

**SCENIC
HOTEL
GROUP**

NEW ZEALAND
OWNED &
OPERATED



 **SUSTAINABLE
SCENIC
STRATEGIES**

PROGRESS REPORT:

1 JULY 2023 - 30 JUNE 2024

Legacy
COLLECTION

scenic
HOTELS | SUITES | RESORTS

Heartland
HOTELS

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INTRODUCTION FROM THE CEO

The objectives outlined in our Sustainable Scenic Policy continue to underpin our ongoing success and remain a core pillar of our commitment to leading by example within the wider hotel sector. Insights gained from research and conversations with businesses, local councils, and our own teams provide a valuable foundation for shaping a long-term approach across all aspects of our operations.

There is also an undeniable social aspect to this work, and it is encouraging to see the increasing and spirited engagement across our hotel and corporate teams as they collaborate on shared challenges and solutions to climate change.

Despite competing demands and a shift in government focus over 2023/24, Scenic Hotel Group has maintained a strong commitment to sustainability, demonstrating leadership in advancing its vision and goals. A key achievement this year has been securing Toitū Carbon Reduce Certification—an extensive and rigorous process that underscores Scenic’s dedication to environmental accountability. This certification not only strengthens the integrity of our emissions data but also provides external verification, further reinforcing the trustworthiness of Scenic’s sustainability journey.

Additionally, 2023/24 has seen a concentrated effort to enhance staff engagement and implement sustainable practices across the group. Building a culture of sustainability, improving productivity, and driving behavioural change among team members is an ongoing priority. While there is always room for further progress, this year has delivered significant results. A substantial number of hotels now have sustainability action plans in place, with multiple properties achieving Qualmark Gold Accreditation as a testament to their improved sustainability practices. Staff engagement has also grown, as reflected in increased participation in this year’s sustainability survey. Currently, 12 out of

18 hotels have approved sustainability action plans in place, with the remaining properties continuing to refine their working drafts. These achievements mark significant progress for Scenic Hotel Group in 2023/24, positioning the organisation for further success in the years ahead.

Cultivating a sustainability-focused mindset into our processes is more critical than ever. As visitor numbers to New Zealand continue to return to pre-COVID levels—and are expected to exceed them in the coming years—the challenges of ‘over-tourism’ will inevitably arise. Communities and councils will need to navigate the social and funding impacts of increased visitor numbers, and Scenic is committed to proactively addressing these complexities while maintaining focused on a sustainable future.

For a second consecutive year, Third Era Sustainability is conducting an independent review of Scenic’s performance and progress towards its sustainability objectives and targets. The purpose of this report is to assess what is working well, identify areas for improvement, and provide strategic recommendations to help Scenic advance its sustainability practices and continue towards its vision of being industry leaders. Additionally, this report serves to communicate Scenic’s sustainability efforts more broadly to clients, stakeholders, industry peers, and the general public, illustrating how sustainable transformation can be achieved and continually refined over time.

As always, it is a pleasure reviewing Scenic’s sustainability progress each year, as the organisation continues to make strides in sustainable practices and demonstrates an unwavering long-term commitment to sustainability transformation.

Karl Luxon
CEO Scenic Hotel Group

REPORT METHODOLOGY

Scenic Hotel Group commenced their sustainability journey in 2021. This involved participating in Third Era's Sustainable Business Accelerator Programme (SBA) and ultimately publishing their Sustainable Scenic Strategies document on 1 September 2022.

Scenic are now completing their second review of their progress against the strategy document across the period 1 July 2023 - 30 June 2024.

THE PURPOSE OF THE REVIEW IS TO:

- Assess quantitative current performance against agreed objectives and targets in the sustainability strategies document.
- Assess qualitative data from staff about what's working and what's not across Scenic's sustainability performance.
- Provide recommendations for action for the current 2024 -25 financial year based on qualitative and quantitative inputs.

THE REVIEW COVERS 3 PARTS:

a. Team Interviews

Interviews were conducted with nine representatives from different hotels and management levels within the Scenic Hotel Group. The responses were categorised into several themes to identify strengths, challenges, and opportunities for improvement in the sustainability journey.

b. Data collection and review

This phase involves reviewing any available data for 2023/24 for all sustainability metrics identified in the sustainability strategies document. From this we compared this year's progress towards Scenic's sustainability goals and performance against any targets set.

c. Repeat whole of staff Sustainability Survey

At the beginning of the SBA Scenic undertook a whole staff sustainability survey. We replicated this survey in 2022 and have completed it again in 2023/24 to track staff engagement and gain insights into sustainability at Scenic. The survey was open for staff for 6 weeks. 89 responses were received this year compared to 48 in 2022/23.

THE FINDINGS OF THIS REVIEW WILL BE SEPARATED INTO TWO SECTIONS.

1. How Scenic are performing in establishing the Systems and Processes required to deliver a mature and effective sustainability programme. This includes: Mindset and culture; Strategy and Policy; Data; Action; Governance and Reporting.
2. How Scenic are tracking against tangible sustainability impact activities identified in their sustainability strategy. This covers things such as reducing greenhouse gas emissions, reducing waste, reducing the gender pay gap and improving staff wellbeing.

When evaluating the progress made towards delivering on sustainability goals we used the following scoring criteria. This scoring is based on subjective evaluations by Third Era, comments made throughout staff interviews and data provided.

Actions or targets have been achieved or are on track.

Good progress has been made and actions have been taken. However, the target might not have fully been met, or actions are not significant enough to be seen as likely to hit the target or timeline. Achievement of actions or targets might be due to factors outside Scenic's control.

Have not yet started or behind track to meet the target.

This report will be the first externally published sustainability report by Scenic. Last year we completed an internally facing document and this year we are ramping up our transparency by sharing our progress outside the organisation to our stakeholders, customers and partners. We look forward to sharing this progress with you all.

FINANCIAL YEAR 2023/24 SNAPSHOT



Our staff at Fox Glacier, Franz Josef and Te Waonui are frequent volunteers for the Okarito Native Plant Trust!



Richard Hayman presenting at Air NZ Tandem Travel Sustainability Hui 2024



Scenic staff supporting the Crusaders Long Run fundraising for the Child Cancer Foundation.



University of Canterbury Business School learning about Sustainable Hospitality.



Scenic Hotel Dunedin City working with the Otago Peninsula Eco Restoration Alliance - The Opera, helping plant and weed around some 5,000 native plants.



Planting native trees in the Purcell Reserve in Whataroa with the Ōkārito Native Plant Trust.



Karl Luxon presenting Scenic Sustainability at the 2023 GM Conference



Richard Hayman collecting the 2024 HM New Zealand award for Best Environmental Program, a testament to our shared commitment to sustainability. Special recognition goes to Rebecca Mangan and Kathryn Jenkins, who were honored as Highly Commended in the Finance Associate and Human Resources Associate categories, respectively. And to Raj Karekar for being shortlisted for the Rising Star Award!



PART 1:

SYSTEMS AND PROCESSES PROGRESS

Throughout the Sustainable Business Accelerator, Scenic worked on 5 key pillars of sustainable practice: Mindset and Culture; Strategy and Policy; Data; Action; Governance and Reporting. These pillars combined make up the foundations of a mature and functioning sustainability practice.

Progress against these pillars has been reviewed with recommendations below.

MINDSET & CULTURE

A key focus in 2023/24 has been uplifting the culture and mindset surrounding sustainability at Scenic Hotel Group. Notable progress has been made since 2022, with a significant number of hotels implementing sustainability action plans and supporting more staff members to be involved in sustainability projects. However, concerns remain that delivery efforts are primarily concentrated at the support office and general manager level. Engagement with sustainability initiatives varies across locations, with some hotels reporting high levels of involvement and connection, while others struggle to fully engage transient staff. This challenge persists but is one that Scenic can overcome.

In line with the previous year, there has been strong endorsement and recognition for Richard's role as the Sustainability Lead. His efforts in maintaining momentum and holding teams accountable have greatly benefited the implementation of sustainable outcomes across the organisation. Nonetheless, there are concerns that a substantial amount of responsibility rests on Richard's shoulders. This reliance poses a risk to the organisation, particularly if he were unable to continue in his role. Therefore, a primary focus for 2024/25 will be to cultivate a broader network of sustainability experts and champions within the group, empowering them to drive meaningful change and ensure that sustainability is embedded into all facets of the organisation.

Communication and education regarding sustainability have significantly expanded throughout 2023/24, but this must remain an evolving and continuous process. Moving forward, 2024/25 could involve enhancing staff education on sustainability and fostering a culture of change that permeates all levels of the organisation.

	2022/23	2023/24
Staff perceptions		
Staff engagement		
Staff education and understanding		
Champions programme		

STAFF PERCEPTIONS

It is encouraging to witness a significant increase in optimism surrounding sustainability within Scenic, alongside a noticeable decline in apathy. This positive shift is a testament to the heightened staff engagement efforts made throughout 2023/24.

