

ENRICH LIFE, SUSTAIN LAND: BORGEO EGNAZIA'S HOSPITALITY CHALLENGE

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In 2024, Borgo Egnazia - a high-end hospitality destination in Puglia, Italy - reached a strategic turning point.

Having built a reputation on its deeply rooted sense of place and regenerative ethos, the property launched its first structured sustainability programme with the ambition to become a leader in sustainable hospitality in Italy.

This case study explores the complexities of implementing ESG initiatives within the high-end hospitality sector, highlighting the tensions between authenticity and scalability, and between operational integration and brand identity. As Borgo Egnazia developed its model, envisioning its extension to other properties managed by Aldo Melpignano Borgo Egnazia sought to scale its model across the broader Egnazia Ospitalità Italiana group, it faced a fundamental question: how could a locally grounded, experience-led approach to sustainability be effectively translated across diverse properties without losing its soul?

1. FROM LOCAL ROOTS TO GLOBAL SCALE

It was a crisp spring morning in the coastal town of Savelletri, nestled between the Adriatic Sea and ancient olive groves, when the Sustainability Lead arrived at the headquarters of Borgo Egnazia. As Chair of the newly established Sustainability Committee, he had a pivotal meeting scheduled with the property's leadership.

The agenda was clear: to discuss the feasibility of scaling Borgo Egnazia's sustainability strategy across the group. The committee had spent the past year developing an ambitious roadmap for Borgo Egnazia, culminating in the hotel's first ESG report and a set of performance targets aligned with both global frameworks and local priorities. The question now was whether this model - so rooted in the identity of one place - could be replicated across a diverse portfolio of properties, each with its own context, capabilities, and culture.

The Sustainability Lead glanced at the notes he had prepared. While he was confident in the strategy, he also anticipated resistance. Egnazia Ospitalità Italiana was a young but growing hospitality group, recently established by Aldo Melpignano to manage a collection of properties including Castel Badia (see Exhibit 1), Ancora Cortina (see Exhibit 2), and Hotel de Len (see Exhibit 3). Each of these properties had their own management styles, guest profiles, and operational priorities.

The board shared a long-standing commitment to sustainability, reflecting the founder's early belief in its importance - well before it became a broader industry trend. However, some were cautious that embedding sustainability too prominently into the group's identity might risk overshadowing its commitment to refined hospitality. Others were concerned about the potential costs of implementation, especially in smaller or seasonal properties.

But the Sustainability Lead also sensed an opportunity. ESG discussions were booming across the industry, and investors, regulators, and guests alike were increasingly demanding more from the brands they supported. Borgo Egnazia had the potential to lead - not just in Puglia, but globally. The question was: how?

2. VOICES OF VISION AND THE ROAD AHEAD

At the centre of this transformation was the Sustainability Lead, also Chair of the Sustainability Committee at Borgo Egnazia. With a background in marketing and brand development, he had long been involved in shaping the property's external identity and guest experience.

When the sustainability conversation gained momentum in early 2024, he was asked to lead the newly formed committee - not because of technical expertise, but because of his ability to translate vision into strategy and engage internal teams around a shared narrative. Since then, he had helped coordinate the property's first ESG roadmap, working closely with operational leads to turn high-level commitments into practical initiatives.

He was working closely with the hotel manager at Borgo Egnazia, who brought international perspective and a deep understanding of how to implement sustainability at a corporate level in high-end hospitality.

His challenge now was to bridge Borgo Egnazia's localised progress with the wider ambitions of Egnazia Ospitalità Italiana.

Positively challenging him - not in direct conflict, but often in cautious hesitation - was the Board of Directors of Egnazia Ospitalità Italiana. While proud of the group's achievements, they were risk-averse, particularly when it came to anything that could be perceived as compromising the guest experience or diluting the carefully curated brand identity. They questioned whether the group's smaller properties could support the same level of sustainability investment and whether guests would care enough to make it worthwhile.

Aldo Melpignano (see Exhibit 4), the Co-Owner of Borgo Egnazia and Founder of Egnazia Ospitalità Italiana, a visionary business and sustainability leader, became the public ambassador sharing the hotel's sustainability purpose and agenda, contributing to visibility through his participation in high-level industry events and prestigious initiatives, such as the one with the University College London, Centre for Sustainable Business, Business Club. This not only contributed to building the sustainable brand of Borgo Egnazia but inspired and stimulated other organisations in the sector to follow the example.

3. FROM MASSERIA TO FLAGSHIP: THE MAKING OF BORGO EGNAZIA

The story of Borgo Egnazia began long before its grand opening in 2010. It traces back to 1996, when Marisa Melpignano (see Exhibit 5), Aldo's mother, opened Masseria San Domenico, converting the family's countryside home into one of the first high-end hospitality venues in Puglia.

Her husband, Sergio Melpignano, played an equally pivotal role in shaping the vision, strongly supporting the creation of the San Domenico Golf Course, which launched in 2003 and helped establish the area as a new destination for discerning travellers. Together, they laid the foundation for what would later become the Egnazia approach to hospitality - grounded in place, culture, and long-term vision.

Aldo joined the family venture after spending time abroad, working in London and the United States. With an international outlook and deep respect for his roots, he imagined a destination unlike any other: one that would be both a tribute to the traditional Apulian masseria and a beacon of contemporary hospitality. Borgo Egnazia was born out of this vision - and quickly became a landmark.

The property was built entirely from scratch over five years. Designed by visionary talent Pino Brescia, the venue used local tufo stone, traditional building techniques, and design principles rooted in Apulia's rural heritage. The layout paid homage to the region's historical settlements, drawing inspiration from masserie, village life, and noble residences - a reflection of Apulia's culture of shared spaces, seasonality, and strong ties to the land.

"I wanted to capture the atmosphere of an old Apulian village, with its narrow streets, irregular stone walls, and traditional architecture, inviting guests to immerse themselves in the local culture."

Pino Brescia, Designer of Borgo Egnazia

This combination provided guests with a deeply immersive experience blending history, comfort, and local identity. By 2024, Borgo Egnazia had grown into a symbol of responsible hospitality in Italy, employing over 700 people, generating approximately €76 million in revenue, and hosting nearly 90,000 guests annually. It had also become a founding model for Egnazia Ospitalità Italiana, the new management company launched by Aldo to promote and protect the Italian style of hospitality, strengthening its cultural heritage and deep connection with local territories.

