluntary actions. This is because many franchised hotels in the group with varied ownerships are required to adhere to a legal framework”

“The presence of global chains in emerging markets hampers the sustainability agenda of global chains as emerging markets in developing countries would not have the internal capacity to implement the set targets. The lack of transparency and knowledge on issues such as disposal and waste management also question the impact that has been created.”

3.2) ESG Strategy Integration and Management Analysis

Positive Areas Identified:

The analysis conducted reveals that the sample hotel groups showcase a positive incorporation of ESG considerations in the corporate strategy. For leadership, there is a significant focus on C suite involvement in the execution of the strategy. There is a highlight on the recruiting and training in order to align future human capital with the objectives of the group.

Negative Areas Identified:

The analysis revealed that groups do not focus enough on the links between financial benefits and ESG integration in the strategy. There was a lack of participation in the creation of a business case for sustainability through industry collaborations. By not providing a rationale, many hotel stakeholders are not convinced regarding the feasibility and profitability of the actions. Further, most of the hotel groups do not highlight a clear connection between the value chain actions and impact on financial planning. The lack of recognition of management on the connection between financial profitability and ESG integration is a barrier for future investments. Lastly, there is more scope to increase the internal capacity of the group's human capital by linking ESG actions to the pay structures of the management as well as the wider workforce.

3.3) SWOT Analysis:

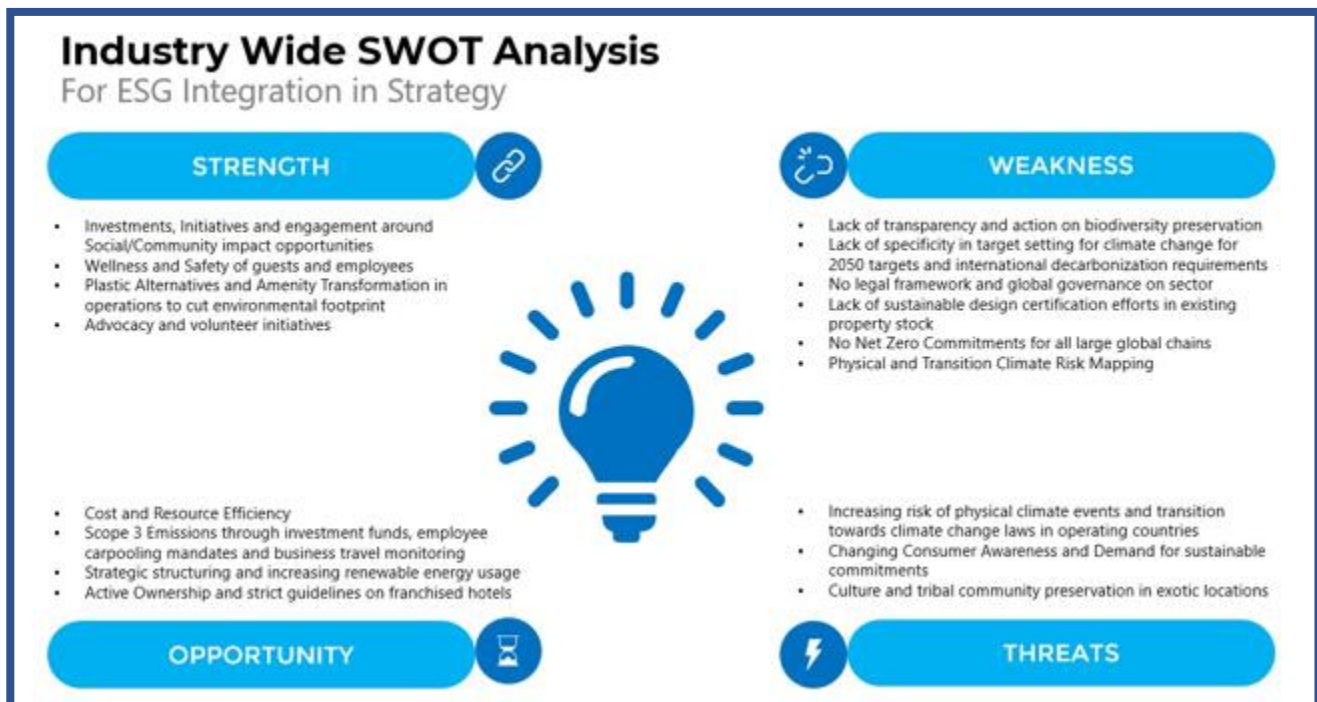


Diagram 4: SWOT Analysis of Industry Wide ESG Integration

4. RESULTS AND RECOMMENDATIONS:

The recommendations based on the three analysis methods are structured to guide the efforts of future proofing the business model. For valuable impact creation, the scoping of the recommendations are for global hotel groups with inefficient ESG elements and for the improvement of hotel management actions to address the weaknesses and take advantage of future opportunities. The ESG strategy planning framework highlights the 3-stage pathway of ESG integration in the group's strategy. For enhanced decision making, there are specific recommendations for overarching management actions and the identified components of the value chain showcased in the diagrams below

