

SUSTAINABILITY POLICY

handbook of practical procedures

Sustainability mission statement

Our aim is to contribute to sustainable tourism. Our objectives are to reduce negative environmental, socio-cultural and economic impacts of our product by adapting our travel policies and standards. We support our suppliers towards higher sustainability standards and we stimulate more awareness among our customers and motivate them towards more sustainable travel behavior. We are working to minimize negative impact of the business for the future generations to enjoy our planet.

We aim to follow, implement and promote good sustainability practices to maximize positive impacts and minimize negative impacts on eco-system by our operations and to influence our clients and partners to follow the same.

Sustainability Policy

main themes, principles & practical actions:

1. Sustainability Management & Legal compliance
2. Internal management: social policy & human rights
3. Internal Management: Environment and community relations
4. Partner agency
5. Transport
6. Accommodations
7. Excursions and activities
8. Tour leaders, local representatives and guides
9. Destination
10. Customer communication and protection

Sustainability Management

We commit to sustainability management, practiced by these following actions:

- ▶ to have an appointed employee responsible for sustainability coordinator tasks
- ▶ to have a sustainability mission statement that is communicated to customers, partners and suppliers
- ▶ to have an accessible and written sustainability policy that aims for a reduction of the negative social, cultural, economic and environmental impacts of the company's activities and includes employee related health and safety aspects
- ▶ to collaborate and actively involved in external forums and working groups which are supportive to sustainability in tourism
- ▶ to conduct baseline assessment of the company's performance on sustainable practices
- ▶ to have sustainability guidelines and assessment system in place to identify the sustainability performance of key suppliers/partners
- ▶ to have sustainability action plan with clear targets, actions, measures, responsibilities and time planning
- ▶ to develop documented procedures to monitor and evaluate the implementation of the sustainability policy, objectives and targets
- ▶ to ensure company's transparency in sustainability by public reporting and communication
- ▶ to ensure that our staff is fully aware of our Sustainability Policy and is committed to implementing and improving it

Legal compliance

We commit to complying with all national legislation, regulations and codes of practice.

- ▶ Strong governance is exercised by BalticTravelGroup Board Members and executive leadership. Paying close attention to the adherence of ethical business practices and prudent risk management are critical ingredients to BalticTravelGroup's long-term value creation for stakeholders. This includes a sound approach to corporate governance that complies with all applicable laws, rules, regulations, and policies, as well as unwavering adherence to BalticTravelGroup's company values.
- ▶ BalticTravelGroup is committed to doing the right thing in every case, without exception. Every employee at BalticTravelGroup is expected to conduct themselves in accordance with the highest moral and ethical standards informed by our Code of Conduct (@BTG Personell and ethics and @ AntiBribery policy).
- ▶ We also aim to work with business partners that share a similar commitment to Legal compliance and expect all BalticTravelGroup vendors to act in a manner consistent with our Business Partner Code of Conduct.

Internal management social policy & human rights

We commit to sustainable internal management by having clear written and well-communicated social policy that includes the following principles:

- ▶ grant employees the freedom of employment and contract termination with notice (ideally minimum one month) and without penalty
- ▶ include labor conditions according to national labor law and a job description in the employment contract
- ▶ wage rate is to be mentioned in the contract and equals or exceeds the national legal wage
- ▶ follow work - life balance in our daily work but if occurred compensate overtime working hours based on agreement
- ▶ provide medical and liability insurance according to the national law
- ▶ grant employees fully paid annual vacation as well as sick leave allowance according to national laws
- ▶ provide health and safety policy for employees which complies to national legal standards;
- ▶ have first aid sets and ensure trained staff is available at all relevant locations;

- ▶ obey national laws concerning Minimum Age for Admission to Employment
- ▶ have documented effective procedures in place for employees to voice out their complaints and expectations
- ▶ have a clear disciplinary procedure that is effectively communicated with employees
- ▶ have a measurement system for employee satisfaction on a regular basis
- ▶ provide periodic guidance and training for employees on roles, rights and responsibilities regarding health and safety issues. This includes fire and relevant natural disasters
- ▶ create opportunities for students in participating in traineeship/internship/apprenticeship;
- ▶ encourage employment opportunities for persons with special needs

We commit to practice human rights by ensure the enforcement of following practices:

- ▶ declare not to hinder trade union membership, collective labor negotiations and representation of members by trade unions
- ▶ participate and comply with a (sector wide) collective labor condition negotiation structure (if locally existing)
- ▶ prohibit discriminations, regard to recruitment, conditions of employment, access to training and senior positions, or promotion in terms of gender, race, age, disability, ethnicity, religion/beliefs or sexual orientation
- ▶ ensure all employees have an equal chance and access to resources and opportunities for personal development through regular training, education

