

# **SUSTAINABLE HOSPITALITY©**

## ***SUSTAINABLE DEVELOPMENT IN THE HOTEL INDUSTRY***

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## Foreword

When one searches for Sustainable Development (SD) on Google more than fifty million links are displayed and yet the Sustainable Development concept is still largely unknown to the average world citizen and more importantly unfamiliar to corporate stewards.

Sustainable Development is a holistic concept based on a simple principle: “*development that meets the needs of the present without compromising the ability of future generations to meet their own needs*”. Brundtland report 1987

In the corporate world Sustainable Development is applied via the *Triple Bottom Line* equation which was coined by John Elkington in the book *Cannibals with forks: Economic prosperity, Social equity and Environmental protection*.

With recent extreme climate accidents Global warming has now reached almost everyone’s vocabulary and people are feeling concerned if not yet responsible. However the developed countries still do not realize that their social responsibility is global too as it lies in helping the poor countries develop their economy in order to keep their active population from emigrating.

The United Nations organization spearheads all major worldwide meetings on these questions and its mission is to give a framework to the implementation of SD at government level. Global enterprises do share these responsibilities with governments. If many international companies such as General Electric, British Petroleum, l’Oréal and famous individuals such as HRH The Prince of Wales, Bill Gates, Ted Turner, Bill Clinton have shown the way it is unfortunate that large hotel companies have not yet understood their shared responsibility to create a strategy of differentiation. Among major hotel chains only Accor, Taj Hotels Group and recently InterContinental Hotels Group have adopted the concept fully.

The following pages have no other ambition than to entice hotel executives to think about the opportunity to stand out and make a difference, while still focusing on the growth of shareholder value.

***Sustainable Hospitality*** © is a term coined specifically to summarize the significant and encompassing role hotels and the hotel industry will take in what has commonly become known in the corporate realm as *Sustainable Development*.

The first part of this document provides an overview of what Sustainable Development encompasses and what type of SD strategy a sampling of companies - related or non-related to the tourism industry - have pursued so far. It will help underpinning the purpose of this report which is to suggest a Sustainable Development strategy to hotel companies.

The second part details one perspective on how to develop such a strategy at a global level and at a unit level in the hotel industry. It emphasizes the responsibility of General Managers and how they can become ***citizen hoteliers*** ©.

The third part explains the SD strategy of the Willard InterContinental hotel as an example, although it is still in its infant stage and far from being complete.

If after reading this document hoteliers feel that Sustainable Development is a strategy worth looking into for their own companies, the objective of spreading the sense of responsibility we all must carry toward the future of humanity will have been attained.

Yes, it is a very ambitious task but why would we not care for our blue planet and more than anything for our descendants?

The Earth represents little in the Milky Way and among billions of galaxies but so much for us!

# SUSTAINABLE DEVELOPMENT IN THE HOTEL INDUSTRY

**“The Earth provides enough to satisfy every man’s needs, but not every man’s greed”.** Mahatma Gandhi

## Part I. Overview of Sustainable Development

### 1. SUSTAINABLE DEVELOPMENT CONCEPT

#### Background

The sustainability idea originated from a series of meetings and reports in the 1970s and 1980s. The first international meeting that tackled the impact of human activities on the environment and eventually their impact on the human race was the 1972 UN Stockholm Conference on the Human Environment.

In 1980 the World Conservation Strategy, prepared by the International Union for the Conservation of Nature together with the UN Environment Program and the World Wildlife Fund, established the fact that the human race had to care about the environment for its own sake.

In 1987, the UN-sponsored Brundtland Commission released *Our Common Future*, a report that captured widespread concerns about the environment and poverty in many parts of the world. The Brundtland report said that “*economic development cannot stop, but it must change course to fit within the planet's ecological limits*”. It also popularized the term Sustainable development (SD).

Sustainability became a strong concept at the 1992 UN Conference on Environment and Sustainable Development that took place in Rio de Janeiro. Heads of State/Government (108) or senior officials of 172 countries were present at what became known as the Earth Summit. It was the largest-ever meeting of world leaders. This conference became a reference as it delivered concrete results in terms of awareness and good will. Two international agreements, two statements of principles, and a strong action agenda on Sustainable Development were published: *the United Nations Convention on Biological Diversity, the United Nations Framework Convention on Climate Change, the Rio Declaration on Environment and Development, the Statement of Forest Principles and the Agenda 21*.

This sudden interest was unfortunately fuelled by some recent major environmental disasters: leak of poisonous gas from a chemical plant at Bhopal, India; the Chernobyl catastrophe, the hole in the Antarctic ozone layer and general fears over the deforestation, the un-sustainability of certain species, etc.

The Brundtland report had captured many of those concerns when it said:

*"Major, unintended changes are occurring in the atmosphere, in soils, in waters, among plants and animals. Nature is bountiful but it is also fragile and finely balanced. There are thresholds that cannot be crossed without endangering the basic integrity of the system. Today we are close to many of those thresholds."*

### **What is Sustainable Development?**

**The guiding principle** of Sustainable Development is *"development that meets the needs of the present without compromising the ability of future generations to meet their own needs. Sustainable Development recognizes the interdependence of environmental, social and economic systems and promotes equality and justice through people empowerment and a sense of global citizenship. Whilst we cannot be sure what the future may bring, a preferable future is a more sustainable one"*.

Brundtland report 1987

Sustainable Development is also explained by a concept – Triple Bottom Line - created by John Elkington in the book *Cannibal with Forks*:

*"In its broadest sense, the triple bottom line captures the spectrum of values that organizations must embrace - economic, environmental and social. In practical terms, triple bottom line accounting means expanding the traditional company reporting framework to take into account not just financial outcomes but also environmental and social performance – economic prosperity, social equity and environmental protection"*.

An easy way to understand and remember the basic message of Sustainable Development is the 3Ps acronym: Profit, People, Planet.

### **What it is not**

The Sustainable Development concept is not the dream of some political party that disdains capitalism and considers it to be evil. Nor is it the consequence of the delusion of people who determined that this world would be better if we were going back to our natural roots and resources. SD is definitely geared toward profitability and the future. Without profit it seems obvious that no business would be sustainable.

### **Fair Trade**

One important belief that has become a strong focus for the developed countries is *Fair Trade*. It is a vital component of SD. Fair Trade was originally a partnership between non-profit companies and retailers in the northern hemisphere and producers in the under-developed countries who were fighting against low market prices and their dependence on intermediaries who were taking advantage of them. It became rapidly a business model and many Alternative Trade Organizations (ATO) were created to develop the concept.

A lot of companies who buy goods from the developing countries are now more and more focused on developing and communicating about Fair Trade.

There are two types of producers: the small farmers, usually organized in cooperatives, and the workers of plantations or factories whose employers

guarantee decent salary, the right to join a union and generally good housing. There are more rules that must be agreed upon by the producers: health and safety, environment protection and no child labor.

The minimum standards to be certified *Fair trade* are there as a reference but the producers must show serious willingness to go far beyond in order to keep the status as improvements must be continually obtained in social responsibility, transparency and environmental protection.

Trading standards stipulate that traders have to:

- ” *pay a price to producers that covers the costs of sustainable production and living,*
- *pay a premium that producers can invest in development,*
- *partially pay in advance, when producers ask for it,*
- *sign contracts that allow for long-term planning and sustainable production practices”.*

### **What is the purpose of Sustainable Development?**

The goal of Sustainable Development is clearly to secure economic development, social equity and environmental protection. As much as they could work in harmony these goals sometimes work against each other in our modern world. The rapid development of good living, travel and in general of the consumer society has often resulted in less protection to the environment and to some groups of the world population. Ferocious search for profitability has not co-existed harmoniously with making the world a better place. However there is a general consensus that it cannot go on for ever and those who are favored by life now feel responsible for those who have not had the same chance. Economic growth will always remain the basis of human development but it should integrate as well its impact on the people and on the planet. SD focuses on having a holistic approach to development taking into consideration economic, social and environmental needs while avoiding over utilizing key natural resources. It entices us to change the way we develop and use technologies. It makes us acutely aware that the interest of the developed countries is to help the development of the emerging countries and under-privileged peoples.

### **Who is involved?**

#### **United Nations**

One of the UN's central mandates is “*the promotion of higher standards of living, full employment, and conditions of economic and social progress and development*”. As much as 70 per cent of the work of the UN system is devoted to accomplishing this mandate, even if it seems that politics or conflict management are usually its sole concerns.

The United Nations Organization and its subsidiaries, such as UNESCO or the Division for Economic and Social Affairs – Division for Sustainable Development, are the initiators of most of all the important worldwide meetings which took place since Stockholm in 1972: Rio in 1992, Kyoto in 1993 and Johannesburg in 2002. There are many declarations, such as Agenda 21 or the Rio Declaration, which define the resolutions of the countries attending the meetings. Many more meetings took place to

fine tune certain specific areas like Education, Development, Environment, Food and Agriculture. It is essential that a supranational organization such as the UN monitors these initiatives and challenges constantly the countries in order to make these bold statements come alive and applicable all over the world as soon as possible.

### **Governments – Regions**

Many governments have decided to embrace the Sustainable Development concept and include it in their long term strategy. They are mostly focusing on the Social Responsibility and the Environment initiatives.

Regions - Europe, Middle East, Scandinavia, others- are addressing the subject and developing a common SD strategy too. Here again it is mostly centred on People and Planet issues. Governments are particularly involved in fighting against poverty, health related issues, Global warming, pollution and major concerns of the modern world.

### **Non-Governmental Organizations (NGOs)**

As globalization and international trade impact societies, non-governmental organizations have become increasingly influential in world affairs. They are consulted by governments as well as international organizations like the United Nations which have created an associative status for them. There are now thousands of non-governmental organizations (NGOs) in the world, operating in most countries. These organizations are not directly affiliated with any national government but often have a significant impact on the economic, social and political activity of the country or region involved.

The World Bank defines NGOs as “*private organizations that pursue activities to relieve suffering, promote the interests of the poor, protect the environment, provide basic social services, or undertake community development*” (Operational Directive 14.70). In wider usage, the term NGO can be applied to any non-profit organization which is independent from government. NGOs rely mostly on charitable donations and voluntary service.

Many NGOs have been defending People and Planet concerns for decades. Greenpeace has and is still fighting against all related nuclear issues, animal extinction, pollution and many other themes.

A substantial number of NGOs have been focusing on helping poor countries' health systems or countries at war's peoples. Some are based on a “without borders” principle: Doctors without borders, Reporters -, Teachers -, Lawyers -, Clowns -, Builders -, Architects -, Engineers -, Mothers -, all without borders.

Many new NGOs were created in the 80s and 90s, such as Architects without borders whom we see very involved after natural disasters occurrence: tsunami, earthquake and floods.

### **Companies**

Step by step companies have realized that they cannot just focus on profit and that it is time to show global caring in a global world. Many of them have been involved at one point or another in SD initiatives but they never structured a true strategy, reacting more to the environment or the personal interest of a CEO or a board. Their focus is now global and some have totally integrated SD in their business plan, more so in their

Mission Statement and in the values of the company. Companies have begun to truly embrace a comprehensive SD approach. In certain cases it may be called Sustainable Growth, Corporate Social Responsibility (CSR), Corporate Citizenship, but all concepts are comparable.

Companies are particularly sensitive to Corporate Governance due to some serious scandals in recent years. It is paramount to ensure that the shareholders feel comfortable with the way a company is managed. In the US all companies are in effect obliged to comply with the Sarbanes Oxley Act of 2002 which is “*meant to protect investors by improving the accuracy and reliability of corporate disclosures made pursuant to the securities laws and for other purposes*”. It sets up the principles of how the Board and the Company should behave.

Companies have become more transparent in their annual report so that investors can understand the approach of the corporation to business and its accounting principles. Social and environmental responsibilities can be extremely diverse: an international paper company re-plants trees in the Amazon, a coffee company is sponsoring education programs in the producing countries, a pharmaceutical company offers medicine for free to countries at war in Africa.

## **Individuals**

There are a multitude of individuals who contribute on a daily basis to help develop SD principles. Some programs are small or much localized; some others are major due to the personality of the initiator, the funds devoted to the cause or the scope of the project. Whether the initiatives are from a “common” individual, a school, or from a very wealthy person, they are all priceless. However some specific major initiatives are highlighted hereunder.

### **A very special individual: The Prince of Wales.**

Prince Charles of England has always been concerned by the planet as a whole and the legacy of our current generations toward future generations. He created an organization called **The International Business Leaders Forum (IBLF)**.

It is an educational charity supported by up to 50 multinational corporations from the United States, Britain, Germany, Japan, and several other countries. The U.S. corporations who work very closely with the organization include: 3M, American Express, TRW, Coca-Cola, Smith Kline Beecham, ARCO, CIGNA, DHL Worldwide Express, Levi Strauss & Company, The Perot Group, and U.S. WEST International. Additional partners are the American Chamber of Commerce, American Hotel & Motel Association, and Warnaco, to name a few.

The Forum is accountable to a board and council made up of international CEOs and directors from the principal supporting companies. It works with the World Bank Group, United Nations agencies, the European Commission, Overseas Development Agencies, and a number of bilateral agencies from the UK, Japan, and North America.

*“The mission of the Prince of Wales Business Leaders Forum (PWBLF) is to promote continuous improvement in the practice of good corporate citizenship and sustainable development internationally, as a natural part of successful business operations”.*

It aims to work with members and partners to:

- *“Demonstrate that business has an essential and creative role to play in the prosperity of local communities as partners in development, particularly in economies in transition;*
- *Raise awareness of the value of corporate responsibility in international business practice;*
- *Encourage partnership action between business and communities as an effective means of promoting sustainable economic development.”*

The IBLF operates in 26 countries and concentrates on post-Communist countries and developing economies. It has held 26 high-level international meetings in 18 countries involving 5,000 corporate, government and non government leaders.

### **Bill Gates**

The famous entrepreneur and billionaire Bill Gates has created a foundation called **The Bill and Melinda Gates Foundation** in 2000. The foundation has a total endowment of \$30 billion and has already committed more than \$10 billion to various projects around the US and the world. 60% of its grants are geared toward worldwide projects and 40% toward US projects.

Its mission is to reduce inequities in four primary areas:

- *“Through the Global Health program, the foundation works to close the gap between rich and poor countries by encouraging new research and supporting healthcare organizations that reach people most in need.*
- *The Education program seeks to ensure that all students in the United States graduate from high school ready for college, work, and citizenship.*
- *The Pacific Northwest program assists vulnerable children and families in Washington State and the greater Portland, Oregon area by supporting housing, early learning, and other community service programs.*
- *The Global Libraries program strives to give people in the US and other countries access to information through free Internet access at public libraries”.*

Recently the world was admiring billionaire Warren Buffet’s decision to commit his own wealth to the Bill and Melinda Gates foundation. He will give a minimum of 1.5 billion dollars per year for a total endowment of more than 30 billions dollars over the coming years.

### **Ted Turner**

*“The **UN Foundation** was created in 1998 with entrepreneur and philanthropist Ted Turner’s historic \$1 billion gift to support UN causes and activities. The UN Foundation builds and implements public-private partnerships to address the world’s most pressing problems, and also works to broaden support for the UN through advocacy and public outreach. The UN Foundation is a public charity”.*

Its areas of focus throughout the world are:

- Children's health;
- Environment – biodiversity and climate change -;
- Peace, Security and Human Rights;
- Women and Population.

The Foundation works at strengthening the relationship between the UN and the US government to ascertain that the main “sponsor” of the UN does deliver its dues. It offers grants in support of major projects related to its mission. It helps build up partnerships between the UN and many organizations focused on supporting developing countries.

### **Bill Clinton**

The former President of the United States launched the **Clinton Global Initiative (CGI)** in September 2005 in New York, during the 60 year anniversary celebration of the United Nations.

*“The mission of the William J. Clinton Foundation, and the goal of this initiative, is to increase the benefits and reduce the burdens of global interdependence; to make a world of more partners and fewer enemies; and to give more people the tools they need to build a better future”.*

The Clinton Global Initiative is a non-partisan organization which invites a very selective group of high ranked decision-making governments or companies officials to discuss humanity's issues. One important point to notice is that, due to his experience of the “world affairs” and “world summits”, President Clinton has made it clear that the companies or personalities who said they would be involved in the CGI should make a strong commitment to deliver on their promises in the fastest time possible and not just pronounce nice speeches without any follow up. In one sentence: the *Clinton Global Initiative* is pushing its partners to walk the talk, and fast!

The four pillars of the CGI are:

- *“The Escape from Poverty: Forging a New Deal Between the Developed and Developing World*
- *Religion, Conflict and Reconciliation*
- *Climate Change: Business Opportunity, Business Challenge*
- *Governance, Enterprise and Investment »*

In May 2006 the CGI had already earned 300 commitments from major companies, NGOs and governments valued at more than \$2 billion.

As a side note, President Clinton's former Vice President Al Gore, who has been a fervent advocate of Environment causes for twenty years has re-emerged in the summer of 2006 with a successful and frightening movie, **An inconvenient truth**, about the danger of Global warming.

## **2. SUSTAINABLE DEVELOPMENT IN THE CORPORATE WORLD**

There are hundreds of major international corporations which have already integrated SD in their strategy or, even better, have based their strategy around Sustainable Development. Most of them now join under various indexes or adopt global principles.

### **Global indexes and principles**

#### **SD Dow Jones Indexes (DJSI)**

Among others, the Dow Jones Sustainability Indexes, launched in 1999, track the financial performance of the leading sustainability-driven companies worldwide. The indexes provide reliable and objective benchmarks to manage sustainability portfolios. The DJSI family currently comprises global, European, North American and US benchmarks.

The Dow Jones Sustainability World Index (DJSI World) covers the top 10% of the biggest 2,500 companies in the Dow Jones World Index in terms of economic, environmental and social criteria. The Dow Jones EURO STOXX Sustainability Index (DJSI EURO STOXX) tracks the financial performance of sustainability leaders in the Euro zone.

In addition, the DJSI methodology facilitates the calculation of customized sustainability indexes, i.e. indexes covering different regions or indexes covering different segments of the leading sustainability companies.

#### **The Equator Principles**

The Equator Principles are based on the policies and guidelines of the International Finance Corporation (*IFC*), the private-sector development arm of the World Bank. Their launch meant that the financial world was truly engaged in promoting responsible social and environmental practices, predominantly in the emerging markets. These institutions started using SD as a pledge to avoid environmental and social controversies which in most cases would affect the economical and political sense of projects as well as tarnish the reputation of those who endorse and finance them.

The number of banks which have adopted the Equator Principles has increased from 10 in June 2003, when the Equator Principles were founded, to almost 40 at the beginning of 2006. It is recognized that 80% of the global projects are now going through the sustainable process and due to the practice of syndication in case of major projects the impact of the principles is deeply rooted in the financial world. Amongst the leading financial institutions which have adopted them are ABN Amro, Bank of America, Barclays, Citigroup, HSBC, JP Morgan, Mizuho, West LB and Royal Bank of Scotland.