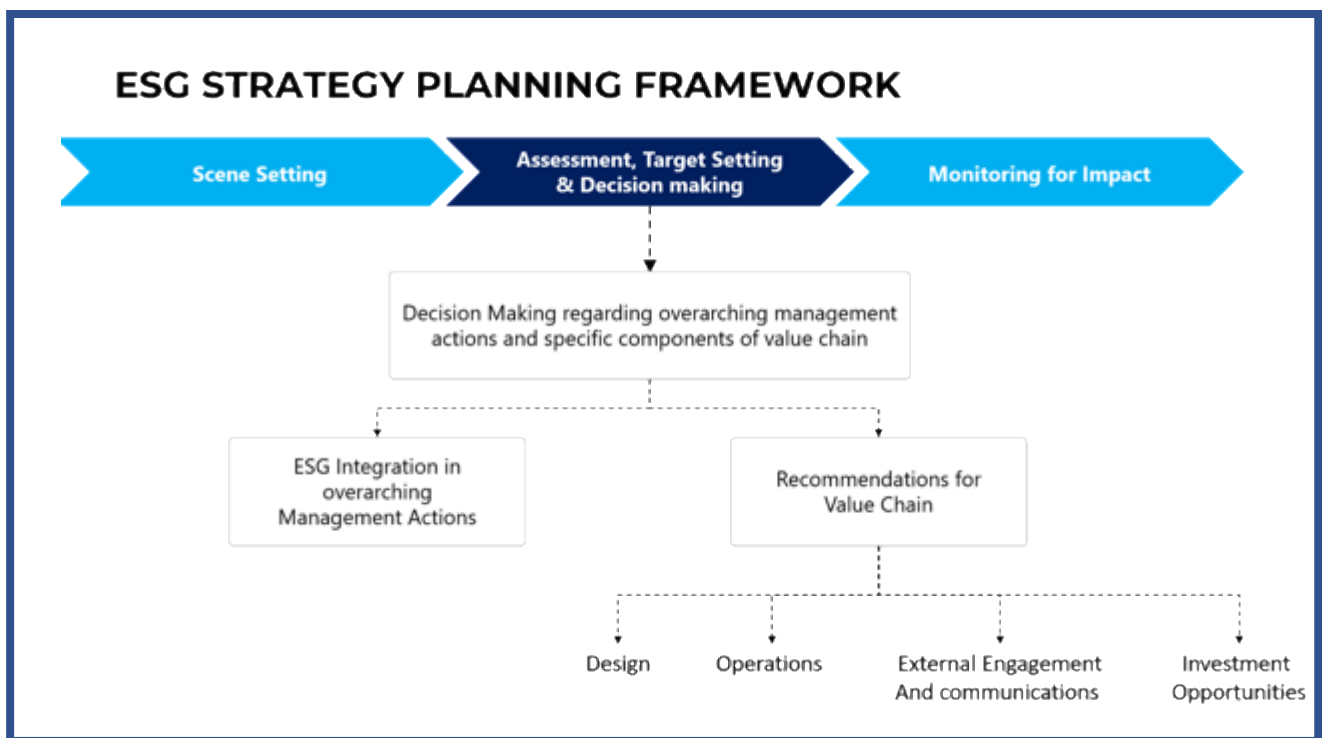


Diagram 5: ESG Strategy Planning Framework

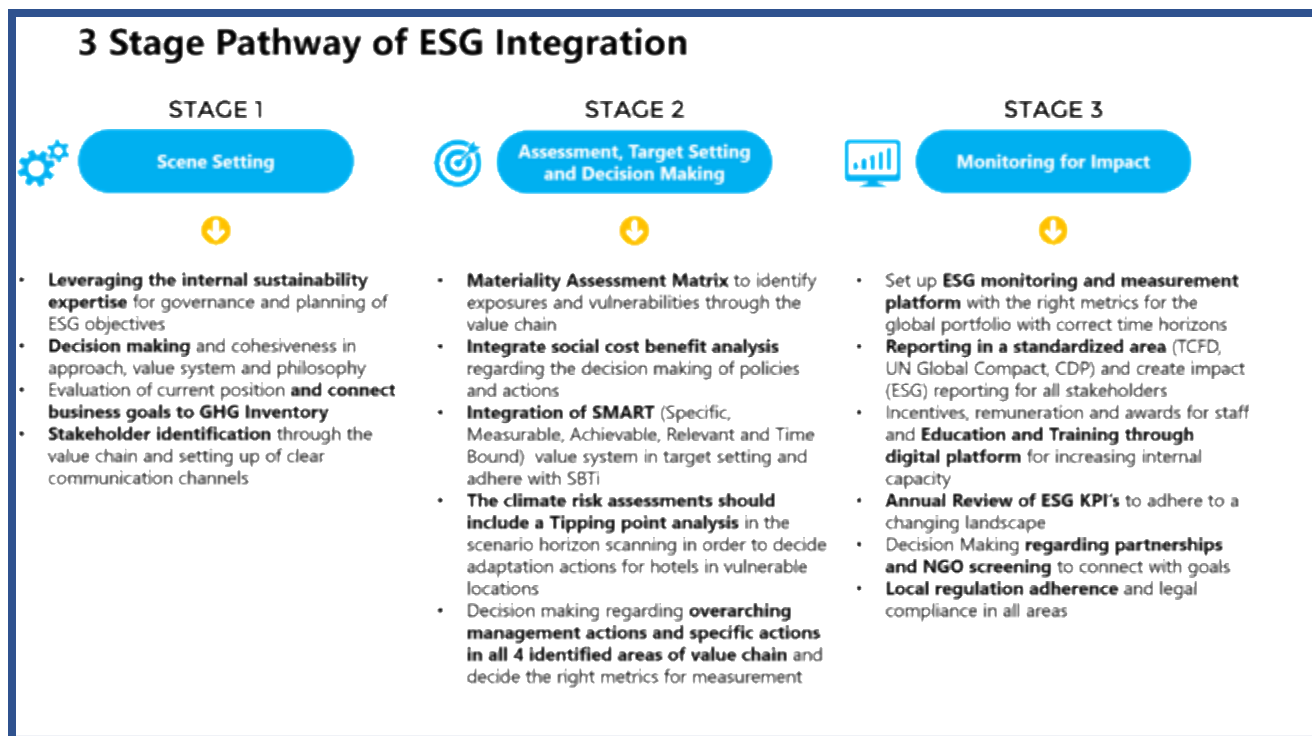


Diagram 6: 3 Stage Pathway of ESG Integration

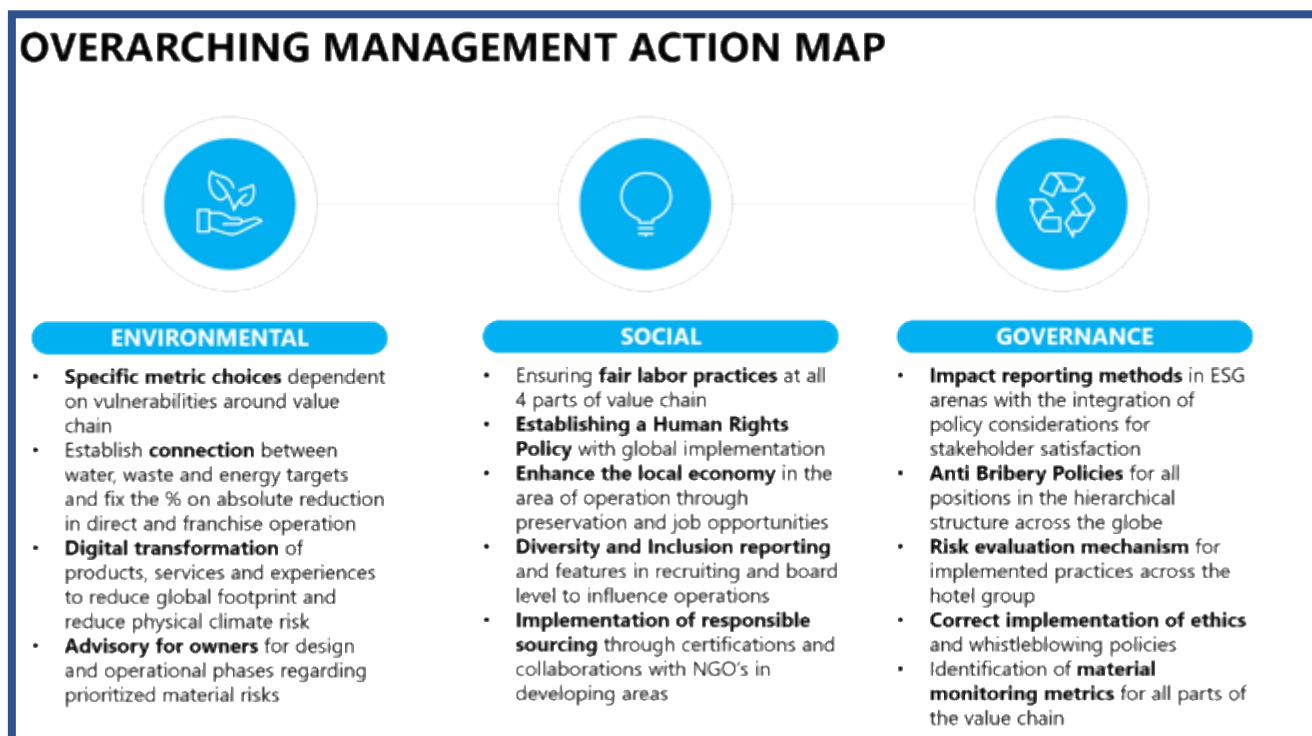


Diagram 7: Overarching Management Action Map

Global Policy Impact on ESG Consideration:

Due to the global footprint of the hotel chain, it is important for hotels to understand the policies impacting globalization such as imposition of tariffs, immigration policies and capital controls. Such policies also have an impact on various parts of the value chain such as operations and investments through the trade of goods, services and international labor markets. There has to be an inbuilt ESG consideration by the responsible committee to ensure social welfare considerations in interactions with the international labor markets. Other recommendations include avoidance of carbon leakage and reduction of dependency on imports through local sourcing in area of operation (Gambhir, 2020)

4.1) Recommendations for Value Chain

Design:

AREA OF ACTION	RECOMMENDATION
ENVIRONMENTAL	Determination of standardized environmental guidelines that can be accommodated in corporate offices, owned, managed and franchised properties. This would include selection of retrofits to increase energy efficiency and low carbon targets for greenfield properties.
	Create policies to encourage climate stress testing through determination of scenarios, assignment of possibilities and combining historical information in order to determine requirements for adaptation mechanisms.
	Aggressive certification (LEED, BREEAM) and zero carbon targets in ALL owned properties and corporate offices for increased credibility and scope 1&2 emission mitigation.
	Biodiversity and ecosystem analysis- should be considered in order to systematically understand material vulnerabilities and determine adaptation actions for the flora and fauna in the tourist location.
SOCIAL	Focus on inclusive design for enhanced experiences by differently abled people in all hotels.

Table 1: Design Recommendations

Operations:

AREA OF ACTION	RECOMMENDATION
ENVIRONMENTAL	Selection of room amenities that can reduce plastic consumption and establishment of policies that avoid the usage of single used plastic.
	Create carbon neutral meeting offerings for corporate clients by offsetting meeting footprint through investment in carbon credits in prioritized partnerships.
	Scope 3 emissions from employee actions can be reduced through policy creation around business travel as well as commute routes. This can be done through creation of rules around carpooling and utilization of EV shuttle buses for employees.
SOCIAL	Educate guest facing employees about the sustainable commitment of the hotel in order to encourage positive behavior change and sustainable consumption of room amenities to enhance guest experience.
	Create remuneration and incentive structures around meeting of social and guest wellbeing targets for client facing employees.

Table 2: Operations Recommendations

A list of advanced environmental practices in the dimensions of energy, water and waste management are included in appendix 13 with the categorization of ESG elements in global hospitality chains.

Engagement:

AREA OF ACTION	RECOMMENDATION
ENVIRONMENTAL	Organization of internal and external programs such as environment donation days for guests and awareness raising programmes for employees followed globally. Utilize various green marketing channels and knowledge assets that create awareness amongst the guests to understand the commitment of the hotel towards sustainable operations. Utilization of green advertising slogans focused on the hotel's characteristics.
	Integrate green experiences with customer delight to boost eco-tourism value and increase competitive advantage through differentiation in hotel offerings.
	Partnerships and collaborations focused on green consumer demographic to target the emerging prospects in market.
SOCIAL	Identification of Community Support Champions at corporate office, owned, managed and franchised properties for incentivizing best practice. This can be done through utilization of surveys based on Individual Social Material (ISM) Model that identifies opinion leaders through their values and actions (Darnton and Horne, 2013)
GOVERNANCE	Set up scorecards and connect guest experiences with ESG components of the hotel in order to synergize the guest satisfaction levels with sustainable choices in operations and staff interactions.
	Categorize the engagement methods in accordance with the prioritized SDGs of the hotel group
	Connect to financial impact by showcasing ESG action results on revenues, expenditures, assets and liabilities

Table 3: Engagement Recommendation

Investment:

AREA OF ACTION	RECOMMENDATION
ENVIRONMENTAL	Enable guest reward programs to offset their emissions of the stay and offer carbon credits to customers.
	Balance the investments towards adaptation and mitigation actions for capacity building of associated communities.
	Green Bond Issuing in collaboration with financial services companies for professional institutional investors in accordance with the principles of the International Capital Markets Association (ICMA) with a fixed time horizon, amount and interest rate aligned with the budget requirements.
	Divest from industries that utilize single use plastics, exploit endangered species and are against the determined ethics and values of the group.
SOCIAL	Identify the vulnerable communities and prioritized locations throughout the value chain for funding social impact projects. Areas affected by physical crisis should be prioritized in the process.
	Initiate economic and social change through investment in programmes that increase the internal capacity through skill enhancement, training and innovation.
GOVERNANCE	The governance of the Environmental and Social Impact Fund created by the hotel group should be started by the setting of the correct investment criteria and appropriate rate of return.
	<p>The structure of the fund should be differentiating between the grants and ROI. Technology innovation and resource efficient hospitality startups should be considered in the process.</p> <p>Mitigation options and low carbon investments include engagement with DACS, BECCS, Renewable Energy and Afforestation.</p> <p>Set the appropriate metrics for environmental and community impact projects with appropriate choices regarding Technology Readiness Levels (TRL's) and supplier emission factors for investments. (NASA, 2021)</p>

Table 4: Investment Recommendation

5. CONCLUSION:

In the literature review, the global hospitality chains significantly emphasize the harmony between ESG element integration and financial performance for the satisfaction of all identified stakeholders. It further highlighted the systemic nature of issues such as monitoring, standardization, owner operator distinction and the varied tapestry of implementation and practice. It is important for the ESG actions and reports to avoid tick boxing exercises and strategically work on prioritized vulnerabilities in order to create industry wide change.

