

SUSTAINABILITY REPORT

OCTOBER 2018

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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 fifth 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:

- Intercruises signed the *Global Code of Ethics for Tourism* – a set of principles implemented by the *World Tourism Organization* – considered a point of reference for key players in the tourism industry.
- Intercruises successfully renewed the certification of the *Integrated Management System (ISO 9001:2015 and ISO 14001:2015)* for Barcelona Operations and Passenger Services in Palma de Mallorca.
- Intercruises maintained its *Travelife Partner* status for twelve global offices, while also introducing four new locations this year. We now have 16 offices providing services across 116 destinations, accredited by the *Travelife Sustainability System for Tour Operators & Travel Agencies*.
- Intercruises became a member of *UNGC's Tourism Industry Spanish Working Group* with the aim to increase our sustainability activities within the Spanish tourism industry.
- We continue to reduce our carbon footprint and compensate our emissions, and have continued to operate as a Carbon Neutral Company for two years running.

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, hotel and port agency 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 60 countries spread across Africa, the Americas, Asia, Australia, Indian Ocean, Middle East, Mediterranean and Northern Europe.

All Intercruises teams worldwide are supported by the Intercruises Global Platform, a central team comprised of specialist in-house departments, including Health & Safety, Finance, Marketing & Communications, Business Processes, Sustainability and Operations Support. Intercruises supports cruise lines and vessels through strong industry relationships, high quality service standards, global resources and strict corporate governance, including advanced health & safety procedures and an ongoing commitment to sustainable practices.

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. Intercruises also won a Wave Award in 2018 for Best Use of Technology.

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 recently 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 Destination Services, and is one of three businesses that make up the Destination Services business unit, along with Pacific World, an award-winning event management company, and Destination Services, a global DMC of local experts crafting worldwide experiences.



