



ROBUSTNESS OF HOTEL SUSTAINABILITY CLAIMS

A case study of four multi-national hotel chains



Master of Science in Sustainability Management
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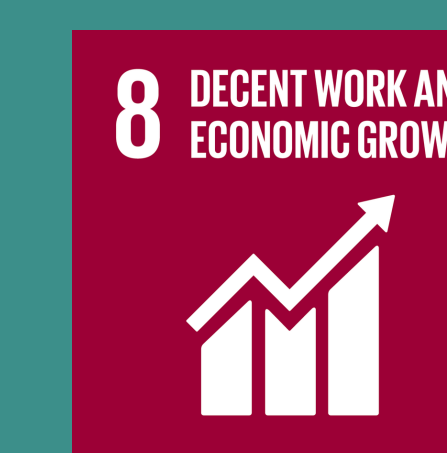
INTRODUCTION

The hotel industry is under pressure from consumers to address sustainability concerns, leading companies to report on their sustainability initiatives. However, there is no requirement for sustainability reporting, and companies may choose which sustainability concerns they address, and what data they provide.

The 2030 Agenda for Sustainable Development was introduced at a UN conference in 2015 to tackle poverty, inequality, and climate change by 2030. The tourism industry was specifically called out for its impact on SDGs 8, 12, and 14. These SDGs serve as a framework for organizations to report against and move towards a more sustainable future.

OBJECTIVE

Determine the robustness of hotel CSR reports by looking at the disclosures relating to the three SDGs highlighted by the UN WTO



CONTEXT

Sustainability Reporting

- public disclosures of environmental, social, and governance (ESG) performance
- frameworks exist, minimal regions have mandatory sustainability reporting

Importance of Sustainability Reporting

- identify areas for improvement
- informs stakeholder decision
- shows areas of commitment

