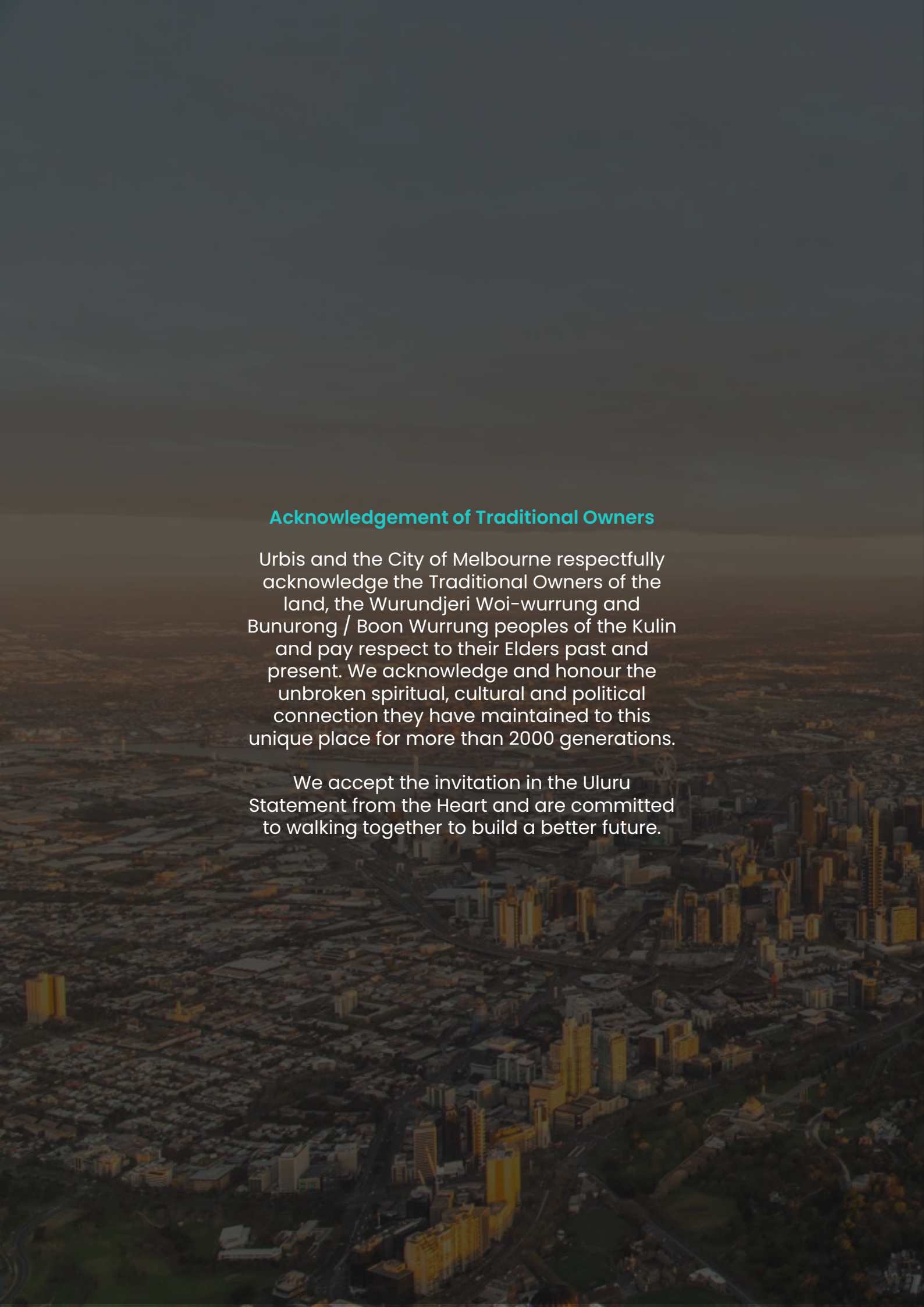


*Building Industry Capacity in  
Sustainability for Hotels*

A panoramic view of the Melbourne skyline at dusk. The sky is a mix of purple, pink, and blue. In the foreground, the Yarra River flows, reflecting the city lights. A bridge is visible on the right. The city is filled with a mix of modern glass skyscrapers and older, ornate buildings. The text "Sustainability Guide for Melbourne Hotels" is overlaid on the image in a white box with a dark green background.

# **Sustainability Guide** **for Melbourne Hotels**



An aerial photograph of Melbourne, Australia, taken from a high vantage point. The city's skyline is visible, with numerous skyscrapers and buildings. The sky is a deep orange and red, indicating sunset or sunrise. The city is densely packed with buildings, and the surrounding area is a mix of urban and green spaces. The overall tone is warm and dramatic.

## Acknowledgement of Traditional Owners

Urbis and the City of Melbourne respectfully acknowledge the Traditional Owners of the land, the Wurundjeri Woi-wurrung and Bunurong / Boon Wurrung peoples of the Kulin and pay respect to their Elders past and present. We acknowledge and honour the unbroken spiritual, cultural and political connection they have maintained to this unique place for more than 2000 generations.

We accept the invitation in the Uluru Statement from the Heart and are committed to walking together to build a better future.

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July 2025

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You must read the important disclaimer appearing within the body of this report.

# QUICK FAQ GUIDE

Are there specific challenges or opportunities for my hotel typology?

Refer Here: P.11

What are the current guest expectations in regard to sustainability?

Refer Here: P.16

Why are the benefits of sustainability certification, and which one should I choose?

Refer Here: P.21

Where should I start and how might I begin improving sustainability in my hotel?

Refer Here: P.29

What are some practical sustainability initiatives that I should be looking to implement?

Refer Here: P.31

Are there some case studies or hotel examples that best showcase sustainability?

Refer Here: P.41

Easy to use checklists would be useful – where might I find these?

Refer Here: P.45



## About Urbis

Urbis is committed to partnering with our clients to achieve strong sustainability outcomes. We offer a multi-disciplinary perspective that integrates environmental objectives, social value, governance and commercial viability.

Our sustainability experts identify solutions through considered and evidence-based thinking across life cycles. We work with investors, developers, businesses, organisations, and governments to advise on the environmental, social, governance, and economic impacts of design, planning, and policy decisions, bringing a deep understanding of sustainability in the built environment and our communities.

Urbis' sustainability team supports our clients across a large range of advisory services. Our proven collaborative and evidence-based approach has led to our capabilities and experience working across sectors including decarbonisation, ESG, net zero, energy transition,, social value, circular economy and renewable energy in Australia and internationally.

■ ■ *The sustainability and decarbonisation pathway can at times feel complex for hotels and the tourism sector, but with clear strategies, structured frameworks, and practical implementation plans, the transition to a sustainable and net zero future is achievable.*

**Brenton Reynolds**  
Director, Urbis | National Sustainability Lead



# EXECUTIVE SUMMARY

**The City of Melbourne is committed to net zero by 2040 and has made significant early progress.**

The City of Melbourne has set a bold municipal target of net zero emissions by 2040, a decade ahead of Australia's national target. The City of Melbourne is committed to fostering a low-carbon and climate resilient city by embedding sustainability across Melbourne's urban environment and sectors – including the hotel sector. As global and local tourism transcend the enduring impacts of the COVID-19 pandemic in Victoria and shift toward resiliency, there is a unique opportunity to redefine Melbourne's hotel industry as a global exemplar of sustainable accommodation and guest experience.

**Sustainability certifications are a critical lever for hotel accreditation, strengthening Melbourne's global sustainable tourism brand.**

Melbourne's recognition in Euromonitor's 2023 Sustainable Travel Index as the world's most sustainable city destination reflects the collective commitment across sectors to meet Melbourne's ambitious climate targets and position itself as a sustainable tourism leader. Key to this are sustainability certifications which offer independent accreditation, support hotel operators to reduce environmental impact, meet ESG targets, and attract conscious travellers and corporate clients.

**The hotel industry has a pivotal role to play in furthering a sector-wide transition towards sustainability.**

## *Why is Sustainability important?*

Hotels play a critical role in shaping sustainability outcomes and in the organisation and delivery of sustainable business events, energy use, waste generation, water consumption, procurement, and social engagement. As guest expectations shift toward environmentally conscious travel, sustainability has emerged not only as a compliance requirement but also a key brand differentiator.

Sustainability is increasingly **central to business event organisers**, with sustainability credentials across brand reputation, delegate expectations, ESG and sustainable travel policies of companies and government. Hotels play a crucial role in reducing an event's environmental impact through their energy-efficient operations, waste reduction, and responsible sourcing. Demonstrating credible sustainability credentials and implementing visible day-to-day practices –such as low-waste catering and eliminating single-use plastics– can enhance a hotel's appeal, influence event bids, and support organisers in delivering events with lasting positive impact.

Sustainability considerations have **moved from optional to essential** in the global tourism sector. With tourism responsible for approximately 9% of global greenhouse gas emissions, and accommodation alone contributing over 6%, the pressure on operators to decarbonise is growing rapidly.

Sustainability is also becoming **a key driver of consumer travel choices**. According to Booking.com (2024) most travellers (84%) identify sustainability as important to them, with three quarters (75%) planning to make more sustainable travel choices in the year ahead.<sup>1</sup>

In these contexts, **hotels that fall behind** in terms of sustainability maturity or certification may **find themselves at a disadvantage** – operationally, reputationally, and financially. These certifications can support more holistic asset management, cost savings, and hotel appeal while improving Melbourne's broader aspirations as a sustainable destination of choice.

1. Booking.com, Travel & Sustainability Report 2025: 10 Years of Booking.com Research, January 2025, <https://www.booking.com/sustainability.html>.



*Part 1.*

# Snapshot of Sustainability

## In Melbourne Hotels



## Introduction

**The City of Melbourne and Urbis have partnered to support in driving positive change in climate action and sustainability in the hotel sector.**

The City of Melbourne is a global leader in climate action and sustainability, renowned as one of the most livable cities in the world. To maintain this reputation, collaboration with the visitor and tourism sector is critical – working with businesses and events to reduce the environmental impact and become a more sustainable destination.

Sustainability is a critical focus for the City of Melbourne, as it seeks to balance its current and future economic, social and environmental impacts responsibly. The City of Melbourne – Buildings Energy Use and Emissions Study, highlights that commercial accommodation holds the third largest share of our municipal building sector emissions.

The hotel industry has a critical role to play in promoting sector-wide change for sustainability.

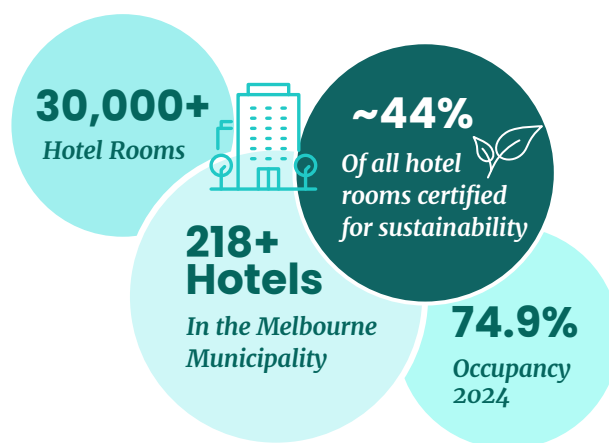
### *What is the purpose of this guide?*

The purpose of this guide is to provide practical guidance on sustainability initiatives and certifications, with the intention to support the acceleration of sustainability rating uptake and climate action in the hotel sector.

