



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

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# 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?

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# 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...

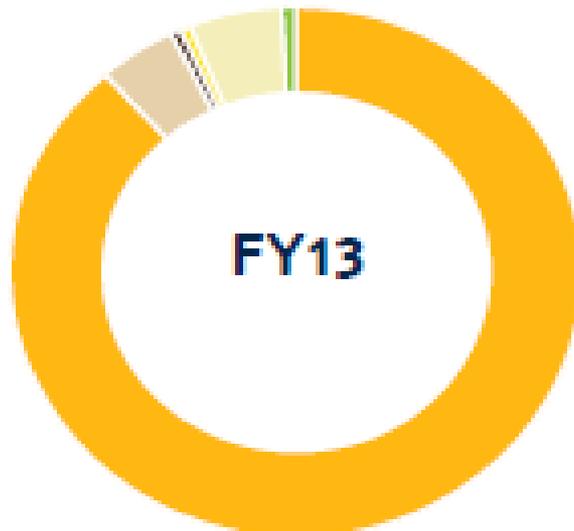
 <h3>Destinations</h3> <p><b>Better on the ground</b> Taking care in destinations</p> <p><b>We will deliver 10 million 'greener and fairer' holidays</b></p> <p>We will measure this by the number of customers we take to hotels with credible sustainability certifications from 2012 – 2014.</p> 	 <h3>Carbon</h3> <p><b>Better in the air</b> Reducing carbon emissions</p> <p><b>We will operate Europe's most fuel-efficient airlines and save more than 20,000 tonnes of carbon from our ground operations</b></p> <p>We will measure this through TUI Travel airlines' average carbon emissions per revenue passenger kilometre (CO<sub>2</sub>/RPK) and CO<sub>2</sub> saved from our major premises, retail outlets, brochure paper production, differentiated hotels and fleets of vehicles (against 2011 baseline).</p> 	 <h3>Colleagues</h3> <p><b>take action</b> Involving and empowering colleagues</p> <p><b>Our colleagues will rate TUI Travel as a leader in sustainability</b></p> <p>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.</p> 	 <h3>Customers</h3> <p><b>who care</b> Creating demand for sustainable holidays</p> <p><b>Customers will regard TUI Travel as a leader in delivering more sustainable holidays</b></p> <p>We will measure this by our performance in consumer research in our key source markets.</p> 
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# 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\* - 17<sup>th</sup> largest in CDP 2013
- It's now a legal obligation in the UK to disclose CO<sub>2</sub> 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

Source	CO <sub>2</sub> [t] (tonnes of carbon dioxide)	CO <sub>2</sub> e [t] (tonnes of carbon dioxide equivalent)	
Total scope 1 emissions	5,936,608	5,999,276	Scope 1 covers direct emissions
Total scope 2 emissions	303,759	305,230	
Other (scope 3) emissions	52,084	52,271	
<b>Grand total</b>	<b>6,292,451</b>	<b>6,356,777</b>	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 3<sup>rd</sup> 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?*

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