

How Chalet Hotels is building a climate-resilient future

Climate change is no longer a distant threat—it is a lived reality, reshaping lives, economies, and ecosystems across the globe. India, with its vast geography and population, stands among the most climate-vulnerable nations. Over half of its districts are classified as high-risk, affecting more than three-quarters of its population. Recognizing this urgency, we must act decisively to build climate resilience—for businesses, people, and the planet.

India's Climate Commitments and Business Responsibility

India has undertaken ambitious initiatives to address climate change, including its pledge to become a Net Zero nation by 2070. While the government leads policy transitions, the private sector must accelerate its role in building a climate-positive and low-carbon economy.

Evolving regulations—such as the Perform, Achieve and Trade (PAT) Scheme, the Energy Conservation Building Code (ECBC), the Carbon Credit Trading Scheme (CCTS), and the Business Responsibility and Sustainability Reporting (BRSR) framework—are shaping business accountability. These instruments urge industry leaders to integrate sustainable strategies to stay competitive and resilient.

Hospitality and Climate Action

The hospitality sector has a significant environmental footprint, driven by high energy, water, and material consumption. Globally, the industry is moving towards a new paradigm—offering memorable guest experiences while promoting climate-resilient tourism.

While businesses must lead by example, preparing the next generation is equally crucial. A Gallup study found that 71% of employees now choose employers based on their environmental credentials. Sustainability is no longer a preference—it's a priority.

Chalet Hotels' ESG Strategy: A Holistic Approach

At Chalet Hotels, our ESG strategy is anchored on three core pillars:

- Environmental stewardship
- Empowerment of employees and communities
- Business resiliency

This framework creates long-term value across our stakeholder ecosystem and aligns with the global rise in ESG assets, projected to surpass \$50 trillion by 2025—about one-third of global assets under management.

Chalet is driving climate action through:

- Climate risk assessment
- Resilience-building strategies
- Value chain optimization
- Green building expansion

Leading with Action: Benchmarks and Milestones

Setting measurable targets is essential to track progress, drive innovation, and ensure accountability. By reducing greenhouse gas emissions, improving resource efficiency, and minimizing waste, businesses can align with global standards and stakeholder expectations.

Chalet Hotels is proud to be the first hospitality company worldwide to commit to:

- RE100 (100% renewable electricity)
- EP100 (energy productivity)
- EV100 (electric vehicle transition)

Currently, over 60% of our electricity is sourced from renewables. We've achieved an 82% improvement in energy productivity, and 25% of our portfolio operates with a 100% electric guest fleet, with EV charging infrastructure across all properties.

Decarbonization and Technological Transformation

Decarbonization is integral to our corporate responsibility. From energy use and transportation to business travel and waste, we continuously reevaluate emissions across our operations and supply chain. Chalet has pledged to achieve Net-Zero GHG emissions by 2040 and is actively charting its roadmap toward this target.

To support this vision, we are investing in smart technologies and IoT-enabled solutions, such as:

- Digital check-ins and mobile key access
- Smart HVAC systems and building management systems

Further, our operational measures include:

- Reusable glass bottles
- Zero single-use plastic
- Water-efficient fixtures
- Rainwater harvesting
- Organic waste management

These actions not only optimize costs and efficiency but also strengthen brand trust. Reports show that 79% of customers prefer sustainable properties, and 55% are willing to pay a premium for them.

ESG Ratings and Financial Confidence

Sustainability ratings like the Dow Jones Sustainability Index (DJSI) help investors make informed decisions. Chalet's improved ESG ratings reflect robust long-term planning and unlock access to green financing and favorable lending terms.

Social Responsibility and Inclusive Growth

In hospitality, social responsibility extends beyond compliance. Chalet champions:

- Fair wages and inclusive hiring

- Employee development and gender equity
- Cultural preservation and local sourcing
- Community upliftment through outreach and training

We're proud to be recognized as a Great Place to Work® for six consecutive years, a testament to our commitment to workplace well-being and inclusive culture. Through focused skill-building and welfare initiatives, we empower underprivileged communities while fostering ecological harmony.

Towards a Resilient and Responsible Future

Chalet's ESG-centric model integrates stakeholder interests, enhances brand equity, and ensures long-term profitability. Our journey continues—advancing decarbonization, supporting employees, strengthening supply chain integrity, and uplifting communities through structured, impactful programs.

This is a call to action for the hospitality sector: Integrate ESG into your core strategy, operate transparently, and build enterprises that are resilient, ethical, and future-ready.

Conclusion

ESG is no longer an option—it's a business imperative. As climate change accelerates, Indian businesses must lead by example to reduce their environmental impact and contribute to a low-carbon economy. By setting clear targets, innovating sustainably, and fostering inclusive growth, companies can unlock long-term value and competitive advantage.

Chalet Hotels exemplifies how responsible business practices can drive meaningful change and create shared value for all. Now is the time for industry leaders to treat ESG not just as a compliance framework—but as a core business philosophy for a sustainable tomorrow.