



DRIVING CLIMATE ACTION: A NET ZERO ROADMAP FOR TRAVEL AND TOURISM | COP26 | VIDEO TRANSCRIPT

PETER LACY: So, good afternoon here in Glasgow at COP26, and welcome to all of you on behalf of Accenture. We've got a wonderful group of speakers. We also have a wonderful group of folks in the room. But more importantly, I understand we have more than 2,000 people joining us digitally and we will be putting on the recording for others to be able to watch in the future as well.

From Accenture's Global Management Committee and Executive Board, of which I'm a member. It's a pleasure to be hosting this session and it's a pleasure to have the opportunity to hear from some inspiring CEOs that are making a huge difference. We will be discussing climate action in the travel and tourism sector. And for this, I'm joined by esteemed colleagues from the World Travel and Tourism Council and the United Nations Environment Programme Unit. So a warm welcome to those as well as guests.

And since March 2020, members of my team, of our Accenture team, have been seconded to support the work of the High-Level Climate Action Champions, Gonzalo Munoz and Nigel Topping. And it's been a privilege to be able to help them with their work. This team has been appointed by the UNFCCC and the COP Presidency to drive business and other non-state actor ambitions in the run up to COP26. And the main campaign arm of this work is the race to zero.



This UN backed global campaign calls on the global economy to take rigorous and immediate action to halve global emissions by 2030 and to reach net zero by 2050 as soon as possible. The goal is to deliver a healthier, fairer and more resilient, low carbon world.

Accenture ourselves is proud as an organization to be part of the race to zero. When I took on my role at Accenture. Julie, our CEO, my boss and I made the decision that we had to be our own best example if we wanted to be able to credibly deliver services and to integrate sustainability and things like net zero into our own actions. And so, we signed up to a science-based target of 1.5 degrees by 2025 net zero. And this includes, on top of that, the origination of our own sets of offsets to ensure the credibility and the additionality of those projects, but also the Sustainable Aviation Fuel Initiative. Some of you will have just recently seen the Cleanest Skies for Tomorrow initiative because I think – and this is relevant to today's conversation. You know, I think the answer is not for us to suddenly disconnect the world globally from travel and from tourism, or even from business and interactions of different economies and cultures. We need to find solutions and ways to manage our way out of that, and we are committed to that as an organization.

We aim to be a business that incorporates sustainability practice in all of our operations, and we've made good progress on our own decarbonization journey. So with reductions of nearly 40% in our scope, one and two emissions and a 45% decrease in our emissions per unit of revenue. As of September, the



first, with 50% renewable, we've signed up to renewable energy 100 and will be 100% by 2023 in terms of our renewables commitment on that journey.

Now, I think traditionally the consulting industry has, of course, been no stranger to travel and certainly one of the largest customers, if not the largest customers, if I were of sector of aviation in terms of commercial aviation and also in terms of business travel and in terms of hotels. So we, ourselves, believe that we need to think incredibly carefully about how we decouple our own growth from that intensity of footprint. You know, it's not that we don't want to travel, but we don't want the emissions and we don't want the damage to the planet as a sector. And Accenture, as the world's largest technology and consulting services firm, has an enormous stake in the game with you all on this, and we must find ways and means to combat some of the challenges that we find or we will simply find ourselves in a world where we aren't able to connect. And I think that's a huge shame and a huge danger and I think actually puts at risk some of the extraordinary benefits of globalization that we've seen over the last 20 or 30 years, of which travel and tourism have been an incredibly important part.

So all that is connected in a value chain play a role in effecting systemic change. And so, it's encouraging to welcome the likes of Accor, Melia, IHG and Intrepid into the race to zero, and these leaders, alongside 4,000 other companies across the economy, are setting the high bar that the travel and tourism sector needs, and we hope to see many more in the race soon,

To build that future and to help light the way Accenture has been working with the WTTC in UNFCCC to develop the roadmap that supports the



decarbonization of the sector. And what I would finish by saying is we hosted yesterday a wonderful set of sessions that I think are incredibly important as a final remark before I hand over, which is that we focused not just on the economics and the science and the data, which I think are incredibly important and that's certainly what drives Accenture towards delivering the SDGs through our own activities, but also through our services and delivering net zero. But also, I think sometimes we forget the joy and the cultural aspects and the behavioral aspect, and you can see things like the art sculpture that we brought here Kintsugi, a Japanese art form that builds back better, more strongly, more beautifully. If you haven't had a chance, have a look. And we have last night a sustainable wine industry session where we had some of the world's most sustainable wine producers and hoteliers and people putting in place really just phenomenal efforts in things like food and hospitality and trying to bring sustainability to that in terms of adaptation, mitigation and influencing people. And I think the travel and tourism opportunity is to actually also to be on the front foot about the incredible role it could play, I think, in actually finding sustainable ways for people to celebrate and enjoy travel again without that sense that they're doing damage. So I do think that as we had yesterday, I think that's just a huge opportunity for us to move from a defensive to a front foot position.

And in line with that, we're excited to bring you this story today to share more of it. I'll now hand it over to Julia, who's the CEO of the WTTC and who's going to start, I believe, with a short video as she enters the stage.

(Playing Video)



JULIA SIMPSON: Lovely. Thank you for your very warm welcome, Peter. I'm Julia Simpson, as you can see, President and CEO of WTTC, and I'm thrilled that we're here together today and joined by 2,000 people joining us virtually to talk about climate change and the important role that travel and tourism plays in fighting it.

The WTTC is a membership organization with over 200 top CEOs from around the world, helping to highlight the potential and value of travel and tourism. Our main focus is sustainable growth. We support our members in their sustainability efforts, including mitigation and adaptation to climate change and how they can build resilience for a sustainable future. This is our planet and we have the responsibility and honor to care for it. But we can only do this if we work together because we need change to happen now and at pace. And that's why WTTC has put climate change front and center of its priorities.

Our first step on this journey was taken in 2019, when WTTC became a proud signatory to the UNFCCC Climate Neutral Now initiative. At that time, the sector accounted for about 10.4% of global GDP. People often don't realize how critical our sector is and how large a proportion of global wealth it represents. And before the pandemic struck, I just wanted to highlight that one in four new jobs created in the world were created in travel and tourism, and the majority of those jobs were for women and a majority of those women worked in poorer countries.