4. HIGH-END HOSPITALITY: TRENDS IN ITALY AND BEYOND

In 2024, the Italian top-tier hospitality sector was undergoing a significant transformation, shaped by changing consumer expectations, global sustainability pressures, and a rapidly evolving market landscape.

As one of the most visited countries in the world, Italy at the time remained a cultural and culinary destination of choice - yet travellers, particularly those in the affluent and aspirational segments, were looking for more than beauty and heritage. They were seeking responsibility, wellbeing, and meaning.

Globally, high-end hospitality expenditure reached approximately \$239 billion in 2023, with expectations to climb to \$391 billion by 2028 - an annual growth rate of 10% (see Exhibit 6). A considerable portion of this spending came from “aspirational luxury” travellers, defined as those with a net worth between \$100,000 and \$1 million. This segment alone accounted for over \$84 billion in spending in 2023, highlighting their growing influence on the market.

Within this context, Italian hospitality providers faced increasing pressure to evolve. In the past four decades, the global supply of luxury hotel rooms had expanded by nearly 191%, with over 1.5 million rooms available worldwide as of 2023 (see Exhibit 7). This reflected both heightened demand and increased competition - making differentiation ever more critical.

At the time, for high-end consumers, personalisation, wellness, and authenticity outweighed ostentation. A 2023 global study found that the most preferred holiday activities among wealthy travellers were dining at fine restaurants and staying in five-star or superior hotels (see Exhibit 8). Meanwhile, experiences involving connection to local culture - through artisanal workshops, nature immersion, or heritage preservation - were gaining momentum. Hotels that succeeded in creating a genuine sense of place had a competitive edge.

In 2024, sustainability was emerging not just as a regulatory requirement but as a market differentiator. According to a study conducted by Deloitte in 2023, 51% of consumers globally express anxiety or concern about climate change. In the same year, in Italy 60% of domestic travellers claimed to consider eco-sustainable options when planning trips, and over half claimed to check an accommodation's environmental awareness before booking (see Exhibit 9). In response, top-performing hotels were adapting by integrating green building features, using renewable energy sources, reducing plastic waste, and collaborating with local supply chains.

However, challenges remained. While expectations were rising, awareness and operational readiness varied widely. Many consumers wanted sustainability but were unwilling to pay significantly more for it. Hotels had therefore to strike a balance between delivering meaningful, verifiable impact and maintaining profitability. The industry's decarbonisation targets - including a 66% reduction in emissions per room by 2030, as recommended by the World Sustainable Hospitality Alliance (see Exhibit 10) - added further urgency.

Against this backdrop, Borgo Egnazia was uniquely positioned. With its deep local roots, and growing ESG infrastructure, it exemplified many of the trends reshaping high-end hospitality. But as competition grew and expectations sharpened, the next step was clear: moving from exemplar to ecosystem - not only transforming its own operations but helping shape the sustainability standards of the broader Egnazia Ospitalità Italiana group.

“Hospitality is an art - to be lived and to be protected.”

Aldo Melpignano, Co-Owner of Borgo Egnazia and Founder of Egnazia Ospitalità Italiana

5. THE “NOWHERE ELSE” MODEL: REIMAGINING HOSPITALITY

Borgo Egnazia’s business model was rooted in a simple but powerful idea: offer an experience that feels deeply personal - one that is shaped around each individual guest and cannot be lived in the same way anywhere else.

This philosophy drove every aspect of the property, from its architectural choices to its operational model, its cultural programming, and its guest services. Rather than replicating globalised standards of refined hospitality, Borgo Egnazia delivered something resolutely local, emotional, and immersive - a concept it called “Nowhere Else.”

This philosophy was eventually crystallised into the brand’s visual identity. In 2017, Borgo Egnazia adopted the “Nowhere Else” tagline as part of a rebranding strategy that reinforced its experiential, personalised, and territorial positioning (see Exhibit 11).

*“Our philosophy is captured in two words: *Enrich Life*. It means enriching the lives of people - whether they are our guests, our staff, or the local community - through professional, personal, and human growth.”*

Aldo Melpignano, Co-Owner of Borgo Egnazia and Founder of Egnazia Ospitalità Italiana

TERRITORIAL AUTHENTICITY AT THE CORE

The hotel was a tribute to Puglia - its culture, materials, colours, and rhythms. Built entirely out of local tufo stone and designed by Pino Brescia, Borgo Egnazia draws inspiration from traditional Apulian masserie and rural villages, creating something innovative and truly unique that blends the charm of the past with cultural heritage and a contemporary vision.

More than aesthetics, this architectural choice reflected a broader business commitment: to place territory and tradition at the heart of the guest experience. From the olive groves to the Piazza at the centre of Il Borgo, every corner of the property told a story. Local craftsmen, farmers, artists, and guides were part of this living ecosystem, contributing to a model of hospitality that was as regenerative as it was elevated.

“We want to tell the most beautiful Italian stories, protect our immense cultural heritage, and promote a style of hospitality that’s uniquely our own.”
Aldo Melpignano, Co-Owner of Borgo Egnazia and Founder of Egnazia Ospitalità Italiana

A distinctive aspect of this immersive model was the presence of Local Advisers (see Exhibit 12) - personal cultural ambassadors who served as a bridge between guests and the soul of Puglia. Available throughout the guest journey, they acted as knowledgeable and warm “local friends,” sharing hidden places, off-map tips, folk traditions, and bespoke experiences. Their role went beyond service: it is about storytelling, connection, and creating moments of discovery that reflected the true spirit of the region. Deeply rooted in the local culture, each Local Adviser enriched the stay with personal insights, spontaneous hospitality, and a sense of belonging that no guidebook could offer.

A DIVERSIFIED, EXPERIENCE-DRIVEN OFFERING

The property (see Exhibit 13) was divided into three main areas, each offering a different type of accommodation and atmosphere:

- **La Corte:** the main building, inspired by the architecture of the traditional Apulian masseria, featuring refined courtyards central staircases, porticos, and high-ceilinged rooms (see Exhibit 14);
- **Il Borgo:** a cluster of townhouse-style dwellings that evoke the feeling of an Apulian village, with small houses arranged around a central square (see Exhibit 15);
- **Le Case:** a collection of private villas inspired by the historic homes of Apulian landowners, designed to offer maximum privacy and comfort, often favoured by families and longer-stay guests (see Exhibit 16).

