SUSTAINABILITY AT OUR HEART
CONTINUING THE TRANSFORMATION
This is Thomas Cook’s ninth annual Sustainability Report. The report covers Thomas Cook Group operations in full.

This report was prepared using the Global Reporting Initiatives (GRI) G4 reporting guidelines. It is focused on our most material issues and in doing so we self-declare this report as being in accordance with the GRI G4 Sustainability Reporting Framework.

In the past year we have conducted a process of reviewing our sustainability strategy and material aspects of the sustainability issues that impact Thomas Cook Group, with the objective of launching our strategy and achieving comprehensive GRI G4 alignment by the end of this year, through the 2016 report. The data in this report covers the period from 1 October 2014 to 30 September 2015, unless otherwise stated and is referred to throughout the report as 2015. We publish our Sustainability Report annually and our last report was published in January 2014.

Previous reports can be accessed through our Group website at: http://www.thomascookgroup.com/sustainability/
committed to making holidays more sustainable.

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committed to making holidays more sustainable.

Welcome to the Thomas Cook Group Sustainability update 2015.

Our vision for sustainability is simple. For us it is how we meet our needs today while contributing to the future of our business, the environment, people and communities with whom we work. In this way we are creating a stronger and more robust business that operates responsibly and generates benefits for communities over the long term.

As a large organisation within the travel industry we understand the positive impact we can make. We recognise that we can achieve even more by working with other organisations in our supply chain to act as a catalyst for greater positive change, benefiting the global environment and communities around the world.
OVERVIEW

CHIEF EXECUTIVE’S STATEMENT

DEAR READER,

The past year has seen a number of challenges, both for Thomas Cook Group and the wider travel industry, yet these challenges have provided opportunities for us to grow as an organisation.

Sustainability is a key part of our transformation, influencing the ways we interact with our customers and our impact on the global communities in which we work. Therefore, we have refreshed our approach to sustainability across our Group. By refining what is important to the business and to our stakeholders, we have renewed our focus to build a successful business in the long term and to minimise our impact on the environment and communities around the world.

Thomas Cook is entering a new customer focused era. We are committed to putting customers at the heart of our business to deliver the best possible service and unforgettable experiences they expect from us. This commitment also extends to ensuring that we do the right thing for everyone that we work with, from providing a safe and secure environment for every customer on a Thomas Cook holiday, to reducing our impact on the environment, and enabling local employment opportunities in our destinations.

Yet there is more we need to do. Our materiality review clearly demonstrated that the carbon impact of our Group Airlines in particular must be a key area of focus in our commitment to a sustainable future. Our economic impact in destinations, managing the volume of water we use in water stressed locations and child safety feature prominently in our thinking about sustainability across the Company. Our materiality review and our renewed 2020 targets are discussed further on page 23 of this report.

We are determined to make every holiday more sustainable and to drive incremental change to our ever growing, global industry. We understand that we cannot make the changes we want without working with our partners, and we are proud to work with both members of our supply chain and our competitors to share best practice and to tackle common industry challenges together.

This report provides an insight into the exciting work we are undertaking in sustainability, including new activities from the year as well as updates to our ongoing longer-term projects. I am very proud that colleagues from across our large and diverse organisation are working together to prioritise and achieve our sustainability goals.

We plan to continue and expand our work through 2016 and hope to make tangible progress towards our new 2020 targets over the next 12 months. I’m committed to leading our Company in this work as we create a stronger and more responsible Thomas Cook Group together.

PETER FANKHAUSER
CHIEF EXECUTIVE OFFICER

Sustainability is a key part of our transformation, influencing the ways we interact with our customers and our impact on the global communities in which we work."
In 2015, the Thomas Cook Group undertook a materiality review, to reassess both what is important to the business and stakeholders, as well as what the main impacts and risk areas are in respect of sustainability.

We spoke with a wide range of stakeholders, including NGOs, staff groups, and industry experts, in order to establish the perceived importance of a number of issues, and conducted an internal review of how relevant issues are to Thomas Cook. The results of this stakeholder engagement exercise are summarised in the table opposite.

