

# PROGRESS OF UNITED NATIONS GLOBAL COMPACT PRINCIPLES

*NOVEMBER 2015*

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# MESSAGE FROM THE PRESIDENT



*On November 15th 2012, InterCruises Shoreside & Port Services became a member of the United Nations Global Compact (UNGC) and committed to integrating the principles of UNGC within the business' strategy and day to day operations.*

*We are pleased to confirm our continued support for the Global Compact and renew our ongoing commitment to the initiative and its principles with respect to human rights, labour, environment and anti-corruption. Our mission and values reflect this and help us achieve our goals, aiming to reconcile economic growth with environmental and social responsibility.*

*This document, our second annual Communication on Progress, describes InterCruises efforts to achieve this. InterCruises is making a clear statement of this commitment with stakeholders and the general public using our primary channels of communication.*

*During this year, InterCruises has successfully achieved the re-certification of the Quality Management System (ISO 9001:2008) and the Environmental Management System (ISO 14001:2004) for Barcelona Operations and Head Office. Besides, following the principles of continual improvement we have widened our Quality Management System accreditation scope by adding the Passenger Service operating in Palma de Mallorca to our 9001:2008 certifications.*

*As part of our key initiatives, InterCruises has strengthen its commitment towards Sustainability Strategy and all projects related to that.*

*We will continue to work towards furthering our commitment to the Global Compact principles by reviewing our progress and challenging ourselves to constantly improve.*

*InterCruises is proud to be a member of the UNGC and we look forward to developing our business in line with the UNGC principles.*

*Yours sincerely,*

Mark Robinson  
President  
InterCruises Shoreside & Port Services

# UNITED NATIONS GLOBAL COMPACT

HUMAN  
RIGHTS

LABOUR

ENVIRONMENT

ANTI-  
CORRUPTION

The second Intercruises Communication on Progress will focus on the achievements in the four areas of the Global Compact Principles: **HUMAN RIGHTS**, **LABOUR**, **ENVIRONMENT** and **ANTI-CORRUPTION**.



# HUMAN RIGHTS



- Principle 1: Business should support and respect the protection of internationally proclaimed human rights; and
- Principle 2: make sure that they are not complicit in human rights abuses.

Intercruises as part of TUI Group professes its regards and observance of human rights, respecting the personal dignity, the private sphere and the personal rights of each individual. Not tolerating any kind of discrimination on the basis of nationality, gender, race, skin, colour, disability, origin, religion, ideology, age or sexuality, neither child labour and degrading working conditions.