So our industries that make up our broader sector include aviation, hotels, tour operators, travel agencies, cruise liners, but of course, the impact of COVID



has been devastating for our sector. You all know the effect that it's had on everybody's ability to travel. And just as Peter was saying then, and we saw international arrivals decreasing by 74% in 2020 and we lost 62 million jobs globally.

So while we were all focused on recovery from this crisis, the post-pandemic world provides an opportunity to build back better, as we said in the film, and redefine our measures of success and our approach to travel and tourism. COVID also highlighted, as we know, the long known vital connection between nature and the health of our people and planet. We know the future of the sector will depend on our ability to rebuild more sustainably and resiliently. Our members and their communities are suffering from rising sea levels, deforestation and the loss of natural habitat. It affects the planet, and it also affects the livelihoods of millions of people in some of the poorest countries. We must therefore ensure that our growth includes the protection of nature and biodiversity and contributes positively to those communities, their natural ecosystems, cultural heritage upon which their livelihoods depend. So to this end, and to reiterate what Peter said. Climate actions are integral to responsible recovery, and it's critical that travel and tourism companies make net zero commitments and create tangible action plans to accelerate their decarbonization.

We need to develop business models that incorporate alternative energy sources to power our infrastructure, and we need investments in technological solutions that help reduce and remove carbon from the atmosphere.



Collaboration and support within and across different industries and along the value chains that lie at the core of all these activities is critical because these collective challenges require collective action.

We have enough proof now that companies can be competitive in a sustainable world, and we know our actions to today will define our world of tomorrow. So the responsibility is clear. To get there, it's important that we work with common definitions and the commitments we make as businesses are science based and aligned with aspirations of leading initiatives such as the UNFCCC's Race to Zero, the Glasgow Declaration on Climate Action for Tourism and the Saudi Sustainable Tourism Global Center. Only through collaboration will we in the travel and tourism sector achieve net zero by 2050, in line with the Paris Agreement.

Now to guide organizations in achieving their targets and help those remaining to develop them. Our team, together with Accenture and Accenture and the United Nations Environment Program, have collaborated to develop the first ever net zero roadmap for the whole of the travel and tourism sector. The roadmap includes key milestones and decarbonization corridors for each travel and tourism industry, and it also sets out stretch targets for those who can go faster and further. I want to just to say that faced with COVID, government stepped up to the tune of eight trillion pounds. That is the amount of money globally that has been invested so far by governments to save lives around the world.



Well, now we are facing a global tragedy where many, many more could die or face extreme hardship and poverty. So I really think that one billion dollars a year from developed nations is well within our capability to save the planet that we call home.

I would like to thank all the organizations that were part of this collaborative process, including CLEAR, ATAC, UNFCCC. IATA, headed up by the indomitable Willie Walsh, Travalyst, SHA, as well as the WTTC Sustainability Committee led amazingly by Darrell Wade and, of course, all our taskforce members.

I also want to just say thank you to people that don't always get the praise, not the person standing here, but the people who have done the real work to deliver this. My wonderful team, Virginia, Chris and Burke, for their dedication and to my former colleague who will be speaking shortly, Jonathan Councill, who has really led the way with his dedication to aviation. I would now like to share an introduction to the net zero roadmap for travel and tourism.

(Playing Video)

JESKO-PHILIP NEUENBURG: Fantastic video. I think really makes you want to travel and experience tourism again. Hello, everyone. Thanks for joining us today. My name is Jesko Neuenburg. And I'm the global travel sustainability lead for Accenture and wanted to give you a little bit more detail about the roadmap that we've been developing jointly with WTTC and UNFCCC.



So the purpose of putting together the roadmap was basically four-fold. We wanted to provide an overview of the status quo of decarbonization of the travel and tourism sector. We wanted to introduce a new target corridor framework. And I will explain that in a little bit more detail. We wanted to provide guidance for decarbonization for businesses across the sector. And of course, we're also issuing a call for action, which is particularly pertinent during these two weeks of COP here in Glasgow.

Some of the findings, we've seen that between 8% and 11% of global emissions are attributable to travel and tourism. That means that travel and tourism can play an important role in the global journey towards net zero. We've also seen that in terms of climate targets, of the 250 companies we looked at, only about 42% actually have set a climate target and publicly communicated that. And of the ones that had, only about 20% are in alignment with SBTI guidance. So clearly there's still work to be done on the target setting. We also heard about a number of key challenges from the participants that we spoke to, particularly around emissions measurement and reporting. And there again, specifically to Scope 3 emissions within the sector, about the fragmented regulatory landscape globally and the lack of government support in a lot of places, about the high dependency on infrastructure to help decarbonize the sector, whether it's power grids or refueling infrastructure at airports, and also about insufficient internal and external funding that's needed for the transition.

To account for the diversity that we saw in terms of starting points, but also in terms of the pathway to decarbonization, we developed this new target



corridor framework and we have three corridors where the first one is for easy to abate activities within travel and tourism. And the second one is for harder to abate activities, which would include accommodation and in destination activities. The third one is about hard to abate activities such as aviation and cruise, and for each corridor, we're showing a pathway for the industry average as well as a pathway for the industry leaders. And we've validated these corridors through the conversations that we've had with over 60 businesses from the different industries that we spoke to. We've also done a rigorous peer review with a number of organizations that Julia highlighted earlier. We've looked at some of the guidance from bodies like SBTi, IATA, CLEAR, but we also looked at the individual targets that companies have set themselves and some of the leaders and where they're basically putting their ambition.

And so, while we think these corridors are indeed ambitious, we also think they are needed and they are very much achievable. And if we follow the logic of those corridors, we've also looked at what the absolute emissions of the sector would do. And after recovering post-COVID, we would see that the emissions would actually peak already in 2023, would then gradually decline until 2035 and would finally more rapidly decline to reach net zero by 2050.

All this while we would still see growth in the sector of between 3% and 5%, depending on industry. However, important to note is that this is very sensitive to the rate of decarbonization that we would see. And therefore, it's very important that all the players work together to really drive the decarbonization as quickly as we can.