This review gave a new perspective to what the material impacts are for Thomas Cook as an organisation and now drives our efforts to deliver the most benefit to the communities with which we work and to reduce our environmental impacts. We understand that the biggest issues facing society remain similar to those identified five years ago, but this materiality assessment, combined with the launch of the UN Global Goals, have placed renewed emphasis on how we as a business can contribute to the benefit of society and the planet, whilst reducing our own impact.

Following this process, sustainability at Thomas Cook is now split into three focus areas, People, Planet and Responsible Business. These areas and the key issues within each theme are discussed throughout this document.
HOW WE MANAGE SUSTAINABILITY

We see sustainability as the responsibility of every employee and an activity that requires strong leadership beginning with the Group CEO Peter Fankhauser.

The Board retains responsibility for the long-term success of the Group and the Health, Safety & Environmental Committee has oversight of the consistent policy for managing health, safety and environmental matters.

We know that a strong governance structure, accountability and leadership are key in the sustainability sphere and so we established a Sustainability Steering Group (SSG) in 2014. The SSG meets on a quarterly basis and comprises senior leaders from across the business. It provides leadership, direction and oversight to the overall approach to sustainability and to the activities of the Sustainability Working Group (SWG) and maintains close stakeholder group links.

Each Thomas Cook business operates in different markets and faces different challenges. This means that sustainability risks and opportunities are dealt with in different ways across the business depending on specific priorities. Alongside this local focus, strategic direction is provided from the Group Board and the Sustainability Working Group which all businesses report into.
At Thomas Cook we care deeply about the health and well-being of our customers and safety is the number one priority on our Group Airlines and within our destinations.

Thomas Cook has a long tradition of social commitment and charitable activity. We work to create thriving communities where our employees live and work, as well as where our customers travel. By collaborating with industry partners, supporting destinations and investing in communities, we are ensuring a high-quality service for residents and visitors alike.

Our Code of Conduct covers all values material to our business, including how we operate sustainably by engaging with the communities in which we work and to which our customers travel, through to protecting the children who travel with us, and live in the destinations we operate in. Our Code of Conduct represents a commitment we each make and a philosophy that is embedded within every aspect of our behaviours and is fundamental to how we deliver holidays to our customers in a responsible way.
Child safety and protection is central to our business and the Thomas Cook Group remain fully committed to the UN Convention on the Rights of the Child. We believe it is our responsibility to promote and safeguard children’s welfare and are committed to “The Code” (an industry-driven international code of conduct).

We raise awareness with our stakeholders and employees, ensuring they are suitably informed and trained to act effectively when child safety might be at risk. We regularly provide training to employees, particularly those in retail and customer facing roles in our biggest markets and specific training to staff in destination on child protection, child prostitution and trafficking, to help raise awareness of risks to children in tourism and how to protect them.

We recognise the UN Guiding Principles on Business and Human Rights and are aligned with the UN Global Compact. Our Code of Conduct provides practical guidance for all employees on living our values and we have integrated human-rights related clauses into our supplier contracts while also promoting the Travelife certification programme for hotels. Throughout we make it clear that this is an area of zero tolerance for us. We are also participating in a joint industry initiative to understand how we can work collaboratively towards a human rights approach tailored with our value chain. We have also initiated internal stakeholder consultations in this area.

Thomas Cook is committed to improving the systems and processes involved in keeping children safe on our holidays. The changes in process are discussed in more detail in the 2015 Annual Report available at annualreport2015.thomascookgroup.com.
Our charity supports small organisations through our Community Grants Programme. We now receive up to 20 applications from charities per month, as nominated by staff and customers. Over the last year we supported 25 projects with £225,000 worth of funding. Some of the projects supported in the last year include:

- Refurbishment of the play area used by young patients on the children’s ward at Milton Keynes Hospital.
- Funding a week long therapeutic residential camp in the Midlands for seriously ill children and their families with charity Over the Wall.
- Providing home safety equipment to prevent disadvantaged children from having accidents in the home such as falls, burns and poisonings in Nottinghamshire through supporting the Ashfield Home Safety Project.
- Funding a sensory room for the children and young people who use the Daisy Chain centre in Stockton on Tees – a day centre which provides alternative education provision, support groups for parents, siblings and children with autism.
- Sponsoring an outdoor learning area at Cloughside College, a specialist school in Manchester for children with mental health conditions.