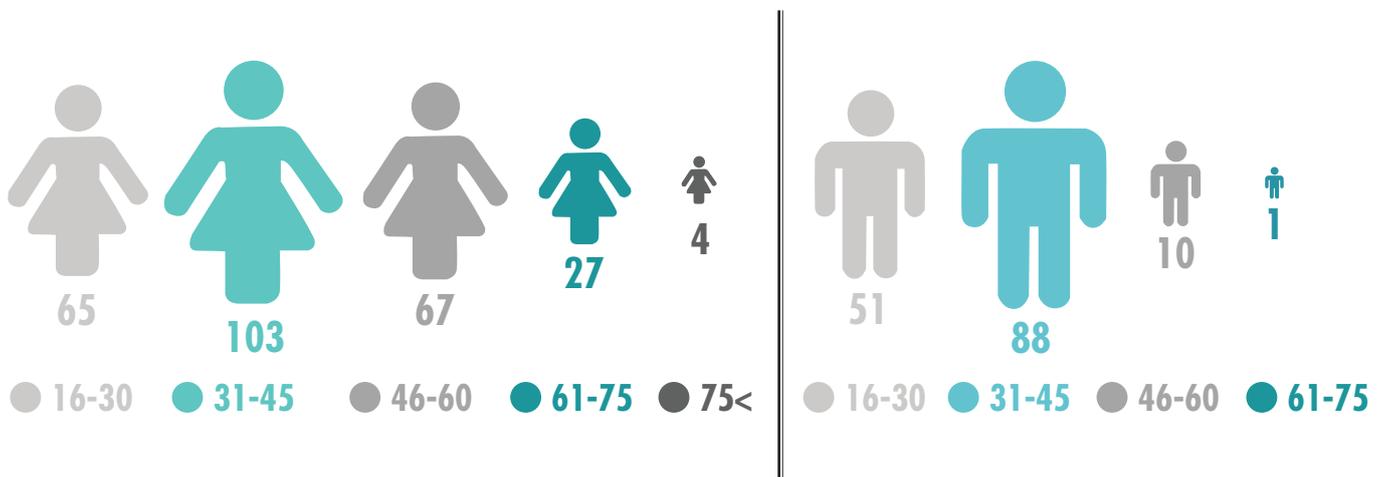


Fig1: Age and gender of Intercruises employees

As a global enterprise, Intercruises aims to establish as diverse and international work-force as possible. Different nationalities are represented in top management roles. We will keep encouraging this diversity at other management levels, too.

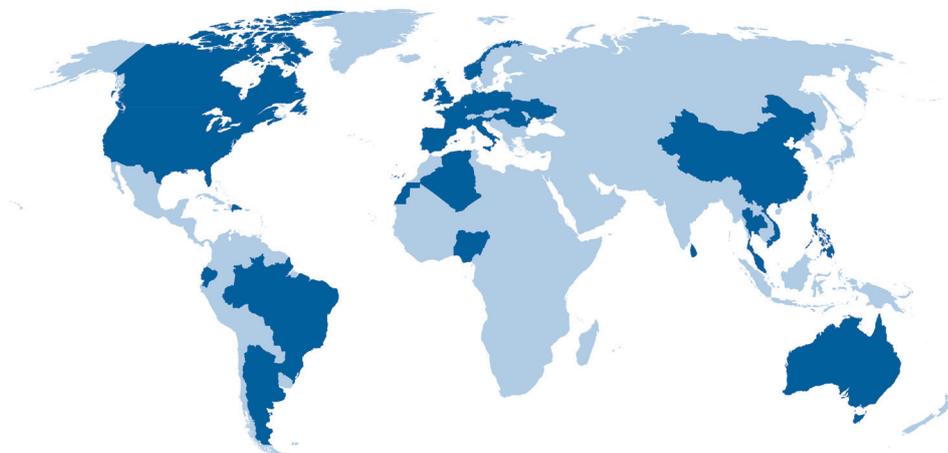


Fig2: Intercruises employees nationalities

# HUMAN RIGHTS

## HUMAN RIGHTS

In regards to Human Rights, Intercruises acknowledge the group **Code of Conduct Policy**, supporting this code by providing any necessary information available, amongst others, in the intranet website. Depending on the country, there are different reporting procedures in place to address any kind of discrimination case, whether contacting management responsible or using other ways of communication. If any discrimination case arise that cannot be solved with immediate line management or Human Resources representative, employees are able to report it using the employee **confidential hotline**, a reporting channel (by phone or online) to help employees state any concern without revealing their identity to the people they work with. Compliance professionals will assess any report and investigate them as necessary.

Apart from promoting the code of conduct, we endeavour to engage our stakeholders on issues around responsible

practices in order to promote justice and equity across our global community and protect vulnerable societies.

Likewise, suppliers shall comply with the **Suppliers Code of Conduct**. This code of conduct sets out the minimum standards expected from each supplier when working on our behalf. Suppliers are expected to uphold our principles by adopting accessible clear policies and procedures to respect human rights and child protection.

Overall, with this report, we support the United Nations Global Compact. Our daily business is based on the ten principles of the global compact.

The fulfilment of the commitments arising from these codes and principles allow us to create shared values with our stakeholders and act together in countries which we operate.



## WE SUPPORT

# LABOUR STANDARDS

## LABOUR

- Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4: the elimination of all forms of forced and compulsory labour;
- Principle 5: the effective abolition of child labour; and
- Principle 6: the elimination of discrimination in respect of employment and occupation.

