

# Global Compact Progress Report

TUI Group 2020





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# Introduction

As the world's leading tourism business, we believe we have a responsibility not only to manage our own impacts on the economy, society and environment, but also to lead the way in understanding, improving and innovating for sustainable tourism.

Our “Better Holidays, Better World” strategy was built around four core pillars, areas where we aimed to make a positive impact to create change at scale – in our own operations, through our value chain and customers, and across the wider industry and beyond.

We are currently working on continuing our sustainability strategy and will present the next phase shortly.



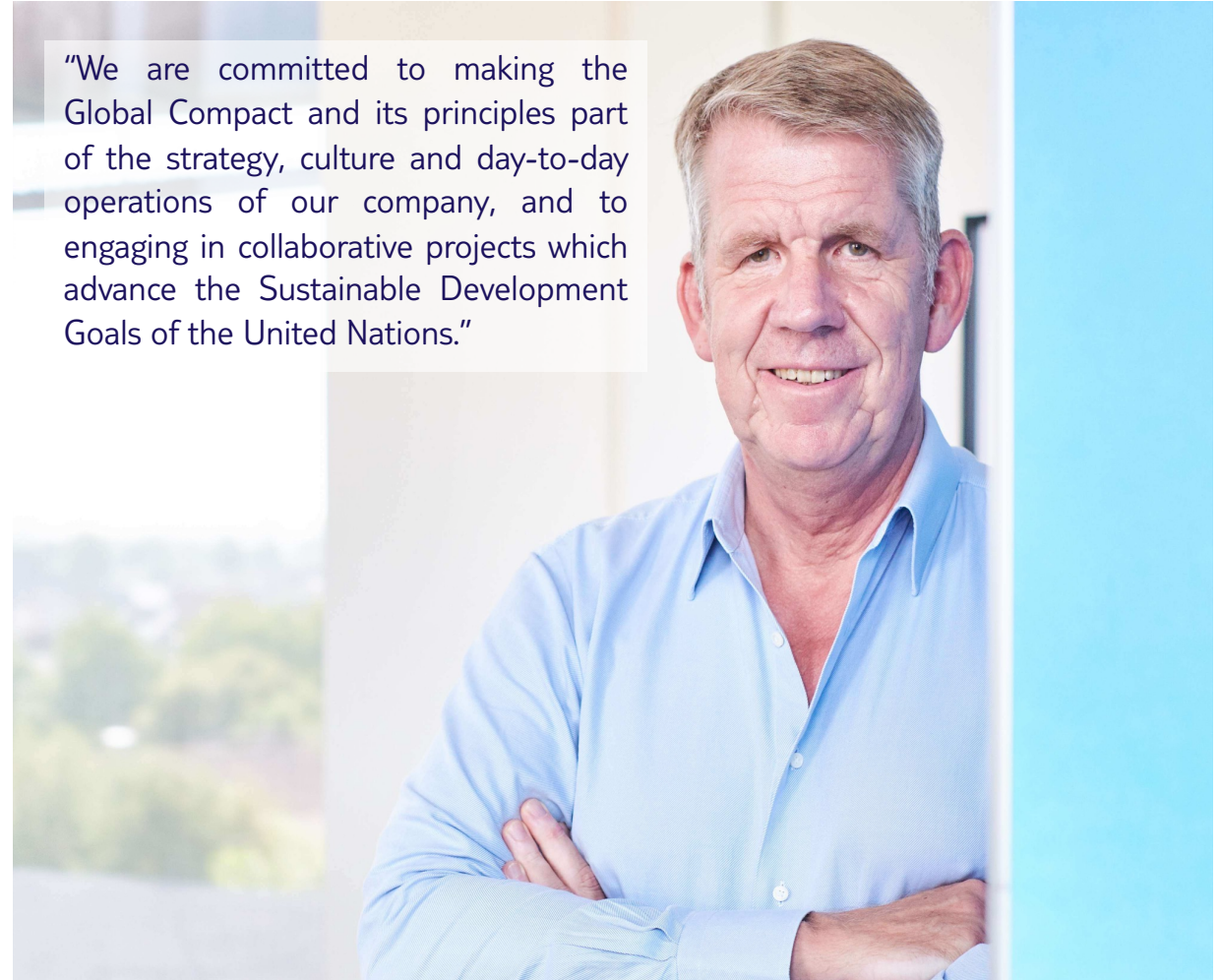
# Introduction

## TUI CEO Fritz Jousen on Sustainability:

"A decade of transformation lies ahead. Climate change is an urgent problem – for politics, business, for every one of us. [...] And of course, TUI also sees its own responsibility in this and will make its contribution. [...] As TUI we can build on many things where we have set the pace when it comes to the environment and sustainability as well as the development of destinations. "

"Tourism is a crucial global economic factor. It connects people and cultures, every tenth employee worldwide works in the travel and tourism industry. In many parts of the world, tourism is the most important factor in promoting development and prosperity. It creates jobs, provides education and improves social and environmental standards. It is these positive effects of tourism that need to be preserved and developed – and at the same time we need to significantly reduce our environmental footprint, especially CO<sub>2</sub> emissions."