The final part of the road map looks at a decarbonization action framework, and that framework has 15 building blocks that companies can use as guidance to develop their own net zero roadmaps. And it includes things like setting a carbon inventory. Measuring the materiality of climate risks, setting the right climate targets and corresponding net zero strategy, how to get leadership involved, building the right capacities internally, getting budgeting and financing lined up and having the right governance in place. And then working on a portfolio of initiatives to reduce carbon emissions, as well as compensate any residual emissions and working with partners across their supply chains to do so, as well as with stakeholders from governments, to employees, to investors, and finally putting in place the right monitoring and reporting framework that measures the progress as they go.

I will conclude with our call to action, which has five parts for businesses to set the right baselines and emissions targets, and doing that now to monitor and report on their progress regularly, to collaborate within and across industries. Because this journey can only be successful if we do it together, not if we go it alone, to provide financing and funding for the transition. And finally, to raise awareness and build capacities on climate change within their organizations.

With that, I'd like to invite Jeremy Smith up on stage. Jeremy is the Co-Founder of Tourism Declares a Climate Emergency and to lead us through our panel today. Jeremy, the stage is yours.

JEREMY SMITH: Thank you very much. I'll just introduce myself quickly for those who don't know who I am. As Jesko said, I'm Jeremy Smith, Co-



Founder of Tourism Declares a Climate Emergency. And for the last two years, we have been very much working to achieve much of what was on that last slide to bring together the industry around a set of shared targets, around consensus and collaboration, and to agree that we had to base our response in science.

I'm going to invite two people up here, and we'll have two people joining us and we will discuss exactly how we turn a call to action into action because in the end, we've got a decade in which to reduce climate emissions in half, and it's taken us two years to get here. We definitely need to accelerate action. So I'd like to start with asking WTTC's Vice Chair of Sustainability, Darrell Wade, to join me here, please. The CSO of IAG, Jonathon Counsell. And then, the CSO of Iberostar, Gloria Fluxa, will be joining us over here. And the MD of Global Business Development for Travel at Google, Gianni Marostica. Thank you.

JEREMY SMITH: Darrell, if I could start with you.

DARRELL WADE: Yeah, Jeremy, you've told us we're being very informal today. Stick to it. Okay.

JEREMY SMITH: Well, I don't - you know no other way. So, Darrell, we've known each other a while. You certainly speak truth to whoever is there to listen to it.

DARRELL WADE: Not always wanted.

JEREMY SMITH: Not always wanted, always necessary. You've been involved, I mean, from the beginning of tourism's journey towards sustainability. We'll look at your own company's progress in a minute, but I'm sitting here as we



are now to talk about this roadmap, specifically the roadmap, and how important is it that we get to this point here today?

DARRELL WADE: Yeah. Look, I think, Jeremy, and I have been involved in for a fair while and I've got to say it's particularly thrilling to be here today and to see this roadmap come to life. And yeah, it's really exciting because it's for the first time that our entire industry actually can see the pathway forward. And you know, it's a very disparate industry. You know, that an airline is not a hotel, is not a cruise line, is not a tour operator. Everyone is very different. And for the first time, we've got an approach across our whole industry using Accenture's methodology to actually see the future and understand the future. So yeah, it's particularly exciting.

JEREMY SMITH: Excellent. But how much progress have we made to get to this point, and I've sort of hinted at it that we made this progress to get to this point, we brought us all together. We're all talking, but the talking doesn't address it.

DARRELL WADE: Yeah, no, it doesn't. And I guess that's some, you know, I think to be perfectly honest, the history of our industry hasn't been great on decarbonization. We've been slow. And I think it was really only about two years ago when we had a New York Climate Week, when WTTC put a high level ambition to become carbon neutral by 2050, that the wheels started to turn. And then, I think it was a month or two after that that you started tourism declares, which really galvanized in the end several hundred companies to create climate plans and declare their ambitions on climate. And so, that's really got some



momentum going because up until then, there was no collaboration across the industry at all. There's a few kind of small businesses doing great things, but there is no consensus of opinion. There was, to be frank, a lot of denial still. There's a lot of it's too hard for us or we're too small. We make no impact anyway and excuse making and I think what we've seen, particularly over the last year or so, is the industry actually now acknowledging that we're a part of the world.

And as we saw just then between 8% and 11% of total CO2 emissions, that's an awful lot. And I think, you know, a lot of the industry players are now saying, well, actually, not only do we have great responsibility in that to the world and to humanity or whatever. But the flip side of it is if we really want to be honest about it, there's an existential crisis here. You know, of all industries in the world, the travel industry is the one that takes people from one place to another place. And so, we absolutely rely on having healthy, vibrant destinations to travel to.

Now, in a three degree world, which is where we're currently on the projection to get, there will be no destinations. You know, the reefs will be bleached, the beaches might be underwater. Many of the world's leading cities will have tides that we don't want to know about? Snow fields will be gone. So we've got to change, otherwise the industry doesn't exist anymore. So, you know, we're now, I think, really saying that, when WTTC really got serious about this about 12 months ago, we put out a call of interest to members. And, you know, we're actually quite surprised ourselves by how many members wanted to get



involved and see a solution that we're seeing today, you know? And it wasn't there. So there's been a lot of collaboration since then.

So that was a long one.

JEREMY SMITH: No, that's a great long answer. I'm glad you got some stuff off your chest. Net zero 2050 or as soon as possible before 2050 is the frame. That's what we're here for. The faster we start, the better we get there. And yet, you know, one of the slides that Jesko showed, shows we're going to be struggling as an industry to actually start reducing emissions in total over the course of the next decade. And Tourism Declares cut emissions in half by 2030 is the cool. Well, what does it look like for our sector to be in the right place in, I think, 10 years' time?

DARRELL WADS: Yeah, I think this road map shows it really well in terms of, you know, there is the relatively easy to decarbonize right through to the difficult to abate sectors. And so, I think we do have to be very conscious of the diversity of the industry. You know, realistically, it is much harder for the aviation industry and the cruise industry to decarbonize than it is to say for us as a tour operator. Having said that, net zero by 2050 is, of course, where we now all want to go, and there is broad consensus that that's where we're going to go. But as you rightly say, it's the interim targets probably that are most important. And if we can do serious heavy lifting by 2030 in particular, then that's really fantastic.

