Sustainable Supply Chain Development

Jane Ashton – 6th Dec 2019
Better Holidays, Better World

**Step Lightly**
- Reducing environmental impact
- We will operate Europe’s most carbon-efficient airlines and reduce the carbon intensity of our operations by 10%.

**Lead the Way**
- Pioneering sustainable tourism
- 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.

**Make a Difference**
- Creating positive change
- We will deliver 10 million ‘greener and fairer’ holidays a year by 2020, enabling more people to share in the benefits of tourism.

**Care More**
- Building the best place to work
- We will achieve a colleague engagement score of over 80 aligning us with the top 25 global companies.
Contractual obligation for hotels to certify to GSTC-criteria has driven results.

<table>
<thead>
<tr>
<th>Hotel KPI</th>
<th>FY2015</th>
<th>FY2016</th>
<th>FY2017</th>
<th>FY2018</th>
<th>FY2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Certified Hotels</td>
<td>950</td>
<td>1,170</td>
<td>1,220</td>
<td>1,403</td>
<td>1,688</td>
</tr>
<tr>
<td>Number of ‘Greener &amp; Fairer’ customers</td>
<td>5.6M</td>
<td>6.3M</td>
<td>8.3M</td>
<td>9.2M</td>
<td>10.2M</td>
</tr>
</tbody>
</table>
Performance of Certified v Non-Certified Hotels

CERTIFIED HOTELS OUTPERFORM OTHERS

- 10% lower CO₂ emissions per guest night
- 24% lower waste volume per guest night
- 19% less fresh water use per guest night
- 23% higher use of green energy
- 9% higher employment rate of national employees

Our most sustainably-managed hotels also consistently deliver higher quality and customer satisfaction.
Certification drives ongoing performance….data from the same 234 TUI Hotels & Resorts over 5 years:

<table>
<thead>
<tr>
<th>Hotel KPI</th>
<th>FY15</th>
<th>FY19</th>
<th>% Var.</th>
</tr>
</thead>
<tbody>
<tr>
<td>CO2 [kg]</td>
<td>9.9</td>
<td>8.5</td>
<td>-14%</td>
</tr>
<tr>
<td>Fresh Water [L]</td>
<td>456</td>
<td>410</td>
<td>-10%</td>
</tr>
<tr>
<td>Total Water [L]</td>
<td>505</td>
<td>461</td>
<td>-9%</td>
</tr>
<tr>
<td>Waste [kg]* FY17</td>
<td>2.3</td>
<td>1.9</td>
<td>-16%</td>
</tr>
<tr>
<td>Hotels Certified</td>
<td>179</td>
<td>210</td>
<td>+22%</td>
</tr>
<tr>
<td>% Hotels Certified</td>
<td>76%</td>
<td>94%</td>
<td>n/a</td>
</tr>
</tbody>
</table>
SUSTAINABLE BLUE 10 steps to a better world (by 2022)

1. 100% use TUI’s sustainable construction guidelines during refurbishments & new builds
2. 90% of hotels will hold a GSTC-recognised certification
3. 80% of staff receive vocational training
4. 70% of employees are recruited from the local area
5. 60 million pieces of single-use plastic removed from hotel operations
6. 50% of food and beverage is sourced from the local area
7. 40% of Kids’ Clubs activities include sustainability themes
8. 30% reduction of waste to landfill per guest per night
9. 20% reduction in carbon intensity of our operations
10. 10% reduction of fresh water consumption per guest per night
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Thank you!