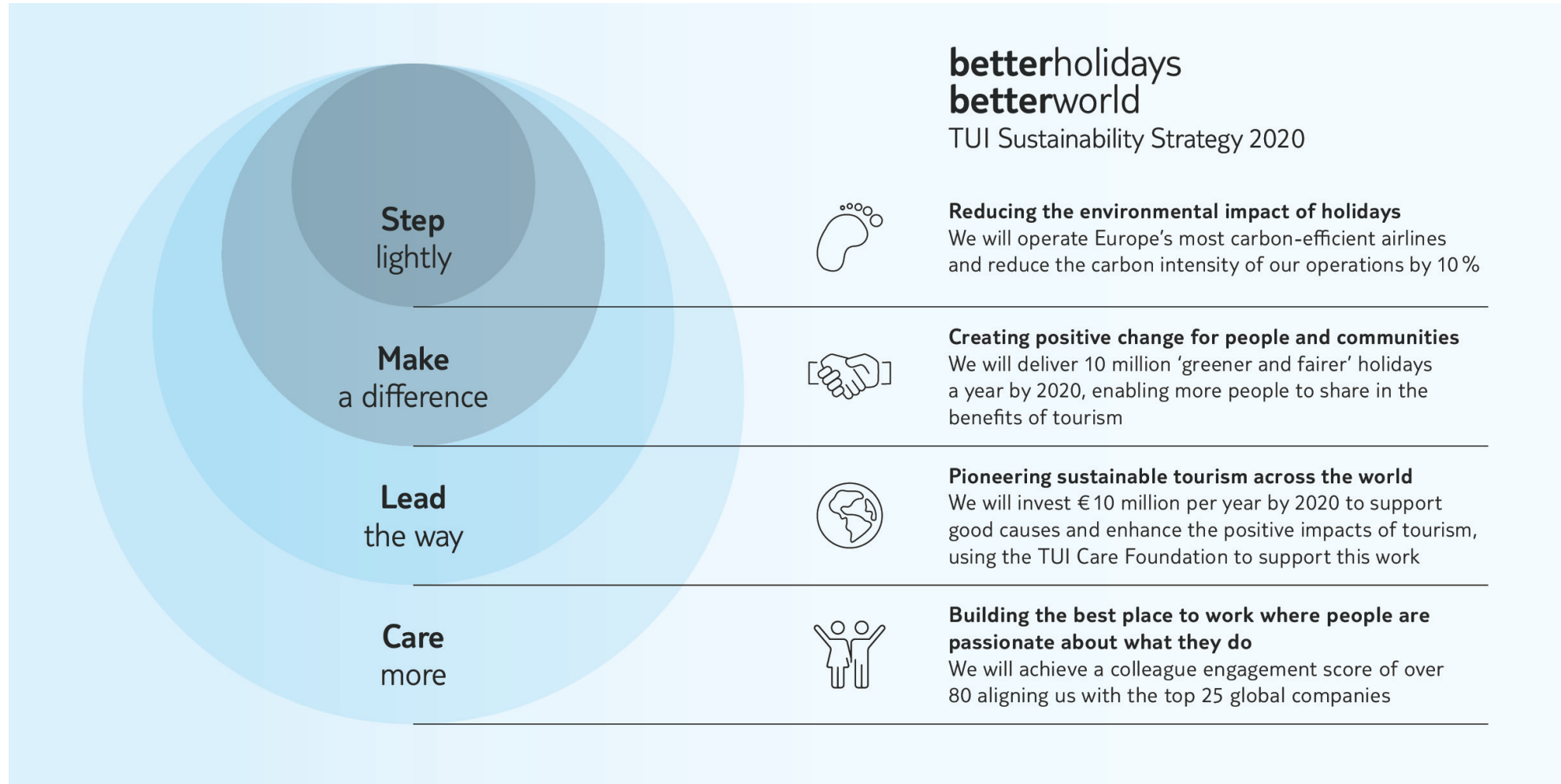
"We are committed to making the Global Compact and its principles part of the strategy, culture and day-to-day operations of our company, and to engaging in collaborative projects which advance the Sustainable Development Goals of the United Nations."