The Equator Principles have consequently become the standard for assessing and managing environmental and social risk in projects financing.

## **Ethical funds**

These funds are socially responsible mutual funds. They focus on selecting companies which have truly integrated Corporate Social Responsibility in their strategy. They check very severely on their Governance Board and select companies that have separated the Chairman and CEO positions for example, that are totally transparent and strictly interpret the Sarbanes Oxley act (in the US). They challenge companies and check if their investors' interests are truly protected.

The companies must have nothing to do with whatever interest in military activity, gambling, liquor and tobacco for example. They must have a strategy that develops activities in all aspects of Sustainable Development: Social, Human Rights, Environmental, Fair Trade, etc.

In April 2006, upon the initiative of UN Secretary General Kofi Annan, a group of leading financial institutions - representing more than \$2 trillion in assets owned - and the United Nations issued a code of conduct for financial institutions called the **Principles for Responsible Investment (PRI)**. Its aim is to encourage financial institutions to observe sustainable development principles when investing on the eleven largest capital markets in the world and to protect on a long term basis the beneficiaries of their funds.

## **Some of the major international companies involved in SD**

### **Ben & Jerry**

Even though the company has been struggling with its SD strategy since it was bought by Unilever in 2000, the list of SD focused companies should still start with one of the first companies that totally based its strategy on SD principles since its inception. It all started in 1978 when two friends, Ben Cohen and Jerry Greenfield opened their first shop in Vermont.

Ben & Jerry is founded on and dedicated to a sustainable corporate concept of linked prosperity. Their mission consists of 3 interrelated parts:

- *“Product Mission  
To make, distribute & sell the finest quality all natural ice cream & euphoric concoctions with a continued commitment to incorporating wholesome, natural ingredients and promoting business practices that respect the Earth and the Environment.*
- *Economic Mission  
To operate the Company on a sustainable financial basis of profitable growth, increasing value for our stakeholders & expanding opportunities for development and career growth for our employees.*
- *Social Mission  
To operate the company in a way that actively recognizes the central role that business plays in society by initiating innovative ways to improve the quality of life locally, nationally & internationally”.*

Their initiatives are numerous in all fields of SD and measured in a yearly report called *The Social & Environmental report*.

## **British Petroleum**

It is interesting that a major oil company's website opens on Sustainable Development. The company is an ardent supporter of SD philosophy for many years. It concentrates its attention on major issues such as, but not limited to, Corporate governance, Climate change -by being a champion of emissions reduction, alternative energies-, social and economic responsibility in all developing countries where it is based. One of the most striking moves is that they are now using their acronym (BP) to introduce their SD strategy: *Beyond Petroleum*. Their logo is a sunflower (some may see it as a sun) which represents new energies and it includes the green color which induces an environmental philosophy.

Their vision:

- *“The purpose of BP is business and to maximize long-term shareholder value by selling goods and services. Since our purpose is to maximize long-term value, the notion of sustainability lies at the heart of BP's business”.*

Their values:

- *“Our values include aspirations to conduct environmentally sound operations and to overcome the perceived trade-off between global access to heat, light and mobility and the protection and improvement of the natural environment. They also include aspirations to pursue relationships that are mutually advantageous, to support economic and social progress in the communities in which the group operates and to promote respect for human rights. As we seek to live out these values day by day, we identify, analyse and manage the associated risks. Risk management is therefore critical to our activities to address climate change and our activities to promote sustainable development”.*

The company created the Ethics and Environment Assurance Committee (EEAC) to monitor the non-financial aspects of management activity such as ethical conduct, environmental matters and health and safety. A Sustainability report is published since 1999. The recent issues the company faced in Alaska should not spoil its major involvement in Sustainable Development initiatives.

## **Starbucks**

One of the fastest growing companies in the world has based its strategy on SD since its origin. They always felt it made good common sense to „put people before product“.

Their mission statement is very clear:

- *“To establish Starbucks as the premier purveyor of the finest coffee in the world while maintaining our uncompromising principles as we grow.*

*The following six Guiding Principles will help us measure the appropriateness of our decisions:*

- *Provide a great work environment and treat each other with respect and dignity;*
- *Embrace diversity as an essential component in the way we do business;*
- *Apply the highest standards of excellence to the purchasing, roasting and fresh delivery of our coffee;*

- *Develop enthusiastically satisfied customers all of the time;*
- *Contribute positively to our communities and our environment;*
- *Recognize that profitability is essential to our future success”.*

This statement recognizes all elements of SD: Profitability, Employees, Community and Environment responsibility.

One of the major involvements of Starbucks relates to Fair Trade. To be certified as Fair Trade, the coffee can only be grown by farmers who belong to farmer-owned, democratically run coffee cooperatives listed on the Fair Trade registry. An estimated three percent of the world’s coffee farmers participate in the Fair Trade system.

Not entirely satisfied with international certifications norms the company created its own certification standard called C.A.F.E. – Coffee And Farmer Equity.

C.A.F.E. practices help ensure that Starbucks purchases coffee that is grown and processed in a sustainable manner by evaluating the social, environmental and economic aspects of coffee production. The guidelines include 28 indicators against which suppliers (farmers, cooperatives, processors and exporters) are evaluated.

The Founder and Chairman, Howard Schultz, created The Starbucks Foundation in 1997 which mission is to *„create hope, discovery and opportunity in communities where Starbucks retail stores are located“*. So far it has provided more than \$11 million to approximately 700 organizations primarily in the areas of literacy and youth education in underserved communities in the U.S. and Canada.

The environmental commitments of the company’s strategy are summarized in their Environmental Mission Statement:

*„Starbucks is committed to a role of environmental leadership in all facets of our business.*

*We will fulfill this mission by a commitment to:*

- *Understanding environmental issues and sharing information with our partners (employees);*
- *Developing innovative and flexible solutions to bring about change;*
- *Striving to buy, sell and use environmentally friendly products;*
- *Recognizing that fiscal responsibility is essential to our environmental future;*
- *Instilling environmental responsibility as a corporate value;*
- *Measuring and monitoring our progress for each project;*
- *Encouraging all partners to share in our mission“.*

## **Dow Chemical**

This major international chemical company is surprisingly one of the most advanced in terms of Sustainable Development engagement. They included SD in their strategy in the early 90’s and, in 1995, issued a set of goals to be reached by 2005. They now have reached these goals and issued new, higher goals for 2015, in terms of human health, product safety commitment, sustainable chemistry, energy efficiency and conservation.

Their Vision:

- *“To be the largest, most profitable, most respected chemical company in the world”.*

Their Mission:

- *“To constantly improve what is essential to human progress by mastering science and technology”.*

The SD principles are embedded in their vision to be the most respected chemical company in the world. Their goals were particularly high in term of environment and safety issues for both their employees and their customers. They now have included strict guidelines in terms of Corporate Governance and Ethics. They issued of Code of Conducts which is a 38 page book, in which they address issues such as Diversity, Equal opportunity, Environment, Health, Safety, Financial integrity, Conflict of interests, Interaction with the public, etc.

In their commitments they clearly state *“The days when for-profit corporations seemed to exist exclusively to maximize shareholder value are behind us. Today, our Mission compels us to consider and address the interests of customers, neighbors, employees, governments, nongovernmental organizations (NGOs), as well as shareholders in everything we do.”*

In their recently announced new strategy, called *<Attain>ability*, they commit to make breakthroughs to address the issues of sustainable food and water supplies, housing, health and safety and, more broadly, to help battle against Global warming. Their past engagement proves that these new commitments will unmistakably be attained.

## **General Electric**

Under the guidance of its leader, Jack Welch and for more than two decades GE has performed extremely well, always demonstrating a two digit growth year after year. Many companies among the conglomerate were involved in community service or environmental protection. However there was not a “Group guideline” until 2005 when its new Chairman and CEO Jeff Immelt declared that the company was going to integrate SD in its worldwide strategy. The company issued its first report in 2005 and named it *The Citizenship Report*, covering all SD topics from governance to community service and environment. The biggest part of their endeavour is around the environment and they developed a full commercial concept named *Ecomagination*. It is in fact a business strategy totally embedded in their growth plan. They use it as a marketing tool to inform the world that they now are taking the helm of “eco-concerned” companies to help countries and companies face major environmental issues such as the lack of clean water access to more than one billion people, the greenhouse gas emission, the scarcity of current natural resources. In 2005 *Ecomagination* related revenues totalled more than \$10 billion; the company has a goal of more than \$20 billion in 2010. What is, as always, admirable with this company, is the capacity it has to develop every new major concept into revenue stream and shareholder value increase.

## **Cooperative Financial Services (CFS)**

Based in London, this bank and financial services cooperative, with insurance services, investments and *Smile* Internet banking, has integrated Sustainable Development and very high ethics parameters into its strategy. CFS believes firmly that only companies that will create a sustainable balance between their own interests, and those of society and the natural world will be successful in the future.

Its purpose:

- *“To be a growing, pioneering financial services business delivering benefits to customers, members and communities through commitment to value, fairness and social responsibility”.*

Its vision:

- *“To be the UK’s most admired financial services business”.*

Its values:

- *“Social Responsibilities, Openness and Honesty, Being successful, Being customer focused and Making work fun”.*

Customers of CFS are either individuals or corporations and the bank appraises them regularly to know which type of companies it should do business with. This philosophy has compelled the bank into developing a very strict Ethical Policy:

- *“No business with companies that have anything to do with arms trading;*
- *No business with companies and governments that do not observe Human rights;*
- *Support of companies that develop Fair Trade, Human rights;*
- *No support of companies that deal with tobacco, currency speculations;*
- *No investment in companies that do research in Genetically Modified Organism (GMO);*
- *Support to companies that help improve all Environment issues;*
- *No support for any company involved in animal bad treatment –fur trade, animal testing, animal cosmetics, etc.- “.*

This commitment to SD has proven to be a major advantage in their marketing approach to their customer base.

## **L’Oréal**

L’Oréal has included Sustainable Development for more than ten years in its strategy. It is very clearly stated in their Mission Statement:

*“At L’Oréal, we believe that lasting business success is built upon ethical standards which guide growth and on a genuine sense of responsibility to the community at large. We embrace our responsibility to our employees, our consumers, our environment and to the communities in which we operate”.*

When one knows that this is a company that has delivered a double digit growth to its shareholders for more than two decades it demonstrates that profit is an integral part of SD philosophy.

The company hired a Director of Sustainable Development and created seven working groups to cover the various aspects of SD:

- Vision and Strategy
- Corporate Governance
- Finance and Economics
- Research and Development
- Safety, Health and Environment
- Social and Human Affairs
- Sponsorships and Partnerships

The company stopped using animal testing in 1989 and since then has focused on developing other ways of testing their products such as cell culture testing and testing on reconstituted skin models (EPISKIN).

It insists on being at the forefront of Diversity efforts, not only in terms of employee/executive employment but as well developing their products for all human races. Obviously women have been historically their main customers and l'Oréal partnered with UNESCO to establish a corporate program named "For women in Science", to promote the role of women in scientific research and to focus on offering more employment and educational opportunities to women.

As for the Environmental component of SD, all the plants of the company around the world are now certified ISO 14001. Because packaging is a very important aspect of selling its products the company has set up strict guidelines to reduce its importance and to use environmentally-friendly technical innovations as much as possible.

Chairman Lindsay Owen-Jones puts it in simple terms when he says to his shareholders that "*the company has now gone from sustained growth to sustainable growth*".

### **Conclusion**

The list of companies which integrated SD in their strategy is obviously not exhaustive and is growing rapidly – Coca Cola issued its first Corporate Responsibility Report in August 2006 - as executives are more and more conscious of not only the importance but the necessity for companies to be concerned with the world they are actually shaping. The corporate world must fulfil this major responsibility.

Three of the most common threads noticed during this study are that many companies have created positions of Sustainable Development Directors, sometimes seating on the Executive Committee; they have formed a Foundation for them to keep focused on helping humanity and they issue a yearly report on their SD commitments.

### **3. WHICH HOTEL COMPANIES ARE CURRENTLY INVOLVED IN SUSTAINABLE DEVELOPMENT?**

At the time of this study it seems that most hotel companies have not yet embraced the importance of SD when defining their strategy. Emphasis is traditionally put on people –diversity, education and development-, service and results. All of them mention Environmental concerns, Corporate Governance and Social Responsibility (community involvement) as they are obviously concerned by these matters as are most other companies but they do not yet regard SD as a holistic concept to create a strategy of differentiation.

#### **Fairmont Hotels & Resorts**

Fairmont is certainly the hotel company that has introduced Environment and Community Service earlier than others in its global strategy. However the company has never approached the full concept of Sustainable Development.

Due to its history and its hotels locations, often in the countryside, the company has officially recognized the importance of Environment in 1990 and pioneered the *Fairmont Green Partnership*, in order to minimize the impact of its hotels on the planet. It encourages all properties to individually search for environment initiatives, be it minimization of pesticide on their golf course, encouragement to use hybrid cars, etc. Its main topics are waste reduction, resource conservation, purchasing policy, habitat and species protection and community connection.

They encourage as well Social Responsibility through the *Fairmont Hotels & Resorts charitable donations program* that delivers grants which support Education and Youth development programs, Health programs, Social services and Civic and community projects.

Through these programs Fairmont has received many accolades and awards, most recently the WTTC Tourism for Tomorrow 2006 award.

However, Fairmont has not included Sustainable Development in their Vision and Mission statements and there are no clear public measurements of the results of their commitments to the Environment and Communities.

#### **Accor**

As of today Accor is the hotel company that is the most advanced in its SD approach. It started as an Environment strategy in 1994 building a network of 53 environment correspondents throughout the world. Sustainable Development was officially embedded in the strategy of the company in 2002 with the appointment of a Director of Sustainable Development, member of the Management Board, the creation of a group-wide SD committee and the development of an exhaustive SD strategy.

That strategy encompasses all aspects of the concept. A scorecard has been developed that checks Accor's involvement throughout the world with all stakeholders: Shareholders, Customers, Employees, Suppliers, Environment and local communities.

The company was one of the first ones to sign the Global Compact initiative (appendix 1) launched by UN Secretary General, Kofi Annan, in January 1999 which is a commitment to follow strict guidelines in terms of Human rights, Labor, Environment and anti-corruption initiatives.

Accor is not only focused on developing a group SD strategy but insists in reaching each and every one of its 170 000 employees through direct campaigns. It sends a

strong message to all employees, based on the idea that “one employee can make a difference”. It published a short document highlighting conservation tips, a comic book about environment conservation, and an environment guide for hotel managers to train their employees about all aspects of environmental protection.

As for the employees the company has implemented diversity and equal employment opportunity, promoted health coverage systems worldwide. Since the origin of the company in the 60’s an open-door policy has been implemented that encourages employees to meet with managers without the presence of their direct supervisor. Its relationship with customers is thoroughly enhanced by committing to strict fire safety regulations, surveillance measures, and health and food safety risks management. It focuses on developing handicapped-friendly environment in all hotels.

A SD purchasing charter was developed and distributed to suppliers to entice them to follow SD guidelines and involve them in a virtuous circle.

Environment and eco-efficiency start during the development phase of all projects. The Company uses internationally or nationally recognized certifications. 30 hotels are now ISO 14001 certified and more certifications are in the pipeline. In Canada its hotels are *Audubon* certified for eco-efficiency. Measurements are in place to show the energy, waste and water consumption reduction.

Biodiversity and architectural integration are another focus in the development of projects. The corporate philanthropic focuses are on child sponsorship and aid to local communities.

For international and shareholder recognition Accor is listed in the major socially responsible investment indexes: DJSI World & Stoxx, FTSE4Good, ASPI and ESI indexes.

### **InterContinental Hotels Group**

IHG has evidently undergone a major shift toward a complete Sustainable Development strategy recently. The basis is there to make it the industry reference in the coming years. The group will not only be the largest hotel company in the world but as well, naturally, can become the *most admired* one.

All components of SD have been addressed and it is remarkable to read the commitments of the Board to apply Corporate Governance principles thoroughly in their mission.

Many actions geared toward social responsibility and environmental protections have been endorsed throughout the years by various divisions or hotels and coordination is now taking place. Measurements will help demonstrate that the company walks the talk and a separate and comprehensive company SD report will position the company not as *one of* but as *the* hotel company that leads the industry. It would be convenient to “brand” this strategy so that all could refer to it easily. The next step is as expected to make the strategy known throughout the company so that each stakeholder, employees first, feel committed to the goal. A Senior Vice President Global Corporate Social Responsibility position was created in September 2006.

### **Taj Hotels Group**

The Taj Hotels Group has a strong Corporate Social Responsibility history. As one of the companies of the multi-billion dollar TATA group, and being based in India, it has developed many endeavors in all areas of SD and particularly helped to build livelihoods with a clear focus on women, artisans and the education of children.

Employees of all hotels and the corporate offices contribute and actively participate in numerous on-going events and projects. One incredible commitment of the holding company, TATA, is to distribute 30% of their profit after tax to all types of community initiatives. Their fundamental belief is based on a saying from Mahatma Gandhi: “The Earth provides enough to satisfy every man’s needs, but not every man’s greed” and they have, for decades, been applying the SD principles long before they were formulated. They are involved in all aspects of SD:

- Corporate Governance –through a severe code of ethics;
- Employee relations –development of entire cities for their employees;
- Environment –exhaustive code of environment protection;
- Community –through the TATA Council for Community Initiatives that embraces social development, environmental management, biodiversity restoration and employee volunteering.

## **Hilton**

Hilton Corporation has not yet embraced a holistic approach to Sustainable Development. They communicate mostly on Corporate Social Responsibility (CSR) and Environment concerns.

Their CSR is focused on four areas:

- Education programs
- Selected Healthcare programs
- Youth programs
- Civic affairs and Public policy.

Their Environment policies are based on a tagline: Reduce - Reuse – Recycle.

The company was the first in the industry to be awarded the EnergyStar award (US) for its involvement in reducing electrical energy consumption –fluorescent bulbs in all areas-, water conservation – towel program-, recycling. It encourages its employees to be involved in various community services.

Hilton International (now bought by Hilton Corp) has started a program called *We Care* which is addressing mostly environmental issues and community service. They have included it in their balance scorecard system. Hilton Hotels has developed an interesting program to help improve relationship between people: *Be Hospitable*.