### *How to use this guide?*

This guide includes practical advice and checklists covering key focus areas such as energy, water, waste, and sustainable procurement. It provides links to trusted resources and certification bodies to help hotels benchmark progress. Actions are broken down into short-term steps—reducing single-use plastics or improving waste separation—and long-term investments such as electrification of building systems or installation of solar PV. Together, these tools are designed to assist hotels plan, prioritise, and monitor improvements over time while aligning with the expectations of event organisers, companies and guests.

## Hotel Typologies and Ownership in the City of Melbourne Municipality



**City of Melbourne's hotel market is anchored by midscale supply, complemented by luxury, boutique and budget offerings**

The City of Melbourne's hotel landscape is predominantly midscale, with nearly two-thirds of the market comprised of serviced apartments and hotels targeted towards corporate travellers. These properties primarily serve short-stay business guests, domestic tourists, and those on extended stays.

The remainder of the market is split between luxury hotels (around one in six), typically affiliated with international brands, and boutique or budget offerings (roughly one in five combined).

### Melbourne has sustained momentum post-COVID, reflecting strong investor confidence in the city's business, tourism and events sector

Since 2020, the City of Melbourne had 23 new commercial accommodation developments reach completion, 16 of which are for hotel operations and a further 7 are serviced apartments.

These completions have added a total commercial accommodation capacity of more than 5,100, with over 4,200 being hotel rooms and more than 900 serviced apartments. In addition, a further 7 hotel developments are currently under construction which once completed will see almost 1,500 new hotel rooms added to the commercial accommodation market.

**Third-party ownership and management is prevalent in brand-affiliated, large-scale developments**

A substantial portion of hotels in Melbourne operate under third-party ownership and management arrangements. These are typically backed by institutional investors and managed by international hotel groups under franchise or management agreements. These models allow investors to separate real estate ownership from operations, leveraging the reach and systems of major hotel brands. Properties in this category are often located in areas of significant development activity, such as Docklands, Southbank, and the central business district (CBD), where scale and brand presence are key.

### Owner-operated hotels continue to offer depth in character-driven, boutique, and long-stay segments

Hotels that are directly owned and operated remain a visible and important part of Melbourne's accommodation sector. These tend to be concentrated in smaller or independently branded properties, including boutique hotels, serviced apartments, and heritage-listed buildings.



## Hotel Typology Considerations— Challenges and Opportunities



### Ownership Models

#### Owner-Operated Model

Owner-operated hotels often have greater autonomy in decision-making, allowing them to prioritise sustainability upgrades based on their planned long-term goals.

**Challenges:** Limited access to capital, lack of in-house technical expertise, and a cautious approach to major infrastructure investment due to perceived risk.

**Opportunities:** Aligning sustainability with brand, operational savings, and the ability to make holistic portfolio wide upgrades without needing to coordinate across stakeholders.

#### Third-Party Ownership/Management

Split incentives between the asset owner and the hotel operator can complicate investment in sustainability upgrade as—owners bear the capital costs, while operators benefit from reduced operating expenses.

**Challenges:** Decision-making may be slower and fragmented, requiring alignment between corporate policies, asset strategies, and contractual agreement.

**Opportunities:** Third-party operators may have access to established ESG frameworks, brand-wide sustainability targets, additional technical expertise, which can enable efficient rollout of upgrades across portfolios.

### Building Age

#### Older Hotels (pre-2000)

Older hotels in Melbourne's CBD and inner suburbs were constructed decades ago, often with outdated building materials, inefficient HVAC systems, and poor thermal envelopes.

**Challenges:** Retrofitting these buildings for energy efficiency and emissions reduction can pose challenges due to structural limitations, heritage protections, and high upgrade costs.

**Opportunities:** Targeted interventions like improved insulation, LED lighting, smart controls, and electrification of gas systems can have immediate impact, and can access sustainability grants or incentives.

#### Newer Hotels (post-2010)

Newer hotels, built with more contemporary standards, typically have better baseline energy performance and are often more compatible with modern sustainability technologies.

**Challenges:** Less about physical limitations and more about justifying additional upgrades if the building already meets minimum code and elements are at beginning of lifecycle.

**Opportunities:** Future-proofing through all-electric systems, achieving sustainability certifications (e.g. Green Star). These properties can also lead by example, showcasing innovation in sustainable hotel design and operations.

## Market Segments

### Budget

These hotel properties are often older buildings, managed by small operators or independent owners. Sustainability initiatives in this segment are generally driven by the need to reduce utility costs rather than marketing or brand alignment. However, with growing public awareness and government incentives there is a shift in this more cost-sensitive tier of hotels.

**Challenges:** Lack of capital, staffing, and building flexibility to implement more complex or high-cost sustainability upgrades.

**Opportunities:** Can achieve meaningful impact through low-cost improvements and may access grants that enhance competitiveness in a price-sensitive market.

### Mid

Mid-range hotels represent a significant portion of Melbourne's accommodation market, catering to both leisure and business travellers. These hotels vary in age and ownership structure – some are independently owned while others operate under franchise or management agreements. Sustainability initiatives are becoming more visible in this category, particularly where they align with cost savings, guest expectations, or corporate responsibility targets.

However, the extent of implementation often depends on brand commitment and access to capital.

**Challenges:** Often struggle to prioritise sustainability due to cost pressures, competing guest expectations, and limited dedicated expertise.

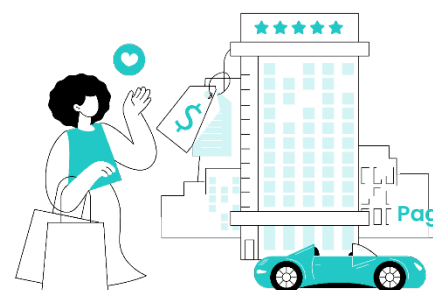
**Opportunities:** Well-placed to implement cost-effective upgrades, pursue ratings like Green Star or NABERS, and use sustainability to enhance staff and guest engagement.

### Luxury

Typically operated by international chains or high-end boutique groups and are clustered in the CBD and key precincts. These properties are under increasing pressure to demonstrate strong environmental performance, especially from corporate clients, international tourists, and event organisers. With the capacity to invest in advanced technologies and green building certifications, luxury hotels are well-positioned to lead sustainability innovation—but must do so in a way that aligns with premium guest expectations and global brand standards.

**Challenges:** Luxury hotels face pressure to deliver verified, high-standard sustainability outcomes while maintaining energy-intensive guest experiences.

**Opportunities:** With strong financial capacity and brand influence, luxury hotels can lead the sector by investing in advanced systems and responding to growing demand for credible sustainable operations.





## Hotel Size

### Boutique

Small-scale, often housed in heritage or uniquely designed buildings, offering personalised guest experience.

**Challenges:** Capital constraints and heritage building restrictions may limit large – scale upgrades, and operators may lack resources of expertise in sustainability.

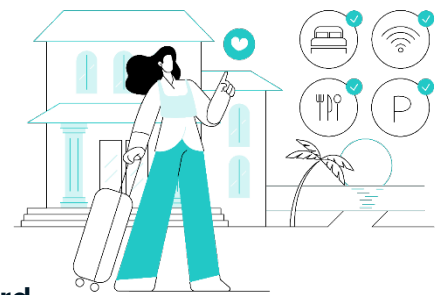
**Opportunities:** Can move quickly to implement cost-effective measures that appeal to a growing market of environmentally conscious guests. Small-scale investments with minimal upfront cost can have impact and potentially increase occupancy and rates with minimal upfront cost.

### Large

Normally ranging between 150 to 300 rooms these hotels are typical in Melbourne’s CBD, offering full-service amenities and catering to both leisure and business travellers.

**Challenges:** Energy and operational challenges due to scale and complexity of services, including high energy demand, complex operations and diverse facilities.

**Opportunities:** Can reduce utility costs, and see an enhanced asset resilience, and potential for premium positioning, while due to scale operators these hotels can leverage management teams to embed ESG goals, track performance, and appeal to corporate clients.



### Mid-Standard

Usually from 50 to 150 rooms and are commonly independent or small chain properties located throughout the CBD.

**Challenges:** Often face a split incentive challenge when ownership and management are separate, which can slow sustainability investment. Space constraints may limit some retrofit options.

**Opportunities:** Initiatives that deliver measurable returns, such as energy efficiency upgrades and sustainability certifications. These investments can improve asset value, reduce operating costs, and strengthen competitive positioning in Melbourne’s growing hotel market.

### Very Large

Ranging from 300 to 500+ rooms, are often high-rise developments near major event precincts like Docklands and the Convention Centre, designed to host conferences and large groups.

**Challenges:** Face high baseline emissions and operational complexity, which can make sustainability investments costly and operationally disruptive.

**Opportunities:** Offer scale advantages, enabling meaningful savings through centralised building management, plant upgrades, and on-site renewables. Long-term asset value and reduce exposure to regulatory risk.

*Part 2.*

# **Market & Guest Expectations**

## **Branding & Reputation**



## MARKET TRENDS & INDUSTRY READINESS



### Emerging market demand and policy shifts create clear opportunity for sector alignment

Consumer preferences, corporate procurement policies, and local planning reforms are raising sustainability expectations in the hotel sector. Operators who proactively integrate ESG principles through efficient design, verified metrics, and visible guest experiences are well-positioned to capture loyalty, mitigate risks, and lead the market transition.



### Certification and accreditation adoption is rising, but sector-wide uptake remains inconsistent

High-performing assets now surpass 5-star NABERS ratings or equivalent, but adoption remains inconsistent across the hotel sector. Certification is more common among chain-affiliated or newly built properties. Limited market-wide benchmarking hampers visibility, accountability, and improvement, particularly in the broader midscale and independent segments.



### Legacy buildings and ownership models may present barriers to upgrade investment

Older hotels and those under fragmented or short-term ownership often defer sustainability investments. Misaligned incentives between asset owners and operators constrain action, especially where capital outlay is required. Short leases, uncertain returns, and lack of ESG governance compound the issue in otherwise well-located assets.



### Government regulations and climate-related financial disclosure

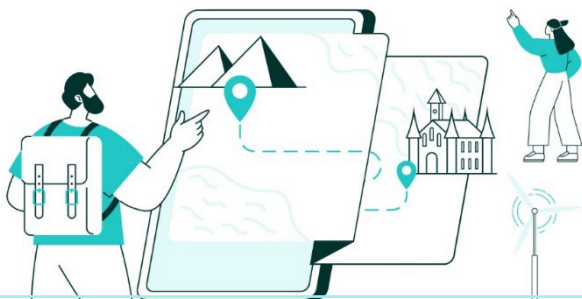
Government regulations and sustainability disclosure requirements are increasingly impacting supply chains and the hotel sector. Mandatory climate related reporting to publicly disclose emissions, energy use, climate resilience strategies and minimum efficiency standards is driving sustainability compliance and is no longer an optional approach.

## SUSTAINABILITY IN CORE OFFERINGS & GUEST EXPECTATIONS

### Embedding sustainability into the guest experience strengthens satisfaction and brand loyalty

Travellers increasingly expect environmentally conscious and sustainable options integrated into their guest experience, and value opportunities to participate. Melbourne hotels are responding by integrating visible initiatives such as rooftop gardens, local produce in menus, water saving initiatives, and in-room sustainability guides. Some offer tours of on-site sustainability features.