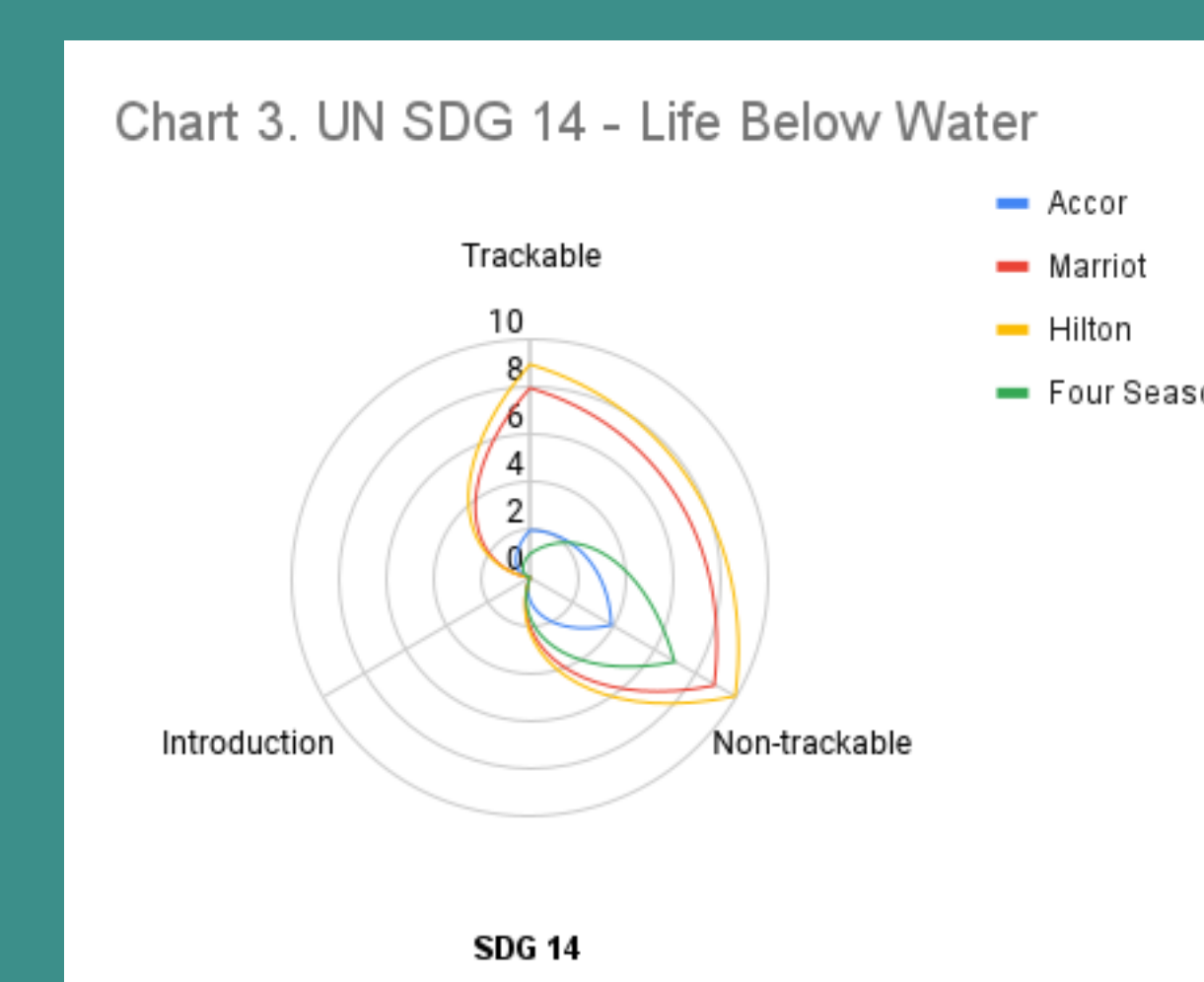
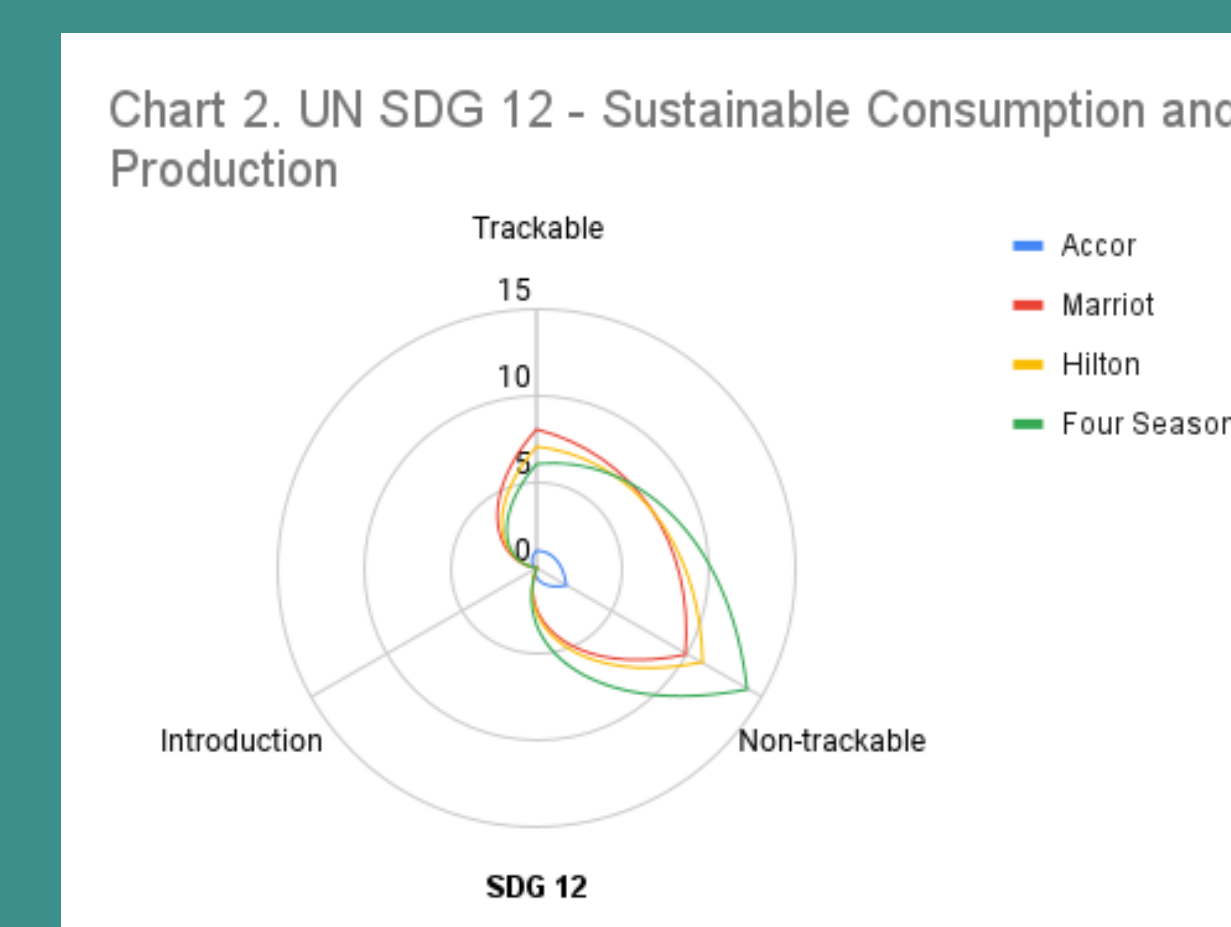
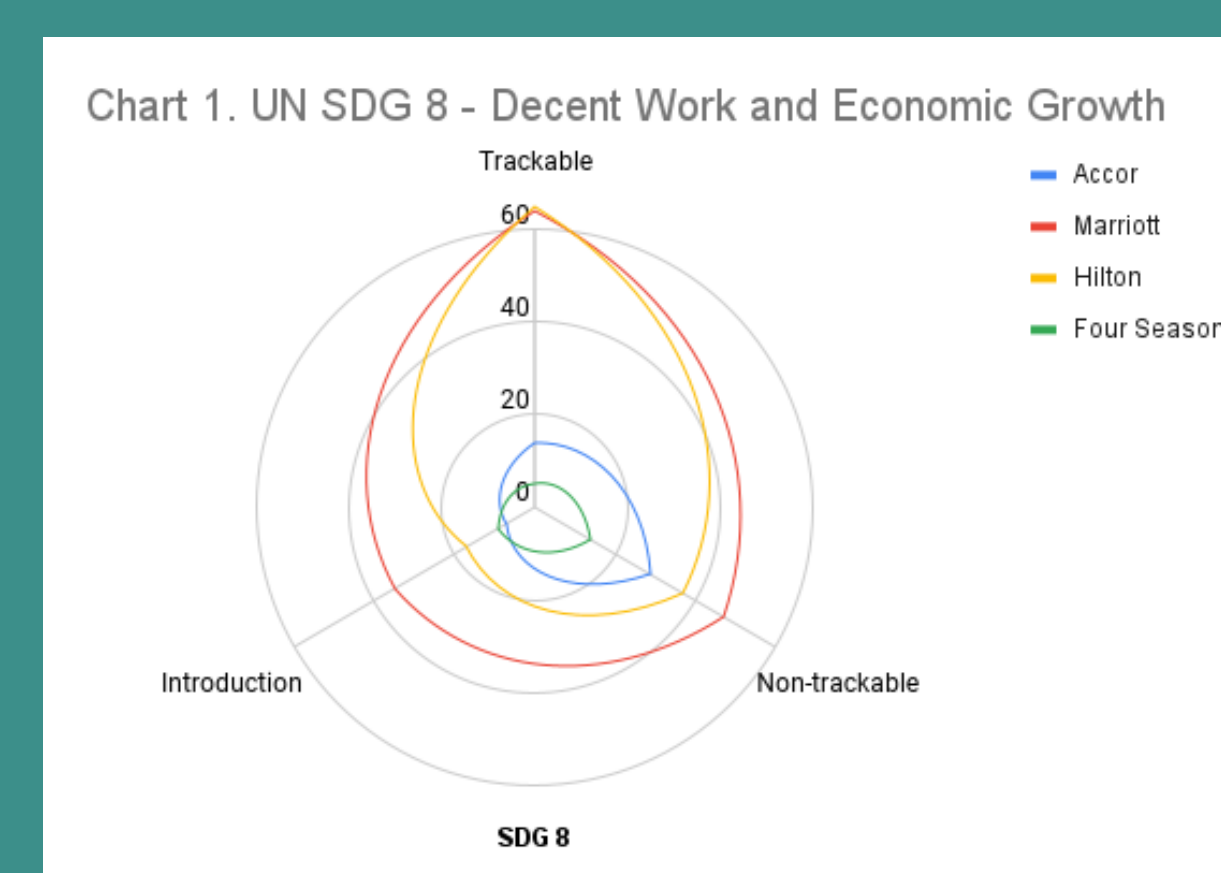
Robust Reporting