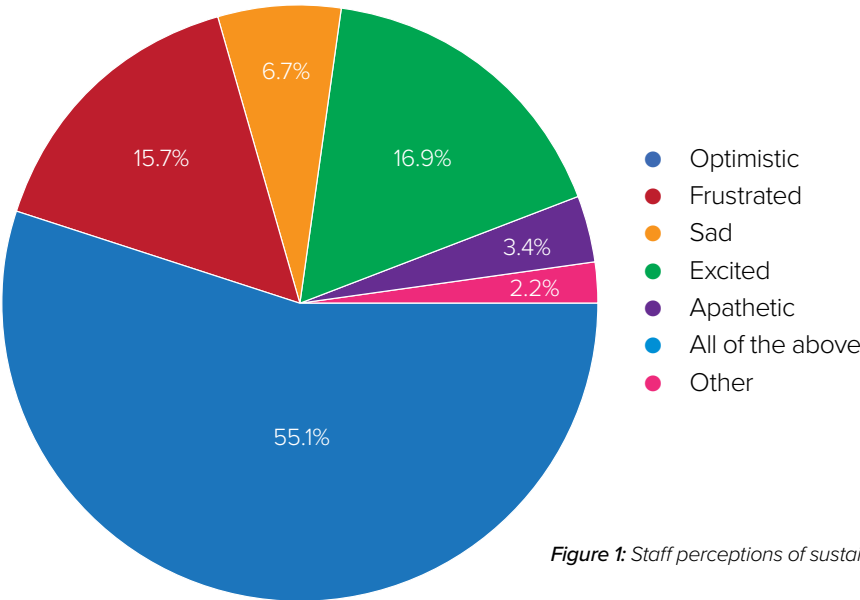


Figure 1: Staff perceptions of sustainability 2023/24

	2021/22 (55 RESPONSES)	2022/23 (48 RESPONSES)	2023/24 (89 RESPONSES)
Optimistic	0%	39.6%	55.1%
Frustrated	23.6%	18.7%	15.7%
Sad	14.5%	14.6%	6.7%
Excited	41.8%	18.8%	16.9%
Apathetic	5.5%	6.3%	3.4%
All of the above	n/a	2.1%	0%
Other	14.4%	n/a	2.2%

Figure 2: Comparison of staff sustainability perceptions

STAFF ENGAGEMENT

This year, perceptions of staff engagement regarding sustainability were mixed. While many staff members highlighted increased engagement as one of the key achievements, this sentiment was not universally shared among all interviewees. It appears that as more actions have been taken, expectations for continued improvement have risen, reflecting these varied perspectives.

In terms of survey participation, we received a total of 89 responses, nearly double the number from 2022/23. This increase includes a broader range of responses from various roles at the hotel level, indicating a growing



engagement across all levels of the organisation. However, it is evident that engagement levels vary significantly among hotels, with Te Waonui, Scenic Hotels Southern Cross, Te Pania, and Marlborough generating notably more responses than others. This disparity highlights the ongoing mixed levels of engagement within the group, and 2024/25 will be a crucial year for implementing strategies that bring all teams into the sustainability fold.

When asked about their proudest achievements, the most common response was the continued success of Toitū Carbon Reduce Certification and the overall reduction in greenhouse gas emissions across the group. Nevertheless, a significant number of respondents indicated that they were unaware of any accomplishments. This points to an ongoing information gap between the impactful sustainability actions being undertaken and the communication of these efforts to staff.

STAFF EDUCATION AND UNDERSTANDING OF SUSTAINABILITY TOPICS

Regarding staff knowledge on sustainability topics a large majority of staff felt they were familiar with a range of topics. 15 staff members said they had no knowledge of any sustainability topics up from 5 in 2022. This increase may be attributed to the overall rise in survey participation.

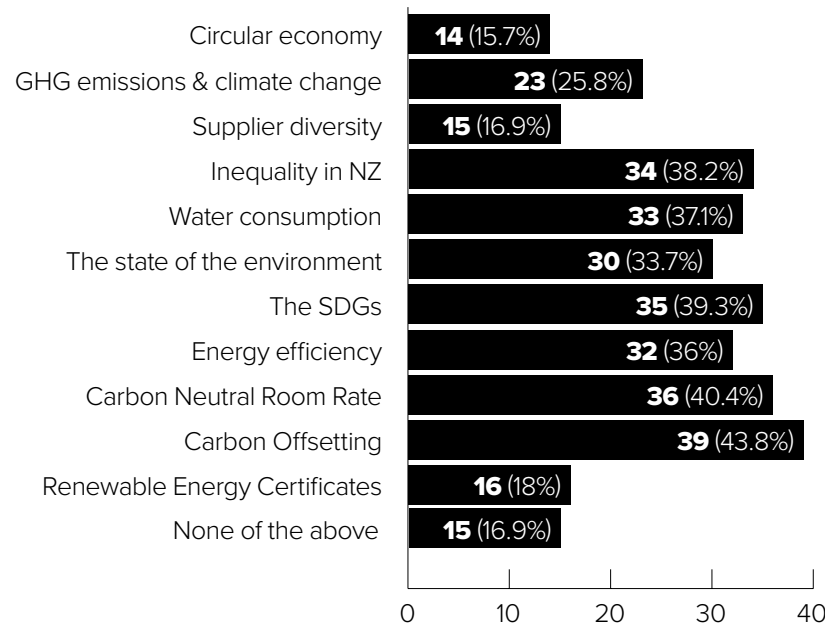
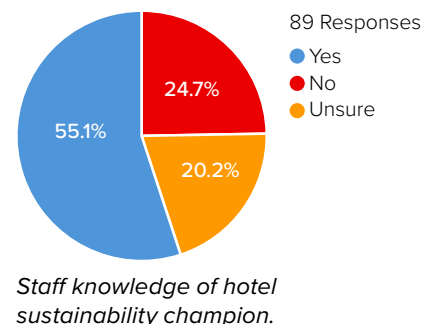


Figure 3: Staff understanding of sustainability 2023/24

The interviews revealed a clear need for further education on sustainability for staff, particularly through inductions and ongoing training initiatives. A key challenge will be developing effective training programs that accommodate a seasonal workforce characterised by high turnover rates.

CHAMPIONS

50% of respondents knew who their sustainability champion was in the hotel, compared to 33% in 2022/23. Upon meeting and discussing with GM's it was often found that they were the nominated champion rather than being able to delegate this role to a committed team member. There were various reasons for this including time, commitment, education/awareness of sustainability in the team and staff turn over. Supporting a wider range of employees to lead in sustainability can be a core goal for 2024/25.



RECOMMENDATIONS TO BUILD MINDSET AND CULTURE

1. **Identify Sustainability Champions:** Collaborate with General Managers to confirm sustainability champions within their teams and effectively delegate sustainability delivery.
2. **Implement Accountability Meetings:** Schedule regular check-ins and accountability calls with sustainability champions across the group, ideally on a monthly basis. These sessions will facilitate the brainstorming of ideas, encourage group wide collaboration, maintain motivation, and track progress. Accountability is important because the day-to-day can easily overshadow everything, but knowing there's a catch-up on the calendar prompts reflection on ongoing efforts.
3. **Continue to enhance communication across all levels:** Ensure regular updates and communications about sustainability initiatives reach the entire team, not just General Managers. It is essential for all staff to be aware of sustainability efforts continually. Encourage multiple voices to share information, connecting both group-level targets and progress with hotel-level achievements. Experimenting with different engagement channels will be important as not all staff receive or engage with reports and emails.
4. **Provide Practical Tools:** Develop and distribute practical tools or checklists tailored for different teams, helping staff understand how they can incorporate sustainability into their daily responsibilities (e.g., a housekeeping sustainability checklist). This could be an extension of the hotel energy efficiency checklist.
5. **Establish a Group-Wide Education Program:** Expand and refine the sustainability educational program via the ELLA platform that can be implemented organisation-wide, fostering a deeper understanding of sustainability issues. Ensure that all staff have completed this by the end of 2024/25. This also may involve periodic in person training with key staff.
6. **Recognise Sustainability Efforts:** Introduce a "Sustainability Award" of the month or regular recognition initiatives to celebrate staff commitments and achievements in sustainability, reinforcing the importance of these efforts within the organisational culture.

AT SCENIC, WE DO IT:

✓ NOW

A call to action. Don't stand by and watch a problem grow, don't pass the buck, be proactive. We are always present for our guests and team-mates when they enter our space or work area, we look up and greet them with attentive interest. We don't wait to serve them later or think someone else will assist them, we greet and help them NOW.

✓ RIGHT

We do our processes right, first time, every time. We don't take shortcuts, we follow the process to get it right so our guests are not impacted and team-mates don't have to fix our mistakes down the track. We continually give and receive training to become masters at our jobs. We work at pace adapting the way we work while understanding the short and long-term planning principles of the Scenic Shift.

✓ TOGETHER

As a team we look out for each other and our guests. We celebrate our team-mates and delight in seeing their individual success as part of the wider team. We have the unique opportunity to engage with our guests through respect and care.

✓ SUSTAINABLY

We are invested and knowledgeable in our Sustainable Scenic Strategies. We proudly share our learnings, challenges and wins as we continue our journey to overcome the impacts of climate change to create a more sustainable future for those to come.

STRATEGY AND POLICY

Over 2023/24 Sustainable Scenic Strategies continues to be foundational and directional documents for the team. There is a strong continued commitment to the goals set in the document by leadership and the wider team.

	2022/23	2023/24
Sustainability Policy and Strategy Documentation		
Leadership commitment towards sustainability		
Staff understanding and engagement with sustainability strategy		
Public engagement with sustainability strategy		

POLICY & STRATEGY DOCUMENTATION

Sustainable Scenic Strategies remains a foundational document for the organisation with the focus in 2023/24 being implementing these documents through sustainability action plans. It is worth noting that the strategy document is due to conclude in 2025 and so Scenic ought to prepare for a refresh of their commitments in the next year.