So last year, when was it Wednesday, when or Thursday, when we launched the Glasgow declaration, that states not only the net zero by 2050, but



also 50% by 2030. Already, we've got several hundred members signing up to that, and that's seriously great because that early heavy lifting is sensational. I should say, by the way, that actually the first 50% of your emissions is actually the easy part. So to a certain extent, you know, whilst 50% by 2030 might sound really ambitious, in fact, it's the next 50%, which is going to be the really hard part.

So making those early, strong steps is the way to go.

JEREMY SMITH: Okay, I'm going to ask - you're going to answer questions both for as WTTC and if you want as Intrepid.

DARRELL WADE: Well just tell me what you have going on?

JEREMY SMITH: WTTC and that was great. But you just alluded there to the 50% being - the first 50 being the easier 50, and I'm guessing that comes from experience. And I wonder from your experience with Intrepid to those who don't know has been one of the sort of leading lights of the scale of a tourism company that has actively committed to sort of putting sustainability and social commitments at its heart. Where do you see from your experiences is the opportunities for catalyzing change?

DARRELL WADE: So thanks for reminding me how old I am, but we have indeed, you know, we made a decision way back in 2006 to become carbon neutral, which we achieved by 2010, complete with the order to stamp decided that we had done that. And so, you know, we've been involved in it for a long time. And the reality is it was pretty hot in those days because even just measuring your emissions was extremely tricky. Fortunately, that's got better.



And there's a lot of tools out there now to measure our emissions and track performance and so forth. And you know, the WTTC has got a raft of tools. Tourism Declares has. This roadmap in itself, is an incredibly useful full tool. So what was the second part of your question?

JEREMY SMITH: I just know it was just that, really. What are you doing to catalyze change?

DARRELL SMITH: Yes. And so, I think really what we're doing, we're saying, okay, look, we've done what we've done. About a year ago, we decided that wasn't probably - it was a little bit vague some of our goals that we adopted science-based targets fully. So that really gives you a level of rigor in the system. And I would encourage anyone who's seriously committing to decarbonization to adopt science-based targets because it gives you a framework. It gives you basically an accounting standard to work to, which is fantastic and then collaboration.

You know, I think it's for too long, we at Intrepid have been acting on our own. Now I'm just thrilled to see hundreds of companies and probably soon thousands of companies involved in decarbonization. And I think for those that have perhaps done more work like IAG, like Intrepid, we should be sharing our best practice with others, so that we can really help the industry because ultimately it is for all of industry's benefit and all of the world's benefit, obviously. But all of the industry to get this right. We've got a responsibility to get it right. So we've got to work together.



And you know, we recently released a 36-page guide on decarbonization for tour operators, kind of giving you a step-by-step guide on how to do that because we just figure that, you know, if even, so-called competitors use that to help decarbonization and then ultimately, we're all better off. It doesn't matter, you know, let's just work together.

JEREMY SMITH: Thank you, Darrell. I will move on. I'm going to ask now to speak to the screen to Gloria Fluxa, the CSO of Iberostar. Hello there, Gloria.

GLORIA FLUXA: Hello, pleasure to be here.

JEREMY SMITH: It's brilliant. Hi there. Darrell was talking about both the science-based targets and the need to come together. And now, while Intrepid is the only tour operators I know at the moment with a science-based target, there's a lot of hotelier companies, such as a Iberostar who have been moving forward and suddenly committing to net zero, sharing the various pieces of work, we've seen the methodology for net zero that Greenview has been publishing or is about to publish and has been releasing stuff on now. It seems that maybe the accommodation sector at its best is further forward than the other sizable sectors. I mean, speaking on behalf of the Iberostar, where have you been investing time and energy in addressing emissions?

GLORIA FLUXA: Yes, thank you. Again, pleasure to be here and be part of this traction towards a net zero. I think that what drives us all together, despite the differences that we have in the subsectors of travel and aviation, is the conviction that the roadmap to net zero is vital and is necessary for all of us. We



are a family business that is very convinced and determined, and we have laid out a roadmap to become carbon neutral by 2030.

And in order to do so, we are seeing that there's just certain focus is like reducing our total energy consumption. We have clear objectives. We use science, we use data and we want to reduce our energy consumption at least by 35% by 2030. This will come from investments, but the main part from behavioral changes. People or departments like the maintenance departments of our resorts will become very important because they will need to understand and work together towards that neutrality. We've also been putting a lot of efforts towards electrification. Electrification is key to arriving to that neutrality. So we already have pilots here in Europe and in the Americas of kitchens that are electric. We have a new hotel to give you an example, upcoming now in Aruba that all the water cooling and heating systems will be electric and this will be a first one for 2022. And this will generate the trend of learning process of how important the electrification is and what we want to take it to. And I think a last but not least important pillar where we've been putting a lot of our efforts as well is the way we purchase energy and all our power purchasing agreements, right? We've incorporated climate change manager that is really looking on the way on how we can better purchase energy and how we can better access to all renewable energy infrastructures.

You were mentioning before that it is certainly a challenge in many destinations. There still needs to be a lot of development, but we're there. We're there to support it. We're there to generate the demand and be there to make



that leap towards renewables as much as possible and when they're not available, we're working towards the process of using contracts and guaranteeing that the energy consumption that we have is renewable.

We're also aware that the last bit of emissions that will be remaining, we will need to compensate. So we have also made the commitment in our determination to compensate at least 75% of our emissions using nature based solutions to the destinations where we operate by protecting and restoring nature in the destinations where we operate. Because we do feel that we also want to bring up the quality, we want to bring up the quality of the destinations where we operate. We will now involve our employees. We want to involve also the experience of our guests when they're at the destinations to see that certainly that is possible. And again, I will remain as well with the last comment of the necessary collective action because it did come as a surprise to us that our Scope 3 is at least 70%, so we need to work together towards this. This is not something that we can do in an individualistic manner. So the race to zero certainly needs to bring all of us together and guarantee that we take the road map together.