Our global brands



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



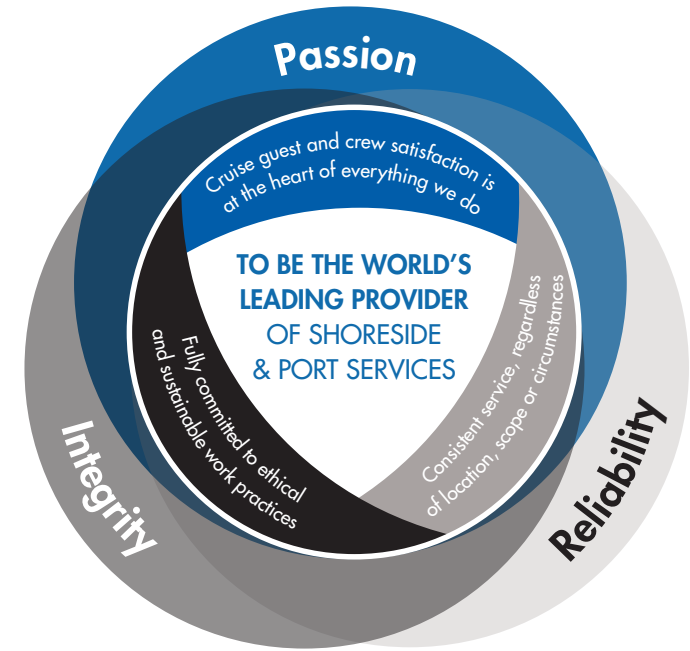
SHORE EXCURSIONS



PORT AGENCY



HOTEL PROGRAMS



KEY STATS

+60
COUNTRIES

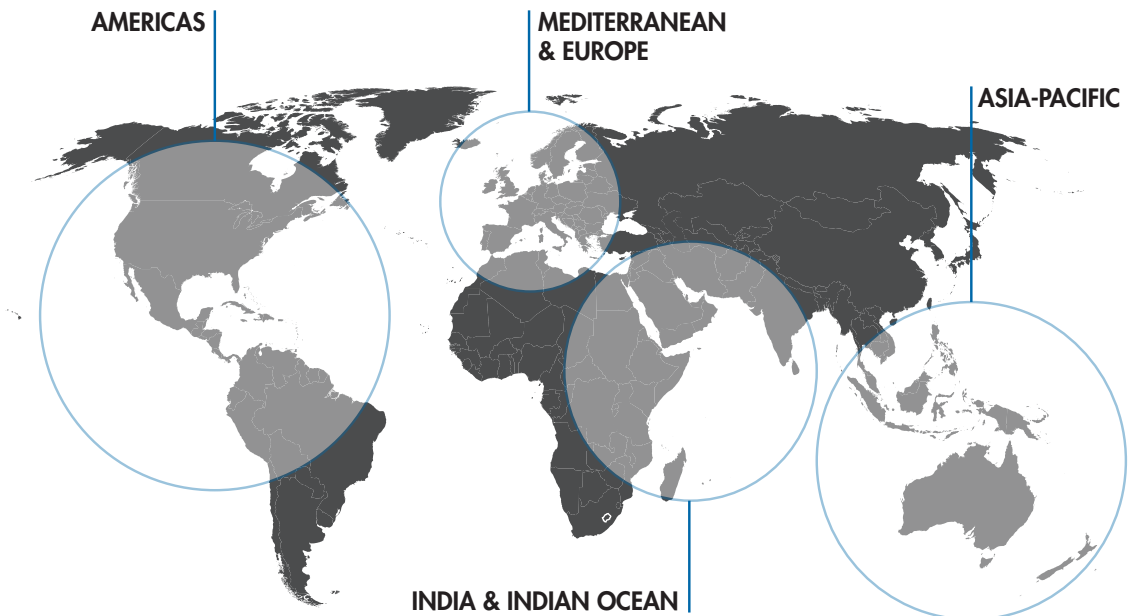
+300
FULL TIME CRUISE EMPLOYEES

+400
PORTS

+12,000
ANNUAL PORT CALLS

+100
OFFICES

+220m €
SALES (last Fiscal Year)



For the last seven 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



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 fifth 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	<div><div>1</div><div>2</div><div>3</div><div>4</div><div>5</div><div>6</div><div>7</div><div>8</div><div>9</div><div>10</div></div>	SUSTAINABLE DEVELOPMENT GOALS	<div><div>8</div><div>DECENT WORK AND ECONOMIC GROWTH</div><div></div></div> <div><div>11</div><div>SUSTAINABLE CITIES AND COMMUNITIES</div><div></div></div> <div><div>12</div><div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div></div></div>
GOALS	ACHIEVEMENTS	NEXT STEPS	
New Policies / Manuals / Guidelines / Procedures	Sustainability Policy Sustainability Process Sheet Be greener in the office	Adaptation to new Group Policies Sustainability Guidelines for suppliers (Travelife Project)	
Sustainability report	Global Compact - COP 2017 Memoria del Port de BCN Report to UNWTO Ethics about the Global Code of Ethics for Tourism	New Sustainability Report adapted to IC and valid for Global Compact Port de BCN UNWTO Ethics	
Awareness / training	Sustainability Communications – Emails, Internal Articles – Webpage – Workshops – Social media Waste Reduction Week Being sustainable in the workplace GSTC Sustainable Tourism Training	Sustainability Training: Design content for onboarding and some specific to operations (shore excursions) Sustainability Week – Sustainable Development Goals	
MEASUREMENT	17 policies developed Global Code of Ethics for Tourism signed 35 communications about Sustainability sent out in the last two years 8 training courses taken by 55 employees		

HIGHLIGHTED ACTIVITIES

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

- Global Compact report - Oct'17
- Carbon Offset - Oct'17
- Pink October - Oct'17
- Waste reduction week - Nov'17 including best practices to reduce our environmental footprint
- Printed paper communication - Nov'17
- El Gran Recapte Campaign - Dec'17
- New reusable cups - Dec'17
- Season Greetings - Dec'17
- Code of ethics - Feb'18
- Sustainability update - Mar'18 Including "Be greener in the Office"
- Travelife ITB - Mar'18
- Health&Safety Update - Mar'18
- ISO 9001&14001 - Apr'18
- Boston & Barcelona donations - May'18
- Tourism Cares Partnership - Jun'18
- WED - Beat Plastic Pollution - Jun'18