Incentive programs, including rewards for skipping housekeeping, empower guests to act sustainably without sacrificing comfort. Evidence shows guests involved in sustainability measures report higher satisfaction and loyalty, affirming that luxury and environmental responsibility can (and should) coexist in the modern hospitality experience.<sup>5</sup>



### Emerging market demand and policy shifts create clear opportunity for sector alignment

Sustainability is fast becoming a key driver of consumer travel choices and guest expectations, with 84% of travellers now considering it important in their decision-making.<sup>5</sup>

Melbourne's hospitality sector is responding decisively. A number of Melbourne hotels have earned global recognition for their sustainability efforts, with some venues achieving top-tier green building ratings. New developments in the city increasingly incorporate reclaimed materials, aim for internationally recognised environmental certifications, and implement practices such as zero-waste kitchen operations.

Sustainable operations, including bulk amenities, energy and water conservation, and robust waste management, are becoming standard. Leading hotels are also leveraging local sourcing and community engagement to reinforce brand values. These actions not only reduce environmental impact but also build loyalty, meet rising guest expectations, and position Melbourne as a future-focused, values-driven destination.

5. Booking.com, Travel & Sustainability Report 2025: 10 Years of Booking.com Research, January 2025, <https://www.booking.com/sustainability.html>.

## Implications for Hotels



### Regulatory and reputational risks are accelerating

New climate regulations are tightening. Hotels that fail to meet emissions targets face legal exposure, reputational damage, and loss of business. Both public and private procurement is increasingly tied to sustainability credentials, particularly NABERS Energy Ratings. Government and corporate clients now prioritise ESG-aligned suppliers, placing uncertified hotels at a clear disadvantage.



### Sustainability promotes guest loyalty and brand strength

Today's guests are values-led. They expect hotels to reflect their environmental and social priorities. Verified sustainability credentials directly influence where people stay, how satisfied they are, and whether they return. Hotels demonstrating real climate action, through renewable energy, waste reduction, and community engagement, stand out in a crowded market.



### Cost savings demand action, inaction carries a price

While sustainability upgrades require upfront investment, the cost of delay is far higher. Retrofitting and energy efficiency measures significantly cut utility bills, lower maintenance costs, and shield hotels from carbon pricing. Conversely, inefficient operations face spiraling costs and asset obsolescence. Operators who act now will gain a financial edge.



### Innovation and leadership drive competitive advantage

Sustainability isn't just about compliance, it's a launchpad for growth. Hotels that lead through circular economy models, smart tech integration, or community regeneration partnerships can redefine their market position. Green innovation unlocks new revenue streams and builds trust with increasingly discerning guests and investors. Certification strengthens credibility and future-proofs operations.



# SUSTAINABILITY ACROSS THE HOTEL VALUE CHAIN

**Local and sustainable procurement reduces emissions and supports brand differentiation**

- Leading hotels are prioritising local, low-impact sourcing to cut emissions and boost regional economies. Many now procure food from nearby farms, reducing supply chain emissions and waste—some Melbourne hotels source nearly all fresh produce domestically and use recyclable packaging.
- Beyond food, repurposed local materials are being used in interiors, lowering embodied carbon and highlighting local design. Supplier engagement is also critical.
- Hotels are conducting ESG audits and partnering with vendors that meet environmental and ethical standards, often using digital platforms to monitor and improve sustainability across thousands of suppliers.

**Efficiency, conservation, and circularity are reshaping hotel operations and reducing environmental impact**

- Hotels are cutting emissions and operating costs by upgrading energy systems, adopting renewables, and pursuing green building certifications.
- In Melbourne, some now run carbon-neutral certified buildings powered by renewable electricity and by offsetting residual emissions. Water conservation is also advancing, with low-flow fixtures and linen reuse now standard.
- Waste strategies are shifting toward zero waste—eliminating single-use plastics, maximising recycling, and reducing food waste through composting, donations, and repurposing.
- Furniture and amenities are increasingly redirected to charities or reused.

### Investing in people drives both social equity and operational sustainability in hotels

- Workforce sustainability blends ethical employment with climate action. Leading properties embed sustainability in training from day one, equipping staff to manage energy, reduce waste, and engage guests.
- This dual focus, people and planet, strengthens performance and builds community trust.
- Hotels that train and empower their staff not only meet ESG goals more effectively but also create more authentic, values-driven guest experiences.
- Sustainability succeeds when staff are informed participants and supported through training and capability uplift to foster sustainable practices in everyday operations.

### Embedding sustainability into the guest experience strengthens satisfaction and brand loyalty

- Travellers are increasingly seeking sustainable options and appreciate opportunities to actively contribute. Hotels in Melbourne are responding with visible, engaging initiatives. Some even provide guided tours of their on-site environmental feature.
- Incentive programs encourage guests to make sustainable choices without compromising on comfort. Research shows that guests who feel involved in a hotel's sustainability efforts report greater satisfaction and loyalty, reinforcing that environmental responsibility and luxury can successfully go hand in hand in today's hospitality sector.





*Part 3.*

# **Sustainability Certifications and Accreditations**



## Benefits of Certification

**In the City of Melbourne, less than half of hotel rooms hold third-party certification.**

### **Certification delivers value beyond compliance**

Many smaller or boutique operators cite barriers such as time, cost and complexity.

Bridging this gap will be essential if the sector is to meet rising expectations and market competitiveness. Sustainability certification and accreditation strengthens hotel performance, brand positioning, and stakeholder trust.



### **Certification enhances brand credibility and market cut-through**

84% of travellers value sustainability, and 70% of event planners prefer certified vendors.<sup>1</sup> Certification helps hotels stand out as trusted, responsible operators – opening doors to ESG-conscious clients, events, and procurement opportunities.



### **Trust and confidence gains from certification help to attract capital**

Certification signals robust ESG performance, reducing perceived investment risk. Investors and lenders increasingly favour verified credentials. Hotels without them face valuation drops, refinancing challenges, and stranded asset risks.<sup>3</sup>



### **Certified hotels win loyalty and repeat business**

36% of global travellers seek clearer sustainability labels. Certification influences where guests stay, and whether they return, by reinforcing quality, values alignment, and trust in long-term performance.



### **Efficient operations drive long-term savings**

Certified hotels cut utility bills and streamline waste, water, and energy use. These upgrades support regulatory compliance and boost resilience. The financial case is clear – 74% of sustainability investments deliver positive returns over time.<sup>2</sup>

2. Buildings Alive, *What Will the Australian Government's Net Zero Strategy Mean for Hotel Owners?*, 30 May 2024, [buildingsalive.com/what-will-the-australian-governments-net-zero-strategy-mean-for-hotel-owners](https://buildingsalive.com/what-will-the-australian-governments-net-zero-strategy-mean-for-hotel-owners).

3. GDS-Movement. (2023). *Certifications for Sustainability: A Guide for Regenerative Destinations*.

## Global and Australian Sustainability Hotel Certifications

Sustainability certifications can independently validate how well hotels and the tourism sector integrate environmental, social, economic and cultural practices into day-to-day operations, assets, standards and guest experience.

It is common for hotels to have more than one certification to demonstrate a commitment and performance across different areas – whether that be

energy, water, materials, or social and community impact.

The Global Sustainable Tourism Council (GSTC) accredits certification programs that align with its criteria.

The following tables Australian and multinational sustainability certifications and accreditations that are third-party certifiable and suitable for the Melbourne hotel industry.

Certification	Summary	Who Can Apply
<b><u>Biosphere Tourism</u></b>	A voluntary sustainability certification for destinations and tourism businesses, aligned with GSTC-recognised standards.	Destinations, Events, Hotels, Transportation
<b><u>EarthCheck</u></b>	A science-based certification and benchmarking program for the tourism sector, used in 70+ countries. GSTC-accredited and offers tools for 32+ industry categories.	Destinations, Hotels and Venues, Restaurants, and 32 more categories
<b><u>Ecotourism Australia Sustainable Tourism Certification</u></b>	Certifies tourism businesses and hotels committed to minimising environmental impact and supporting communities. Aligned with global standards and independently audited.	All Tourism Businesses including Hotels.
<b><u>EIC Sustainable Event Standards</u></b>	Event-specific standards replacing APEX/ASTM, assessing organisers and suppliers on environmental and social responsibility.	Events, Accommodation, Venues, F&B, AV, Exhibitions
<b><u>Green Key</u></b>	An eco-label for hotels and tourism sites in 60+ countries, focusing on operational sustainability. Uses GSTC-recognised standards and mixed verification.	Hotels, Venues

(Alphabetical) Cont'd overleaf

## Global and Australian Sustainability Hotel Certifications

Certification	Summary	Who Can Apply
<b><u>Green Globe</u></b>	Provides structured sustainability certification for tourism businesses and suppliers, using a GSTC-recognised standard.	Events, Hotels, Restaurants, Suppliers, Transportation, Venues
<b><u>GreenSign</u></b>	A five-level certification widely used in Germany, assessing hotels and offices on nearly 100 criteria. GSTC-recognised.	Hotels, Offices, Spas
<b><u>Green Star</u></b>	Green Star is a comprehensive sustainability rating system for the design, construction, and operation of buildings and communities in Australia, developed by the Green Building Council of Australia.	Buildings, Homes, Precincts, Interiors, Refurbishments
<b><u>Green Tourism</u></b>	A UK-based certification program for tourism and hospitality, including a dedicated standard for events. Offers remote audits.	Hotels, Venues, Restaurants, Events, Attractions, Offices
<b><u>NABERS</u></b>	NABERS is a performance-based rating system that measures the environmental efficiency of buildings in areas such as energy, water, waste, and indoor environment quality.	Hotels, Offices, Retail Stores, Apartments, Shopping Centres
<b><u>Travelife</u></b>	An affordable certification for hotels and travel agencies, combining GSTC and ISO (International Organisation for Standardisation) standards with internal and external assessments.	Hotels, Accommodation, Tour Operators and Travel Agencies



## What do these Certifications Assess?

Sustainability certifications each have their own focus areas, assessing different environmental, social, economic, and cultural aspects depending on their intended purpose and scope. Understanding what each certification evaluates helps hotels choose the most relevant and credible standards for their operations.

The tables below outline the specific assessment areas for each certification, highlighting how they measure sustainability performance in tourism, events, and the built environment – both globally and within Australia.

