

SUSTAINABILITY REPORT

OCTOBER 2019

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1. MESSAGE FROM THE MANAGING DIRECTOR

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 the UNCG within its business strategy and day-to-day operations.

We are pleased to confirm our continued support for the UNCG and renew our ongoing commitment to the initiative and its principles concerning human rights, labor, environment and anti-corruption, as well as the *Sustainable Development Goals* defined in the *2030 Agenda for Sustainable Development*. Our mission and values will help us achieve our goals to help reconcile economic growth with environmental and social responsibility. With this document, our sixth annual *Communication on Progress*, Intercruises is making a clear statement of this commitment with stakeholders and the public using our primary channels of communication.

This year, as part of our *Sustainability Roadmap*, we have strengthened our commitments in order to have a more positive impact on the environments in which we operate. This includes the following:

- During 2019 Intercruises has signed two new partnerships, Mercy Ships and Great Barrier Reef Foundation, both are very connected with our sustainability vision and the Cruise Industry.
- We continue developing new processes to control our sustainability performance within our operations. During Seatrade's event in Miami, Intercruises won a pitch competition for our 'Sustainable Tour Criteria' concept.
- As part of TUI Group we have incorporated new processes like the Animal Welfare auditing program, an independent audit against the Global Welfare Guidance for Animals in Tourism is a prerequisite for continuing to be a supplier of animal excursions for Intercruises.

As a proud member of the *UNGC*, we are thrilled to further our commitment to its principles and *Sustainable Development Goals*, and look forward to reviewing and evaluating our progress along the way.

Yours sincerely,



Olga Piqueras
Managing Director
Intercruises Shoreside & Port Services





2. ABOUT INTERCRUISES

Intercruises is an experienced global business offering turnaround, shore excursion, port operations and hotel services to the ocean and river cruise industry. Cruise specialist teams handle all vessel, guest and crew needs, before, during and after a ship's time in port.

Services are managed from over 100 local offices by teams operating in over 400 ports worldwide, encompassing over 50 countries spread across the Americas, Asia-Pacific, India & Indian Ocean, West Europe, East Europe and Mediterranean.

All Intercruises teams worldwide are supported by the Intercruises Corporate Office, a central team comprised of specialist in-house departments, including Health & Safety, Finance, Marketing & Communications, Business Processes, Sustainability and Operations Support. The Corporate Office focus is support regional initiatives, ensure quality standards, enhance business efficiency, strengthen client relationships and facilitate business development.

Intercruises is an award-winning business, having received numerous accolades relating to service quality and innovation, including being the most successful business in the history of the *Seatrade Insider* Innovative Shorex Award as a three time Winner and three time Runner Up, Winner of the *Seatrade* Sustainable Pitch, Best Use of Technology and Best Excursion at Wave Awards and Winner for Most Efficient Shorex Agent & Tour Operator at MedCruise Awards.

Intercruises is an Official Partner of Travelife – an organization dedicated to promoting sustainable practices within the travel and tourism industry. It is also an Active Participant of the United Nations Global Compact (UNGC) – a principle based framework dedicated to the implementation of better business practices, primarily in the areas of human rights, labor, the environment and anti-corruption. Intercruises has signed the Global Code of Ethics for Tourism – a set of principles implemented by the World Tourism Organization, considered to be a point of reference for key players in the tourism industry.

Intercruises is part of TUI Group, the world's largest travel group. TUI has the expertise and resources to help us enhance service, diversify our products and improve efficiency. They also share similar values and areas of focus as Intercruises, such as digitalization and sustainability. We expect Intercruises to continue growing and being successful as part of TUI.

PART OF THE CRUISE INDUSTRY



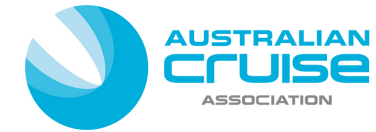
Diamond Executive Partner since 2013 and Official Logistics Partner at various events since 2014



Associate Member for over 10 years and Official Shorex Supplier at various events



Exhibitor, Advertiser, Sponsor and Official Logistics Partner on various occasions since 2004



(Formerly Cruise Down Under) Member since 2011



Associate Member since 2014



Service Member for over 10 years and part of the Official Steering Committee



Headline Sponsor since 2011



China Cruise and Yacht Industry Association - Executive Council Member since 2017

