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## **Communication on Progress**

**Year: January- December, 2014**

### **STATEMENT OF CONTINUED SUPPORT**

In May 2007, Serena Hotels Pakistan established a comprehensive corporate social responsibility (CSR) initiative titled, Serena Environmental and Educational Development (SEED) programme.

Serena Hotels Pakistan continues to strive to create sustainable impact through its Social, Environmental and Education Development Program (SEED) for the local communities where its units are located and, as a result, on the economy as a whole.

The SEED programme has reached to a maturity stage where we would like to link this with UNGC and will continue reporting on annual basis.

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FEBRUARY , 2015, DR. MOIN UDDIN,  
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**Brief description of nature of business**

TPS – P is a subsidiary company of Aga Khan Fund for Economic Development. Serena Hotels provides hospitality and tourism promotion services to some of the most demanding areas in different parts of Pakistan.

Serena Hotels builds hotel capacity in underserved regions. Serena Hotels hold their presence in East Africa, Pakistan, Afghanistan and Tajikistan. As part of AKFED's development ethos, Serena is both a commercial enterprise and a development project. All Serena Hotels are designed to be engines of economic growth through local employment and the development of human resources, sourcing and the generation of tax revenues. From its beginnings, Serena has also stressed cultural and environmental sensitivity, for which it has received a number of awards.

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| <b>PRINCIPLE 1</b> | <b>BUSINESS SHOULD SUPPORT AND RESPECT THE PROTECTION OF INTERNATIONALLY PROCLAIMED HUMAN RIGHTS</b>   |
| <b>Actions</b>     | <p><b>Actions taken</b></p> <p>The company support human rights of its employees as well as stakeholders attached to its value chain.</p> <ul style="list-style-type: none"> <li>• HSE department in place to provide healthy environment to employees as well as to customers</li> <li>• OHSAS 18001 certified to ensure safety of employees</li> <li>• Strong human resource policies to protect human rights</li> </ul> |
|                    | <p><b>Measurement of (expected) outcomes and value added for our company</b></p> <ul style="list-style-type: none"> <li>• Ensure</li> <li>• Strong reporting mechanism</li> <li>• Strong community linkage and participation</li> </ul>  |

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| <b>PRINCIPLE 2</b> |  | <b>BUSINESS SHOULD ENSURE THAT THEY ARE NOT COMPLICIT IN HUMAN RIGHTS ABUSES</b> |
| <b>Actions</b>     | <b>Actions taken</b>   |  |
|                    | <ul style="list-style-type: none"> <li>• The company has zero tolerance for any human right abuses.</li> <li>• Strong human resource policies are in place to protect human rights in the company</li> </ul> |  |
| <b>Outcomes</b>    | <b>Measurement of (expected) outcomes and value added for our company</b>  |  |
|                    | <ul style="list-style-type: none"> <li>• Strong human resource department</li> <li>• Compliance with local laws where the company units operate</li> </ul>   |  |

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| <b>PRINCIPLE 3</b> | <b>BUSINESS SHOULD UPHOLD THE FREEDOM OF ASSOCIATION AND THE EFFECTIVE RECOGNITION OF THE RIGHT TO COLLECTIVE BARGAINING</b>  |
| <b>Actions</b>     | <b>Actions taken</b> <ul style="list-style-type: none"> <li>➤ Our Company has successfully concluded the Union Agreements for 2 – 3 years at Swat Serena, Faisalabad Serena, Gilgit Serena &amp; Quetta Serena Hotel.</li> <li>➤ Collective Bargaining Agents are free to hold meetings in their respective Units.</li> <li>➤ Management facilitate Collective Bargaining Agents to hold these meetings and provide them enabling environment to interact with Associates.</li> </ul> |
|                    | <b>Measurement of (expected) outcomes and value added for our company</b> <ul style="list-style-type: none"> <li>➤ Peaceful Working Environment</li> <li>➤ Respect at Work Place</li> <li>➤ Enhanced Productivity &amp; Morale of Associates</li> </ul>   |