Internal Management

Environment and community relations

We commit to practice environmental protection and enhance community relations by ensuring the enforcement of following practices:

- ▶ actively reduce the use of disposable and consumer goods
- ▶ favor the purchase of sustainable goods and services, office and catering supply, giveaways and merchandise
- ▶ purchase products in bulk, to reduce the amount of packaging materials
- ▶ set copy and printing machines by default to double-sided printing or other forms of paper saving modes
- ▶ use cleaning materials which are non-hazardous, non-eutrophic and biodegradable and are certified with an eco-label, if locally available
- ▶ print brochures on environmentally friendly paper, with a printing company that works with a certified environmental management system, if locally available at reasonable costs
- ▶ implement measurements to reduce brochure wastage or an 'internet only' policy
- ▶ have an active commitment to measure, monitor and reduce energy consumption
- ▶ calculate and compensate CO2 emissions and compare different periods
- ▶ purchase green energy and energy efficient lighting for all areas, when available
- ▶ switch off Lights and equipment when not in use, use automatic switch on/off system with timers or movement sensors and set equipment by default in the energy saving mode, where this is feasible

- ▶ prefer low energy equipment when buying new items, including considerations of cost and quality
- ▶ have an active policy to reduce water consumption, implemented and monitored on a monthly or yearly basis for benchmark purposes
- ▶ use sustainable water sourcing, which does not adversely affect environmental flows
- ▶ install water saving equipment in toilets, re-use waste water and/or collected rainwater
- ▶ comply with the national legislation concerning waste disposal
- ▶ develop and implement a solid waste reduction and recycling policy, with quantitative goals
- ▶ take measures to reduce the amount of packaging materials and not provide non-recyclable or non-biodegradable package materials
- ▶ take action to reduce the amount of (non-refillable) plastic bottles of drinking water for office use
- ▶ separate all materials which can be recycled and organize collection and proper disposal
- ▶ implement waste reducing methods when using ink and toner cartridges for printing and copying, whenever feasible
- ▶ recycle or properly dispose of batteries
- ▶ comply with national legislation of wastewater treatment, which should be reused or released safely
- ▶ minimize and substitute the use of harmful substances and manage properly the storage, handling and disposal of chemicals

- ▶ use lead-free and water based paints, both inside and outside, when locally available;
- ▶ implement practices to minimize pollution from its buildings (as far as being able to be controlled by the company)
- ▶ measure and reduce staff related travel and use more sustainable modes of transport. Calculate its emissions, with the aim to reduce and compensate, through a reliable locally available program
- ▶ financially encourage employees to use public transport or sustainable means of transport
- ▶ reduce transport related impacts by tele-work, tele/video meetings, work-at-home policies or other means
- ▶ maintain and properly check motorized company vehicles, to reduce emissions and energy use and make sure they comply with the legal emission standards
- ▶ provide periodic guidance, training and/or information to all staff members, about their roles and responsibilities with respect to internal environmental practices
- ▶ comply with land use, zoning and protected or heritage area laws and regulations; when planning, designing, constructing, renovating, operating or demolishing company buildings and infrastructure
- ▶ base planning, design and construction of new buildings or renovations, on locally appropriate and feasible sustainable practices and materials
- ▶ contribute to the protection and preservation of local historical, archaeological, culturally, and spiritually important properties and sites, and not impede access to them by local residents

Partner agency

We have developed and implemented a policy to improve sustainability of our partner agencies. Our aim is to be sure on sustainable development with each and every partner within our business.

We commit to this by:

- ▶ keeping a list of the sustainability practices of partner accommodations and agents;
- ▶ working with organisations who are truly implementing sustainability in their tourism policy;
- ▶ minimalizing the ecologic footprint of the office by travelling mainly via public transport, working as paperless as possible, separating waste as well as using of certified recycled paper when available
- ▶ paying attention to the local benefits of communities when selecting local accommodations and their social policy for employees
- ▶ raising awareness among key partners on sustainable consumption by organising (online) campaigns and trainings
- ▶ informing key partners on the Travelife and national tourism standards
- ▶ having a cooperation contract including an annex of the national code of conduct for local partners to encourage their practices towards sustainability

- ▶ evaluating sustainability practices regularly of our key partners to ensure their practices are truly sustainable
- ▶ informing key partners about the travel companies' sustainability policy and that they are expected to comply with it and/or communicate it to final customers where relevant
- ▶ including key sustainability clauses in contracts with inbound partners
- ▶ motivating incoming/inbound partners to participate in sustainability trainings for travel companies
- ▶ having a written contract with partner agencies
- ▶ including clauses in the partner contracts that enable contract partners to end the contractual agreement prematurely if the partner company does not take adequate measures to prevent sexual exploitation of children within the direct supply chain
- ▶ ensuring that partner companies comply with all relevant national laws protecting the rights of employees

Transport

We try to ensure that vehicles used on tours do not cause more than average pollution. We believe that transport is an important aspect of sustainable tourism, and we do our best to decrease the average pollution level.