Together, they accommodated 550 guests across 184 rooms and suites, supported by over 700 staff members. Each accommodation zone was matched with curated guest experiences - such as family programming in Il Borgo or wellness-focused stays in La Corte - enabling the hotel to serve a highly diversified international clientele while maintaining a cohesive brand identity.

VAIR: WHERE WELLNESS MEETS WONDER

A defining element of Borgo Egnazia's model was its comprehensive approach to wellbeing. Drawing inspiration from the natural and cultural rhythms of Puglia, the hotel offered guests a slower, more intentional pace. Activities like padel under olive trees, cycling along coastal paths, and open-air fitness promoted physical vitality, while quiet courtyards and coastal views encouraged reflection and calm.

At the centre was Vair Spa (see Exhibit 17), whose name means "true" in local dialect. More than a traditional spa, Vair was an immersive, emotional journey. Here, local musicians, dancers, and therapists co-created immersive experiences that reflected the land's emotional and spiritual dimensions. Complemented by Roman Baths, saunas, and curated spaces, the spa experience reflected Borgo Egnazia's belief that wellness is not added on - it is built in.

CULINARY IDENTITY AND REGENERATIVE FOOD CULTURE

The culinary offering followed a similar logic. Each of the four restaurants was a stage for celebrating regional cuisine - from the Michelin-starred Due Camini, where Chef Domingo Schingaro crafted elegant dishes from seasonal ingredients. In its latest evolution, the restaurant was adopting a new ingredient-led format: each menu would be built around a single vegetable, showcasing its various parts through multiple courses. This concept reflected a refined, almost scientific approach to gastronomy, highlighting botanical complexity while deepening the connection between land, produce, and plate. Trattoria La Frasca explored different aspects of Apulian food culture, while beachside Cala Masciola brought fresh seafood directly from the fishmonger's counter to the table. Il Cannucciato, the property's braceria, offered a convivial, fire-centred dining experience where grilling happened directly at the table, celebrating the aromas and flavours of the land. The family-friendly Da Frisella was also available as a dedicated space for children to dine when needed.

"I always tell my team: you can't innovate without knowing tradition. To create a new recipe, you need solid foundations - you can't invent it from nothing."

Domingo Schingaro, Starred Chef at Borgo Egnazia (see Exhibit 18)

Across all menus, the emphasis was on local sourcing, simplicity, and sustainability - honouring Puglia's agricultural roots and seasonal rhythms.

"These recipes have been passed down through generations, and using ingredients from our land not only enhances their flavour - it keeps our traditions alive and honours our deep connection to this place."

Mimina, Cook at San Domenico Golf and Borgo Egnazia (see Exhibit 19)

As part of its deepening commitment to sustainability and regenerative gastronomy, Borgo Egnazia also began collaborating about a year earlier with Angelo Giordano, an expert agronomist and seed saver, to develop on-site farming projects. These initiatives aimed to reintroduce organic, regenerative agricultural practices that go beyond standard organic certifications. The approach focused on improving soil quality, increasing biodiversity, and reducing water consumption through low-impact, closed-loop systems. One such technique - the "three sisters" method - involved companion planting of maize, beans, and squash to naturally enrich the soil and retain moisture.

"Regenerative organic agriculture is not a trend - it's a necessity. It goes far beyond organic farming and brings enormous benefits, both in terms of soil health and the nutritional value of the final product."

Angelo Giordano, Agronomist and Seed Saver at Borgo Egnazia

Guests were expected to be invited to take part in farming activities, experiencing first-hand the process of cultivating heritage crops that have long defined Apulian food traditions. Collaborating with the University of Bari, the property was actively recovering rare vegetable varieties at risk of extinction, such as local tomatoes, aubergines, courgettes, and the distinctive Barese kale. The first phase of this project involved regenerating and multiplying small batches of native seeds in protected nurseries before transplanting them into the fields across Borgo Egnazia, and Masseria Le Carrube.

The wider initiative was designed not only to regenerate the land, but also to connect guests and local communities to sustainable farming. At the heart of the project was the creation of a "seed house" - a place dedicated to preserving, replicating, and exchanging seeds and traditional agricultural knowledge.

Circularity was a key principle across the project. All organic kitchen waste was collected and used in a vermiculture composting system where earthworms transformed waste into natural fertiliser, closing the nutrient loop from farm to table and back again. In the same year, a new apiculture initiative was being introduced: beehives were placed near the farming areas to enhance pollination, improve harvest yields, and support the future production of local honey.

In alignment with these efforts, Borgo Egnazia relaunched a new version of Due Camini in April 2025 with a fully vegetarian menu. This relaunch marked the first step in extending the farm-to-table concept to other restaurants on site.

"For us, the goal is not simply to be sustainable - it's to actively improve the world we live in. That's the philosophy guiding our culinary journey at Due Camini, and more broadly, the entire guest experience at Borgo Egnazia."

Team at Borgo Egnazia

THE PEOPLE BEHIND THE PLACE

What set Borgo Egnazia apart was not just its infrastructure, but its people. Staff were known as “Talents” - a deliberate choice that reflected the property’s belief in human potential as a strategic asset. With an employee engagement rate of over 85%, Borgo Egnazia prioritised work-life balance, professional growth, and personal wellbeing. This internal culture of care was seen as integral to guest satisfaction, and the hotel had received both Great Place to Work and Top Employer certifications for several consecutive years.

This human-centred approach extended beyond the property’s walls. The Clara Association, founded in early 2024, was a testament to Borgo Egnazia’s investment in preserving and reviving local traditions - from music and food to crafts and ethnobotany. Through Clara, guests and artisans connected in shared creative experiences, reinforcing the value of cultural continuity in a fast-changing world.

“We wanted to share our love for this region by telling its stories through the people who live and work here - the ones who make it truly unique.”

Camilla Melpignano, Co-Founder of Borgo Egnazia

PROFIT WITH PURPOSE: ENRICHING LIVES THROUGH HOSPITALITY

At its core, Borgo Egnazia’s business model was designed not around transactions, but around transformation. Its strategic purpose - captured in the phrase Enrich Life - informed both its guest experience and its internal operations. Profitability was not decoupled from social and environmental impact; rather, value was created through meaningful relationships with people, place, and culture.