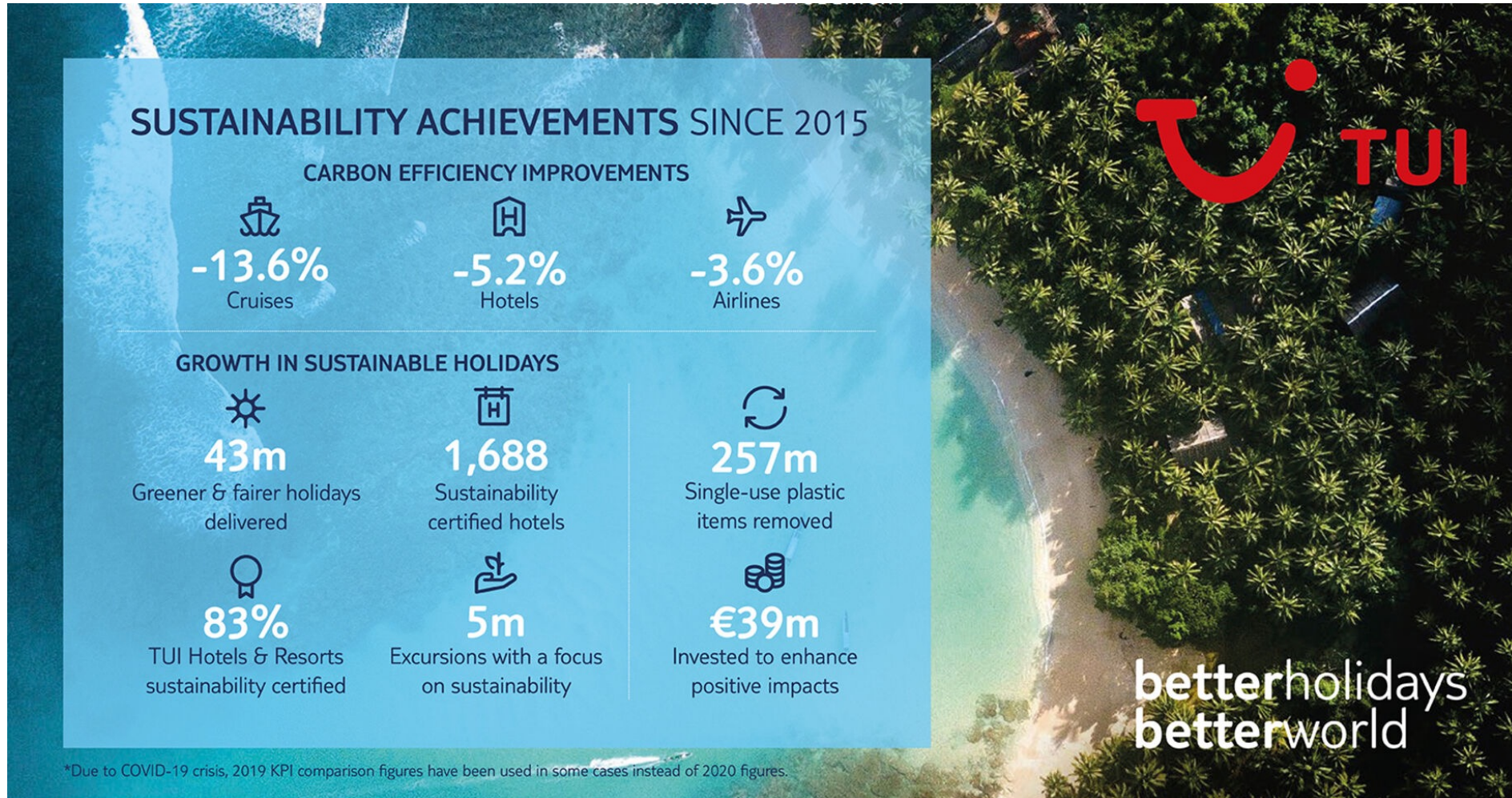
# Sustainability Strategy

„Better Holidays, Better World“



# Sustainability Strategy

## Highlights



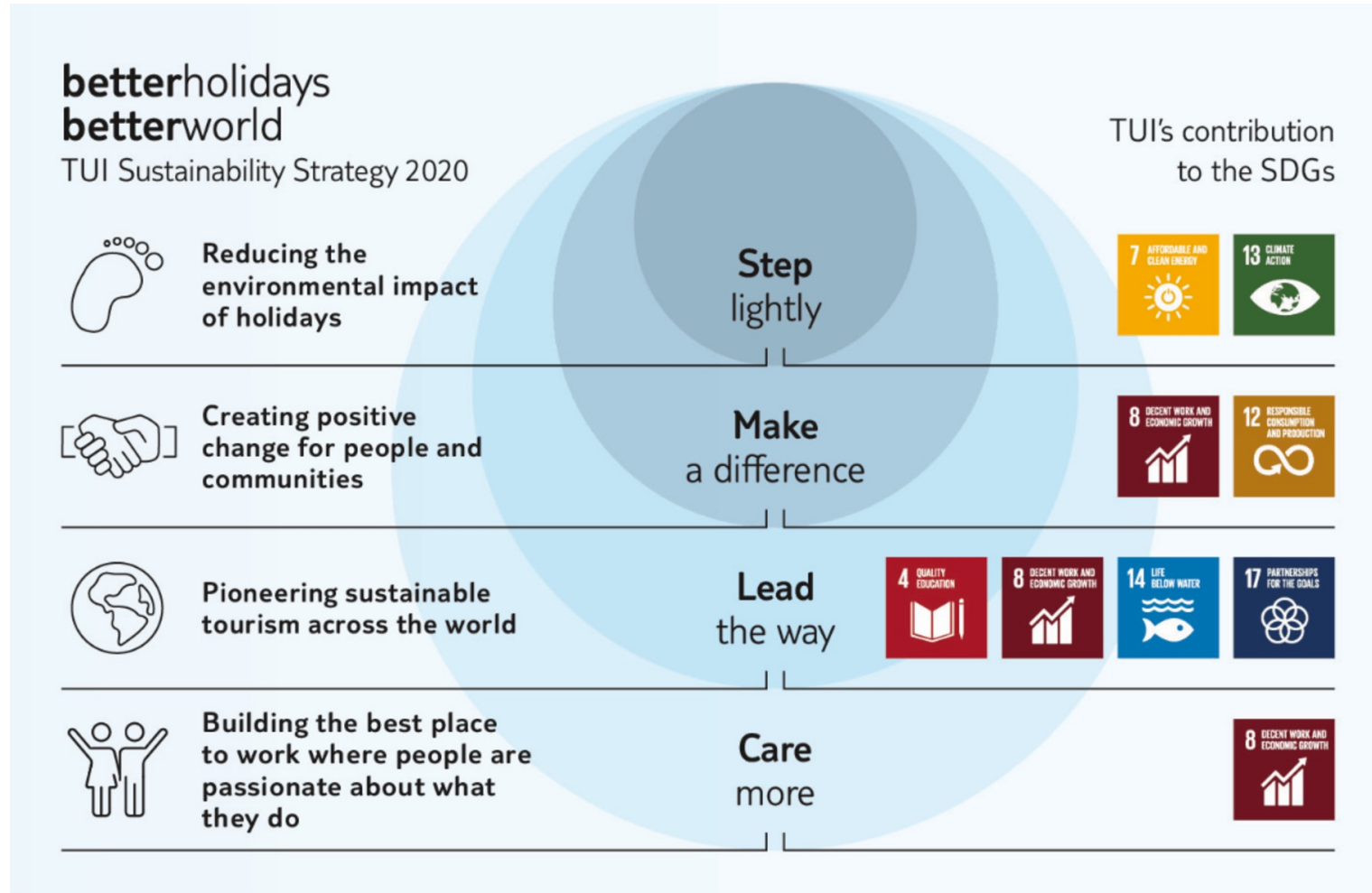


# Sustainable Development Goals

TUI Group is committed to make our sector more sustainable and support the UN Sustainable Development Goals (SDGs). As a global operator and the world's leading tourism business, we can drive change for the better – we also have the responsibility to tackle shared global challenges like climate change or Covid-19 pandemic. Our Better Holidays, Better World strategy aims to address key industry challenges and increase our positive impact. We link our strategy, activities and sustainability projects with the SDGs to maximise the effects worldwide. Therefore, we have chosen to focus on seven goals where we feel TUI can make a meaningful contribution.



# Sustainable Development Goals





# Step lightly

Reducing the environmental impact of holidays

A healthy planet and a healthy travel and tourism industry go hand-in-hand. That's why conserving natural resources and mitigating negative environmental impacts are vital to our business. We are committed to continuously reducing the environmental impact of our holidays.

Due to the COVID-19 crisis, the key figures of the financial year 2020 unfortunately are of limited use for comparison. Therefore, KPIs of 2019 have been used in most cases to illustrate progress since the start of the strategy.

## KEY

-  Target achieved
-  Target nearly achieved
-  Target ongoing
-  Target not achieved

## AMBITION BY 2020

**We will operate Europe's most carbon-efficient airlines and reduce the carbon intensity of our operations by 10% by 2020.**

As measured in terms of TUI Airlines' average grams of carbon emitted per revenue passenger kilometre (g CO<sub>2</sub> / rpk), benchmarked against industry data, independent rankings, and carbon intensity metrics from our cruise and ground operations (TUI Hotels & Resorts and ground transport).

## ACHIEVEMENT

We operate one of the most carbon-efficient airlines in Europe. In the atmosfair Airline Index, TUI Airways (in the UK) and TUI fly Germany were independently ranked #1 and #4, respectively, as the most carbon-efficient airlines globally\*.

Since the start of our strategy, we have reduced the carbon intensity of our operations; -13.6% for cruise, - 5.2% for hotels, - 3.6% for airlines and – 3.7% for ground transport.

\*atmosfair Airline Index 2018





## COMMITMENTS & ACHIEVEMENTS

### **We will reduce TUI Airlines' carbon emissions per passenger km by 10 %.**

TUI Airlines' average carbon emissions per revenue passenger kilometre reduced by 3.6% from 67.6g CO<sub>2</sub> in our 2014 baseline year to 65.2g CO<sub>2</sub> in 2019.

We had previously acknowledged that we would not meet the aviation carbon intensity target of 10% between 2015 - 2020, largely due to the delayed delivery and then grounding of the highly fuel-efficient Boeing 737 MAX. However, looking back at our efficiency performance over time, we have reduced relative carbon efficiency by nearly 14% since 2008.

### **All TUI's airlines will be ISO 14001 certified.**

All five TUI airlines maintained their ISO 14001 certification, now to the latest 2015 standard. In 2020 we aligned our environmental management systems to prepare for a merged ISO 14001 certification for our Northern Region and Western Region Airlines (achieved in 2021) to further embed sustainability and drive environmental performance.