## **Kimpton Hotels**

Kimpton Hotels is a very interesting company. It was founded by Bill Kimpton in 1981 and is based in San Francisco. It counts 39 hotels as of early 2006. Its business model is very precise. It is based on *lifestyle*. Some marketing programs make strong statements: *Women in touch* – giving a sense that the company cares about women- , *Kimpton wine club* – wine tasting trainings, partnerships with eco-friendly wineries-, *GLBT*, Gay & Lesbian-friendly packages. It offers its guests a different experience, emphasizing a relaxed atmosphere, fine food offerings and the sense of being a guest of a caring company. It has divided its operations into two distinctive divisions: Hotels and Restaurants. All its restaurants are treated as free-standing restaurants in order to become rapidly “destination restaurants” and to position the hotel in its local market as *the place to see and be seen*. It makes a point to manage hotels with distinctive history, architecture, atmosphere and which are or become local focal points. Its philosophy stresses five elements: *care, comfort, style, flavour and fun*. It is very much involved in Social Responsibility and Environmental protection. In order to simplify their

approach to these two endeavours they have developed partnerships with local and national not-for-profit organizations: *The Trust for Public Land, Integrated waste management board, Business evolution, etc.*

Their social responsibility philosophy is supported by a strong statement called *Kimpton Cares*. It focuses mostly on work-life balance, diversity and education & development. It partners with national charities such as *Dress for success* that helps economically challenged women to dress in order to get jobs and *National Aids* fund to fight this curse. A very progressive program is focused on the Gay and Lesbian communities, whether employees or clients. It is called the *K-GLEN* - the Kimpton Gay and Lesbian Employee Network- which advises the company on personnel and community outreach concerns, going as far as offering special packages for various events including gay weddings.

The Environment program is called *Kimpton EarthCare*. Their mission statement is the following:

- *“To lead the hospitality industry in supporting a sustainable world, by continuing to deliver a premium guest experience through non-intrusive, high quality, eco-friendly products and services”.*

The company has taken many important initiatives in terms of environmental protection. One of these initiatives is the creation of an eco-friendly room at the Triton hotel in San Francisco designed to become a best practice for the company.

It offers amenity dispensers – to reduce packaging waste-, energy efficient lighting and motion sensors, non-toxic environmentally safe products, eco-friendly paints, energy efficient mini-bars and air conditioning system, etc.

Another major step forward is a partnership with a famous eco-friendly stylist named Danny Seo. As Kimpton's eco-consultant nationwide, Seo focuses on style and design directions, creates "green" products, as well as offers guidance on corporate sustainability and eco-friendly practices. He also includes his celebrity clients and friends into the process – Britney Spears, Carlos Santana, Wyland- to develop the image of the company in the show business world as well as in the public at large.

Kimpton's SD strategy is clear, with a twist of being specific to “boutique/hip hotels”. However there are still at the initial stage when it comes to measurements. Some of them are the following:

- *“Over \$500,000 in new revenue attributed to EarthCare*
- *Over 12,000 gallons (over 360 bathtubs) of toxic cleaners removed from our water supply*
- *Conserved over 103,000 gallons of water at Hotel Allegro, Chicago*
- *Hotel Monaco Salt Lake City awarded the e2 environmental award*
- *Galleria Park Hotel in San Francisco saved \$4,000 from just changing Exit lighting to LEDs”.*

## **Six Senses SPAs**

Many hotels-resorts-spas companies, such as Banyan Tree, Aman Resorts, and other resorts/lodges have been very involved since their inception in environmental protection, particularly in Africa, in the Indian Ocean and in the Pacific-Asia region. Now they are focusing as well on Social Responsibility and include Economic viability into a broader Sustainable Development concept.

One of these companies is Six Senses Resorts & Spas. Their strategy is simply put in the Six Senses Virtuous Circle:

- *“Creating a unique corporate culture and a special experience and concept;*
- *Generating enthusiasm as well as pride and loyalty in our hosts;*
- *Far exceeding guest’s expectations resulting in strong customer’s loyalty;*
- *A profitable and sustainable business and a feeling of satisfaction and self fulfilment”.*

Their Vision:

- *“To be trendsetting and innovative and continue to redefine a responsible leisure lifestyle”.*

Their purpose:

- *“To create innovative and enriching experiences in a sustainable environment”.*

They have an exhaustive list of values all geared towards the happiness of their staff and customers: *“epitomizing all senses: sight, sound, smell, taste, touch ... and beyond”.*

Their environmental program is developed in the *Holistic Environmental Management Programme*.

Being generally located on tiny islands, their goals are:

- to reduce resource consumption and waste generation.
- to manage energy use and water conservation.
- to hire members of local communities and engage them in social responsibility.
- Protection of flora and fauna.

They created a fund to support all types of environmental and social activities in which they allocate 0.05% of their total annual revenue. One interesting idea is the *Six Senses guest carbon-neutral program* through which clients are enticed to donate money to help compensate the emission of carbon dioxide (CO<sup>2</sup>) that the plane that brought them to the island produced. That fund is then distributed to NGOs that care about the reforestation of the planet.

### **Other hotel companies**

**Marriott** is particularly involved in Community Service, through the *Spirit to serve our communities* program. It focuses on the following areas:

- *“Career opportunities for young people, people with disabilities;*
- *Family services such as child care, transportation, housing;*
- *Community partnership with Habitat for Humanity, Red Cross and Crescent societies, America’s second harvest (food charity), Children’s miracle network (hospitals), etc;*
- *Associate involvement through the appreciation week when thousands of associates reach out to help their communities;*
- *Preserving the environment with the ECHO program (Environmentally Conscious Hospitality Operations) through eco-friendly guidelines to all hotels and associates through the “reduce-reuse-recycle” process”.*

They have instituted an interesting Marriott supplier diversity program buying from minority –and women- owned US small businesses.

**Starwood** as a group and its hotels companies -**Sheraton, Westin, Le Méridien**, etc. - do not seem to be much involved in SD. There are some social responsibility and environmental actions within certain brands but they do not communicate about any portion of the SD spectrum apart from the basic and mandatory corporate governance issues.

**Carlson companies** – including **Radisson Hotels & Resorts** - have a long tradition of support to communities and to the betterment of humanity. They have created the *Curtis L. Carlson Family Foundation* in 1959 to distribute their charitable efforts, known as “*Good works*” to children at risk, education and mentoring. Diversity is a value that all Carlson companies promote.

One of the many charitable commitments that Carlson has is to distribute 5% of their annual pre-tax earnings to public service causes.

### **Other tourism related industries**

**TUI** is the world’s leading tourism group managing a Tour Operator company, an airline company, hotel companies – RIU, Robinson-, a shipping company – HapagLloyd-, and many other tourism related companies. It created a SD department reporting directly to the Group Executive Board. The concern of such a company has traditionally been focused on Environmental protection wherever it operates. However, recently they moved toward a more comprehensive strategy including focuses on:

- Human Resources – Education & Development of young people;
- Social Responsibility - employment of handicapped people;
- Health & Safety regulations;
- Global environmental concerns – climate protection, preservation of biodiversity;
- Community service – help to Tsunami-hit countries, to children with cancer, to children sexually abused, etc.

**Avis**, the second largest car rental in the world has been focusing on Community service for many years. However it seems that they do not have a SD strategy. The only initiative they are promoting is a carbon neutral offer in order to compensate the emission of CO<sup>2</sup> from their cars. **Hertz** which is the number one car rental company in the world does not communicate about their strategy nor do they seem to have any interest in Sustainable Development values.

Out of the major cruise lines surveyed, **Royal Caribbean** appears to be the most serious about Environment in their strategy. They created a fund in 1996 to support marine conservation organizations. They established a comprehensive environmental protection program –*Save the Waves*- to reduce the creation of waste and to recycle as much as possible. They received the ISO 14001 certification.

**British Airways** is very committed to SD and has created a *Corporate Responsibility Board (CRB)* which acts as a “corporate conscience” and a catalyst for SD actions. The issues considered by the CRB include diversity policy, environmental policy and

priorities, HIV/Aids, ethical cargo, climate change and community investment strategy. BA is continuously assessing the issue of noise around airports where it operates, particularly Heathrow, and is encouraging the implementation of new technology to reduce the noise level of its airplanes. It concentrates also on the quality of the air close to airports as well as on “carbon offset”, by offering passenger to pay a fee, based on the carbon emission due to their travel, to a fund dedicated to planting trees.

What is striking is that most European airline companies have a very complete SD strategy –**Air France** and **Lufthansa** particularly- when American airline companies are not much involved in it, if at all. American Airlines (AA) issued a SD report in 2001 and has not communicated about it since then.

#### **4. IMPLEMENTATION PROCESS OF A SUSTAINABLE DEVELOPMENT STRATEGY**

Before anything, the SD strategy has to be embraced by the number one executive of the company for him/her to convince the Board, the Executive Committee and all stakeholders of the grounds of such a strategy. He/she must remain the standard bearer of the initiative and ensure that the strategy of the company is encompassing all SD components. Contrary to most initiatives this one is not a short- or mid-term one and even though other initiatives may be undertaken, they will all be part of the main stream scheme based on SD principles. One very important thought to keep in mind is that everything must be carried out in order that the strategy does not look like a one (wo)man pet project and that the successor to the top chair will only have one way to go: Keep focused on Sustainable Development.

This is a one hundred year strategy!

##### **1. Vision - Mission statement**

All companies have a Vision and a Mission statement. In this particular case the Mission must be very explicit about the intent of the corporation. It must mention and if possible explain the commitment to SD. The more the Vision/Mission statements are displayed throughout the firm and in its communication, the better.

Some examples of Vision /Mission statements:

- **Coca Cola:** Being *“a responsible global citizen that makes a difference”*.

- **3M:** *“3M's commitment is to actively contribute to sustainable development through environmental protection, social responsibility and economic progress. To us, that means meeting the needs of society today, while respecting the ability of future generations to meet their needs”*.

- **Shell:** *“We commit to contribute to sustainable development. This requires balancing short and long term interests, integrating economic, environmental and social considerations into business decision-making”*.

- **Roche:** *“Our aim as a leading healthcare company is to create, produce and market innovative solutions of high quality for unmet medical needs. Our products and services help to prevent, diagnose and treat diseases, thus enhancing people's health and quality of life. We do this in a responsible and ethical manner and with a commitment to sustainable development respecting the needs of the individual, the society and the environment”*.

It is to be noted that hotel companies rarely communicate their Vision/Mission statements.

## 2. Strategy

As SD is a long term strategy and covers many fields, it takes, most of the times, a few years before it actually becomes a reality. The bigger the firm the longer it takes to be embraced by all parties. However large firms have the ability to think globally and act locally by setting global goals and making global partnerships with NGOs or charitable organizations at the highest level and encouraging and guiding all branches to pursue local tactics. Big companies must think in terms of worldwide issues such as Global warming, HIV Aids fight, hunger, health, clean water access, education, human rights, children protection and many other worthy global initiatives. It is at this level too that Corporate Social Responsibility must be embraced.

The local entities usually follow the mainstream strategy and ensure their venture is related to the size of their business. They should not focus only on Environment or Community service but on the global concept of Profit, People, and Planet.

Some examples:

### **Kraft cares:**

*“Kraft is committed to making a difference in the communities where we live and work, contributing more than \$84 million in food and financial support in 2005 to non-profit organizations throughout the world.*

*Worldwide, we have two main focus areas – healthy lifestyles and hunger relief. Our community and philanthropic giving also covers many other facets of community life, including sustainability, arts and disaster relief programs”.*

### **Roche:**

*“At Roche we are committed to sustainability and thus to running our business in a way that is ethical, responsible and creates long-term value. And, since it takes up to twelve years to bring a new drug to market, our business model inevitably has a long-term focus. We must be responsive to developments in science and society, generate a level of resources that ensures our independence and be willing to take calculated risks. Sustainability is thus not an option we can choose or reject; it is an integral part of the way we do business — day by day, year by year, now and in the future”.*

The pillars of Roche’s strategy:

- *“Research towards resolving as yet unanswered health problems;*
- *Employees: our success depends on them;*
- *Access to healthcare- focusing our efforts on the most resource limited groups in the least developed countries;*
- *Economic performance- maintain a high profitability;*
- *Innovation only if it is suitably protected;*
- *Social responsibility- an obligation that is part of the Roche tradition;*
- *Corporate governance for transparency and responsibility;*
- *Safety, health and environmental protection;*
- *Decentralized structure- Roche relies on local know-how”.*

### 3. Communication

Communication is paramount to any successful strategy. Internally, everyone has to be on board. Too many times company strategies fail for a lack of preparation, communication, focus and staff engagement. SD is a rather easy strategy to embrace as it fits all stakeholders' goals:

- Shareholders: results based;
- Employees: social responsibility;
- Public at large: strong values, including environmental protection.

When the strategy is set up it is essential to communicate it to the Board and the Executive Committee as they should be the first ones to be made aware of the reasoning about the SD approach. Their support is essential to the success of the project. Once they are convinced, the communication will be geared towards the managers and employees. They are the ones who can make it happen. The Board and the Executive Committee members must all be convinced that their company is on the right track and has understood the challenges of the 21<sup>st</sup> century. Such a strategy will distinguish their company from others even if, year after year, more and more companies will be taking up SD as their core strategy. The difference will be in the content of that strategy and in the ability of the company to still differentiate itself by the actions it has decided to focus on. Their strategy will be based on their industry, their business model and the interests of their executives in the world issues.

One important communication tool that demonstrates the implication of a company in Sustainable Development is the publishing of an annual SD report or Sustainability report or Citizenship report. It displays the company's Vision, Mission and values. It develops the strategy and, more importantly, gives an exact account of where the company stands on its commitments to SD. As well it usually reports on local actions and accomplishments.

### 4. Measurable effects

In order to show the seriousness of the strategy it is essential to measure the tangible results of the strategy. A minimum of three years is necessary to start showing substantial variances. For the first two years companies will dig into various available statistics in relation with the three pillars of SD and then create specific tools to report consistently on measurements that match the company strategy such as:

**a. Economic viability:** Ebitda, R&D budget, Operating profit ratios, earnings per share, etc.

**b. Social responsibility:** geographical distribution of employees (vs revenue and profitability), diversity, health & safety ratios, benefits packages, training hours, staff turnover ratios, work/life balance, customer satisfaction, employee satisfaction, community actions, charitable contribution by geographic area, etc.

**c. Environmental protection:** waste reduction, energy efficiency, CO<sup>2</sup> emission, water consumption, Green House Gas emission, paper consumption, etc.

As there is not one complete worldwide SD certification yet, companies use recognized certifications in place in order to measure efficiently their results: ISO 14001, Global Compact Initiative (appendix 1), Energy Star (US energy certification) and others. In terms of corporate governance they will most of the time create their

own code of ethics and apply it throughout the company, particularly at Board and Executive level. In the US they will use the Sarbanes-Oxley act as a basis.

## **5. Recognition**

It is important to receive awards and certifications in the whole process. As in any strategy nothing more than the recognition of a reward will prove the engagement of the company in that particular sphere. Moreover not only is it a signal for the outside world it is mostly a strong communication tool internally and toward all the company's stakeholders. There are quite a few awards and certifications that can be achieved and if some should be internationally recognizable, others should be specific to the company's field and to local or regional recognition.

### **Awards:**

- Environmental Protection Agency award (US) – protecting the Earth climate.
- Energy Star Sustained Excellence award for Energy management (US) – reducing energy consumption and increasing energy efficiency.
- Fortune's magazine "Most admired companies" (US)
- Fortune's magazine "Best company to work for" (US)

### **Certifications:**

- Dow Jones Sustainability Index's Industrial Goods and Services Sector classification.
- FTSE4Good Europe
- Ethibel Sustainability Index (ESI)
- Apsi Eurozone
- ISO 14001- Environment certification.
- Earthcheck – Enterprise benchmarking methodologies
- Green Globe 21- based on Agenda 21 commitments to Social Responsibility and Environmental protection of the 1992 Rio de Janeiro Earth Summit.
- Green building certification. Leadership in Energy and Environmental Design (LEED) (US).

## **Summary Part I.**

### **Overview of Sustainable Development**

#### **1. Sustainable Development concept**

- Sustainable Development: “*Development that meets the needs of the present without compromising the ability of the future generations to meet their own needs*”.

Brundtland report 1987

- Triple Bottom Line (*Cannibals with forks*-John Elkington):

- *Economic Prosperity*

- *Social Equity*

- *Environmental protection*

- Not only companies but governments and regions develop Sustainable Development strategies.

- Famous individuals are involved: HRH The Prince of Wales (*International Business Leaders Forum*), Bill Gates (*The Bill and Melinda Gates Foundation*), Ted Turner (*The United Nations Foundation*), Bill Clinton (*Clinton Global Initiative*).

#### **2. Sustainable Development in the corporate world**

- Major international companies are committed to SD: General Electric, Dow Chemical, Starbucks, Coca Cola, TATA, British Petroleum. Most of them are part of the Dow Jones Sustainability Indexes (DJSI).

- Most of the major banks adhere to the Equator Principles while financial institutions (representing \$2 trillion) have now issued a code of conduct: Principles for Responsible Investments (PRI).

#### **3. Sustainable Development in the hotel industry**

- Apart from Accor, Taj Hotels Group and now InterContinental Hotels Group no hotel company has embraced the holistic view of SD.

- European airlines (British Airways, Air France, Lufthansa) are totally committed to SD while American airline companies or other tourism related industries have only focused on environment or social responsibility issues.

- The implementation of a Sustainable Development strategy necessitates the commitment of the Number One executive of the company, the integration of SD in the global strategy of the company and the definition of measurable targets.

#### **4. Implementation process of a Sustainable Development strategy**

- There are some basic steps to follow as in any strategy implementation process.

- The Vision/Mission statements must demonstrate the commitment of the company to a fully-fledged SD strategy.

- The strategy must clearly identify the goals of the company at all levels: Think global and act local.

- Communication is paramount to involve and remind constantly all stakeholders of the goals and achievements of the strategy.

- There is not one global SD certification yet but it is important to be able to show the measurable results of the strategy through the achievement of various awards and certifications.

## **Part II. Proposal for a Sustainable Development strategy within a worldwide hotel company**

### **AT THE GLOBAL LEVEL**

#### **1. Holistic approach**

As an industry, hotel companies are usually late in everything they do, compared to other major industries. Even though companies like Sheraton or Hilton were listed on the New York Stock Exchange since the mid-40's the development of the industry was due to the vision of one man or a family –Marriott, Hilton, Hyatt, TrustHouse Forte- or the strategic vision or interest of a company – ITT/Sheraton, Pan Am/InterContinental, Air France/Meridien, TWA/Hilton International (in 1967). Interest in the hotel industry grew with the “take off” of the airline industry and the development of business and leisure travel. The industry became the subject of major mergers/acquisitions in the 1980's. It developed its reservation systems following the airline industry model and did the same in its approach to yield management. What is evident is that hotel companies have never been at the forefront of innovation and global strategic vision.

#### **Proposal**

As shown earlier in the document a lot of major international companies have embraced Sustainable Development only recently and yet, apart from Accor, and now InterContinental, not many hotel companies have followed. An interesting strategic move for a hotel company today would be to become one of the first ones to develop a true holistic approach to SD by making *the triple bottom line* the ultimate “raison de vivre” of the group and be considered as the standard bearer of SD in the hotel industry. This would put the company in the spotlight of the investment community, the business community and of all other stakeholders such as employees, vendors and governments. It would not help avoid any specific risk in the course of doing business but would definitely show the preventive strategy that the company has undertaken for its global development.