We commit to this by:

- ▶ selecting the most sustainable options considering price and comfort when selecting transport options to the destination;
- ▶ including sustainable (public) transport to the point of departure for the international/long distance journey;
- ▶ considering and giving preference to more sustainable alternatives when selecting transport options for transfers and excursions in the destination, taking into account price, comfort, and practical considerations;
- ▶ integrating and/or promoting one or more sustainable holiday products/packages based on a recognised methodology, including sustainable transport, sustainable accommodations, and sustainable activities.

Accommodations

We try to achieve a tourism supply chain that is fully sustainable. Partner accommodations play an important role in achieving this, and are motivated to adapt sustainable practices.

We commit to this by:

- ▶ selecting preferred accommodations that comply with sustainability and quality standards with a special focus on the following items:
 - * Do they have a signed sustainability policy?
 - * Do they have a water saving program?
 - * Do they have a waste management program?
 - * Do they have an energy saving / reduction system?
 - * Do they have a sustainable supply chain?
 - * Do they have a child protection policy?
 - * Do they train employees in Health & Safety?

- ▶ encouraging partner accommodations to become sustainably certified
- ▶ preferring and selecting accommodations that are locally owned and managed;
- ▶ selecting accommodations that employ local communities
- ▶ having accommodations provide evidence clarifying their sustainability goals and strategies
- ▶ having accommodations sign a sustainability addendum
- ▶ encouraging accommodations to follow best practices/trainings on responsible tourism
- ▶ encouraging accommodations to fill in the sustainability questionnaire to gain insight in their practises
- ▶ clearly and actively communicating our sustainability objectives and requirements regarding accommodations to contracted and other relevant accommodations
- ▶ giving clear preference to accommodations that work with internationally acknowledged (e.g. GSTC recognised) and/or Travelife certification
- ▶ including standard sustainability clauses in all contracts with accommodation providers that focus on child labour, anti-corruption and bribery, waste management and protection of biodiversity
- ▶ offering incentives to accommodations that are actively engaging in sustainability
- ▶ ensuring that through our accommodation supply chain, the rights of children are respected and safeguarded by

- ▶ having a clause in contracts throughout the value chain stating a common repudiation and zero tolerance policy of sexual exploitation of children
- ▶ having a clause dedicated to this aspect in their contract that enables the travel company to end the contractual agreement prematurely if the accommodation supplier does not take adequate measures to prevent sexual exploitation of children
- ▶ training employees in children's rights, the prevention of sexual exploitation and how to report suspected cases
- ▶ supporting, collaborating with, and engaging stakeholders in the prevention of sexual exploitation of children
- ▶ working with accommodations and restaurants that incorporate elements of local art, architecture, or cultural heritage; while respecting the intellectual property rights of local communities
- ▶ terminating cooperation with accommodation in case of clear evidence that contracted accommodations jeopardize the provision of integrity of basic services such as food, water, energy, healthcare, or soil to the neighboring companies

Excursions and activities

We value cultural heritage in our destinations and aim at tours that only leave a minor footprint. We are safeguarding the authenticity of the communities and the natural environment, and are strongly against harming wildlife and polluting the environment.

We commit to this by:

- ▶ advising guests on behaviour standards during excursions and activities with a focus on respecting the local culture, nature, and environment
- ▶ communicating our sustainability objectives and requirements to contracted and other relevant excursion providers by distributing this information via code of conducts, representative agents, social media, email, discussions, and/or meetings, to minimise negative visitor impact and maximise enjoyment
- ▶ not offering any excursions that harm humans, animals, plants, natural resources such as water and energy, or which are socially and culturally unacceptable
- ▶ not being involved with companies that harvest, consume, display, sell, or trade wildlife species unless it is part of a regulated activity that ensures that their utilisation is sustainable and in compliance with local, national, and international law
- ▶ having skilled and/or certified guides to guide our guests in sensitive cultural sites, heritage sites, or ecologically sensitive destinations
- ▶ promoting and advise our guests on excursions and activities which directly involve and support local communities by purchasing services or goods, traditional crafts and local (food) production methods, or visiting social projects
- ▶ promoting and advising our guests on excursions and activities which support local environment and biodiversity such as visiting protected areas or environmental protection projects

Tour guides & local representatives

We aim at involving as many locals as possible by employing them in the travel business.