JEREMY SMITH: You sort of answered half the question I was going to ask you, which was about your Scope 3 and your value chain. So I'd love to sort of go a little deeper on that. I mean you talked about addressing the energy or addressing renewables, replacing where you can doing all of that, and that clearly addresses a sizable part of the emissions from your hotels, from the properties. But what are you looking at when you say the scope of your



emissions to Scope 3? Who are you even evolving in that? Where does it start? Where does it end?

GLORIA FLUXA: We have embraced SBTI. So we're using SBTI to generalize and quantify our Scope 1, 2 and 3, of course, and coming back to the comment on Scope 3. What we're trying to do is work as something as important as our supply chains because we won't be able to reach that neutrality and net zero if we don't involve our supply chains. We want all the products that we consume in our hotels to also be on the same track. So for that, we have incorporated talent that is necessary and that will support us on that path. And to give you a clear example, we have now incorporated in Iberostar Hotels, a circularity manager that one of his first duties will be to work with our supply chain, for them to also understand the relevance of this, to be able for us to have choices in all the regions where we operate. And at the same time, to support them to embrace this, to make their own SBTI commitments, to generate their own path forward because again, this is the only way we see that it is realistic for tourism to go. It is either a tourism that embraces this, that it is responsible, that is regenerative, or it will be the tourism of the future that we want.

JEREMY SMITH: And what does that support look like? I mean you're talking about a host of different companies, I imagine, in your supply chain. Some of some size and with capacity to understand and follow in SBTI process, but some who are small but don't even have someone whose job is addressing sustainability. How do you support those?



GLORIA FLUXA: I think it's a question of being very open and transparent. You have to be very open and transparent on what the efforts mean, how much that represents to you to have a very open policy of communication and to join them in their process of understanding, bringing them to the right tracks of measurement, bringing them to embracing APTI as I was mentioning and understanding, of course, why we're doing this as a business. And if they do understand that they will feel more engaged and more motivated. And in the same time, if this traction is generated, you would also have case of examples of best practices that you can share, and that level of motivation would be just exponential. And this is the way we're doing it. We're prioritizing it with the suppliers that have the longest withstanding relationships and support and support us for a long time. And with that, we take them hand-in-hand and use them as first case examples.

JEREMY SMITH: Brilliant, thank you very much. We will come back to you later. I'm going to move on now to aviation and speak to Jonathon Counsell. So it's transparency, its honesty, it's a pleasure for me because as someone who gives a great deal of keynote speeches, there's always going to be a hand in the room that sticks up and says, I'd like to ask you about the elephant in the room, aviation. So for once, I'm not going to be asked about it, but I'm going to as you about it, Jonathon.

JOHNATHON COUNSELL: Look forward to it.

JEREMY SMITH: Your sector has agreed a net zero 2050 goal! Absolutely fantastic. IAV has signed on to the race to zero. But you're a hard to



abate industry and a lot of the challenge around that roadmap accelerating is to do with how we address aviation challenges. And obviously, we're talking primarily about fuel. So but it's possible, I mean, we're not a lot of the conversations around future technologies. But there is also a conversation about things that exist now, just not at the necessary scale.

JOHNATHON COUNSELL: So yeah, if I just sort of provide the overall content. I mean the good news today is we - and my life has been dominated by carbon roadmap since 2008 through sustainable aviation, where we produced our fifth version of that this year. But I'm happy to say it's not just UK doing that now. We now have a global carbon roadmap for aviation through ATAC Destination 2050 at a European level. And they all have got credible pathways to deliver net zero emissions by 2050, and they have varying degrees of the four pillars, operational efficiencies, technology, sustainable aviation fuels and market-based measures. But what we have seen increasing convergence of an increasing role for sustainable aviation fuels, where now on the ATAC roadmap, we're looking at up to 70% by 2050.

So we're all more comfortable we can get there by 2050. But as you rightly say, the challenge is the profile to get there. You know, we are hard to abate sector and we call it the 15, 25, 60 problem and what it basically all those roadmaps have a similar profile, 15% we deliver in the 2020s, 25% in the 2030s, but 60% in the 2040s. And that's not just because we're lazy and apathetic, and stupid, it's just that's how long it takes to develop new technologies and new energy industries. But we accept that that is just not going to be good enough.



We have to work to bring that profile forward. And the real opportunity to do that is sustainable aviation fuels.

JEREMY SMITH: And how do we bring them forward?

JOHNATHON COUNSELL: So the good news is that we – now it's the previous commitments in earlier roadmaps looked at maybe between 2% and 5% by 2030. What you will have seen in just in the last six months is commitment around 10%. So One World Alliance, which is 20% of global aviation, committed to 10%. We, ourselves, IAG, in the U.S., they've actually committed to 15% by 2030. But importantly, the government, UK government, committed to 10% also by 2030.

Now what does that mean? It's 30 million tonnes globally. That's 300 plants. That's \$250 billion of investment. That's 300,000 jobs. So we think if we can get to 10% by 2030, that gets us through that difficult phase of proving that this works. And then we think it's going to ramp up quite quickly. We think we can get 20% by 2035 and then 30% by 2040 and then greater than 50% by 2050. But it's this this decade is going to be absolutely key to get those 300 plants built by 2030.

JEREMY SMITH: And I mean because if I go with an electric company. If I go with a car and I've got the option of four different petrol things to put in there, I can choose how good the fuel is. But if I want to book an airplane, a ticket, I can't. I can't say, oh, I'll choose those guys because they've got 80% sustainable aviation fuel rather than those ones, even if I'm willing to pay a premium. Is that feasible or would that beyond - ?



JOHNATHON COUNSELL: My sense, I mean for customer engagement purposes, there's the voluntary route is helpful and you can do it. I mean Lufthansa offer it. BAI offer it. If you want to offset your emissions standard, but you can do that today. Go to the BAI website and they'll show you how you can do that. But literally, that is not going to solve the problem. We're not going to do it through voluntary purpose. It has to be driven by policy and mandates.

