

CORPORATE RESPONSIBILITY

Human Rights



In general: The UN Guiding Principles on Business and Human Rights define the role of companies to respect human rights, including the labour rights of the more than 255 million people employed by the tourism industry.

KUONI HIGHLIGHT 2012

Kuoni published its Statement of Commitment on Human Rights based in part on the UN Guiding Principles in 2012. A pilot assessment on human rights impacts in Kenya resulted in **15** commitments for further action by Kuoni.

Natural Resources Management

In general: 40% of tourism-related CO₂ emissions stem from air travel.*

KUONI HIGHLIGHT 2012

Our customers in Switzerland have voluntarily offset **12 680** tonnes of CO₂ emissions via Kuoni projects in 2012. Kuoni Switzerland's own business related flights were **100%** compensated.



*Source: UNWTO-UNEP-WMO, 2008



Governance & Organisation

In general: Bank Sarasin found that sustainable specialist tour operators experienced growth of 11% in 2011, compared to the industry average of just over 1%.

KUONI HIGHLIGHT 2012

Kuoni Specialists Benelux have been Travelife certified. Kuoni Switzerland achieved TourCert sustainability certification for the second year in a row.

CORPORATE RESPONSIBILITY

Employees

*Source: Kenexa Worktrends Study, 2010



In general: Staff satisfaction is on average 50% higher in companies with a strong Corporate Responsibility culture.*

KUONI HIGHLIGHT 2012

CR is among the top 5 things employees like about working at Kuoni.

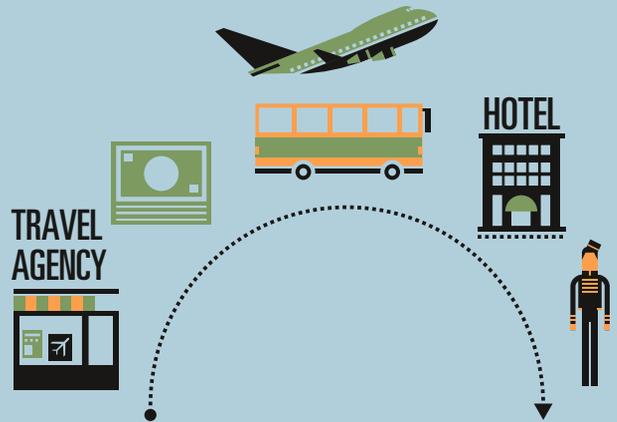
Sustainable Supply Chain

In general: 88% of CEOs believe that they should be integrating sustainability through their supply chain, but only 54% believe that this is being achieved.*

KUONI HIGHLIGHT 2012

Hotels accounting for 35% of passenger volume (Outbound Europe Division) have been audited for their social and environmental sustainability.

183 participants in sustainability-related workshops hosted by Kuoni.



*Source: UN Global Compact/Accenture, 2010

*Source: Institute of Tourism Lucerne University of Applied Sciences and Arts, 2011



In general: 22% of customers surveyed consider sustainability in their top 3 deciding factors when booking.*

KUONI HIGHLIGHT 2012

Kuoni offers 133 Travelife Sustainability System awarded hotels.

Sustainable Products

Kuoni has been striving for over ten years to enhance the positive impact of tourism on people and the environment and simultaneously minimise its negative ramifications. Kuoni and its staff are convinced that the company can make a major contribution to ensuring sustainable tourism development within its scope and the resources at its disposal. In all its actions and activities, Kuoni strives to serve as a good corporate citizen who pays due and full regard to the current and the future economic, social and environmental impact of its business operations. In doing so, Kuoni applies its sustainability goals and criteria to all forms of tourism, including the mass tourism market, the premium tourism segment and the various niche sectors.

On the basis of the CR strategy, which has been approved by the Board of Directors for 2012-2014, a formal CR risk assessment and the subsequent definition of the materiality matrix, the focus issues for corporate responsibility within the Kuoni Group are: governance & organisation, employee engagement, sustainable supply chain, sustainable products, human rights and natural resources management.

■ STAKEHOLDER MANAGEMENT

Kuoni believes that active and constructive dialogue with stakeholder groups is crucial. It's about seeing our business from another perspective. Listening to our stakeholders helps us to adapt our CR strategy to society's needs, calculate risk and envision opportunities. At the same time, it gives the company the chance to integrate valuable feedback about current progress towards a more sustainable tourism.

For example, our stakeholder engagement has helped to steer our strategy on water resources management. In 2010 Kuoni organised a stakeholder dialogue on the topic of "Fresh Water and Tourism" with more than 30 representatives and experts working for external organisations. As a result of this dialogue and a subsequent water scarcity analysis, four working streams on **water management** → were elaborated to be applied in 2012 initially in Egypt and Kenya.