Labour and human rights actions go hand in hand. InterCruises is in line with the labour principles and the national and international regulations.

In regards to the 3rd principle of the United Nations Global Compact, trade union membership, collective labour negotiations and representation of members by trade unions is not hindered at InterCruises. The unionisation is free and workers' representatives can be company's employees joined to a union or a group of independent employees.

InterCruises is compliant with the sector collective labour condition negotiation structure that applies in each country, depending on national law for the Travel Agencies sector.

All employees have a written and fair employment contract, including labour conditions and description of duties, except of those contracts of less than seven days duration. The organizational chart is always available and constantly updated.

Employees are free to enter employment and can leave their position when they choose without penalty in accordance with contract and subject to a notice period.

The company pays employees at least a living wage which is equal to or above the legal minimum established by the government of each destination. Travel agency employees are evaluated according to professional level, based on the criteria of responsibility and range of skills. Overtime is given back as lieu, unless specific conditions related to overtime have been agreed by the employee and written into their signed contract of employment.

Based on national law, employees have the right to a fixed yearly paid holiday, which is in compliant with legal requirements. As well, employees are entitled to pay sick leave.

In addition to salary, depending on the country, additional benefits such as discounts or other offers on specific products or services are provided, including the profit sharing schemes such as the retribution per objective within the PDU tool.

The PDU (Personal Development Update) tool helps keep employees on track with their objectives. The PDU is the business appraisal performance review that is used to evaluate professional performance and development. This helps employees and managers set yearly objectives and define how those will be achieved, while reviewing them regularly. The PDU principal include:

- Defining objectives and determines what support may be needed to achieve them
- Performance feedback
- Bonus
- Succession planning
- Career progression
- Salary
- Personal and professional development

Depending on the financial and personal objective results measured in the PDU, permanent employees are entitled to retribution per objective.

# LABOUR STANDARDS

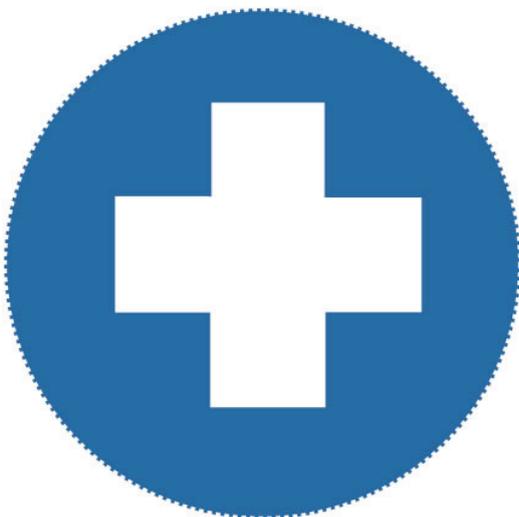
LABOUR

The career plan of Inter cruises employees is not only drawn by the PDU. The company ensures at all levels of responsibility, the staff competencies and personal development of its employees by equally offering resources and opportunities for personal development through regular training, workshops and education. The learning and development plan for Inter cruises employees is built according to the specific training needs identified. Workshops, operational and other training, are organized during the year as required.

Training includes various topics including: leadership development trainings, project management, marketing and selling skills, communication and influencing, interpersonal skills, personal effectiveness, planning skills, finance, languages, human resources amongst others. These are carried out during working hours.

All staff members have the opportunity to receive periodic guidance and training regarding their role, rights and responsibilities while trained and educated on the nature of the work, for example, by job shadowing.

When necessary, employees are trained regarding health and safety issues educating them on preventive behavior. This includes: fire and relevant natural disasters (earthquake, floods) and other health and safety training. This year, a first aid training program for Barcelona office employees was organized.



Employee development is possible vertically and horizontally. Employees can obtain more knowledge, skills and competence as well as work in a more complex, systematic, strategic and interdependent way.

Employees are evaluated on their individual attributes, skills and capabilities, rather than on stereotypes, prejudice or assumptions. Inter cruises as an employer has the primary obligation to make sure the workplace is free from discrimination and harassment, human rights are respected and provide equal opportunities.