LEADERSHIP COMMITMENT

Leadership commitment to sustainability at Scenic Hotel Group remains robust, with ongoing efforts to lead both internally and within the broader industry. Sustainability is present at team meetings and through engagement with GM's and leadership staff.

In 2023 the Scenic leadership team continued to present and share their expertise and knowledge with guests, industry and wider audiences. This included sponsoring a panel discussion at the AHICE Conference 2023.

Throughout the interviews, numerous comments highlighted a strong dedication to achieving sustainable outcomes at the Board, Senior Leadership, and support office levels. This commitment is evident not just in rhetoric but in tangible actions. However, whilst there was pride at the ongoing leadership for sustainability there were some concerns regarding momentum. While many impactful actions have been taken in 2023, there appears to be a slowdown as the organisation moves beyond these initial steps. A reduction in government funding for sustainability initiatives has also created challenges in maintaining the pace of progress.

Richard's leadership continues to be instrumental in driving the team toward success in sustainability efforts. While his contributions deserve recognition, it is crucial to acknowledge that he represents a key person risk. If Richard were to leave the organisation, it could slow down the momentum gained thus far. Therefore, it is essential to develop a broader network of sustainability leaders within the organisation to ensure continuity and resilience in pursuing sustainability goals.



Sustainability Panel at AHICE Conference 2023, sponsored by Scenic



Collaborating with the University of Canterbury Business School on Sustainable Hospitality.

STAFF UNDERSTANDING OF SUSTAINABILITY STRATEGY DOCUMENTS

There is an obvious increase in the number of staff who are clear about the vision and direction of sustainability at Scenic with the majority of respondents voting 8 or higher.

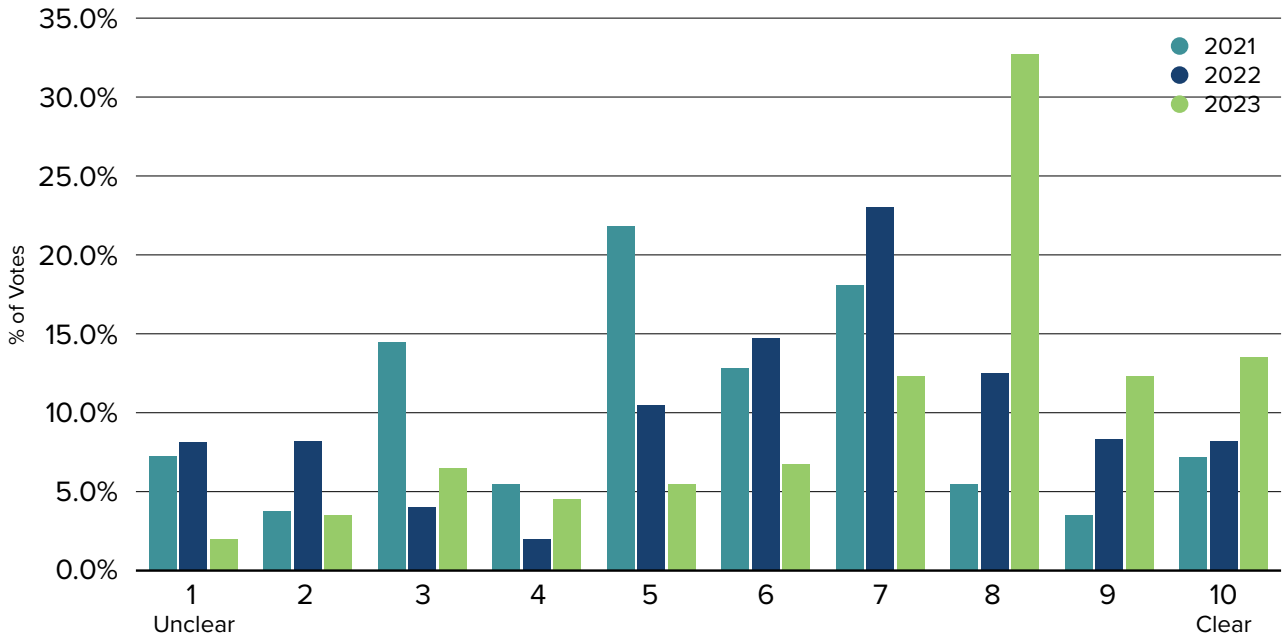


Figure 4: Comparison of staff responses to “How much CLARITY & DIRECTION do you have in Scenic’s sustainability vision right now?” from 2021-2023

This is a significantly positive trend towards more staff members engaging and understanding what Scenic’s sustainability goals are and why we are doing what we are doing.



GM Conference 2023

PUBLIC/GUEST ENGAGEMENT WITH SUSTAINABILITY

Full public and guest engagement with Scenic’s sustainability programme has not yet fully commenced. Posters have been pinned in hotel lobbies and in rooms and some collateral on TV units at the hotels.

However the website is still achieving a strong level of engagement.

Across five sustainability webpages the following website views and unique users have been seen in each of FY 2022 and FY2023.

	22/23	2023/24	Increase
Page views	5,519	5,599	1.4% increase
Unique page views	2,615	4,419	69% increase
Avg time on page	37 seconds	1 minute	62% increase in time spent on sustainability pages.

This shows a significant increase in unique users and in the time spent exploring sustainability content on the Scenic website. This is a promising indicator of engagement by external parties with Scenic’s sustainability action. Although we cannot draw any conclusions from the numbers alone, this does suggest that there is an increasing engagement and interest from guests and external parties to see sustainability action from hotels they stay at.

RECOMMENDATIONS

1. Continue to facilitate wider industry discussions on sustainability.
2. Continue to engage guests and external stakeholders on sustainability progress via an external communications strategy.
3. See earlier section listing further ideas.

DATA MANAGEMENT

Data management continues to be a strength of Scenic. They continue to build and improve systems to manage their sustainability data. Their achievement of the Toitū Carbon Reduce certification is testament to this success. Scenic completed 2 full Toitu Audits in FY 2023/24 (one for the annual year 2022 and one for annual year 2023). The completion of these audits showcases the integrity and completeness of sustainability data at Scenic and that this is externally verified.

Scenic effectively manages greenhouse gas emissions data, while also tracking waste and water consumption. The People and Culture team is responsible for compiling social data. However, a primary area for improvement lies in creating a more integrated data management portal that consolidates all data points. Currently, these elements exist as separate components, which can hinder comprehensive tracking. By developing a unified portal, Scenic can ensure that all sustainability goals are monitored cohesively, establishing a holistic view of progress.

	2022/23	2023/24
Data management		

RECOMMENDATIONS

1. Develop a centralised portal for quantitative data capture and management across all areas environmental and social. This could also track progress against all sustainability initiatives/actions in the Sustainable Scenic Strategies document.

ACTION

In 2023/24, there was a significant emphasis on hotel action plans and hotel annual sustainability reporting, which serve as vital tools for facilitating on-the-ground change at each location. The progress made on these action plans represents a crucial step that will position the group for further initiatives in 2024/25. Empowering all teams to implement a range of changes in their practices can lead to cumulative impacts that drive larger-scale actions. Tracking these incremental changes and substantiating their effects with data will be increasingly important. Actions that have been taken at a hotel level and a group level are further celebrated in section 2.

Group wide initiatives were implemented such as the EECA hotel energy efficiency check lists, major capital energy efficiency projects like HVAC replacements and water flow reduction programme which all reduced Scenics impact significantly. Although these projects helped reduce total emissions and per room water consumption these did not have the same overall staff buy-in and awareness compared to the 2022/23 in-room amenity project. Some interviewees viewed this as a sign of waning momentum despite the huge success that Scenic reduced its total GHG emissions in 2023/24 whilst increasing the number of rooms sold.

Therefore alongside continuing these incredibly important (but perhaps less visible sustainability wins) it will be important in 2024/25 to identify and implement another 'signature or hallmark' group-level initiative to sustain and enhance staff buy-in and momentum.

In recognition of the action being taken by Scenic 5/17 hotels are now on a Qualmark Gold accreditation with the remaining hotels on silver scoring. A further hotel has been awarded gold just outside the reporting period with all other hotels working towards gold accreditation in the future via the Scenic "Going for Gold" programme.

We can see that there is a clear improvement of staff perception of how much action Scenic is taking towards sustainability. In 2023/24 most staff rated Scenic's action above a 8 compared to 2021/22 where most staff voted either 5 or 6 and 2022/23 where staff mostly voted 7. This is a promising improvement not only in staff engagement with sustainability projects but also in the tangible actions happening on the ground.