#### **2. Why Sustainable Development in the hotel industry?**

According to The World Travel & Tourism Council (WTTC) research, travel & tourism (T&T) generates economic activity worldwide representing over ten per cent of total global GDP (in 2002). With 4.5 per cent growth forecast per annum for the next ten years, Travel & Tourism is not only one of the world's largest, but one of the fastest growing industries. Together with the airline industry the hospitality sector is a major component of Travel & Tourism and one could consider it its standard bearer as hotels are more visible than Tour Operators or other T&T related companies.

#### **A global industry**

There are hotels virtually in every destination, in developed as well as in under-developed areas. Historically, hotels were opened where business flourished, then where leisure was, and now they become destinations by themselves, triggering the recognition of a region.

Whenever the development of a region is decided hotels are part of the infrastructure which is necessary to fulfil that goal, together with communication access and other vital needs. As one of the primary factors to improvement, hotel companies are responsible for the successful organization of the region.

### **A people's industry**

As per an International Labour Organization (ILO) study from 2002, T&T industry is responsible for 200 million jobs (direct and indirect), equivalent to 8% of global employment. Women represent 70% of these jobs and half the workers are age 25 or under. International Hotels & Restaurants Association (IH&RA) estimates that the hotel and restaurant industry represents 300 000 hotels and 8 million restaurants, 60 million jobs and a global revenue of more than 950 billion USD annually (2005).

### **Outreach to millions of clients**

As per the ILO study there are 700 million international travellers today and the number will grow to 1.6 billion in twenty years. Most of these travellers are at one point or another staying in a hotel and it gives the hotel industry an incredible opportunity to communicate with them.

### **A true responsibility**

Such an impressive list of statistics demonstrates the impact that the hotel industry - and the T&T industry at large - may have on the development of the global economy, the social responsibility it holds and the impact it has on the environment all over the world, even in remote places.

## **3. Strong engagement**

### **Mission statement**

The Mission statement must clearly set the tone and show the engagement of the company in SD. It is the only way to remind every one of the fundamental belief the company has in SD and it officially indicates to all stakeholders the seriousness of the concept at the core of the company's strategy.

### **Values**

All companies nowadays show Integrity, Teamwork, and Education & Development among their values. Not many display Responsibility and none has included SD in its core values. It is vital to include SD or CSR among the values of the corporation.

### **Board engagement**

Following the principles of good corporate governance a lot of groups have now been very careful to separate the functions of Chairman of the Board and Chief Executive Officer. More than 50% of the Board members are usually independent non executive Directors. Among these non-executive Board members one of them should be specifically chosen for his/her engagement in Sustainability.

## **Director or Vice President SD, member of Executive Committee**

In order to recognize the intrinsic value of the engagement of the group in SD the position of Director or Vice President Sustainable Development should be created and that person would seat on the EC of the company in order for this body to always consider SD principles in every decision or action it takes. That Executive would be responsible for the SD strategy of the company and present it to both the EC and the Board.

## **SD Committee**

The VP SD will be responsible to set up a SD committee around him/her, comprising, but not limited to, members of various divisions: Operations, Technology, Engineering, Finance, Legal affairs, Marketing, Human Resources, Development, etc. so that SD principles are embedded in all decisions that each department makes. On the other hand each department will bring its contribution to a sound SD strategy, help make the right decisions and bring ideas for potential innovations.

## **SD network throughout the world**

One of the responsibilities of the VP SD will be to ensure that a SD network is created. In order to keep this system efficient there should not be more than 50 members, at least at the beginning. Employees of the company, at all levels and in all fields will be chosen to form this group. A voluntary basis would be appropriate but the main point is to ensure that the hierarchy is well represented and that all grounds are covered. The role of this group will be two fold. First, its members will be asked to bring their expertise in their domain and feed the VP SD with ways of embedding SD in their particular sphere (bottom-up principle). Second, their input will be necessary to unfold each new SD endeavor in their region (top-down principle). They will act as “champions”.

## **SD website**

A dedicated company SD website is a modern and efficient tool for a group to communicate. All stakeholders will have access to this website. It will display the company’s as well as units’ strategies. There could be some specific areas for employees to organize a *chat room* or for the corporation to promote certain competition such as contests for the most creative action, the most efficient action, etc. It will help develop the sense of pride of being associated with the company and stimulate the development of the strategy. A SD newsletter would be an added tool to communicate regularly with the stakeholders.

## **Group Foundation**

As seen in many major companies who are serious about their involvement in Sustainable Development it is highly recommended to create a Group Foundation that would specifically deal with all societal issues. The purpose of the foundation is to accompany the involvement of the Group into SD and to give a new dimension to the image of the company.

## 4. Strategy

Under the impulsion of the CEO the corporate SD strategy is to be prepared by the VP SD together with the SD committee. Once approved by the CEO and the EC it is presented to the board. A 10 year umbrella scheme is recommended, giving global goals to the company as a whole. It should provide enough directions to all divisions of the group for them to develop their own plan based on the company's core strategy. A global policy is necessary in order to communicate better with all stakeholders and give ambitious but achievable and measurable goals. This program should favor all divisional, regional and local initiatives. It will give each and everyone paths to follow under their particular responsibility. However it is essential that strict accounting be made at a global level so the company program is taken with the utmost seriousness.

It will present a **10 year roadmap** that all could take as a reference. This roadmap is an essential tool that the company needs to possess in order to communicate better to its stakeholders and to the outside world, particularly to the media.

As stated earlier the approach to SD must be holistic. As such the Triple Bottom Line concept must be respected. This is specifically what is missing today in the industry. No one has really embraced the full concept or has communicated enough around that model. The following ideas are meant to open a discussion at the EC level and help the company grade its priorities. They are mostly considered to be "food for thought" and show some avenues that a hotel company may wish to take. They represent ideas the development of which is more feasible from a corporate standpoint.

### a. Economic / Governance

#### **Bottom line**

It is necessary to show shareholders and Board members that the strategy which is being rolled out is focused on improving the bottom line. Therefore all calculations demonstrating the savings on a long term basis are important. They will be centered on energy savings, waste reduction and cost reduction by implementing water and other commodity controls, the reduction of potential liabilities and risks and employee retention. On the revenue side one must show the increase of business from clients who are particularly keen on using SD friendly companies.

#### **Code of ethics**

Most companies today have a code of ethics which is appropriately communicated so that stakeholders' confidence is maximized. Transparency is a key word in the corporate world. Using all means to convince every one of the company's highly transparent policies can only improve the shareholders' and other stakeholders' confidence. It will considerably reduce risks too. Thanks to constant communication on transparency philosophy, and its strict application, the company will also protect itself from Public Relations disasters. In case of failure in one of the units or divisions of the company, proper mechanisms will be activated to settle the issue and keep the public's trust.

## **Global partnership with international companies engaged in SD and with NGOs**

An innovative way of developing both public image and revenue is to partner with major international companies that are already convinced that Sustainable Development is the way forward. “Together we are stronger” is a common theme in most companies but it should be developed with the outside business world too. Partnership with companies such as General Electric, Dow Chemical or British Airways could prove to be very beneficial to all parties. SD is at the beginning of its long journey and all brains and goodwill should be put together so that an association of two complimentary companies develops stronger results. In other words, one plus one equals three. Another aspect of these partnerships would be to guarantee a loyal relationship between the companies and help all hotel brands to obtain more revenue from these partners. Partnering with NGOs is equally important and may help the company focus on its SD initiatives.

### **Government relations**

The hotel and tourism industries are not recognized enough by the political world. It is hard to believe that countries such as France or the United States do not have a Minister of Tourism when all related businesses are among the strongest industries and are major creators of jobs and added value. Hotel companies must be involved at all levels to monitor what governments or parliaments are going to impose on them in terms of new Sustainability regulations. It is evident in Europe particularly where Sustainable Development is the concern of strong NGOs and spearheaded by some Heads of States like President Chirac (Fair Trade, Global warming) or Prime Minister Tony Blair (“One planet economy” plan). These are declarations of good will for the time being but they will eventually be pursued by their governments or those of their successors. We are at the dawn of Sustainable Development and it would be better to board the train and be its conductor than watch it leave from the platform.

### **b. Social Responsibility**

There is not yet one full Sustainable Development program that all companies in the world should follow in order to be recognized as involved. However there are various organizations that have developed their own SD approach and companies may choose to be associated with them. They usually cover the Environment and the Social Responsibility components of SD.

### **Partnership with various global organizations**

#### **Ceres (US)**

*“Ceres' mission is to move businesses, capital, and markets to advance lasting prosperity by valuing the health of the planet and its people”.*

#### **World Business Council for Sustainable Development (WBCSD)**

*“Its mission is to provide business leadership as a catalyst for change toward sustainable development and to support the business license to operate, innovate and grow in a world increasingly shaped by sustainable development issues”.*

## **Green Globe 21**

*“The Green Globe 21 brand signifies better environmental performance, improved community interactions, savings through using fewer resources and greater yields from increased consumer demand. It provides recognition and promotional support to a global consumer market”.*

## **U.N. Global Compact** (appendix 1)

The company must give a sense of public responsibility to face internationally recognized issues. It can join important programs such as Global Compact which was launched by the United Nations in 2000 and guarantees the commitment of corporations to human rights, labor standards, environment and anti-corruption principles.

## **International Business Leaders Forum (IBLF)**

IBLF is an international non-for profit organization, based in the UK and chaired by HRH The Prince of Wales. (see page 8)

- *“Promoting responsible business leadership and partnerships for sustainable international development”.*

One of its programs is called **Tourism Partnership**:

- *“Together with its members of leading global travel and tourism companies, the Tourism Partnership assists the industry to make a valuable contribution to the countries and cultures in which they operate, to their customers, their shareholders and future generations”.*

These partnerships will keep the company focused on the most important issues and will offer the possibility of benchmarking, not only its own results but those of other major companies. The Group will eventually receive awards from these organizations which will help the communication component of SD.

## **CEO on the Board of major organizations**

The CEO of the company is the standard bearer of the SD strategy internally and externally. In order to increase the visibility of the company he should be on the Board of at least two or three major worldwide organizations. The VP SD can fulfil that duty in certain cases.

## **What organizations to support?**

Unfortunately the sky is the limit and that creates a challenge. There are many worthy global organizations as there are many dramatic woes around the world. The choice of the organization(s) must be adapted to the interest of the company and of its executives and Board members. It is important to support organizations whose aims have a link with the business of the company. There should be two or three global organizations supported centrally and freedom to add other organizations in the various regions of the globe should be given to the divisional/regional managements.

It seems more logical to the public and to stakeholders to support causes that relate to their industry. British Airways proposes its passengers pay a fee calculated on the

greenhouse gas emission (GHG) of its airplanes depending on the number of miles they have travelled and the airline gives these monies to *Climate Care* to fund sustainable energy projects around the world. Roche helps develop health care in poor areas of the planet.

In the hotel business there are logical links due to the labor-intensive activity and natural ties to culture and procurement needs.

## **People**

- Education

Education is one of the pillars to making the world become better and, hotels being in all parts of the world, it seems logical to help all, young and not so young, to get better educated

- Women issues

As stated earlier women make up roughly 70% of the Travel & Tourism industry. It may be a little less in the hotel industry but surely not less than 50%; therefore it is logical to support charities that deal with women rights around the world. It is important as well to pay particular attention to the number of women around a table – Executive Committee, Management team- and one will notice that most of the time they represent a minority

- Diversity and inclusion

Diversity is extremely important in the hotel industry. Not only is it a must to give a chance to all but, due to the fact that a lot of jobs can be learned at work through serious training, it is a great opportunity to help all communities to get employment. It is easy to build on the fact that hotels are spread out around the world to develop and promote diversity by transferring employees. The hotel industry is still very shy when it comes to promoting employees who belong to minorities. Hotels have the potential to employ more handicapped people and should not just comply with local laws but be at the forefront of this most altruistic endeavor.

- Children's right

This is the one area where all companies in the world should focus for there are far too many pressing issues related to children: education, health, food, water, sexual abuse, employment, etc.

- Health

Major endeavors like the fights against Aids and cancer are clearly necessary. In the case of the hotel industry the choice could be left to divisional, regional or local decision makers as to which area of health care should be addressed.

## **Culture**

The hotel and restaurant industries are highly integrated elements of national and local cultures. It is their interest to support major cultural events and even major sports events, like the Olympic Games, which will show that they are “In the know”. It is also important for them to support the preservation of cultures but there again decisions can be made at a divisional, regional or local level.

## **Fair Trade**

Underprivileged people often migrate to richer countries such as those of Western Europe and North America. It is therefore a major responsibility of the hotel industry to apply Fair Trade principles to its procurement philosophy. Fair Trade offers unique and genuine products and helps develop poor countries’ economies, education and more than anything gives an opportunity to native people to remain in their home country. Lots of issues are still pending with tax barriers and other political decisions but a worldwide hotel company has an obligation to develop a Fair Trade policy.

### **c. Environment**

Caring about the environment is nowadays the responsibility of all governments and all peoples. It is as well the duty of all businesses and executives. Environmentally related ideas should be weighed and considered at company level, but in effect be implemented at the unit level. As well corporate offices should be in full support of the effort. Hotels should all be encouraged to apply to ISO 14001 certification – an environment certification.

## **Water**

For the past forty years one major concern the world has been facing is the use of fossil energy resources. In the decades to come one of the main issues will be access to clean water. Today there are more than a billion people who have no direct access to water or have no clean water. The importance of this issue is not yet understood by the public. Not only should communities undertake everything possible not to pollute and waste water but they should help others getting access to it. As the hotel industry is a large consumer of water it is obvious that it should demonstrate its concern about this major problem. Currently, in a lot of hotels, guests are recommended to keep their towels –sometimes their sheets- for more than a day in order for hotels to conserve water and reduce the use of detergent. It is a worthwhile undertaking but one that sounds hypocritical as it appears to be as a cost saving exercise. How many hoteliers offer this because of a true conscience of water issues? Guests would be much more convinced of the sincere objective of this program if hotel companies would use the savings to help charities focusing on water issues such as de-polluting of a river, a lake or a sea, digging of water wells in desert areas. In order to have more impact this enterprise should be managed at the global level of a hotel company.

## **Energy**

It seems certain that the price of energy is not going to drop in the years to come; therefore it is very important to find as many ways as possible to reduce energy consumption. Major projects should be triggered by the company and implemented at all unit levels. A complete program could be put together by the corporate team of engineers. Energy assessments of the properties should be conducted as per strict guidelines defined in the program. Implementation of the recommendations should be included in mid and long term capital expenditure programs. The installation of fluorescent lights throughout a hotel reduces energy consumption by thousands of dollars as does the replacement of windows. Green roofs help conserve energy. New energies – wind, solar - should be encouraged. Not only these programs help save energy but they cut maintenance costs. Their pay-back period is generally very good. Governments usually encourage the efforts by giving grants or tax cuts. Hotel companies should do whatever can be done to help develop clean energies.

## **Waste**

There is an enormous amount of waste in the hotel industry and particularly in the food industry. A significant global project is to engage the units to reduce waste as much as possible and to recycle it.

## **Greenhouse Gas emissions (GHG)**

Hotels, using major quantities of energy, produce major quantities of GHG. It is simple to quantify their emissions via appropriate calculations through the help of some websites, <http://www.nef.org.uk/energyadvice/co2calculator.htm> being one of them in the UK. In the US the emerging standard is to use the World Resources Institute (WRI)/World Business Council SD GHG protocol at: <http://www.ghgprotocol.org/templates/GHG5/layout.asp?MenuID=849>. It is important to find the website of the country in which the hotel is located due to the fact that the emission of GHG depends on the origin of the energy (nuclear, coal, etc.). The measurement of the reduction of GHG emission is more visible when consolidated at company level. A company can make a pledge to offset carbon emissions by supporting an organization such as Climate Care.

## **Paperless environment**

When one considers the quantity of paper that is used in an office, a hotel or a company, one cannot but think of the destruction of trees and its impact on global warming. Moreover the printing of paper is often totally useless and people often discard papers after a meeting or will not even look at them at a later point. When one adds the production of ink and toners to supply photocopy machines it is easy to realize the negative impact of such habits on the environment. In a computerized world it is evident that old habits should be discouraged. Not only would it help the environment but it would also cut costs dramatically in the long term. Only the necessary printing of paper and strict use of recycled paper should be encouraged.

## **Green hotel program**

In an industry where investment in the end product (rooms) is enormous it is significant to spend money wisely with a focus on the environment. It actually gives a great opportunity for the company to display its commitment to SD. Some companies have started – Scandic Hotels is the most advanced- and it is a trend that will not stop. Every aspect of room construction and decoration can be addressed: flooring, wall-covering, air conditioning, electrical installation, water usage, furniture, textile and equipment. Clearly the process should not only consider the room but the whole property; however in the hotel industry it is the room product that captures the attention of the public. Some areas of the world are particularly focused on eco-tourism – Latin America, Africa, Asia- , therefore specific efforts could start in these regions but as the majority of hotels are in cities it is important to continue the effort in city hotels.

One prospect to delve into is to partner with companies that are focused on developing eco-friendly building equipment and move forward together in that field.

## **Procurement**

The value chain of the hotel industry includes a major component which is procurement. This is true not only during construction but while running a hotel and a restaurant. This activity will reveal how a sound hotel SD policy can have a ripple effect on other industries, engaging the procurement company and all suppliers in the same direction. Vendors involved in a hotel construction and renovation program should be made aware of the objective of the company. Moreover the procurement company should include Sustainable Development in its own strategy. It can start with presenting as many green products as possible and encouraging vendors to reduce packaging and offer recyclable products. It should as well emphasize buying sustainable food only. Once the procurement company is involved in this mission it will encourage hoteliers to go yet further in their SD efforts. The purchasing power of a procurement company is enormous and it will help reduce the unit price of sustainable products as they can be more expensive than non-sustainable products and it discourages hoteliers and restaurateurs from buying SD products.

A major endeavour for a procurement company is to include Fair Trade in its strategy enabling local suppliers to develop their business and helping poor countries to expand their economy. Recently the Financial Times suggested that there were issues with Fair Trade labelling. They will be investigated and fixed. It should not however stop companies from considering Fair Trade as a great opportunity to improve their corporate social responsibility.

## **5. Company development**

In a business world where every company is trying to grasp as many opportunities as possible to expand and sometimes encounters difficulties to be distinct from the competition, Sustainable Development can be an attractive way to create a genuine strategy of differentiation.