“Every person” has the right to equal treatment in employment without discrimination because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, sexual orientation, disability, age, marital status, family status and record of offences.

The right to “equal treatment with respect to employment” protects individuals in all aspects of employment, including applying for a job, recruitment, training, transfers, promotions, terms of apprenticeship, dismissals, layoffs and terminations.

The group Code of Conduct, mentioned in Human Rights section, lays down minimum standards and contains suggestions of how all employees can work together. The code is intended to help in overcoming ethical and legal challenges in day-to-day work life and to provide an orientation for dealing with conflict situations. The group “Code of conduct on close personal relationships” is also intended to ensure that any situation that could give rise to a conflict of interest between close personal relationships is managed appropriately in the interest of both the business and employees are protected.

We work towards attracting, recruiting, promoting and keeping the best employees, maximizing the potential and performance of those, while minimizing employee frustration, stress and turnover, increasing employee loyalty. We are building and maintaining our reputation of being a fair employer.

Inter cruises job offers and interviews are non-discriminatory and HR staff trained on non-discriminatory recruiting practices. Traineeships and internships are offered to students in order to give them the opportunity to gain experience in the business while obtains university credits.

# LABOUR STANDARDS

## LABOUR

According to law, Intercruises where technically and financially viable, will have access for people with special needs in office buildings and other premises.

Due to the international nature of Intercruises business, employees can opt-in for international job positions. The contract of employees is diverse and international.

The company has an effective procedure where employees may raise grievances. Appropriate and timely follow up procedures are in place. This is the case of the **hotline**, explained in more detail in the *Anti-Corruption section*.

In some destinations, a "Tickets" system for doubts or complaints to RRHH is in place, where employees can contact directly with questions regarding benefits and salary, amongst other topics. In destinations where the ticketing system is not available, employees are able to contact their Human Resources representative directly.

A **guide for non-sexist language** was also created in order to ensure communications are non-discriminatory. Currently only available in Spanish.

Salaries are reviewed constantly to ensure fairness, transparency and consistency across the organization.

Employees may change some of their compensation and benefits of working for the flexibility to be able to reconcile work, family and personal life. The family of our employees have become a new stakeholder of the company. Although business is not directly responsible, businesses contribute significantly to this unit.

Part of Intercruises culture is to ensure a work-life balance with some initiatives in place in order to promote the well-being of its workers. Some of the measures include:

- Schemes for pregnancy, maternity and paternity leave for all employees depending on National law.
- Flexible working hours or part-time employment. For

example, to support family obligations or temporary leave.  
- Additional holidays to the statutory paid leave per annum through salary reductions where operationally possible.

Employee satisfaction is regularly measured and suggestions are taken into account through internal surveys.

Intercruises is committed to the group **Child Protection Policy**, where we state our commitment to condemn the exploitation of children, a fundamental abuse of child's human rights. We commit to maintain high standards of professional conduct.

For that reason, we work towards the principles of "The Code of Conduct for the Protection of Children from Sexual Exploitation in Travel and Tourism" (**TheCode**), an industry-driven initiative with a mission to provide awareness, tools and supports to the tourism industry in order to prevent the sexual exploitation of children.

The induction of a new employee has a positive impact on business results. We have the "Welcome Pack", an induction tool with summarised information about all policies and procedures for new employees in order to intentionally transmit the company vision, values and culture to the newcomers.

# ENVIRONMENTAL PRINCIPLES

ENVIRONMENT

- Principle 7: Businesses should support a precautionary approach to environmental challenges;
- Principle 8: undertake initiatives to promote greater environmental responsibility; and
- Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Since the ISO 14001:2004 certification achievement in April 2012, Intercoises has an Environmental Management System in place in Barcelona office, where the head office is located. This serves as a standard and guide for the rest of the offices worldwide. This year, Intercoises obtained its re-certification.