### **Our airlines will source food, beverages and other supplies responsibly.**

Our airlines continue to focus on sourcing responsibly and added more sustainable products to the onboard offering such as biodegradable sunscreen, reusable coffee cups, a 'bracenet' (made from fishing nets that have been lost in our oceans) and a more sustainable amenity kit encased in a re-usable bag which is made from recycled plastic bottles.

TUIfly Nordic removed red meat from its inflight meals. As part of our plastic reduction target, many single-use plastic items were removed across our airlines and replaced with more sustainable alternatives.

#### KEY

-  Target achieved
-  Target nearly achieved
-  Target ongoing
-  Target not achieved

## COMMITMENTS & ACHIEVEMENTS



**We will segregate cabin waste and work with destination airports to improve waste management and recycling.**

All of our airlines segregate their waste and look to maximise recycling wherever possible. We've been involved in best practice initiatives such as the waste segregation programme at Schiphol Airport in Amsterdam and Eindhoven Airport. We continue to assess waste management and recycling facilities at key airports.



**We will reduce carbon emissions per cruise passenger night by 10 %.**

Carbon emissions per cruise passenger night were reduced by 13.6%, from 114kg in our 2015 baseline year to 99 kg in 2019.



**All TUI cruise ships will be covered by ISO 14001 certification.**

All of TUI's cruise ships are covered by ISO 14001 certification.



**Our cruise operations will make improvements in water consumption, waste management, and sulphur and nitrogen emissions.**

Freshwater consumption per cruise passenger night reduced by 60.2% since the start of the strategy (213 litres to 85 litres in 2019). We started reporting waste data in 2017, a 20.6% reduction has been achieved by 2019 (14.7 litres per cruise passenger night in 2017 to 11.7 litres in 2019). TUI Cruises reduced sulphur and nitrogen per passenger night by 80% and 43% respectively between 2014 and 2019.

### KEY

-  Target achieved
-  Target nearly achieved
-  Target ongoing
-  Target not achieved



## COMMITMENTS & ACHIEVEMENTS



**We will reduce carbon emissions from our offices, retail shops and brochures by 20%.**

In 2019, carbon emissions from our major offices totalled 16,213 tonnes of CO<sub>2</sub>; 1,600 retail shops generated 8,329 tonnes of CO<sub>2</sub> and 4,679 tonnes of CO<sub>2</sub> resulted from brochure production. This in total is 29,221 tonnes of CO<sub>2</sub> and reflects a 22.5% reduction against the 2015 baseline (37,687 tonnes of CO<sub>2</sub>).



**Our hotels will reduce carbon emissions per guest night by 10 %.**

Average carbon emissions per guest night from TUI Hotels & Resorts reduced by 5.2% from 9.95kg in our 2015 baseline year to 9.43 kg of CO<sub>2</sub> in 2019.



**Our ground transport fleet will reduce carbon emissions per passenger kilometre by 10 %.**

Carbon emissions per passenger kilometre reduced by 3.7% from 26.7g in our 2015 baseline year to 25.7g of CO<sub>2</sub> in 2019.

### KEY



Target achieved



Target nearly achieved



Target ongoing



Target not achieved

## PERFORMANCE

KEY PERFORMANCE INDICATOR	2020 PERFORMANCE	2019 PERFORMANCE	BASELINE PERFORMANCE	PERCENTAGE VARIANT 2019 TO BASELINE
Airline - average (grams) CO <sub>2</sub> per passenger kilometre	67.8	65.2	67.6	-3.6%
Cruise - average (kg) CO <sub>2</sub> per cruise passenger night	130	99	114	-13.6%
Cruise - freshwater (litres) per cruise passenger night	107	85	213	-60.2%
Cruise - waste (litres) per cruise passenger night	13.6	11.7	14.7	-20.6%
TUI Hotels & Resorts - average (kg) CO <sub>2</sub> per guest night	12.38	9.43	9.95	-5.2%
Offices, shops and brochures - total CO <sub>2</sub> (tonnes)	20,754	29,221	37,687	-22.5%
Ground transport - average (grams) CO <sub>2</sub> per passenger kilometre	n/a	25.7	26.7	-3.7%

Due to the COVID-19 crisis, the key figures of the financial year 2020 unfortunately are of limited use for comparison. Therefore, KPIs of 2019 have been used to illustrate progress since the start of the strategy.

CARBON FOOTPRINT (CO <sub>2</sub> t) BY SCOPE	FY19	FY20	VARIANCE
Scope 1	6,897,686	3,402,041	-51%
Scope 2	515,882	278,395	-46%
Scope 3	73,141	41,073	-44%
TOTAL	7,486,709	3,721,510	-50%

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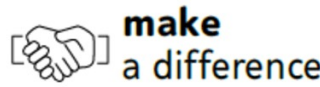


# Make a difference

Creating positive change for people and communities



# Make a difference



Local communities should share the benefits of tourism and the environment and human rights should be protected. Our 'Make a difference' pillar aimed to ensure that tourism is a powerful force for good – boosting economies, creating jobs, protecting wildlife and enhancing cultural understanding and tolerance along our value chain. By showing customers how more sustainable holiday products equal a better holiday experience, we wanted to boost demand for sustainable tourism.

Due to the COVID-19 crisis, the key figures of the financial year 2020 unfortunately are of limited use for comparison. Therefore, in most cases KPIs of 2019 have been used to illustrate progress since the start of the strategy.

## KEY

-  Target achieved
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## AMBITION BY 2020

**We will deliver 10 million 'greener and fairer' holidays a year by 2020, enabling more local people to share in the benefits of tourism.**

We measure our progress by the annual number of customers we take to hotels with credible sustainability certifications (sustainability certifications recognised by the Global Sustainable Tourism Council).

## ACHIEVEMENT

We took over 10.3 million customers to hotels with credible sustainability certifications recognised by the Global Sustainable Tourism Council (in 2019). Since 2015, we have delivered over 43 million 'greener and fairer' holidays.





## COMMITMENTS & ACHIEVEMENTS



**Hotels in our tourism business portfolio will achieve credible sustainability certifications.**

We delivered 10.3 million 'greener and fairer' holidays through 1,688 hotels that were certified to a standard recognised by the Global Sustainable Tourism Council in 2019 (up from 84% and 78% respectively since the baseline year).



**We will make sure our hotels can access the right tools, learning and expertise to lead the industry.**

We supported our hotels through sustainability workshops at local and international conferences, Travelife roadshows and through consultancy support. In addition, we set up a web portal for TUI hotels to receive updates and news on relevant sustainability topics.