- Travelife renewals - Jul'18
- New Security Awareness training - Jul'18
- APAC CSR - Aug'18
- Sustainability achievements carbon footprint - Aug'18
- Innovative Shorex Award - Aug'18

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

- **Socially Responsible Companies:** Barcelona, 29th of May, 2018. How to become a positive influence for the society.
- Valencia, Sustainable Cruise Destination: Valencia, 28th of May, 2018. Identify the main impacts within the tourism industry supply chain and an action plan to mitigate them.



B. SUSTAINABLE OFFICES AND SERVICES – CERTIFICATIONS

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

UN GLOBAL COMPACT PRINCIPLES

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SUSTAINABLE DEVELOPMENT GOALS

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

17 PARTNERSHIPS FOR THE GOALS

GOALS	ACHIEVEMENTS	NEXT STEPS
Travelife Partner certification	16 Travelife Partner Certificates	2018 new petitions: Malaysia, Palma, etc.
GSTC – Travelife Certified – Shorex Certifications	Travelife gets GSTC accreditation	Internal Sustainable Shorex Evaluation GSTC Certification implementation for shore excursions
ISO 14001:2015 certifications	ISO 14001:2015 for Barcelona	Barcelona follow-up Malaga implementation
MEASUREMENT	16 Travelife certifications worldwide (116 ports distributed in 12 countries and 1302 shore excursions developed) ISO 14001:2015 certification implemented in the Head Office	

HIGHLIGHTED ACTIVITIES

Intercruises 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.

- Lloyds and Molins de Q: ISO 9001 and 14001 certification
- Travelife Sustainable Certification
- Group & Investors: Environmental, Social and Governance KPIs

During this year 2018, Intercruises demonstrated that its management system is in line with the new **ISO** requirements and successfully maintained certification of the ISO 14001:2015 and ISO 9001:2015 without any non-conformity.

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. Intercruises has reached the Travelife Partner full compliance status with 16 offices worldwide providing services across 116 destinations.

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	1	Spain
		Fuerteventura	6	
		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		<div>122789</div>		SUSTAINABLE DEVELOPMENT GOALS		<div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div> <div>GO</div>	
GOALS		ACHIEVEMENTS		NEXT STEPS			
Sustainable excursions		Create criteria to identify sustainable excursions		Create sustainable excursion checklist Pending: Group criteria GSTC Sustainable Excursions			
Contribute to conservation and protection of World Heritage sites		Not Started		UNESCO Partnership			
Facilitate trained people, infrastructure, vehicles and excursions for people with disabilities		Wheelchair Training		Create requirements checklist for adapted operations			
MEASUREMENT		302 employees have completed the “Assisting Guests in Wheelchairs” training program 626 employees have completed the “Disability Awareness” training program					



A **sustainable excursion** can have a positive impact on the natural environment and local communities, offering customers unique and memorable experiences while protecting the resources for the future. There are some examples of sustainable excursions included in our portfolio:



A Day in Barcelona with a Meaning

This excursion includes a visit to the church of Santa Anna. Within its walls, it houses a wonderful project: It is the first church that opened its doors so that homeless people can sleep in it, becoming a “field hospital” 24 hours a day, 365 days a year. One of the workers will briefly explain the project, and how they make the difference to many people suffering from social exclusion. The visit will not only enrich the guests’ experience, but will also give back to the local community, as their contribution is then directly invested into the project.



Panda Sanctuary CSR Program in Sichuan

This tour allows guests to help improve the lives of panda bears through a real hands-on experience. Under the supervision of official trainers, guests are invited on site to discover and learn about the pandas’ living habits while caring for them, preparing their food and ensuring their environment remains clean. Although making direct contact with the creatures is not permitted, this thrilling, up-close experience focuses on sustainability, and helps to spread global awareness while allowing guests to acquire a good understanding of the life of a species that is so symbolic of both China, and Asia.