- trackable data
- specific information
- comparable over time
- third-party verification

Risks of non-Robust Data

- intentional greenwashing
- unintentional greenwashing

RESULTS



WAYS FORWARD

- International Finance Reporting Standards (IFRS) is developing International Sustainability Standards Board (ISSB) that will include sustainability disclosure requirements along with financial disclosures¹
- US Security and Exchange Commission (SEC) is developing a comparable framework to include with the US financial reporting standards: US Generally Accepted Accounting Principles (GAAP). SEC is facing delays due to anti-ESG sentiment in US politics^{2,3}
- Hotel chains should adopt robust sustainability reporting before mandatory requirements to remain competitive and reduce strain in the future

METHODOLOGY

Collect the published CSR reports for the following hotel chains

- Four Seasons Hotels & Resort
- Accor S.A.
- Hilton Hotel & Resorts
- Marriott International



Perform textual analysis to pull all disclosures relating to UN SDGs 8, 12, and 14.

Disclosures were organized based on trackable and non-trackable.

- trackable - data that can be verified (goals, timelines, progress data)
- non-trackable - lacking specific details so verification is not possible

¹ ISSB. (2023, February). ISSB Update February 2023. IFRS. Retrieved March 5, 2023, from <https://www.ifrs.org/news-and-events/updates/issb/2023/issb-update-february-2023/>
² Warren, Z. (2023, January 30). Upcoming SEC climate disclosure rules bring urgency to ESG Data Strategy Planning. Reuters. Retrieved March 18, 2023, from <https://www.reuters.com/legal/legalindustry/upcoming-sec-climate-disclosure-rules-bring-urgency-esg-data-strategy-planning-2023-01-30/>
³ Smith, M., Moran, D., & Querulo, N. (2023, February 13). *Up next in Ron DeSantis' war against the 'woke agenda': No ESG criteria in municipal bonds*. Fortune. Retrieved March 16, 2023, from <https://fortune.com/2023/02/13/ron-desantis-esg-municipal-bonds-woke-agenda-florida/>