We also support or run large charitable programmes and the charity continues to go from strength to strength. Some further highlights in the past 12 months include:

- Mission Christmas – thousands of gifts collected in 400 of the Thomas Cook stores last Christmas and donated to local children, whom otherwise would not have received a gift at Christmas.
- Flight of Dreams – we ran three flights from Manchester, Glasgow and Stansted Airports last December – giving children a fun festive day out in search of Santa.
- Retail Monopoly Challenge – the first of its kind, the Monopoly Challenge is a department-wide fundraising challenge hosted by the Retail Team that involved 40 colleagues walking the monopoly board route around London in August. Over £36.5 thousand was raised in just one month.

The Thomas Cook Children’s Charity aims to improve children’s lives by working with partner organisations. Its remit gives particular emphasis to the provision of safe clean drinking water, improving education, well-being and healthcare facilities.

The Charity has raised over £5 million in the last five years and over £1 million in the past 12 months through a number of sources, including customer donations, payroll giving and staff fundraising initiatives. It engages staff at all levels as all activities - no matter how small or big - create benefits for their local communities.

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The Company also recently established the Safer Tourism Foundation, an initiative to minimise risks that may be faced by our customers when travelling on holiday, including the risks associated with carbon monoxide in the tourism industry. The Company agreed to underwrite the first £1,000,000 to be raised for the Safer Tourism Foundation and acknowledges the kind donation of its former CEO, Harriet Green, of 580,375 Ordinary Shares in the Company to support the Safer Tourism Foundation as part of that initial £1,000,000 fundraising.

»By funding detailed research into carbon monoxide and campaigning for legislative change in the UK and Europe, the foundation aims to effect real change.«
Looking after the health, welfare and well-being of our employees is a key priority and we aim to provide the best working environment for all our people.

Each of our businesses provides relevant safety training to our people throughout the year and works closely with local governing bodies to coordinate activities, where appropriate. We raise awareness and provide training on general safety issues, and also provide in-depth vocational training for those in specific relevant roles. We regularly review the risks at all our workplaces and all aspects of our operation, and provide safe working procedures and appropriate safety equipment together with relevant training. We record details of any accidents or incidents experienced by our staff and our customers.

In addition to fulfilling our legal obligations, Thomas Cook Group offers all employees a variety of counselling and support services delivered by a specialist external provider. All employees have access to clinical advice and support should they suffer work-related trauma - this extends to site visits by trained trauma consultants which can be initiated by employee or manager referral.

Our Board of Directors has ultimate responsibility for health and safety, supported by the Health, Safety & Environmental Committee. Local Human Resources teams are responsible for managing activities to ensure the safety of our people and we have segment level health and safety committees and consultative forums which monitor results, implement corrective actions and recommend measures for improvement.
In September 2015, we launched the latest of our annual “Every Voice” employee surveys to all our employees across the Group.

The response rate was 76% and we are engaging with our employees to share the results and work on action plans to address issues raised. Overall, we are extremely pleased that our core employee engagement score has increased by another 4% in 2015 to reach 61%. The survey is now in its third year and work is ongoing to understand how changes within the Group have led to changes in responses. We are committed to using this data to understand better how we can create a happier and more productive workplace.

Aligning our objectives and goals to our strategy and transformation is vital. We want all our people to understand what is expected of them and how success will be measured both in terms of what they deliver and the behaviours they demonstrate. All employees have objectives set at the beginning of the financial year which are formally reviewed twice a year and informally during regular one-to-one sessions between the employee and their line manager. During 2015, we continued our use of our “MyPAD” assessment tool (PAD being an acronym for Performance, Aspirations and Development) to capture employees’ objectives and development plans with an aim to give them greater ownership and accountability for their careers and development. The system will allow us to track performance against objectives, to rate potential across the Group and develop robust succession plans.