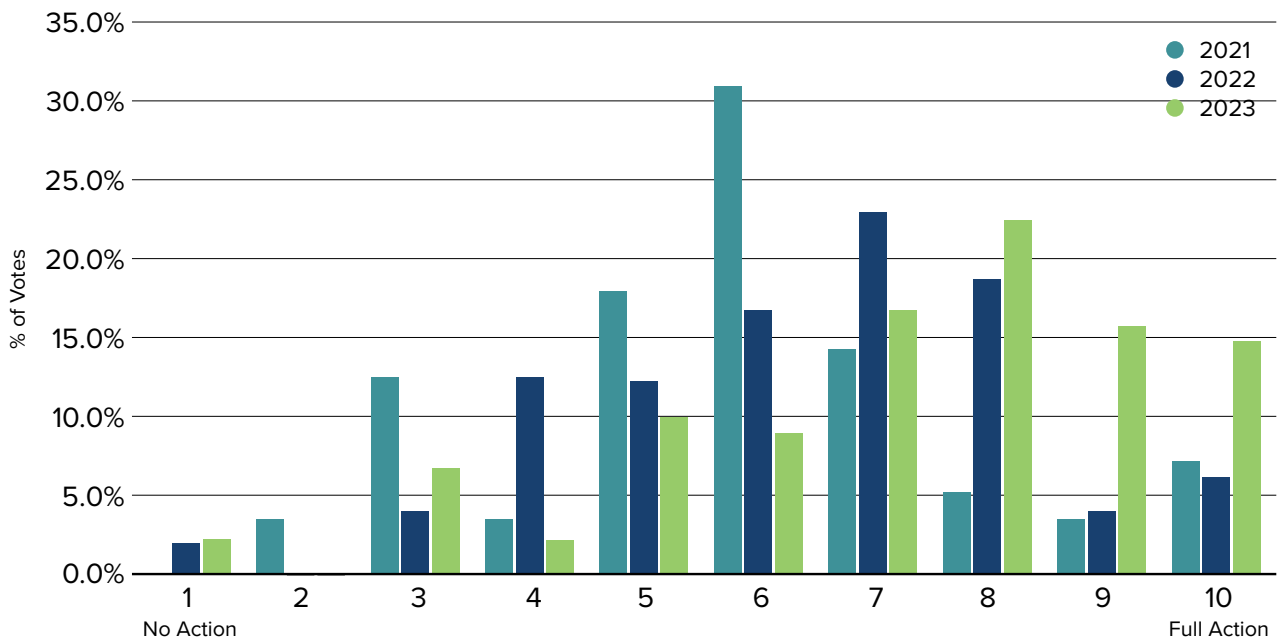


Figure 5: Comparison of staff responses to “How much ACTION does Scenic take in sustainability?” from 2021-2023

	2022/23	2023/24
Support Office / Group Level Action		
Hotel Level Action		

RECOMMENDATIONS

1. Establish monthly accountability meetings for action plans to build momentum and share ideas - having someone to lead these meetings will be important. This could be someone internal or an external consultant.
2. Identify 2024/25 Group Level Action to roll out. In 2024/25 I suggest delivering another tangible and visible action similar to the single use room amenity replacement project which will help build momentum and support as staff will see tangible change.

GOVERNANCE & REPORTING

Over 2023/24 Scenic has even further improved its sustainability reporting practices. Annual sustainability progress reports are prepared for each hotel and shared with the leadership team and board showcasing how Scenic is tracking on their sustainability goals. This is the second year Scenic has committed to an annual sustainability report (this document) to track and monitor progress. This year, the document will be made public which further shows their transparency to sustainability.

As such sustainability reporting and governance continue to be a strength of Scenic.

	2022/23	2023/24
Monthly reporting		
Annual Reporting		

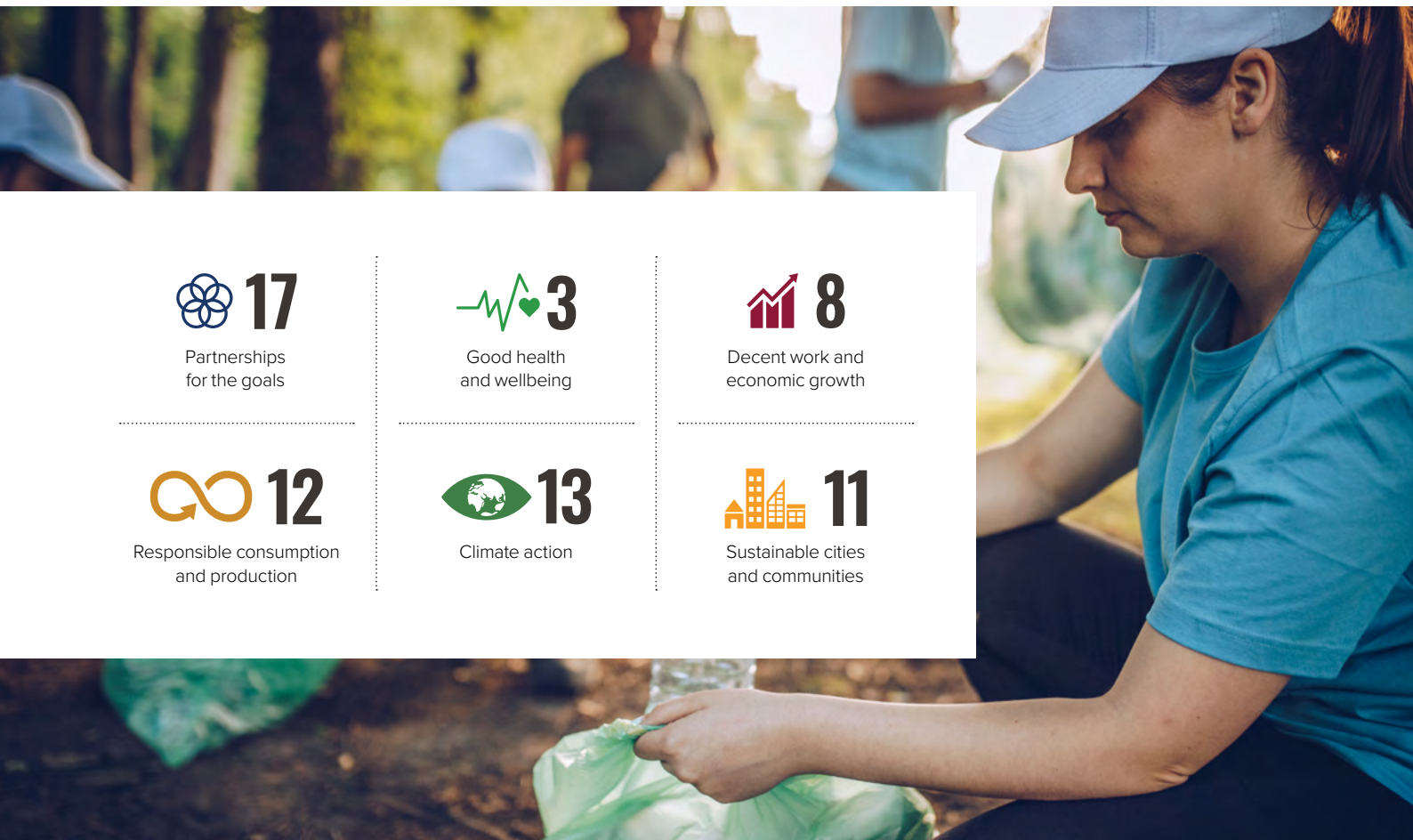
RECOMMENDATIONS

1. Complete Annual hotel reports in the same month to be able to compare and share data across each group.
2. Continue Annual sustainability report.
3. Consider quarterly hotel sustainability reporting.

The stars of a hotel are the people who work within, their smiles are the universal welcome to the guests that stay there.



PART 2: PROGRESS TOWARDS SDG SUSTAINABILITY PRIORITIES, OBJECTIVES AND TARGETS



17
Partnerships
for the goals



3
Good health
and wellbeing



8
Decent work and
economic growth



12
Responsible consumption
and production



13
Climate action



11
Sustainable cities
and communities

At Scenic Hotel Group we have chosen to align with the UN Sustainable Development Goals (SDGs) and support the objectives of Agenda 2030. We have identified six priority SDGs to deliver on.

Our sustainability commitment and priorities are published in Scenic's Sustainability Policy, February 2022 and reinforced by Sustainable Scenic Strategies document (1 September 2022).

SUMMARY OF PROGRESS

	2022/23	2023/24
Met or on track to meet target	6	14
Have made good progress and taken action but may not have fully met the target. This might be due to factors outside Scenic's control or time constraints.	19	14
Have not yet started or behind track to meet the target.	6	11

SDG 3: GOOD HEALTH & WELLBEING

2023/24 SUCCESSES, HIGHLIGHTS AND KEY STATS

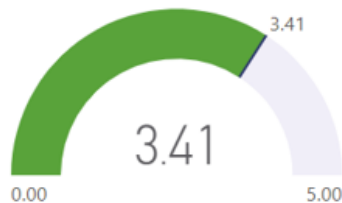
The West Coast hotels delivered Free Staff health check ups that include:

- 30 May 2023 – Initial visit to check BP, Weight, Height, Blood Sugar, BMI
- 11 July 2023 – Cervical smear testing
- 14 November 2023 – Cardiovascular risk assessment (pulse wave machine)
- 19 December 2023 – General health check-up
- 30 April 2024 – Scheduled date for flu injections
- 19 September 2024-Hosted a Yoga Wellbeing retreat for 3 days
- 23 October 2024 - General health check-up [For all team members]
- November 2024- Started yoga sessions for guest

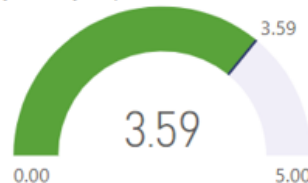
Further staff area refurbishments including

- Scenic Hotel Bay of Islands: Staff room refurbished, shower made operational and outdoor seating area and deck created.
- Scenic Hotel Cotswold: staff space above reception enhanced;
- Support office: Finance office was completely refurbished in winter 2024. Marketing office was completely refurbished by September 2024. Outdoor dining and edible garden.
- Heartland Hotel Queenstown staffroom refurb.

I am satisfied with the staff meals








I am provided staff meals that match my dietary requirements



Scenic staff supporting the Crusaders Long Run fundraising for the Child Cancer Foundation.