In a market increasingly driven by differentiation and purpose, this model positioned Borgo Egnazia as more than just a hospitality destination. It was a cultural platform - a place where tourism became a channel for regeneration, connection, and the rediscovery of what really matters.

6. 2024: A YEAR OF TRANSFORMATION

LAYING THE GROUNDWORK: GOVERNANCE & STRATEGIC PLANNING

In 2024, Borgo Egnazia undertook a major strategic shift by launching its first structured sustainability programme - a decision rooted in the ambition to become a recognised leader in sustainable hospitality in Italy. This initiative was not merely reactive to external trends but driven by a clear internal business case and a long-term vision: to integrate environmental and social responsibility into every area of the hotel's operations and identity.

The journey began with a comprehensive ESG maturity and context analysis, which assessed both internal practices and broader sector expectations.

The process was guided by the Sustainability Maturity Framework developed by Professor Paolo Taticchi - a globally recognised expert in corporate sustainability and strategy at UCL School of Management. The framework helped benchmark Borgo Egnazia's current positioning and identify areas for strategic improvement.

This work was carried out with the support of a sustainability consulting firm recognised as a sector leader in Italy. The firm provided strategic and technical guidance throughout the development of the ESG roadmap, the hotel's first carbon footprint assessment, and the design of a long-term decarbonisation plan.

This laid the groundwork for the design of a tailored Sustainability Plan for Borgo Egnazia, ultimately comprising 35 initiatives organised across 10 thematic pillars (see Exhibit 20). These initiatives aimed to embed sustainability into the business in a holistic and operationally relevant way. Central to this plan was the establishment of a dedicated Sustainability Committee, supported by the appointment of a Sustainability Lead and departmental Sustainability Champions, each responsible for driving implementation in their respective areas.

A strong emphasis was placed on ESG governance. Processes and responsibilities were formalised, and a structured ESG planning process was introduced, including the use of a Sustainability Balanced Scorecard and the development of an internal knowledge management system hosted on the company's intranet. In parallel, efforts were made to build internal capability and foster a shared culture around sustainability. While enthusiasm was strong among departments such as wellness and food & beverage, others initially expressed concern about the implications for service delivery and premium standards. Internal champions - including department heads and the Sustainability Lead - played a critical role in shifting mindsets and embedding the new vision. In-person and online training sessions were rolled out across management levels, covering key topics such as sustainable refined hospitality, climate change, circular economy, and diversity, equity, and inclusion (DEI).

EXECUTING THE VISION: IMPLEMENTATION, COMMUNICATION & GLOBAL VISIBILITY

Operational initiatives moved forward on several fronts. Borgo Egnazia completed its first full carbon footprint assessment, covering Scope 1, 2, and 3 emissions, and identifying key emissions hotspots across its value chain. The results were striking: Scope 3 emissions - those associated with indirect activities such as the purchase of goods and services - accounted for approximately 81% of the property's total footprint. Within this, over 70% of emissions were linked specifically to procurement activities, including food & beverage, capital goods, and third-party services. Electricity use (Scope 2) represented 16%, making it the largest direct source of emissions. In contrast, Scope 1 emissions - from fuel combustion on site - comprised just 3%.

These insights informed the prioritisation of decarbonisation actions within the property's sustainability roadmap, focusing on supply chain engagement, improved procurement practices, and targeted efficiency initiatives. See Exhibit 21 for a visual breakdown of emissions across scopes and operational categories.

To complement this analysis, Borgo Egnazia also introduced a digital energy valorisation and monitoring system: KontrolON. This platform enables real-time tracking of energy use and emissions across electricity, natural gas, and LPG, broken down by building and cost centre. By identifying consumption hotspots and anomalies from day one, the system supports immediate efficiency interventions and long-term trend analysis.

In addition to simplifying data collection for sustainability reporting, KontrolON allows granular analysis by room, guest, or facility - enabling strategic decisions based on actual energy behaviour. The platform is integrated with operational software such as Protel, offering a cross-functional view of key performance indicators across departments. These features not only reduce energy-related costs but also enhance Borgo Egnazia's alignment with recognised sustainability standards such as GSTC, Green Key, ISO 14001 and ISO 50001.

Communication also became a strategic pillar of the sustainability approach. An ESG communications plan was developed, reinforcing the hotel's positioning as a forward-thinking hospitality brand. Borgo Egnazia issued its first Sustainability Report in 2024, aligning with best practices in reporting and transparency. Aldo Melpignano took on the role of public ambassador for the hotel's sustainability vision, contributing to visibility through his participation in high-level events and partnerships, such as the UCL CSB Business Club.

"We want to work with those who offer an experience that cannot be lived anywhere else - or with those who aspire to that goal - by promoting or discovering places in Italy, even the lesser-known ones, which precisely for that reason hold great potential to be developed through our model, one built on respect for and enhancement of places, territories, and the people who live there."

Aldo Melpignano, Co-Owner of Borgo Egnazia and Founder of Egnazia Ospitalità Italiana

That same year, the property was selected as the host venue for events connected to the G7 summit in Puglia (see Exhibit 22) - a moment that placed Borgo Egnazia firmly in the global spotlight. The choice was praised by many for its architectural beauty and symbolic connection to local identity: Borgo Egnazia was built using white tufo - a traditional Apulian stone - and inspired by the forms and materials of the surrounding territory, while maintaining a distinctive identity of its own. Travel publications such as Condé Nast Traveler highlighted the venue's serene interiors and faithful homage to regional design, describing its ambiance as "soaring and elegant" and "refined in its simplicity."

However, the decision also drew criticism from some commentators and media outlets. The Associated Press described the hotel as a "faux medieval town" and raised concerns over its exclusivity and remoteness. These critiques pointed to the increasingly common practice of hosting global summits in secluded, high-end venues, potentially as a way of minimising exposure to protests or public scrutiny - a concern that has persisted since the G8 summit in Genoa in 2001. While not universally shared, such responses added layers of complexity to Borgo Egnazia's public image: a destination celebrated for its design and heritage, yet also navigating the reputational risks inherent in high-end hospitality.