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

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SUSTAINABLE DEVELOPMENT GOALS

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

GOALS	ACHIEVEMENTS	NEXT STEPS
Favor suppliers and contractors who promote sustainable development	Animal Welfare requirements	Create sustainable criteria to contract suppliers
Facilitate training for contractors	Not started	GSTC Sustainable Excursions
MEASUREMENT	5,587 suppliers have been risk-assessed and another 3,575 are planned. The risk assessment includes Sustainability, Health & Safety and Legal topics.	
HIGHLIGHTED ACTIVITIES	We are committed to taking action to support animal welfare together with our partners. We will continue to contract suppliers that adhere to both our Animal Welfare policy and the ABTA guidelines through our distribution channels, while also recognizing them as a participating member of our Animal Welfare Program, for them to gain additional exposure, while maintaining our best practice when it comes to animal welfare.	

E. REDUCE CARBON FOOTPRINT

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

UN GLOBAL COMPACT PRINCIPLES	<div><div>7</div><div>8</div><div>9</div></div>	SUSTAINABLE DEVELOPMENT GOALS	<div><div>13</div><div>CLIMATE ACTION</div><div></div></div>
GOALS	ACHIEVEMENTS	NEXT STEPS	
Calculate Carbon Footprint	Carbon Footprint for Barcelona and Travelife offices Sustrax program	Group report for Carbon Footprint Carbon Footprint for Barcelona and Travelife offices	
Reduce Carbon Footprint (Travel, waste, water, energy & paper consumptions)	Best practices awareness Waste Reduction week Be Greener in the Office IT donation - US	Onboarding sustainability awareness Best practices & technology available	
Carbon Offsetting	Carbon Neutral Project, CECIC Zhangbei Dayangzhuang Wind Farm – Head office offset New Global Travel Policy rolls out - Mar'18 – 3€ per flight for offsetting	New Project to become neutral at our Head office	
MEASUREMENT	Since FY14/15 we have reduced 20,88% of our Head Office Carbon Footprint 280 tons of CO2e have been neutralized in CECIC Zhangbei Dayangzhuang Wind Farm project in China Since FY11/12, paper consumption has decreased by 85% per employee Electricity consumption has decreased by 3,8% in the new office in a year. We classify more than 50% of generated waste to recycle it.		

HIGHLIGHTED ACTIVITIES



As part of the Group, Intercoaches has offset its carbon emissions during the FY 16-17 obtaining the status of a **Carbon Neutral Organisation**.

The certification comes after a thorough analysis and assessment of our Carbon Footprint by an independent body, Carbon Footprint Ltd, using metrics devised by their sustainability experts.

Business travel is the biggest contributor to our carbon emission, which is why we have created an internally-funded program that sees the company donate €2.60 for every business flight to Carbon Footprint Ltd, who then invest the funds into carbon-offsetting initiatives. This is designed to encourage a reduction in travel while raising company and employee awareness. This year our Corporate Sustainability team chose to donate all funds collected to the **Portel-Pará Deforestation an offsetting project**, located within Brazil's Amazon.

Intercoaches' Waste Reduction Week – part of a global initiative during which thousands of organizations aim to increase awareness of the importance of sustainable resources and waste management.

This year's theme "Reuse and Reduce" focuses on the simple, yet effective ways in which we can not only help prevent waste but also foster a much more eco-friendly life, both in and outside of the office.

Beginning on Monday November 20th, Intercoaches employees received a daily email from the Sustainability Department, containing their top tips on certain topics, along with the simple ways in which they can help make their lives a little bit greener.

- Monday – Paperless Office
- Tuesday – E-Waste & Digital Waste
- Wednesday – Zero-Waste Packaging
- Thursday – Reducing Carbon Footprint in the Office
- Friday – Reducing Carbon Footprint at Home

DAY 1: PAPERLESS OFFICE

WASTE REDUCTION WEEK

WHY:
The use of paper is a major factor contributing to deforestation and climate change.