PRODUCT/SERVICES



TURNAROUNDS



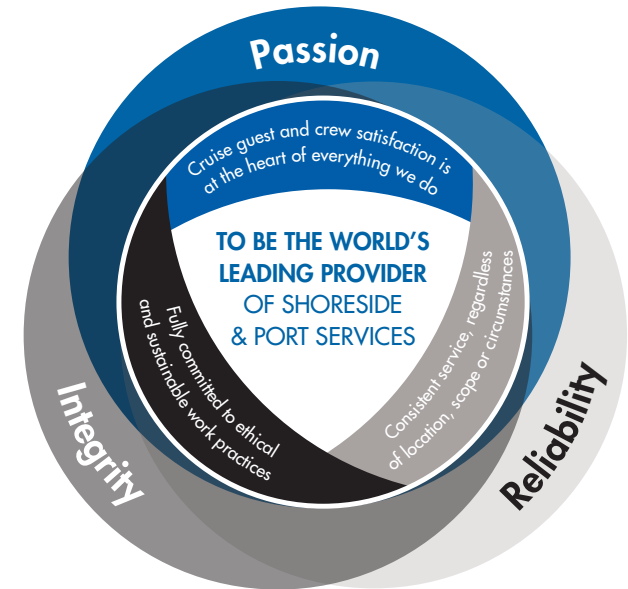
SHORE EXCURSIONS



PORT OPERATIONS



HOTEL PROGRAMS



KEY STATS

+50
COUNTRIES

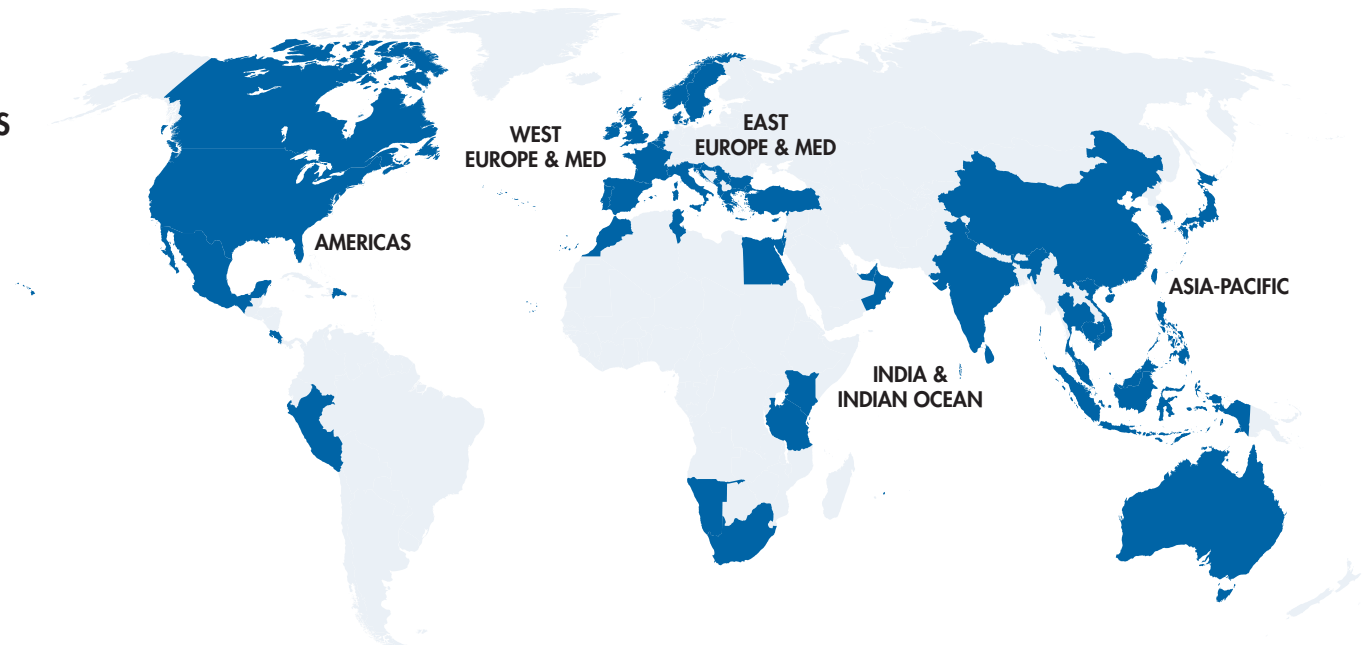
+400
FULL TIME CRUISE EMPLOYEES

+400
PORTS

+12,000
ANNUAL PORT CALLS

+100
OFFICES

+278m €
SALES (last Fiscal Year)



For the last eight years, Intercruises has pursued a more sustainable and responsible way of doing business with its suppliers and the travel and tourism destinations in which we operate.

2011



- IC Sustainability Department
- Save the Children partnership
- 1st Carbon Management reporting

2012



- United Nations Global Compact partnership
- ISO 9001+14001 Certification for Operations and Barcelona Head Office

2013



- Cruise Gateway Conference 2013, sustainable shore excursions
- Green Commitment Ecolabel (BCN)

2014



- Global Compact 1st report
- BCN Waste Management
- "Don't Look Away" Child Protection Campaign

2015



- ISO 9001+14001 certification (including PMI)
- Interquiz Project
- STEP Project

2016



- Travelife Partner Certification for 12 offices

2017



- New Sustainability Objectives and KPIs
- Carbon Neutral Project

2018



- Global Code of Ethics for Tourism
- Travelife Partner certification for 4 offices

2019



- Mercy Ships partnership
- Great Barrier Reef partnership
- Winner of a pitch competition - Sustainable Tour Criteria concept - Seatrade Cruise Global



3. INTERCRUISES SUSTAINABILITY PRIORITIES

Intercruises integrates sustainability into its business strategy and tries to continuously minimize its impact to ensure prosperity for all. Intercruises uses its network of stakeholders to minimize the negative impact of tourism in the communities in which it operates.