Identifying the crucial roles of leadership, value chain analysis and the deconstruction of ESG strategies, the three analysis methods revealed the knowledge barriers and areas with limited action. Through green transition cases and secondary research, the paper also attempts to identify best practice in all four elements of the value chain and create opportunities in emerging low carbon, socially just future scenario possibilities. The limitations associated with the research are also elaborated in length in appendix 14.

In the creation of the above recommendations, the ESG strategy planning framework attempts to navigate a coherent pathway and provide knowledge assets to structure an ESG strategy that significantly improves internal capacity and organizational culture to gain a competitive advantage. It further aims to include important climate metrics in environmental considerations and make decisions according to science-based targets. Lastly, it strives to create systemic changes that allow standardization and monitoring of impact creation for a more sustainable future. Academically, further research can aim to incorporate relevant elements in the ESG strategy framework with the changing regulatory and consumer landscape. There can also be awareness building in the corporate environment regarding the utilization of ESG strategy frameworks by senior practitioners.

6. REFERENCES

(In Text and Appendix)

In Text

1. Statista, (2021), “*Hotel Industry Worldwide*”, Hotel Management ID 197689, Statista
2. Fortune Insights, (2021), “*Luxury Hotel Market Size, Share & COVID-19 Impact Analysis, By Room Type (Luxury, Upper-upscale, and Upscale), Category (Chain and Independent), and Regional Forecast, 2021-2028*”, Fortune Business Insights, Report ID: FBI104408
3. Huang, Wang et al. (2015), “*Analysis and benchmarking of greenhouse gas emissions of luxury hotels*”, International Journal of Hospitality Management
4. Greenview, (2018), “*Green Lodging Trends Report 2018*”, Greenview Publication Singapore
5. Melissen et al. (2016), “*Sustainability challenges and opportunities arising from the owner-operator split in hotels*”, International Journal of Hospitality Management
6. ARUP, (2021), “*Transforming Existing Hotels to Net Zero Carbon*”, Schneider Electric, Gleeds, IHG Hotels
7. Reid, Johnston et al. (2017), “*Coastal resorts setting the pace: An evaluation of sustainable hotel practices*”, Journal of Hospitality and Tourism Management
8. Oriade, Osinaike, et.al, (2020), “*Sustainability awareness, management practices and organizational culture in hotels: Evidence from developing countries*”, International Journal of Hospitality Management
9. Chan, (2020), “*Influencing stakeholders to reduce carbon footprints: Hotel managers’ perspective*” International Journal of Hospitality Management
10. World Travel and Tourism Council, (2020), “*Environmental, Social and Governance Reporting in Travel and Tourism – Sustainability Reporting in Travel and Tourism*”, WTTC
11. Gao, (2020) “*Effect of Price Change Alert on Perceptions of Hotel Attribute-based Room Pricing (ABP) versus Traditional Room Pricing (TRP)*”, International Journal of Hospitality Management
12. Esper, (2021), “*Tuning into Energy Efficiency: 6 important energy management questions hotel owners and investors should be asking*”, RHT Advisory Inc.
13. Ricaurte, (2020), “*Hotel Sustainability Benchmarking Index 2020: Carbon, Energy, and Water*”, Cornell University School of Hotel Administration
14. Sustainable Hospitality Alliance, (2017), “*Global Decarbonization Report*”, Greenview, Responsible Hospitality
15. OECD, (2021), “*Challenges and opportunities for the global food system - Opportunities and threats for agriculture*” OECD Organization, Available From: <https://www.oecd.org/agriculture/understanding-the-global-food-system/opportunities-and-threats-for-agriculture/> [Accessed: August, 2021]
16. Sustainalytics, (2020), “*Company ESG Rankings - Hospitality Industry - Industry Group - Consumer Services*”, Morningstar, Available From: <https://www.sustainalytics.com/esg-rating/hyatt-hotels-corp/1020981910> [Accessed: August, 2021]
17. Arthur, Hickey et al. (2021), “*Hotel Market Insights: UK investment overview, hotel finance and ESG*” Savills, Available From: https://en.savills.nl/research_articles/251487/316660-0 [Accessed: August, 2021]

18. Sustainable Hospitality Alliance, (2020), “*Business Case for Sustainable Hotels*”, IFC, World Bank Group
19. Gambhir, (2020), “*Business Economics, Climate Change and the Environment Module*”, Imperial College Business School

Appendix

20. Alonso-Almeida et al., (2017), “*Revisiting green practices in the hotel industry: A comparison between mature and emerging destinations*”, Journal of Cleaner Production
21. Cundy, (2021), “*Hotel Chains Struggle to meet Green Targets*”, Financial Times, Available From: <https://www.ft.com/content/7b85f920-fa9e-40a5-b0cc-a762226ddcfd> [Accessed: August, 2021]
22. Accor Food Charter, (2020), “*Our 9 Commitments by End of 2020 for healthy and sustainable food*”, Accor
23. CDC Investment Works, (2021), “*ESG Toolkit*”, CDC
24. Pereira, Silva, (2021), “*Sustainability Practices in Hospitality: Case Study of a Luxury Hotel in Arrábida Natural Park*”, MDPI
25. India Brand Equity Foundation, (2021), “*Tourism and Hospitality - Advantage India*”, IBEF Organization, India
26. Accor, (2015), “*What are the links between business and CSR performance for Accor Hotels’s strategic and key B2B accounts*”, Accor Planet 2021 Research
27. Hilton Honors, (2019), “*2018 Corporate Responsibility Report - Lightstay*”, Hilton
28. Sustainable Hospitality Alliance, (2020), “*Hotel Carbon Methodology Initiative - HCMI Toolkit*”, World Travel and Tourism Council, SHA
29. Center for Hospitality Research, (2020), “*2019-2020 Year in Review*” Cornell University School of Hotel Administration
30. PWC, (2019), “*Sustainability and Climate Change Case Study - Hotels Limited Activity Pack*”, PricewaterhouseCoopers LLP
31. WWF, (2010), “*Towards the Business Case for Sustainable Hotels in Asia*”, Howwarth HTL and HICAP
32. Hui, Chen, (2020), “*Does Sustainability Index matter to the hospitality industry?*”, Tourism Management
33. Booking.com, (2020), “*Industry Perspectives - Why carbon-offset schemes make sense for accommodation providers*”, Booking.com Partner Hub, Available From: <https://partner.booking.com/en-gb/click-magazine/why-carbon-offset-schemes-make-sense-accommodation-providers> [Accessed: July, 2021]
34. MGM, (2021), “*Sustainability at Aria*”, MGM Resorts
35. Ministry of Tourism, (2021) “*The Maldives Tourism Act - 10th Amendment*”, Republic of Maldives, Law No. 2/99
36. Martin’s Hotels, (2021), “*Martin’s Hotels offsets the carbon emissions of events organized in its hotels, making them carbon neutral*”, Martin’s Hotel Group