### What each certification assesses:

Certification	Assessment Areas
<b><u>Biosphere Tourism</u></b>	Environmental performance, social and cultural affairs
<b><u>EarthCheck</u></b>	Energy use, water use, carbon emissions, chemicals, community and employee impact, paper use, waste
<b><u>Ecotourism Australia Sustainable Tourism Certification</u></b>	The four pillars of sustainable tourism – sustainable management, environmental impacts, socio-economic impacts and cultural impacts.
<b><u>EIC Sustainable Event Standards</u></b>	Conservation of resources, waste management, carbon emissions, responsible purchasing, biodiversity preservation, Human Rights, Labour Practices, Safety & Security, Collaborations & Partnerships, Transparency, Responsible Governance
<b><u>Green Key</u></b>	Environmental management, water, energy, washing & cleaning, food & beverage, waste, corporate Social responsibility, staff Involvement

(Alphabetical) Cont'd overleaf

## What do these Certifications Assess?

Certification	Assessment Areas
<b><u>Green Globe</u></b>	Environmental performance, health and safety, social and cultural affairs
<b><u>GreenSign</u></b>	Management, environment, culture, regionality, quality, social
<b><u>Green Star</u></b>	Sustainability performance of buildings, fit-outs, and communities based on criteria such as energy and water efficiency, materials use, indoor environmental quality, emissions, innovation, and governance.
<b><u>Green Tourism</u></b>	Management and communication, environment (energy, water, waste), biodiversity and cultural heritage, purchasing, regionality and mobility, quality management, social and economic responsibility
<b><u>NABERS</u></b>	Operational performance of buildings across categories including energy efficiency, water usage, waste management, and indoor environment quality, benchmarking them against industry standards.
<b><u>Travelife</u></b>	Air quality, environmental performance, health & safety, supply chain management, waste management, water & energy, work environment.

### Benefits of Sustainability Certification

Enhances Brand  
Credibility and  
Market Cut-through

Efficient Operations  
Drive Long-term  
Savings

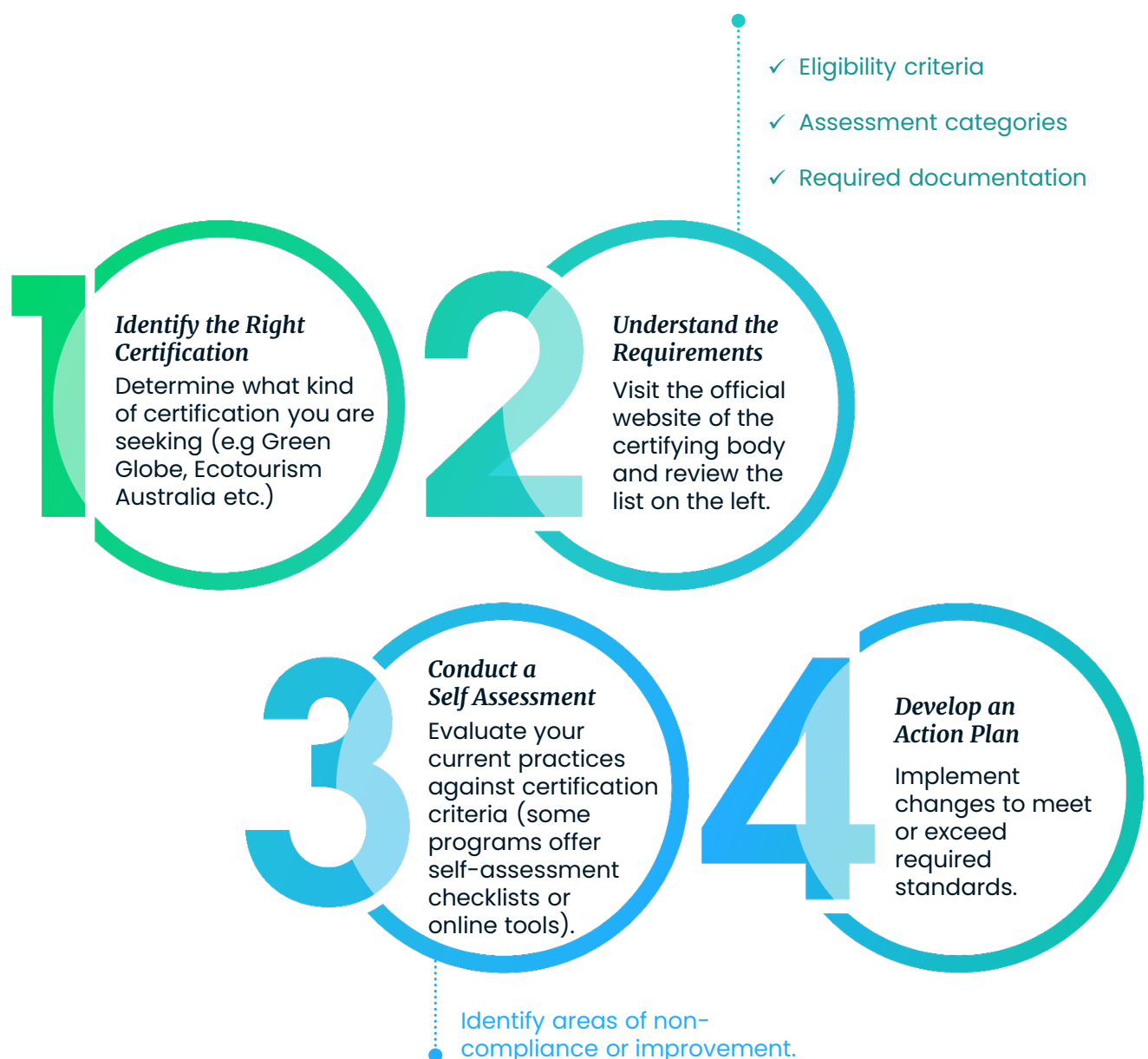
Certified Hotels  
Win Loyalty and  
Repeat Business

Trust and Confidence  
Gains from Certification  
Help to Attract Capital



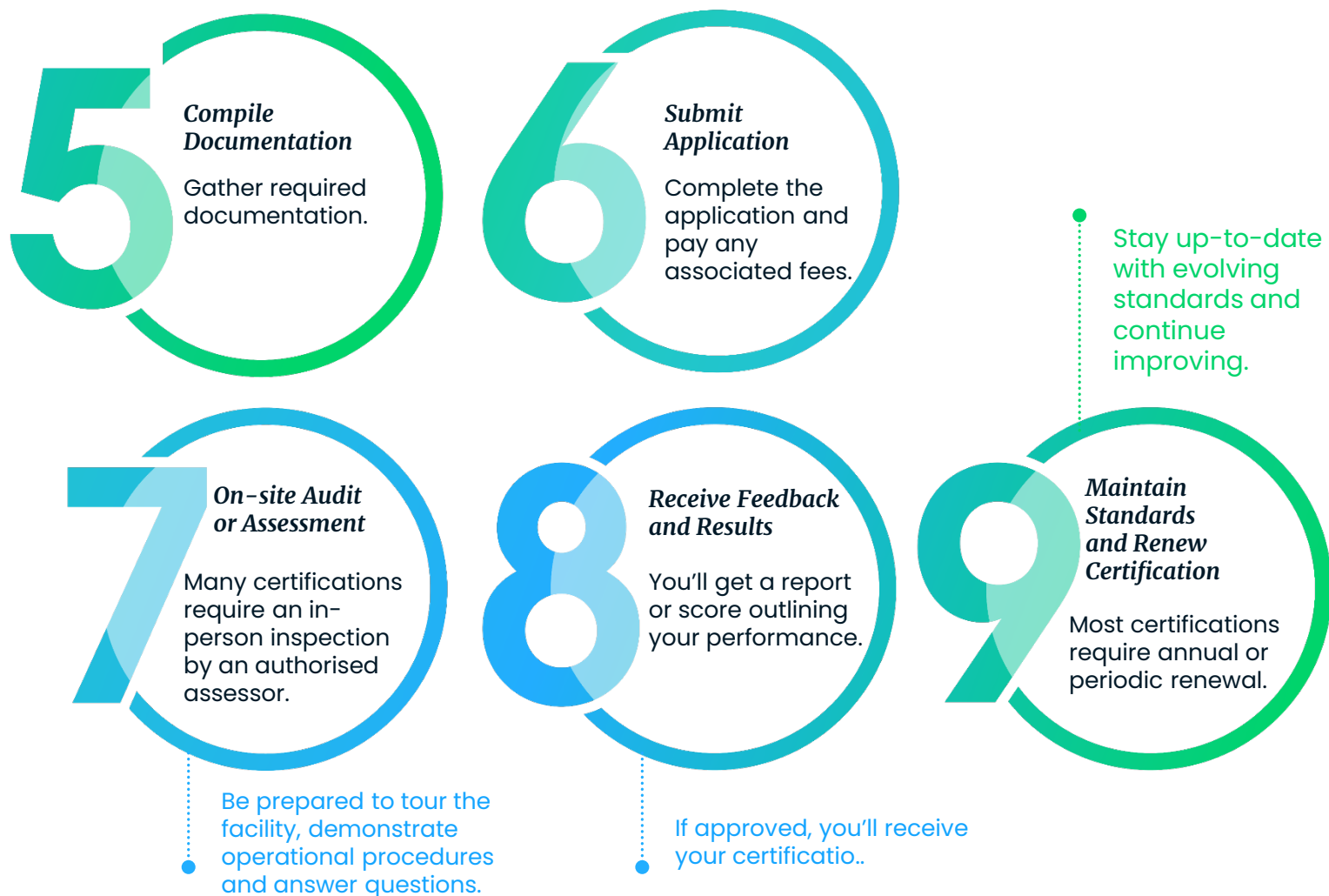
## Steps of the Certification Journey

Although each certification has its own specific process, the general steps typically involved are outlined below.





## Steps of the Certification Journey (Cont'd)



Part 4.