The sixth Intercruises Sustainability Report will focus on our sustainability roadmap, our sustainability priorities defined for the next few years and their connection with the four areas of the Global Compact Principles and with the Sustainable Development Goals defined in the 2030 Agenda for Sustainable Development.

The Intercruises Sustainability Plan has established 26 goals under seven priority areas:

- A. Increase stakeholders' sustainability awareness
- B. Sustainable offices and services
- C. Promote sustainable destinations to clients and guests
- D. Promote sustainable development of suppliers
- E. Reduce carbon footprint
- F. Reduce discrimination
- G. Promote corporate responsible actions

A. INCREASE STAKEHOLDERS' SUSTAINABILITY AWARENESS

We want to contribute to generating a positive impact within the tourism industry. The first step would be to raise sustainability awareness.

UN GLOBAL COMPACT PRINCIPLES		SUSTAINABLE DEVELOPMENT GOALS	
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GOALS	ACHIEVEMENTS	NEXT STEPS
New Policies / Manuals / Guidelines / Procedures	<ul style="list-style-type: none"> • Sustainability Policy • Sustainability Process Sheet • Be greener in the office • New Groups Policies: Integrity Passport, Animal Welfare and Child Protection 	Sustainability Guidelines for local DMCs, operations and suppliers (Sustainability Management System Project)
Sustainability report	<ul style="list-style-type: none"> • Global Compact - COP 2018 – New sustainability report focused on SDGs • Memoria del Port de BCN • Report to UNWTO Ethics about the Global Code of Ethics for Tourism • Travelife sustainability report 	<ul style="list-style-type: none"> • New Sustainability report adapted to the Group Sustainability Strategy • Compromís per a la Sostenibilitat Turística Barcelona Biosphere • Port de BCN • UNWTO Ethics
Awareness / training	<ul style="list-style-type: none"> • Sustainability Communications – Emails, Newsletters – Webpage – Workshops – Social media • Waste Reduction Week • Being sustainable in the workplace • GSTC Sustainable Tourism Training • Sustainability training for Tour Guides • Clean up activity (Platja de Llevant) 	<ul style="list-style-type: none"> • Smiles Academy: design specific slides for sustainability in the Onboarding training for all Intercruises Colleagues worldwide • Sustainability training for KAMs • Sustainability training for shorex

MEASUREMENT

- Sustainable Development Policy and Code of Conduct
- Global Code of Ethics for Tourism signed
- Weekly newsletter with sustainability information
- Monthly report for the Board
- 9 training courses developed by the Sustainability Department

HIGHLIGHTED ACTIVITIES

Communications: internal and external communications have been sent to help combat the biggest threats to sustainability.

- Plastic Free Breakfast - Oct 18
- Paper Consumption - Nov 18
- Global Compact report - Nov 18
- Casa Batlló Christmas campaign - Dec 18
- Carbon Footprint offsetting - Dec 18
- Banc des Aliments - Dec 18
- Keep Balm and Carry On: China CSR Workshop - Jan 19
- IC offsets carbon emissions in the Amazon - Jan 19
- IC awarded Special Recognition for excellence - Feb 19
- Integrity Passport - Feb 19
- Case of Study Seatrade - Mar 19
- MercyShips Partnership - Mar 19
- Animal Welfare Guidelines - Mar 19
- New Sustainability Posters - Apr 19
- Barcelona smells of roses! - Apr 19
- Our Award-Winning Sustainable Tour Criteria - May 19
- Do Good, Feel Good Week - Jun 19
- Clean-up campaign launch - Jun 19
- A/C and lights - Jul 19
- HEALTHY OFFICE - HEALTHY PEOPLE - Jul 19
- CHILD PROTECTION Guidelines Launch - Aug 19
- InterCruises supports greener cruising in Cannes - Aug 19
- Innovative Shorex Award: Marine Mammal Center - Aug 19
- How Ships & Ports Adapt for a Greener Future - Sep 19
- Buena Práctica Aniversario ODS - Sep 19
- Buena práctica WTD - Sep 19

InterCruises also interacts with other stakeholders to integrate sustainability into our activities. We attend different workshops and meetings:

- Xarxa Barcelona + Sostenible
- Bones Pràctiques de Sostenibilitat Port de Barcelona
- Plastic-free Holidays, Balearic Islands
- Greener cruising in Cannes
- Seatrade Cruise Events
- World Travel Market
- Grupo de Turismo - Red Española Pacto Mundial



PLASTIC-FREE BREAKFAST

All plates and cutlery are completely biodegradable!

TIPS:



- 1 Bring your own reusable cup
- 2 Don't use the cups provided for hot drinks like coffee or tea (they might look plastic but they're not!)
- 3 Don't use more than one plate during the event!
- 4 Remember, disposable tableware is completely biodegradable, please don't use the plastic bin!

Join us in our Plastic-Free Challenge!

WE THINK GLOBALLY | INTERCRUISES SHORESIDE & PORT SERVICES | REUSE REDUCE RECYCLE

B. SUSTAINABLE OFFICES AND SERVICES – CERTIFICATIONS

We promote the fostering of more sustainable environment within our offices and operations, and strive to receive the acknowledgement of compliance and validation from official auditors.