6.1 ANALYSIS REFERENCES

- 1) Hilton Worldwide, (2019), “*Travel with Purpose - 2019 Corporate Responsibility Report*”, Hilton Corporation Report Publication
- 2) Hilton Worldwide, (2020), “*Travel with Purpose - 2020 Corporate Responsibility Report*”, Hilton Corporation Report Publication
- 3) Marriott International, (2020), “*2020 Serve 360 Report – Sustainability and Social Impact at Marriott International*”, Marriott Corporate Responsibility
- 4) Hyatt, (2021), “*Corporate Responsibility at Hyatt*”, World of Hyatt, Available From: <https://about.hyatt.com/en/hyatt-thrive/our-planet.html> [Accessed: July, 2021]
- 5) Kempinski Hotels, (2020) “*Sustainability and Corporate Responsibility*”, Kempinski Hotels S.A.
- 6) Indian Hotels Company Limited, (2020) “*Towards Reshaping our Common Future – IHCL Sustainability Report*”, IHCL Data
- 7) Accor, (2021), “*Planet 21 - Acting Here*”, Accor Live Limitless
- 8) Shangri La Group, (2020), “*Sustainability Report 2019*”, Shargri La Stock Code 69
- 9) Intercontinental Hotel Group, (2020) “*On a journey towards a better future – Responsible Business Report 2020*”, Intercontinental Hotels International Hotels and Resorts
- 10) Soneva Hotel Group, (2019) “*Soneva Total Impact Assessment Report 2018*”, Soneva
- 11) Carbon Disclosure Project, (2020), “*Hilton Climate Change 2020*”, Available from CDP Portal
- 12) Carbon Disclosure Project, (2020), “*Hilton Forests 2020*”, Available from CDP Portal
- 13) Carbon Disclosure Project, (2020), “*Hilton Water Security 2020*”, Available from CDP Portal
- 14) Carbon Disclosure Project, (2020), “*Marriott International Climate Change 2020*”, Available from CDP Portal
- 15) Carbon Disclosure Project, (2020), “*Marriott International Forests 2020*”, Available from CDP Portal
- 16) Carbon Disclosure Project, (2020), “*Marriott International Water Security 2020*”, Available from CDP Portal
- 17) Carbon Disclosure Project, (2020), “*Intercontinental Hotels Group Climate Change 2020*”, Available from CDP Portal
- 18) Carbon Disclosure Project, (2020), “*Intercontinental Hotels Group Forests 2020*”, Available from CDP Portal
- 19) Carbon Disclosure Project, (2020), “*Intercontinental Hotels Group Water Security 2020*”, Available from CDP Portal
- 20) Carbon Disclosure Project, (2020), “*Shargri La Climate Change 2020*”, Available from CDP Portal
- 21) Carbon Disclosure Project, (2020), “*Shargri La Forests 2020*”, Available from CDP Portal
- 22) Carbon Disclosure Project, (2020), “*Shargri La Water Security 2020*”, Available from CDP Portal
- 23) Carbon Disclosure Project, (2020), “*Hyatt Hotel Group Climate Change 2020*”, Available from CDP Portal

- 24) Carbon Disclosure Project, (2020), “*Accor Climate Change 2020*”, Available from CDP Portal
- 25) Carbon Disclosure Project, (2020), “*Accor Forests2020*”, Available from CDP Portal
- 26) Carbon Disclosure Project, (2020), “*Accor Water Security 2020*”, Available from CDP Portal

6.2 DIAGRAMS

- 1) Statista, (2021), “*2027 Market Size Forecast for Eco Tourism Worldwide*”, Hotel Management ID 197689, Statista
- 2) Accor, (2021), “*Planet 21 – Sustainability in Our Building and Processes*” Accor Live Limitless
- 3) Soneva, (2021), “*Soneva’s 2019 Sustainability Achievements*”, Soneva Group, Available From: <https://soneva.com/soneva-looks-back-at-its-sustainability-achievements-from-2019/> [Accessed: July, 2021]
- 4) SWOT Analysis of Industry Wide ESG Integration – Self Produced
- 5) ESG Strategy Planning Framework - Self Produced
- 6) 3 Stage Pathway of ESG Integration – Self Produced
- 7) Overarching Management Action Map - Self Produced

6.3 TABLES

- 1) Table 1 – Design Recommendation – Self Produced
- 2) Table 2 – Operations Recommendation – Self Produced
- 3) Table 3 – Engagement Recommendation – Self Produced
- 4) Table 4 – Investment Recommendation – Self Produced
- 5) Darnton and Horne, (2013), “*Influencing Behavior – Moving beyond the individual -A User Guide to the ISM Tool*”, The Scottish Government
- 6) Love, (2021). “*Sustainability Management and Strategy Module*”, Imperial College Business School
- 7) NASA, (2021), “*Technology Readiness Levels*”, NASA Missions, Available From: https://www.nasa.gov/directorates/heo/scan/engineering/technology/technology_readiness_level [Accessed: August, 2021]

7. APPENDIX

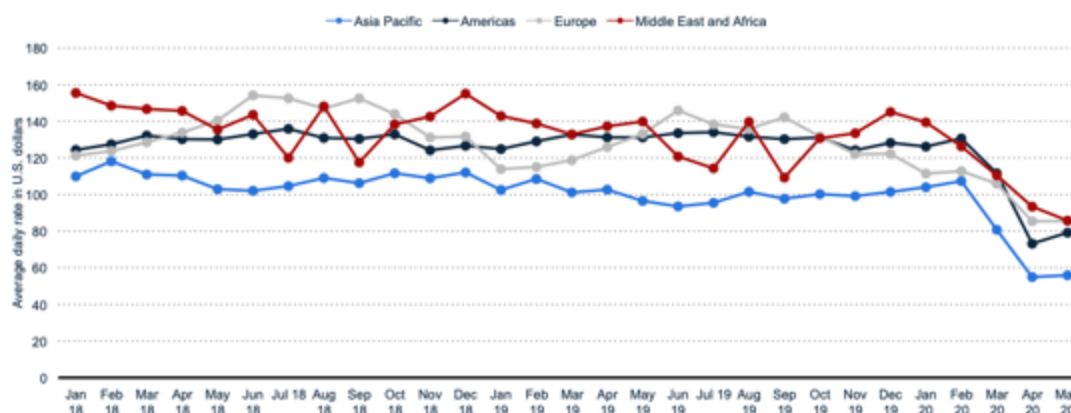
APPENDIX 1: Obstacles involved in ESG Strategies of global hotel chains

Source: (Statista, 2021), (Cundy, 2021), (Melissen, 2016)

- a) **Combining luxury experiences with sustainability** – With the rise of alternative lodging such as Airbnb, global Hospitality chains leverage the resources of the environment in order to provide extravagant offerings in order to gain a competitive advantage over the industry rivals.
- b) **Monitoring and Standardization** – The sustainability strategies remain hard to compare because they often use different base years, target years and units of measurement. (Cundy, 2021) This creates opportunities for greenwashing and soft changes in order for large chains to manage reputation risk. It comes as a resistance towards impact creation throughout the value chain. The issue of ESG in the global chains require collaboration by various stakeholders in different locations and due to lack of standardization there is reduced coordination.
- c) **Lack of Education regarding ESG issues** – The broader workforce involved in a global luxury hotel chain creates many knowledge gaps about the targets that have to be met. The ESG strategy would need addressing from different stakeholder actions throughout the value chain. Due to the lack of shared understanding about the main goals, there would be gaps in the actions that are required from responsible parties
- d) **Distinction between Hotel Owners and Operators** – The global luxury hotel chains have a varied tapestry of the ownership structure and creates disruptions in the expectations of design as well as operations in accordance to the budget and willingness to incorporate elements of a determined ESG strategy. In order to maintain a leaner portfolio, the majority (>80%) of the hotels are franchised and create a lack of control for the global chain in terms of implementation of ESG actions and monitoring. The hotel management contract favors control and management over collaboration and engagement and perhaps by its very nature, the management contract can be said to be firmly positioned in the ‘control and manage’ paradigm not conducive to sustainable development. Both operator and owner, in the contract, try to safeguard their financial and economic interests in the property. (Melissen, 2016)
- e) **Varied Implementation and Resource Availability** – The changing landscape regarding sustainability in different regions around the world makes hotel chains accountable for the provision of technology and implementation at the location as well as the global level. Due to the varied availability and feasibility of technology and resources at different locations, there are discrepancies in the management and implementation. The changing sustainability recommendations also provide problems for the early adopters as well as the laggards as it creates issues around disposal of previous technologies or highlights transition risk
- f) **The Drastic Impact of COVID 19** - Even though the pandemic has highlighted the opportunity of crisis management, it has also drained luxury hotels market, human capital, finances and resources. After a virtual standstill by the global crisis, the luxury hotel chains have fiscal survival as a priority. Due to the heavy investments that are required in the sustainability commitments, many decisions have to be reevaluated.

Monthly average daily rate of the hotel industry worldwide from 2018 to 2020, by region (in U.S. dollars)

Monthly average hotel daily rate worldwide 2018-2020, by region



APPENDIX 2: Eligible Asia Pacific Sustainability Rating Systems for Hotels

Source: Reid, 2017

Table 1
Asia-Pacific sustainability rating systems for buildings.

Asia-Pacific Countries submitting applications	Applicable Sustainability Rating Systems	Scheme inception date	Includes hotel evaluations?
Australia	Green Star ¹	2003	Yes
	NABERS (National Australian Built Environment Rating System) ²	2008 (hotel tool)	Yes – existing hotels (energy and water only)
China	Green Building Label	2006	Yes
	Three Star System ³		
Fiji	No system identified		
Hong Kong	BEAM Plus (Building Environmental Assessment Method) ⁴	2009	Yes
		predecessor (HK-BEAM) established 1996	
India	IGBC Rating Systems (Indian Green Building Council) ⁵ and LEEDS	Post 2001	Yes
Indonesia	GREENSHIP ⁶	Draft	Not specified
Japan	CASBEE (Comprehensive Assessment System for Built Environment Efficiency) ⁸	2005	Yes
Malaysia	GBI (Green Building Index) ⁹	2009	Yes
Maldives	No system identified		
Philippines	BERDE (Building for Ecologically Responsive Design) ⁷	2011	Yes
Singapore	Green Mark ¹⁰	2005	Yes
South Korea	KGBC (Korean Green Building Certification) ¹¹	2002	Yes
Sri Lanka	GREEN ¹²	Post 2009	Yes
Thailand	Trees (Thai's Rating of Energy and Environmental Sustainability) ¹³	2012	Yes
Vietnam	LOTUS ¹⁴	2010	Yes

APPENDIX 3: Categorization of sustainability practices by geographical location
Source: Reid, 2017