While many initiatives were launched in 2024, the property also laid the foundation for future action. Projects planned for 2025 included an ESG due diligence process for key suppliers, a sustainable customer experience framework, and the formal integration of sustainability criteria into procurement and supply chain management. Beyond environmental goals, the strategy also addressed broader business imperatives: capturing the loyalty of next-generation travellers, attracting ESG-conscious investors, and strengthening brand resilience in an evolving regulatory landscape. Together, these steps marked a significant maturity shift in how Borgo Egnazia understood and delivered its environmental and social responsibilities - positioning it not only as a place of beauty and wellbeing, but as a benchmark for responsible, high-end tourism in Italy.

7. BRINGING THE ROADMAP TO LIFE: ACROSS THE GROUP

By 2025, with a clear roadmap in place at Borgo Egnazia, the next chapter in the hotel's sustainability journey presented an even more complex challenge: extending the strategy across the broader portfolio of properties under Egnazia Ospitalità Italiana.

This transition, while full of potential, was far from straightforward. The group's other locations - ranging from alpine retreats to historic coastal villas - differed significantly in size, setting, and operational structure.

Expanding the roadmap to the group level meant adapting sustainability approaches to very different environmental and cultural contexts - from mountain destinations in the Alps to coastal retreats along the Tyrrhenian Sea - each with their own operational demands and local realities. Borgo Egnazia itself also faced challenges that were specific to its positioning in the high-end hospitality segment. Communication and marketing had to strike a delicate balance: guests expected authenticity and purpose, but without overt messaging that could feel performative or commercialised. Sustainability, while critical, had to be woven into the guest experience in a way that respected the hotel's understated brand ethos. Moreover, the property operated within a highly complex stakeholder landscape - from ownership and management teams, to staff, suppliers, guests, local partners, and institutional bodies. Aligning all of these actors behind a shared sustainability vision was both a strategic and operational undertaking.

There was also a tension between maintaining brand coherence and respecting the unique identity of each site. What worked at Borgo Egnazia - with its deeply territorial model and strong team culture - did not necessarily translate easily elsewhere. Differences in guest profiles, team structures, and local expectations further complicated the picture. Cost also remained a central concern. While the leadership team recognised the long-term value of sustainability, some stakeholders remained cautious, especially when immediate ROI was not guaranteed.

8. BEYOND BORGO: THE CHALLENGE OF SCALING A PLACE-BASED MODEL

As the board prepared for the next phase, with a full year of sustainability groundwork behind him, the Sustainability Lead faced the task of translating the success of Borgo Egnazia into a framework that could guide the group's broader ESG ambitions.

But exporting a place-based, deeply rooted philosophy raised tough questions: how could culture be scaled without turning it into formula? Could a brand that relied so heavily on authenticity and local identity grow without diluting its essence?

As he prepared to present to the board, he had to consider not just strategy, but stewardship. What kind of leadership was needed to support this transition? What internal champions, knowledge systems, and capabilities would the organisation need to cultivate? And was the existing governance structure fit for the complexity of what lay ahead?

EXHIBITS

EXHIBIT 1: CASTEL BADIA (SAN LORENZO DI SEBATO)



Castel Badia, San Lorenzo di Sebato (Bolzano)

EXHIBIT 2: ANCORA HOTEL (CORTINA D'AMPEZZO)



Ancora Hotel, Cortina D'Ampezzo

EXHIBIT 3:
**HOTEL DE
LEN (CORTINA
D'AMPEZZO)**



Hotel de Len, Cortina D'Ampezzo

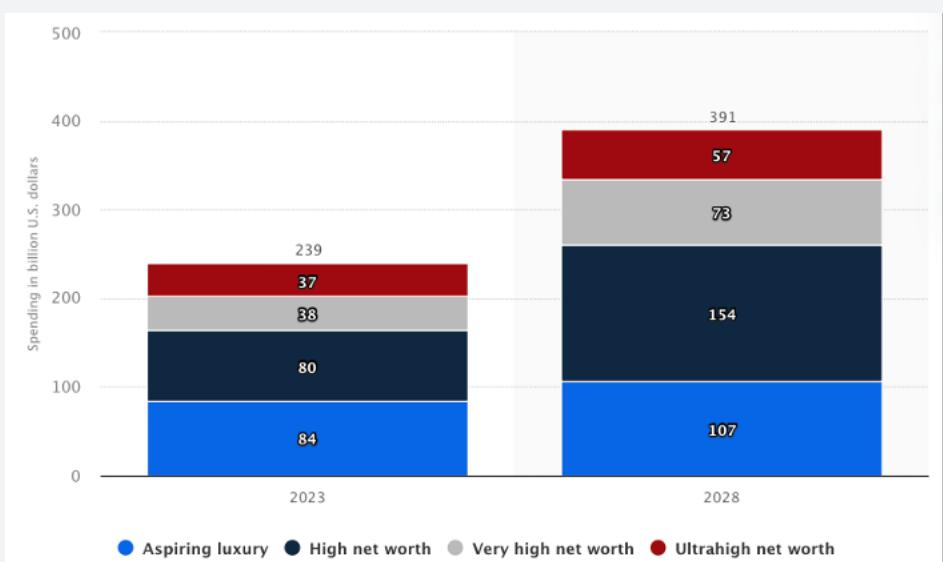
EXHIBIT 4:
**ALDO MELPIGNANO,
CO-OWNER OF
BORGEO EGNAZIA
AND FOUNDER OF
EGNAZIA OSPITALITÀ
ITALIANA**