And the absolute key to getting this investment, attracting this investment, we talk about the three elements of policy. You need a strong demand signal, so that can be driven by mandates. You need a price stability mechanism, so that's something like a contracts for difference. And then finally, you need some support with capital risk. And so, loan guarantees or grants and so on. So certainly, you'll see in the EU, the EU Fit for 55 package, there's a proposal there for a mandate. So that's great. The UK government, they put out a consultation in July for a mandate. So we're getting the first elements. The key though is that second element around a price stability mechanism. And that's why we're in detailed conversations with the government over the coming months because we're just not going to get the investment until we get that piece. But I think the government announcement here in the UK two weeks ago, around 10% by 2030 and 190 million grant funding gives us a strong sense that they're up for it.

JEREMY SMITH: Okay. And beyond fuel itself, I mean what other? What else can make a meaningful difference?

JOHNATHON COUNSELL: So the disruptive technologies, so for - and it's really for short haul travel. So commuter regional short haul up to potentially



1,500 kilometers, you've got two technology options, hybrid electric and then you've got hydrogen and power and that could be hydrogen fuel cell or hydrogen burn. Currently, there are over 250 startups in this area. You know, we've partnered with an amazing company called ZeroAvia, and we spent a day down there a couple of weeks ago. They've got a fantastic facility, and I'm sure if anybody's interested, they're very welcome for visitors, but they have successfully tested a six-seater with a hydrogen fuel cell, and now they're looking to have a test of a 19 seater in the next six months. So I think within the next five years, we will start to see regional and commuter aircraft on these disruptive technologies.

And what can they do out to 2050? I think probably 20% to 25% of our emissions can be addressed with those kind of technologies.

JEREMY SMITH: And in the short term, I mean we saw recently the French government announcing was it a 2.5 hour journey that can be made in two and a half hours by train? You are not going to be able to compete on that to a plane. I mean do we start actively supporting?

JOHNATHON COUNSELL: If it's an Air France, they are very happy to do that because they're not necessarily the best routes. And I think so it's kind of like - but the absolute key there is a seamless travel journey. And the beauty and what you have said. Skip Paul, Frankfurt and Paris is the high speed rail station, goes directly to the hub airport, so you can have a seamless journey where you can travel on an international aircraft. You can connect onto high speed train, which you do. You can get through ticket, your bag is taken through and,



therefore, it works. We just don't have that in this. We lobbied for it. Would have loved to have high speed to connect to Heathrow, and therefore, you know, there's nothing more we would rather do than use some of the available slots at Heathrow for more international flights and reduce domestic flying, but it really depends on having that seamless travel experience.

JEREMY SMITH: Thanks, Jonathon. I'm going to move on now to Gianni Marostica, the MD of global business development for travel at Google. Google not as traditionally a travel company as the gentleman and the lady there with me as otherwise. But recently, you've made some significant moves into the travel space and what with the company of your size and potential, how can you help us to move sustainable tourism away from being a nice to have towards being the default option?

GIANNI MAROSTICA: Thank you for the question, Jeremy, and hello to all my fellow panelists and attendees. So with all these global initiatives, I find that in most cases, one of the major issues is education and awareness. In my current role, I have the opportunity to speak to many travelers and also to many companies in the travel sector. And it's really quite fascinating to me to see how many both individuals and also companies are willing to engage and are willing to contribute in some way, shape or form, but they often don't know how or don't know where to begin.

In some cases, as I think Darrell mentioned, they might feel that their footprint is too small to really have a huge impact. So which, as we all know, nothing is too small when it comes to sustainability. It's really important because



it all adds up in the end. So one of the things we've done is we've given ourselves a goal to help over one billion users make more sustainable choices in 2022. And we started some initiatives on this front. I trust many of you in the industry have seen, we recently launched greener flights and launched green in hotels and our products. We're surfacing more authoritative climate change content to our users in our Maps product. I think you've seen we've also started showing some ecofriendly routes that people can choose. It might take you a few minutes more to get your destination, but at least you can help save the planet in that way.

And then we also have our Nest products. These are home products that users can use to essentially reduce the impact of their electricity usage. So we started introducing these options within our products, so that users can actually become familiar with what's available and also get a better understanding of all sustainable options that exist.

With our partners, I find that our platform gives our partners the ability to essentially showcase their products and their services, and help everyone understand what they are doing as airlines, as hoteliers, all different contributes to the travel ecosystem. They can all basically show what they're doing and display this and give users a chance to sort by different options and be able, those who are willing to, select more sustainable options.

So we have in our platform, we've introduced a bunch of data to allow users to get more familiar with sustainable choices and make those choices there where they desire to do so. And our partners also have the ability to introduce



their content and show where they are making some huge gains and sustainable efforts.

The other thing I also wanted to mention is we recently - I trust some of you have read this in the press. We recently joined the Travalyst Coalition. This is a partnership of organizations within the travel ecosystem. And our objective is basically to share data and work together to help develop models that can be consistently used across the industry, understood by everyone, users and also understood by suppliers and participants in the travel ecosystem, so that they can then figure out what they can do to sort of help advance the agenda.

The objective there is to develop a framework and a model that can be shared across the entire industry, so everyone can participate, everyone can contribute. And for those who perhaps feel they are too small to directly participate in terms of being involved in the process, they can certainly make use of models over time once they are available and be able to contribute in that way.

So lots of opportunity. And as I said, one of the core issues here is really advancing education and awareness, and we are absolutely committed to that.

JEREMY SMITH: What are you seeing in terms of – I mean you're providing it, it's there for those that want it, but those that want it potentially are those who are looking for it. So it's the person who is looking for sustainable choice is maybe now finding it easier to do so. And, of course, it may be an education, as you said, and providing more information will make that a larger pool of potential people looking for these things. But Google has the opportunity



to make this for everyone. Where are we on the journey towards it truly being what Google makes default?