We stand for a fair and safe working environment that supports and respects local communities.

We commit to this by:

- ▶ ensuring that all employees have a written employment contract, job description, and fully understand terms and conditions in them
- ▶ preferring to work with local tour guides, representatives, drivers, and other local staff in case of equal ability, and provide training as required
- ▶ ensuring that our local partners comply with all applicable international, national, and local laws and regulations, industry standards
- ▶ paying local staff contracted by us a living wage that is equal to or above the legal minimum or relevant industry standard
- ▶ ensuring that our tour guides, hosts, and other employees under contract are qualified and trained regularly
- ▶ ensuring that our local employees are informed on relevant aspects of our sustainability policy and comply with it, by newsletters, references or supplements to contracts, emails, or training and information sessions
- ▶ having our tour leaders, local representatives and guides inform clients on relevant sustainability matters in the destination (e.g. protection of flora, fauna, and cultural heritage, resource use), social norms and values (e.g. tips, dressing code and photography), human rights (e.g. sexual exploitation) and avoidance of sexual exploitation of children

Destination

We aim to maximize positive impacts and minimize negative impacts at destination to ensure the sustainable development of the places that we operate in.

We commit to this by:

- ▶ consider sustainability aspects in the selection process of new destinations and possibly offer alternative, non-mainstream destinations
- ▶ consider selection of destinations, which are reachable through more sustainable means of transport
- ▶ comply with legally based spatial planning, protected areas and heritage regulations
- ▶ support initiatives that improve the relationships between accommodations and local producers
- ▶ influence and support local government (when possible, together with other travel companies and stakeholders) concerning sustainability, destination planning and management, use of natural resources and socio-cultural issues
- ▶ support biodiversity conservation, including protected areas and areas of high biodiversity, through financial contribution, political support, and integration in product offers
- ▶ not promote souvenirs which contain threatened flora and fauna species as indicated in the CITES treaty and the IUCN 'Red List'; or historic and archaeological artefacts (except as permitted by law)

Customer communication and protection

Customers welfare and information are very important to us. We ensure clear and constant communication and high protection to our clients.

Prior to booking, we commit to this by:

- ▶ make available a company guideline for client consultation, which is followed by client advisors
- ▶ ensure that customer privacy is not compromised
- ▶ comply with relevant standards and voluntary codes of conduct in marketing and advertising messages, and not promise more than is delivered
- ▶ make product and price information clear, complete and accurate, with regard to the company and its products and services, including sustainability claims
- ▶ provide destination information, including sustainability aspects, which is factually correct, balanced and complete
- ▶ inform clients about the environmental impact of different transport options to reach the destination (in case these are not included in the package), and to offer sustainable alternatives, where available
- ▶ promote sustainable accommodations, excursions, packages and/or transport options, with logos or other messages; ensuring they are recognizable to consumer and presented as the “better” option
- ▶ inform the customer about sustainable alternatives concerning accommodations, excursions, package holidays and transport options, if available
- ▶ clearly inform (potential) direct customers, about sustainability commitments and actions

After booking and during holidays, we commit to this by:

- ▶ providing Information to clients on natural surroundings, local culture and cultural heritage in the holiday destination
- ▶ informing clients on key sustainability aspects and issues in the destination and receive recommendations on how to make a positive contribution
- ▶ informing clients on risks and precautions related to health and safety matters in the destination
- ▶ keeping a contact person and a telephone number permanently available for emergency situations
- ▶ training personnel and keeping guidelines available, on how to deal with emergency situations
- ▶ providing clients with documented guidelines and/or codes of conduct for sensitive excursions and activities, to minimize negative visitor impact and maximize enjoyment
- ▶ providing clients with information about commercial, sexual or any other form of exploitation and harassment, particularly of children and adolescents
- ▶ informing clients about applicable legislation concerning the purchasing, sales, import and export of historic or religious artefacts and articles containing materials of threatened flora and/or fauna in the destination
- ▶ motivating clients to use local restaurants and shops (where appropriate)
- ▶ Inform clients on sustainable transport options in destinations, when feasible
- ▶ encourage clients to donate to local charity and sustainable initiatives

After holidays, we commit to this by:

- ▶ measure systematically client satisfaction and take into account the results, for service and product improvements
- ▶ include sustainability as an integral part of the research into client satisfaction
- ▶ have clear procedures in case of complaints from clients