PROGRESS TOWARDS OUR OBJECTIVES + TARGETS

OBJECTIVE	STATUS	TARGETS	2023 PROGRESS	RECOMMENDATIONS/ NEXT STEPS
FOCUS ON STAFF HEALTH AND WELLBEING INCLUDING MENTAL AND PHYSICAL HEALTH		Improve staff health, wellbeing and satisfaction score to 80% by June 2022. <i>** The score takes into account job satisfaction, job characteristics, leadership, training and development, cultural fit and benefits.</i>	2023 score 3.72 2022 score 3.73 2020 score 3.83 2019 score 4.01 2018 score 3.99 Scores were taken using a 5-point Likert Scale, with the parameters being Strong Agree = 5 to Strongly Disagree = 1. Based on the numbers provided, staff satisfaction has largely stayed the same between 2022 and 2023.	<ul style="list-style-type: none"> Suggest rewording this target to better align with the data collected (e.g. staff satisfaction score to 4.5).
		Launch x1 staff lead wellbeing initiative per hotel by June 2022	Numerous wellbeing initiatives were launched across all of the hotels in an ad hoc manner.	<ul style="list-style-type: none"> Better tracking of wellbeing initiatives and sharing of progress between hotels might help here.
CREATE A WORK ENVIRONMENT THAT IS WELCOMING, INCLUSIVE AND ENJOYABLE TO SPEND TIME IN.		Five office and staff room spaces enhanced by December 2023.	4/5 staff area upgrades completed by the end of June 2024. Refurbishments in 2023/24 include: <ul style="list-style-type: none"> Scenic Hotel Bay of Islands: Staff room refurbished, shower made operational and outdoor seating area and deck created. Started within FY 23-24, completion Spring 2024. Scenic Hotel Cotswold: staff space above reception enhanced started in FY23-24 completed August 2024 Support office: <ul style="list-style-type: none"> Outdoor dining and edible garden. Finance office was completely refurbished in Winter 2024. Marketing office was completely refurbished by September 2024. Heartland Hotel Queenstown staffroom refurb. 	Planned enhancements FY 24-25 <ul style="list-style-type: none"> Heartland Hotel Fox Glacier, Kowhai Block staff accommodation: light refurbishment and technical works to get to Healthy Homes Standard. Bathroom extraction added, gas hot water system fuel switched out to electric system for carbon saving. Completion mid-October 2024 Further refurbishments at Support office to repair ageing buildings to enhance non-refurbished office environments and create a much better staff room Staff outdoor dining space planned for Scenic Hotel Punakaiki
HEALTHY STAFF MEALS		10 hotels offering healthy staff meals.	100% of hotels provided staff meals by 2022. This has continued into 2023.	
		Increase the % of staff that are enjoying staff meals to 80%.	2023 score 68.2% satisfied with staff meals 71.8% provided with meals that match dietary requirements 2022 score 62% satisfied with staff meals	



SDG 8: DECENT WORK AND ECONOMIC GROWTH

2023/24 SUCCESSES, HIGHLIGHTS AND KEY STATS

- Scenic + UC Business School - Dept of Management, Marketing and Tourism course support.
- Launch of the The Hagaman Study Scholarship with two staff members enrolled and completing their MBA
- -2.5% gender pay gap score at Management Level.
- Scenic's overall Gender Pay Gap of 3.8% is significantly lower than the New Zealand average (10% in 2022)







*University of Canterbury Business School
learning about Sustainable Hospitality.*



PROGRESS TOWARDS OUR OBJECTIVES + TARGETS

OBJECTIVE	STATUS	TARGETS	2023/24 PROGRESS	RECOMMENDATIONS/ NEXT STEPS
We are committed to fair pay, training and raising the bar on incomes within the hospitality sector.		80% of staff are paid on or above the living wage by December 2023.	<p>2024 - 42% of staff are paid on or above the 2024 NZ living wage of \$27.80</p> <p>2023 - 75.1% of staff are paid on or above the living wage of \$23.65 as at 11/08/2023.</p> <p>2022 - 58% of staff were paid on or above the living wage of \$23.65.</p> <p>The living wage is a number that changes year on year. This means organisations must continue to adjust their pay each year to ensure that staff are continuing to meet the living wage standard.</p> <p>In 2024 there was a significant drop in the number of staff on the adjusted NZ living wage.</p>	<ul style="list-style-type: none"> Complete a pay review and adjust salaries to align with the hotel sector's post-Covid recovery.
		Set Pay Parity (Gender Pay Gap) baseline in 2022.	<p>2024 - 3.8%</p> <p>2023 - 9.1%</p> <p>2022 - 15.7%</p> <p><i>* all numbers are calculated in February of that calendar year.</i></p> <p>This means that females at Scenic for like jobs are paid 3.8% less than their male counterparts.</p>	
		We achieve full pay parity between male and female employees by December 2023	<p>Scenic's overall Gender Pay Gap of 3.8% is significantly lower than the New Zealand average (10% in 2022)</p> <p>What is also worth comparing is the gender pay gap breakdown across different roles across the organisation.</p> <p>As at September 2024 the gender pay gap in each of the following roles is recorded as:</p> <p>Front line staff: 4%</p> <p>Supervisory: 1.34%</p> <p>Management: -2.5%</p> <p>Having a negative pay gap at a Management level is a huge success for the organisation.</p>	<ul style="list-style-type: none"> Continue to address the gender pay gap in the front line staff and supervisory levels. Publish Scenic's Pay Gap on Mind the Gap to become a recognised supporter of Pay Parity in New Zealand and within the hospitality sector.
		Staff induction programme externally moderated for National Certificate by June 2023.	<p>Scenic received approval from Ringa Hora on the 16th of October 2024* to run 'Hospitality Savvy' through our Learning Management System. We'll be rolling this out in November once we have completed some initial pilots. (<i>*slightly outside the reporting period.</i>)</p>	
		100% of hotel staff National Certificate within 6 months of employment.	<p>0% of staff have completed the National Certificate</p>	<ul style="list-style-type: none"> Complete initial pilots Roll out to all staff
		100% of staff have completed the Scenic Education for Sustainability module within 6 months of employment with Scenic.	<p>Two sustainability modules have been included on the Scenic Learning platform.</p> <p>Sustainability at Scenic: A Mindset for Sustainability</p> <p>- 123/725 completions (17%)</p> <p>Sustainability at Scenic: What is Sustainability?</p> <p>- 129/725 completions (17.7%)</p>	<ul style="list-style-type: none"> Continue to encourage all staff to complete the Sustainability modules with a goal for 100% of staff completing the modules by December 2025 Adding further sustainability training for specific roles to implement sustainability practices.

OBJECTIVE	STATUS	TARGETS	2023/24 PROGRESS			RECOMMENDATIONS/ NEXT STEPS
WE ARE COMMITTED TO GENDER AND ETHNIC DIVERSITY ACROSS THE SCENIC HOTEL GROUP AT ALL LEVELS.		Targets are currently being formulated to establish appropriate baselines.		2022	2023	<ul style="list-style-type: none">Establish gender and diversity data that shows across all levels e.g. gender breakdown at senior management levels, head office and front line staff.
			Female	60.47%	57.18%	
			Male	39.53	39.86%	
			Another Gender	n/a	0.68%	
			Prefer not to say	n/a	0.13%	
			Nationality		Count	
			African		14	
			British / Irish		15	
			Chinese		19	
			Cook Islands Māori		4	
			Fijian		17	
			Filipino		6	
			German		3	
			Indian		60	
			Italian		4	
			Japanese		7	
			Korean		8	
			Latin American		11	
			Māori		43	
			Middle Eastern		3	
			Not Stated		3	
			NZ European/Pakeha		176	
			Other Asian		22	
			Other Ethnicity		6	
			Other European		17	
			Other Pacific Peoples		2	
Other Southeast Asian		37				
Samoan		57				
Sri Lankan		8				
Tongan		3				
Total		544				
WE ARE COMMITTED TO SUPPLIER DIVERSITY.		Set local supply chain baseline in 2022.	No baseline was set in 2022.			<ul style="list-style-type: none">Establish data systems to effectively track and measure local suppliers' spending.
		60% of Scenic's supply chain spend will be with New Zealand owned and operated business by December 2023	Data is currently captured on an ad hoc, hotel by hotel basis.			

OBJECTIVE	STATUS	TARGETS	2023/24 PROGRESS	RECOMMENDATIONS/ NEXT STEPS
		Promote and support new and innovative NZ produced products and companies.	<p>The following NZ products were added to Scenic's homegrown initiative across 2023/24:</p> <p>2023</p> <ul style="list-style-type: none"> • Tony Sly Pottery • Matakana Botanicals • Mt Hutt Ski Field • Merchants of Venison • Giesens Wines • Provenance Lamb • Angel Foods • Arataki Honey • Little River Pumpkin Festival • NZ Veterans & the RSA via Cookie time Anzac Day initiative • Black Pineapple Cocktails • Strange Nature Gin – Corporate Gifting • Whittaker's Chocolate – Corporate Gifting <p>2024</p> <ul style="list-style-type: none"> • Bowmont Wholesale Meats • Kea Cookies • HUSKI • Untouched World 	<ul style="list-style-type: none"> • Continue to capture and communicate hotel supplier partnership stories.



Frankie from Black Pineapple training staff on using their New Zealand made cocktails.