EXHIBIT 5: MARISA MELPIGNANO, FOUNDER OF MASSERIA SAN DOMENICO



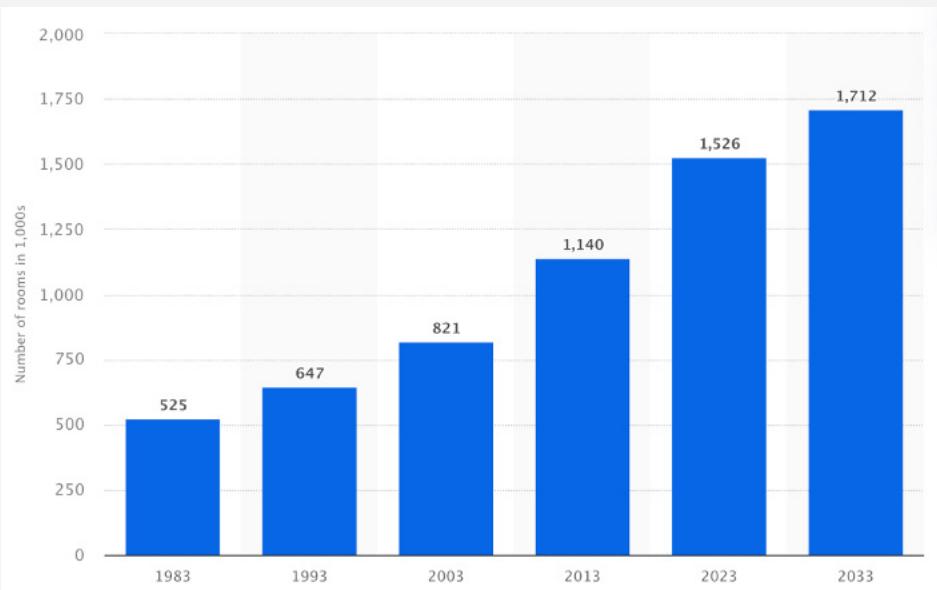
EXHIBIT 6: GLOBAL LUXURY LEISURE HOSPITALITY SPENDING



Source: Statista (2025)

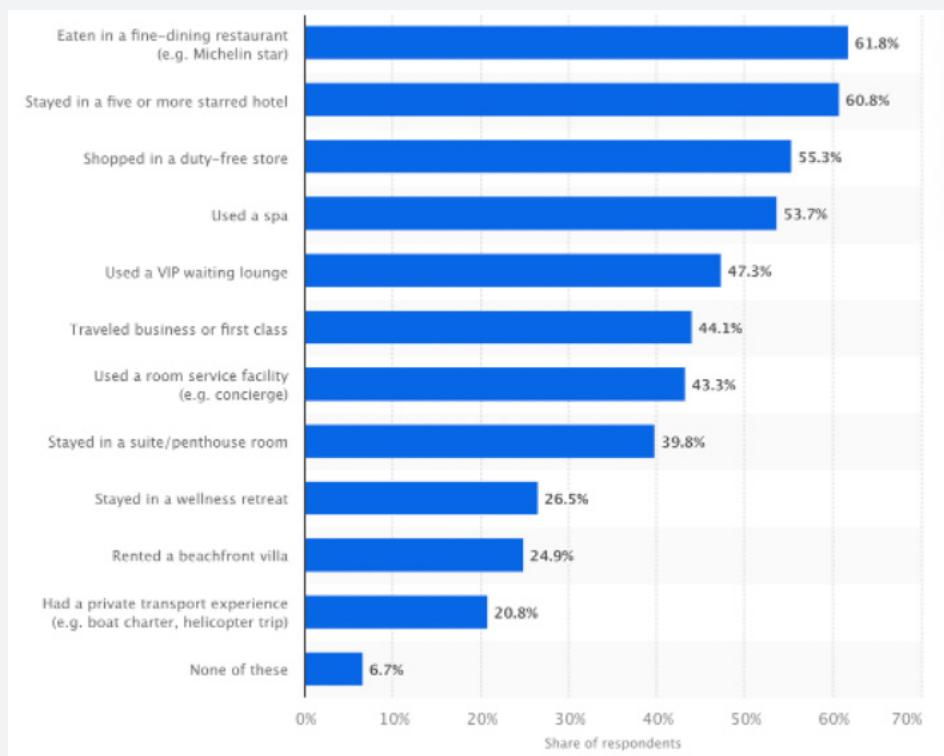
Spending on luxury leisure hospitality worldwide in 2023, with forecast for 2028, by wealth segment

EXHIBIT 7: GLOBAL LUXURY HOTEL SUPPLY



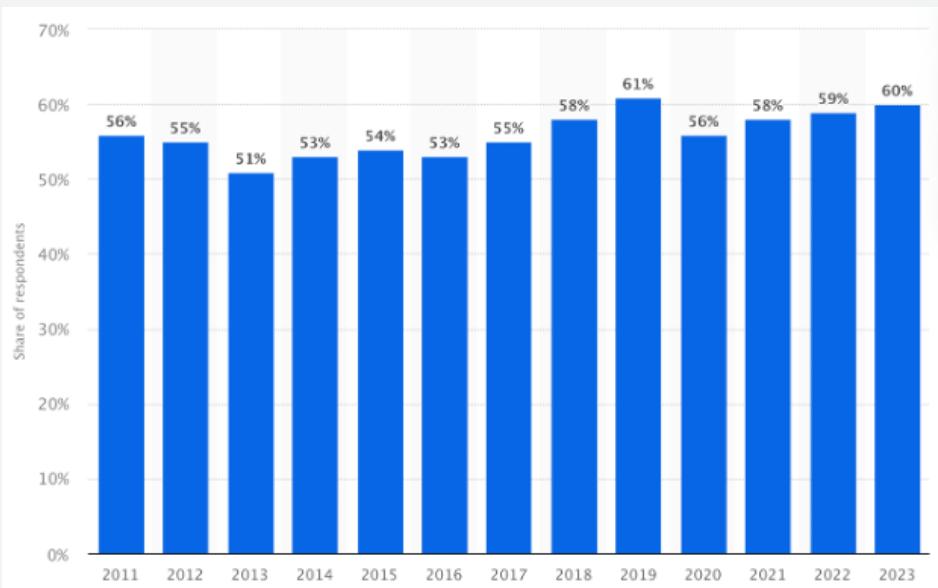
Source: Statista (2025)
Luxury hotel supply worldwide from 1983 to 2023, with a forecast for 2033

