

# How environmental certification can help your business

## What is an environmental performance rating or certification?

An independent environmental performance rating or certification is an independent assessment of the performance of your business benchmarked against your peers. In Australia, there are three key environmental performance schemes for the tourism sector: NABERS for Hotels, Green Star Performance and EarthCheck Certified.

### Benefit 1: Knowledge is power

Getting an environmental performance rating or certification helps you:

- understand how efficiently your building is running
- identify opportunities for improvement
- capture information for conversations with your internal teams and decision-makers about what improvements need to happen and where
- communicate your environmental leadership to clients and customers

### Benefit 2: Benchmarking makes financial sense

Good financial management begins with good information. Once you know how your building compares, and where inefficiencies are losing you money, you can prioritise action. A Griffith University study of more than 1,000 EarthCheck Certified hotels and resorts revealed the businesses that measured and managed operational performance through the program achieved a significant return on investment.

The independent research highlighted average annual cost savings of \$25,010 per Australian property.

### Benefit 3: Your guests are paying attention

The research confirms it: travellers want to give their custom to venues and operators that share their values.



Sofitel Sydney Darling Harbour

- Booking.com's survey<sup>1</sup> of their travellers found 87% want to travel sustainably
- Hilton's survey<sup>2</sup> of 72,000 of their guests found 33% actively seek social, environmental and ethical considerations before booking. Of these, 60% conduct research even if the information is not easily accessible

An independent rating or certification is a trust mark that objectively shows guests your business is accountable and committed to year-on-year improvement.

### Benefit 4: A better guest experience

When Tui Hotel Group surveyed 330 of its hotels, they found certified hotels, compared with non-certified hotels, achieved:

- higher customer satisfaction scores for accommodation overall
- 10% lower CO<sub>2</sub> emissions per guest night
- 19% less fresh water use per guest night
- 24% lower waste volume per guest night

## Improve your rating

Often simply 'tuning' your building systems can significantly improve your efficiency. It doesn't always require a lot of capital. And it can be done without impacting guest comfort.

Capital investment in efficiency initiatives do go straight to the bottom line - they improve Gross Operating Profit (GOP) for the operator and Net Operating Income (NOI) for the owner.

### Support available

#### 📄 Grants

Get your first environmental rating for free by applying for a grant. Contact our grants team on 9265 3333 or visit [cityofsydney.nsw.gov.au/grants](https://cityofsydney.nsw.gov.au/grants) for more information.

#### ✔ Building tune-up program

We can help building owners and facility managers develop a building tune-up action plan. This plan identifies steps and priority actions to optimise your building management systems.

To find out more, contact our Sustainability Engagement Coordinator, Chris Fitzpatrick on 9246 7842.

# Overview of 3 key certification schemes

|  | NABERS for Hotels   | Green Star Performance   | EarthCheck Certified   |
|--|---|--|--|
| <b>Impact categories assessed</b>        | <ul style="list-style-type: none"> <li>• Energy</li> <li>• Water</li> <li>• Waste</li> </ul>  | <ul style="list-style-type: none"> <li>• Management</li> <li>• Indoor environment quality</li> <li>• Energy</li> <li>• Transport</li> <li>• Water</li> <li>• Materials</li> <li>• Land use and ecology emissions</li> <li>• Innovation</li> </ul>                | <ul style="list-style-type: none"> <li>• Greenhouse gas emissions</li> <li>• Energy efficiency, conservation and management</li> <li>• Management of freshwater resources, ecosystem conservation and management</li> <li>• Social and cultural management</li> <li>• Land use planning and management</li> <li>• Air quality protection</li> <li>• Wastewater management</li> <li>• Solid waste management</li> <li>• Environmentally harmful substances</li> </ul> |
| <b>Fees</b>                              | \$2,500-\$5,000   | \$3,000 a year over three years  | \$4,800 a year plus independent audit fees of AUD\$2,420 for first day and AUD\$1,650 per additional day. Audits are required in the first year and at intervals in future years depending upon performance and property risk profile  |
| <b>Approximate time to get certified</b> | 4 weeks   | 6 weeks – a few months   | 10 - 14 months   |
| <b>Duration</b>                          | 1 year  | 3 years  | 3 years  |
| <b>How to get one</b>                    | Find an accredited assessor to conduct the rating. Visit <a href="http://nabers.gov.au">nabers.gov.au</a><br>Collate 12 months of electricity, gas and water bills, for all accounts. The assessor will need these for your rating. | Register your project online at <a href="http://new.gbca.org.au">new.gbca.org.au</a> . Or contact a member of the GBCA Market Engagement team on 02 8239 6200 for further information. Performance ratings are based on a nominated 12 month performance period. | Visit <a href="http://earthcheck.org/cos">earthcheck.org/cos</a><br><br>The EarthCheck team provides 30 hours access to a relationship manager and benchmarking analysts.  |

**For more information, call us on 02 9265 9333 and ask for our sustainability programs team.**

<sup>1</sup>Impact Travel Alliance (2018) Bringing Sustainable Tourism to the Masses – Thought Leadership Study

<sup>2</sup><https://newsroom.hilton.com/corporate/news/hilton-commits-to-cutting-environmental-footprint-in-half-and-doubling-social-impact-investment>