ZERO CARBON ONE

Transform Your Hospitality Business

## Drive Profitability Through Sustainability

In an era where the hospitality industry is responsible for approximately **3% of global carbon emissions**, embracing sustainability is not just an option—it is an imperative.

Zero Carbon One is committed to leading your **business through a transformative journey towards sustainability, leveraging advanced tools and methodologies** to reduce emissions, optimize costs, and enhance your brand's green credentials.

Our comprehensive approach ensures that your business not only thrives but also contributes positively to the environment.

The Hospitality Industry Contributes 3 % of Global Carbon Emissions
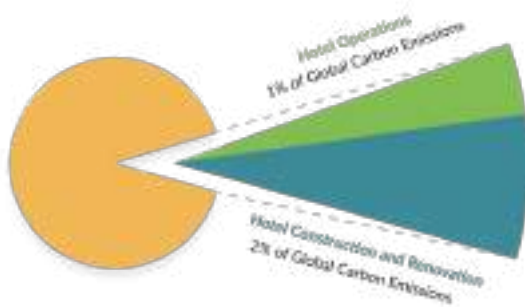
Hotel operations typically produce 0.16 0.20 tCO2e of carbon emissions per sqm, on average annually, these carbon emissions can be broken down into three main categories.

Category	Average contribution a hotel's total emissions	Includes
Scope 1	7 %	On-site gas and fuel consumption, on-site vehicles
Scope 2	38 %	Building energy, consumption (in-house laundry, lighting, energy use, etc)
Scope 3	55 %	External laundry services, waste disposal, F&B supply and production, staff travel.

Hotel Operations
1% of Global Carbon Emissions

Hotel Construction and Renovation
2% of Global Carbon Emissions

Overview of reported emission profiles of the Travel & Tourism industries in focus

Industry	Scope 1 (Average share in %)	Scope 2 (Average share in %)	Scope 3 (Average share in %)
Accommodation (Assets light - do not own hotels, airplanes, and cruise ships)	8 % On-Site gas and fuel consumption, on-site vehicles.	37 % Building energy consumption (in-house laundry, lighting, energy use) office heating, cooling and electricity	55 % External laundry services, waste disposal. F&B supply and production, staff travel.
Tour Operators (Assets light - do not own hotels, airplanes, and cruise ships)	2 % Office gas consumption and owned vehicle emissions	6 % Office heating and energy consumption	92 % Business travel, commute, transport & distribution, electricity, brochures, waste
Tour Operators (Assets light - do not own hotels, airplanes, and cruise ships)	95 % Fuel, on-board power generation, vehicle emissions, major & retail premises gas and fuel consumption.	1 % Major premises energy consumption, office heating, cooling and ground & port electricity	4 % Business travel, commuting, F & B supply and production waste disposal, up- and downstream transportation & distribution
Aviation	80 % Aircraft fuel, vehicles in airport operations	< 1 % Office heating and energy consumption, ground electricity	20 % Supply chain fuel, capital goods, purchased goods, downstream transport and distribution
Cruises	99 % Ship fuel, on-board power generation for support funtions	1 % Office heating, cooling and electricity, port electricity	< 1 % or not disclosed Commuting passesnger transportation F&B supply & production, fuel transport, waste
OTAs/TAs	9 % Office gas consumption and owned vehicle emissions	55 % Office / data centre heating, cooling, and electricity	36 % Business travel, staff commuting waste management, purchased goods and services

The Current Scenario

• The hospitality industry's carbon footprint is significant, with one-third of emissions from operations and the rest from embodied carbon during development and renovation phases.

• Addressing both operational and embodied carbon is crucial for comprehensive sustainability.

Travellers Prefer Sustainable Hotels

• According to the Sustainable Travel Report 2022, 71% of global travellers prefer sustainable travel options, with many willing to pay a premium.

• Green hotels enjoy a room rate premium of 6.5% without reducing occupancy rates, driven by improved indoor environmental quality.