We launched our first Executive Development Programme in 2013 and with its successful evaluation, we have subsequently launched a new programme this year for a further 50 leaders from across our business. Evaluation of the 2013 programme showed improved leadership performance from the majority of participants shown through increased self-awareness, motivation and engagement with their own leadership styles. Overall, participants valued the opportunity to gain insight on their leadership style and found the process professional and helpful. This also led to many role changes and a number of internal promotions.

We believe that celebrating success is a key part of retaining and developing talent. Throughout the year our peer-to-peer recognition scheme.

Employee engagement score

Executive development programme run for

+4%
50 leaders

“From the Heart” has been rolled out to the Group and is now accessible to colleagues in over 14 countries and throughout our destinations. Many thousands of awards have been given, recognising those who demonstrate our core values, who have achieved something extraordinary or have made a difference by going that extra mile. Colleagues who receive awards can redeem their points against a range of merchandise, vouchers, charity giving or for Thomas Cook vouchers. The scheme really makes a difference to the lives of our employees by recognising and celebrating their achievements.
We understand that through the operation of the Thomas Cook Group’s business, it has impacts on individuals and communities around the world.

Thomas Cook operates a Human Rights policy across all operations and we are working with NGOs and other partners within the tourism industry to better understand and mitigate our impacts upon such individuals and communities.

Thomas Cook Group is committed to ensuring that there is no slavery or human trafficking in its business or supply chain. To this end, we will be undertaking a review of our existing supply chains and putting in place appropriate measures to ensure transparency in our supply chain.

The Mediterranean sea has become an area of crisis on a mass scale this year and has seen many thousands of people risk their lives to flee from politically unstable and unsafe countries in an attempt to save themselves and their families.

Our staff and customers in the area saw first-hand the trauma and challenge facing many refugees and we were determined to try and help. This led to the creation of our initiative to help Syrian refugees in Greece, which we regard as one of our most valuable and important sustainability initiatives this year.

The initiative started in our German Airline, Condor, in May, with a collection of airline blankets which were sent on flights to Kos and Lesbos. This was followed by many other types of emergency kits, including sleeping bags, toiletries, caps for protection against the sun, nappies and other essential materials. Following our own Thomas Cook contribution, we decided to offer our customers the opportunity to bring their private contribution for distribution to refugees on board free of charge – a maximum additional 20 kg per person was permitted. The Nordic and the UK Airlines followed later in the summer, also providing a free additional luggage allowance.

Thomas Cook takes any items gifted by customers and organises this to be distributed by charities and NGOs in destination, to help those in need.
"WE WILL ENGAGE AND SUPPORT OUR EMPLOYEES AND THE COMMUNITIES WHERE WE LIVE AND WORK"

**OUR AMBITION**

**OUR AIM**

**Child Protection:**
Implement our new Group Child Protection strategy.

**Destination Communities:**
Support at least one sustainable community project in each of the main regions we operate in.

**Home Communities:**
Conduct at least three local community projects around key Head Office locations.

**Supply chain:**
Get 90% of our suppliers (including central purchasing, hotel contracting and agency contracting) to sign up to and comply with our Supplier Code of Conduct.
The environmental impact of the travel industry is considerable, with around 5% of global carbon emissions coming from the travel and tourism sector.

At Thomas Cook, we run one of the most efficient airlines in the industry, with 71.5gCO₂ per passenger kilometre, compared with an average for the five largest European airlines of 93.11gCO₂ per passenger kilometre last year. We are working to make our Group Airlines more efficient, working with the rest of the airline industry to share best practice and investing in the next generation of aircraft to provide better performance and customer experience.