| PRINCIPLE 4 |   | BUSINESS SHOULD SUPPORT THE ELIMINATION OF ALL FORMS OF FORCED AND COMPULSORY LABOUR |
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| Actions     | Actions taken   |  |
|             | <ul style="list-style-type: none"> <li>➤ Serena Hotels strongly believes it has the responsibility to engage in employment practice that meets the highest legal and ethical standards.</li> <li>➤ Company's Recruitment &amp; Selection Policy is designed and executed to ensure eliminations of all kinds of Force and Compulsory Labour.</li> <li>➤ It further encourage its Vendors who provide allied services to have a complete compliance with laws to discourage Force and Compulsory Labour</li> </ul> |  |
| Outcomes    | Measurement of (expected) outcomes and value added for our company  |  |
|             | <ul style="list-style-type: none"> <li>➤ Full Compliance with Labour Law</li> <li>➤ Socially Responsible Company</li> <li>➤ Company's better image and reput</li> </ul>   |  |

| PRINCIPLE 5 |  | BUSINESS SHOULD SUPPORT THE EFFECTIVE ABOLITION OF CHILD LABOUR |  |
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| Actions     | Actions taken  |   |  |
|             | <ul style="list-style-type: none"><li>➤ Company comply with all relevant and applicable labour laws related to Child Labour. Furthermore, the Company will not employ any person less than 18 years of age or deemed by law to be a child in any capacity in any hotel under its control.</li><li>➤ As a good Corporate Organization, the Company is committed to the principles of protecting children from child labour exploitation.</li><li>➤ Company's Recruitment &amp; Selection Policy does not allow the hiring of people under 18 years of age.</li><li>➤ Company has ensured that staff deployment through third party must follow the Company's policy of hiring associates above 18 years of age.</li></ul> |   |  |
| Outcomes    | Measurement of (expected) outcomes and value added for our company   |   |  |
|             | <ul style="list-style-type: none"><li>➤ Improved Company's image and reputation</li><li>➤ Helped to make sure Company have educated and capable workforce for the long-term</li><li>➤ Free from Child Labour</li><li>➤ Socially Responsible Company</li></ul>  |   |  |

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| <b>PRINCIPLE 6</b> |   | <b>BUSINESS SHOULD SUPPORT THE ELIMINATION OF DISCRIMINATION IN RESPECT OF EMPLOYMENT AND OCCUPATION</b>  |
| <b>Actions</b>     | <b>Actions taken</b>  |   |
|                    |   | <ul style="list-style-type: none"> <li>➤ Serena Hotels recognizes that to stay at the forefront of the ever-evolving world, it is critical to open the doors of opportunity for all. Talent is not defined by an individual's race or religion, colour or sex, age or national origin, and Company is committed to identify and recruit the best talented Associates.</li> <li>➤ Company is committed to provide equal opportunity of employment and to the implementation of positive procedures designed to ensure the prevention of any discriminatory practices, either intentional or inadvertent, with respect to race, colour, religion, national or ethnic origin, disability, veteran status, age or sex.</li> </ul> |
| <b>Outcomes</b>    | <b>Measurement of (expected) outcomes and value added for our company</b> |   |
|                    |   | <ul style="list-style-type: none"> <li>➤ Diversity at Work Place</li> <li>➤ Well respected by the Associates</li> <li>➤ Enhanced Company Image</li> </ul>   |



| PRINCIPLE 7 | BUSINESS SHOULD SUPPORT A PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHALLENGES   |
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| Actions     | <p><b>Actions taken</b></p> <ul style="list-style-type: none"> <li>• Celebration of all International day related to environment</li> <li>• Training</li> </ul> <p><b><u>World Earth Day</u></b><br/>Faisalabad Serena Hotel celebrated World Earth Day by organizing an awareness walk followed by a waste collection drive and were holding placards displayingh messages to promote cleanliness and green environment were also displayed.<br/>Quetta Serena Hotel in collaboration with the Council of Japan and Tanzeem Idara Bahali-e-Mustehqeen organized a seminar on the importance of Environment and its impact. A similar activity was conducted by Islamabad Serena Hotel, associates of ISH participated in a park clean up activity.<br/>Swat Sercna Hotel under its SEED programme in collaboration with City School Pakistan and Smart School System organized a seminar on World Earth Day. About 40 students along with teachers participated in the event.</p> <p><b><u>World Environment Day at Islamabad Serena Hotel</u></b><br/>Islamabad Serena Hotel organized an event in collaboration with Climate Control Division, UN- Habitat, UNICEF, PAIDAR and Chevron on the World Environment Day. This year theme was “Raise your Voice, Not the Sea Levels”. 13 Government schools participated with almost 200 students where they presented tableaux and models made on this year’s theme.<br/>Gilgit Serena Hotel in collaboration with GB Forest, Wildlife and Environment Department, ICIMOD and WWF-Pakistan organized an environmental awareness activity. Students and teachers from different schools of Gilgit and Naltar, Conservation Committee members, government officials, representatives of NGOs and media attended the activity. A group of panel speakers emphasized on the importance of clean environment and discouraged use of polythene bags. Cloth bags were also distributed among the participants.</p> <p><b><u>ACCA WWF Pakistan Green Economy Forum 2014</u></b><br/>Serena Hotels Pakistan from TPSP platform participated as panelist in Green Economy Forum 2014 which was held at Islamabad Serena Hotels. Green Economy forum has played a pivotal role in raising awareness of the benefits of sustainable business practice in the country. It also hosts high profile awards acknowledging best practices in environmental, social and sustainability reporting.</p> |
| Outcomes    | <p><b>Measurement of (expected) outcomes and value added for our company</b></p> <ul style="list-style-type: none"> <li>• healthier work environment</li> <li>• Creating awareness among employees and communities about environment</li> <li>• Promoting responsible tourism</li> </ul>   |