**CERTIFICATE OF APPROVAL**

This is to certify that the Environmental Management System of:

**INTERCRUISES (Hotelbeds Spain S.L.U)**  
**Moll de Barcelona, s/n. WTC Edificio Norte, 3º i 4ª planta**  
**08039 Barcelona**  
**Spain**

has been approved by Lloyd's Register Quality Assurance to the following Environmental Management System Standard:

**ISO 14001:2004**

The Environmental Management System is applicable to:

**Management of ground handling services to the ocean and river cruise industry (turnarounds, shore excursions, port agency and hotel operations) for Head Office facilities and office suppliers.**

Approval Certificate No: SGI 6013836/12

Original Approval: 13 April 2012

Current Certificate: 13 April 2015

Certificate Expiry: 12 April 2018



Issued by: LRQA España, S.L.  
For and on behalf of: Lloyd's Register Quality Assurance Limited



C/ Princesa, 29 – 1ª – 28008 Madrid, España  
For and on behalf of Hiramford Middlemarch Office, Village Sikin Drive, Coventry CV3 4FJ United Kingdom  
This approval is carried out in accordance with the LRQA assessment and certification procedures and monitored by LRQA.  
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# ENVIRONMENTAL PRINCIPLES

ENVIRONMENT

As a result of the recertification, sustainability actions have taken place, locally or globally. These actions resulted in CO2 emission reduction. Some of these activities are sum up below:

## EMPLOYEE AWARENESS

Raised awareness on sustainability topics of Inter cruises employees worldwide. Posters for water, energy and paper consumption were hung in Barcelona office, in order to teach on recycling and waste management best practices. Regular sustainability updates are given on the internal blog called Interjournal, which is available to all Inter cruises employees. Apart from these awareness actions, others are in place and explain in detail throughout the environmental principles section.

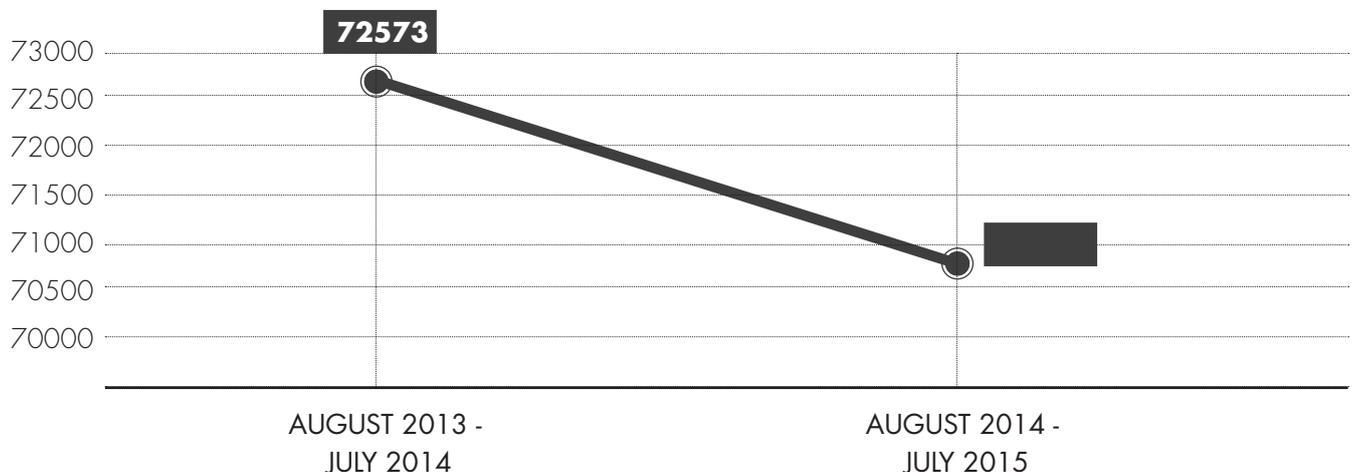
## CONSUMPTIONS MEASUREMENT

We measure consumption in order to constantly find ways to reduce our consumptions and continue to support our overall reduction objectives.