83%
Of global travellers think sustainable travel is vital

69%
Of global travellers expect the travel industry to offer more sustainable travel options

61%
Of global travellers say pandemic has made them want to travel more sustainably in the future

Key Decarbonisation Challeges

Internal Challenges

Targets & strategies Defination	Measuring & Monitoring
Difficulties with defining a long - term net zero target	Difficulty in measuring ESG data across the company and value chain
Selecting the right key levers and initiatives	Difficulty in measuring ROI from carbon- related efforts

Financing & Budgeting	Leadership & Organization
Lack of financial resources. No budget allocations for climate related activities	Limited dedicated team, organisational knowledge, or sufficient capabilities
No clear link to business value or competitive advantages	Lack of support from leadership

External Challenges

Information & customer Behaviour

Lack of transparency in sustainability information display	High costs associated with sustainability premium	Limited willingness to pay for sustainable products

Technology & Infrastructure

Affordability of available technologies	Lack of understanding of emerging technologies	Dependency on infrastructure

Regulations & Reporting

Insufficient regulatory icentives to support transition	Lack of transparency regarding upcoming regulations	Inconsistency of carbon metrics and methodologies for reporting

Decarbonisation Action Framework

Assess & Define		Build & Enable		Reduce & Collaborate	
Carbon Inventory	Materiality Assessment	Leadership Involvement	Finance & Budgeting	Carbon Reduction	Carbon Compensation
Climate Targets	Net zero Strategy	Employee Capacity Building	Governance & Steering	Partner Support	Stakeholder Collaboration

Monitor & Report		
Voluntary Disclosure	Data & Monitoring Capabilities	Progress Reporting

Assess & Define

Carbon Inventory

Conducting a comprehensive carbon inventory helps identify all sources of emissions across your operations.

This baseline data is crucial for setting measurable and achievable decarbonization targets.

Materiality Assessment

A materiality assessment prioritizes key areas of impact to focus on the most significant sustainability issues.

This ensures resources are allocated efficiently to areas that will make the most substantial difference.

Climate Targets

Setting climate targets aligns your business with global sustainability goals and drives internal accountability.

Clear targets provide a roadmap for reducing emissions and tracking progress over time.

Net Zero Strategy

Developing a net zero strategy outlines the long-term plan to achieve carbon neutrality.

This strategy integrates various sustainability initiatives into a cohesive approach towards decarbonization.

Build & Enable

Leadership Involvement

Active leadership involvement is essential for driving the sustainability agenda and fostering a culture of environmental responsibility.

Engaged leaders can champion decarbonization efforts and ensure alignment with overall business goals.

Finance & Budgeting

Allocating sufficient financial resources and budgeting for sustainability initiatives is critical for successful implementation.

Financial planning should incorporate the costs and benefits of decarbonization to support long-term investment in sustainability

Employee Capacity Building

Building employee capacity through training and education empowers staff to contribute to sustainability goals.

Informed and engaged employees are crucial for implementing and maintaining effective decarbonization practices.

Governance & Steering

Establishing robust governance structures ensures oversight and accountability for sustainability initiatives.

A steering committee can guide the development and execution of decarbonization strategies, ensuring alignment with corporate objectives.

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Reduce & Collaborate

Carbon Reduction

Implementing carbon reduction measures across operations helps lower overall greenhouse gas emissions.

Continuous improvement and innovation in processes can significantly contribute to achieving reduction targets.

Partner Support

Collaborating with partners and suppliers ensures the entire value chain contributes to sustainability goals.

Engaging stakeholders in decarbonization efforts can amplify impact and drive collective action.

Stakeholder Collaboration

Working with stakeholders, including customers, regulators, and community groups, enhances transparency and builds trust.

Collaboration facilitates the sharing of best practices and fosters a unified approach to sustainability.