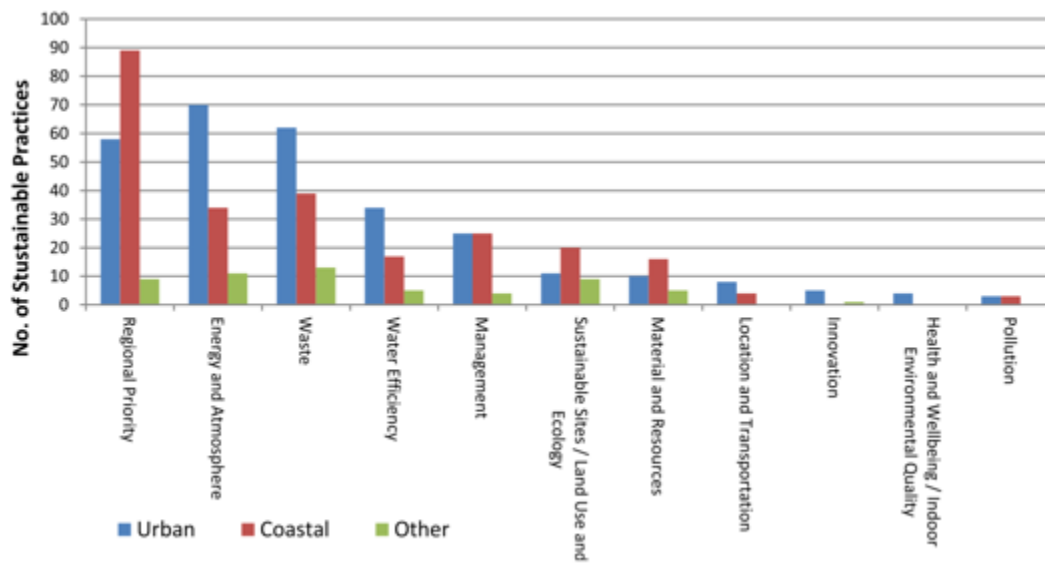


Fig. 3. Categorisation of sustainability practices by geographic location.

APPENDIX 4: Influencing strategies for different key stakeholders

Source: Chan, 2020

Key stakeholder	Influencing strategies	Tactics
Internal stakeholders		
Owners	<ul style="list-style-type: none"> • Generic influencing strategies • Indirect influencing strategies 	<ul style="list-style-type: none"> • Selling benefits • Emphasising the improved image • Focusing on ROI • Focusing on scope 1 – direct emissions and scope 2 – energy indirect emissions
Employees	<ul style="list-style-type: none"> • Generic influencing strategies 	<ul style="list-style-type: none"> • Exchanging information to build up mutual understanding • Informing them of the need through training and staff meeting • Including different boundaries of carbon footprint in environmental training content • Building green culture through orientation • Promising to award good performance
External stakeholders		
Customers	<ul style="list-style-type: none"> • Non-coercive strategies 	<ul style="list-style-type: none"> • Informing them (e.g., via hotel web page or hotel front line staff) of the reasons and need • Placing tent cards and green labels in guest rooms to inform and educate • Arranging green tours to inform them of the hotel's green attributes
Suppliers	<ul style="list-style-type: none"> • Direct influencing strategies 	<ul style="list-style-type: none"> • Requesting to follow company requirements • Working closely to share knowledge, develop activities together and build up mutual trust to reduce indirect emissions
Consultants	<ul style="list-style-type: none"> • Partnership 	<ul style="list-style-type: none"> • Learning their professional knowledge and skills • Asking advice
Hotels/hotel owners' associations	<ul style="list-style-type: none"> • Generic influencing strategies 	<ul style="list-style-type: none"> • Exchanging information • Recommending legislative pleas
Governments	<ul style="list-style-type: none"> • Generic influencing strategies, • Direct influencing strategies 	<ul style="list-style-type: none"> • Lobbying government via hotels/hotel owners' association • Sending request to the government directly • Suggesting government to invest in environmental education to enrich people's understanding of different boundaries of carbon footprint in addition to the support to the hotel industry
Investors	<ul style="list-style-type: none"> • Non-coercive strategies 	<ul style="list-style-type: none"> • Showing the strategies that are implemented to achieve the established environmental goals • Initiating disclosure of environmental performance and liability information via environmental reporting
Environmental NGOs and the wider community	<ul style="list-style-type: none"> • Partnership 	<ul style="list-style-type: none"> • Working together to develop environmental initiatives to achieve a win-win situation and reduce carbon footprint through the reduction of direct and indirect emissions

APPENDIX 5: Connection between Sustainability Awareness and Management Practice

Source: Oriade,2020

Table 4
Hypotheses test.

Hypotheses				Std. Estimate	S.E.	C.R.	P
Combined							
H1	Sustainability Awareness	<—	Management Practice	.43	.09	9.22	***
H2	Organisational Culture	<—	Management Practice	.82	.14	3.50	***
H3	Sustainability Awareness	<—	Organisational Culture	.26	.12	2.29	*
Nigeria							
H1	Sustainability Awareness	<—	Management Practice	.27	.12	2.0	*
H2	Organisational Culture	<—	Management Practice	.82	.09	8.07	***
H3	Sustainability Awareness	<—	Organisational Culture	.48	.13	3.51	***
Ghana							
H1	Sustainability Awareness	<—	Management Practice	.81	.09	2.89	*
H2	Organisational Culture	<—	Management Practice	.77	.14	4.44	**
H3	Sustainability Awareness	<—	Organisational Culture	-.25	.12	-1.19	ns

*** p < 0.001.

* p < 0.05; ns "not significant".

Table 2
The effects of sustainable management on the tourism industry according to previous research.

Impact	Description	Study
Human Resources	Environmental knowledge. Improves employee commitment. Improves employee satisfaction.	Tesone (2004). Pereira-Moliner et al. (2012). Bagur-Femenias et al. (2013)
Internal	Improves environmental performance. Cost reductions.	Meade and Pringle (2001); Álvarez-Gil et al. (2001) Blanco et al. (2009); Alonso-Armeida (2012); Llach et al. (2013); Perramon et al. (2014).
External	Improves financial performance. Improves image. Stakeholder satisfaction. Improves competitive position.	Álvarez-Gil et al. (2001); Pereira-Moliner et al. (2012). Noone et al. (2007); Longast (2010); Perramon et al. (2014). Robinot and Giannelloni (2010); Jani and Han (2011). Pereira-Moliner et al. (2012); Perramon et al. (2014).

Exploring the relationship between management sustainability practice, hotel staff sustainability awareness and organizational culture. According to the results from the combined sample, it was found that management practice significantly influences employees' sustainability awareness (H1). It seems the more an organization practices sustainability the more employees will be aware of issues and practices. According to the results from the combined sample, it was found that management practice significantly influences employees' sustainability awareness (H1). It seems the more an organization practices sustainability the more employees will be aware of issues and practices

APPENDIX 6: Regulatory Environment for Global Hotel Groups in Developed and Developing Markets

Source: (IBEF, 2020) (GSTC,2021)

The regulatory and policy compliance for global chains has the levers of location of operation and voluntary action based upon the chain's ESG strategy. Through tools such as digitalization and e tourist visa, the policies of emerging markets such as India are initiating more projects in the industry for economic development but lack an ESG lens. Under the Swadesh Darshan scheme, 77 projects have been sanctioned worth Rs. 6,035.70 crore (US\$ 863.60 million) . It is important for such future developments to be built in a responsible manner. (IBEF,2020) In addition, global bodies such as Global Sustainable Tourism Council (GSTC) have developed hotel and tour operator criteria as guiding principles and minimum standard requirements for hotels worldwide. These developed criteria are used as a baseline measure for other organizations to develop their own certification and rating system for hotels to apply for recognition (Reid, 2017)

APPENDIX 7: Four Year Change by measure among 2824 hotels and by service type

Source: Cornell Hotel Benchmarking Index

Measure	2015-2018 Average Change	All Hotels	Full Service	Limited Service
Measure 4: GHG Emissions per Square Meter	Weighted Avg Change	-5.39%	-3.29%	-2.10%
	Overall Avg Change	-10.01%	-6.19%	-16.39%
	Avg of Averages Change	-4.45%	-4.87%	-4.30%
Measure 6: Energy per Square Meter	Weighted Avg Change	-1.83%	-1.76%	-0.07%
	Overall Avg Change	-3.70%	1.15%	-11.47%
	Avg of Averages Change	0.28%	-2.56%	1.30%
Measure 8: Water per Occupied Room	Weighted Avg Change	0.60%	0.34%	0.26%
	Overall Avg Change	-6.87%	-5.72%	-10.63%
	Avg of Averages Change	3.49%	0.87%	4.41%

APPENDIX 8: Rationale – Sustainable Resource Utilization, Human Capital Retention and associated Case Studies

Source: (MGM, 2021), (PWC, 2019), (Ministry of Tourism, 2021), (Hyatt, 2021)

Sustainable Resource Utilization – Hotels rely on extremely valuable natural resources as a part of the customer appeal but have to be mindful for the long-term utilization by preserving the leveraged ecosystems and nurturing the indigenous communities. Energy supply should also be considered. Hotels with on-site renewables also have additional energy security as they control the electricity-producing asset and have fewer risks from the electrical grid, which is still unreliable in many emerging countries around the world. For example, on-site PV solar provides a buffer for disruptions in grid supply while also reducing the need for diesel generators.

Top Human Capital Retention and Recruiting - According to Shelton Group, 55% of the U.S. workforce would choose to work for a socially responsible company. Furthermore, 70%—83% of Millennials would be more loyal to a company that helps them contribute to social and environmental issues. These statistics make it clear that a company's ESG strategy can have a significant impact on the lens of recruiting as well as the retention of top talent in the chain. This can result in higher productivity levels and long-term value creation. (PWC,2020) The engagement of staff with the ESG strategy can also be a key driver of employee satisfaction.