FACTS:
- Using 1kg of paper requires 10,000 litres of water, 10,000 litres of energy and 10,000 litres of air.
- By recycling one ton of paper, we can save around seven mature trees and 100,000 litres of water.
- The average printer can print 1,000 pages and is usually made of plastic.

GOOD PRACTICES:
- Think twice before printing!
- If you really need to print, print double-sided/one page per side, and only print the necessary portion of documents.
- Make the most from available online resources such as Microsoft Office, Google Drive, the Cloud, etc., in order to keep our office paperless!

WE THINK GLOBALLY

How are you keeping your office paperless?
Let us know! sustainability@intercoaches.com

INTERCOACHES

DAY 2: E-Waste and Digital Waste

WASTE REDUCTION WEEK

WHY:
The end-of-life electronic devices (e-waste) such as data and computer equipment, servers, televisions and mobile phones, can often be recycled or reused, but a large amount of it ends up in landfills or incinerated.

FACTS:
- Digital waste has grown exponentially over the last decade in the form of data storage in emails, pictures, audio/video files, etc., all of which are taking up unnecessary online space.
- The world generates about 30-50 million tons of e-waste per year. Only between 15% - 20% of this is recycled.
- Mobile phones and computers have the highest recycling rate. More than 95% of the parts can be recycled as they are easy to dismantle, reuse and recycle.
- According to a recent Comscore report, the electricity consumed by cloud computing globally will increase to 1.963TWh by 2020 (compared to just 0.05TWh in 2007).
- Our most clean-up of old IT equipment in our Miami office will soon be sent to an organization to be recycled. The money made from this will then be given to an association in need.

GOOD PRACTICES:
- Recycle your unwanted/unused electronics and donate the proceeds to the associations of your choice.
- Backup your digital waste (emails, pictures, audio and video files, deprecated documents, etc.) by changing the way you organize your workplace (especially if this workplace is shared). A good example is "The 5S methodology: Sort, Set in Order, Shine, Standardize and Sustain".

WE THINK GLOBALLY

How are you managing your digital & e-waste?
Let us know! sustainability@intercoaches.com

INTERCOACHES

DAY 3: Zero Waste-Packaging

WASTE REDUCTION WEEK

WHY:
Despite the fact that more products are designed with recycling and reuse in mind, packaging material is still one of the largest culprits when it comes to global waste issues.

FACTS:
- About 12 million tons of plastic get thrown into the ocean each year, accounting for 80% of the overall marine pollution.
- By recycling just one plastic bottle, you could power a 60-watt lightbulb for three hours.
- 100,000 tons are destroyed to make office cups each year.
- You can make 20 aluminum recycled cups with the same energy you need to produce just one new one.
- By 2050, there will be 12 billion metric tons of plastic in landfills. That amount is 35,000 times as heavy as the Empire State Building.

GOOD PRACTICES:
- Look for unopened consumer goods, bring your own containers (glass water bottles, food containers, etc.), select products that come in refillable containers, buy in bulk and choose recycled and biodegradable packaging – together we can really make a difference!
- The Barcelona team will each receive corporate barcodes cups – reusable and suitable for all liquids – hot and cold!
- The Singapore office are doing their part by encouraging employees to bring in their own food as opposed to take-out – there are a whole department planning to cook and eat together in the kitchen!

WE THINK GLOBALLY

How are you doing your part for zero waste packaging?
Let us know! sustainability@intercoaches.com

INTERCOACHES

DAY 4: Reducing Carbon Footprint in the Office

WASTE REDUCTION WEEK

WHY:
Our ongoing carbon footprint is the fundamental factor associated with climate change that has led to global warming.