# The Sustainability Journey

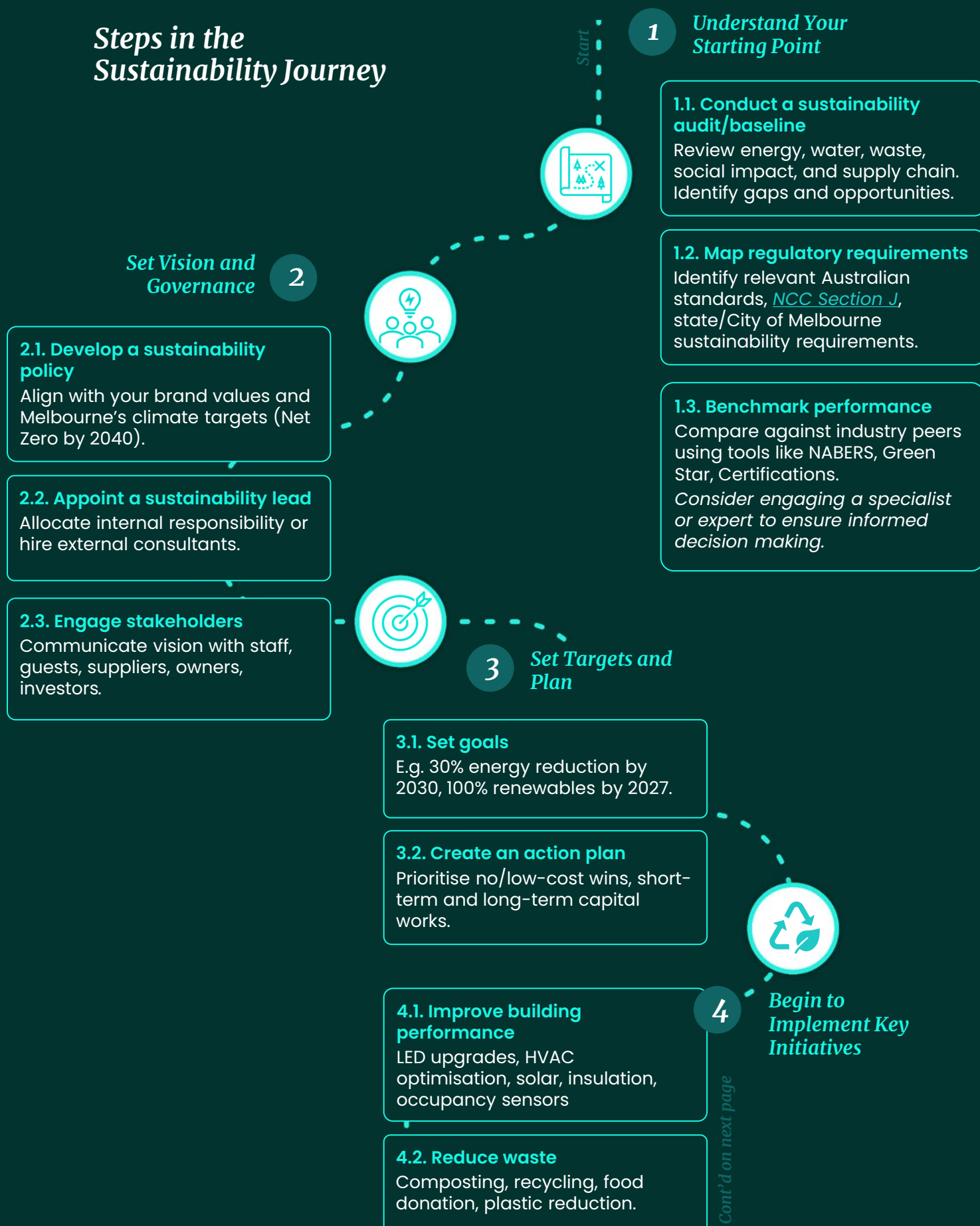
## How to Begin

▮▮ *The most important step towards sustainability is simply getting started. Even small actions – like setting ambitions or certifications – can build momentum. Taking that first step signals commitment, and from there, meaningful progress and change becomes possible.*

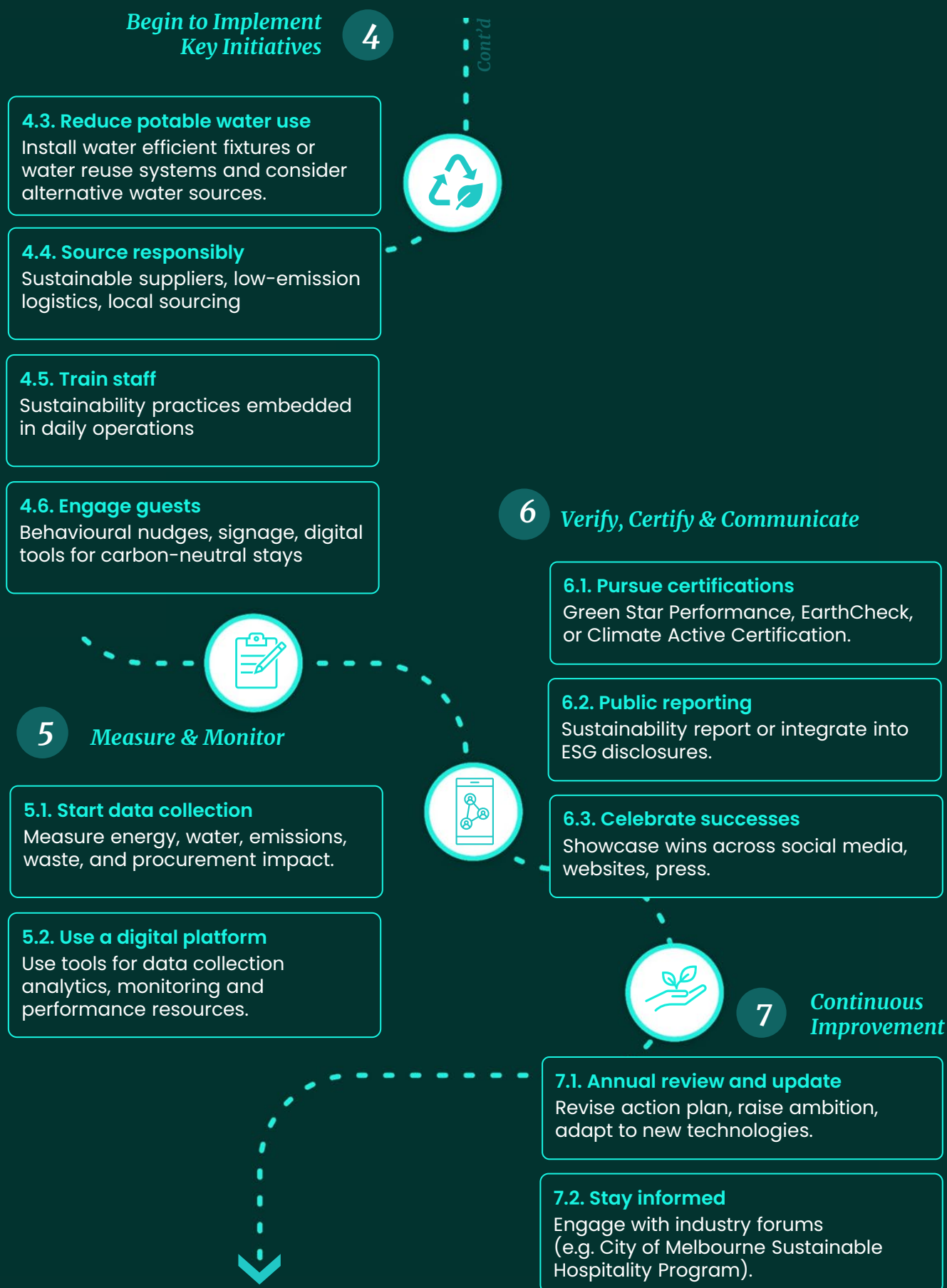
**Brenton Reynolds**

Director, Urbis | National Sustainability Lead

## Steps in the Sustainability Journey







# SUSTAINABILITY INITIATIVES FOR HOTELS

**Sustainability initiatives present a powerful opportunity to reduce emissions, enhance social outcomes, elevate guest experience, and position hotels as a leader in climate action.**



## Energy and Emissions

Hotels in Melbourne can significantly reduce their carbon footprint by transitioning to energy-efficient operations. Through electrification, and by implementing real-time monitoring and energy management systems to track performance and optimise use, hotels can reduce energy use and operating costs.

A practical checklist for energy and emissions initiatives can be found in the following section.



## Water

Water conservation is crucial and hotels can play a leading role by adopting efficient practices and technologies. Installing water-efficient appliances. And harvesting rainwater for landscape irrigation, cooling systems further supports resilience.

A practical checklist for water initiatives can be found in the following section.

For guests, these initiatives result in healthier, more comfortable stays with transparent choices that align with their values.



## Circular Economy and Waste

To align with circular economy principles, a shift from a linear “take-make-dispose” model to one that designs out waste and keeps resources in use is critical. Engaging suppliers and encouraging circular procurement amplifies impact across the value chain.

A practical checklist for circular economy and waste initiatives can be found in the following section.



## Social Value

Social sustainability involves fostering inclusive employment, community engagement, and guest wellbeing. Hotels can support local employment, prioritise fair wages, and provide career pathways for underrepresented groups including migrants, First Nations people, and youth.

A practical checklist for social value initiatives can be found in the following section.



### Energy/Emissions Initiatives for Hotels.

Category	Intervention	Checklist	Description/ Action	Difficulty	Upfront Cost	Performance Impact
Lightning	LED Lighting Upgrades	<input type="checkbox"/>	▪ Replace incandescent, halogen, and CFL bulbs with LEDs throughout rooms and facilities.	Low	\$	High
	Smart Lighting Controls	<input type="checkbox"/>	▪ Install occupancy sensors and daylight sensors in rooms, hallways, and meeting areas.	Medium	\$\$	Medium
Heating & Cooling	High-Efficiency HVAC Systems	<input type="checkbox"/>	▪ Upgrade to energy-efficient reverse-cycle units or VRF (Variable Refrigerant Flow) systems.	High	\$\$\$	High
	Zoning & Controls	<input type="checkbox"/>	▪ Implement zoned temperature control and automated setback features.	Medium	\$\$	Medium
	Variable Speed Pumps and Fans	<input type="checkbox"/>	▪ Install variable appliances that adjust speed to match demand to reduce energy use.	Medium	\$\$	Medium
	Routine Monitoring and Maintenance	<input type="checkbox"/>	▪ Conduct routine filter changes and system servicing to maintain optimal performance.	Low	\$	High
Building Envelope	Double Glazing	<input type="checkbox"/>	▪ Install double-glazed or low-emissivity windows to reduce heat loss/gain.	High	\$\$\$	High
	Insulation	<input type="checkbox"/>	▪ Improve insulation in walls and ceilings to reduce heating/cooling demand.	High	\$\$\$	High
	Draught Sealing	<input type="checkbox"/>	▪ Seal gaps around doors and windows to prevent conditioned air loss.	Low	\$	Medium
Heating & Cooling	Heat Pump Hot Water Systems	<input type="checkbox"/>	▪ Replace low performance systems with high-efficiency heat pumps.	Medium	\$\$	High
	Solar Hot Water	<input type="checkbox"/>	▪ Install rooftop solar thermal systems to pre-heat water and reduce energy use.	Medium	\$\$	Medium
Appliances & Equipment	Energy-Efficient Appliances	<input type="checkbox"/>	▪ Use high star rated appliances under the Energy Rating Label scheme.	Low	\$	High
	Commercial Kitchen Equipment	<input type="checkbox"/>	▪ Upgrade to induction cooktops, combi ovens, and energy-rated dishwashers.	Medium	\$\$	Medium





### Energy/Emissions Initiatives for Hotels.

Category	Intervention	Checklist	Description/ Action	Difficulty	Upfront Cost	Performance Impact
Building Management	Building Management System (BMS)	<input type="checkbox"/>	▪ Install smart BMS to monitor, optimise, and automate lighting, HVAC, and ventilation.	High	\$\$\$	High
	Lift Upgrades	<input type="checkbox"/>	▪ Reduces energy use, lowers emissions, and supports sustainability targets.	Medium	\$\$	Medium
	Monitoring	<input type="checkbox"/>	▪ Install sub-metering and real-time monitoring tools to track and manage utilities consumption.	Medium	\$\$	Medium
Renewable Energy	Solar PV Installation	<input type="checkbox"/>	▪ Investigate rooftop solar photovoltaic systems to generate on-site renewable electricity.	Medium	\$\$	High
	Battery Storage	<input type="checkbox"/>	▪ Investigate viability of battery systems to store excess energy.	Medium	\$\$	High
Guest Engagement	In-Room Energy Control & Guest Behaviour	<input type="checkbox"/>	▪ Install systems allowing guests to control energy usage and incentivise conservation.	Medium	\$\$	Medium
	Sustainability Signage	<input type="checkbox"/>	▪ Provide visible prompts to guests to reuse towels, turn off lights, and manage AC.	Low	\$	Low
Car Parking	EV Charging	<input type="checkbox"/>	▪ Investigate EV charging on-site to support low emissions travel.	Medium	\$\$	Low
Operations & Policy	Energy Efficiency Policy	<input type="checkbox"/>	▪ Develop internal policies to guide staff on energy-saving practices.	Low	\$	High
	Staff Awareness	<input type="checkbox"/>	▪ Train staff on energy efficiency behaviours and maintenance of energy systems.	Low	\$	Low