*Electricity: the electricity consumption has been reduced in **2,5%**. (graph 1)*

## TOTAL ENERGY CONSUMPTION (KwH)

graph 1

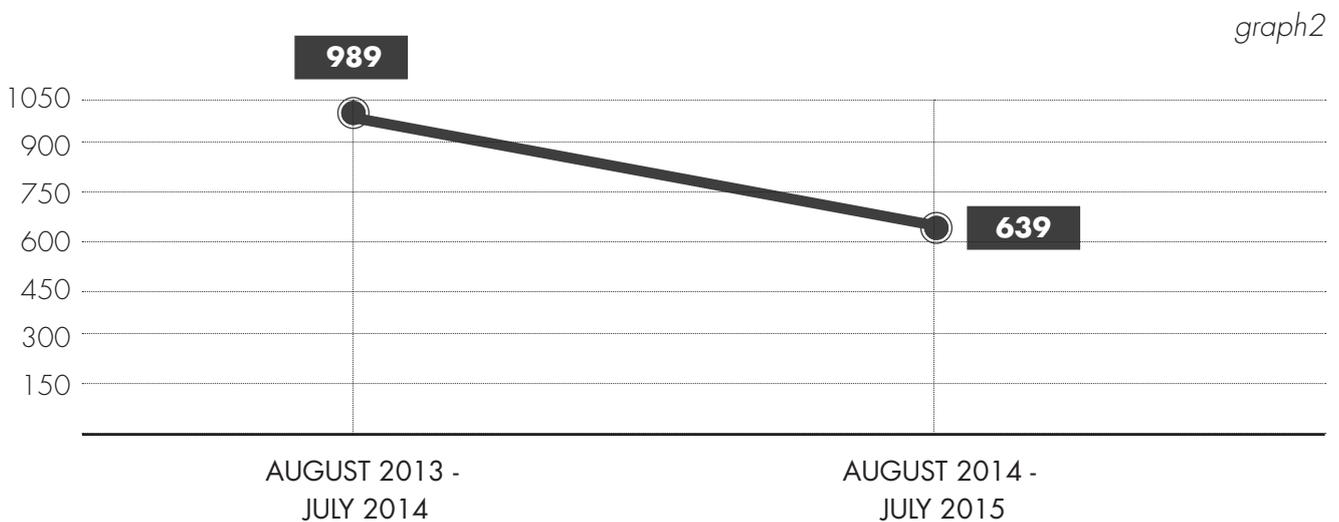


# ENVIRONMENTAL PRINCIPLES

ENVIRONMENT

*Paper: the purchase of paper has been notably reduced. From August 2013 to July 2015, there has been **35%** reduction of paper purchased year over year change. (graph2)*

## TOTAL REAMS OF PAPER PURCHASED



The reduction is attributed to the proactive approach of employees to reduce printing and the successful completion of the actions carried out for this purpose. 97% of the total paper purchased during both periods consist of 100% recycled paper with other environmental certifications such as FSC paper and Blaue Engel.

## SOLIDARY RECYCLING

Intercruises Barcelona joined two different solidary programs to improve Intercruises' awareness and engage with social and environmental causes.

Caps and writing materials are recycled and donated to different causes including "Terracycle" and "Tapones para una vida" to help children in need.

To learn more about these initiatives access:

<https://www.terracycle.com/es-US/>

<http://www.fundacioneur.org/recoger-tapones/>

# ENVIRONMENTAL PRINCIPLES

ENVIRONMENT

## SUSTAINABLE MARKETING

An example is that all visit cards are printed with FSC Certified Paper.

## DOCUMENTARY MANAGEMENT

An internal integrated excel-based tool has been developed for Port Agent business and accounting. Besides a PDF Software has been installed that combines documents digitally, reducing the amount of documents printed. The environmental benefits of these tools include:

- Auto-filling of invoices/voucher and automatic export to PDF.
- Exported invoices/voucher and supplier invoices can be combined digitally through PDF Software - no printing, scanning.
- Visa documents and passports can be combined and sorted digitally through the PDF Software - no printing, scanning.
- Operation lists such as hotel list are produced and saved digitally. Thereby accounting avoids printing twice as it is done directly inside the tool.