FACTS:
- According to the Intergovernmental Panel on Climate Change (IPCC), in order to keep global warming below 2°C, emissions of carbon dioxide (CO2) and other greenhouse gases (GHG) must be halved by 2050 (compared with 1990 levels).
- In an office of around 130 employees, the average emissions for a year were 3.4t CO2e, 7.7% electricity, 8% diesel heating and 79.9% from company flights.
- A medium heat light bulb (about 2000hrs), for example, Barcelona- London-Barcelona, emits approx. 350kg CO2 per year.
- A mature pine tree can absorb about 50 tons of CO2 in a year. This means that just one single tree can absorb the equivalent of the emissions from almost 30 cars annually.
- Choosing to bike or walk instead of the car can save 24g carbon for every 5km.
- Make use of the sun like heat and air-conditioning sparingly and note that heat should be set at 21°C and air-conditioning at 26°C.
- Go paperless; reduce packaging and recycle correctly. Minimize the use of energy by turning off lights, air-conditioning and electrical appliances when you aren't in a room, and switch to energy-efficient light bulbs.
- Remember your transportation choices: walk or cycle. Try to travel as less as possible by doing more videoconferences.
- Consider using Carbon Neutral in the office. For example, this year, the Barcelona office has offset its FY15/16 emissions by collaborating with a Wind Energy project in China.

WE THINK GLOBALLY

What are you doing to reduce your carbon footprint in the office?
Let us know! sustainability@intercoaches.com

INTERCOACHES

DAY 5: Reducing Carbon Footprint at Home

WASTE REDUCTION WEEK

WHY:
We are living through a messy, upward slide in temperatures for the first time in 800,000 years. Within our lifetimes, we face climate chaos, unless we do something to stop it.

FACTS:
- We have the resources available to help save our planet and make a difference, so why not start by making that difference at home?
- Turning off the lights you don't use in the house can save up to 370kg of carbon per year.
- For every carrier bag reused, you can save 62.5kg of carbon.
- By having the air-conditioning set to 26°C instead of 20°C will save 45kg of CO2 per year.
- By keeping the heating temperature set at 21°C and no higher will save 75kg of CO2 per year.
- The chart on the right shows the levels of emissions (from lowest to highest) of your regular household items.

GOOD PRACTICES:
- Use heat and air-conditioning sparingly and monitor the temperatures as mentioned above.
- Take shorter showers and don't keep the tap running as you brush your teeth.
- Reuse your shopping bags, or use a "bag for life".
- Buy locally grown products.

WE THINK GLOBALLY

How do you reduce your carbon emissions at home?
Let us know! sustainability@intercoaches.com

INTERCOACHES

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	<div>1236</div>	SUSTAINABLE DEVELOPMENT GOALS	<div>10 REDUCED INEQUALITIES</div>
GOALS	ACHIEVEMENTS	NEXT STEPS	
Implement Equality Plan	Not started	Pending: Group Equality Plan Collect info from all regions (% Women , % Youth, % Disabilities)	
More contracts for disadvantaged people	Not started	Partnerships with: INGEUS, groups at risk of social exclusion. INSERTA (ONCE), disabilities #GrandesProfesionales (Adecco), disabilities Best Buddies project Ley General de discapacidad, compliance	
MEASUREMENT	Current percentage of employees according to gender: <ul style="list-style-type: none">• 57% Female• 43% Male Last FY we have promoted 14 wellbeing activities for employees.		

G. PROMOTE CORPORATE RESPONSABLE 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	Volunteering activities in Barcelona and other regions (workshops) Volunteering Platform (cancelled) Tourism Cares Partnership	#IntercruisesGivesBack campaign Promote volunteering worldwide Barcelona: Let's Clean Europe, Snorkel Sostenible, El Gran Recapte, La fam no fa vacances, Soñar Despiertos Events (El Día del Niño, Campaña de Navidad, Mantenimientos), Hospital Sant Joan de Deu.
Monetary and in kind donations	Save the Children & others (Seur, Pont Solidari, etc.)	Evaluate if we are going to continue with this or split the budget for different projects (<i>Hospital Sant Joan de Deu, activities for Children, El Gran Recapte, Asociación contra el cáncer, Amigos para siempre - Soñar Despiertos, Pequeños grandes momentos, etc.</i>)

MEASUREMENT

Last FY we donated 8,614 € to different projects. This FY, our donations have increased to 12.848 €.

