



World
Sustainable
Hospitality
Alliance

Overview of Universal Sustainability Key Performance Indicators for the Hospitality Industry

The World Sustainable Hospitality Alliance has launched the first wave of Universal Sustainability Key Performance Indicators (KPIs), a set of Environmental, Social, and Governance (ESG) metrics designed to standardize sustainability measurement within the hospitality industry.

This initiative aims to provide hospitality businesses with a consistent, transparent, and verifiable method for assessing and reporting their sustainability performance. The initial focus is on selected Environmental KPIs, with Social and Governance metrics set to be introduced in future waves, creating a comprehensive framework for tracking sustainability progress and improving ESG performance.

The introduction of Universal KPIs by the Alliance signifies a crucial advancement in promoting sustainability within the hospitality industry. This structured framework not only assists hotels in tracking and improving their sustainability performance but also provides valuable information for consumers, corporate travelers, and OTAs. By adopting these metrics, the hospitality sector can enhance operational efficiency, brand image, and competitiveness, ultimately contributing to a more sustainable future. The ongoing development of additional KPIs will further solidify this framework's role in achieving long-term sustainability goals.

Methodology of the Universal KPIs

The Universal KPIs were developed through a collaborative industry-led process involving the Alliance, and its members, as well as other key stakeholders and experts. The methodology encompasses several key steps:



1. Benchmarking Existing Standards

A comprehensive review of existing sustainability metrics was conducted to ensure alignment with global ESG trends and relevance to the hospitality sector.



2. Stakeholder Engagement

Input was solicited from a broad range of industry stakeholders through surveys and interviews, ensuring diverse perspectives were incorporated into the development of the KPIs.



3. Validation Process

Proposed KPIs were subjected to a voting process among stakeholders to achieve broad consensus and ensure that the metrics are applicable and meaningful for the industry.



4. Established Methodologies

Data collection will utilize established methodologies, such as the Hotel Carbon Measurement Initiative (HCMI) and the Hotel Water Measurement Initiative (HWMI), to ensure accuracy and consistency in reported data.



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First Wave of Universal KPIs

The first wave of Universal KPIs includes the following key metrics:



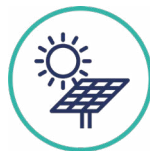
GHG Emissions:

Measures the carbon footprint based on total CO2 equivalent emissions across Scope 1, 2, and 3.



Water Consumption:

Assesses water intensity by tracking total water consumption measured in liters.



Energy Usage:

Evaluates energy intensity based on total energy consumed in megawatt-hours (MWh), alongside the share of renewable energy used.



Waste Management:

Percentage of waste diverted from landfills, aligning with guidelines set by the Global Business Travel Association (GBTA).



Denominator for Environmental KPIs:

These metrics will utilize guest nights and/or occupied room counts for calculation.

Benefits and Usability

1.

Benefits for Consumers:

- **Informed Choice:** Consumers can make informed decisions by accessing standardized sustainability metrics, which help them select hotels that align with their values.
- **Trust and Transparency:** The use of third-party verification and consistent reporting enhances trust in sustainability claims made by hotels.
- **Encouragement of Sustainable Practices:** As hotels improve their sustainability metrics, consumers benefit from better services and a commitment to responsible tourism.

2.

Benefits for Corporate Travelers:

- **Alignment with Corporate Sustainability Goals:** Corporate travelers can identify accommodations that meet their organization's sustainability criteria, simplifying compliance with corporate travel policies.
- **Transparent Reporting:** Standardized metrics allow corporate travel managers to accurately report on the environmental impact of their travel choices.
- **Cost Efficiency:** Sustainable practices often lead to operational efficiencies that can translate into cost savings for corporate clients.

3.

Benefits for Online Travel Agencies (OTAs):

- **Enhanced Listings:** OTAs can improve their hotel listings by highlighting properties committed to sustainability, attracting eco-conscious travelers.
- **Search Functionality:** Implementing filters for sustainability ratings enables users to find accommodations that meet their ethical standards, enhancing user experience.
- **Data-Driven Insights:** OTAs can analyze hotel performance against Universal KPIs, gaining valuable insights into market trends and consumer preferences.
- **Driving Industry Standards:** By adopting and promoting Universal KPIs, OTAs can help establish industry-wide sustainability standards, enhancing the overall reputation of the hospitality sector.