**Our TUI hotels will include innovative environmental features, invest in skills training for staff, develop local skills and favour local sustainable procurement.**

Since the start of the strategy, environmental KPIs of TUI Hotels & Resorts have improved. Average carbon emissions per guest night decreased by 5.2%, energy consumption decreased by 3.8% and freshwater use was down by 3.1%. Many of our hotels have innovative environmental features such as the Robinson Club Apulia with one of the largest hotel solar panel systems in Europe.

In 2019, 73% of employees in our owned and International Concept hotels were receiving vocational training and there were 5,202 apprenticeships in place; 87% of employees were nationals of the country and 78% of food and beverage was sourced from within the country.

We found that our most sustainably managed hotels out-perform non-certified hotels on environmental performance and deliver higher quality and customer satisfaction.

### KEY

-  Target achieved
-  Target nearly achieved
-  Target ongoing
-  Target not achieved

## COMMITMENTS & ACHIEVEMENTS

**We aim to remove 250 million pieces of single-use plastics from our operations (2018 – 2020).**



Over 257 million pieces of single-use plastics have been removed from our operations since setting this commitment. For example, 27 million from across our airlines, 31 million from cruise operations and 197 million from our hotel operations. TUI signed the [International Tourism Plastic Pledge](#) and is a member of the [Global Tourism Plastics Initiative Advisory Group](#), rolled out [Plastic Reduction Guidelines](#) for hotels and held a dedicated workshop for TUI Hotels.



**Our destination management companies and excursions will meet sustainability standards.**

Since 2015, customers have experienced 5 million TUI Collection excursions (based on local and sustainability elements), from 0.5m excursions delivered in 2015 to a peak of 1.2m excursions in 2019. The range of the TUI Collection portfolio expanded from 170 different excursions in 2015 (41 destinations in 12 countries) to 375 in 2019 (81 destinations in 23 countries). TUI has also included a sustainability component in our excursion contracts based on TUI's minimum standards.



**We will communicate about sustainability throughout the customer journey.**

We communicate with customers about sustainability at touch points throughout the booking and holiday journey. Our businesses have been recognised for excellence in sustainability communications such as TUI UK & Ireland winning a Gold award at the World Responsible Tourism Awards in the 'Best for communicating responsible tourism' category (2018). We conducted consumer research on sustainability and tourism in many of our key markets that further highlighted the importance of sustainability to consumers and informed our approach, read more [here](#).

### KEY

-  Target achieved
-  Target nearly achieved
-  Target ongoing
-  Target not achieved



## PERFORMANCE

KEY PERFORMANCE INDICATOR	2020 PERFORMANCE	2019 PERFORMANCE	2015 BASELINE PERFORMANCE	PERCENTAGE VARIANCE 2019 VERSE BASELINE
Number of customers (millions) staying at certified hotels	3.8	10.3	5.6	+84
Number of contracted hotels with certifications*	1,069	1,688	950	+78
% of TUI Hotels** with certifications	80 (79)	83 (80)	69 (68)	+14 (+12) <i>Variance in % points</i>
TUI Hotels** - average kg CO <sub>2</sub> per guest night	12.38 (12.49)	9.43 (9.47)	9.95 (10.15)	-5.2 (-6.7)
TUI Hotels** - average energy (kWh) per guest night	35.4 (35.7)	26.2 (26.6)	27.2 (27.8)	-3.8 (-4.2)

KEY PERFORMANCE INDICATOR	2020 PERFORMANCE	2019 PERFORMANCE	2015 BASELINE PERFORMANCE	PERCENTAGE VARIANCE 2019 VERSE BASELINE
TUI Hotels** - average fresh water (litres) per guest night	624 (621)	446 (441)	460 (468)	-3.1 (-5.7)
TUI Hotels** - average total water (litres) per guest night	757 (773)	534 (542)	509 (529)	+4.9 (+2.3)
TUI Hotels** - average waste (kg) per guest night	2.2 (2.2)	2.0 (2.1)	2.2 (2.3)	-9.4 (-9.6)
Number of TUI Collection excursions delivered (millions)	0.36	1.2	0.5	+140
Range of TUI Collection excursions	n/a	375	170	+75

Due to the COVID-19 crisis, the key figures of the financial year 2020 unfortunately are of limited use for comparison. Therefore, KPIs of 2019 have been used to illustrate progress since the start of the strategy.

\*Hotels that are certified to a Global Sustainable Tourism Council-recognised certification

\*\* TUI Hotels, bold figures indicate performance by TUI Hotels & Resorts (approx. 300 in FY2019). Figures in brackets includes TUI Hotels & Resorts plus International Concept hotels (approx. 350 in FY2019)



# Lead the way

Pioneering sustainable tourism across the world



# Lead the way



As the world's leading tourism business, TUI Group has a valuable opportunity and unique responsibility within our industry to encourage uptake of sustainable tourism. Our scale gives us the resources, reach and credibility to strengthen the positive impacts travel and tourism can have.

Due to the COVID-19 crisis, the key figures of the financial year 2020 unfortunately are of limited use for comparison. Therefore, KPIs of 2019 have been used in most cases to illustrate progress since the start of the strategy.

## KEY

-  Target achieved
-  Target nearly achieved
-  Target ongoing
-  Target not achieved

## AMBITION BY 2020

**We will invest € 10 million per year by 2020, to support good causes and enhance the positive impacts of tourism, using the TUI Care Foundation to support this work.**

We will measure this by the amount invested in charity, projects, and initiatives as well as memberships that support good causes and enhance the positive impacts of tourism.

## ACHIEVEMENT

Since the start of the strategy, we have raised €39 million to support good causes and enhance the positive impacts of tourism, reaching a peak of €8.1 million in one year in 2019. The TUI Care Foundation was set up in 2016 as our corporate foundation to support and initiate partnerships and projects that contribute to thriving destinations and create opportunities for younger generations.





## COMMITMENTS & ACHIEVEMENTS



### Our airlines, cruise operations and hotels will deploy new technologies and practices

We invested in cutting edge aviation technology such as the Boeing 787 Dreamliner (approx. 20% more fuel-efficient than comparable aircraft) and Boeing 737 MAX (approx. 15% more fuel-efficient than the 737 NG aircraft).

We have invested in state of the art, more environmentally efficient cruise ships, such as TUI Cruises Mein Schiff 1 & 2 and Hapag-Lloyd Cruises HANSEATIC nature and inspiration. TUI Cruise’s new build ships use the latest closed-loop technology, so that waste wash water disposal only occurs onshore.

Our hotels also invest in innovative technology. For example, Robinson Club Jandia Playa became the first international hotel outside of Germany to earn the German Sustainable Building Council (DGNB) platinum certification.