■ ABOUT THIS CHAPTER

At Kuoni we aim to keep our stakeholders and interested parties informed on how we address and improve the sustainability of our business. With this chapter, we seek to inform our stakeholders (namely, our employees, customers, shareholders and investors, suppliers, the media and the public) about the approach Kuoni takes toward its core corporate responsibility focus areas. We also highlight new CR projects and key performance indicators. Extensive information on the many on-going core projects not featured here may be found online at www.kuoni.com/corporate_responsibility.

More information on the governance, organisation and strategy development of corporate responsibility at Kuoni can be found on kuoni.com (Quick Search 12132)

→ WATER MANAGEMENT PRIORITIES

Four key areas for approaching water resource management have been identified, namely standards for the supply chain, customer awareness, technological solutions, and water footprinting.

In 2012, five key hoteliers committed to gauge current water consumption and implement water saving technologies in collaboration with Kuoni. A best-practice manual based on this project is expected to be published in early 2013. Read more on kuoni.com (Quick Search 12133)

■ CHRISTMAS CAMPAIGN 2012

Kuoni colleagues around the world came together to donate CHF 19 100 to Save the Children's Emergency Relief Fund. Read more on [kuoni.com](#) (Quick Search 12134).

More on employee engagement on [kuoni.com](#) (Quick Search 12135)

→ TRAVELIFE

In 2012 Kuoni hosted a sustainability conference in collaboration with the UK charity Travel Foundation for hotel partners in Gran Canaria. The goal of the conference was to foster awareness of sustainability issues and the Travelife Sustainability System certification, encourage subscription to Travelife and higher commitment to sustainable hotel management.

■ EMPLOYEE ENGAGEMENT

A recent study found that 75% of employees who believe that their company is focused on sustainability show high levels of commitment (Business in the Community, 2011). Moreover, Kuoni's 2012 employee survey (EMPOWER) revealed that our corporate responsibility initiatives were among the top 5 things employees like about working at the company. Kuoni also understands that its employees are an invaluable partner in reinforcing its sustainability strategy with suppliers and customers. Therefore, we focus on training, awareness building and open dialogue to ensure that everyone in the company has a shared vision of CR at Kuoni.

For example, each year Kuoni organises a Corporate Responsibility Day where all business units and subsidiaries throughout the world organise activities to learn about different sustainability issues. CR Day 2012 under the slogan "Climate Changes, You can too" focused on awareness-raising on the possible repercussions of climate change and how employees can reduce their impact on the climate.

■ SUSTAINABLE SUPPLY CHAIN

Kuoni aims to make its entire supply chain more sustainable in the long term. We place great emphasis on each link in the chain by involving a wide range of stakeholders, including our internal procurement & production departments, external certification schemes for sustainable tourism, hotel and other industry partners, NGOs and international organisations. We train our procurement department to prioritise sustainability, monitor key suppliers with reference to our Supplier Code of Conduct, and support certification schemes for hotels in our catalogues, such as the [Travelife](#) → Sustainability System.

Kuoni continually engages in building the capacity of our most important suppliers in key destinations on a variety of topics, including human rights and labour conditions, child protection and environmental management.

More on supply chain management on [kuoni.com](#) (Quick Search 12136)

■ SUSTAINABLE PRODUCTS

At Kuoni we aim to deliver an exceptional customer experience, to provide our customers with their “Perfect Moment” while on holiday. And we are committed to seeing the relationship with customers move toward a more sustainable tourism - because they demand it. We have thus developed tailored, sustainable travel packages for our product line ananea - including the world’s first Fair Trade certified holiday. But we also understand that our customers expect all of our travel packages to be built on solid sustainable foundations. That is why our work on sustainable supply chains is of such import.

Read more about sustainable products on [kuoni.com](#) (Quick Search 12137)

■ HUMAN RIGHTS

With the publication of Kuoni’s Statement of Commitment on Human Rights in early 2012, Kuoni has cemented a more comprehensive approach to human rights in its business. The Statement of Commitment, which was developed through consultations with internal and external stakeholders and is endorsed by the Group Executive Board, prioritises implementation efforts in aspects of operations over which Kuoni has greater degrees of control and influence. These are respect for labour rights, respect and promotion of the rights of the child, and due diligence in regards to human rights within our business operations.

→ KENYA REPORT

The report transparently explains the assessment process Kuoni adopted and reveals the 15 commitments to mitigation measures the company has pledged. [Read it on kuoni.com](#) (Quick Search: 12138)

As part of its commitment to due diligence, Kuoni has assessed the human rights risks and impacts arising from Kuoni’s operations and business relationships in [Kenya](#) →. In addition we have furthered our engagement with The Code of Conduct for the [Protection of Children](#) → from Sexual Exploitation in Travel and Tourism (the Code) through workshops, trainings and lobbying.