### **In underdeveloped countries**

In regions such as Africa and some Asian or Latin American countries a SD approach can truly make a difference. A hotel company that is sincere in its holistic approach will automatically get more attention than one which is focused solely on its economic and strategic development. Helping to develop the economy and the people, while protecting the environment, should increase the interest of governments, local administrations and world organizations.

### **In emerging countries**

In China, India, Brazil and other upcoming countries it is vital to involve as many locals as possible in order to help these countries develop their own infrastructure. As there are still quite a number of barriers to entry it is important to come not as a foreign supplier but as a partner. One way of proving that strategy is to open a hotel school and develop not the executives but more importantly the rank and file future employees. In the hotel industry an employee does not need to undergo lengthy studies to become a good associate. This industry offers opportunities to help people in difficult environments get employment. Tourism offers great prospects for these countries and they automatically will be more inclined to negotiate with companies that will help them improve. As for the local potential executives the company may come up with a two to three year abroad program. In order to develop these executives, the program will include training, travel and advancement and the company will bring them back at a later date to run hotels in their native country. This will help the owner feel comfortable with the fact that qualified executives from the local culture are being groomed and fewer expatriates will be necessary to run the hotel.

Another idea would be to look into partnering with other major companies involved in the development of tourism infrastructure and outline together a SD approach that could be proposed as a package to local governments and developers.

### **In developed countries**

What makes an owner choose one management company over another? Evidently it is the prospect of making more money thanks to its marketing, sales and reservations programs or due to a great business relationship in the past. However, image is very important and not only image of quality or profitability, but as well image in terms of transparency, business ethics and vision. Sustainable Strategy can make a difference when a REIT, a real estate developer or a rich owner is searching for the best hotel management company. Public image is extremely important in the developed world and is a guarantee for the owner that his/her asset will be in the best hands possible.

## **6. Communication**

In terms of Public Relations a Sustainable Development strategy offers many opportunities to communicate to the outside world as every part of the strategy is worth positive reporting to all stakeholders. It will help earn their confidence. The successful SD company should also communicate all awards and certifications.

## **GRI based sustainability report**

It is important to report consistently, thoroughly and accurately to the public. There is not yet a worldwide recognized SD reporting institution but quite a few that are accepted. Among them **Ceres**, which is the largest coalition of investors, environmental organizations and other public interest groups in the US. In 2004, 600 companies used their reporting guidelines to communicate their sustainability efforts.

A partnership between Ceres and UNEP (United Nations Environmental Program) created a new organization called **Global Reporting Initiative (GRI)**, based in Amsterdam, and which is meant to assist companies throughout the world.

*“The GRI's Sustainability Reporting Guidelines first released in draft form in 1999, represent the first global framework for comprehensive sustainability reporting, encompassing the "triple bottom line" of economic, environmental and social issues”.*

Today 1000 companies worldwide use their reporting procedures to communicate. The aim is that all companies will eventually communicate both their financial report and Sustainability reports at the same time every year.

### **Shareholders: Respect, trust**

Thanks to a Sustainability report shareholders can be re-assured that the company they invest in is responsible and transparent. Moreover by investing in such a company they will gain added value and perhaps satisfy their own social responsibility needs. In an age of global communication companies are scrutinized by the media and sometimes wrong decisions can lead to serious trouble and a plunging share price. A thorough SD strategy will help grow the confidence of the shareholders and earn their respect and trust.

### **Guests: In the know**

The hotel company that is at the forefront of SD will give its customers a strong sense of being “In the know”. The choice of a hotel is not simply based on obtaining a good rate but it is about receiving value for money and can be a symbol of status. The hotel where a person is staying is a representation of his values.

### **Employees: Pride, retention**

Social responsibility, meaning a company guarantees that it will be a fair employer and treat its employees with respect, encourages employees to join and stay with a company. They will feel proud of being associated with a leader in the industry, and with a company at the forefront of corporate citizenship. Most of the time employees will be involved in the efforts of a company and it is quite common to see them not only supporting the effort, but enticing the company to go further in its endeavors.

### **Governments: Happy partners**

Due to global media attention governments are subject to immediate criticism whenever they make a decision that does not seem to be in the best interest of their constituents. Partnering with a corporation that prides itself on having a SD

philosophy can be a guarantee that the executives of a government are making the right decision. It will definitely make a difference if one of two bidding companies has a SD strategy. It is also a guarantee to the government that the company has values and will deliver on its promises.

## **7. Public Relations**

Sustainable Development can give a true competitive edge to an organization showing how much it cares for the world in which it operates. It is very important to use SD in all aspects of communication including Public Relations. A lot of companies incorporate SD in advertising campaigns and/or event planning. Recently the famous Swiss watchmaker Bréguet launched a new watch called Marie-Antoinette. The event took place in Versailles where they sponsored the renovation of Le Petit Trianon, the Queen's "country home" in Versailles. It clearly gave them more media and public attention and helped support their image as a cultural sponsor and a company that cares.

It is time a global hotel company create a global PR event incorporating and supporting Sustainable Development.

## **AT THE UNIT LEVEL**

### **1. Cascading the concept throughout the company**

When a company has decided firmly on its commitment to Sustainable Strategy and completed its Vision, Mission and action plan, it is time to cascade the project down to all parties involved. It is very important that each of the corporate executives understand the principles as they will have to ensure that the philosophy will now be shared at all levels of the group. A *white paper* should be prepared in order to share enough background with all on SD principles and explain the grounds on which the company has decided to undertake such an important enterprise. It is a huge evolution but not a revolution as every single strategy of the company will remain and will have to be integrated in a universal SD strategy. The roll out schedule should be planned by the VP SD and the SD committee as well as members of all brands and all levels of the hierarchy (SD network) in order to come up with a feasible plan that will truly meet the group's expectation and not merely be a utopia.

#### **Regions**

In a diverse company the bulk of the strategy will be common, but the units' strategies may be different. The strategy must be adapted to each region which means that what will be true to one may not be automatically adapted for another, depending on the resources and the desired impact.

#### **Countries**

Strategies must be adapted to the countries in which they are to take place. South Africa, China and the US will certainly not have the same strategy even if the objectives remain the same. When it comes to environment and social responsibility there may be opportunities to look at multi-national initiatives. A developed country hotel division can consider helping an underdeveloped or emerging country's sister division. That would have the ripple effect of not only supporting worthwhile causes but as well strengthening the links between all actors within the company and improving the image of the company as a whole.

#### **Brands**

It may be better to look at how a brand can develop its SD strategy so that there can be a universal message to be delivered. That could be the case if, for instance, a brand decides to develop its own "green room" or its own healthy food programs. In countries where there are only a few units of each brand it may be valuable to organize a cross-brand action plan.

#### **Hotels**

Once the strategy is decided at the corporate, regional, country and/or brand levels the next step will be to make it happen at the unit level. The hotels are the most important actors of this worldwide play. They will have to follow the mainstream strategy of the company - focus on water, children, etc.- but will be able to add their own ideas,

planned at a local level: health, support to local charities, local environment initiatives ( forest, lake, sea) etc.

Moreover some hotels may come up with some best practices that can be applied to a region or to a brand. Therefore once the project is started it will be extremely important to organize a systemic interactive communication between the hotels and the SD committee as well as the SD network. The SD website and regular meetings should be a good starting point to encourage communication flow both ways.

### **General Manager: a “citizen hotelier”**

If the hotel is the most important constituent of a fully-fledged strategy, the General Manager is certainly the key ingredient to a successful recipe. An important part of the rollout will have to be focused on convincing the GMs of the importance of such a strategy. It will surely not happen overnight but SD, being a long term strategy, will rapidly turn into success stories all around the world to impel all GMs to be on board. GMs have a very competitive mindset and the more the company will communicate its SD strategy and successes the more they will want to share that success and become SD standard bearers.

Until the late 1970s General Managers were “innkeepers”, their best sales and marketing tools being the quality of their teams and the service delivered to their customers. In the 80s they became “businessmen/women” as they had to be more creative and sales oriented to develop the revenue lines as well as being focused on expenses so as to deliver better profits. Since the 90s they are “asset managers”, ensuring that every square inch of their property delivers revenue and profit on behalf of owners focused on better Returns On Investment (ROI). At the beginning of the 21<sup>st</sup> century they must add two other bottom lines to the economic bottom line: Social Responsibility and Environmental Protection, thus creating the fourth generation of General Managers: “the citizen hoteliers”!

## **2. Introduction of the SD concept to the hotel stakeholders**

The company should help the General Managers introduce the planned strategy by creating a PowerPoint presentation to be used with all stakeholders. It would present the concept of Sustainable Development, the company’s overall approach, its 10 year roadmap and the results expected from such an undertaking. It is certain that the introduction will vary from one brand to another, hotels being of different sizes and addressing diverse populations. Some hotels having few employees only, may be guided in SD by the brand at a regional level.

### **Board**

In managed and franchised hotels there is either an owner -or owner’s representative- or a Board who should be informed of the company strategy expectations. They should feel informed and their opinion taken into consideration. Focus on economic viability via an increase in revenue and decrease in costs should be stressed to this body.

## **Executive committee**

The EC members of the hotel must embrace the strategy as their support is essential to the completion of the plan within the hotel. They do not need to all be directly involved in the strategy but they surely need to support it entirely and live it in their division.

## **Managers**

If possible it is recommended to use a SD consultant to unveil the concept and prepare the grounds of the strategy when presenting to the managers. It may take four hours to go over a full program.

- Introduction of Sustainable Development concept with examples of what is being done throughout the world and in other industries.
- Presentation of the Group's SD strategy.
- How can the hotel help in the success of the Group's strategy?
- What could the hotel do specifically to develop its own SD strategy and in what fields – clients, suppliers, employees and others?

At the end of this first session a few Managers will logically volunteer to help creating SD committees and deploy the strategy within the hotel.

## **Employees**

The SD concept and strategy should be presented to the employees through a general session or two. Each employee must be aware of it. It is not necessary to do the presentation to all employees until there is enough substance to present. They must be able to understand what can be done locally so that they can relay to this new strategy in concrete terms: energy savings, waste reduction, water consumption, charity work, etc. They should be introduced to the SD concept and the Group's strategy more briefly than the Managers. The result of this session is to have every member of staff conscious of the concept and the strategy and to stir up interest and voluntary participation in the SD teams and ultimately get their commitment.

## **Clients**

Once there is some substance to the hotel action plan the clients should be informed of the hotel's involvement in SD. They can be informed via a General Manager's communication, a newsletter or other material. They may be asked to participate in certain actions such as water consumption or fund raisings. Again what is very important in SD is to spread the concept and explain how "one can make a difference".

## **Suppliers**

It is imperative to inform the suppliers of the strategic direction of the hotel as they must totally be part of the efforts when it comes to reducing packaging, selling recycled and recyclable products, sustainable hardware, searching for organic or sustainable food & beverage products. A suppliers advisory board is a good idea to develop greater communication and partnership between the hotel and its vendors.

## **Others**

The community should be made aware of the decision of the company and the hotel to build up a SD strategy worldwide and locally. Step by step other local ideas or partnerships will nurture for the good of the hotel either with commercial or with city/governmental organizations.

The local news media should only be informed once there are some tangible goals and results.

### **3. Creation of committees**

The General Manager must remain the visionary of the strategy but he needs to be supported internally by a team of active volunteers.

#### **Choice of a champion**

One Executive should become the champion of the whole project. It may be the Executive Assistant Manager, the Chief Engineer or the Purchasing Manager for instance who have a lot to do with suppliers and environment. It may be anybody else who has enough authority and drive to conduct this important task on top of his regular duties. The role of the champion is to keep the momentum going and to ensure that the strategy is rolled out as planned.

#### **Set up of the teams**

Several teams may be built around the themes which were chosen in the first Managers meeting:

- Clients/Employees/Suppliers/Community, subdivided into Economic viability/Social Responsibility/Environment protection, or,
- Economic viability/Social Responsibility/Environment protection, subdivided into Clients/Employees/Suppliers/Community.

One will notice that a lot of actions may overlap various fields.

The team members should all be volunteers as their involvement will require a strong commitment and they should be convinced of the ambition of the project as from time to time they will feel frustrated to obtain results from others. Management will support the team actions by considering that the time they use for SD is paid at the regular salary rate. If actions take place during days off it may only be on a voluntary basis.

### **4. Definition of the M.O.S.T. (Mission – Objectives – Strategies – Tactics)**

A document summarizing and detailing all ideas should be produced. It will be based on the concept of OST (Objective-Strategy-Tactics) and help the teams map their action plan.

#### **Mission**

A SD mission statement should be written by the committees in order for the hotel to advertize its aim and commitment. This new mission statement should be printed as much as possible on every document and literature that are used throughout the hotel

and should include a clear notion of the hotel's long term SD dedication. It will be displayed on top of the M.O.S.T. presentation.

## **Objectives**

The objectives must take into account the corporate as well as the Division guidelines and present the property's own goals.

They will incorporate the Triple Bottom Line concept of Economic viability, Social responsibility and Environmental protection for the various departments of the hotel: Rooms Division, Food & Beverage, Engineering and others. They are specific and measurable goals that, when met, will mean that the program is successful and the mission achieved. They should prompt the hotel to stretch a bit in order to be successful. A recommendation is to set reachable targets for the first year so that it will be easier to report small successes and subsequently raise aspirations as much as possible for the following years.

## **Strategies**

If the objectives display the "what" the strategies present the "how". Each objective may have one or several strategies necessary to complete it. They explain the resources needed to be applied to achieve the objectives.

## **Tactics**

The tactics set out the detailed plan for all elements. They show the timing and identify the individuals who will be accountable for achieving the objective.

To use an image: if the objective is to go from Paris to London, the strategies may be by car, train or plane and the tactics will enumerate the different steps to take to fulfil each strategy thus the objective.

## **5. Creation of a Five year roadmap**

### **What is the use of a roadmap?**

At a property level a five year plan is long enough. The roadmap will indicate very clearly what the objectives the hotel has decided upon in order to fulfill its ambition are. They are to be presented in a "reader friendly" way and be specific enough to show the seriousness of the plan and the willingness of the hotel to present a holistic approach to SD. The roadmap is actually a synthesis of the goals. It is an easy tool for all to refer to when communicating internally or externally. It can, in due course, be presented to the Board and to the media.

### **How to define it**

When all involved in the project have met a few times a general sense of what can be done is known to the team and a consensus on the goals may then be obtained. Each component of the strategy is assessed and the opportunities for success are defined. Every action must stretch over the course of the following five years. It should give a complete picture of the SD efforts of the property at a glance. The document is to be

re-assessed every year. As much as the SD champion is the architect of the roadmap the General Manager will be the one to bless it.

## **6. Sustainable Development ideas for a hotel**

Apart from supporting the corporate goals each hotel will create its own set of ideas based on management and employee interests, local needs and opportunities. The aspiration is that the image, the impact and ultimately the results of the hotel grow.

### **Economic viability - Governance**

- Control Self Assessment
- Sarbanes Oxley act compliance (or similar outside the US)
- Reduction of energy costs
- Development of the SD image to gain clients

### **Social Responsibility**

- Support to charities
- Employees' engagement in the community
- Develop diversity/inclusion
- Employees' education & development
- Fair Trade purchasing
- Promote local farming/craft industry
- Guests' awareness

### **Environment protection**

- Water conservation
- Waste reduction
- Fluorescent lighting
- Property energy audit and capital expenditure follow up
- Purchase of renewable energy
- Carbon offset (*Climate Care*)
- Only sustainable species served in F&B menus
- Use of organic products
- Paperless environment
- Cleaning of lakes, parks, etc.
- Planting of trees
- Recycling
- Establishment of a green day/week
- Rooms "greening"
- Biodiversity: habitat and species protection
- Conservation tips booklet to customers and employees
- Green roof
- Green labeled products purchasing

## **7. Making it happen**

### **Regular meetings**

In order to keep track of the evolution of the plan it is necessary to organize regular meetings with an agenda and minutes. The main topics of the agenda should in fact be the deployment of the OST but it should take into consideration all other ideas that the members of the committees wish to discuss. They sometimes deviate a bit from the main chart but are necessary to make everyone feels that he/she owns the strategy and is an active player of the hotel. Most of the time employees will come with new ideas and simple projects to accomplish. There again they should be empowered and all means should be given in order to help the volunteers realize their goals. The various committee meetings should take place at minimum twice a month and a monthly meeting with all committee members should summarize the work accomplished versus the plan.

### **Management involvement**

The General Manager and the EC members must commit to support the initiative and be present as much as they can throughout the process. They must attend some of the meetings and congratulate all participants for their generous participation in the SD journey. They may also assign goals and should integrate SD into their own departmental strategy. All small victories must be recognized and regularly celebrated during general staff meetings. Step by step the whole staff of the hotel will feel responsible for the success of the initiative.

## **8. Measurements**

No strategy is good without measurements. In this particular case the measurements must be approved by the General Manager as they are the ones which will be communicated to stakeholders including the media. They should be the milestones of the SD efforts of the hotel and help define each objective. They will indicate clearly the improvements observed in each category on a regular basis (at minimum annually). Measurements should be as simple as possible to read and understand for the public at large. After a while it will be interesting to compare the results of hotels in the same division. Some specialized websites can help in the calculation of energy consumption or greenhouse gas emissions:

<http://yosemite.epa.gov/oar/globalwarming.nsf/content/ResourceCenterToolsCalculators.html> (US) or <http://www.nef.org.uk/energyadvice/co2calculator.htm> (UK).

### **Economic viability – Governance**

- Revenue development (once the strategy is well in place the revenue developed by new “SD” clients can be proven)
- GOP per available room
- Control Self Assessment results
- Energy consumption savings

## **Social responsibility**

- Number of hours per employee devoted to charitable work for hotel projects
- Number of training hours per employee
- Concrete results of charitable and community programs
- Diversity statistics

## **Environment protection**

- Energy consumption
- Quantity of waste recycled
- Concrete results of environmental programs
- Reduction of GHG emission

## **9. Communication to the media**

An integrated part of the SD philosophy is to communicate so that the hotel's efforts are recognized and hopefully more companies decide to adopt the same strategy.

### **Five year roadmap**

The first communication can be made once the 5 year roadmap and the M.O.S.T. have been defined. This communication should be completed through a small press conference during which the plan will be presented to the media. If a press conference is not possible one-on-one interviews with journalists may be an effective way of communicating. The press kit should include some articles about SD, the company's roadmap and strategy, the hotel's roadmap and whatever commitments and results the hotel has already undertaken and achieved. It is strongly recommended to give a name to the SD initiative so that all can refer to it easily. Every communication should always be sent to the PR department of the company and to the VP SD.

### **Annual update**

To keep the media informed about the vitality of the project a yearly communication plan is necessary. The results will be analyzed and victories or failures examined. Some new goals may then be presented and step by step more journalists will be included in an effort to extend the reach of the hotel.