UN GLOBAL COMPACT PRINCIPLES		SUSTAINABLE DEVELOPMENT GOALS	
GOALS	ACHIEVEMENTS	NEXT STEPS	
Travelife Partner certification	16 Travelife Partner Certificates	Travelife certification for our Sustainability Management System	
GSTC – Travelife Certified – Shorex Certifications	Travelife gets GSTC accreditation	<ul style="list-style-type: none"> • Sustainability Management System GSTC Recognized • Sustainable Shorex Evaluation Tool 	
ISO 14001:2015 certifications	<ul style="list-style-type: none"> • ISO 14001:2015 for Barcelona • New Internal Sustainability Management System integrated with Environmental criteria based on ISO 14001 	Environmental processes follow-up	
MEASUREMENT	16 Travelife certifications worldwide (116 ports distributed in 12 countries and 1302 shore excursions developed)		

HIGHLIGHTED ACTIVITIES

Inter cruises controls and monitors sustainability issues through various internal and external processes aimed at ensuring the validity and reliability of our sustainability management practices and reporting. Regular controlling and monitoring gives us valuable information on the results of our sustainability work and is therefore an important element in our continuous efforts to develop our reporting and building a more sustainable world.

- Sustainability Management System GSTC Recognized
- Travelife Sustainable Certification
- Sustainability Monthly Report for the Board

Travelife verified our sustainability commitment and consistent sustainable business practices in a variety of areas, including Legal Compliance, Environment & Community Relations, Transportation, Excursions and Destinations. Inter cruises has reached the Travelife Partner full compliance status with 16 offices worldwide providing services across 116 destinations.

We are working in the development of a Sustainability Management System that very soon will be GSTC-Recognized, that means that our sustainable tourism standard is equivalent to the GSTC Criteria.

REGION	OFFICES		PORTS	COUNTRY
Asia-Pacific	1	Singapore	1	Singapore
	1	Hong Kong	1	Hong Kong
	1	Bangkok & Phuket	4	Thailand
	1	Sydney	21	Australia
Mediterranean & Europe	2	Marseille	10	France
		Nice		
	1	London	19	Ireland UK
	1	Dubrovnik	17	Croatia
	1	Piraeus	25	Greece
	6	Barcelona	6	Spain
		Fuerteventura		
		Las Palmas de Gran Canaria		
		Santa Cruz de la Palma		
		Tenerife		
	Lanzarote			
Americas	1	Fort Lauderdale	11	Canada
				USA



C. PROMOTE SUSTAINABLE DESTINATIONS TO CLIENTS OR GUESTS

We are developing our own Sustainable Standards for our services to distinguish the most sustainable products included in our portfolio. We want to influence clients and tourists to choose the most sustainable options.

UN GLOBAL COMPACT PRINCIPLES		SUSTAINABLE DEVELOPMENT GOALS	
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GOALS	ACHIEVEMENTS	NEXT STEPS
Sustainable excursions	<ul style="list-style-type: none"> • Create criteria and checklist to identify more Sustainable Excursions • Select online Evaluation Tool 	<ul style="list-style-type: none"> • Sustainable Shorex evaluation process launch • Sustainable Shorex evaluation process Certification by a third Party
Contribute to conservation and protection of World Heritage sites	Not Started	UNESCO Partnership
Facilitate trained people, infrastructure, vehicles and excursions for people with disabilities	<ul style="list-style-type: none"> • Wheelchair Training • Person with reduced mobility training in accordance with the (EU) 1177/2010 regulation • Accessibility included in our Sustainability Management System 	Evaluate shorex according accessibility criteria

MEASUREMENT	<ul style="list-style-type: none"> • 302 employees have completed the “Assisting Guests in Wheelchairs” training program • 626 employees have completed the “Disability Awareness” training program • 23 employees have completed “Persons with reduced mobility” onsite training
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HIGHLIGHTED ACTIVITIES

At Seatrade Cruise Global 2019, Intercruises was selected from numerous entries and three ultimate finalists as the winner of a pitch competition for its Sustainable Tour Criteria concept. This step towards more sustainable shorex operations was described by the cruise line judges as a “scalable and well documented process”.

The Sustainable Tour Criteria was developed with the following five objectives:

- Promote sustainable principles
- Protect the destination
- Foster a sensible use of local resources
- Benefit the local economy
- Engage the destination community

Eight Assessment Areas

Assessment Process – A Team Effort

A central team of Intercruises sustainable development experts created an online shore excursion assessment form focusing on each of the criteria’s eight areas. This form is completed by local teams for all shore excursions worldwide, with results sent to the central team of sustainable development experts for review. They will then define which shore excursions can be considered sustainable and responsible, making recommendations on actions that can be taken to make a shore excursion more sustainable.



D. PROMOTE SUSTAINABLE DEVELOPMENT IN SUPPLIERS

We will promote sustainable activities in our supply chain, rating their sustainability commitment while facilitating the necessary training and awareness sessions for them too.