GIANNI MAROSTICA: So from our perspective, in terms of the travel space specifically, as you know, we have our own Google wide initiatives in multiple - both with respect to Google itself internally and also in multiple industries. In the travel industry, we started recently essentially towards midway through to the tail end of last year. So we just recently launched these new features and functions. We're getting an inordinate amount of feedback by users and not just users that are interested, but also users that are seeing these sort of green tags appear and asking questions about, well, what exactly does that mean? And is there any data that I can be informed about? And if I hover over the green tag or if I look at the about page on a given, for instance, hotelier, will I be able to - you will be able to see all the different attributes, the various in the case of hoteliers attributes that they've essentially introduced in their product in order to allow for more sustainable solutions. So I have to say in the brief period of time that our features and functions have been out there, that the uptake has been phenomenal. Really, really, we're all very pleased and very impressed and as much I would have thought, similar to what you mentioned, that it would be specifically for those who are looking for those type of solutions. What we're seeing is actually it's not just individuals that are very well versed in sustainability, but also users and individuals that want to learn more about it and want to understand what the impact is. Many of them are clicking on those options. And so, it just brings us all kinds of pleasure and it sort of gives me on an ending



note, it sort of gives me continued faith in humanity and the fact that people do want to do what's right. And as long as we help educate them and provide the content and the data, then they will in all likelihood do what's right.

JEREMY SMITH: Thank you. I'm going to ask questions to all of you, but I will stay with you, Gianni, first of all, and as you said, people do want to do what's right and at Tourism Declares, we've got 400 companies that want to do what's right, 300 companies and destinations signed the Glasgow declaration wanting to do what's right, and almost everyone turned around and said, how do I start? What do I do to measure? I need to know what I am, how I'm having effect, where I can have most impact, each one of you in different ways have spent a significant amount of time addressing measurement. So Gianni, first of all, what can Google contribute towards enabling the travel industry to measure its climate emissions?

GIANNI MAROSTICA: Thank you. So I just wanted to mention from a measurement perspective, we in 2018 introduced our Environmental Insights Explorer tool. Roughly 70%, I'll come back to travel in a minute, but roughly 70% of emissions are generated from urban areas. What this tool does is it uses data and also helps generate calculations on carbon emissions for cities and for use also by local governments and local entities. And some of the things we do is measure, for instance, building emissions. We measure transportation, help measure transportation emissions. We also have this product that measures the capability of generating solar energy through putting panels on a rooftop. We also do a bunch of analysis on air quality, together with the various cities and



governments. We also introduce this functionality from a tree canopy analysis that helps sort of figure out which parts of the city are more shaded, which ones are not, should we be planting more trees. If a city wants to plant more trees, can we plant those in a very specific area where we'll essentially see a greater contribution?

So in 2020, we gave ourselves an objective of helping 500 cities do this. And I also wanted to say that in the interim in 2021, we put some significant resources and efforts in democratizing the tool. It's now being pushed out to over 20,000 cities, and we've seen some amazing examples, in Glasgow specifically, the city of Glasgow is using the tool to essentially help their citizens and the governments measure their city emissions.

In Mannheim, for instance, in Germany, we're actually tracking, helping the city track the building of the progress of the building of cycling routes, so that they could encourage their citizens to use or to adopt more ecofriendly transportation modes. We're doing something very similar in Austin, which is also quite interesting. Roughly 40% of their carbon footprint is transportation related. So our Environmental Insights tool, Explorer tool is allowing them to measure their progress towards reducing the carbon footprint.

JEREMY SMITH: Thank you very much. Would anyone else of the three of you would like to contribute how we address this?

JOHNATHON COUNSELL: Yeah, for aviation, I mean all roads for us lead to ICAO, the International Civil Aviation Organization. This is the international body, a specialized agency of the UN. And they regulate us. So



interesting that most we don't realize the COP, there's no formal negotiations on aviation at COP because that's all done at ICAO. And they have a General Assembly every three years and the next one is in 11-months' time. So what we really need for agreement in that General Assembly is three things, commitment to a long term target, net zero emissions by 2050, strengthening of our global carbon offsetting reduction scheme and strengthening many elements of that, but particularly eligibility for greenhouse gas removal technology because we want to move in that area. And then thirdly, ambition on sustainable aviation fuels to facilitate global supply. So those three things. So we ask everybody talk to your governments. ICAO is 195 United Nations member states, we want all of them to support those three levels of ambition next year and that's the biggest thing that is going to help us decarbonize aviation.

JEREMY SMITH: Thank you. Darrell, anything to add?

DARRELL WADE: Yeah, Jeremy, just talking a little bit about the tools that are available now, and increasingly there's a raft of tools available to hoteliers, to tour operators and so forth through WTTC or Tourism Declares and I just sort of mentioned about the tools that we've used at Intrepid. You know, we look at where emissions are coming from and largely that's either from our offices. We've got 35 odd offices around the world or obviously, from actual trip operations. And that in turn is from transport, from hotels, from flights and so forth. And working through analysis on how you can reduce those emissions on existing tour itineraries. And there are real techniques to do that. So, you know, I think sometimes people think, oh, it's too hard. How do you do it? It's actually not



that hard. You know, you've just got to actually turn your brain around to actually doing it and committing the organization to do it and it can happen.

GLORIA FLUXA: Yes, if I may, I mean I think what has been very important for us in coming back to what can we get back is a measurement right in the use of science. We have people with doctorates in ecology using nature-based solutions and mangroves in the resorts. We have restoration projects within the Republic and the Dominican Republic and the Caribbean, proving that restoration is feasible in a tourism accommodation provider. And we're determined to use that measurement and use that science. But I think one thing that is also important to remember is that Iberostar, with its medium size, it's always been characterized by the customer experience and quality. And I think what we're trying to prove as well is that, of course, we're in this race net to zero. But we should not forget that this is also something to prove that it will not go against the enrichment of tourism, the arrangement of the endorsement and the experience that the tours will have when it is traveling. And I think this is one of the main things, as well that has Iberostar is determined to bring to the table to prove that tourism that is responsible, that wants to leave a legacy, can also still have the same quest towards enriching experience and having the same level of quality.

JEREMY SMITH: Well, thank you. I like that you said that it wants to be responsible and wants to leave a legacy. I tried not to read things out, but I will forget it, if I don't read out. Inside of the Glasgow Declaration, it says that a just and inclusive transformation of tourism must prioritize the needs and voices of



the underrepresented and vulnerable groups such as women, indigenous peoples and people living in small island developing states with business leaders. How though, do we, as business leaders, because I'm a business leader, you're business leaders, how do we you ensure that the voices of those who don't get to sit on stage and make decisions and write declarations are absolutely essential to what we do as an industry that relies on these people and the places they live?