## CODE OF CONDUCT

Besides the Supplier Code of Conduct, the group employee Code of Conduct also has a section for Sustainable Development and the environment. For example:

*"All employees practice their environmental responsibility by behaving in accordance with the rules and by following suggestions for protecting the environment."*

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

We work towards Corporate Social Responsibility among Intercruises employees by participating and collaborating with different associations. Apart from monetary donations, we also organize in-kind contributions.

Some community projects that benefit directly communities in Intercruises destinations are:

### LOCAL DONATIONS:

- Food donation for Barcelona community in collaboration with "El Banc dels Aliments"
- Contributing to Spanish children health inside the program "Tapones para una nueva vida" in collaboration with "Fundación Seur"
- "Adopting" through Antarctic Humpback Whale Catalogue thus a donation will contribute towards the research necessary for understanding the life history of these endangered mammals.

### LOCAL TEAM ACTIVITIES:

- **Soup Kitchen** is a volunteer initiative to benefit homeless people in Malaysia. The team in Malaysia spent the day helping at the Kechara Centre Soup Kitchen where they prepared 110 goodie bags filled with basic essentials such as toothbrush, toothpaste, soap, face towels and snacks.

# ENVIRONMENTAL PRINCIPLES

## ENVIRONMENT

- **Supporting Feeding South Florida Organization**

– North American employees’ team day activity was spent volunteering at an organization that donates food collected from local grocery stores and restaurants to those less fortunate. The team inspected and sorted the food received to make sure it was safe for consumption (Image 1).

- **Earth Day Beach Clean-up** at Port Canaveral’s Jetty Park.



Image 1: Intercruises team supporting Feeding South Florida Organization

## IT FACILITIES

Improvement in IT technology for internal and external communication was put in place to reduce business travel (i.e.: WebEx, Skype, Lync etc.). When possible, computers and other technology are purchased with energy star certification.

Intercruises shares documents through an online management tool called “Intercloud”. This tool has many benefits including flexibility and document control while environmentally friendly reducing our business carbon emission footprint.

Board members have access to a mobile device application called “Boardpad” where they can store the information revised during the board meetings in order to avoid printing.

## E-MAIL FOOTER

Following Intercruises commitment to sustainability, a standard e-mail signature footer was created for all employees to use. This raised the awareness of printing e-mails or other unnecessary documents.

**Reduce, Reuse, Recycle. Think before you print.**

# ANTI-CORRUPTION PRINCIPLES

ANTI-  
CORRUPTION

- **Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.**

Intercruises continues to apply rigorously the group Anti-Corruption program in order to adopt the policies and implement the anti-bribery awareness campaign and the comprehensive Anti-bribery and Anti-corruption training programme (the ABC programme). The policies are communicated through different channels, including the new employees Welcome Pack.

An Anti-corruption clause is included in all contracts with clients and suppliers. Intercruises takes a zero tolerance approach to bribery and corruption and expects clients and suppliers to comply with the Policy for Prevention of Bribery and Corruption, the Supplier Code of Conduct and any other applicable local and international anti-corruption legislation.

The company is committed to open lines of communication with employees, to transparency and high ethical standards. A reporting mechanism launched during this year follows the commitment of the company to open lines of communication by

establishing the Hotline for employees (as mentioned in Human Rights and Labour sections). The Employee Hotline is designed for use when the usual lines of reporting through line managers or human resources representatives are deemed inappropriate by the employee.

All employees are encouraged to report any concerns regarding misconduct, wrong doing, or illegality to the company's attention as soon as possible to allow them to be fully reviewed, investigated if necessary and rectified. The employee Hotline also enables employees to raise issues in confidence related to misconduct, such as theft, fraud, bribery, money laundering and similar matters. The advantages of the Employee Hotline are:

- It is an automated service, available globally from either a telephone on a toll-free number or online using a web form.
- It is available 24 hours a day, 7 days a week.
- Any information given is treated in strict confidence.