UN GLOBAL COMPACT PRINCIPLES		SUSTAINABLE DEVELOPMENT GOALS	
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GOALS	ACHIEVEMENTS	NEXT STEPS
Favor suppliers and contractors who promote sustainable development	<ul style="list-style-type: none"> • Animal Welfare requirements • Animal Welfare auditing program • Sustainable purchases guidelines included in our Sustainability Management System 	Create sustainable criteria to contract suppliers
Facilitate training for contractors	Sustainability training for Tour Guides	Communication / Awareness / training - Sustainable Excursions

MEASUREMENT	7,940 suppliers have been risk-assessed and another 5,415 are planned. The risk assessment includes Sustainability, Health & Safety and Legal topics.
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HIGHLIGHTED ACTIVITIES	We have our Animal Welfare Guidelines which are based on ABTA (Association of British Travel Agents) and a unique auditing System to evaluate our supplier's activities involving animals. Tours involving animals are evaluated with online or onsite audits, conducted by a third party (SGS). Through this auditing process, we are able to influence suppliers to make improvements in terms of animal welfare if necessary. If an experience does not conform to our standards, or if unacceptable practice is taking place, we would put a stop to sales with immediate effect.
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E. REDUCE CARBON FOOTPRINT

We continue to analyse our Carbon Footprint, establishing several reduction goals while incorporating compensation projects.

UN GLOBAL COMPACT PRINCIPLES		SUSTAINABLE DEVELOPMENT GOALS	
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GOALS	ACHIEVEMENTS	NEXT STEPS
Calculate Carbon Footprint	Carbon Footprint for Barcelona and Travelife offices (major premises)	<ul style="list-style-type: none"> • Group report for Carbon Footprint • Carbon Footprint for Barcelona and Travelife offices
Reduce Carbon Footprint (Travel, waste, water, energy & paper consumptions)	<ul style="list-style-type: none"> • Best practices awareness • Waste Reduction week • Be Greener in the Office • IT donation - US • Do Good, Feel Good Week • New Sustainability Posters • Case of study: Plastic Bottles in the operations 	<ul style="list-style-type: none"> • Smiles Academy: Sustainability awareness included in the onboarding training for all IC employees • Smiling Office: Best practices & technology available
Carbon Offsetting	<ul style="list-style-type: none"> • Carbon Neutral Project, CECIC Zhangbei Dayangzhuang Wind Farm – Head office offset • In 2018, Intercruises successfully offset over 263 tons of CO2 emissions, in collaboration with the Madre de Dios Amazon conservation project in Peru 	New Project to become neutral at our Head office

MEASUREMENT

- Since FY14/15 we have reduced 35% of our Head Office Carbon Footprint
- 812 tons of CO2e neutralized since FY 15/16
- Since FY11/12, paper consumption has decreased by 85% per employee
- Electricity consumption has decreased by 15% since FY 12/13
- We classify more than 60% of waste generated to recycle it

HIGHLIGHTED ACTIVITIES

As part of a global initiative Intercruises celebrated the World Environment Day and World Oceans Day with Do Good, Feel Good Week, 3rd-7th June.

The daily themes and challenges were:

- Left-overs Monday - No food waste. Get creative and use all of the food you have left, cooked or uncooked, and try not to have any food waste for a day
- Buy Local Tuesday - Check where the things you buy come from. Try for one day to buy only local products
- Recycling Wednesday - Reduce, Reuse, Recycle! Come up with a creative way to reuse items that you would normally throw away, and give them a second life
- No Plastic Thursday - Avoid plastic for a whole day! It is difficult, but give it a go
- Low Impact Friday - Try alternative forms of transportation, that are better for the environment, in your daily routine.

New Sustainability Awareness Posters designed for our offices:



F. REDUCE DISCRIMINATION (WOMEN, YOUNG PEOPLE AND PERSONS WITH DISABILITIES)

Intercruises aims to provide a work environment that all employees can enjoy; free from all forms of discrimination based on race, religion, colour, gender, age, national origin, sexual orientation or disability.

UN GLOBAL COMPACT PRINCIPLES		SUSTAINABLE DEVELOPMENT GOALS	
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GOALS	ACHIEVEMENTS	NEXT STEPS
Implement Equality Plan	As part of the Group, Intercruises has participated in the global International Women’s Day campaign ‘#BalanceforBetter’	Pending: Group Equality Plan feedback
More contracts for disadvantaged people	First trial with Adecco Foundation	<ul style="list-style-type: none"> • Establish new partnerships • Ley General de discapacidad, compliance
Promote Well-being activities	Well-being activities included in our Monthly Employee Activities	Monthly Employee Activities

MEASUREMENT	<p>Percentage of employees according to gender:</p> <ul style="list-style-type: none"> • 56% Female • 44% Male <p>Women in management positions:</p> <ul style="list-style-type: none"> • 34.5 per cent of managers in the first four hierarchy levels • 2 women on the Management Board • 3 on the Group Executive Committee
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G. PROMOTE CORPORATE RESPONSIBLE ACTIONS

Intercruises' engages with NGOs through different types of collaboration, from philanthropy to partnership, giving us the opportunity to invest in global Sustainable Development Goals using their expertise to create social change in the most effective way.



GOALS	ACHIEVEMENTS	NEXT STEPS
Corporate volunteering	<ul style="list-style-type: none"> Worldwide volunteering activities (workshops) Acton Homeless Concern (UK) El Gran Recapte (Barcelona) Lip balm sticks (Shanghai) 	Promote volunteering worldwide
Monetary and in kind donations	<ul style="list-style-type: none"> Together for Genova - Costa Foundation Mercy Ships Partnership Great Barrier Reef Foundation Partnership 	Promote benefit to local communities through operations and continue with Global Partnerships

MEASUREMENT

Last FY we donated 12,848 € to different projects and lately this FY, the donations have increased to 23,493 €.