DARRELL WADE: I think for us as a tour operator where the majority of our operations are actually occurring in developing countries, it's really kind of obvious. And to me, in many respects, that's why we started on a sustainability journey 30 years ago, because we're working with relatively fragile communities in remote places on issues, be it educational or health or indeed climate change. So for us, it became really obvious that, we were the kind of the front end of the funnel, if you like, and we had to do the heavy lifting with them in partnership with local community to ensure their future. So we just see it as a responsible part of our supply chain management.

JOHNATHON COUNSELL: And for us, I mean, we have at IAG, over 110 million - well, pre-COVID, 110 million customers a year. And one of the things that we need to be much better at is engaging with those customers to say what is it you expect from the airline industry? And so, and we have mechanisms to do that and we're going to be doing a lot more in that, not least on our flights. You know, we've got it for a few hours. Why don't we use that? The other thing I would say to everybody is today there's very limited supply of sustainable



aviation fuels, but literally the next two to three years that are going to ramp up so quite quickly. We're all users of aviation. Talk to your airlines. If they're not using sustainable aviation fuels, ask them, why not? Because it is starting to become available. So I think we all have a role to play there.

GLORIA FLUXA: I think it comes back a little bit to what you were mentioning before on how we incorporate from Iberostar's perspective the supply chain and those that are smaller suppliers, smaller players. On the big picture is just being very open and transparent in what you're trying to accomplish, proving that the measurement is key for levels of engagement, for measuring success, for measuring that you're in the right path and being very open in the dialog. My sister and I are now fourth generation of a family business, where young women were in our mid-40s and trying to pursue that also very open culture. And I think that's what has to permeate, right, be very open, be in corporate and be measurable and very transparent in what you're doing for others to follow as much as possible.

JEREMY SMITH: Gianni, we only got – just so you know, we've got three and a half minutes left, so I'd like to ask a sort of quick question for everyone afterwards. So Gianni, if you could feel free to speak for a couple of minutes, but nothing more.

GIANNI MAROSTICA: I'll be very, very quick. Through the democratization of our tools and data. We've essentially made it available to all kinds of users all over the world and with a special focus on underrepresented users. We've also started several initiatives to help underrepresented



businesses. And so, I'd like to report that all of that is going very well. So thank you.

JEREMY SMITH: The road maps end with a call to action, and it's a pretty powerful call to action. And I was incredibly impressed when I read it. But it's easy to think that it's taken so much work for us to get to now, that we all need to stop and think and we'll pick the ball up again in 2022 because it's just about Christmas time. And then before we know it, it'll be seven months until COP27 and we'll be another year down the line. What do we do next? Jonathon?

JOHNATHON COUNSELL: Yeah. I mean for us, I characterize the last three or four years as a commitment phase for our industry. So and I think we've now come to the end of that. We now are all aligned around net zero emissions by 2050. We now have to focus on a delivery phase. And I think aviation, we have to clearly demonstrate that the next 10 years we're going to start to bend that curve downwards. And the option there is sustainable aviation fuels and we've all - you know, we can talk to our airlines, talk to your governments. If they don't have a sustainable aviation plan, they should have. And you'll see a big announcement tomorrow, World Economic Forum with the UK government will be issuing a SAF ambassadors policy toolkit. So I think let's all get behind it because I think that is the that is the real thing that we can all do in the next 10 years to really start reducing emissions from aviation.

JEREMEY SMITH: Darrell, I'm going to come back to you and let WTTC have the last word. So Gloria, what's from the accommodation sector, what should we do next?



GLORIA FLUXA: I think from the accommodation sector, it is clear to have our Race to Zero Scope 1 and 2. There are solutions out there. We should all embrace them. We should all be brave and continue implementing them and we should not lose that momentum. You're also generating the collective effort because as I was saying at the beginning, one must not forget that Scope 3 is going to be one of the greatest challenges for accommodation as well, and we need to work at this together and we need to work at this together finding the energy, knowing what kind of legacy we want to leave for responsible tourism model in the future.

JEREMY SMITH: Gianni, speaking for Google.

GIANNI MAROSTICA: Yes, I just wanted to reiterate my original point, and it really is all about education and awareness. And so, anything we can do, both in terms of our individual actions, in terms of the tools that we publish and make available. The one thing I would love to see is these conversations going from these wonderful conferences essentially all the way through to the dinner table and having everybody at home discussing the subject of sustainability. And the only way and quickest way to do that is again, to increase awareness and education. And so, we are fully focused on that and we're seeing some great progress based on tools we've introduced so far. And as I said, I'm really quite amazed and pleased to see how there is a huge willingness to engage once we help people figure out how to do that.

JEREMY SMITH: Darrell, the last word.



DARRELL WADE: Yeah. Look, I think we're here in COP. COPs we have every four years or five years and in some cases. And so, I think as in these closing days, it's really timely for all of us in the industry to think about where we are and where we're heading in terms of decarbonization. And I think it is about the now.

There's been a lot of talk for a long time about climate change and about what we need to do, blah, blah, blah, in the words of Greta Thunberg, blah, blah, blah. And in fact, I think the time for talk is over. And actually, the time for action is now. And, you know, this plan shows what is required.

So my advice would be there's 2,000 senior leaders from the travel and tourism on this call. First thing to do is download a copy of this plan, have a readout of it.

The second thing to do, sign up to the Glasgow Declaration, commit to actual targets for your business and then go to work. Just start making plans, doing what's necessary. Decarbonize. Away we go.

JEREMY SMITH: Brilliant. Thank you so much. Thank you, all of you, for everything you said and for being transparent and for being honest and speaking in a sense of collaboration. Hopefully, we'll be together again at COP27 and we'll be looking at some significant progress. This is the end. There's going to be a short video after I close it here. And other than that, thank you very much for listening to us and there will be some drinks and nibbles at the back. So thank you, Jonathon. Thank you, Darrell. Thank you, Gloria. Thank you, Gianni. Thanks, everyone.



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