SDG 11: SUSTAINABLE CITIES AND COMMUNITIES

2023/24 SUCCESSES, HIGHLIGHTS AND KEY STATS

- Scenic Hotel Marlborough E-Bikes
- Second harvest of hotel honey at the Cotswold
- Scenic Hotel Marlborough Listed on the RefillNZ website encouraging members of public to visit hotel to ask us to refill their water bottles for them
- Rolling out new EV Chargers around the country so that those people travelling with EV's can charge up while staying in our properties.



EV Chargers installed at Scenic Hotel Te Pania, Napier



Staff completing induction for the E-Bikes available at support office.






Honey from the "Bee Hotel" at Scenic Hotel Cotswold, Christchurch.





E-Bikes available for guests at Scenic Hotel Marlborough.



PROGRESS TOWARDS OUR OBJECTIVES + TARGETS

OBJECTIVE	STATUS	TARGETS	2023/24 PROGRESS	RECOMMENDATIONS/ NEXT STEPS
ENCOURAGE AND EMPOWER GUESTS TO PARTICIPATE IN SUSTAINABLE TOURISM PACKAGES, WORK WITH SUSTAINABLE BUSINESSES AND ACTIVITIES.		Create x2 sustainable tourism package or guide per hotel / region by March 2024.	Some small initiatives were launched by hotels in an ad hoc manner. For example Scenic Hotel Marlborough launched 2 e-bikes that are available for guests to use.	<ul style="list-style-type: none"> Continue to promote and monitor the uptake of the two e-bike packages in Hamilton and Napier - e.g. how many guests are taking up the package. Create and roll out additional pilot tourism packages in other regions to test what guests are interested in. Options might include volunteer opportunities, electric car hire or shuttle options to hikes "off the beaten path", a guide to sustainable companies, creating zero carbon itineraries for each region. Consider changing the target to be more achievable. Either extend the timeline or reduce the number of packages being created.
		2000 guest and staff hours contributed to local ecotourism activities.	Based on the information provided there has been no formal tracking of staff and guest volunteer hours. Some hotels were able to provide ad hoc details of staff volunteer activities.	<ul style="list-style-type: none"> Launch a formal staff volunteer day with suggested sustainable charities or causes to work with. Launch guest volunteer packages. Establish a formal and centralised approach to tracking volunteer hours.
SUSTAINABLE MENUS		50% of Scenic menus are provided by suppliers and producers local to the region by March 2023.	Based on the information provided there has been no formal tracking of sustainable menus at Scenic. Despite this not being monitored, several hotels have partnered with and supplier local and sustainable produce on their menus which can be seen through our Home Grown Partnerships	<ul style="list-style-type: none"> Define "local" supplier - suggest that this means that food is gathered "less than 200 kms away". Labels could be added to the menu to identify this. Establish a formal and centralised approach to tracking local and sustainable suppliers through a procurement system. Define which labels, certifications and accreditations meet Scenic's sustainability requirements and prefer suppliers that achieve those accreditations.

OBJECTIVE	STATUS	TARGETS	2023/24 PROGRESS	RECOMMENDATIONS/ NEXT STEPS
COLLABORATE WITH OUR NEIGHBOURS AND OTHER INDUSTRY PARTNERS TO SOLVE COMMUNITY SUSTAINABILITY CHALLENGES.		200 hours used by community groups in Scenic facilities per year.	<p>Based on the information provided there has been no formal tracking of facilities being used by community groups. Some hotels were able to provide ad hoc details of activities.</p> <p>Some examples include:</p> <p>May 2023 Te Waonui Retreat Donated 6 nights' accommodation for the Institute of Climate and Peace.</p> <p>Hosted planning meeting at Te Waonui Forest retreat for the Okarito Plant project. Also provided 8 free room nights for guest speakers who talked on topics such as Impacts of climate change in the Sub-Antarctic, Little known native species in Okarito, The future of climate change, sustainable tourism, predator control, creating better ecosystems, Growing the "nature" economy, and historical changes to biodiversity from predator control efforts.</p>	<ul style="list-style-type: none"> Undertake a review of facilities available across the Scenic Hotel Group that might be suitable for community groups. Review days/times that might be appropriate to open up facilities to community groups. Agree an approach to either reaching out to community groups or advertising the availability of Scenic facilities. Establish a formal and centralised approach to tracking facilities donated to community groups.
		10 community sustainability networking and activations delivered	<p>Sustainability networking has been a focus of 2023/24. There have been several activities that Scenic has participated in including:</p> <ul style="list-style-type: none"> Sustainability sponsorship at the AHICE conference. RH has attended the NZGBC and NZ Property Council conference. Participation in Tourism NZ's hotel sustainability standards. Presentations at various industry conferences such as the Skai CHCH Luncheon, Tandem Travel Auckland client event and the AHICE Conference. 	<ul style="list-style-type: none"> Establish a formal and centralised approach to tracking activations and events where Scenic have promoted sustainability.



Sustainability Panel at AHICE Conference 2023, sponsored by Scenic

SDG 12: RESPONSIBLE CONSUMPTION AND PRODUCTION

- Rolled out a shower water flow reduction programme across the group with about 75% completion.
- Dunedin City - Old drapes made into handbags by a charity curtain bank & some given to a hospice shop who will donate them to suitable homes for them.
- Scenic Hotel Te Pania completed the first Scenic's first waste audit

	Housekeeping	Recycling Station - Guests/Staff			Kitchen
		Rubbish	Co-Mingle	Glass	
TOTAL WEIGHT	2.062	0.912	0.749	2.692	2.602
Plastics 1, 2, 5	0.600	0.064	0.632		
Glass Bottles & Jars	-			2.692	
Paper & Cardboard	0.606	0.200	0.108		
Tins & Cans	-	0.020			
Organic Waste	0.526	0.460			2.238
Soft Plastics	0.034	0.022			0.240
Hazardous Waste (batteries)	-				
Foil		0.006			0.088
Non-Recyclable Plastics	0.032	0.014			0.028
Non-Recyclable Glass	-	-			
Takeaway Packaing - Cardboard	0.012	0.014			
TetraPaks / T-A Coffee Cups	0.048	0.086			
Sanitary Waste	0.084	0.026			
Other Organic	0.120				0.008
Easily Divertable	1.732 84%	0.744 82%	0.740 100%	2.692 100%	2.238 86%



Example of waste audit data: Scenic Hotel Te Pania, Napier.

- Scenic Hotel Cotswold - Head Chef purchased a composting system and installed, with the first batch of compost being used in the gardes.
- Scenic Hotel Cotswold trialled reusable housekeeping bags rolled out around the whole property. Bags purchased from Eco Warehouse. Saving approx. \$1000 on plastic rubbish bags.
- Scenic Hotel Marlborough have eliminated plastic bottles available for purchase in hotel bar or mini-bar
- Scenic Hotel Punakaiki is new to the Scenic family. Since being a part of the Scenic Hotel Group this hotel has gone from having no recycling to full waste stream separation
- Scenic Hotel Punakaiki is 100% SELF SUFFICIENT for water. Rain water is collected from the roof of the public areas and from a small creek up in the bush clad hills and treated on site to potable water standards. This hotel has implemented a metering system to record water use.
- Scenic Hotel Te Waonui Forest Retreat - donates old towels to DOC for injured / young Kiwi
- Scenic Hotel Te Waonui Forest Retreat - Donation of furniture, bedding, crockery to help establish the new Zero Invasive Predators workforce in Whataroa
- Hotel-wide water system remedials and maintenance to reduce water leaks.



PROGRESS TOWARDS OUR OBJECTIVES + TARGETS

OBJECTIVE	STATUS	TARGETS	2023/24 PROGRESS	RECOMMENDATIONS/ NEXT STEPS
REDUCE OUR OWN WASTE FOOTPRINT		Eliminate 100% of plastic from guest room amenities by December 2023.	Achieved in 2022	
		Commitment to work with waste providers in 2022 to gather more accurate and refined data	Waste dashboards and data has significantly improved over 2023. We now have waste to landfill data for each calendar year.	<ul style="list-style-type: none"> Gather more refined data from waste providers that also shows recycling, composting and other diversions. Ensuring that data is collected and complete from all hotels.
		Reduce our waste to landfill by 25% by December 2024.	<p>Waste to landfill has steadily been increasing since 2021. This can be attributed to more hotels being back in business post-covid, however is going to be an important area to address in 2025.</p> <p>2023 - 558,090kgs 2022 - 316,667kgs 2021 - 263,920kgs</p> <p><i>*medium level of data accuracy.</i></p>	<ul style="list-style-type: none"> Complete a waste audit at each hotel to determine core waste streams. Implement composting at every location - this may be by better utilising city wide services and/or developing bespoke composting systems in local areas where city services are unavailable. Pick one area of waste to landfill to address in 2025 e.g. food waste
REDUCE OUR OWN WATER CONSUMPTION FOOTPRINT		Reduce the amount of water consumed per room sold by 15% December 2024.	<p>Total water consumption has gone up in 2023 due to the increase in guests this year. However, the litres per room sold has decreased by 39.5%. This is well in excess of the target set.</p> <p>503 litres per room sold (2021) 336 litres per room sold (2022) 304 litres per room sold (2023)</p> <p>Total L per year 59,256,000 (2021) Total L per year 60,259,000 (2022) Total L per year 96,763,990 (2023)</p> <p>Activities that were implemented over 2023/24 that support this reduction per room include:</p> <ul style="list-style-type: none"> National shower flow reduction programme to reduce shower flows to 8-10L per minute. Leak prevention in water systems Using the EECA checklist for hotel and motel staff which includes some water reduction activities. In some refurbishments we have implemented Water Efficiency Levels (WELS) rated toilets and tapware. 	<ul style="list-style-type: none"> Complete a review of water efficiency across the whole group (similar to the energy audit) and implement any actions. Develop a total L reduction target. Improve water data by: <ul style="list-style-type: none"> Completing a review of invoices to confirm if absolute water use over a base amount is complete. Implementing water metering where data is unavailable. Consider an estimate for water consumption where there is a gap in data.
REDUCE OUR OWN WATER CONSUMPTION FOOTPRINT		Develop sustainable procurement policy by March 2023.	The Sustainable Procurement policy/approach was not created in 2023/24.	<ul style="list-style-type: none"> Develop Sustainable Procurement Policy and any associated guidelines and tools by December 2023. Develop an approach to tracking and measuring sustainable procurement activities at a centralised level.