### Circular Economy & Waste Initiatives for Hotels.

Category	Intervention	Checklist	Description/ Action	Difficulty	Upfront Cost	Performance Impact
Food Waste	Food waste separation & composting	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Separate food scraps for local composting or use services like City of Melbourne's organic waste stream.</li> </ul>	Low	\$	Medium
	Smart kitchen management systems	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Use AI or software tools (e.g., Winnow) to track and reduce food waste in kitchens.</li> </ul>	Medium	\$\$	Medium
	Donate surplus food	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Partner with local charities (e.g., OzHarvest, SecondBite) to donate safe, unused food.</li> </ul>	Low	\$	Low
Guest Engagement	In-room recycling systems	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Provide clearly labelled bins for recycling, general waste, and organic waste.</li> </ul>	Low	\$	Medium
	Behaviour change signage	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Use signs and digital nudges to encourage recycling, towel reuse, and water conservation.</li> </ul>	Low	\$	Low
Procurement	Buy circular products	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Source amenities, uniforms, and furniture from recycled or upcycled materials.</li> </ul>	Medium	\$\$	Medium
	Reduce single-use plastics	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Eliminate single-use plastics in rooms, events, and F&amp;B (e.g., replace with refillables or compostables).</li> </ul>	Low	\$	High
	Products-as-a-Service (PaaS model)	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Consider sourcing products/appliances through a service, rather than owning.</li> </ul>	Medium	\$\$	Medium
Textile & Linen Management	Closed-loop textile recycling	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Partner with textile recyclers for uniforms, linens, and towels (e.g., BlockTexx or Upparel).</li> </ul>	Medium	\$	Medium
	Towel and linen reuse program	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Encourage multi-day stays to opt-in to linen reuse programs.</li> </ul>	Low	\$	Medium
Event & Conference Service	Zero waste event planning	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Offer clients sustainable event packages, avoiding disposables and reducing packaging waste.</li> </ul>	Medium	\$	Medium



### Circular Economy & Waste Initiatives for Hotels.

Category	Intervention	Checklist	Description/ Action	Difficulty	Upfront Cost	Performance Impact
Supplier & Waste Contracts	Waste stream auditing	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Conduct a full audit of waste types and volumes to identify recovery and diversion opportunities.</li> </ul>	Medium	\$	Low
	Circular supplier engagement	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Prioritise suppliers that take back packaging or offer product stewardship programs.</li> </ul>	Medium	\$	Medium
Furniture, Fixtures, Equipment	Reuse and refurbishment	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Repair and reuse FF&amp;E items before purchasing new – partner with circular refurb companies.</li> </ul>	Medium	\$\$	High
	Circular and standardised design/ fitout practices	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Use modular, reusable materials in renovations to reduce demolition waste.</li> </ul>	High	\$\$	High
Back-of-House Waste Management	Waste separation & staff training	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Train staff on separating recycling, organic, and general waste – particularly in kitchens and cleaning.</li> </ul>	Low	\$	Low
	Digital waste tracking	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Use digital tools to monitor waste generation and diversion rates.</li> </ul>	Medium	\$\$	Medium
Bio digestion & Innovation	On-site food waste biodigesters	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Consider installing biodigesters for large-scale hotels (subject to council regs).</li> </ul>	High	\$\$	High





### Water Sensitive Initiatives for Hotels.

Category	Intervention	Checklist	Description/ Action	Difficulty	Upfront Cost	Performance Impact
Guest Rooms	Install water-efficient fixtures	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Use high star rated showerheads, tapware, and dual-flush toilets to reduce water usage.</li> </ul>	Low	\$	High
	Smart water metering per floor or zone	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Install submeters to monitor water use by area (e.g., rooms vs. laundry) and identify leaks.</li> </ul>	Medium	\$\$	Medium
Linens & Laundry	Upgrade to efficient commercial washers	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Use water- and energy-efficient industrial laundry systems with load-sensing and re-use capabilities.</li> </ul>	Medium	\$\$\$	High
	Linen reuse program	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Encourage multi-day guests to opt out of daily linen changes to save water and energy.</li> </ul>	Low	\$	High
	Outsource to sustainable laundry partners	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Use certified eco-laundry services with low water consumption and greywater systems.</li> </ul>	Medium	\$\$	Medium
Irrigation & Landscaping	Install smart irrigation systems	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Use weather-based or soil moisture-based controllers to avoid over-watering.</li> </ul>	Medium	\$\$	Medium
	Use drought-tolerant native plants	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Shift to local, water-smart landscaping that needs minimal irrigation.</li> </ul>	Medium	\$\$	High
Cooling & Heating	Upgrade cooling towers	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Maintain or replace towers to reduce water bleed-off; consider air-cooled alternatives if feasible.</li> </ul>	High	\$\$\$	High
	Install automatic leak detection	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Use BMS and sensors to monitor leaks in HVAC and plumbing systems in real time.</li> </ul>	Medium	\$\$	Low
Back-of-House Operations	Educate staff on water-saving practices	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Provide training on efficient dishwashing, cleaning, and maintenance routines.</li> </ul>	Low	\$	Low
	Efficient kitchen dishwashing systems	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Use water-efficient commercial dishwashers with recovery/reuse systems.</li> </ul>	Low	\$\$	Medium



### Water Sensitive Initiatives for Hotels.

Category	Intervention	Checklist	Description/ Action	Difficulty	Upfront Cost	Performance Impact
Alternative Water Sources	Rainwater harvesting for non-potable uses	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Collect roof water for use in toilets, gardens, or cleaning (with appropriate treatment).</li> </ul>	Medium	\$\$	Medium
	Greywater reuse systems	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Recycle lightly used water (e.g., from showers or sinks) for irrigation or toilet flushing (subject to code).</li> </ul>	High	\$\$\$	High
Monitoring & Compliance	Perform regular water audits	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Audit water consumption to benchmark and find saving opportunities; align with Green Star or NABERS Water.</li> </ul>	Low	\$	Low
	Set water reduction targets	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Track performance annually and set targets aligned with Victorian Government or City of Melbourne policies.</li> </ul>	Low	\$	Low



### Social Value Initiatives for Hotels.

Category	Intervention	Checklist	Description/Action
<b>Employment &amp; Workforce</b>	Hire locally and inclusively	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>▪ Prioritise employment of local residents, First Nations peoples, and underrepresented groups.</li> </ul>
	Provide fair wages and job security	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>▪ Pay above award wages, offer permanent roles over casual, and promote job stability.</li> </ul>
	Offer training, upskilling and career pathways	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>▪ Provide structured programs for professional development, traineeships, or hospitality apprenticeships.</li> </ul>
<b>Diversity, Equity &amp; Inclusion</b>	Implement a DEI policy and targets	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>▪ Develop a clear DEI framework, with targets for gender balance, cultural diversity, and accessibility.</li> </ul>
	Accessibility improvements for staff and guests	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>▪ Upgrade facilities to meet DDA standards; provide inclusive service training.</li> </ul>
<b>Community Engagement</b>	Partner with local charities and social enterprises	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>▪ Engage suppliers like STREAT or Good Cycles; support local causes through donations or volunteering.</li> </ul>
	Local procurement	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>▪ Source food, wine, art, and services from local businesses and First Nations enterprises.</li> </ul>
	Community space sharing	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>▪ Offer free/discounted use of hotel spaces for community groups or events.</li> </ul>
<b>Cultural Respect</b>	Acknowledge Traditional Owners	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>▪ Conduct Acknowledgement of Country in materials and meetings; display local Indigenous artwork.</li> </ul>
	Partner with Aboriginal tourism initiatives	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>▪ Support Wurundjeri-based cultural experiences or tours; employ Aboriginal guides or artists.</li> </ul>





### Social Value Initiatives for Hotels.

Category	Intervention	Checklist	Description/Action
<b>Guest Experience</b>	Promote ethical and cultural experiences	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Partner with responsible tourism operators; promote low-impact, locally-beneficial attractions.</li> </ul>
	Share sustainability and social impact stories	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Communicate social efforts in-room, on websites, or via QR codes to educate and inspire guests.</li> </ul>
<b>Health, Safety &amp; Wellbeing</b>	Employee mental health support	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Provide access to EAP services, flexible work, and mental health training for managers.</li> </ul>
	Safe working environments	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Meet or exceed OHS standards, especially for housekeeping and F&amp;B roles.</li> </ul>
<b>Supplier Responsibility</b>	Ethical supply chain policies	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Audit suppliers for modern slavery, labour practices, and environmental standards.</li> </ul>
	Preference for B-Corp or social enterprise vendors	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Use certified suppliers with proven social impact credentials.</li> </ul>
<b>Volunteering &amp; Giving</b>	Enable paid volunteer days	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Allow staff to contribute time to local causes during work hours.</li> </ul>
	Match fundraising or community initiatives	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Co-invest in causes staff care about (e.g., match guest donations for bushfire relief or homelessness programs).</li> </ul>
<b>Governance &amp; Transparency</b>	Report on social performance	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Include social KPIs and initiatives in ESG or sustainability reporting.</li> </ul>
	Respond to guest feedback on inclusivity and ethics	<input type="checkbox"/>	<ul style="list-style-type: none"> <li>Actively gather, monitor and act on guest feedback related to fairness, culture, and service quality.</li> </ul>

## Key Challenges to Implementation



### Fragmented Ownership Structures Undermine Cohesive Action

Diverse ownership models (franchise, managed, and leased) create inconsistent levels of commitment. Stakeholders report difficulty enforcing sustainability standards when local owners prioritise short-term returns or disregard group directives. Without alignment, even well-designed strategies fail to scale effectively.



### Commercial Viability is a Prerequisite for Adoption

Sustainability efforts are deprioritised unless a clear business case exists. Stakeholders require cost-saving, reputational, or revenue-enhancing outcomes to justify investment. Certification, in particular, is only pursued when linked directly to procurement outcomes or customer preference.



### Ageing Infrastructure Limits Impactful Upgrades

Older hotel buildings often lack modern energy systems or direct control over utilities. Stakeholders cite high retrofit costs and shared services as major roadblocks to achieving meaningful energy efficiency improvements.



### Certification Schemes are Viewed as Complex and Costly

Operators find sustainability certifications expensive, opaque, and burdensome, especially independent or smaller hotels. The lack of differentiation between schemes and frequent data demands creates confusion and slows uptake.



### Guest Experience Expectations Create Operational Tension

Efforts to “go green” must not compromise service. Stakeholders observe that sustainability messaging can clash with luxury expectations or elicit skepticism. Guests want visible impact, but not at the expense of comfort or perceived value.



### Capacity and Knowledge Gaps Inhibit Progress

Operators struggle with the complexity of sustainability metrics and frameworks. Limited time and technical expertise mean many hotel teams find it difficult to interpret data or navigate the certification landscape without additional support.