Our efforts to reduce our environmental impact move beyond reducing fuel use and carbon emissions. We also work hard to reduce the use of water in our facilities around the world, to use sustainable products and materials wherever possible, to reduce our production of waste and to produce our own renewable energy. We work with colleagues across the tourism and airline industry, to make the most of technological developments to decrease energy use and to share best practice.
In 2015, we have continued to invest in our airline fleet, with a full refresh already completed of the interiors of the vast majority of our existing planes, as well as the purchase of several new aircraft. Each of our upgraded aircraft delivers greater comfort and a superior experience for passengers but also reduce weight and allow us to achieve greater fuel efficiency.

Lightweight trolleys are in place on all our Condor flights and have been implemented on UK and Northern European flights too. Along with investing in new planes, the legacy fleet is undergoing a refurbishment programme that includes lightweight seating, improved in-flight entertainment and full cabin upgrades. By 2016, over 90% of our fleet will be of a much higher standard and in line with increasing customer expectations. Aircraft also have an impact on their local environments in terms of noise levels.

For us, energy security means finding ways to future proof the business against increasingly volatile energy markets. Across the Group, 38% of our energy comes from renewable sources. Our Northern European Airline is on target to generate 20% of its own power after installation of the largest solar system in Copenhagen Airport on the engineering hangar roof. We remain committed to raising awareness of energy efficiency with our employees. Employee environmental forums and committees exist in many of our operating businesses to support behavioural change, suggest ideas and inspire colleagues.

### GREENHOUSE GAS EMISSIONS

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<tr>
<td>Total Scope 2 – Indirect Emissions</td>
<td>22,172</td>
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<tr>
<td>Total Emissions</td>
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We have reported on all the emission sources required under the Companies Act 2006 (Strategic report and Directors’ reports) Regulations 2013. These sources fall within our consolidated financial statement. We only have responsibility for the emission sources that are included in our consolidated statement.

We have used the GHG Protocol Corporate Accounting and Reporting Standard (revised edition), data from EU Emission Trading Scheme and emission factors from the UK Government GHG Conversion Factors Guidance 2013.

The majority of our greenhouse gas emissions come from our Group Airlines, so improving fuel efficiency is a key priority. While we are proud to operate one of the most efficient airlines we continue to strive for improvements. As well as investing in a new fleet we are making other operational improvements, for example, our Belgian airline introduced green standard operating procedures for leaner flight operations and has implemented a fuel management tool. Our UK airline is promoting Sustainable Aviation’s Continual Descent Approach to ensure that fuel-efficient optimised landing is used wherever possible.

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Energy use from renewable sources

| Energy use from renewable sources | 38% |

As part of the fleet renewal programme our new Airbus A321 will have Vortex Generators installed as standard. This is a technical improvement in the wings that reduces noise by 6 to 8dB at certain phases of the aircraft approach. Our German airline Condor has upgraded all existing Airbus A320s with the Vortex this year, and Condor has also been the lead partner in testing a new approach route to Frankfurt Airport which has the potential to reduce noise by 6dB and to make substantial savings on fuel use. Condor will be part of a collaborative group encouraging the wider take-up of this initiative with other airlines at Frankfurt Airport.
MANAGING WATER IMPACTS

Water is essential to our business. It is used for showers, swimming pools, cleaning and to grow food for the hotel restaurants. Many of our destinations are in areas recognised as being water scarce, with insufficient water readily available to meet the needs of the communities living there.

In order to understand how to balance the water expectations of our customers with the rights of local people and their environment, we initiated a pilot project in Rhodes, Greece in 2014. We partnered with a water expert to assess 12 of our Concept hotels to identify how much water they consume and what is needed to help the hotels understand how to better manage their water consumption. The goal was to develop a water management handbook that all of our hotels can use so that they manage and significantly reduce their water use. This was achieved in May 2015 and is a guideline for all Thomas Cook Hotels and Resorts.