### We will collaborate on initiatives to scale up sustainable aviation fuels

We are committed to reducing fuel consumption until sustainable fuels become commercially viable. We engaged in industry initiatives and research programmes such as the Sustainable Aviation Fuel Users Group to help scale up sustainable fuels of the future. We took delivery of the first 737 MAX aircraft for our Nordic airline on a 30% blend of sustainable aviation fuel (biofuel) from waste feedstock, resulting in one of the most carbon-efficient flights achieved by that aircraft type.

#### KEY



Target achieved



Target nearly achieved



Target ongoing



Target not achieved



## COMMITMENTS & ACHIEVEMENTS

### We will invest in empowering young people



The TUI Care Foundation aims to improve the life chances of over 100,000 children and young people. Project examples: protecting young people from exploitation by building their life skills and providing vocational training in tourism (Dominican Republic); opening up new perspectives for young people through the establishment of a social enterprise training restaurant (Vietnam); providing hospitality training to underprivileged young people (Sri Lanka); and supporting vocational training for disadvantaged youth (Greece). More information [here](#).



### We will invest in protecting the natural environment

Over 1.6 million animals have been protected through projects supported by the TUI Care Foundation, exceeding the ambition of 1 million. Project examples: protecting marine turtles and helping to build turtle friendly environments in holiday destinations (Worldwide); protecting elephants in the wild (Kenya) and improving the welfare of elephants kept in captivity for tourism entertainment (Thailand); and working with the tourism industry to reduce single-use plastics (Cyprus). More information [here](#).



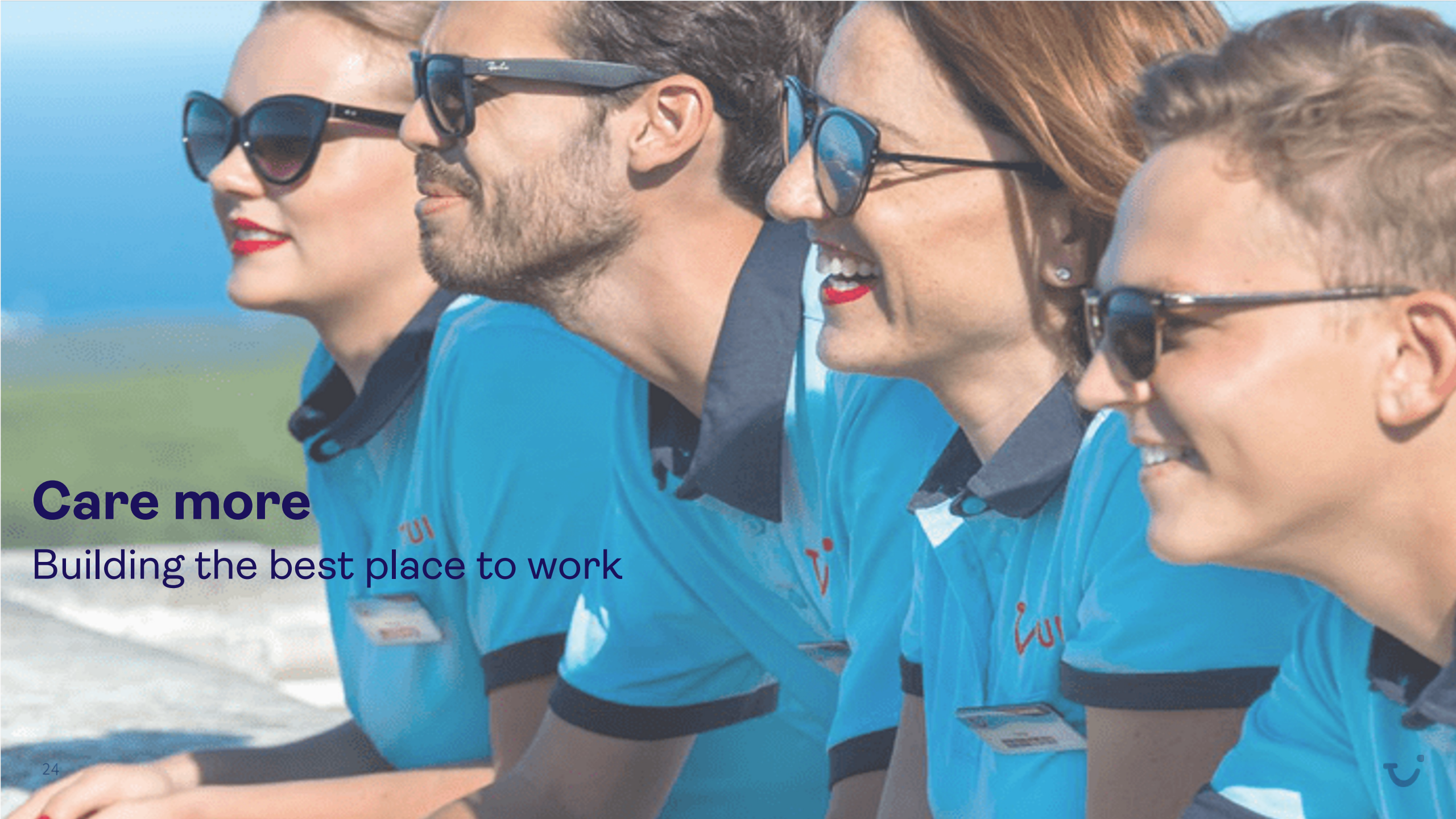
### We will invest in projects that support thriving communities

The TUI Care Foundation aims to help enhance 10,000 local livelihoods in destinations through tourism. Project examples: supporting women to develop food-related businesses for tourists in the traditional areas of Malaga (Spain); connecting local farmers with holiday destination supply chains in Andalucía (Spain); creating a brighter future for young people through a cycling enterprise (Morocco); support for young entrepreneurs to set up and part-own marketplaces in tourist locations (South Africa); and a tourism startup accelerator (Egypt). More information [here](#).

#### KEY

-  Target achieved
-  Target nearly achieved
-  Target ongoing
-  Target not achieved





# Care more

Building the best place to work





TUI employees are the ambassadors of our strategy, so we want our company to be the best place to work and our people to be passionate about what they do. That's why a key goal of 'Care More,' the fourth pillar of our Better Holidays, Better World strategy, was to reach a colleague engagement score of more than 80 by 2020.

Due to the COVID-19 crisis, the key figures of the financial year 2020 unfortunately are of limited use for comparison. Therefore, KPIs of 2019 have been used in most cases to illustrate progress since the start of the strategy.