- **Case Study 1-** In fact, the Hyatt Regency (Reston), Virginia was able to reduce the water consumption of their laundry operation by nearly 80%, and their heating utility and chemical use by half after making the switch to a low-water laundry system. They drastically cut the cost of their laundry operation, without making guests reuse dirty towels or linens.
- **Case Study 2–** The LEED gold certified Aria Resort increased cost savings by using automated systems that can shut off electronic devices in a room when there are no guests present (MGM,2021)
- **Case Study 3 -** The Maldives Tourism Act provides for the determination of zones and islands for the development of tourism and provides specific guidance to limit resource exploitation and harmonize development with ESG values. (Act No.2/99)

APPENDIX 9: Primary Data – List of Interviewees, Interview Questions and Methodology

NAME	POSITION	HOTEL GROUP
Sonu Shivdasani	CEO	
Vaibhav Jain	Hotel General Manager	
Alok Vijayvergiya	Corporate Sustainability Head	
Kapil Kaul	CEO	
Richa Sharma	Communications Manager	
Amisha Gutgutia	Director of Communications	
Arif Patel	Vice President	
Rakesh Mathur	President	

The objective of the qualitative primary data collection was to interview senior industry professionals and collect their viewpoints on the following:

- Current Landscape, organization and main components
- External Pressures, Regulatory Perspectives
- Obstacles
- Best Practice, Green Transition, Main Pillars
- Innovative Solutions, Action Recommendations

The interview questions were as follows:

Q) What would you believe to be the current situation of ESG strategy for the global chain and its management? What are some of the core pillars that you can identify in the strategy addressing this problem? In terms of the current landscape, what would you believe to be the main components?

Q) In terms of external pressure, who are the stakeholders, (In terms of regulation, policymakers, governments consumers) that urge change in the dimension of ESG and how to they exert this pressure? What would you believe to be the main obstacles in this transition? (Regional Viewpoints/Geographical Imbalance)

Q) In terms of best practice, who would you believe are some of the main players/rivals/competitors addressing these issues through their ESG strategy and what would you believe to be their main pillars?

Q) Looking at innovative future frameworks that help inform global luxury hotel chains about main pillars of an ESG strategy (going through the different phases of design, operations, management, external communications and investment emissions) what would you believe to be the major E, S and G components that should be prioritized? What are some essential actions that have to be taken?

APPENDIX 10 - Benchmarking ESG analysis of global hospitality group's value chains

HOTEL	DESIGN		
	ENVIRONMENTAL	SOCIAL	GOVERNANCE
HILTON WORLDWIDE	Hilton Faroe Islands: The roof is covered in grass, allowing for ultra-efficient insulation and a building that seamlessly blends into the local environment. Inside, ultra-efficient heating systems, including under floor heating, water taps and motion-activated LED lighting further prevent energy waste. The hotel is powered by renewable energy from a local power plant that captures leftover energy from a range of industries, including turning waste from the Islands' thriving salmon fishing industry. To offer electric vehicle charging stations.		
INTERCONTINENTAL HOTEL GROUP WORLDWIDE			
TAJ GROUP - IHCL	IHCL has also partnered with IFC to put Energy efficient installations at place. Switching to LED lighting in several locations, infrastructure upgrade. Installing VFDs on high power motors in condensers, exhaust fans, cooling tower fans and air handling units. Upgrading the infrastructure of cooling towers, installing heat pumps for water heaters, and even simple improvements such as improved insulation of hot water lines have all contributed to energy conservation and efficiency.		
HYATT HOTEL GROUP	Hyatt corporate offices and hotels take a variety of approaches to manage emissions, energy, and water, depending on building type and age, climate, layout, and local infrastructure, among other factors. Typical property-specific projects include, but are not limited to, retrofits of lighting and water fixtures, upgrades to aging heating and cooling plants, installations of new and efficient air handling systems, upgrades of kitchen and laundry equipment, usage of alternative water sources or water recycling, leveraging renewable energy, and implementation of building automation and energy optimization systems. To help hotel owners and developers integrate energy efficient design features, Hyatt's Global Technical Standards for new construction and renovation outline key topics such as insulation, lighting, cooling and heating efficiency, ventilation systems, and building materials. Beyond building and design, we foster a culture of environmental stewardship on properties. Through engaging training materials, departmental managers at hotels reinforce the importance of simple steps such as turning off faucets while cleaning and pre-heating kitchen ovens only as needed. Hyatt Regency Maui Resort and Spa has installed stormwater management features and native vegetation to minimize stormwater flow to the sea and improve reef quality. The property also offers volunteer and learning opportunities for its colleagues and guests to help protect the Pu'u Kukui Watershed Preserve, an important native rainforest and water source for the island. Guests at Wild Dunes Resort in South Carolina can assist in the rebuilding of oyster reefs by joining Oyster Rebuilding Clinics. Beehives on roof tops of a variety of hotels – from Hyatt Place Ottawa - West to Hyatt Regency Amsterdam – help contribute to pollination of plants in urban areas.		
MARRIOTT HOTELS	294 hotels pursuing or having achieved LEED®, BREEAM®, or Estidama certification - Target = 650 by 2025 36% of properties certified to a recognized sustainability standard - 100% Target by 2025 180 open adaptive reuse hotels		
ACCOR	100% of renovated or new hotels are low-carbon buildings (owned and leased hotels) -5% of energy consumption per room and -5% of water consumption per night, by 2018 (owned, leased and managed hotels) 65% of waste from hotel operations is recovered Nowadays, building envelopes are always designed to offer the best possible insulation. In addition, we prefer the most energy efficient technologies: high-yield boilers; LED lighting, etc.,. Impact assessment is done for all the emission sources for the hotels, 5 Year Plan - All Stages of Low Carbon Building Design expressed in different stages	Suggest the social elements of design in the hotel buildings. Focus on Inclusive Design, Handicapped and disability experiences enhanced in the hotel - Color, Balance, Design, typography, contrast, scale, proximity, service design,	The governance of Labor rights, accommodation and fair practice policy during the construction phases of greenfield projects. Avoiding any unfair practice or greenwashing elements, sourcing right materials from suppliers
SHANGRI LA HOTELS	Sustainable Buildings - 36 certified green buildings, 90 GWh/year of energy savings from various green initiatives 17 Leadership in Energy and Environmental Design (LEED) certified hotels 19 Hotels with other locally relevant certifications		
KEMPINSKI HOTEL GROUP			