| PRINCIPLE 8 | BUSINESS SHOULD UNDERTAKE INITIATIVES TO PROMOTE GREATER ENVIRONMENTAL RESPONSIBILITY  |
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| Actions     | <p><b>Actions taken</b></p> <ul style="list-style-type: none"> <li>• Annual Plantation Activity with local governments in Pakistan</li> <li>• </li> </ul> <p><b><u>World Forest Day</u></b><br/>Swat Serena Hotel in collaboration with Kohisaar School conducted a tree plantation activity. The purpose was to involve children to create awareness about trees and their vital role in environment. A similar activity was carried out by Islamabad Serena Hotel in collaboration with Capital Development Authority , tree saplings were planted in the PSO Park, adjacent to Islamabad Serena Hotel and was participated by the General Manager and associates.</p> <p><b><u>World Tourism Day</u></b><br/>Swat Serena Hotel celebrated World Tourism Day by organizing an exhibition of local handicrafts. The purpose was to promote local arts &amp; crafts and also to provide local artisans market linkage by displaying their work.<br/>An activity was organized at Quetta Serena Hotel, Paintings of Mr. Arfeen a student of local university who volunteered his work were displayed to celebrate World Tourism Day with emphasis on tourism and environment.<br/>Gilgit Serena Hotel in partnership with UNWTO also celebrated World Tourism Day at Attabad Lake, Hunza. Member from Gojal district, rescue team 1122, boat operators, transporters and students of local school attended the event. A session was organized with a purpose to create awareness and to emphasize on the importance of clean environment amongst the local community.</p> |
|             | <p><b>Measurement of (expected) outcomes and value added for our company</b></p> <ul style="list-style-type: none"> <li>• Awareness among employees about environment</li> <li>• Environment Excellence Award Recipient from last 6 years</li> <li>• Donation of newspaper for reuse</li> </ul>  |

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| PRINCIPLE 9 |  | BUSINESS SHOULD ENCOURAGE THE DEVELOPMENT AND<br>DIFFUSION OF ENVIRONMENTALLY FRIENDLY<br>TECHNOLOGIES |  |
| Actions     | Actions taken  |  |  |
|             | <ul style="list-style-type: none"><li>• Switched from energy savers to LED lights</li><li>• Reduced use of paper by using online options</li></ul> |  |  |
| Outcomes    | Measurement of (expected) outcomes and value added for our company   |  |  |
|             | <ul style="list-style-type: none"><li>• Reduced energy consumption and reduced carbon footprints</li><li>• </li></ul>                              |  |  |

| PRINCIPLE 10 |   | BUSINESS SHOULD WORK AGAINST CORRUPTION IN ALL ITS FORMS, INCLUDING EXTORTION AND BRIBERY |
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| Actions      | Actions taken   |   |
|              | <ul style="list-style-type: none"> <li>➤ Company has very strong Code of Conduct against all forms of Corruption including Extortion and Bribery.</li> <li>➤ Company has zero tolerance against illegal gratification in any manner or form &amp; Associates involved in such activities shall be liable to disciplinary action.</li> </ul> |   |
| Outcomes     | Measurement of (expected) outcomes and value added for our company  |   |
|              | <ul style="list-style-type: none"> <li>➤ Strong Core Value System</li> <li>➤ Strong Image in the Community</li> <li>➤ Honest Work Force</li> </ul>  |   |

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| How do you intend to make this COP available to your stakeholders? |
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