See the main organizations supported:

- **Together for Genova:** Intercruises has contributed a monetary donation toward Costa Crociere's foundation Together for Genova. The foundation supports the restoration project in favor of the city of Genova, following the tragic collapse of the Morandi Bridge.



- **Mercy Ships:** Intercruises has been official partners of Mercy Ships since 2019. Mercy Ships is the largest non-governmental hospital ship in the world and provides humanitarian aid, such as free lifesaving surgeries for people in locations where medical care is nearly non-existent.



- **Great Barrier Reef Foundation:** In May 2019, Intercruises is making a donation towards the Foundation's innovation projects, which test innovative and high impact ideas and new technologies that could help ensure the Reef's long-term conservation.

Great Barrier
Reef Foundation

HIGHLIGHTED ACTIVITIES

Banc des Aliments: members from Intercruises in Barcelona helped this organization by categorizing and packing the donated food, which was then sent to families nationwide. This year Intercruises helped by categorizing and packing 85,000 kg of food.



Some of the staff at Intercruises UK have supported Acton Homeless Concern Foundation, with the main goal being to provide some positive help for homeless in the area. They collected and carried to the Homeless Shelter some useful items like shampoo, soap, hairbrushes, toothpaste, socks, coats, sleeping bags, water, etc.

Intercruises Barcelona collaborates with SEUR "Taponos para una nueva vida" program. Caps for a New Life is a plastic cap recycling initiative that raises funds to help children receive medical treatments that are not

currently covered by the national health system. Lately in Barcelona we have collected 120 kg, equivalent to 60,000 plastic caps. With this initiative we raise money for children and additionally avoid the emission of 180 kilos of CO₂, equivalent to the CO₂ absorption of 30 trees.

The Intercruises Asia Teams have always enjoyed being creative when it comes to giving back to their local communities. This time round, several members of the Shanghai Team managed to come up with something totally original - giving up their time to create 1,500 lip balm sticks from scratch. Around 1,000 of the lip balm sticks were distributed among the students of several schools, while 500 were gifted to the staff of the Pujiang Station of Shanghai Immigration Inspection, Wusong Station of Customs and the Wusong Kou Port Group, as a small New Year gesture.



In the traditional St. Jordi's day the girls from Intercruises Barcelona received a rose. The proceeds gathered from the flowers went to a charity that supports children and the young people of today.



We provide an excursion to Finca La Laja in Gran Canaria for 72 of the crew onboard the Africa Mercy (Mercy Ships), while they were on the Canary Island for the Dry Dock period.





4. INTERCRUISES SUSTAINABILITY BEST PRACTICES

A. 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 the abuse of human rights.

Intercruises is committed to treating people in a way that respects their **human rights** by operating responsibly and sustainably worldwide.

Intercruises is committed to providing **human, in-kind and/or financial support to the local communities** where we are present, optimizing our social and economic impacts with the support of our human team and network of partners. The aim is to generate prosperity and sustainable development in the communities in which we operate.

We establish some partnerships and collaborations with different NGOs to offer more support to people, especially those from undeveloped areas.

Intercruises is committed to sustainable, ethical business in compliance with applicable laws, conventions and regulations.

Intercruises seeks to support efforts to protect human rights and strives to develop appropriate, environmentally and socially sustainable chains of responsibility and response mechanisms within our sphere of influence.

Our **Integrity Passport** gives us guidance on how to deal with the most important legal and integrity matters in our daily work and also how to report potential violation of our Integrity Passport or other compliance matters using the **SpeakUp Line**.

Likewise, **suppliers** shall comply with the **Suppliers Code of Conduct**. This Code serves as guidelines to a standard of ethical conduct, values and principles expected from the suppliers when working on our behalf. Suppliers are expected to uphold our principles by: adopting accessible and clear policies and procedures to respect human rights and labor law; supporting local communities; identifying and monitoring

bribery and corruption risks; identifying and monitoring negative environmental impacts; and introducing/maintaining Quality Assurance and Health and Safety policies and procedures in their businesses where possible.

We also have included a **Sustainable Development Clause** in our **contracts** to assure its commitment.

Maintaining integrity in dealings with employees, business partners, shareholders and the general public is an indispensable part of our culture and essential to maintaining high morale and producing fair, reliable and innovative products and services.

B. LABOR

- 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 labor;
- Principle 5: the effective abolition of child labor; and
- Principle 6: the elimination of discrimination in respect of employment and occupation.

Some of our people are often located in underdeveloped regions, like Mozambique, Tanzania, Kenya, Cambodia, India, South Africa, Egypt, Vietnam, Indonesia, Cape Verde, Maldives, Dominican Republic, Sri Lanka, Peru, Ukraine, and Brazil. Intercruises promotes opportunities for women and men to obtain decent and productive employment, in conditions of freedom, equity, security and dignity - in line with SDOs to achieve equal and sustainable growth for all at all times.