OBJECTIVE	STATUS	TARGETS	2023/24 PROGRESS	RECOMMENDATIONS/ NEXT STEPS
		Develop sustainable construction and maintenance policy by March 2023.	<p>The sustainable construction and maintenance policy was not created in 2023 however sustainability criteria has been built ad hoc into RFPs for construction activities.</p> <p>All major capital projects have Sustainability in their agenda and it is a criteria that all procurements. Currently this is being formalised as a process and will be reported separately in projects.</p>	<ul style="list-style-type: none"> • Develop sustainable construction and maintenance policy and any associated guidelines and tools by December 2023. • Develop an approach to tracking and measuring sustainable construction and maintenance activities at a centralised level.
		Investigate appropriate sustainable building rating tools for the hotel group by the end of 2023 and commit to meet these in future years	The sustainable building rating tool was not determined in 2023 but there is still time to meet the 2023 target. Scenic has built increasing familiarity with sustainable building tools available such as NABERS and NZ Green Building Council tools.	<ul style="list-style-type: none"> • Review sustainable building rating tools and agree the most appropriate for Scenic Hotel Group. • In 2024 suggest doing a review of hotels/scoring to understand how far off hotels are from meeting the chosen rating.

IT'S ALL JUST TALK UNTIL YOU MEASURE

Scenic Hotel Group has partnered with Toitū to certify and measure our emissions and reductions, so we can be confident in our work and actions. We are serious about positive change, and this will be proof our actions speak louder than words.

TOITŪ
ENVIROCARE



Water consumption



Carbon emissions



Waste diversion

THIS IS HOW WE MEASURE UP

2023 annual year compared to 2022 annual - Toitu audited



2164
Total CO₂e Tonnes
6.8
CO₂e kg per
room sold
2023

Water
consumption
per room sold
61%
INCREASE
384 up from 237
litres per room sold

Carbon
emissions
3%
REDUCTION

Carbon emissions
per room sold
32%
REDUCTION

Waste
diversion
UP TO
23.4%
DIVERTED
down from 26.5% in 2022

SDG 13: CLIMATE ACTION

2023/24 SUCCESSES, HIGHLIGHTS AND KEY STATS

- In November 2023 SHG became a Toitū Carbon Reduce organisation
- Carbon Neutral Room rate: 49,626 room nights sold up to 21 October 2024, helping us to offset 510 tonnes of Carbon dioxide group wide.

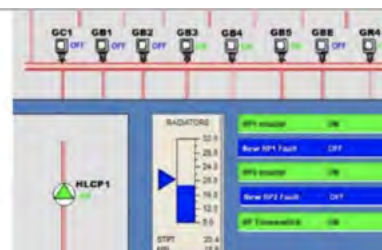
	2022/23	2023/24	2024/25 (To Date)
Carbon Neutral room Rates sold	13947 nights	19219 nights	29022 nights (21.11.24)

- Global Benchmarking = the Greenview global hotel footprinting tool classes <11.9 kg CO₂ e per room sold as very low emissions.
- Scenic's 2023 GHG Emissions Average per room sold is 6.8kg CO₂ e - this is significantly less than the Global Benchmarking Standard which states that anything less than 11.9 kg CO₂ e per room sold is considered very low emissions.
- Procured Renewable Energy Certificates for 2023 for our electricity supply via Meridian.
- Installed modern high efficiency HVAC systems at our Scenic Hotel Cotswold, Scenic Hotel Dunedin City properties during recent refurbishments. Also deployed to 13 motel rooms at Heartland Ambassador Hotel Hamilton in 2024.
- Te Waonui x Meridian Business Decarbonisation Fund included:

ACTION: Te Waonui x Meridian Energy Business Decarbonisation Fund



- Our first gas to heat pump fuel switch project for space heating
- \$15k funding from RECs
- Remove defunct LPG boiler
- \$4140 P/A opex saving
- 10 tons CO₂/year saving or around 16% annual saving at this hotel
- Training required to keep efficient



- Completed 2/3 of our first Gas to Electricity thermal plant conversions:
 - Te Waonui Forest Retreat public areas heating system, with an estimated 44% reduction in carbon emissions associated with energy at this hotel.
 - Heartland Hotel Fox Glacier – Kowai Block Staff Accommodation – hot water system gas to electricity conversion, carbon saving still to be calculated (completion Oct 2024)
 - Scenic Hotel Punakaiki – 13 hotel rooms gas hot water conversion to high efficiency heat pump system – estimated carbon savings of 9.8tCO₂-e/yr (completion Nov 2024)

TOITŪ



ISO 14064-1
ORGANISATION



CARBON OFFSETTING RESTORATION




510 TONNES CO₂E

(TO END FY 23-24)





PROGRESS TOWARDS OUR OBJECTIVES + TARGETS

OBJECTIVE	STATUS	TARGETS	2023/24 PROGRESS	RECOMMENDATIONS/ NEXT STEPS
REDUCE SCENIC'S GREENHOUSE GAS EMISSIONS		Complete an audited emissions inventory by December 2023.	<p>Significant progress has been made throughout 2023 to further develop the Scenic emissions data capture, measuring and reporting systems.</p> <ul style="list-style-type: none"> One of the biggest successes of 2023/24 was the achievement of Toitu Carbon Reduce Certification. 	<ul style="list-style-type: none"> Establish internal and external dashboards to share emissions data and emissions reductions progress on a monthly basis with the wider team and guests. This could be shared in areas such as: screens in the lobby, guest room information books, staff areas or team meetings.
		Reduce emissions without offsetting. [Target to be set in 2022].	<p>2164T Co2e- (2023 annual year) 2233T Co2e- (2022 annual year) 2,630T Co2e- (2021 annual year - unaudited)</p> <p>Between 2021 and 2023 Scenic reduced their emissions by 466Tco2e- (17.7% total reduction compared to 2021 year). Between 2022 and 2023 Scenic reduced their total emissions by 3%.</p> <p>Given a 43% increase in rooms sold with two new hotels and additional space at the Support office this year this is a significant achievement for the group.</p> <p>Some energy efficiency projects were put on hold or cancelled due to a loss of central government funding, however Scenic was still able to achieve an overall reduction in emissions compared to their baseline year.</p> <p>Work commenced in 2023/24 to establish Science Based Targets for the group. This will continue and be finalised in 2024/25.</p> <p>An energy Decarbonisation Plan was completed 22.11.2023 and will be implemented throughout 2024/25 and beyond.</p>	<ul style="list-style-type: none"> Set group wide emissions reduction targets in line with the Science Based Targets Initiative. Budget for and implement the recommendations set identified in the decarbonisation study, once complete. Continue to look for and build partnerships with funders to assist with decarbonisation. Continue to work with hotel teams to roll out emissions reduction activities - examples might include energy efficiency activations, total LED roll out across the entire group, creating emissions reduction checklist/scorecard for hotel staff/teams.
		Achieve Net Zero by December 2025.	<p>Excellent progress has been made over 2023/24 towards reducing Scenic's emissions. As with all organisations achieving net zero though reduction alone will be difficult. To become net zero by 2025, Scenic will need to consider a carbon offsetting scheme.</p> <p>In 2023/24 Scenic continued their Carbon Room rates which have supported the offsetting of the group's emissions. In FY 2023/24 19219 room nights sold, helping us to offset 200 tonnes of Carbon dioxide group wide via Carbon Click purchasing high quality native forest and biodiversity projects.</p> <p>There has been a total of 510Tco2e- offset by Scenic since 3 October 2022. This has not been accounted against our carbon inventory and is a voluntary initiative.</p> <p>As of 1st May 2024, our entire international wholesale inbound visitor market is required to offset the carbon emissions associated with their stay with us. We are expecting 500% growth in carbon neutral room night sales FY 24/25 relative to the prior financial year.</p>	<ul style="list-style-type: none"> Continue to investigate and develop our carbon offsetting scheme. Further enhance Carbon Neutral Room night product. Budget for offsets for 2025 onwards to achieve the target set.

POWERING UP OUR **GUEST EXPERIENCE**

Scenic Hotel Group has installed EV chargers at many of our popular New Zealand Hotels. We're in the process of transitioning these chargers from Tesla-only chargers to Type 2 pay-as-you-go EV chargers, allowing a wider range of electric vehicles to charge at our properties.