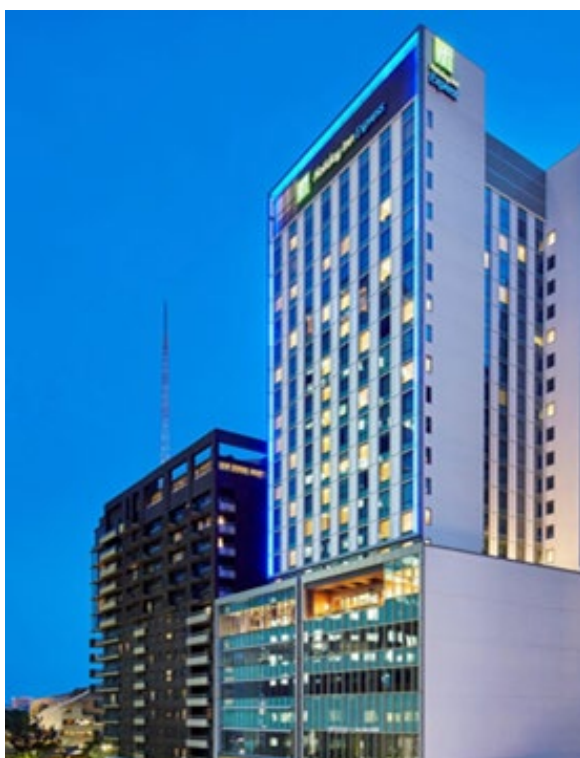


## Case Studies

# PRO-INVEST & HOLIDAY INN EXPRESS

## *Melbourne Southbank*

**Opened in 2019 with financial support from the Clean Energy Finance Corporation (CEFC), the Holiday Inn Express Melbourne Southbank set new sustainability standards. It currently holds both a 5-star NABERS energy rating and a 5.5-star NABERS Water rating. The 22-storey mixed-use development includes a 345-room hotel, retail space, commercial space, and parking.**



Pro-Invest Group invested over \$860,000 to enhance the hotel's sustainability profile, with CEFC providing an approximately \$40 million construction and term debt facility along with another Australian Bank. This investment boosted the initial 4.5-star NABERS energy rating target to 5-stars, resulting in a 25% reduction in energy use. Technologies implemented include energy fine-tuning systems, rooftop solar, high-performance air-cooled chillers, an integrated heat recovery system, and demand-controlled ventilation with occupancy sensors. These initiatives are estimated to save \$80,000 annually in energy costs and reduce annual emissions by 530 tonnes CO<sub>2</sub>-e, with emissions intensity 64% lower than the industry average.

**For more information on this case study, visit the website [here](#).**



## Case Studies

# CARBON LABELLING

### Hilton

**In 2023, Hilton introduced carbon labelling on menus across nearly 30 hotels globally, including locations in London, Liverpool, Leeds, and Newcastle. Hilton developed a simple colour-coded system to indicate the carbon footprint of each dish, encouraging guests to consider the environmental impact of their dining choices.**



The initiative has led to a noticeable shift in guest behaviour, with more opting for low and medium-carbon options. Positive feedback has inspired Hilton to expand low-carbon menu options, with the Autumn 2023 menu featuring 85% low- and medium-labelled dishes. These meals, often locally sourced and vegetarian, have a lower carbon output than the average UK meal.

Hilton also focuses on sustainable sourcing and improving supply chain sustainability through programs like the EPA's SmartWay. In 2020, Hilton joined the World Resources Institute's CoolFood Program, committing to cut food-related greenhouse gas emissions by 25% by 2030. This partnership aims to expand sustainable menu options.

**For more information on this case study, visit the website [here](#).**





## Case Studies

# MEET MINDFULLY

*Crystalbrook Collections*

**Crystalbrook Collection Hotels and Resorts has introduced Meet Mindfully, an initiative to reduce the stress and environmental impact of corporate meetings, aligning with their 'Responsible Luxury' mission.**



Meet Mindfully offers environmentally friendly spaces and unique local activities, such as sound healing in Byron Bay and beehive workshops in Cairns. Events can include a 'power-down' plan to foster group connection and reduce emissions, with minimal paper use and only forest stewardship council certified paper when necessary.

Crystalbrook's sustainability efforts include 100% waste-free bathrooms, recycled materials for key cards, and locally sourced produce. They are an EarthCheck Certified Partner, with six sites holding silver certification. Recognised for their sustainable practices, Crystalbrook has received multiple awards and secured Australia's first Sustainability-Linked Loan with the Commonwealth Bank of Australia.

**For more information on this case study, visit the website [here](#).**



## Case Studies

# ADINA APARTMENT HOTEL

*55 Southbank Boulevard*

**Opened in August 2020, 55 Southbank Boulevard is home to the Adina Apartment Hotel Melbourne Southbank, Australia's first cross-laminated timber (CLT) high-rise hotel. Built atop a 1989 six-storey commercial office building, the innovative use of CLT, a lightweight construction, enabling the addition of ten stories, compared to six with concrete.**



The hotel features 220 serviced apartments across 13,000 square metres. The timber, sourced from Forest Stewardship Council certified suppliers, offsets approximately 4,200 tonnes of CO2 emissions, equivalent to the annual emissions of 130 homes, and helps regulate room humidity.

Prefabrication of CLT components off-site reduced build waste, construction time, and impact on surrounding buildings. The lighter material also lowered transport costs and carbon emissions. Modular hotel bathrooms were similarly prefabricated.

This sustainable approach, using sustainable materials and circular economy principles, has earned widespread recognition, including the Built Environment Architectural Design Award from the Good Design Awards in 2023.

**For more information on this case study, visit the website [here](#).**



*Part 5.*

# **Environmental, Social and Governance Checklists**

## **& Further Resources**



## Where to Begin Checklist: Starting the Sustainability Journey

Steps		Actions	Completed
01	<i>Understand Your Starting Point</i>	<b>1.1 Conduct a sustainability audit/baseline</b> Review energy, water, waste, social impact, and supply chain. Identify gaps and opportunities	<input type="checkbox"/>
		<b>1.2. Map regulatory requirements</b> Identify relevant Australian standards, <a href="#">NCC Section J</a> , state/City of Melbourne sustainability requirements	<input type="checkbox"/>
		<b>1.3. Benchmark performance</b> Compare against industry peers using tools like NABERS, Green Star, Certifications.	<input type="checkbox"/>
02	<i>Set Vision &amp; Governance</i>	<b>2.1. Develop a sustainability policy</b> Align with your brand values and Melbourne's climate targets (Net Zero by 2040).	<input type="checkbox"/>
		<b>2.2. Appoint a sustainability lead</b> Allocate internal responsibility or hire external consultants.	<input type="checkbox"/>
		<b>2.3. Engage stakeholders</b> Communicate vision with staff, guests, suppliers, owners, investors.	<input type="checkbox"/>
03	<i>Set Targets &amp; Goals</i>	<b>3.1. Set goals</b> E.g. 30% energy reduction by 2030, 100% renewables by 2027.	<input type="checkbox"/>
		<b>3.2. Create an action plan</b> Prioritise no/low-cost wins, short-term and long-term capital works.	<input type="checkbox"/>
04	<i>Begin to Implement Key Initiatives</i>	<b>4.1. Improve building performance</b> LED upgrades, HVAC optimisation, solar, insulation, occupancy sensors	<input type="checkbox"/>
		<b>4.2. Reduce waste</b> Composting, recycling, food donation, plastic reduction.	<input type="checkbox"/>
		<b>4.3. Reduce potable water use</b> Install water efficient fixtures or water reuse systems and consider alternative water sources	<input type="checkbox"/>



## Where to Begin Checklist: Starting the Sustainability Journey

Steps		Actions	Completed
04	<i>Begin to Implement Key Initiatives (cont'd)</i>	<b>4.3. Source responsibly</b> Sustainable suppliers, low-emission logistics, local sourcing	<input type="checkbox"/>
		<b>4.5. Train staff</b> Sustainability practices embedded in daily operations	<input type="checkbox"/>
		<b>4.6. Engage guests</b> Behavioural nudges, signage, digital tools for carbon-neutral stays	<input type="checkbox"/>
05	<i>Measure &amp; Monitor</i>	<b>5.1. Start data collection</b> Measure energy, water, emissions, waste, and procurement impact.	<input type="checkbox"/>
		<b>5.2. Use a digital platform</b> Use tools for data collection analytics, monitoring and performance resources.	<input type="checkbox"/>
06	<i>Verify, Certify &amp; Communicate</i>	<b>6.1. Pursue certifications</b> Green Star Performance, EarthCheck, or Climate Active Certification	<input type="checkbox"/>
		<b>6.2. Public reporting</b> Sustainability report or integrate into ESG disclosures.	<input type="checkbox"/>
		<b>6.3. Celebrate successes</b> Showcase wins across social media, websites, press.	<input type="checkbox"/>
07	<i>Continuous Improvement</i>	<b>7.1. Annual review and update</b> Revise action plan, raise ambition, adapt to new technologies.	<input type="checkbox"/>
		<b>7.2. Stay informed</b> Engage with industry forums (e.g. City of Melbourne Sustainable Hospitality Program).	<input type="checkbox"/>

## Environmental Checklist

Focus Area	Initiative/ Approach	Completed	Recommendations
Energy Efficiency	Conduct energy audit of building systems	<input type="checkbox"/>	Use accredited providers
	Upgrade to LED lighting throughout hotel	<input type="checkbox"/>	Include guest rooms, back-of-house, and exteriors
	Install smart thermostats and occupancy sensors	<input type="checkbox"/>	Target HVAC and lighting control
	Electrify gas systems (hot water, kitchen)	<input type="checkbox"/>	Switch to electric induction and heat pumps
	Install solar PV panels and reduce renewable energy or join a renewable energy program	<input type="checkbox"/>	Consider and research options and price performance
Water Management	Retrofit bathrooms with low-flow fittings	<input type="checkbox"/>	Showers and dual-flush toilets
	Install tap aerators and flow restrictors	<input type="checkbox"/>	Kitchen and bar taps included
	Implement greywater reuse or rainwater harvesting	<input type="checkbox"/>	For irrigation or toilets
	Use smart irrigation and drought-resistant landscaping	<input type="checkbox"/>	Native Victorian plant species preferred
	Install stormwater tanks	<input type="checkbox"/>	Appropriately sized tanks and positioning important.
Waste Reduction	Conduct full waste audits	<input type="checkbox"/>	Use credible audit tools or suppliers
	Implement as a minimum a 3-bin system (landfill, recycling, organics)	<input type="checkbox"/>	Staff and guests trained on use
	Eliminate single-use plastics (bottles, amenities)	<input type="checkbox"/>	Use refillable dispensers and compostable alternatives
	Partner with food rescue or composting services	<input type="checkbox"/>	E.g. OzHarvest, local composting programs

## Environmental Checklist (Cont'd)

Focus Area	Initiative/ Approach	Completed	Recommendations
Circular Economy	Choose suppliers with sustainable packaging or take-back programs	<input type="checkbox"/>	Encourage reusable/returnable packaging
	Purchase recycled or upcycled furniture, linens	<input type="checkbox"/>	Support circular procurement and investigate products-as-a-service
	Donate old furnishings and goods instead of landfilling	<input type="checkbox"/>	Work with local charities
Biodiversity & Nature	Maintain or enhance green spaces on-site	<input type="checkbox"/>	Green roofs, planter boxes, and gardens
	Use wildlife-safe lighting and planting strategies	<input type="checkbox"/>	Reduce light pollution and attract pollinators
Transportation	Provide secure bike storage for staff and guests	<input type="checkbox"/>	Encourage low-carbon transport
	Install EV charging stations	<input type="checkbox"/>	Support growing EV tourist market
	Partner with public transit or low-emissions tour operators	<input type="checkbox"/>	Include in guest communications
Certifications & Governance	Set a sustainability policy and action plan	<input type="checkbox"/>	Align with UN SDGs and local net zero goals
	Track emissions, energy, water, and waste metrics	<input type="checkbox"/>	Use software or simple dashboards
	Consider and pursue relevant certifications	<input type="checkbox"/>	Boost reputation and guest confidence
	Report on sustainability annually (internally or publicly)	<input type="checkbox"/>	Helps with transparency and planning