### **Major victories**

A short press release will be sent each time there is a major victory. We live in a world of communication and journalists are always looking for newsworthy information. Moreover without naming Sustainable Development per se the news media are constantly presenting environmental and societal initiatives. It has become a "hot" topic.

## **10. Maintaining the momentum**

Bi-yearly general sessions with the staff are necessary to maintain a high energy level. Small and large victories should be presented and celebrated. This will motivate the SD teams and entice other employees to participate and understand better the strategy of the hotel.

Internal awards can be created and given to one, or a group of employees for specific accomplishments. A good motivation tool will be to obtain corporate SD awards.

As well, the Board of the hotel should be kept informed on a yearly basis. Clients should be kept abreast of the growth and development of the initiative to encourage interest in staying at a hotel that cares!

## **Summary Part II.**

### **Proposal for a Sustainable Development strategy within a worldwide hotel company**

#### **At the Global level**

- The hotel sector has a responsibility to adhere to SD. It is a labor intensive, global industry influencing, or part of the development of countries and regions.
- Under the impulse of the CEO, a Vice President SD (or Director) should propose a strategy prepared with the involvement of a SD committee and a worldwide network of SD champions.
- Economic performance, corporate governance, involvement in global social and environmental responsibility should be the basis of a worldwide strategy.
- Two important tools to communicate the company's SD strategy are:
  - ten year roadmap elaborated on precise measurements,
  - SD report issued each year at the same time as the financial reports.

#### **At the Unit level**

- The General Manager must become a "citizen hotelier" and be the standard bearer of the strategy but everyone should be fully committed to integrate it in their daily responsibilities.
- SD champion and committees should start by elaborating a M.O.S.T. (Mission-Objective-Strategy-Tactics) taking into account the Triple Bottom Line and a five year roadmap with clear targets integrating the company's goals as well as local ones.
- Communicating internally and externally is vital.

## **Part III. Willard InterContinental Sustainable Development strategy**

### **1. Overview**

#### **History of the hotel**

The historic Willard hotel is located one block away from the White House on the world famous Pennsylvania Avenue, facing the Mall, its monuments, memorials and Smithsonian museums. There has been a hotel on this site since 1818. Originally called The City Hotel it became The Willard Hotel in 1850. Due to its location and history the Willard is much more than a hotel, it is a legend in its own right. Since President Taylor stayed at the Willard in 1853 every US President has either stayed or attended functions at the Willard, making it the *Residence of Presidents*. Abraham Lincoln spent ten days with his family at the hotel while waiting for his inauguration on March 4<sup>th</sup> 1861. President Ulysses S. Grant (1869-1877) used to come after office hours to the Willard. He liked to smoke a cigar and drink brandy in the lobby, where he popularized the term lobbyist as many people were asking for favors while he was enjoying his free time. Calvin Coolidge received the oath of office of the President of the United States at the hotel and stayed for three weeks in August 1923 as he waited for the widow of President Harding to vacate the White House, thus transforming the Willard into the Executive Office of the U.S. Numerous Royals, Heads of State or government have stayed here as guests of the US government over the years, earning the Willard an international recognition. Martin Luther King finished his famous speech "I have a dream" at the Willard before delivering it on the steps of the Lincoln Memorial on August 28<sup>th</sup> 1963. With such a history and in a city where every building, every park is meant to recognize a hero or worthy cause, the Willard is considered by many to be the *Washington Monument of Hospitality*.

#### **Why Sustainable Development at the Willard InterContinental?**

The Willard InterContinental hotel has an obligation to live up to its legacy and enter the 21<sup>st</sup> century and remain a leader in the hospitality industry. It must go one step further and sustain a much larger responsibility as one of the key institutions of the capital city. In much the same way as a President gives direction to a nation and a CEO to a corporation, the Willard InterContinental has a responsibility to show the way to the future. This hotel will give direction in the area of SD to the industry, to the city, to the nation and to the world. Our world, our Earth, our peoples will be facing major issues in the future as the planet becomes smaller, the natural resources become scarce and the needs of all become larger. All governments, businesses and private individuals have a shared responsibility for the future of our descendants. Let us face this responsibility and be the leader in developing a long term strategy, not for the next five years, but for the next one hundred years. That strategy is based on Sustainable Development.

## **Scope for the Willard InterContinental**

The Willard IC is focusing its attention on the Triple Bottom Line.

- **Economic viability (Profit).**

Any company must be profitable to be sustainable. The idea is however to follow strict ethics while conducting business and use Sustainable Development principles to develop revenues and save on costs, thus bringing higher shareholder value.

- **Social responsibility (People).**

There are two major components in that category: our employees and the community. We want to be recognized as a fair employer and ensure our employees are happy and proud to be associated with the Willard InterContinental. The hotel will be well integrated in the community by helping worthwhile causes mostly focused on Children's wellbeing and Cancer research. The ultimate goal is to create the Willard InterContinental Fund which would focus on helping organizations that deal with children who have developed cancer. However the focus will not only be local but national and international. It is important that the Willard is involved in international causes to help develop the image of the US abroad as a generous and caring country. These causes may be related to access to clean water in Africa and recently to the Tsunami relief.

- **Environmental protection (Planet).**

Here the sky is the limit! The hotel will apply to national and international environmental certifications/awards starting with ISO 14001 and industry related awards – *IHRA environmental award*, *WTTC Tourism for Tomorrow* award. Other projects will be developed such as cleaning the Anacostia River or “adopting” Pershing Park in front of the hotel (regular cleaning of the Park in partnership with National Park Service).

In all that we do we will search an association with a well-known and respected organization in order to benefit from their infrastructure and have a guarantee of the correct and ethical use of the funds or actions.

## **Best practice for the Company**

Originally this strategy will present a competitive advantage to the hotel but the mere idea of Sustainable Development is to encourage the community to feel the same concern for our future, therefore it is important to entice the hotel industry to follow the same strategy, starting with InterContinental hotels North America, then developing it to the InterContinental Hotel Company throughout the world. Once this objective is attained the strategy could be developed through all brands of the InterContinental Hotels Group. The Willard and the Company should become the standard bearers of this major initiative and persuade other hotel companies to follow.

## 2. Strategy

### Vision

Due to its location and history the Willard InterContinental can claim a very ambitious vision:

**“AMERICA’S HOTEL”**

### Mission statement

*“To be recognized as the premier hotel in Washington D.C. and within InterContinental Hotels and Resorts in terms of exceeding our guests’ expectations, being the employer of choice and maximizing shareholder value. To model a culture that promotes Sustainable Development ideals and quality improvement processes that is the benchmark for the industry”.*

### Values

- **Accountability** : We are dedicated to performing our assigned tasks with excellence and to deliver outstanding results ;
- **Education & Development**: We provide everyone the opportunities, knowledge and skills to grow both personally and professionally;
- **Empowerment**: We have the authority to take ownership, anticipate needs and make decisions which exceed our customers expectations on first contact;
- **Integrity**: We believe in honesty, ethical behavior, respect and trust;
- **Professionalism**: We are an action oriented team of savvy experts who are passionate and quality driven;
- **Sustainable Development**: We are committed to Economic viability, Social and Environmental responsibility;
- **Work Smart**: We encourage innovation, proactivity, agility and a safe work environment

### Willard InterContinental Sustainable Development strategy branding

**“WILLARD INTERCONTINENTAL,  
The Next Hundred Years”**

### Sustainable Development Mission Statement

*“The Willard InterContinental Hotel will further distinguish itself as the premier hotel in Washington DC by making sustainability a part of the Willard experience. Guests, employees, shareholders, our local community and our environment will all benefit from our strategy which considers the social, environmental and economic impacts of all we do”.*

## **Our SD commitments**

- ***Economically*** - we will deliver superior value to our stakeholders and our guests through the responsible application of natural, technical and human resources, and the pursuit of excellence in all we do.

- ***Socially*** - we will make the Willard an inspiring place for both our guests and our staff, and we will take a leadership role in improving our local and global community.

- ***Environmentally*** - we will continually reduce the impact we have on our local and global environment through minimizing waste, maximizing efficiency, and purchasing goods, which do not endanger the world's natural resources”.

## Objectives – Strategies – Tactics (OST)

### WILLARD INTERCONTINENTAL Sustainable Development strategy

|   | Objective  | Strategy  | Tactics   |
|---|--|---|---|
| <b>Economic viability</b>   | Create superior value to our shareholders and our guests           | <ul style="list-style-type: none"> <li>- Increase revenues by accessing the growing market for sustainable travel accommodations</li> <li>- Reduce operational costs by deploying a disciplined approach to optimizing resource consumption and use</li> <li>- Review all buying practices</li> </ul> | <ul style="list-style-type: none"> <li>- Enhance the Willard's image and reputation as a premier hotel offering sustainable accommodations and services</li> <li>- Develop database and communication with clients</li> <li>- Engage Avendra and all buying partners in SD strategy</li> </ul>  |
| <b>Governance</b><br>(ownership and Management Company)                                 | Ensure 100% confidence in hotel's business conduct                 | Guarantee transparency and ethical responsibility in Management practices   | <ul style="list-style-type: none"> <li>- Application of Sarbanes Oxley law principles</li> <li>- Establish highest scores in IHG's CSA process (self assessment of accounting practices)</li> </ul>   |
| <b>Social responsibility</b><br>(community and suppliers committee)                     | Take a leadership role in improving our local and global community | Determine areas for focus and marry areas of need to a realistic application of our capabilities and strengths  | <ul style="list-style-type: none"> <li>- Engage employees in community service actions</li> <li>- Incorporate supplier involvement</li> <li>- Engage Community leaders</li> <li>- Establish a signature event to raise funds and awareness for a specific cause: Willard Rose Ball to support National Children's Hospital</li> </ul>                                     |
| <b>Social responsibility</b><br>(customers and employees committee)                     | Create an inspiring experience for our guests and our staff        | <ul style="list-style-type: none"> <li>- Develop employee wellbeing</li> <li>- Entice guests to embrace SD principles</li> </ul>  | <ul style="list-style-type: none"> <li>- Ensure competitiveness in employee compensation and benefits</li> <li>- Encourage a work-life balance</li> <li>- Encourage diversity and inclusion</li> <li>- Provide a safe environment for employees and guests</li> <li>- Communicate regularly with clients</li> <li>- Add a SD channel to the in-house TV system</li> </ul> |
| <b>Environmental impact</b><br>(Consumption - Waste - Energy – GHG Emissions committee) | Improve our impact on the local and global environment             | Drive improvement by minimizing waste, maximizing efficiency, and purchasing goods which do not endanger the world's natural resources  | <ul style="list-style-type: none"> <li>- Obtain ISO 14001 certification</li> <li>- "Signature" environmental initiatives which have high relative impact and high brand value</li> <li>- Develop a more sustainable F&amp;B offering</li> </ul>   |

|                |  |   |   |
|----------------|--|---|---|
|                |  |   | <ul style="list-style-type: none"> <li>- Apply ISO 22000 principles in F&amp;B</li> <li>- Publish a "conservation tips" document to offer to guests and employees</li> </ul>  |
| <b>General</b> | Embed a permanent SD culture into strategic and day-to-day decisions and behaviour | Engage the workforce broadly by frequently communicating SD messages, developing programs and procedures, assigning responsibilities, and encouraging ownership of further improvements | <ul style="list-style-type: none"> <li>- Introduce SD strategy during recruitment process</li> <li>- Provide appropriate training to all staff</li> <li>- Incorporate SD into policies, practices and SOPs</li> <li>- Integrate expectations into HR programs</li> <li>- Department heads to support participation in committees by two staff members</li> <li>- Conduct gap analyses between current and desired practice in key areas and assign responsibilities to specific individuals</li> <li>- Communicate frequently with staff on issues, successes and challenges</li> </ul>   |
|                | Receive external recognition of the Willard's SD efforts and achievements          | Seek opportunities to raise the profile of the Willard's sustainability efforts   | <ul style="list-style-type: none"> <li>- Apply to IH&amp;RA environmental award</li> <li>- Apply to Global Tourism Business Award from Tourism for Tomorrow (WTTC)</li> <li>- Obtain a Social responsibility award (Business Ethics magazine award)</li> <li>- Be active in industry activities which support sustainability</li> <li>- Involvement in organizations that support the Willard's sustainability ambitions (CSR, DC Sustainable Business Network, etc.)</li> <li>- Develop simple, understandable communications for various audiences, including CRM- Customer Relationship Management, media, government and corporate leaders</li> </ul> |

### **3. Implementation process**

#### **Development of Executives awareness**

First and foremost the Executive Committee of the hotel (11 members) had to be convinced of the importance of including Sustainable Development in the strategy of the hotel.

During the first Executive Committee strategic meeting the SD principles were explained to all and a questions/answers session was held as well as a broad outline of the process.

#### **Choice of a consultancy firm**

It was of paramount importance to include a third party consultancy firm in the process as both the General Manager and the Executive Committee had never implemented a SD strategy. After a search it was decided that *SustainAbility* was the best match to take us through this very important journey. Their head office is located in London and they have a branch in Washington DC.

*SustainAbility* statement:

*“Established in 1987, SustainAbility is a strategy consultancy and independent think tank specialising in the business risks and market opportunities of corporate responsibility and sustainable development. We understand business and what society expects of it”.*

*SustainAbility* was created in 1987 by the well-known SD expert and writer John Elkington who wrote 17 books on Sustainable Development, including *Cannibal with forks* and more recently *The Chrysalis economy*. He sits on the board of major international companies and his firm is an advisor to many small and large corporations.

#### **Managers’ workshop**

After having included SD in the Mission of the hotel and having the EC members on board it became evident that the Management team (50 members) had to be made aware of the program. A kick off meeting was organized in May 2005, led by *SustainAbility*’s consultant, Jeff Erikson.

Managers’ workshop agenda:

- SD definition
- Examples of SD in the world
- Benchmarking in the hotel industry
  - Local
  - National
  - International
- Other Hospitality industry activity
- Industry/NGO Initiatives
- Determination of Willard priorities

## **Creation of committees**

Three committees were created to develop the strategy in each of the categories that were specified by the managers: Community and suppliers, Customers and Employees, Consumption-waste-energy. All committee members joined as volunteers from various departments and various positions in the hierarchy.

## **How do the committees work?**

The committees consist of 7 to 10 participants. They meet on a weekly or bi-weekly basis. Their action plan is derived from the roadmap and the strategies. They sometimes split in sub-groups to achieve a task. The goals are prioritized. There are major strategies which can take several months, sometimes over a year process; therefore it is important that some of the projects be easier to complete in order to give a sense of achievement to the team and make it win small battles.

The team leaders meet every other week with the SD champion – the Director of facilities- to look at the global picture of the program. Minutes are taken of all meetings. After one year of SD activity the most important lesson learnt is that everything must be measurable and some struggle may still appear to put the measurements in place.

## **Establishment of targets**

In order to define the roadmap it is vital to identify the measurements. The hotel industry is not prepared enough to that task, which in any case is important to manage better a property and being able to report on improvements. Once the objectives, strategies and tactics as well as their measurements were established a workshop was organized with the whole management team in order to get the commitment of all managers and to agree on the definition of the next five year targets. It is still a learning experience but the SD team feels confident these goals can be achieved.

#### 4. Five year roadmap

The roadmap is established once the core objectives have been set. It defines and quantifies the goals of the hotel for the next five years so all can refer to it. Obviously there is a lot of iteration when such an ambitious program is started but, if necessary, it is advisable to review the goals after the first year so that the roadmap remains a working and useful tool rather than a theoretical matrix. The evolution (+ or -) is calculated from the current year vs. the prior year.

### WILLARD INTERCONTINENTAL Roadmap 2006-2010

|                           | PROJECTS   | 2006   | 2007    | 2008      | 2009     | 2010     |
|---------------------------|--|--------|---------|-----------|----------|----------|
| <b>Governance</b>         | IHG Control Self Assessment                                    | 95%    | 96%     | 97%       | 98%      | 99%      |
|                           | SOX principles   | 100%   | 100%    | 100%      | 100%     | 100%     |
|                           | Business Ethics Award  |        |         | Obtention |          |          |
| <b>Economic viability</b> | Reduction of costs   |        |         |           |          |          |
|                           | ▪ electricity (Kwh/sq ft)                                      | -5%    | -5%     | -2%       | -2%      | -2%      |
|                           | ▪ gas  | -2%    | -1%     | -1%       | -1%      | -1%      |
|                           | Development of client base (companies that have a SD strategy) | Year 0 | +5 cies | +10 cies  | +10 cies | +10 cies |

|                              | PROJECTS  | 2006                           | 2007                                 | 2008                                 | 2009                               | 2010                       |
|------------------------------|---|--------------------------------|--------------------------------------|--------------------------------------|------------------------------------|----------------------------|
| <b>Social Responsibility</b> | Community service actions (Number of community hours/number of staff)   | Year 0                         | +10%                                 | +10%                                 | +10%                               | +10%                       |
|                              | Creation of "Arts in Pershing Park" (local painters/artists to entertain tourists)  |                                | Open from April to October (weekend) | Open from April to October (weekend) | Open from April to October (daily) | Open all year long         |
|                              | Creation of "Holiday Season Market" (same principle as Xmas markets in Europe)  |                                | Year 0                               | Launch                               | Growth by 20%                      | Growth by 20%              |
|                              | Signature event/year (creation of a Willard fund to support a charity geared toward children: National Children Hospital) |                                | One event                            | One event                            | One event                          | One event                  |
|                              | Guests engagement   |                                |                                      | Creation of a Guests Advisory Board  | One meeting/year                   | One meeting/year           |
|                              | Communication to clients  | Newsletter                     | Newsletter SD TV channel             | Newsletter SD TV developpt           | Newsletter SD TV developpt         | Newsletter SD TV developpt |
|                              | Workplace quality index (staff satisfaction, job injuries, training, living wage, etc.)                                   | Definition of the index Year 0 | +5%                                  | +5%                                  | +5%                                | +5%                        |

|                    | PROJECTS   | 2006                       | 2007  | 2008                        | 2009                        | 2010                        |
|--------------------|--|----------------------------|---|-----------------------------|-----------------------------|-----------------------------|
| <b>Environment</b> | Reduce Green House Gas emission  | Year 0                     | -7%   | -20%                        | -20%                        | -20%                        |
|                    | waste consumption (tons)   | -10%                       | -10%  | -5%                         | -5%                         | -5%                         |
|                    | Recycled materials (tons)  | Year 0                     | +20%  | +10%                        | +10%                        | +10%                        |
|                    | water consumption (cubic ft)   | -5%                        | -2%   | -2%                         | -2%                         | -2%                         |
|                    | Conservation tips booklet  |                            | Booklet distributed to all rooms and employees                  | d°                          | d°                          | d°                          |
|                    | ISO 14001  |                            | certification   |                             |                             |                             |
|                    | ISO 22000  |                            |   | certification               |                             |                             |
|                    | IHRA award   |                            |   | obtention                   |                             |                             |
|                    | WTTC award   |                            |   | obtention                   |                             |                             |
|                    | Sustainable F&B offer  | Three SD menus in Catering | - Five SD menus in Catering<br>- SD offering in all F&B outlets | 40% of F&B offer must be SD | 50% of F&B offer must be SD | 60% of F&B offer must be SD |
|                    | Develop environment friendly hotel room concept in a city hotel (new ideas per year) | 1                          | +3  | +5                          | +5                          | +5                          |
|                    | Paperless environment program (paper consumption)                                    | Year 0                     | -10%  | -20%                        | -30%                        | -40%                        |
|                    | Increase green products purchasing   |                            | Year 0  | +10%                        | +10%                        | +10%                        |

## 5. First results

### Common language

An interesting consequence of the deployment of Sustainable Development initiative is that gradually the employees use a common language: “This is not very S.D.”, “Is this sustainable?”, “How sustainable is this?” etc. Groups of employees meet on SD projects and each time, depending on the purpose of the project, the groups are different thus helping “global team building” within the hotel.