Monitor & Report

Voluntary Disclosures

Voluntarily disclosing sustainability performance enhances transparency and accountability.

Public reporting on progress encourages continuous improvement and demonstrates commitment to stakeholders.

Data & Monitoring Capabilities

Robust data collection and monitoring systems provide accurate insights into sustainability performance.

Advanced analytics and reporting tools enable informed decision-making and track progress towards goals

Progress Reporting

Regular progress reporting keeps stakeholders informed about achievements and challenges in decarbonization efforts.

Transparent communication of progress builds trust and supports ongoing engagement in sustainability initiatives.

Strategic Sustainability Alignment

Shifting the Sustainable Tourism Perspective to People

Kraljic Matrix Integration

We utilize the Kraljic Matrix to categorize procurement processes, prioritizing sustainability while maintaining operational efficiency.

This strategic alignment ensures that your sustainability initiatives are both impactful and resource-efficient.

Marginal Abatement Cost Curve (MACC)

By deriving the MACC, Zero Carbon One identifies the most cost-effective measures to reduce emissions.

This data-driven strategy maximizes the financial returns on your sustainability investments.

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Product-Level Analysis

By deriving the MACC, Zero Carbon One identifies the most cost-effective measures to reduce emissions.

This data-driven strategy maximizes the financial returns on your sustainability investments.

Process Optimization

Comprehensive assessment of all operational processes to identify opportunities for emission reductions.

Implementing optimized processes helps save costs and boost profits.

Benefits of Partnering with Zero Carbon One

Complete Scope Mapping

Full mapping of Scope 1, 2, and 3 emissions provides a holistic view of your carbon footprint.

Essential for effective sustainability planning and reporting.

Carbon Footprint Avoidance

Proactive strategies to avoid unnecessary emissions enhance overall operational efficiency.

Focus on preventive measures for long-term sustainability.

Verified Carbon Credits

Access to verified carbon credits from trusted projects ensures genuine offsetting of unavoidable emissions.

Strengthens your sustainability credentials and aligns with global standards.

Comprehensive ESG Reporting

Robust sustainability reports using one or multiple global ESG standards.

Zero Carbon One's database includes 43 international and regional standards with over 11,000 data points, ensuring thorough and accurate reporting.

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SBTi Principles

Utilizing Science-Based Targets initiative (SBTi) principles to help the hospitality industry decarbonize year on year.

Continuous improvement and adherence to global best practices in sustainability.

Dedicated Software for the Hospitality Industry

Tailored software solutions designed specifically for the hospitality sector.

Automated data collection from source for precise and accurate GHG calculations.

Water Waste Reduction

Zero Carbon One leverages the Hotel Water Measurement Initiative (HWMI) to provide a standardized methodology for measuring and reporting water usage.

We help track water consumption per occupied room and meeting space, ensuring efficient use and conservation practices are implemented.

Our strategies include water-efficient fixtures, greywater recycling, and rainwater harvesting to minimize freshwater use and waste.

General Waste Reduction and Recycling

Implementing circular economic principles, we help minimize waste through comprehensive reuse, recycling, and reduction strategies.

Our waste management plans include detailed audits to identify key areas for improvement, focusing on reducing landfill use by promoting recycling and composting.

We support the hospitality industry in adopting practices that turn waste into resources, such as converting food waste into energy or compost, and encouraging the use of biodegradable materials.

Impact and Benefits

By partnering with Zero Carbon One, your hospitality business can

- Reduce operational costs through efficient resource management.
- Optimize profits by leveraging cost-effective sustainability strategies.
- Enhance brand reputation with verified carbon credits and comprehensive ESG reporting.
- Achieve continuous decarbonization aligned with SBTi principles.
- Benefit from industry-specific software for accurate and automated GHG calculations.

Our comprehensive approach, from strategic alignment to detailed emission calculations and robust reporting, ensures your business not only grows but thrives sustainably.

To know more, contact us at **info@zerocarbon.one**