HVS

MARKET REPORT

Sustainable Business Travel: Our Partnership for a Greener Future

JULY 5, 2023

If we want to avoid the most severe effects of climate change, the world must halve carbon emissions by 2030. At HVS, travel is an essential component of what we do, and carbon emissions are inevitable. But we are highly committed to reducing our carbon footprint.

At HVS, we take sustainability seriously. It is an important topic for us as a firm and also for the hospitality industry as a whole. As consultants to hotels and hotel operators, we spend much time traveling to meet our clients and conducting site inspections at hospitality properties across the country and globe. Travel is an essential component of what we do as a firm. More broadly, business travel represents nearly one-fifth of all global travel. In 2019, U.S. residents alone took more than 460 million business trips, according to Sustainable Travel International. Unfortunately, business travel also generates significant CO_2 emissions. Consequently, we are highly committed to fighting the carbon effects of business and are very mindful of our own carbon footprint.

Metric Tons of CO_2 Generated by Activity

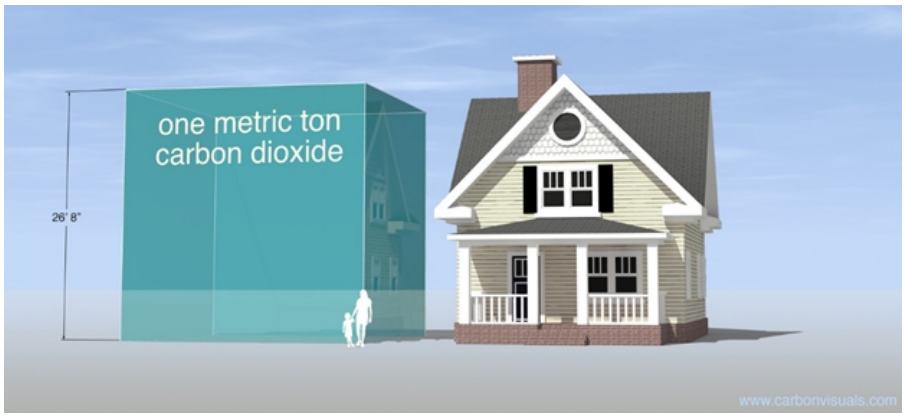


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Combating our Carbon Impact

If we want to avoid the most severe effects of climate change, the world must halve carbon emissions by 2030.[1] One way we have addressed our carbon impact at HVS is by measuring our carbon emissions and purchasing carbon offsets. This

enables us to take climate action to reduce our footprint across nearly all of our U.S. divisions.



Source: carbonvisuals.com

With the help of Sustainable Travel International, we calculate the total CO_2 emissions we have generated indirectly (scope 2 and 3 emissions). Then we fund a diversified portfolio of carefully vetted projects (curated by Sustainable Travel International) to support practices and initiatives that offset our firm's CO_2 emissions. As a result, in 2022, HVS Americas offset just under 200 metric tons of CO_2 emissions.

Supported by Sustainable Travel International

Sustainable Travel International has become our trusted partner in accomplishing our environmental goals. It is a mission-driven organization dedicated to combating travel and tourism's impact on Earth's most vulnerable destinations and communities. Sustainable Travel International partners with businesses like HVS to fund critical climate projects across the globe. These strategic partnerships aim to remove existing greenhouse gas emissions and implement the structures and practices necessary to avoid future emissions. Beyond the primary goal, many projects also provide benefits to the local communities, bringing jobs, safer living conditions, and stability to the targeted areas.

HVS Funding For Projects Across The Globe

Through Sustainable Travel International, HVS has funded projects in Indonesia, Chile, and Brazil:

- The Katingan Mentaya Project in Indonesia focuses on protecting and restoring one of the country's largest remaining peat swamps, which holds a massive store of carbon beneath its surface.
- The San Clemente Hydro Power Project in Chile supports the construction and operation of a hydro plant that will generate renewable energy for the Chilean national power grid.
- The Trocano Araretama Project in Brazil protects a large area of the Brazilian Amazon along the Madeira River from deforestation and strengthens environmental monitoring in the area.

HVS Can Help You with Your Sustainability Efforts

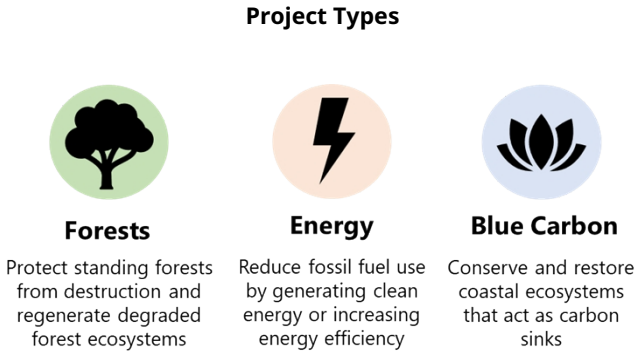
As the only global hospitality-focused consulting firm, HVS seeks to help you by providing tools, knowledge, and connections needed to not only achieve your goals, but exceed them. Given the importance of sustainability for the planet and our industry, we want to make available resources critical to our mutual success in the sustainability arena. We are

also continuing to work on solutions and guidance to help hotels embed sustainability into their day-to-day operations.

For more information, please connect with Rod Clough or Jack Mahan, and stay tuned for more sustainability-related content from our task force focused on this important issue.

More About Sustainable Travel International

Sustainable Travel International's carbon offset program supports three types of climate projects: Forests, Energy, and Blue Carbon, each with their own pivotal focus.



Source: Sustainable Travel International

Partnering with Sustainable Travel International is a cost-effective way to take part in the fight against climate change. Their projects are scientifically proven to help mitigate climate change by reducing carbon emissions. Supporting these projects today is vital to paving the way for a sustainable tomorrow.

Learn more about Sustainable Travel International at their website.

[1] Intergovernmental Panel on Climate Change (IPCC), "The evidence is clear: the time for action is now. We can halve emissions by 2030," 4/4/2022. Retrieved 5/18/23.