### Motivation and involvement of Managers

All got stimulated by the SD initiative and started to include it as a goal in all extra professional activities. For instance the *Willard Road Runners* gave the proceeds of their race to the Tsunami Relief Fund. They are now focusing on reaching the \$3700 threshold to create a water well in Africa.

## **First victories (appendix 2)**

Some important projects were achieved and became milestones of the SD strategy:

- Paperless purchase order program (Adaco)
- Towel project and sponsoring of Anacostia river cleaning
- Tsunami relief fund (\$25 000)
- Katrina relief fund (\$14 000)
- Willard Extreme Makeover (25 employees – 116.4 pds lost – 1 590 miles walked or run)

More projects are being pursued:

- Fluorescent lighting (more than \$100 000 energy cost savings/year)
- Pershing Park street artists
- Adopt Pershing Park
- Partnership with the American Lung Association
- Willard Web
- ISO 14001
- EPA utility cost benchmarking beta site
- Various paperless programs

All major and minor projects are detailed in appendix 2.

## **6. Communication to stakeholders**

A very significant aspect of a Sustainable Development strategy is Communication. It is obviously important to set up a strategy and develop it into actions, but it is as essential to make it known to all stakeholders. The purpose of this communication is not just Public Relations; it is a way of developing awareness around us about the positive consequences of SD. Every day we see proof that the capacity of the Earth to answer all the needs of human kind for another long period of time is shrinking and it is therefore our shared responsibility to act in order to minimize our impact on nature.

A hotel is a great forum to raise the awareness of the public to issues of Sustainable Development. Every year tens of thousands of customers, most of whom have major responsibilities in today's world - top executives, Heads of State, Show business stars - stay in a hotel. This represents millions of clients around the world who can be "indoctrinated" about SD. At the Willard alone there are more than 100 000 hotel guests and 150 000 Food & Beverage customers per year in our restaurants, bars and function rooms.

The hotel industry is one of the major users of manpower and consequently it can reach many families and individuals throughout a good communication plan. The travel and tourism industries at large – hotel, airlines, cruise, tour operators, land operators – represent one of the most important sources of economic activity in the world and are very much intertwined when dealing with clients. Therefore a single hotel has many industry stakeholders it can influence at its individual level.

## **Employees**

After introducing the executives and managers of a hotel to SD it is very important to include all employees in the process. Everyone from top to bottom must be involved in the course of action. Moreover, due to average hotel turnover being 30% it is crucial to ensure that the strategy is fully embedded in the hotel's culture.

The most practical way to involve all employees is by demonstrating that the initial projects were successful. Eventually the goal is that each and every one will bring his/her input in the strategy and will *live* Sustainable Development fully.

## **Clients**

Hotels offer a fantastic opportunity to develop the knowledge of SD in the mind of the general public. In the case of a hotel such as the Willard InterContinental guests are a powerful and decision making public. Generic information is displayed in the *Guest Directory of Services* and selective projects are presented specifically to the clients: Tsunami Relief Fund, Katrina Relief Fund, Water conservation project, etc. The guests are given an opportunity to feel concerned by SD and eventually for those who have not yet embraced this strategy the hope is that after having "tasted" it at the hotel they think about it and include it in their personal life and/or in the strategy of their companies. A major undertaking will be to dedicate a TV channel to SD and present the hotel's as well as IHG's and partners' SD efforts. This channel should be sponsored by companies involved in Sustainable Development.

## **Suppliers**

In dealing with numerous suppliers a hotel is a superb platform to deploy SD and encourage all vendors to include it in their strategy. Step by step the Willard InterContinental is asking its suppliers to offer sustainable products thus obliging them to search for these products and add them to the catalogues to be presented to other clients. Our procurement company Avendra represents InterContinental Hotels, Fairmont Hotels, Marriott International, Hyatt Hotels Corp. and Club Corp USA. We are enticing them to include more sustainable products in their lists and a specific action plan is being conducted so that in turn they persuade more suppliers to adhere to our strategy. If Avendra comes to embrace the strategy fully, its \$ 2 billion buying power would represent the most influential leverage the Willard InterContinental would have activated to deploy SD principles in the industry.

## **Media**

Today's media must know about your values and understand the difference between your hotel and your competitors. It is the best way to inform the general public of your actions and prompt clients to choose your hotel. A Sustainable Development strategy is truly a unique selling point (USP), at least at the beginning, and there again is the idea to spread the strategy among companies including competitors. Today SD continues to represent interesting news.

The press, particularly in America, is getting more concerned by Sustainable Development, specifically by corporate governance, community service and environmental issues. The fact that it is a novelty to include such an ambitious program in the strategy of a single unit makes it easier to communicate and prove that “*One can make a difference!*”

## **Tourism industry**

All industry partners are to be made aware of the hotel’s strategy. One must note that some major industry organizations are already concerned by SD and have included it in their strategy and their reflection and action: IHRA (International Hotel & Restaurant Association), WTTC (World Travel & Tourism Council).

## **7. Certifications**

Currently there is not one global Sustainable Development certification that is recognized worldwide. Many certifications or awards do exist and the Willard InterContinental chose to focus on a few. Winning these awards is obviously the goal but more than anything they are used to help the hotel focused in its journey toward a global Sustainable Development strategy.

### **Certification / Award**

#### Governance

- a. InterContinental Hotels Group Self Assessment rating
- b. Business Ethics Magazine

#### Community

- c. Points of Lights - Award for excellence in work place (volunteer program)

#### Environment

- d. ISO 14001 certification
- e. ISO 22000 certification – F&B practices
- f. IH&RA environmental award

#### General

- g. WTTC Global Tourism Business Award

## **8. Standard Operating Procedures – SOP (appendix 3)**

In order to make certain that SD becomes a totally integrated part of the hotel’s culture and work practices it is vital to include all SD actions into SOPs. First it will help the employees to work as per SD guidelines. Second it will ensure that new employees will not see any other way of approaching their work. Third, it will instil a Sustainable Development culture throughout the hotel and entice all employees to live the strategy and eventually stimulate them to propose new ideas to the work practices of the hotel.

## **9. Conclusion on the Willard InterContinental SD strategy**

A wise man said: “A thousand miles journey starts with the first step”.

The Willard InterContinental has just made its first step. As 2006 is Year 0 for many objectives, the Sustainable Development strategy will be assessed and amended in 2007 so that it leads to dynamic SD results in the years to come. The organization principles will be fine tuned in order to be able to make it a perfect best practice for the Company and the industry at large.

The current management team and employees may not be here in one hundred years but sincerely hope that they will all have left a strong legacy.

Their wish is that

***“Their development meets the needs of the present without compromising the ability of future generations of hoteliers to meet their own needs”.***

*Willard IC 2006*

### **Summary Part III.**

#### **Willard InterContinental Sustainable Development strategy**

- Due to its marvellous legacy the Willard InterContinental Hotel holds a particular responsibility to encourage as many best practices as possible within the company and the industry, Sustainable Development being a most interesting and valuable one.
- The approach to SD is definitely based on the *triple bottom line* principle, always keeping in mind that in order to be sustainable a company must first be economically viable.
- A five year roadmap with clear objectives and measurements was designed.
- Enlargement of customer base, reduction of costs, strong local community involvement, influence of the Willard IC in Washington DC, application to internationally recognized certifications (ISO 14001, ISO 22000), communication to guests and news media are the pillars of the strategy.

## APPENDICES

### Appendix 1

#### THE GLOBAL COMPACT

United Nations

##### The Ten Principles

The Global Compact's principles enjoy universal consensus being derived from:

- The Universal Declaration of Human Rights
- The International Labour Organization's Declaration on Fundamental Principles and Rights at Work
- The Rio Declaration on Environment and Development
- The United Nations Convention against Corruption

The Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment and anti-corruption:

##### Human Rights

**Principle 1** | Businesses should support and respect the protection of international human rights within their sphere of influence; and

**Principle 2** | make sure they are not complicit in human rights abuses.

##### Labour

**Principle 3** | Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

**Principle 4** | the elimination of all forms of forced and compulsory labour;

**Principle 5** | the effective abolition of child labour; and

**Principle 6** | the elimination of discrimination in respect of employment and occupation.

##### Environment

**Principle 7** | Businesses should support a precautionary approach to environmental challenges;

**Principle 8** | undertake initiatives to promote greater environmental responsibility; and

**Principle 9** | encourage the development and diffusion of environmentally friendly technologies.

##### Anti-Corruption

**Principle 10** | Businesses should work against corruption in all its forms, including extortion and bribery.

Appendix 2  
**First victories**

**WILLARD INTERCONTINENTAL**  
 Sustainable Development projects

**Achieved Projects**

|   | <b>Projects</b>  | <b>Costs</b>  | <b>Savings</b>  | <b>Comments</b>   |
|---|--|---|---|---|
| <b>Economic viability</b>                                 | <ul style="list-style-type: none"> <li>- Paperless purchase order program</li> <li>- Towel Project for laundry efficiency</li> </ul>   | <ul style="list-style-type: none"> <li>- \$20,000 software cost</li> </ul>      | <ul style="list-style-type: none"> <li>- \$ 12,000 / year</li> <li>- \$3,000 in 2006</li> </ul> | <ul style="list-style-type: none"> <li>- cost of paper, printing and labor</li> <li>- 50% sponsoring of cleaning of Anacostia River</li> <li>- 50% sponsoring creation of water wells in Africa</li> </ul>  |
| <b>Governance</b><br>(ownership and Management Company)   | <ul style="list-style-type: none"> <li>- Self Control Assessment</li> </ul>  |   |   | <ul style="list-style-type: none"> <li>- Objective 2006: 95%</li> <li>- Result: 94.5%</li> </ul>  |
| <b>Social responsibility</b><br>(community and suppliers) | <ul style="list-style-type: none"> <li>- Tsunami relief</li> <li>- Katrina relief</li> <li>- Willard Road Runners 2005 fundraising for Katrina and Tsunami relief</li> <li>- Bake sales to raise money for Tsunami relief and Katrina</li> <li>- Meals to DC Red Cross volunteers during Katrina relief efforts</li> <li>- Professional clothing drive</li> <li>- Turkey donation from employees to Children's National Medical Center</li> <li>- Toy drive – Children's Hospital</li> <li>- Thanksgiving luncheon for wounded troops at Bethesda Naval Hospital</li> <li>- Food drive</li> <li>- Blood drive -American Red Cross- 4 in one year time</li> </ul> | <ul style="list-style-type: none"> <li>- \$2,000</li> <li>- \$ 2,000</li> </ul> |   | <ul style="list-style-type: none"> <li>- \$25,000 given to UNICEF for creation of an education center in the Maldives</li> <li>- Participation in IHG's global partnership with UNICEF</li> <li>- \$14,000 given to American Red Cross, InterContinental Hotel New Orleans and four Willard employees N.O. families</li> <li>- 1,627 miles/dollars to Tsunami relief. 25 participants.</li> <li>- \$400 - collected in Employee Lounge</li> <li>- 250 meals over 1 week period (cost, labor)</li> <li>- 600 men/women professional attire garments– given to "Bread for the City"</li> <li>- 32 Turkeys</li> <li>- 60 toys</li> <li>- 120 lunches (cost, labor)</li> <li>- Food Bank of Washington (6 boxes)</li> <li>- 100 donors / 100 pints</li> </ul> |

| <b>Social responsibility</b><br>(customers and employees)              | <ul style="list-style-type: none"> <li>- Bike program</li> <li>- Waterless hand sanitizers</li> <li>- Employee smoking lounge abolished, transformation into a relaxation room</li> <li>- Willard Extreme Makeover program – including Weight Watchers employee program and the Smoking cessation for employees)</li> </ul>  |              |               | <ul style="list-style-type: none"> <li>- New bike rack installed – 13 employees use it</li> <li>- 12 installed, so staff can sanitize their hands to help from spreading germs.</li> <li>- 20 employees quit smoking and hotel is a partner of American Lung Association.</li> <li>- 25 employees participated (116.4 pds total weight lost, 1,590.3 total miles walked or run)</li> </ul> |        |          |        |      |            |          |      |            |         |       |            |         |       |            |           |  |  |     |      |      |        |      |      |       |       |      |      |      |       |        |      |      |      |           |      |      |      |         |      |      |      |          |      |      |      |          |      |      |      |              |              |              |               |  |  |   |
|--|--|--------------|---------------|--|--------|----------|--------|------|------------|----------|------|------------|---------|-------|------------|---------|-------|------------|-----------|--|--|-----|------|------|--------|------|------|-------|-------|------|------|------|-------|--------|------|------|------|-----------|------|------|------|---------|------|------|------|----------|------|------|------|----------|------|------|------|--------------|--------------|--------------|---------------|--|--|---|
| <b>Environmental impact</b><br>(Consumption, Waste Energy – Emissions) | <ul style="list-style-type: none"> <li>- Water free urinals</li> </ul> <table border="1" data-bbox="486 656 868 891"> <thead> <tr> <th>Year</th> <th>Savings</th> <th>Gallons</th> </tr> </thead> <tbody> <tr> <td>2005</td> <td>\$648.49</td> <td>95,265</td> </tr> <tr> <td>2006</td> <td>\$1,621.22</td> <td>238,163</td> </tr> <tr> <td>2007</td> <td>\$3,566.68</td> <td>523,958</td> </tr> <tr> <td>2008</td> <td>\$5,512.15</td> <td>809,753</td> </tr> <tr> <td>2009</td> <td>\$7,457.61</td> <td>1,095,548</td> </tr> </tbody> </table>   | Year         | Savings       | Gallons  | 2005   | \$648.49 | 95,265 | 2006 | \$1,621.22 | 238,163  | 2007 | \$3,566.68 | 523,958 | 2008  | \$5,512.15 | 809,753 | 2009  | \$7,457.61 | 1,095,548 | <ul style="list-style-type: none"> <li>- \$300 each</li> </ul> | <ul style="list-style-type: none"> <li>- 15,877 gallons per urinal annually</li> <li>- By year 2009 we will have saved 1,000,000 gallons of water with this project alone</li> </ul> |     |      |      |        |      |      |       |       |      |      |      |       |        |      |      |      |           |      |      |      |         |      |      |      |          |      |      |      |          |      |      |      |              |              |              |               |  |  |   |
| Year   | Savings  | Gallons      |               |  |        |          |        |      |            |          |      |            |         |       |            |         |       |            |           |  |  |     |      |      |        |      |      |       |       |      |      |      |       |        |      |      |      |           |      |      |      |         |      |      |      |          |      |      |      |          |      |      |      |              |              |              |               |  |  |   |
| 2005   | \$648.49   | 95,265       |               |  |        |          |        |      |            |          |      |            |         |       |            |         |       |            |           |  |  |     |      |      |        |      |      |       |       |      |      |      |       |        |      |      |      |           |      |      |      |         |      |      |      |          |      |      |      |          |      |      |      |              |              |              |               |  |  |   |
| 2006   | \$1,621.22   | 238,163      |               |  |        |          |        |      |            |          |      |            |         |       |            |         |       |            |           |  |  |     |      |      |        |      |      |       |       |      |      |      |       |        |      |      |      |           |      |      |      |         |      |      |      |          |      |      |      |          |      |      |      |              |              |              |               |  |  |   |
| 2007   | \$3,566.68   | 523,958      |               |  |        |          |        |      |            |          |      |            |         |       |            |         |       |            |           |  |  |     |      |      |        |      |      |       |       |      |      |      |       |        |      |      |      |           |      |      |      |         |      |      |      |          |      |      |      |          |      |      |      |              |              |              |               |  |  |   |
| 2008   | \$5,512.15   | 809,753      |               |  |        |          |        |      |            |          |      |            |         |       |            |         |       |            |           |  |  |     |      |      |        |      |      |       |       |      |      |      |       |        |      |      |      |           |      |      |      |         |      |      |      |          |      |      |      |          |      |      |      |              |              |              |               |  |  |   |
| 2009   | \$7,457.61   | 1,095,548    |               |  |        |          |        |      |            |          |      |            |         |       |            |         |       |            |           |  |  |     |      |      |        |      |      |       |       |      |      |      |       |        |      |      |      |           |      |      |      |         |      |      |      |          |      |      |      |          |      |      |      |              |              |              |               |  |  |   |
|  | <ul style="list-style-type: none"> <li>- Recycling bins (back of the house)</li> </ul> <table border="1" data-bbox="451 1003 879 1435"> <thead> <tr> <th>Month</th> <th>2005 -R</th> <th>2006-R</th> <th>2006-W</th> </tr> </thead> <tbody> <tr><td>January</td><td>3.04</td><td>3.17</td><td>22.59</td></tr> <tr><td>February</td><td>3.90</td><td>4.87</td><td>61.53</td></tr> <tr><td>March</td><td>2.03</td><td>3.69</td><td>86.95</td></tr> <tr><td>April</td><td>0.00</td><td>6.94</td><td>84.96</td></tr> <tr><td>May</td><td>0.00</td><td>8.44</td><td>103.68</td></tr> <tr><td>June</td><td>0.00</td><td>17.53</td><td>77.59</td></tr> <tr><td>July</td><td>0.00</td><td>5.79</td><td>58.88</td></tr> <tr><td>August</td><td>1.32</td><td>0.00</td><td>0.00</td></tr> <tr><td>September</td><td>5.44</td><td>0.00</td><td>0.00</td></tr> <tr><td>October</td><td>5.79</td><td>0.00</td><td>0.00</td></tr> <tr><td>November</td><td>5.88</td><td>0.00</td><td>0.00</td></tr> <tr><td>December</td><td>5.42</td><td>0.00</td><td>0.00</td></tr> <tr> <td><b>Total</b></td> <td><b>32.82</b></td> <td><b>50.43</b></td> <td><b>496.18</b></td> </tr> </tbody> </table> <p>R: Recycled      W: waste removal</p> <ul style="list-style-type: none"> <li>- Bottle free water coolers throughout the hotel</li> <li>- Discontinued use of oil based paints</li> </ul> | Month        | 2005 -R       | 2006-R   | 2006-W | January  | 3.04   | 3.17 | 22.59      | February | 3.90 | 4.87       | 61.53   | March | 2.03       | 3.69    | 86.95 | April      | 0.00      | 6.94   | 84.96  | May | 0.00 | 8.44 | 103.68 | June | 0.00 | 17.53 | 77.59 | July | 0.00 | 5.79 | 58.88 | August | 1.32 | 0.00 | 0.00 | September | 5.44 | 0.00 | 0.00 | October | 5.79 | 0.00 | 0.00 | November | 5.88 | 0.00 | 0.00 | December | 5.42 | 0.00 | 0.00 | <b>Total</b> | <b>32.82</b> | <b>50.43</b> | <b>496.18</b> |  |  | <ul style="list-style-type: none"> <li>- 33 tons recycled in 2005</li> <li>- 50 tons recycled YTD July 2006</li> <li>- no more containers</li> <li>- Duron Paints: By switching to Latex paint, we have eliminated another hazardous product (65 gallons purchased in 2005 75 gallons purchased in 2004)</li> </ul> |
| Month  | 2005 -R  | 2006-R       | 2006-W        |  |        |          |        |      |            |          |      |            |         |       |            |         |       |            |           |  |  |     |      |      |        |      |      |       |       |      |      |      |       |        |      |      |      |           |      |      |      |         |      |      |      |          |      |      |      |          |      |      |      |              |              |              |               |  |  |   |
| January  | 3.04   | 3.17         | 22.59         |  |        |          |        |      |            |          |      |            |         |       |            |         |       |            |           |  |  |     |      |      |        |      |      |       |       |      |      |      |       |        |      |      |      |           |      |      |      |         |      |      |      |          |      |      |      |          |      |      |      |              |              |              |               |  |  |   |
| February   | 3.90   | 4.87         | 61.53         |  |        |          |        |      |            |          |      |            |         |       |            |         |       |            |           |  |  |     |      |      |        |      |      |       |       |      |      |      |       |        |      |      |      |           |      |      |      |         |      |      |      |          |      |      |      |          |      |      |      |              |              |              |               |  |  |   |
| March  | 2.03   | 3.69         | 86.95         |  |        |          |        |      |            |          |      |            |         |       |            |         |       |            |           |  |  |     |      |      |        |      |      |       |       |      |      |      |       |        |      |      |      |           |      |      |      |         |      |      |      |          |      |      |      |          |      |      |      |              |              |              |               |  |  |   |
| April  | 0.00   | 6.94         | 84.96         |  |        |          |        |      |            |          |      |            |         |       |            |         |       |            |           |  |  |     |      |      |        |      |      |       |       |      |      |      |       |        |      |      |      |           |      |      |      |         |      |      |      |          |      |      |      |          |      |      |      |              |              |              |               |  |  |   |
| May  | 0.00   | 8.44         | 103.68        |  |        |          |        |      |            |          |      |            |         |       |            |         |       |            |           |  |  |     |      |      |        |      |      |       |       |      |      |      |       |        |      |      |      |           |      |      |      |         |      |      |      |          |      |      |      |          |      |      |      |              |              |              |               |  |  |   |
| June   | 0.00   | 17.53        | 77.59         |  |        |          |        |      |            |          |      |            |         |       |            |         |       |            |           |  |  |     |      |      |        |      |      |       |       |      |      |      |       |        |      |      |      |           |      |      |      |         |      |      |      |          |      |      |      |          |      |      |      |              |              |              |               |  |  |   |
| July   | 0.00   | 5.79         | 58.88         |  |        |          |        |      |            |          |      |            |         |       |            |         |       |            |           |  |  |     |      |      |        |      |      |       |       |      |      |      |       |        |      |      |      |           |      |      |      |         |      |      |      |          |      |      |      |          |      |      |      |              |              |              |               |  |  |   |
| August   | 1.32   | 0.00         | 0.00          |  |        |          |        |      |            |          |      |            |         |       |            |         |       |            |           |  |  |     |      |      |        |      |      |       |       |      |      |      |       |        |      |      |      |           |      |      |      |         |      |      |      |          |      |      |      |          |      |      |      |              |              |              |               |  |  |   |
| September  | 5.44   | 0.00         | 0.00          |  |        |          |        |      |            |          |      |            |         |       |            |         |       |            |           |  |  |     |      |      |        |      |      |       |       |      |      |      |       |        |      |      |      |           |      |      |      |         |      |      |      |          |      |      |      |          |      |      |      |              |              |              |               |  |  |   |
| October  | 5.79   | 0.00         | 0.00          |  |        |          |        |      |            |          |      |            |         |       |            |         |       |            |           |  |  |     |      |      |        |      |      |       |       |      |      |      |       |        |      |      |      |           |      |      |      |         |      |      |      |          |      |      |      |          |      |      |      |              |              |              |               |  |  |   |
| November   | 5.88   | 0.00         | 0.00          |  |        |          |        |      |            |          |      |            |         |       |            |         |       |            |           |  |  |     |      |      |        |      |      |       |       |      |      |      |       |        |      |      |      |           |      |      |      |         |      |      |      |          |      |      |      |          |      |      |      |              |              |              |               |  |  |   |
| December   | 5.42   | 0.00         | 0.00          |  |        |          |        |      |            |          |      |            |         |       |            |         |       |            |           |  |  |     |      |      |        |      |      |       |       |      |      |      |       |        |      |      |      |           |      |      |      |         |      |      |      |          |      |      |      |          |      |      |      |              |              |              |               |  |  |   |
| <b>Total</b>   | <b>32.82</b>   | <b>50.43</b> | <b>496.18</b> |  |        |          |        |      |            |          |      |            |         |       |            |         |       |            |           |  |  |     |      |      |        |      |      |       |       |      |      |      |       |        |      |      |      |           |      |      |      |         |      |      |      |          |      |      |      |          |      |      |      |              |              |              |               |  |  |   |