The company is in line with the labor principles laid out by the ILO, and both the national and international regulations. It also operates in compliance with the sector's collective labor agreements that applies in each country, depending on national law for the Travel industry.

Our **Integrity Passport** serves as guidelines to **ethical working practices** dealing with workers, agents, suppliers, and customers.

Intercruises acknowledges the right to **collective bargaining** and **freedom of association**, trade union membership, collective labor negotiation and representation of members by trade unions is not hindered at Intercruises. We support the freedom of association. The representatives of workers can be the company's employees, who form part of a union or group of independent employees.

Intercruises understands that slavery can occur in several forms, on March 2019 the Group has published its third **Modern Slavery Statement** as a response to the UK Modern Slavery Act. It sets out the steps Group has taken to prevent acts

of modern slavery and human trafficking from occurring in its business and supply chain.

No employee will be compelled to work through force or intimidation of any form. We prohibit any involuntary employment, the trafficking of persons or any form of modern slavery, forced or bonded labor. We also do not tolerate any other form of inhumane treatment of employees such as physical punishment or other abuse.

As part of our contract with suppliers and in our Code of conduct, we include some clauses related to employment conditions:

- Ensure compliance with applicable national law or industry standards, whichever affords employees the most protection, with regards to fair employment conditions

including: written contracts, correct visa and working documentation in place, working hours, documented legal minimum wage, safe working environment, vacation time, leave periods and holidays.

- Treat workers with dignity and respect as understood and defined by the International Labor Organisation or Applicable Law, ensuring they can enter or terminate their employment through their own choice and access to relevant information on their employee rights;
- Shall not employ anyone against their will, traffic in persons or use any form of slave, forced or bonded labor and promptly inform the appropriate authorities where they reasonably suspect that any individuals associated with their businesses are at risk of human trafficking or similar exploitation.

Intercruises does not permit **child labor**. People under 18 are only employed in accordance with national regulations and the UN convention on the Rights of the Child, ensuring that International Labor Organization conventions are fulfilled. We have obligated our suppliers to honor the measures within both the contracts and Supplier Code of Conduct.

Intercruises implements preventive measures and procedures to ensure that **children are protected from tourism related sexual exploitation** and all potential forms of abuse and report any incidents and raise awareness of any identified risks to child safety involving guests, employees, and or local children on or near the premises to the relevant local authorities. Our suppliers also shall implement the same preventive measures.

The Group has signed the Code of Conduct for the Protection of Children from Sexual Exploitation in Travel and Tourism (The Code - www.thecode.org) and will implement an Action Plan accordingly to protect children at local levels.

Intercruises ensures that employees are **not discriminated**. We strive to create the best environment for employees to innovate, develop and perform. Decisions about hiring, salary and the like must be based solely on objective reasons, rather than on the basis of personal characteristics, such as race or ethnicity, national origin, gender, sexual orientation, age, religion or conviction, or disability. We provide a working environment free of harassment. We include an Anti-discrimination clause in the Suppliers Code of Conduct.

Following the commitment expressed by the management to guarantee the efficiency of the principle of equality of treatment and opportunities between women and men within the company, Intercruises ensures a work-life balance with some measures for the reconciliation between work, private and family life:

- The company offers schemes for pregnancy, maternity and paternity leave for all employees, depending on national laws.
- The company supports flexible working times or part-time employment, for example, to support family obligations as well as to go on leave.
- It is possible to request additional holidays to the statutory paid leave per annum through salary sacrifice where operationally possible.

C. 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.

We have embedded environmental and social considerations into business operations, because we believe it is vital to our company's future – sustainability delivers cost efficiencies, improves customer experience and drives engagement of customers, colleagues and suppliers alike.

Since we have started to work under an Environmental Management System, we have defined more ambitious objectives year by year to reduce our environmental footprint.

The **Corporate Sustainability Policy** establishes the framework for identifying, monitoring and improving aspects of our company's environmental and social performance. In the policy, we formulate our view on sustainability, giving an insight into our targets and the means to reach these targets. The policy reflects our commitment

to sustainability within our operations, across the entire product life-cycle and with our colleagues, suppliers and clients.

We encourage our **suppliers** to be more sustainable and environmental responsible using the Sustainable Development clause in our contracts and with our Supplier Code of Conduct. Supplier shall commit to actively manage their overall environmental impact by aiming to reduce energy, water and natural resource consumption, reduce the volume of solid waste, wastewater, environmentally damaging chemicals, and energy-related direct and indirect air emissions, as required by Applicable Law and regulations; avoid the use of single use plastic and promote the recycling, reusing, or substitution of materials; and implement purchasing policies and procedures which favour sustainable and locally produced

goods and services in preference to imported products wherever possible and reasonable.

As a leading company in the travel industry, Intercruises acknowledges the level of public concern about the animal welfare. We are also aware that animal related issues are becoming more and more sensitive for our clients. If the Excursion Provider's business involves animals in any form, they must ensure that the 'Global Welfare Guidelines for Animals in Tourism', Minimum Standards and Specific Guidance Manuals are observed. Additionally, such businesses will ensure that all animals have been acquired legally and in accordance with the Convention on International Trade in Endangered.