HOTEL	INVESTMENT AND EMISSIONS ABATEMENT ACTIONS			
	SOCIAL	GOVERNANCE	CDP RATINGS	PRIORITIZED SDG'S
HILTON WORLDWIDE	<p>Investment Arenas:</p> <ul style="list-style-type: none"> • Bringing Travel with Purpose to life in our communities through skills-based Team Member volunteering • Preserving local cultural and natural heritage, and engaging guests in our destination stewardship efforts <p>Supported global organizations with COVID-19 emergency response grants, including World Central Kitchen, ResponseNet, Project HOPE, Direct Relief, Clean the World, and Consorzio Farsi Prossimo. Awarded 23 Hilton Effect Grants to organizations driving inclusive pandemic recovery and community resiliency. Awarded grants to nonprofits that are at the front lines of the fight for racial justice, including the NAACP and National Urban League. Provided more than \$600,000 to Team Members in disaster relief and hardship support through the Hilton Team Member Assistance Fund. Donated \$350,000 through the Hilton Effect Foundation to community organizations supporting natural disaster relief distributed nearly \$500,000 to more than 130 Team Members and their families to help cover medical expenses, groceries, and child or elder care for those who contracted the COVID-19 virus. Activated the TMAJ for Team Members to make monetary and Hilton Honors Points donations to support their Hilton colleagues directly impacted by COVID-19.</p> <ul style="list-style-type: none"> • Supported Team Members who faced other disasters and personal hardships throughout the year, including those impacted by the Beirut Port Explosion, Malaysia flooding, U.S. West Coast wildfires, and the multiple severe hurricanes that struck countries along the Atlantic Ocean. 		Climate Change 2020 - B Water Security 2020 - A- Forests 2020 - D-	11,5,10 and 12
INTERCONTINENTAL HOTEL GROUP WORLDWIDE	We've achieved our target by donating more than \$3.4m to community impact projects across the globe.		Forests 2020 - F Climate Change 2020 - C Water Security 2020 - B	7,12,13,14
TAJ GROUP - IHCL	part from our key projects like the Varanasi Weavers Project, beautification & landscaping at the National Railway Museum & Gateway of India precinct, Walk with the Pardhis, Tribal Culinary Heritage Preservation with Tata Steel and partnership with Antaran Project by Tata Trusts – supporting handloom clusters in Assam, Nagaland & Orissa; several of our palaces & resorts provide a pro bono platform to artisans, culture troupes & traditional home cooks. Since 2008, the company has worked with Benarasi handloom weavers to support the community & revive traditional handloom weaving. Through its support programme, the company develops and sources silk sarees that are worn and showcased as uniforms by its front line associates in select hotels. Furthering this commitment; in 2018, the company initiated a weaving training programme exclusively for women from marginalized & deprived community in partnership with the Human Welfare Association to enable women to move from the periphery to the core of the Benarasi handloom industry. a) Trust participated in Maharashtra Disaster Rehabilitation activities with The Tata Motors Sumant Moolgaonkar Development Foundation. For recovery, there were plans to impact over 20,000 children and student community through repair and improvement of infrastructure of the affected schools and aanganwadi's (that includes enabling with IT infrastructure, cleaning and painting of the school and aanganwadi rooms). The Trust had assisted Sumant Moolgaonkar Development Foundation for emergency flood relief & recovery support and other urgent assistance to the flood affected communities in Maharashtra.		N/A	8 and 12 are prioritized - Most operations in Emerging markets
HYATT HOTEL GROUP	<p>\$9.8m - Donated to Charitable Foundations</p> <p>The Hyatt Hotels Foundation is committing to make financial contributions totaling \$1M USD in support of strengthening Black communities in the U.S. We are also committing to:</p> <p>Magnify our long-term focus on helping Opportunity Youth prepare for and secure good jobs.</p>		Climate Change 2020 - B-Only	4,5,6,7,8,10,12,13,14,15,16,17
MARRIOTT HOTELS	<p>n early 2019, we achieved this goal, and now aim to invest \$35 million in partnerships and programs that support hospitality skills and opportunity among youth, diverse populations, women, people with disabilities, veterans, and refugees by 2025. Nearly \$113,000 raised by associates at The Ritz-Carlton® hotels across the Asia Pacific region for the sixth Smile Asia Week</p> <p>n \$500,000+ raised in support of local communities across Asia Pacific through Marriott International's sixth 'Run to Give' charity event</p> <p>n \$700,000+ raised in support of the Marriott International – Yao Foundation Hope Project, totaling more than \$2.8 million and benefiting more than 1 million youth since 2013</p> <p>n 4 homes constructed annually since 2016 with the support of associates, the JW Marriott Hotel Lima, Courtyard by Marriott Lima Miraflores and TECHO,</p> <p>n \$22,000+ raised and 66,000 meals prepared by eight Marriott hotels in Rome in support of the Rise Against Hunger meal packaging event</p> <p>n Hotels in the U.S. and Canada raised nearly 1.6 million points through a holiday campaign encouraging loyalty member points donation. \$500,000 toward partnerships that drive, evaluate, and elevate travel and tourism's role in cultural understanding</p>		Climate Change 2020 - B Water Security 2020 - B- Forests 2020- C	All SDG's - From 1-17 prioritized in the four areas they are working upon
ACCOR	<p>ACCOR SOLIDARITY FUND - FACILITATING ACCESS TO TRAINING, EMPLOYMENT OR ENTREPRENEURSHIP AND TACKLING THE LONGER-TERM CONSEQUENCES OF HUMANITARIAN DISASTERS. 44 countries involved</p> <p>+800 hotels involved in projects +220,000 beneficiaries (both direct and indirect)</p> <p>+300 projects supported + 20,000 employees involved</p>	SAMPLE GOVERNANCE STRUCTURE - SETTING CRITERIA FOR INVESTMENT AND FUNDING - CHECK ALIGNMENT WITH SUSTAINABLE COMMITTEE AND MAKE SURE IT WORKS TOWARDS THE DIFFERENT COMPONENTS OF THE ESG STRATEGY	Climate Change 2020 - A- Water Security 2020 - F Forests 2020 - No Response	Lack of SDG Reporting but support towards SDG
SHANGRI LA HOTELS			Climate Change 2020 - B- Forests 2020 - F Water Security 2020 - B	1-17 All SDG Support through ESG Framework - No Clarity on specific priorities
KEMPINSKI HOTEL GROUP			N/A	N/A

HOTEL	OPERATIONS		
	ENVIRONMENTAL	SOCIAL	GOVERNANCE
HILTON WORLDWIDE	<p>Preserving resources by reducing carbon emissions, water and waste</p> <p>Renewable electricity at the majority of our managed hotels in the U.K</p> <p>56% reduction in carbon emissions intensity (managed hotels)</p> <p>ENERGY AND CARBON-47% reduction in carbon emissions intensity (all hotels)</p> <p>Began sourcing 100% renewable electricity at the majority of our managed hotels in the U.K., and added renewable energy option for U.S. managed hotels</p> <p>100% of hotels mapped against climate risks</p> <p>Continued to advance collaboration across industry networks. 47% reduction in water intensity (managed hotels)</p> <p>49% reduction in water intensity (all hotels)</p> <p>3 context-based water pilots initiated</p> <p>Mapped 100% of hotels against WRI and WWF water risk indices. 73% reduction in landfilled waste intensity (managed hotels)*</p> <p>62% reduction in landfilled waste intensity (all hotels)*</p> <p>88% of portfolio participating in soap recycling</p> <p>100% of Hilton's Scope 3 Emissions from air travel and cars offset</p> <p>1300 Hotels - EV Charging Stations for guests</p> <p>1400 Hotels with composting programmes Hilton is focused on reducing our consumption of single-use water bottles by solving for sustainable hydration for all guests.</p>	<p>Embedding human rights due diligence across our global operations</p> <p>124,796 Team Members completed our anti-human trafficking training, including 71% of hotel leaders</p> <p>Achieved 91% compliance with training in Risks of Modern Slavery in Labor Sourcing across Europe, Middle East and Africa (EMEA) hotels</p> <p>100% of hotels mapped against human rights risks, and 100+ country-level human rights briefs and mitigation plans developed</p>	<p>Adopting global best practice standards for sustainability management. All suppliers are encouraged to observe and abide by Hilton's Responsible Sourcing Policy, which is included in all property contracts. In 2020, we entered into a partnership with EcoVadis to assess our suppliers' sustainability risk and performance. Our approach to animal welfare is informed by the "Five Freedoms" of care and codified in our Animal Welfare Statement. We are signatories to the World Travel & Tourism Council's Declaration on Illegal Trade in Wildlife, committing to not knowingly purchase, utilize or facilitate the sale of illegally harvested wildlife products.</p>
INTERCONTINENTAL HOTEL GROUP WORLDWIDE	<p>A 5.9% reduction in carbon per occupied room (CPOR) against our 2017 baseline, nearly meeting our three-year intensity target a year early. Working in partnership with the Alliance for Water Stewardship, we launched projects in both Australia and China at the end of 2020. These will continue into 2021 to complete our 2020 commitment.</p>	<p>Over 2018 and 2019, 300,255 colleagues supported community impact activities across the globe.</p>	
TAJ GROUP - INCL	<p>More than 24% of energy sourced from renewable sources like wind and solar</p> <p>Number of properties powered by renewable energy: 27</p> <p>Number of EarthCheck certified hotels: 78 Platinum: 11 Gold: 61 Silver: 6</p> <p>24 % of the company's electricity comes from renewable energy. 22.03% of of total consumption was recycled and reused by the hotels through rain water harvesting and grey water treatment in onsite waste water treatment facilities. IHCL has also phased out PET bottles from seven properties by installing water bottling plant i.e. Taj Exotica Resort & Spa, Andaman, Taj Samudra, Colombo, Taj Exotica Resort & Spa, Maldives, Taj Palace, Delhi, Taj Yeshwantpur, Bangalore, Taj Bentota Resort & Spa and Taj Coral Reef Resort & Spa therefore setting a benchmark for the hospitality industry in India.</p> <p>Taj Andaman aimed at eliminating disposable plastic usage. Plastics are a small component of waste by weight but a large component by volume. An in-house glass bottling unit was set up to eliminate the plastic bottle consumption on the property. We have avoided the use of thousands of plastic water bottles consumed till date. Bathroom amenities may be small in size, but they play a large role in contributing towards disposable plastics. We use refillable ceramic dispensers avoiding to use of plastic packaging materials for these amenities. We also use biodegradable toothbrush and earplugs for all guest bathroom amenities which reduces our environmental impact while offering a number of benefits.</p> <p>We only use jute bags, cotton laundry bags and non-plastic packaging for tea and coffee amenities in all our villas. The private bar items like nuts have glass packaging, which shall be reused not thrown after consumption. Potato chips is been procured with bio degradable paper packaging.</p> <p>We only use biodegradable bamboo straws and papaya stem straws which are easily biodegradable. The chop sticks used in our restaurant are made of sustainable bamboo and are completely biodegradable. Specific water consumption has decreased by 22 % due to constant measures taken by the hotels to reduce water consumption & recycle waste water back into process. Following initiatives have been taken to improve efficiency.</p>		<p>Our customer-centric approach, along with the unwavering dedication of our people, has propelled our growth and maintained our lead for over a century. Our customers seek unique and memorable experiences, while also expecting the local flavors that distinguish our brand. Delighting our customers enables us to stay relevant and differentiate ourselves in a dynamic market. Digital Marketing – Introduced Brand specific websites, integrated booking engine with brand websites, introduced price check tool for Customers & launched Corporate Booking Portal for Corporate Customers</p> <p>Taj InnerCircle programme was refined and refreshed during the year</p> <p>A charity event was organized in Taj Palace New Delhi to commemorate 115 years of operations</p>
HYATT HOTEL GROUP	<p>No shark fin is served at any Hyatt hotel.</p> <p>Hyatt's Food - Thoughtfully Sourced. Carefully Served. philosophy guides all menu design and ingredient sourcing.</p> <p>Example sourcing efforts include responsible seafood, cage-free eggs, grass-fed beef hamburgers, locally-sourced produce.</p> <p>Plant-based menu options are available for all meal periods. No plastic straws are used at Hyatt hotels. Straws made from alternative materials (such as paper) are offered only upon request.</p> <p>Large-format bathroom amenities will be available in guest rooms by the end of 2022. Recycling in event spaces is available, unless the hotel does not have adequate access to local recycling services.</p> <p>Event planners have the option of selecting meals from Hyatt's Menu of the Day, enabling our culinary team to optimize ingredients and reduce food waste (Americas hotels).</p> <p>Event planners can coordinate with the hotel events team to reduce food waste from event meal preparation and serving.</p> <p>The hotel events team can provide information about options for avoiding single-use packaging and disposables (cups, dishes and cutlery, condiments etc.).*</p> <p>Event planners can coordinate with hotel events team to plan a paper-free meeting by providing digital solutions.*</p> <p>Event planners can coordinate with the hotel events team to encourage attendees to use mobile key entry solutions, rather than plastic key cards.* Increasing FSC-certified or recycled content paper products.</p> <p>Implementing circular economy considerations by sourcing reusable items, products made from post-consumer recycled materials, and items that are readily recyclable or compostable.</p> <p>Becoming a signatory in 2018 of the World Travel and Tourism Council Declaration on Illegal Trade in Wildlife to combat exploitation of vulnerable species and protect wildlife.</p>	<p>Hotel Spas, Exhale, Together by Hyatt, Headspace, Miraval - The Services provided by Hyatt to provide wellness as guests We work closely with the Hire Opportunity Coalition to raise awareness of the needs and potential of opportunity youth as a critical, diverse, and underutilized talent pool, and to provide services that equip employers to include them in their strategic workforce development efforts. Hyatt hotels is helping disadvantaged young people to build a better future. The program supports trainees to gain employability skills and practical experience to start their career journeys.</p>	<p>Minority Business Enterprise (MBE) - a sole proprietorship, partnership, corporation, or joint venture in which a minimum of 51% is owned, operated and controlled by one of more minorities. Women Business Enterprise (WBE) - a sole proprietorship, partnership, corporation, or joint venture in which a minimum of 51% is owned/Disabled Veterans (D/VBE) – a privately or publicly owned company where one or more disabled veterans hold at least 51% of the control or ownership. Lesbian, Gay, Bisexual, and/or Transgender owned Business Enterprise (LGBTBE) = SUPPLIER DIVERSITY PROGRAM. Hyatt has made significant strides in building strong Diversity Business Resource Groups, launching our Diversity, Equity & Inclusion Council, training our People Managers on how to lead inclusively, and driving inclusion and diversity into our talent management practices. There is still more to do.</p>
MARRIOTT HOTELS	<p>294 hotels pursuing or having achieved LEED®, BREEAM®, or Estidama certification - Target = 650 by 2025</p> <p>36% of properties certified to a recognized sustainability standard - 100% Target by 2025</p> <p>180 open adaptive reuse hotels</p>		
ACCOR	<p>100% of renovated or new hotels are low-carbon buildings (owned and leased hotels)</p> <p>-5% of energy consumption per room and -5% of water consumption per night, by 2018 (owned, leased and managed hotels)</p> <p>65% of waste from hotel operations is recovered</p> <p>Nowadays, building envelopes are always designed to offer the best possible insulation. In addition, we prefer the most energy efficient technologies: high-yield boilers;</p> <p>LED lighting, etc., impact assessment is done for all the emission sources for the hotels, 5 Year Plan - All Stages of Low Carbon Building Design expressed in different stages</p>	<p>Suggest the social elements of design in the hotel buildings. Focus on Inclusive Design, Handicapped and disability experiences enhanced in the hotel - Color, Balance, Design, typography, contrast, scale, proximity, service design.</p>	<p>The governance of Labor rights, accommodation and fair practice policy during the construction phases of greenfield projects. Avoiding any unfair practice or greenwashing elements, sourcing right materials from suppliers</p>
SHANGRI LA HOTELS	<p>Sustainable Buildings - 36 certified green buildings, 90 GWh/year of energy savings from various green initiatives</p> <p>17 Leadership in Energy and Environmental Design (LEED) certified hotels</p> <p>19 Hotels with other locally relevant certifications</p>		
KEMPINSKI HOTEL GROUP			

