

ESG in Hospitality

# SOCIAL RESPONSIBILITY

A JOURNEY TO SUSTAINABLE PRACTICES

John Hodges – April 2020





# Tourism's Economic Impact

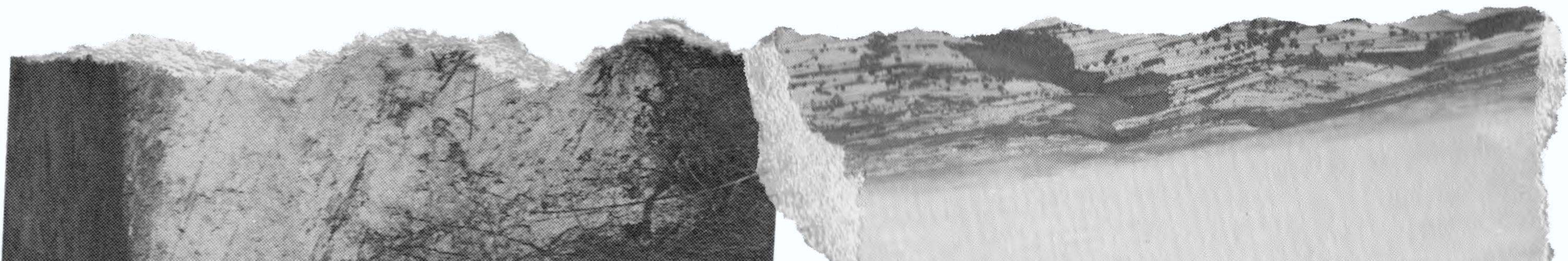
## Economic Impact of Travel & Tourism Report

**Growth**  
of 3.5% globally

**Outpacing**  
the Global economy by 2.5%

**1 in 4**  
new jobs created by the sector

- Accounts for 10.3% (US \$8 Trillion) of Global GDP
- Accounts for 10% of all jobs globally
- In 2018 – Fastest growing sector



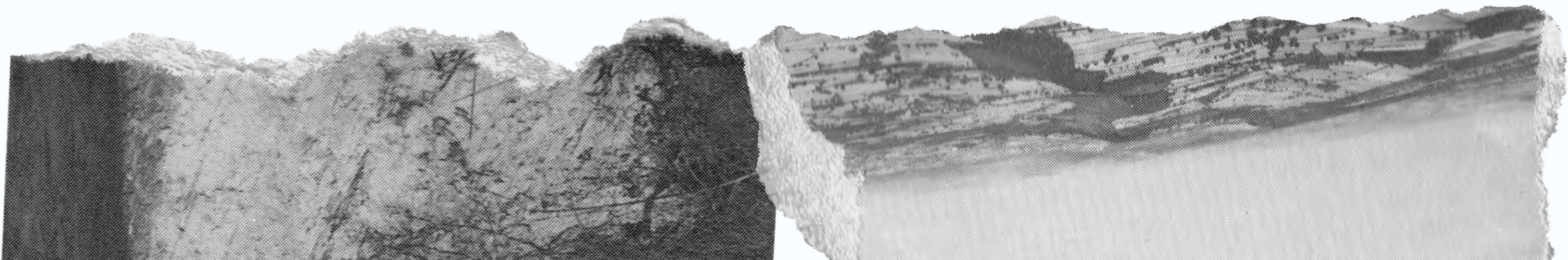


## 📍 Sustainable Growth

The growth of Travel & Tourism continues to outpace that of the global economy for the ninth consecutive year. What's more, international arrivals, which reach 1.5 billion in 2019 are forecast to reach 1.8 billion by 2030. It is essential, that together, we ensure that this growth is sustainable and inclusive, and that it contributes positively to the communities, natural ecosystems and cultural heritage upon which our sector depends.

WTTC's work in the area of Sustainable Growth focuses on seven key areas:

1. **Climate & Environment Action** - Raising awareness of the impact of climate change, minimising our contribution to it, and encouraging climate neutrality by 2050.
2. **Sustainable Travel & Tourism Partners** - Creating a platform for mass engagement around sustainability for our sector to share sustainability best practices.
3. **Sustainability Reporting** - Encouraging and supporting the sector to measure, monitor and report their Environmental, Social and Governance activities.
4. **Destination Stewardship** - Promoting best practices in the planning and management of tourism growth to ensure our sector is a win-win-win for the destination, the private sector and the local communities.
5. **Future of Work** - Ensuring that the sector remains a driver of quality jobs and continues to enhance its attractiveness to the workforce of today and tomorrow.
6. **Illegal Wildlife Trade** - Promoting industry action to support global efforts to tackle illegal wildlife trade.
7. **Human Trafficking** - Raising awareness of how our sector can prevent Human Trafficking and providing a forum for collective action.







Defining Sustainability

sus·tain·a·bil·i·ty     /əˌstānəˈbɪlədē/     (n)

- the ability to be maintained at a certain rate or level
- avoidance of the depletion of natural resources in order to maintain an ecological balance





## Defining Corporate Sustainability

- create long-term stakeholder value through the implementation of a business strategy that focuses on the ethical, social, environmental, cultural, and economic dimensions of doing business.





## Defining Sustainable Tourism

- low impact on the environment and local culture (society)
- Economically helpful for locals.
- Positive experience for locals; local tourism companies; and tourists themselves.



# ESG

## Environmental, Social, and Governance

Environmental, social and governance (ESG) criteria are a set of standards for a company's operations that socially conscious investors use to screen potential investments.



ENVIRONMENTAL  
SUSTAINABILITY



PHILANTHROPY



INCLUSION  
AND  
DIVERSITY

# ENVIRONMENTAL

How a company performs as a steward of nature.

## CLIMATE CHANGE

Reduction in GHG Emissions  
(Sectoral Decarbonization)

## WATER STEWARDSHIP

Reduction in Water Withdrawal and  
Usage

## BIODIVERSITY

How are we interacting with the  
environment

## WASTE

Do we have a diversion rate set?



# Social

How a company manages relationships with employees, suppliers, customers, and the communities where it operates.

## Philanthropy

What do you believe in? Are you putting your money where your message is?

## Diversity and Inclusion

How are you engaging your stakeholders? Do you practice what you preach? (VP and above/Board Makeup)

## Modern Slavery (ECPAT)

End Child Prostitution and Trafficking

## Human Rights

Fair and Equal Pay?



# Governance

A company's leadership, executive pay, audits, internal controls, and shareholder rights.

## 10 - K S t a t e m e n t

Do we talk about Climate Change?

## Compensation

Is the executive bonus based on CSR goals?

## S h a r e h o l d e r R i g h t s

Beyond shareholders, are we looking for stakeholder engagement?