We apply different actions in order to raise **awareness** on sustainability topics of Intercruises

employees worldwide. We encourage our people to save water, energy and paper and to reuse and recycle waste using posters. Regular sustainability updates are communicated by email and newsletters, available to all Intercruises employees.

Intercruises **controls** and **monitors** its **environmental performance** through various internal and external processes aimed at ensuring the accuracy of our data and validity of our reporting.

Whenever possible, feasible and economically viable, we choose sustainable office supplies. Some examples of our sustainable purchases are:

- Office paper is 100% recycled paper. Business cards and calendars are printed on FSC paper.
- Electronic equipment: Energy Star technology (in monitors, computers, laptops, printers and multi-function printers), mouse with wire instead of batteries, solar calculators, rechargeable batteries, recyclable or refillable toners if available for the printer and at the destination.
- Cleaning products: we ask our supplier to substitute the hazardous ones for those that are respectful with environment.
- Sustainable catering: reusable cups, eco-friendly cutlery and plates, biodegradable and compostable.
- RPET Sustainable lanyards: used in the congress and events.
- Eco-friendly Jelly Beans: with compostable pots.

- Sustainable merchandise: Sea2see glasses made 100% with recycled marine plastic.

In order to measure the improvements and effectiveness of our Environmental Management System, each year we set **environmental objectives** and key performance targets.

Some sustainability actions have been taken this year. Those different actions have resulted in CO2 emissions reduction and other benefits. They can be summarized as below:

Save paper by sending an Intercruises Season's Greetings E-Card. Instead of printing some Season's Cards we prefer to do it by e-mail, our Marketing Area designed different cards to send to our client contacts.

An internal e-learning platform, **Intuition**, has been developed to create unlimited online courses reducing at the same time our paper consumptions.

The IT Team has investigated digital signatures as a solution for the validation and signature of documenting process such as invoices, offers and contracts finally we have chosen **Hellosign**. The simple action of approving a document can result in pages of printing, scanning and manual signing processes, meaning as an environmental impact.

We constantly measure Intercruises environmental performance in order to be able to implement our objectives of reduction and set some actions in order to correct some deviations.

- Waste: paper, confidential paper, plastic, bottle caps, lamps, E-waste, toner, batteries, large waste, general waste, sanitary bins, glass, writing instruments and CDs.
- Consumptions: electricity, water, HVACR (air conditioning / heating), printed paper and purchased paper, batteries and toner.
- Emissions: business travel.

Climate change has encouraged us, to measure our Carbon Footprint and to implement actions to reduce it.

Head office environmental KPIs	FY 15/16	FY 16/17	FY 17/18
Carbon Footprint (ton CO2)	280	269	221
Air travel (Km)	1.275.007	835.447	783.726
Electricity (kWh)	83.856	89.929	92.272
Electricity (kWh/FTE)	601	655	663
Printed paper (Sheets)	454.616	434.032	399.324
Printed paper (Sheets) / FTE	3643	3164	2.868
Reams of paper	850	725	733
Reams of paper / FTE	6,86	5,29	5,26
Landfill waste	45.330	48.783	48.588
Recycling waste	63.487	72.507	71.914
Hazardous waste	11,3	322,2	139,5

D. ANTI-CORRUPTION

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

UN key commitments include substantially reducing corruption and illicit financial flows, developing effective, accountable and transparent institutions, and strengthening access to information and participation in public decision-making. Intercruises has zero tolerance to bribery and corruption and gives particular focus to destination markets where perceived levels of corruption are high and with an absence of effective anti-bribery legislation.

Our products and services can compete on their own merits. We do not accept, demand, or promise any advantages that could influence us in our decisions. We also do not offer, make or authorise others to make payments (or anything else of value) in order to influence a government official or someone in another business to give us an improper advantage. Such bribery, as well as facilitation or »grease« payments, are not acceptable – irrespective of the local culture.

Intercruises is committed to ensuring that effective anti-bribery and anti-corruption procedures operate throughout all of its subsidiaries and to continue conducting business fairly, openly and honestly with zero tolerance to bribery and corruption.

An **Anti-Bribery, Trade Restrictions and Business Ethics clause** is included in all contracts with clients and suppliers. Intercruises states that it takes a zero tolerance approach to breaches of international norms for trade, including bribery and corruption prevention legislation and applicable restrictions on trade, funds flow and financing terrorism. The Excursion Provider warrants that they do and shall comply with, and their Associated Parties do and shall comply with our **Supplier Code of Conduct** and all applicable local and international anti-corruption legislation and related procedures and codes from time to time in force.

For the purpose of this clause, the terms and conditions and the translations hereby shall be governed by, and construed and interpreted in accordance with applicable local and international legislation and related procedures and codes from time to time in force, including but not limited to **the UK Bribery Act 2010**.

The Group addresses Compliance through its **Integrity Passport, Supplier Code of Conduct, Anti-Bribery, Trade Restrictions and Business Ethics, Data Protection and Information Security** and **Fair Competition processes**. In addition, regular communications and trainings to employees are performed.

All employees can report, anonymously and confidentially, breaches or misconducts using the **Confidential SpeakUp Line**, is operated by an external and independent provider and can be reached by phone or email in various languages 24/7.



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