EXHIBIT 8: TOP HOLIDAY ACTIVITIES BY AFFLUENT CONSUMERS



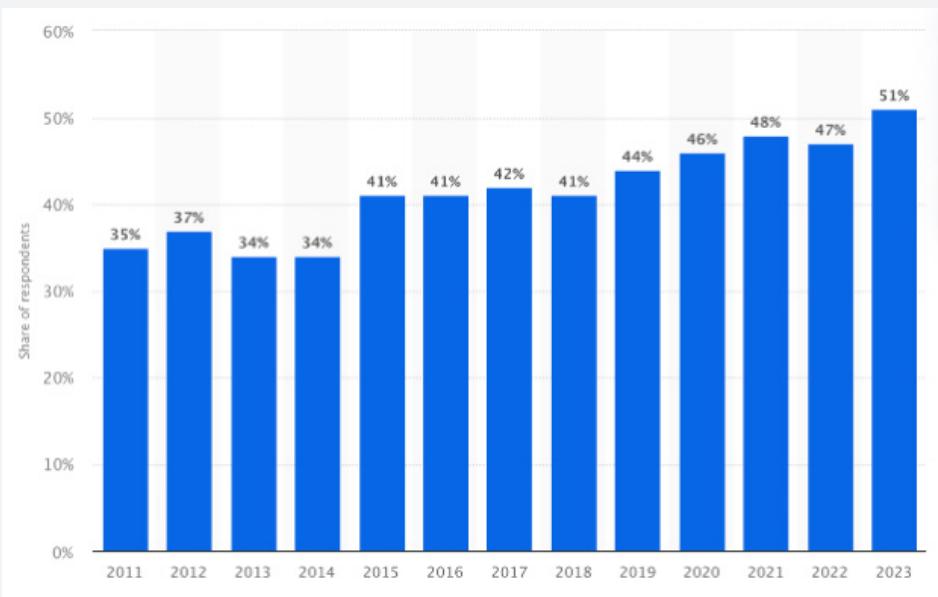
Source: Statista (2025)
Main holiday activities done by affluent consumers worldwide in the previous year as of Q4 2024

EXHIBIT 9: ECO-CONSCIOUS TOURISM IN ITALY, 2011–2024



Source: Statista (2025)

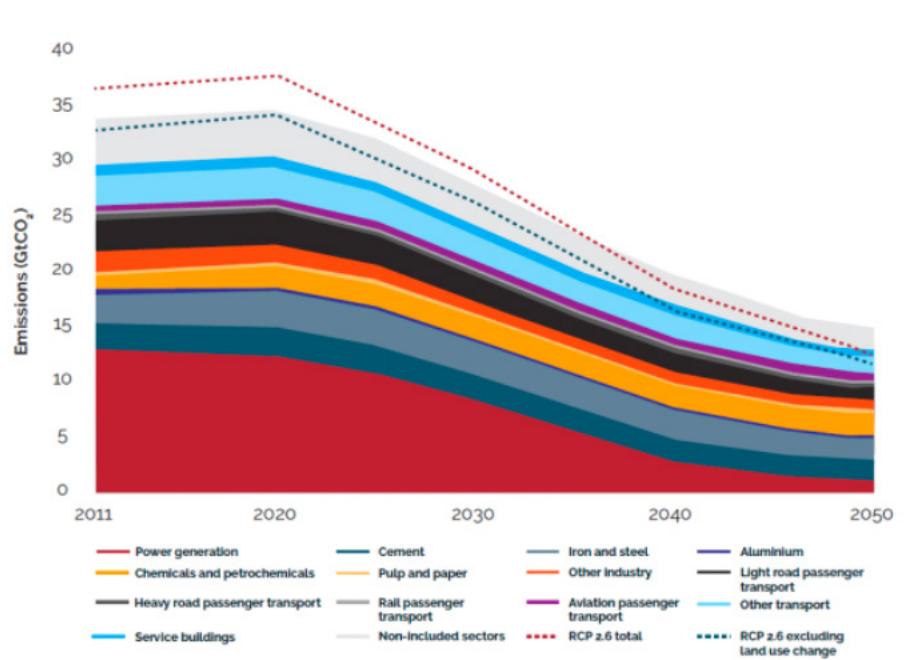
Share of Italian tourists who consider environmentally friendly aspects when planning trips from 2011 to 2024



Source: Statista (2025)

Share of tourists who consider eco-friendly tourist accommodation establishments in Italy from 2011 to 2024

EXHIBIT 10: EMISSIONS (GtCO₂) BY INDUSTRY SECTOR



Source: Hotel Global Decarbonisation Report, World Sustainable Hospitality Alliance (2017)

EXHIBIT 11: EVOLUTION OF BORGEO EGNAZIA'S BRAND IDENTITY (2010–2017)