→ CHILD PROTECTION

Last December the unit Outbound Nordic sat down with 65 hotel managers in Thailand to encourage their commitment on protecting children from sexual exploitation in the tourism industry. [Read more on kuoni.com](#) (Quick Search: 12139)

→ BIODIVERSITY

The 2012 Living Planet Index, which reflects the overall health of our planet's biodiversity, shows around a 30% global decline in animal populations since 1970. Read about how Kuoni in collaboration with the International Union for Conservation of Nature (IUCN) is protecting biodiversity by helping conservationists bring their ecotourism products to market (kuoni.com Quick Search: 12140)

→ MITIGATING CLIMATE CHANGE

Kuoni measures and reduces its own carbon footprint. In 2012, all business units under the division Outbound Europe as well as tour operating units in China and India were included in the company's carbon footprint. (See performance index on next page.)

■ NATURAL RESOURCES MANAGEMENT

What would a diving holiday be without coral reefs? Or imagine a safari without wildlife. Kuoni is fully aware that its product is inextricably linked to the quality of the rich natural resources and unique landscapes at the destinations. Therefore, enhancing the positive effects of its business on the environment while minimising any negative impacts is of paramount importance. Kuoni is committed to safeguard **biological diversity** →, reduce freshwater consumption and mitigate and foster resilience to **climate change** → at the destinations.

We work closely with key suppliers to improve their environmental management systems, collaborate with international NGOs to develop more environmentally-friendly products, and offer our customers opportunities to reduce their environmental impact while on holiday.

This is the fifth official communication on CR of the Kuoni Group, the last version of which was published for the 2011 annual reporting period. All Corporate Responsibility reporting, key performance indicators and online content are based on the latest internationally recognised guidelines of the Global Reporting Initiative (GRI-G3).

	2012	2011
Employees		
% of management positions held by women	39.8	37.5
Number of women in the Board of Directors, out of 8 members	1	1
% of employees who believe that "Kuoni is strongly involved in Corporate Responsibility"	65	n/a
% of employees having participated in the employee survey	78	n/a
Average engagement score of all Kuoni Group employees, i.e. % of employees "satisfied in their job"	56	n/a
% of employees that understand the company's Code of Conduct	84	n/a
Sustainable supply chain		
% of direct contracts with hotels of the Outbound Europe division containing the Supplier Code of Conduct	>90	>90
% of direct contracts with hotels of Destination Management Specialists containing the Supplier Code of Conduct	>80	>50
% of new direct contracts with hotels of the Global Travel Services division containing the Supplier Code of Conduct	100	0
Number of reported cases of non-compliance to Supplier Code of Conduct	1	0
% of passenger volume (Outbound Europe Division) overnighing in hotels monitored for their social and environmental sustainability	35	n/a
% of these checked hotels which are awarded by a recognised sustainability label	33	n/a
Number of employees of hotels and service providers trained in sustainability workshops	183	35
Sustainable products		
% of guests staying in a sustainable hotel (certified through recognised label, Outbound Europe Division)	6	5
Total number of Travelife awarded hotels offered by Kuoni	133	90
Number of Volunteering Travel packages offered by Kuoni Switzerland	15	21
Human rights		
Number of people trained in child protection issues worldwide	65	86
Number of human-rights-related standards in the Supplier Code of Conduct	13	13
Number of children supported through projects at destinations	3560	1546
Number of graduates from the hospitality programme in our project in Myanmar	11	4

All information on this page is also available on kuoni.com, tables are available as excel downloads. (Quick Search: 12141)

	2012	2011
Natural resources management		
Tonnes of waste recycled through the award winning myclimate project in Bali	9920	16300
CO ₂ compensated by Kuoni's customers in Switzerland, in thousand metric tonnes	12.7	10.4
Energy consumption at the Kuoni Headquarters (in MWh / full-time employee)	6.8	6.2
Energy consumption for Outbound Nordic, Switzerland, France, India and UK, in GJ	40114	45882
CO ₂ emissions due to energy consumption for Outbound Nordic, Switzerland, France, India and UK, in thousand metric tonnes	2.9	3.4
CO ₂ emissions due to business travel for Outbound Nordic, Switzerland, France, India and UK, in thousand metric tonnes	5.4	5.2
% of CO ₂ emissions due to business travel that have been compensated through myclimate and GreenSeat	67.6	100
Office paper consumption for Outbound Nordic, Switzerland, France, India and UK, in tonnes	154.9	188.3
% of recycled office paper purchased at Outbound Nordic, Switzerland, France, India and UK	14	39
Catalogue consumption for Outbound Nordic, Switzerland and UK, in kg / PAX	1.1	1.8
Total carbon footprint of Novair, in thousand metric tonnes CO ₂ -eq.	312.3	314.7
CO ₂ emissions per revenue passenger-kilometre for Novair, in grammes	67.7	70.4
Governance & organisation		
% of Kuoni's procurement employees of the Outbound Europe division trained in sustainability issues	>50	>90
% of Kuoni's procurement employees of Destination Management Specialists trained in sustainability issues	>25	>25
% of Kuoni's procurement employees of the Global Travel Services division trained in sustainability issues	>90	0
Number of meetings of the sustainable procurement working group of the Outbound Europe division (sustainability and procurement experts)	3	3