APPENDIX 11: ESG Strategy Integration and management Analysis

METRICS								
CORPORATE PURPOSE AND STRATEGY (Structure, Strategy)								
Incorporate ESG elements in corporate strategy	X	X	X	X	X	X	X	X
Build a business case for ESG Integration/ Sustainability	X (ALL BY SHA)	X	X	X				X
Make a public commitment	X	X	X	X	X	X	X	X
C Suite Involvement	X	X	X	X	X		X	X

METRICS								
SYSTEM INTEGRATION (Systems)								
Integrate into business and financial plans	X	X		X		X		X
Create management information that sits along financial performance				X	X			
Link to incentives and executive compensation	X			X	X			X
Integrate across employee recruiting, onboarding, training etc.	X	X	X	X	X			X

METRICS								
CULTURE CHANGE (staff, skill, style, shared values)								
Educate the Board	X			X	X	X		
Risk Management Discussion – Analysis of Opportunities	X	X	X	X	X	X		X
Showcase of Success Stories	X	X	X	X	X			

APPENDIX 12: Further green transition case studies of ESG integration around value chain of hotel groups

Source: (Martin Hotels,2021), (Edwardian Hotels, 2021), (Kempinski, 2020)

- **Martin's Hotels** guarantees the carbon neutrality of all events organized in its 10 hotels for businesses keen to reduce their environmental impact. This situation has prompted Martin's Hotels **to support carbon-offsetting schemes** for unavoidable carbon emissions. These carbon emissions are offset thanks to the funding of **projects aimed at setting up self-generated clean energies in emerging and developing countries**
- **The Green Linen Artefact initiative by Kempinski** leverages ESG integration in their engagement strategy by enhancing the guest's local experience and reflect on local craftsmanship, through this initiative, Kempinski attempts to raise awareness about environmental efforts and give guests the opportunity to participate in their vision for a sustainable future rooted in the local community.
- **Accor Heartist Fund** - Accor announced its decision to allocate 25% of its €280m planned dividend to the creation of the ALL Heartist Fund, a €70m-fund devoted to help Group employees and individual partners affected by the Covid-19 crisis. This initiative reflects the ambition of the Group and its shareholders to provide a meaningful and significant contribution to global solidarity initiatives to address the current health crisis.
- In 2019, **Edwardian Hotels**, one of Radisson's franchise partners, borrowed £175m from HSBC to finance redevelopment of The Londoner hotel in Leicester Square. A condition of the loan was that the building had to achieve an "excellent" rating under the BREEAM energy standard, a benchmarking system used across the UK. This requires the use of low-carbon construction materials and high levels of energy efficiency in operation. The loan was the first of its kind in the hotel sector (Cundy,2021).

APPENDIX 13: A list of advanced environmental practices as recommendation of global hotel groups

Source: (Alonso Almeida, 2017) (Yoong, 2021)

Literature review	
Basic environmental practices	
Energy-saving practices: low-consumption lamps, LED technology, temperature control in rooms.	Álvarez-Gil et al. (2001); Enz and Siguaw (2003); Trung and Kumar (2005); Pereira-Moliner et al. (2012); Alonso-Almeida (2012); Liach et al. (2013); Best and Thapa (2013).
Water-saving practices: diffusers, water-saving sanitary ware, control valves for water pressure.	
Waste management: various forms of recycling, reuse when possible, "zero paper" programmes.	
Reducing the use of ecologically dangerous cleaning agents.	
Training employees on environmental measures.	
Advanced environmental practices	
Solar water heating systems.	Trung and Kumar (2005); El Hanandeh (2013).
Measuring the firm's carbon footprint.	Filimonau et al. (2013); El Hanandeh (2013).
Firm-provided employee training on environmental issues.	Álvarez-Gil et al. (2001); Pereira-Moliner et al. (2012).
Employee compensation for environmental initiatives.	
The use of ecological arguments in marketing campaigns.	
Firm-organised environmental activities.	
A long-term environmental approach.	
Quantification of environmental savings and costs.	Álvarez-Gil et al. (2001); Trung and Kumar (2005); Pereira-Moliner et al. (2012).
Implementation of an environmental management system.	
Participation in global environmental protection activities.	Trung and Kumar (2005); Nicholls and Kang (2012); Rodríguez-Antón et al. (2013).
Signing environmental protocols.	
Environmentally efficient appliances and equipment.	
Biosphere protection activities.	
Electric car charging stations.	
The creation of green products.	
The use of rainwater or other natural sources.	Alonso-Almeida (2012).
Water-spraying systems that cool the environment.	Alonso-Almeida (2012).
Adapting opening hours to more efficiently use electricity and water.	Trung and Kumar (2005).
The use of recycled water for irrigation.	Trung and Kumar (2005).
Solar panels.	Trung and Kumar (2005).
The use of well water.	Alonso-Almeida (2012).
Ecological clothes drying (outdoors, without the use of machines).	Alonso-Almeida (2012).

Categorization of ESG Elements in Global Hospitality Chains



APPENDIX 14: Limitations of the research

As the research is based on case studies and sampled analysis methods, the results may be extrapolated to the entire set of independent hotels with caution. It could be utilized as a toolkit but should be customized by the responsible committee in accordance to the strategic position of the hotel group in the market. The research does offer deep insight into the primary dimensions of sustainability in these cases. One of the limitations of this study is the size of the sample. Additionally, it was not possible to obtain a broader picture of clients' perception of sustainable practices because the interviewees were not hotel clients but senior managers.