## Social Sustainability Checklist

Focus Area	Initiative/ Approach	Completed	Recommendations
Employment	Hire locally to support Melbourne's workforce	<input type="checkbox"/>	Partner with local TAFEs, job networks
	Employ people from diverse backgrounds (cultural, ability, age, gender)	<input type="checkbox"/>	Use inclusive hiring practices and job ads
	Create employment pathways for vulnerable groups (e.g. refugees, youth, people with disabilities)	<input type="checkbox"/>	Partner with social enterprises
	Provide apprenticeships, internships, and training programs	<input type="checkbox"/>	Focus on hospitality, sustainability, and leadership
Staff Wellbeing	Provide fair wages and conditions under Fair Work Australia	<input type="checkbox"/>	Review staff contracts and entitlements
	Offer mental health and wellbeing support	<input type="checkbox"/>	Engage EAPs, promote Beyond Blue or R U OK? resources
	Promote work-life balance through fair rostering	<input type="checkbox"/>	Limit excessive hours, support flexible working
	Provide regular team building, recognition, and development	<input type="checkbox"/>	Foster staff satisfaction and retention
Diversity, Equity & Inclusion (DEI)	Develop a DEI policy and communicate it to all staff	<input type="checkbox"/>	Embed in onboarding and workplace culture
	Deliver unconscious bias and cultural competency training	<input type="checkbox"/>	Source from accredited trainers
	Ensure accessible rooms, facilities, and digital communications	<input type="checkbox"/>	Meet DDA and Universal Design standards
	Celebrate cultural and LGBTQIA+ events inclusively	<input type="checkbox"/>	NAIDOC, Midsumma, Lunar New Year, etc.



## Social Sustainability Checklist (Cont'd)

Focus Area	Initiative/ Approach	Completed	Recommendations
First Nations Inclusion	Acknowledge Traditional Owners at entry and in materials	<input type="checkbox"/>	Use a Welcome to Country or Acknowledgement
	Work with Aboriginal businesses (art, catering, tours)	<input type="checkbox"/>	Source via reputable suppliers
	Engage Indigenous advisors for cultural sensitivity	<input type="checkbox"/>	Co-design guest experiences or training modules
Community Engagement	Collaborate with local charities or non-profits	<input type="checkbox"/>	Support through donations, events, volunteering
	Provide venue space for community use where possible	<input type="checkbox"/>	Engage residents or council groups
	Promote local events, artists, and neighbourhood businesses	<input type="checkbox"/>	Create guest info packs and local partnerships
	Sponsor local sustainability or social impact initiatives	<input type="checkbox"/>	Align with brand values and local identity
Guest Inclusion & Education	Provide multilingual and accessible guest materials	<input type="checkbox"/>	Include braille, large print, translation tools
	Include local and Indigenous stories in guest experience	<input type="checkbox"/>	Offer local tours, signage, digital storytelling
	Promote green and ethical guest options (e.g. opt-out linen change)	<input type="checkbox"/>	Explain impact through in-room communication
	Provide feedback opportunities on social initiatives	<input type="checkbox"/>	Use QR codes, surveys, and response mechanisms
Social Governance	Create a Social Sustainability Action Plan	<input type="checkbox"/>	Include goals, targets, partnerships
	Track social metrics (e.g. % local hires, training hours, supplier diversity)	<input type="checkbox"/>	Include in annual ESG reporting
	Align with frameworks like the UN SDGs or B Corp	<input type="checkbox"/>	Helps guide strategy and benchmarking

## Governance Checklist

Focus Area	Initiative/ Approach	Completed	Recommendations
<b>Sustainability Governance Framework</b>	Establish clear sustainability governance with board/management oversight	<input type="checkbox"/>	Define roles, responsibilities, and decision rights
<b>Sustainability Policy</b>	Develop and adopt a formal environmental and social sustainability policy	<input type="checkbox"/>	Align with City of Melbourne and Tourism Australia frameworks
<b>ESG Risk Management</b>	Integrate environmental, social, and governance risks into risk registers and business planning	<input type="checkbox"/>	Include climate, energy pricing, regulatory, and reputational risks
<b>Stakeholder Engagement</b>	Identify and engage key internal and external stakeholders on sustainability	<input type="checkbox"/>	Include guests, suppliers, local government, and community
<b>Code of Conduct</b>	Update or create a Code of Conduct incorporating sustainability values and ethical practices	<input type="checkbox"/>	Ensure it covers suppliers and contractors
<b>Regulatory Compliance Monitoring</b>	Ensure compliance with national and local environmental laws and building standards (e.g., NCC, energy efficiency)	<input type="checkbox"/>	Regularly review with legal or compliance advisors
<b>Sustainability KPIs</b>	Define and monitor ESG KPIs, with regular reporting to management and/or board	<input type="checkbox"/>	Include energy, emissions, waste, water, and social metrics
<b>Transparency and Reporting</b>	Publish an annual sustainability or ESG report (or section in broader annual report)	<input type="checkbox"/>	Align with GRI, TCFD, or approved reporting guidance

## Governance Checklist (Cont'd)

Focus Area	Initiative/ Approach	Completed	Recommendations
<b>Green Procurement Policy</b>	Implement procurement standards for environmentally and socially responsible purchasing	<input type="checkbox"/>	Prioritise local, ethical, and low-impact suppliers
<b>Sustainability-linked Incentives</b>	Include sustainability performance in executive or staff KPIs or incentives	<input type="checkbox"/>	Can include emissions reduction or social engagement targets
<b>Cybersecurity and Data Governance</b>	Ensure secure handling of guest and operational data, especially for digital ESG tracking	<input type="checkbox"/>	Align with Australian Privacy Principles (APPs)
<b>Board/Executive Sustainability Training</b>	Provide ongoing ESG training and awareness for leadership and governance teams	<input type="checkbox"/>	Tap into AICD, Hotels Association, or Green Building Council programs
<b>Internal Audit and Review</b>	Conduct periodic internal audits of sustainability practices and governance	<input type="checkbox"/>	Identify opportunities and gaps against best practices

## Grants & Funding Opportunities

Program	Description	Support Available
<b><u>Energy Efficiency Grants for Small and Medium Enterprises</u></b>	Grants to upgrade equipment and improve energy efficiency for businesses, including hotels.	\$10,000 to \$25,000 in grant funding
<b><u>Business Recovery Energy Efficiency Fund</u></b>	Supports Victorian businesses with energy efficiency upgrades as part of economic recovery.	Funding for approved upgrade projects
<b><u>Clean Energy Finance Corporation (CEFC) Investments</u></b>	Provides investment in green hotel and infrastructure projects. Example: Holiday Inn Express Melbourne Southbank.	Tailored investment and finance solutions
<b><u>Victorian Energy Upgrades (VEU)</u></b>	Offers discounts and incentives for installing energy-efficient products and services.	Access to reduced-cost upgrades
<b><u>Green Financing (Australian Banks)</u></b>	Finance support to enhance energy efficiency and sustainability.	Low interest green loans.



## Further Resources

Resource	Website	Description
<b>City of Melbourne – Sustainability for Business</b>	<a href="https://melbourne.vic.gov.au">melbourne.vic.gov.au</a>	Offers sustainability support and grants for local businesses, including hotels.
<b>Victorian Tourism Industry Council</b>	<a href="https://www.vtic.com.au/">https://www.vtic.com.au/</a>	Victoria Tourism Industry Council is Victoria's peak tourism industry body and is the leading advocate for Victoria's tourism and events industry.
<b>Sustainability Victoria – Business Support</b>	<a href="https://sustainability.vic.gov.au">sustainability.vic.gov.au</a>	Programs, tools, and funding for energy, materials efficiency, and circular economy practices.
<b>Tourism Australia – Sustainability Toolkit</b>	<a href="https://tourism.australia.com">tourism.australia.com</a>	Sustainability resources tailored to tourism operators, including energy and waste initiatives.
<b>Better Buildings Partnership (BBP)</b>	<a href="https://betterbuildingspartnership.com.au">betterbuildingspartnership.com.au</a>	Collaboration between property owners (incl. hotels) on sustainability upgrades and best practices.
<b>Melbourne Convention Bureau</b>	<a href="https://www.melbournecb.com.au/why-melbourne/sustainability">https://www.melbournecb.com.au/why-melbourne/sustainability</a>	The Melbourne Convention Bureau (MCB) places a strong emphasis on sustainability, recognising its critical importance as a key mission.
<b>Australian Government – Climate Active</b>	<a href="https://climateactive.org.au">climateactive.org.au</a>	Carbon neutral certification for businesses, with calculation and reporting guidance.
<b>NABERS – Hotels Ratings</b>	<a href="https://nabers.gov.au">nabers.gov.au</a>	Rates hotels based on energy, water, waste and indoor environment performance.
<b>Business.gov.au</b>	<a href="https://business.gov.au/environmental-management/sustainability-checklist">business.gov.au/environmental-management/sustainability-checklist</a>	Checklist that provides guidance for businesses with steps to take towards sustainability.
<b>AusTrade Sustainable Tourism Toolkit</b>	<a href="https://austrade.gov.au/en/news-and-analysis/publications-and-reports/sustainable-tourism-toolkit">austrade.gov.au/en/news-and-analysis/publications-and-reports/sustainable-tourism-toolkit</a>	A how-to guide to help Australian tourism businesses become more sustainable.
<b>Australian Sustainable Built Environment Council (ASBEC)</b>	<a href="https://asbec.asn.au">asbec.asn.au</a>	Research and policy work on sustainable building, including hospitality.
<b>UNEP One Planet Sustainable Tourism Program</b>	<a href="https://oneplanetnetwork.org">oneplanetnetwork.org</a>	Global guidance for sustainable tourism development and operations.
<b>B Corporation Australia</b>	<a href="https://bcorporation.com.au">bcorporation.com.au</a>	Business certification for ethical, socially and environmentally responsible practices.
<b>Victoria's Plan for A Circular Economy</b>	<a href="https://www.vic.gov.au/victorias-plan-circular-economy">https://www.vic.gov.au/victorias-plan-circular-economy</a>	Steps out the systemic change that's needed to cut waste and boost recycling and reuse of resources.
<b>STREAT (Social Enterprise Catering &amp; Hospitality)</b>	<a href="https://streat.com.au">streat.com.au</a>	Partner for socially responsible food and beverage supply or training programs.
<b>Australian Hotels Association – Environmental Best Practice</b>	<a href="https://aha.org.au">aha.org.au</a>	Hospitality-specific sustainability platform
<b>Australian Securities and Investments Commission</b>	<a href="https://asic.gov.au/regulatory-resources/sustainability-reporting/">asic.gov.au/regulatory-resources/sustainability-reporting/</a>	Information on mandatory sustainability reporting and climate-related disclosures.

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