See all organizations supported:

- **Save the Children:** invests in childhood worldwide, providing a healthy start, the opportunity to learn and be protected from harm. Operating out of 180 countries worldwide, the Save the Children charity is often one of the first aid groups on the ground in disaster situations



- **Banc dels Aliments warehouse:** (food bank) foundation – a charity which collects, categorizes and repackages food donations to send to those in need.
- **Soñar Despierto Foundation:** developing projects for the social integration of minors and young people who live in shelters or care homes, coming from marginalised backgrounds or troubled families.
- **Freedom Trail Foundation:** supports preservation, rehabilitation and capital projects for official Freedom Trail sites which help avoid, minimize or mitigate adverse effects of the elements and man-made wear and tear of precious 17th, 18th, and 19th century sites in Boston.
- **Tourism Cares:** a US-based non-profit organization that aims to “advance the travel industry’s social impact in order to make a positive impact on people and places.”
- **Rise Against Hunger:** Intercruises took part in the First 1000 Days CSR program that supports mothers and their young children in Manila by providing them with enough nutritional food packages to last them six months.

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 201 pallets of food (approx. 90,000KG).



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.



During the recent APAC workshop in the Philippines, 32 team members from the region took part in the First 1000 Days CSR program. The team were required to measure and separate the produce which was then distributed to make 505 individual meal packages, each containing rice, soy, dried vegetables/fruits, flavoring mixes, as well as vitamin and mineral sachets. All products were locally sourced, which supported the local economy.



Intercruises Barcelona collaborates with SEUR "Tapones 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. This year in Barcelona we have collected 40 kg, equivalent to 20,000 plastic caps. With this initiative we raise money for children and additionally avoid the emission of 60 kilos of CO₂, equivalent to the CO₂ absorption of 10 trees.

Intercruises also donates its honorarium payment for its consultancy work in the *Museum of Science* in Boston, New England, to the Freedom Trail Foundation.



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 professes its regards and observance of human rights and we endeavour to engage our stakeholders on issues around responsible practices in order to promote justice and equality across our global community chain while protecting vulnerable societies.

Likewise, **suppliers** shall comply with the **Suppliers Code of Conduct**. This code of conduct sets out the minimum standards expected from the suppliers when working on our behalf. Suppliers are expected to uphold our principles by adopting accessible clear policies and procedures that respect human rights and child protection. We also have included a **sustainability clause** in our **contracts** to assure this commitment.

The fulfilment of the commitments arising from all those codes and principles allows us to create shared value with our stakeholders and act together towards the communities in which we operate.

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 Agencies sector.

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. The unionization is free. The representatives of workers can be the company's employees, who form part of a union or group of independent employees.

Intercruises is committed to **ethical working practices** and maintains integrity and transparency in all dealings with employees, clients, business partners and suppliers.

Intercruises understands that slavery can occur in several forms, including forced labor, workplace abuse, domestic servitude, child labor and human trafficking ("**Modern Slavery**"). We are committed to putting in place effective controls to

safeguard against any form of Modern Slavery occurring within our business or supply chain.

Our Supplier Code of Conduct requires that Suppliers:

1. Adhere to International Labour Organization by treating workers with respect and ensuring that relevant information on employee rights is easily accessible;
2. Will not employ anyone against their will, traffic, use forced, bonded, and compulsory or prison labor;
3. Must ensure no slavery or human trafficking operates in their business or supply chain;
4. Must ensure that employees have the correct visa and working documentation in place, and ensure that written contracts for direct and contract workers exist.

As part of our contract with suppliers, we require that they acknowledge and comply with the Modern Slavery Act, and at our request, provide us with any information or reasonable assistance to enable us to identify their supply chain. We reserve our right to terminate a supplier's contract in the event that any instances of Modern Slavery are discovered.

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.

We pay particular attention to protecting children from sexual exploitation in travel and tourism and to strengthening responsible activities to contribute to the eradication of the commercial sexual exploitation of children and adolescents.

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 are committed to maintaining high standards of professional conduct.

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. We also include this obligation in our sustainable clause for suppliers.

Intercruises aims for all employees to enjoy a work environment free from all forms of **discrimination** or harassment. Thus, the company does not tolerate abuse, bullying or harassment of any type including sexual harassment or any unwelcome conduct based on race, religion, colour, gender, age, national origin, sexual orientation or disability.