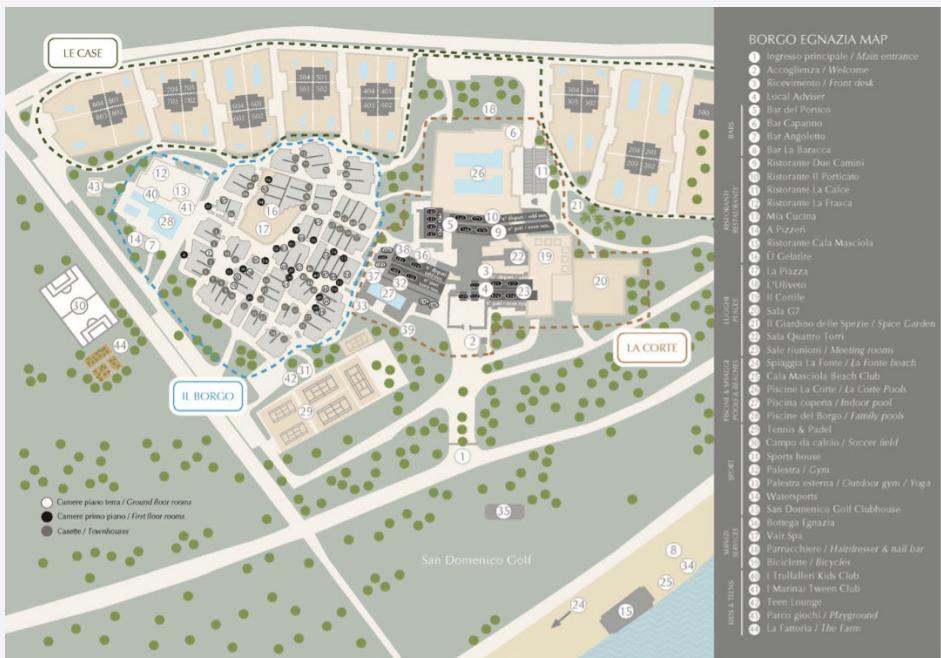
Source: Borgo Egnazia

EXHIBIT 12: LOCAL ADVISERS OF BORGO EGNAZIA



Source: Borgo Egnazia

EXHIBIT 13: BORGO EGNAZIA MAP



Source: Borgo Egnazia

EXHIBIT 14:
LA CORTE



EXHIBIT 15:
IL BORGO





EXHIBIT 16: LE CASE



EXHIBIT 17:
VAIR SPA

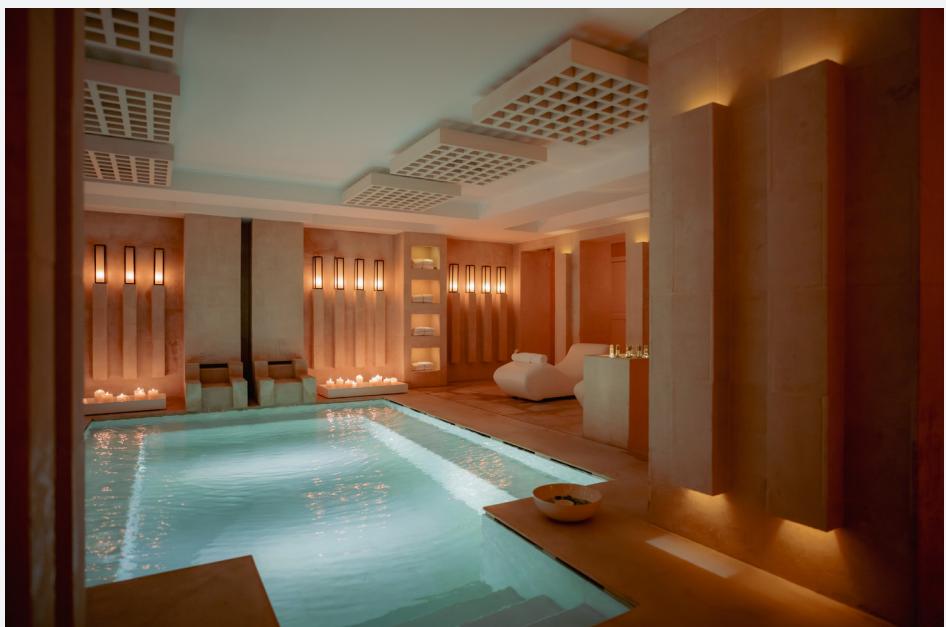


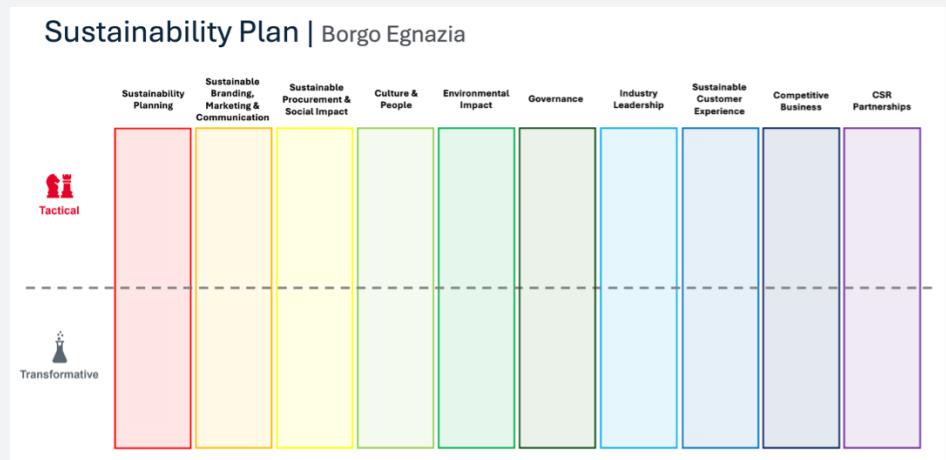
EXHIBIT 18:
**DOMINGO
SCHINGARO,
STARRED CHEF AT
BORGO EGNAZIA**



EXHIBIT 19:
**MIMINA, COOK AT
SAN DOMENICO GOLF
AND BORGO EGNAZIA**

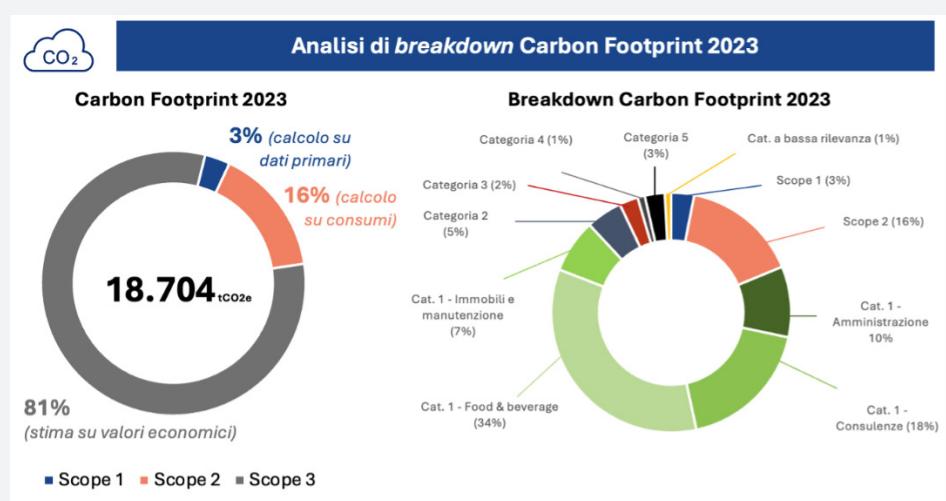


EXHIBIT 20°: BORGEO EGNAZIA'S SUSTAINABILITY PLAN



Source: Borgo Egnazia

EXHIBIT 21°: BREAKDOWN OF BORGEO EGNAZIA'S CARBON FOOTPRINT (2023)



Source: Borgo Egnazia

EXHIBIT 22°: G7 SUMMIT 2024





The G7 Summit was held in Borgo Egnazia on June 13-15, 2024

This case is for educational purposes and is not intended to illustrate either effective or ineffective management of an organisational situation. The situations and circumstances described may have been dramatised or modified for instructional purposes and may not accurately reflect actual events.

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