The work in the last year has focused on working with staff in four resorts, developing a training programme to improve efficiency as well as a benchmarking system to enable greater transparency across the group and to improve performance. This innovative project was awarded the Ecotrophea in the International DRV Awards for Environmental Protection and Social Responsibility in Tourism. Highlighting innovations in sustainable tourism since 1987, the DRV awards one initiative or project each year. Our initiative won because water scarcity is an issue in many holiday destinations, so the strengthening of responsible conduct with regards to this precious resource is one of the most important future tasks for the tourism industry. When the project is completed, all results will be publicly shared with the whole of the tourism industry. We hope that this work can help the wider industry to be more transparent and to use less water in the most water scarce areas.

Expert water assessment held at Concept hotels
**2020 TARGETS**

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**OUR AMBITION**

"WE WILL PROTECT AND CONSERVE THE PLANET’S NATURAL RESOURCES"

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**OUR AIM**

**Airlines:**
- Reduce onboard waste.
- 12% increase in fuel efficiency, compared to 2008.

**Hotels:**
- All Concept Group accommodation suppliers to implement a local sourcing policy for food and beverage.

**Offices and retail:**
- Reduce electricity consumption by 60%.
- 50% electricity to come from renewable sources.
- Reduce paper usage by 60%.
- All paper purchase to come from sustainable sources.
responsible business.

Sustainability is driving and shaping our new culture and is at the heart of our customer-focused long-term strategy. For us this means having the best people, the best products and the best processes in place to create and sustain a thriving business.

It also means, as a responsible business, that we need to examine every part of our operations, to deliver financial, social and environmental progress.

Customers are at the heart of what we do and in order to create the most memorable experiences for them we have a diverse value chain that comprises individuals as well as small and large businesses. We operate a robust quality assurance programme to develop the services and standards our customers expect and we continue to build sustainability into our quality assurance approach through the use of the Travelife certification scheme.

Thomas Cook also has a long tradition of social commitment and charitable activity, similarly child safety and protection is central to our business. We strive to create thriving communities where our employees live and work, and where our customers travel. By collaborating with industry partners, supporting destinations and investing in communities, we are ensuring a high-quality service for residents and visitors alike.
The UK retail business is transforming to deliver the high tech, high touch approach to the high street. It is pioneering new concept stores in which customers can browse holiday options independently using in-store tablets, with our agents on hand to provide advice and bring their holiday dreams to life. Our programme of investing in our retail network has led us to replace older lighting systems with new LED lighting technology, saving more than 1.5 million kWh of electricity, reducing our carbon footprint by 800 tonnes, saving £170,000 and improving the look and feel of stores.

By operating our business efficiently and measuring and managing our environmental impacts we can implement changes which reduce our costs and benefit the environment. In order to manage the impacts effectively we have adopted local environmental management systems at our main head offices. These initiatives have also encouraged employees to get involved in sustainability by making improvements to their surroundings to drive change.

In the UK, our Peterborough headquarters has been awarded with an “Investors in the Environment” award. In Germany, headquarters in Oberursel achieved the prestigious Okoprofit certification and our Helsinki office achieved World Wildlife Fund’s (WWF) Green Office label. In addition, both the UK and Scandinavian airlines have been certified to ISO 14001 and were among the first airlines worldwide to achieve this. We are currently working towards a target of having the head office of each of our businesses holding an environmental certification by 2020. We are working to make our sustainability activity more visible and encouraging all staff to be involved, bringing sustainability alive for employees.

In the UK, our Peterborough headquarters has been awarded with an “Investors in the Environment” award. In Germany, headquarters in Oberursel achieved the prestigious Okoprofit certification and our Helsinki office achieved World Wildlife Fund’s (WWF) Green Office label. In addition, both the UK and Scandinavian airlines have been certified to ISO 14001 and were among the first airlines worldwide to achieve this. We are currently working towards a target of having the head office of each of our businesses holding an environmental certification by 2020. We are working to make our sustainability activity more visible and encouraging all staff to be involved, bringing sustainability alive for employees.

Reducing our carbon footprint by 800 tonnes
Recycling programmes and initiatives are in place across the business and our employees are actively encouraged to participate. In-flight waste is one of our main waste streams and our Group Airlines have been leaders in tackling this issue, despite the operational and legislative challenges it brings.