As a global enterprise, Intercruises aims to have as diverse and international work force as possible. Different nationalities are already represented in the top management team. We are keen to keep encouraging this diversity at other management levels, too.

Employees are evaluated on their individual attributes, skills and capabilities, rather than on stereotypes, prejudice or assumptions. Intercruises 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.

According to the law, the office buildings and other premises of Intercruises, provide (where technically and financially viable) access for people with special needs. Due to the nature of labor, employment of people with special needs is not always feasible.

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.

There are various reporting procedures in place to address any kind of discrimination cases, whether contacting management or using other forms of communication. If any discrimination case arises that cannot be solved by an immediate line management, employees are able to report their concern using the The SpeakUp Line, through which they can report anonymously and confidentially, acts of breach or misconduct.

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.

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 and with our colleagues, suppliers and clients.

As a leading company in the travel industry, Intercoaches acknowledges the level of public concern about the welfare and protection of animals both in captivity and the wild. We

are also aware that animal related issues are becoming more and more sensitive for our clients. We have applied the Group **Animal Welfare Policy**. This policy has been created to ensure rewarding experiences to customers are provided while safeguarding the welfare of animals and public health.

We apply different actions in order to raise **awareness** on sustainability topics of Intercoaches 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 on our internal blog, The Interjournal (available to all Intercoaches employees).

We encourage our **suppliers** to be more sustainable and environmentally responsible

through the Sustainability clause in our contracts and with our Group Supplier Code of Conduct.

Intercoaches **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. (ISO 14001:2015 certification and Travelife Sustainability Program).

Across the group we are committed to **purchasing sustainable** products and have embedded sustainability principles in the Global Procurement Policy. The inspiration for this came from Intercoaches' core value to *"implement and promote the use of sustainable ways of working."*

The Corporate Travel Policy includes sustainability criteria in order to decrease our Carbon Footprint.

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

- More than half of the brochures are printed in the offices, and therefore, printed on 100% recycled paper. Business cards are printed on FSC paper, calendars are printed in FSC material.
- 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.
- Vending machines: we have changed our vending food and beverage supplier, to one committed to responsible purchasing buying primarily local, organic and GMO-free products.
- Sustainable lanyards: used in the congress and events.
- Use of 100% biodegradable/compostable plates and cutlery during regular internal company events.

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:

Saving paper and supporting Save the Children 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 designs different cards to send to our client contacts.

An internal e-learning platform, **Intercruises e-Learning Platform (IELP)**, has been developed to create unlimited online courses reducing our paper consumption. This platform has been used by over 5,300 trainees.

More **environmentally-friendly workshops**, with different initiatives like: sending information via WhatsApp to workshop participants (instead of conventional printouts), write name tents using fallen leaves and reusing to fold into envelopes.

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
Carbon Footprint (ton CO2)	280	269
Air travel (Km)	1.275.007	835.447
Electricity (kWh)	83.856	89.929
Electricity (kWh/FTE)	601	655
Printed paper (Sheets)	454.616	434.032
Printer paper (Sheets/FTE)	3643	3164
Reams of paper	850	725
Reams of paper / FTE	6,86	5,29
Landfill waste	45.330	48.783
Recycling waste	63.487	72.507
Hazardous waste	11,3	322,2

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.

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 group addresses Anti-Bribery and Corruption through its **Code of Conduct, Supplier Code of Conduct, Policy on Procedures for Prevention of Bribery & Corruption**, and the **Policy on Business Gifts, Hospitality and Sponsorship**. In addition, training programs for employees are performed on an ongoing basis via e-learning and face-to-face meetings.

All employees can report anonymously and confidentially, any breaches or misconducts using the SpeakUp Line.

The report helps us to identify and prevent any risk that we may not be aware of, or that could result in a negative impact for the company, colleagues, shareholders, the environment or the public. We can use the SpeakUp Line 24 hours a day, 365 days a year.



Your **local** partner **worldwide**