## Current Projects

|  | <b>Projects</b>   | <b>Costs</b>   | <b>Savings</b>     | <b>Comments</b>  |
|--|---|----------------|--------------------|--|
| <b>Economic viability</b>  | - Fluorescent Lighting  | \$45,000       | \$139,000 annually | Back & front of House  |
| <b>Governance</b><br>(ownership and Management Company)                |   |                |                    |  |
| <b>Social responsibility</b><br>(community and suppliers)              | - DC Reads! Program<br>- Pershing Park street artists (creation of a little Montmartre)<br>- Freedom Plaza Holiday season market<br>- Willard 2006 Holiday Card – Local student artists scholarship contest   |                |                    | - 12 staff - 12 children in a childcare center<br>- start April 07<br>- conception phase<br>- in partnership with Corcoran Museum  |
| <b>Social responsibility</b><br>(customers and employees)              | - No smoking program thru a partnership with the American Lung Association<br>- Willard web   |                |                    | - Three employees appeared on their TV commercial<br>- Information given via intranet rather than on paper   |
| <b>Environmental impact</b><br>(Consumption, Waste Energy – Emissions) | - Pershing Park Clean up (Park in front of hotel)<br>- Adopt Pershing Park<br>- Green Roof project<br>- Renewable Energy purchase<br>- Paperless environment project: Paperless faxing from desktop computers, paperless meetings, paperless accounts payable, document output resources analysis (DORA)<br>- Fluorescent tube crusher for recycling<br>- Energy Star Award<br>- ISO 14001<br>- ISO 22000<br>- EPA utility cost benchmarking beta site (hotel sector) | - 29 man-hours |                    | - 7/28/06<br>- conception phase – partnership with National Park Service<br>- Fall 2006 –<br>- Conception phase<br>- Assessment phase - Five year program<br>- waste impact<br>- one to two year project<br>- 18 month project<br>- 2 year project<br>- one year project |
| <b>General</b>   | - In-room letter<br>- Quarterly newsletter to 10000 clients and contacts<br>- SD TV channel   |                |                    | - Done<br>- On-going<br>- Concept phase  |

**WILLARD INTERCONTINENTAL**

***STANDARD OPERATING PROCEDURE (SOP)***

***TOWEL PROJECT***

**HOUSEKEEPING STEP-BY-STEP PROCEDURES:**

1. Assorted towels left on the floor are collected.
2. Towels that are hung on the hangers indicate that the guest wishes to participate in our SD environmental program.
3. Any towels not re-hung will be collected and take to the laundry service and towels are restocked.
4. The Room Attendant writes the letter "T" next to the room number on their assignment sheet
5. Office Coordinator collects all assignment sheets
6. Office coordinator in the evening places the TWL special code in OPERA
7. End of month Housekeeping runs specials report from OPERA indicating any guest within the month that participated in the Towel Program



**FRONT OFFICE STEP-BY-STEP PROCEDURES:**

1. When a guest folio is printed out, OPERA will report, "Thank you for participating in our Sustainable Development Program". This information will print out on the guest's bill, with the wording situated at the bottom of the guest's bill.
2. As an added measure to insure that a guest has agreed to support our Towel Project, his/her folio will be "flagged", thus specially marked so that the Front Office agent can quickly ascertain that the guest is an active participant.



3. If the guest(s) does not wish to participate OR there is an error made on behalf of the Towel Project, the Front Office agent is to remove the guest's "flag" from their OPERA folio.
4. In the event an error is made the Front Office agent notifies the HSKP Office Coordinator of the error, who in turn updates the room's information accordingly.
5. Upon receipt of this error, *Damage Control* must be promptly rendered in order to prevent an undesirable image situation occurring between the hotel and the guest(s). HSKP will immediately service the guest room, fully restocking any/all linen/towels as necessary.



6. In order to circumvent any prospective misunderstanding between our environmental mission and the guest's understanding thereof, a "Letter of Apology" will be forwarded to the guest. This letter, generated under the auspices of the Front Office Management, will direct the guest's attention to our environmental concerns on behalf of the hotel's Sustainable Development Committee. The letter will explain our commitment for the next 100 years, our goals, and our contributory efforts.

## LIST OF WEBSITES

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World Conservation Strategy

<http://www.nssd.net/references/KeyDocs/IIEDa24.htm>

Five reports of the Earth Summit – Rio de Janeiro 1992

<http://www.iisd.org/rio+5/agenda/declaration.htm>

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Sarbanes Oxley Act of 2002

<http://www.energysolve.com/sarbanesoxley072302.pdf#search=%22sarbanes%20oxley%20act%20of%202002%22>

I.B.L.F.

<http://www.iblf.org/>

Page 9

The Bill and Melinda Gates Foundation

<http://www.gatesfoundation.org/default.htm>

Ted Turner UN Foundation

<http://www.unfoundation.org/about/index.asp>

Page 10

The Clinton Global Initiative

[http://www.clintonglobalinitiative.org/home.nsf/pt\\_home](http://www.clintonglobalinitiative.org/home.nsf/pt_home)

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Dow Jones SD Indexes

<http://www.sustainability-index.com/>

Equator Principles

<http://www.equator-principles.com/principles.shtml>

Page 12

Principles for Responsible Investment (PRI)

<http://www.unpri.org/>

Ben & Jerry

[http://www.benjerry.com/intl\\_home.cfm](http://www.benjerry.com/intl_home.cfm)

Page 13

British Petroleum (BP)

<http://www.bp.com/home.do?categoryId=1>

Starbucks

<http://www.starbucks.com/aboutus/default.asp>

Page 14

Dow Chemical

<http://www.dow.com/>

Page 15

General Electric (GE)

<http://www.ge.com/en/>

Cooperative Financial Services (CFS)

<http://www.cfs.co.uk/servlet/Satellite?cid=1144393509137&pagename=CFSSustainable/Page/tp1SusBlank&c=Page>

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L'Oréal

<http://www.loreal.com/en/ww/index.aspx?FROM=WW-Dispatch-LOREAL-CORPORATE>

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Fairmont Hotels & Resorts

<http://www.fairmont.com/FA/en/CDA/Home/AboutFairmont/CDAboutFairmont/0,1006,code%25255Ftype%253DABOUT%2526category%25255Ftype%253Dbrand%25255Fcopy%2526brand%25255Fcode%253DFA,00.html>

ACCOR

[http://www.accor.fr/gb/groupe/dev\\_durable/engagement.asp](http://www.accor.fr/gb/groupe/dev_durable/engagement.asp)

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InterContinental Hotels Group

<http://www.ihgplc.com/index.asp?pageid=15>

Taj Hotels Group – TATA Group of companies

[http://www.tata.com/indian\\_hotels/](http://www.tata.com/indian_hotels/)

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Hilton Hotels

[http://www.hiltonworldwide.com/en/ww/company\\_info/philanthropy\\_citizenship.html;jsessionid=TO3W5YRC3AZBZJ31AOSMJLQ](http://www.hiltonworldwide.com/en/ww/company_info/philanthropy_citizenship.html;jsessionid=TO3W5YRC3AZBZJ31AOSMJLQ)

Kimpton Hotels

<http://www.kimptonhotels.com/index.aspx>

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Six Senses Resorts & Spas

<http://www.sixsenses.com/>

Page 22

Marriott Hotels

<http://marriott.com/corporateinfo/culture/communityPrograms.mi>

Page 23

Starwood Hotels

[http://www.starwoodhotels.com/corporate/company\\_info.html](http://www.starwoodhotels.com/corporate/company_info.html)

Carlson companies

[http://www.carlson.com/about\\_goodWork.cfm](http://www.carlson.com/about_goodWork.cfm)

Radisson Hotels & Resorts

<http://www.radisson.com/sectiontemplate.do?sidemenu=aboutus.sidemenu&section=aboutus.home>

T.U.I.

<http://www.tui-group.com/en/konzern/>

Avis

[http://www.avis.com/AvisWeb/JSP/US/en/aboutavis/corp\\_info/corp\\_info.jsp](http://www.avis.com/AvisWeb/JSP/US/en/aboutavis/corp_info/corp_info.jsp)

Hertz

[https://www.hertz.com/rentacar/abouthertz/index.jsp?targetPage=CorporateProfile.jsp&leftNavUserSelection=globNav\\_7\\_1](https://www.hertz.com/rentacar/abouthertz/index.jsp?targetPage=CorporateProfile.jsp&leftNavUserSelection=globNav_7_1)

Royal Caribbean

<http://www.royalcaribbean.com/ourCompany/environment/rcAndEnvironment.do>

British Airways

[http://www.britishairways.com/travel/crhome/public/en\\_fr](http://www.britishairways.com/travel/crhome/public/en_fr)

Air France

[http://www.airfrance.com/double6/home.nsf/\(lookuppublishedweb\)/Y1-PublishedmarketY1en?Opendocument](http://www.airfrance.com/double6/home.nsf/(lookuppublishedweb)/Y1-PublishedmarketY1en?Opendocument)

Lufthansa

[http://konzern.lufthansa.com/en/html/ueber\\_uns/balance/index.html](http://konzern.lufthansa.com/en/html/ueber_uns/balance/index.html)

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Coca Cola

[http://www2.coca-cola.com/citizenship/awards\\_recognition.html#cr](http://www2.coca-cola.com/citizenship/awards_recognition.html#cr)

3 M

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Shell

[http://www.shell.com/home/Framework?siteId=envandsoc-en&FC2=/envandsoc-en/html/iwgen/leftnavs/zzz\\_lhn1\\_0\\_0.html&FC3=/envandsoc-en/html/iwgen/welcome.html](http://www.shell.com/home/Framework?siteId=envandsoc-en&FC2=/envandsoc-en/html/iwgen/leftnavs/zzz_lhn1_0_0.html&FC3=/envandsoc-en/html/iwgen/welcome.html)

Roche

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Kraft Foods Inc

<http://www.kraft.com/default.aspx>

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EPA

<http://www.epa.gov/sustainability/>

Energy Star award

[http://www.energystar.gov/index.cfm?c=pt\\_awards.pt\\_es\\_awards](http://www.energystar.gov/index.cfm?c=pt_awards.pt_es_awards)

Fortune Most admired companies

[http://money.cnn.com/2005/02/21/news/fortune500/most\\_admired/](http://money.cnn.com/2005/02/21/news/fortune500/most_admired/)

Fortune Best employers

<http://www.cnn.com/2003/US/01/07/best.companies/>

Dow Jones Sustainability assessment

[http://www.sustainability-index.com/06\\_html/assessment/overview.html](http://www.sustainability-index.com/06_html/assessment/overview.html)

FTSE4 Good Europe

[http://www.digitallook.com/companyresearch/50217/FTSE4\\_Good\\_Europe\\_Index/company\\_research.html](http://www.digitallook.com/companyresearch/50217/FTSE4_Good_Europe_Index/company_research.html)

Ethibel S.I.

<http://www.ethibel.org/index.html>

A.P.S.I. Eurozone

<http://www.socialfunds.com/news/article.cgi/619.html>

ISO 14001

<http://www.iso14000-iso14001-environmental-management.com/>

Earthcheck

<http://www.earthcheck.org/>

Green Globe 21

<http://www.greenglobe.org/>

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World Travel & Tourism council (WTTC)

<http://www.wttc.org/>

International Labor Organization (ILO)

<http://www.ilo.org/>

International Hotel & Restaurant Association (IH&RA)

<http://www.ih-ra.com/>

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Jacques Chirac on Sustainable Development

[http://www.elysee.fr/elysee/anglais/speeches\\_and\\_documents/2002-2001/speech\\_by\\_mr\\_jacques\\_chirac\\_president\\_of\\_the\\_french\\_republic\\_to\\_the\\_plenary\\_session\\_of\\_the\\_world\\_summit\\_on\\_sustainable\\_development-johannesburg.10168.html](http://www.elysee.fr/elysee/anglais/speeches_and_documents/2002-2001/speech_by_mr_jacques_chirac_president_of_the_french_republic_to_the_plenary_session_of_the_world_summit_on_sustainable_development-johannesburg.10168.html)

Jacques Chirac on Global warming

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Tony Blair « One planet economy »

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Ceres

<http://www.ceres.org/>

World Business Council for Sustainable Development (WBCSD)

<http://www.wbcSD.ch/templates/TemplateWBCSD5/layout.asp?MenuID=1>

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Green Globe 21

<http://www.greenglobe.org/>

UN Global Compact

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International Business Leaders Forum (IBLF)

<http://www.iblf.org/>

Tourism Partnership

<http://www.tourismpartnership.org/>

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Climate care

<http://www.climatecare.org/>

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Green House Gas emission calculation (UK)

<http://www.nef.org.uk/energyadvice/co2calculator.htm>

Scandic Hotels

[http://www.scandic-hotels.com/corporateinfo/913\\_OurBeliefsAndPractices.jsp](http://www.scandic-hotels.com/corporateinfo/913_OurBeliefsAndPractices.jsp)

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World Resources Institute

<http://www.wri.org/>

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Global Reporting Initiative

<http://www.globalreporting.org/>