Water is a vital part of our business, but water scarcity is now a reality in many parts of the world. Our accommodation suppliers use significant quantities of water and it is our responsibility to help them to reduce the water they consume as well as educate our customers to avoid wasting waste.

Our approach to waste focuses on reduction, reuse and recycling.

Money raised for Save the Children Norway

£4,000

A recycling initiative introduced in 2013 at Oslo airport by Thomas Cook Airlines Scandinavia has demonstrated the ability to engage customers, reduce environmental cost and raise funds for local communities. The airline was the first in the world to separate the collection of plastic bottles and aluminium cans from flights for recycling and now these are being sold to recycling centres. £4,000 was raised in 2014 and donated to Save the Children Norway (Redd Barna).
OUR OWNED AND MANAGED HOTELS

Our own hotels are strategically important part of the Thomas Cook product portfolio. This includes Sunwing, Sunprime and SunConnect who all have a long-standing commitment to sustainability – for instance, all of our Sunwing properties have achieved EU Eco-Label and Travelife Gold awards.

With innovation at their core our hotels brands they continue to pioneer new ideas. In May 2014, a hot spot area was introduced in each hotel reception, replacing paper-based information with a new, responsive website. At the touch of a button hotel guests now have access to extensive and current resort information, thus helping to save paper and replace the former two tonnes of paper used for this purpose.

ENHANCING CUSTOMER EXPERIENCE

Thomas Cook Germany launched a Travelguide app in 2012. The app is designed to enhance communications with our customers throughout their journey, so they can access their travel documents and details as well as a variety of information about 130 destinations, including sightseeing opportunities and available excursions incorporating the Local Label sustainable excursion programme.

The Companion app also provides tips and advice to customers on how to be more sustainable when on holiday and informs them what we are doing as a business to enable this process. This has proved very popular with more than 230,000 downloads and winning the Best Travel Industry App award in 2013. It is in the process of being rolled out more broadly across the Group. Thomas Cook Northern Europe Airlines launched an innovative new app in 2014 for pilots that collects relevant flight data such as weather, flight plans and aircraft manuals, and is available prior to each flight. This has reduced the amount of paper required by more than 1.4 million pieces per year.

LOCAL LABELS

Two years ago we launched an exciting range of excursions so that customers could immerse themselves in the culture of a destination and create lasting memories of their holiday. These “Local Label” excursions are designed to bring a place, its people and their traditions to life: celebrating authentic food and drink, sharing personal stories with local people, and contributing to the protection of ancient sites or natural habitats.

Local Label excursions are a key tool in helping us promote local employment and local economic development in destination and ensuring that benefit is experienced by local communities and not multi-national companies.

Our customer’s value these excursions, with 76% of them saying that they would recommend Local Label to friends and family and 78% rating their overall experience as either good or excellent.

LOCAL ECONOMIC IMPACT

A great example of a Local Label excursion is our 100% Mayan excursion in Mexico. This gives customers an opportunity to spend time with a real Mayan community whose village is situated near the Sian Ka’an Biosphere Reserve, a protected area rich in biodiversity. A local guide brings the stories of the village to life and customers can experience the natural wonders on a boat trip through the reserve as well as taste the locally grown food. Funds from this excursion contribute to the purchase of food for the villagers and provide access to an organic gardener who teaches them how to cultivate the land to make the most from the natural produce grown there. Funds are also being put towards developing more robust housing capable of withstanding hurricane damage.