## KEY

-  Target achieved
-  Target nearly achieved
-  Target ongoing
-  Target not achieved

## AMBITION BY 2020

**We will achieve a colleague engagement score of over 80 – aligning us with the top 25 global companies – by 2020.**

## ACHIEVEMENT

In 2019 the TUIgether employee engagement score was 76 points, due to the pandemic the employee survey did not go ahead in 2020 (Baseline year 2015 with 73).



## COMMITMENTS & ACHIEVEMENTS

### Align our employee engagement score with high performers



Over the past five years, our TUItogether employee survey has become an established feedback tool, underpinning the importance of regular feedback as an integral element of TUI’s culture. However, the COVID-19-pandemic has created a rapidly changing situation, with many employees in short-time work schemes or on some other state employment programme. In this environment, a global survey would deliver an incomplete snapshot without generating a profound data base for future decisions. TUI has therefore decided to suspend the planned 2020 employee survey including the survey of the engagement index. In the meantime, a new survey approach in the form of a ‘listening strategy’ is being devised. It will enable us to be more flexible in the future and focus even more on relevant data. In the financial year under review, we encouraged our employees to use the dialogue facilitated by performance and talent management within Great Place to Grow as a feedback opportunity.

The last full survey was conducted in 2019 with an engagement index of 76. TUI Group’s overall results were at the previous year’s level – and 2 points higher than the external global benchmark. The participation rate of 75% also remained stable and is a good indicator that an appreciated feedback culture has been created within the last 5 years.

#### KEY

-  Target achieved
-  Target nearly achieved
-  Target ongoing
-  Target not achieved

## COMMITMENTS & ACHIEVEMENTS

### Create a leadership team reflective of the diverse nature of our business



In 2020, we further intensified our efforts to promote diversity, inclusion and equal opportunities. As a strategic basis, we drew up a Diversity Roadmap 2030. To enhance the measurability of the progress delivered, the diversity reporting launched in 2019 was repeated and further expanded in 2020.

A Diversity Action Group, which includes representatives of the markets and segments, was set up to implement these projects. Two global employee networks were formed, complementing existing employee networks in the markets. In addition, many other learning materials and virtual events were launched to promote diversity among employees and managers.

As in previous years, various indicators relating to the proportion of women in managerial functions and in the overall headcount were reported as part of our diversity activities this year. The proportion of women in the overall headcount rose further to 57.8 %. While TUI delivered increases in the proportion of women in managerial functions in the past four years, the numbers remained flat or declined in 2020.







### Our colleagues will be ambassadors of sustainability

During the course of the strategy, we provided opportunities for colleagues to engage in sustainability through champion networks, sustainability-themed training, and supporting the work of the TUI Care Foundation.

We had many active sustainability champion networks in place across our business, such as TUI Aviation and our markets (Germany, UK, Belgium and the Netherlands). We rolled out two extensive internal campaigns to raise awareness of and support for the TUI Care Foundation. For the sixth year in a row colleagues based in our destinations organised an annual clean-up campaign – over 2,000 participants cleaned 62 areas in 19 countries (2019).

#### KEY

-  Target achieved
-  Target nearly achieved
-  Target ongoing
-  Target not achieved





## COMMITMENTS & ACHIEVEMENTS

### Roll out people development opportunities



The HR strategy Learning@TUI supports TUI employees and managers globally with a broad range of learning content and contributions to leadership and management programmes. Our goal is to enable our employees to take responsibility for their own growth and their careers in a constantly changing world.

COVID-19 and the new ways of working it has entailed have increased the need for mobile learning. With this year's introduction of the TUI Learning Lounge, TUI has created a crucial basis for making personal development available on any device for all employees, anytime and anywhere. The platform is a digital learning portal, offering a broad range of flexible blended-learning programmes and open on-demand content that combines different methods and media and is sourced both internally and externally. In financial year 2020 the Learning Lounge was used by more than 9,000 employees.

The TUI Finance, HR and IT Academies also focus on promoting the skills required to support functional, global and strategic challenges and opportunities. They offer our employees a perspective founded on continuous professional development and ensure that newly acquired professional expertise can be put to effective use. With the need to accelerate digitalisation across TUI, the direct focus is on further developing the Tech Academy to support the upskilling of our employees in new technologies and ways of working.

In Leadership Development, our focus is on the creation and expansion of TUI's talent pipeline. In 2020, 177 executives took part in our three Leadership programmes in order to learn more about work and leadership in the digital era.

#### KEY

-  Target achieved
-  Target nearly achieved
-  Target ongoing
-  Target not achieved

# Respecting human rights

TUI Group respects all internationally proclaimed human rights as specified in the International Bill of Human Rights and expects the same of our suppliers and business partners. Modern slavery and its components of forced labour and human trafficking are of particular concern given their egregious nature and increasing prevalence.

Modern Slavery Act Statement on [www.tuigroup.com/en-en/sustainability/msa](http://www.tuigroup.com/en-en/sustainability/msa)

In accordance with applicable law, conventions and regulation, TUI is committed to respecting human rights throughout its worldwide operations. We have a number of policies and initiatives in place to monitor, identify, mitigate and prevent human rights impacts in line with the UN Guiding Principles on Business and Human Rights, and will take remedial action where necessary.

In September 2014, TUI signed up to the UN Global Compact, committing the Group to 10 universally accepted principles in the areas of human rights, labour, environment and anticorruption. In 2012, TUI signed the UN World Tourism Organisation's (UNWTO) Global Code of Ethics – further underlining our commitment to respecting human rights.

We have a working group on human rights, drawing on senior management from major departments across our business to help with the continuous process of analysing potential human rights risks. We also sit on the Boards of the Global Sustainable Tourism Council (GSTC) and Travelife, both of which are addressing these issues through sustainability certification standards.



# Respecting human rights

TUI Group has a number of policies and procurement processes in place focused on the prevention of human rights violations and modern slavery.

- The Global Employment Statement applies both to our own employees and to our contractual partners. Its focus is the fair and respectful treatment of employees at all levels and compliance with applicable law and industry standards.
- The Employee Code of Conduct, the 'Integrity Passport', commits us to respect and observe human rights. TUI Group employees are also encouraged to report any wrongdoing to the 'Speak Up' Line.
- The Supplier Code of Conduct sets out the minimum standards we expect from suppliers. The code includes guidance on human rights and labour laws, bribery and corruption, environmental impacts and support for local communities.
- We have incorporated environmental and social requirements into contracts for our accommodation suppliers as well as other areas of procurement.





# Respecting human rights

We require our hotel suppliers to implement credible sustainability 3rd party certifications recognised or approved by the Global Sustainable Tourism Council (GSTC). Schemes approved and / or recognized by GSTC mandate the highest standards of human rights, child protection and social welfare in the tourism industry.

