CDP Webinar
Insights from TUI Travel PLC
FTSE100 listed Company on LSE
April 2014

James Whittingham
Group Environment Manager
Agenda – what I plan to cover

- Introductory remarks – who is TUI Travel
- Why does TUI Travel respond?
- How have our CDP responses evolved?
- The benefits of reporting to CDP?
- What challenges have we encountered?
- Advice for first-time reporters?

james.whittingham@tuitravel.com
tuitravelplc.com/sustainability
TUI Travel - at a glance – “The Boiler Plate”

- One of the world’s leading international leisure travel groups
- Revenues of £15 billion
- Underlying operating profit of £589 million

- 30 million customers from 31 source markets
- Over 220 trusted brands
- 138 aircraft and 1,800 retail shops in Europe
- 55,000 colleagues
Our three-year Sustainable Holidays Plan

Our vision is to make travel experiences special with a firm commitment to sustainability.

We’ve set ourselves four goals to achieve by 2015...

**Destinations**

Better on the ground
Taking care in destinations

We will deliver 10 million ‘greener and fairer’ holidays

We will measure this by the number of customers we take to hotels with credible sustainability certifications from 2012 – 2014.

**Carbon**

Better in the air
Reducing carbon emissions

We will operate Europe’s most fuel-efficient airlines and save more than 20,000 tonnes of carbon from our ground operations

We will measure this through TUI Travel airlines’ average carbon emissions per revenue passenger kilometre (CO₂/RPK) and CO₂ saved from our major premises, retail outlets, brochure paper production, differentiated hotels and fleets of vehicles (against 2011 baseline).

**Colleagues**

Take action
Involving and empowering colleagues

Our colleagues will rate TUI Travel as a leader in sustainability

We will measure this through the Your Voice global opinion survey results – aiming to meet High Performing Company scores for responsibility towards the environment and community for all colleagues and senior leaders.

**Customers**

Who care
Creating demand for sustainable holidays

Customers will regard TUI Travel as a leader in delivering more sustainable holidays

We will measure this by our performance in consumer research in our key source markets.
Why does TUI Travel respond?

• We’re big – carbon is a **strategic** sustainable development challenge

• TUI Travel’s emissions are in the top 20 emitters of the FTSE350* - 17th largest in CDP 2013

• It’s now a legal obligation in the UK to disclose CO₂ emissions – *but what’s disclosed is only a small portion of the story*

• CDP – fits into TUI Travel’s disclosure plans re: ESG risks – i.e. to maintain transparency
Key sources of our carbon emissions

BREAKDOWN OF TUI TRAVEL’S CARBON FOOTPRINT

- TUI Travel airlines and aviation 88.4%
- Water transport 4.4%
- Ground transport 0.5%
- Major premises 0.5%
- Differentiated hotels 5.3%
- Other (indirect emissions including business travel by air) 0.8%
The context – TUI Travel’s Footprint

### GLOBAL GHG EMISSIONS DATA FOR PERIOD
1 OCTOBER 2012 – 30 SEPTEMBER 2013
### ABSOLUTE FIGURES

<table>
<thead>
<tr>
<th>Source</th>
<th>CO₂ [t] (tonnes of carbon dioxide)</th>
<th>CO₂e [t] (tonnes of carbon dioxide equivalent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total scope 1 emissions</td>
<td>5,936,608</td>
<td>5,999,276</td>
</tr>
<tr>
<td>Total scope 2 emissions</td>
<td>303,759</td>
<td>305,230</td>
</tr>
<tr>
<td>Other (scope 3) emissions</td>
<td>52,084</td>
<td>52,271</td>
</tr>
<tr>
<td><strong>Grand total</strong></td>
<td><strong>6,292,451</strong></td>
<td><strong>6,356,777</strong></td>
</tr>
</tbody>
</table>

Scope 1 covers direct emissions
Scope 2 & 3 covers indirect emissions
How have our CDP responses evolved?

• Going beyond the "tick box exercise" approach

• Using CDP process to engage key internal functions/areas of the business
  • Airlines, Water & Ground Transport, Differentiated Hotels & Major Premises
  • Group Management Board
  • Investor Relations
  • Finance & Strategy
  • Risk Management
  • Corporate Communications

• Try and improve the narrative year-on-year to reflect the maturity of thinking

• Using CDP Reporter Services Membership to help embed “carbon thinking” year-round in the business – rather than “two hectic months”
The benefits of reporting to CDP?

- CDP provides a key plank of disclosure – content “recycled” elsewhere
- Provides strategic framework to track, monitor & address risks & opportunities
- CDP tracks the debate on the corporate response to carbon management & mitigation – therefore helps TUI Travel stay ahead
- CDLI (& CDPI) – provides 3rd party endorsement of our efforts – a valued “brand” in the ESG disclosure world

CDP is a powerful internal stick to encourage momentum on carbon mitigation
Challenges encountered?

Quantitative Data
- Geographically wide-spread business – it’s complicated (even for us!)
- A growing business – to establish new contacts for key emission sources
- Explaining our emissions profile and mitigation ~ simply
- MS Excel – has its limitations – fortunately we have now replaced it!

Qualitative Data
- Keeping pace with changes in policy & good practice
- High expectation from senior management – CDLI every year since 2008
- Maintaining interest and buy-in from internal stakeholders

TUI Travel’s preparation for CDP has clashed with other disclosure tasks
If you are a first time responder?

- Identify a Project Manager - a “well-connected” person
- Review the questionnaire (and guidance/scoring methodology in detail)
- Identify who/which departments can help – prioritise this!
- Break down the tasks and assign responsibility & deadlines (leave slippage time!)
- Identify your internal sign-off gate-keepers – work back from 29th May 2014
- Make the most of the help available on the CDP site
- Look at other company responses in your Sector/CDLI & CDPI companies from 2013
- Consider using CDP’s Response Check
Thank you... any questions?

james.whittingham@tuitravel.com
tuitravelplc.com/sustainability