

IHG's Methodology for Calculating & Reporting Hotel-Level Carbon Per Occupied Room Values

Introduction

The carbon footprint associated with an individual traveler's stay at a hotel is commonly expressed in terms of a **Carbon per Occupied Room (CPOR)** intensity metric. This value can be defined as the representative carbon footprint associated with a room night stay at the hotel, calculated for a given year by dividing the emissions associated with the hotel's total energy data by its total occupied room nights.

Hotels are responsible for reporting their energy utility data through the IHG Green Engage system on a monthly basis. IHG uses this data provided by hotels to form a data set that provides a representative picture of IHG hotels' utility performance and associated carbon footprint, and reports on it annually.

From this data set, individual hotel CPOR values can be calculated to provide customers with a representative carbon footprint associated with their room night stay. This document outlines the methodology used by IHG to calculate representative CPOR values for individual hotels.

Methodology Overview- What are the steps taken to get to the CPOR values disclosed for one given year?

Step 1: Collecting energy data from hotels

IHG hotels report their utility consumption data ("Hotel Consumption Data") through IHG's Green Engage™ system over the course of a given year ("year N").

Step 2: Producing a full representative picture of IHG Estate's utility performance and carbon footprint

With the objective of forming an energy data set which is a representative picture of utility performance and carbon footprint across the IHG estate, IHG works with external consultants to review the Hotel Consumption Data, following a methodology disclosed in IHG's Responsible Business Report published in year N+1 (e.g., *IHG's 2023 [Responsible Business Report \(p.46-49\)](#)*).

Through this process, outlier checks are also completed and a gap filling and extrapolation methodology applied where necessary to derive a complete view of energy and carbon across IHG hotels – inclusive of location-based and market-based carbon emissions and occupancy information for the full year at a hotel level.

To calculate our GHG emissions, we follow the GHG Protocol Corporate Accounting and Reporting Standard methodology. Energy (MWh) and fuel (litres) is converted to GHG emissions using published conversion factors from sources including IEA, USEPA, AIB and BEIS, and reported to the nearest metric tonne, in tCO₂e, across Scope 1, Scope 2 and Scope 3 emissions. The most recent published emissions factors were used for all regions and applied to each data point to give associated GHG emissions. For more detail about IHG's methodology of calculating our GHG emissions for 2023, please see pages 46 – 49 of [IHG's 2023 Responsible Business Report](#).

Step 3: Adding Laundry-Related Emissions

Where hotels do not have onsite laundry, outsourced laundry emissions are estimated based on the methodology outlined in the [Hotel Carbon Measurement Initiative](#) (HCMI).

Step 4: Assigning annual representative CPOR Values to hotels

Based on the calculated emissions for their hotel in Year N compiled following the steps above, in year N+1, IHG provides hotels their corresponding CPOR values. Hotels which did not meet internal IHG energy data reporting requirements are not provided with a representative CPOR value for their hotel.

Representative CPOR values are shared with hotels for the purpose of responding to customer requests for carbon footprint information. This data is not intended to be used for advertising or marketing purposes, or for making broader qualitative claims about the hotel's carbon emission performance. In using these values, hotels should share this methodology document as much possible, for understanding and transparency in the calculation of these representative CPOR values.

In situations where hotels have not provided a complete data set within the IHG Green Engage system for year N, they will not receive a representative CPOR value from IHG. They may instead individually calculate their CPOR value to respond to inquiries; hotels are encouraged to utilize the [Hotel Carbon Measurement Initiative](#) tool in such instances.

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