A key focus is raising awareness of human rights across our business. The e-learning sessions have been integrated into TUI People, a global internal HR and learning platform, which is a more efficient and better tool to track completion. Airline crews in the UK, Nordics and Germany receive Vulnerable Children & Trafficking Training during their inductions, where they learn about how to spot trafficking and what to do.

TUI Group supports a number of projects and partnerships to protect human rights in our destinations. We raise awareness of modern slavery at TUI hotel partner conferences and support Travelife with road shows. TUI Group is a founding member of the World Travel and Tourism Council's Human Trafficking Task Force to work closer with the whole tourism sector in preventing human trafficking.

Our internal Child Protection Guidelines now also include information for our colleagues on 'voluntourism' and visits to orphanages and schools, what activities are currently being offered on the market, the issues surrounding it and what TUI is doing to this respect, including prohibiting any type of visits to orphanages during TUI activities and no interaction between local children and TUI guests during any activities.



# Respecting human rights



## TUI JUNIOR ACADEMY

The TUI Care Foundation and Mentor International continued to work together on a mentoring programme to empower more than 800 young people from vulnerable communities in Jordan and Sweden. The programme focused on schools in socially vulnerable areas, targeting students (13–17 years old) who are refugees or struggling to integrate. Workshops designed to strengthen self-esteem, social inclusion and parental involvement aimed to support the young people's development, reduce isolation, improve school results, strengthen school-to-work transition and motivate and support the young people to thrive. Due to the restrictions of COVID-19, workshops continued either online or on a rescheduled timetable. The programme also involved the recruitment of volunteers by Mentor and TUI Care Foundation from local communities, including employees from across TUI Group, to lead and take part in inspirational and motivational workshops.

# UN Global Compact

## TUI Group Progress Report 2020

PRINCIPLE	RULE/ACTION	OUTCOMES
1 AND 2 SUPPORT FOR HUMAN RIGHTS AND PREVENTION OF HUMAN RIGHTS VIOLATIONS	<p><a href="#">Code of Conduct</a> updated in 2019. Training and worldwide whistleblower system is in place for reporting violations.</p> <p>TUI pledges to uphold all internationally proclaimed human rights as specified in the UN Guiding Principles on Business and Human Rights.</p> <p>TUI became a signatory to the UNWTO Global Code of Ethics in 2012.</p> <p>Statements on Modern Slavery published online <a href="#">here</a>.</p>	<p>The whistleblower system called 'Speak Up' implemented in 2013 was extended to all TUI jurisdictions in 2016. In 2020, 50 reports were received via the 'Speak Up' system and investigated.</p> <p>Modern Slavery Human Rights working group assess risks, assign tasks and monitor progress of measures.</p> <p>Over 8,000 customer-facing colleagues trained on human rights in tourism.</p>
3 TO 6 FREEDOM OF ASSOCIATION, ABOLITION OF FORCED AND CHILD LABOUR, ELIMINATION OF DISCRIMINATION	<p>Signatories to <a href="#">The Code of Conduct</a> for the Protection of Children from Sexual Exploitation in Travel and Tourism ("The Code").</p> <p>Our hotels and those of our hotel partners are required to align to a GSTC recognized sustainability certification process, which includes Human Rights components, as part of the contractual relationship (<a href="#">TUI Partners</a>).</p> <p>Signatory to the German Diversity Charter Diversity at TUI approach to increase the proportion of women in managerial functions <a href="#">Annual Report</a> p. 86.</p>	<p>TUI continues to be a member of The Code, submitting an annual report.</p> <p>43 million 'Greener and Fairer' holidays delivered between 2015 - 2020 in hotels achieving sustainability certifications (3.8 million in 2020, a lower amount due to the COVID-19 pandemic).</p> <p>28.5% women in managerial positions 30.0% of Supervisory Board is female 57.8% of the employees at TUI Group are women 20.1% of the employees at TUI Group work part time</p>





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PRINCIPLE	RULE/ACTION	OUTCOMES
<p>7</p> <p>A PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHALLENGES</p>	<p>Expansion of cruise environmental reporting to monitor water consumption and waste.</p> <p>Working on biofuels.</p> <p>Reduction of single use plastic across TUI's businesses.</p>	<p>13.6 litres of waste produced and 107 litres of fresh water per guest night across TUI's cruise businesses in 2020.</p> <p>TUI engages in industry initiatives and research programmes such as the Sustainable Aviation Fuel Users Group to help scale up sustainable aviation fuels of the future.</p> <p>TUI met its target to eliminate 250 million pieces of single use plastics by 2020, by removing 257 million pieces. TUI joined the Advisory Committee of the Global Tourism Plastics Initiative in 2020.</p>
<p>8</p> <p>PROMOTE GREATER ENVIRONMENTAL RESPONSIBILITY</p>	<p>Showcasing environmental initiatives in TUI Hotels &amp; Resorts.</p> <p>Promotion of environmentally responsible hotels and excursions.</p>	<p>Investment in technology and renewable energy food waste reduction, plastic reduction, nature conservation and local products .</p> <p>Highlighting sustainably certified hotels and more sustainable excursions to customers. Over 5 million TUI Collection excursions delivered between 2015 – 2020 (0.36 million in 2020, lower due to the COVID-19 pandemic).</p>

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PRINCIPLE	RULE/ACTION	OUTCOMES
<p>9</p> <p>DEVELOPMENT AND DIFFUSION OF ENVIRONMENTALLY FRIENDLY TECHNOLOGIES</p>	<p>Modernisation of the aircraft fleet and continual commitment to new technologies and processes.</p> <p>New cruise ships with industry leading technology.</p> <p>Use of renewable energy.</p>	<p>Due to the grounding of the 737 MAX, TUI has not been able to roll out the fleet renewal as planned.</p> <p>Airline intensity emissions improved by 3.6% against our baseline (2019 verse 2014).</p> <p>TUI Cruises' new build ships' combined exhaust gas treatment systems deliver up to 99% lower sulphur emissions, 75% lower nitrogen oxide emissions.</p> <p>Several hotels of TUI Hotels Resorts use renewable energy, e.g. solar energy at Robinson Apulia, TUI Blue Orquidea or geothermal energy at Riu Bravo.</p>
<p>10</p> <p>ANTI CORRUPTION</p>	<p>Code of Conduct <a href="#">Supplier Code</a> addresses ethical, social and legal expectations of business partners.</p>	<p>In 2020, due to COVID-19 we did not expand to new destinations and reduced our existing operations significantly. We continued the due diligence processes initiated in previous years.</p>

For more information about sustainability at TUI Group, visit: [www.tui-sustainability.com](https://www.tui-sustainability.com)

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