CARBON EMISSIONS REDUCTION **ACTION**

- EECA – checklist for hotel & motel staff
- LEDs, hot water flows, HVAC
- Gas – Electricity Fuel Switching
- Meridian – Renewable Energy Certificates
- Decarbonisation plan
- E bikes

SDG 17: PARTNERSHIP FOR THE GOALS

2023/24 SUCCESSES, HIGHLIGHTS AND KEY STATS

- Child Cancer Foundation - Now a champion partner. Involved since 2013.
- Key partner in developing and implementing the Hotel Industry Sustainability Survey - leading this across all hotels. Record response rate of 130 hotels
- In November 2023 became a partner to the Ōkārito plant project (financial contribution). In December 2024 West Coast staff attended a two-day planting to establish the site at Purcell Reserve.
- West Coast Sites have granted access to our land for Predator Free South Westland to do predator control
- Partnership with Project Early Bird.
 1. Become a Volunteer of the project (Complete) – Ongoing with the support of FRANZ
 2. Partnered with the project in September 2023, participating in the monthly checks on the 1st Sunday of every month.



Our staff at Fox Glacier, Franz Josef and Te Waonui are frequent volunteers for the Ōkārito Native Plant Trust!







Helping plant native trees at Ōkārito









Sponsoring the local school at Haast



Native tree planting with the Otago Peninsula Eco Restoration Alliance.

OBJECTIVE	STATUS	TARGETS	2023/24 PROGRESS	RECOMMENDATIONS/ NEXT STEPS
INCREASE GREEN COVER, NATIVE PLANTS, POLLINATOR PATHS AND GREEN SPACES IN AND AROUND SCENIC HOTELS.		100,000 native plants planted by 2025.	<p>Tree planting commenced in 2022. Several trees have been planted across Scenic sites as well as additional biodiversity measures.</p> <p>426 total planted over 2022.</p> <p>The number of trees planted was not tracked in 2023/24. This is proving difficult to calculate and manage.</p> <p>Our Forever Forests native regeneration projects have are equivalent to 35,540 tree growth years (08.11.2024 - source Carbon Click Client dashboard).</p>	<ul style="list-style-type: none"> Suggest that a mapping process is completed to identify locations where tree planting is appropriate. Establishing a tree planting budget for hotels to increase the roll out. Establish a system for tracking tree planting initiatives and sharing information with guests and staff about the types of native trees planted, the positive impact this is having.
ENCOURAGE AND EMPOWER GUESTS AND STAFF TO USE SUSTAINABLE AND ACTIVE MODES OF TRANSPORT AROUND OUR CITIES AND COMMUNITIES.		% staff travel to and from work by sustainable or active modes of transport. [target to be set in 2023]	A staff travel survey and baseline was not completed in 2023.	<p>Design and roll out a staff travel survey to identify:</p> <ul style="list-style-type: none"> How staff currently travel (baseline). What barriers staff have to using sustainable and active modes of transport. <p>With this data create a series of initiatives to support staff to transition to sustainable and active modes of transport.</p>
		Increase the number of electric vehicle charging stations at Scenic Hotels to 2 generic charging stations per hotel by 1 July 2023. [NB these are only Tesla at this stage]	<p>There are currently 20 charging stations across 10/17 Scenic properties.</p> <p>12 of these chargers are Tesla only and 8 are Type 2 general chargers.</p> <p>No new charging stations were added in 2023.</p> <p>2 charging stations would need to be established at 7 more properties to meet this target.</p>	<ul style="list-style-type: none"> Continue to develop and build partnerships with energy and infrastructure providers to install charging stations at Scenic properties. Establish budgets for further roll out of Type 2 charging across all hotels.
		Aim for 50% EV owned and leased fleet by December 2024.	So far 0 electric vehicles have been deployed within Scenic's owned or leased fleet.	<ul style="list-style-type: none"> Develop a plan to transition the current Scenic fleet to EV as the vehicles come up for renewal. Build this into future budget forecasts. Transition all leased vehicles to EV by the end of 2023. Although this might seem like an overall small impact - there is importance in signalling to the team that Scenic are serious. Similarly to the elimination of single use room amenities, an electric fleet provides a tangible and visible showcase of sustainable impact and commitment.

PROGRESS TOWARDS OUR OBJECTIVES + TARGETS

OBJECTIVE	STATUS	TARGETS	2023/24 PROGRESS	RECOMMENDATIONS/ NEXT STEPS
WORK TOGETHER WITH OTHER ORGANISATIONS TO SOLVE MAJOR SUSTAINABILITY CHALLENGES BEYOND OUR OWN ABILITY.		Partner with one iconic NZ organisation to help solve, promote and advocate for a sustainability issue we face by March 2023.	One partnership was underway in 2023 however has taken longer than expected. Details of this will emerge through 2024.	<ul style="list-style-type: none"> Continue to develop and deliver an iconic New Zealand partnership.
		Advocate and partner across the hospitality and tourism industry to deliver Sustainable Scenic principles.	<ul style="list-style-type: none"> Karl and Richard leading Industry speaking roles on Sustainability: e.g. AHICE conference, Skai Sustainability luncheon, Tandem Travel Sustainability Presentation. Hotel Council Aotearoa: Energy Efficiency and Sustainability Advisory Group: Hotel Sector Decarbonisation group Instrumental in the HCA to deliver the first ever energy, water, waste survey to the hotel industry over the 2024 annual year with results about to be published. Leadership in the Hotel Sustainability Group - an independent think tank of sustainability professionals in the hotel sector. 	<ul style="list-style-type: none"> Continue to represent Scenic at industry events and wider speaking opportunities. Consider providing other staff the opportunity (and support) to represent Scenic's sustainability journey in the community.
		Partner with the West Coast community and businesses to develop a system to recycle and compost waste.	Over 2023/24 all West Coast Hotels have implemented waste separation and recycling. This has been a huge effort from our West Coast teams to get this running efficiently.	<ul style="list-style-type: none"> Further work to do with Buller District council or about their treatment of separated waste from Scenic Hotel Punakaiki. Consider alternative providers
		Baseline and bring the Scenic Matavai Resort Niue into the Sustainable Scenic Programme and create a signature sustainability hotel experience.	In the early 2024/25 FY (just after our reporting period) the MNL Board Approved the inclusion into the Sustainable Scenic Strategies Programme. Progress on this will commence in early 2025.	<ul style="list-style-type: none"> Continue to progress Niue's sustainability journey.
BE RECOGNISED AND EXTERNALLY VERIFIED FOR OUR SUSTAINABLE TRANSFORMATION		Achieve a B-Corp Rating by December 2025.	<p>The B-Corp Certification process has not yet commenced.</p> <p>Scenic are working with some B-Corps in their supply chain.</p>	<ul style="list-style-type: none"> Commence the B-Corp initial assessment phase. This is a free process and will give Scenic an idea of how close they are to achieving the points required for B-Corp. It will also give the team ideas for further sustainability actions and initiatives to roll out.
WE ARE TANGATA TE TIRITI (PROUD PARTNERS TO THE TREATY OF WAITANGI)		Design an approach to include the Treaty of Waitangi by March 2023.	This process has not commenced yet.	<ul style="list-style-type: none"> Commence this process by December 2023. Potentially look to appoint an external advisor to support the development of this strategy.

TOP 10 RECOMMENDED ACTIONS FOR FY 2024-2025

**NB: Impact has been ranked subjectively and takes into account Third Era's professional opinion alongside comments from staff about what areas of change they would most like to see across the organisation.*

RANK	ACTION/RECOMMENDATION	SDG AREA
1.	Identify 1 "hallmark" group action for 2025 that can involve all staff (similar to the in-room amenities project).	ALL
2.	Commence Scenic Matavai Resort Niue Sustainability Integration	ALL
3.	Continue to explore Living Wage Roll Out across the organisation	SDG 8
4.	Complete Waste Audits at each hotel and refine waste data	SDG 12
5.	Appoint formal Sustainability Champions at each hotel and establish training, monthly planning & accountability meetings to share & execute hotel level ideas, build culture and share successes across the country.	ALL
6.	Continue to execute energy efficiency projects across the group to manage Scenic's largest emissions source.	SDG 13
7.	All Hotels achieve Qualmark Gold by Dec 2025	ALL
8.	Continue to reduce total emissions but offset any residual emissions to become carbon neutral by 2025	SDG 13
9.	Continue to share stories, successes and challenges with hotel staff, other tourism companies, guests and the public via conferences, social media and the website.	ALL
10.	Run monthly "sprints" to engage staff (led by sustainability champions) to deliver on specific goals e.g. waste audits, elimination of certain waste streams, staff bike to work month.	ALL

STAFF IDEAS GENERATED THROUGH SURVEY

- Energy consumption of buildings
- Eliminate plastic key cards
- Engaging staff in sustainable behaviours/decisions
- Plastic waste
- Eliminate plastic key cards
- Guest behaviours
- Reduce, reuse and recycle
- Use of paper and cooking foil daily
- Smoke Free Hotels
- Supplier diversity; using more local, indigenous and diversity owned businesses
- Creating composting/food scraps systems across the group
- Using recycled paper and pens in the office and rooms
- Reducing water consumption
- Reusable items
- Battery recycling system
- Bin liners/reusable rubbish bags
- Reducing paper use
- Sustainable suppliers
- Electric vehicles/electric shuttles
- Going paperless
- Electronic timesheets
- Use of paper and cooking foil daily

SCENIC HOTEL GROUP

NEW ZEALAND
OWNED &
OPERATED



Scenic Hotel Group is dedicated to providing sustainable, high-quality and comfortable accommodation that offers excellent value to travellers from New Zealand and around the world.

We are committed to reducing our carbon footprint through Toitū CarbonReduce Certification and actively support native habitat restoration through Forever Forests and other planting initiatives. These efforts help protect and sustain New Zealand's native feathered friends and their habitats.

We extend a genuine friendly Kiwi welcome to every guest who visits.

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