LOCAL LABEL EXCURSIONS

Mayan Village, Tulum
Sian Ka’an Biosphere

A great example of a Local Label excursion is our 100% Mayan excursion in Mexico. This gives customers an opportunity to spend time with a real Mayan community whose village is situated near the Sian Ka’an Biosphere Reserve, a protected area rich in biodiversity. A local guide brings the stories of the village to life and customers can experience the natural wonders on a boat trip through the reserve as well as taste the locally grown food. Funds from this excursion contribute to the purchase of food for the villagers and provide access to an organic gardener who teaches them how to cultivate the land to make the most from the natural produce grown there. Funds are also being put towards developing more robust housing capable of withstanding hurricane damage.
However, we also are acutely aware of the welfare of animals impacted by tourism. Our Group Animal Welfare Policy commits us to upholding minimum standards of welfare for animals whose lives are impacted by tourism, and to protecting animals from neglect and cruelty. We work closely with the UK’s travel industry association the Association of British Travel Agents (ABTA), other industry partners and animal welfare NGOs worldwide to reduce the negative impact upon animals.

We are currently reviewing our Group Animal Welfare Policy, with a view to reducing the animal products offered in each destination. In reducing our offering around animal attractions, we can ensure that each product is more enjoyable for customers as well as being truly sustainable through promoting animal welfare, enhancing biodiversity and promoting local employment and economic activity.

During this review, we have taken a number of steps to ensure animals are safe in our supply chain and to enable us to have greater oversight of our activities. In September, we committed to removing all elephant riding from our portfolio. We have also designed an animal welfare audit programme, to be completed throughout 2015-2016 by expert external providers. This audit programme will help us better understand where our animal impacts lie and how best to tackle this complex problem.

RESPONSIBLE BUSINESS

ANIMAL WELFARE

Our customers demonstrate strong demand for visits to animal attractions and wildlife-viewing opportunities whilst on holiday. We also recognise that these activities have a socio-economic benefit and can help to promote biodiversity and education initiatives.
We have a diverse supply chain, made up of large and small business and individuals. Together we create unique holiday experiences for our customers and we work closely to develop the services and standards our customers expect.

We support both the Travelife Sustainability System and the EU Eco-Label. Travelife is recognised by the Global Sustainable Tourism Council as a robust certification scheme that provides assurance for our customers. Subscribed hotels are independently audited against criteria that include environmental management, employee and customer engagement, local procurement, and labour and human rights. Successful hotels receive an award that is featured on our websites, in brochures and in marketing materials. This helps our customers to easily recognise hotels that protect and support their environment and local communities.

We have been working closely with Travelife to ensure our suppliers are prepared for the challenge of accreditation or have shown good progress since their last inspection to achieve re-accreditation. Participation in Travelife is now a mandatory requirement for our Sunwing, Sunprime and SENTIDO hotel brands. Our Quality Managers have been working with some of our largest hotels to encourage them to start their sustainability journeys by subscribing to Travelife.

We expect as a minimum that our suppliers will meet the legal requirements of their own country. We then require them to address any specific issues of concern that may not be covered in their local laws and use the FTO guidelines to drive their performance. We expect all the third-party airlines with whom we work to meet appropriate, acceptable international safety standards.

In order to make sure that our supply chain meets our standards, we partner with SGS, an internationally recognised audit and certification provider. SGS undertake audits of hotel, excursion and land transportation suppliers and the results of these audits are carefully monitored and acted upon to ensure that we drive safety standards in key areas.

Lollo & Bernie are the favourite mascots of our Kids Clubs. The friendly giraffe and bear love to make new friends and are a key part of making Thomas Cook holidays fun, exciting and safe for children and families.
RESPONSIBLE BUSINESS

BUILDING A PROFITABLE AND SUSTAINABLE BUSINESS

In 2015, over 20 million customers booked their holiday with us and we continually strive to demonstrate that their trust is best placed. Our brand derives key strengths from the support and protection offered to our customers from the moment they book with us until the time they return home.

We believe that this is due to the availability of staff to provide service and support, competitively priced products, and the greater security and quality assurance available when booking package holidays that exists over and above the purchase of component parts.

Financial protection schemes, whether compulsory or voluntary, represent an important part of that security as they give customers the confidence to commit to their holidays in advance with the knowledge that their money will be safe. We actively work with governments to develop policies to protect as many holidaymakers as possible.

We aim to help our customers look after themselves, their families and their travelling companions. We do this by providing information to raise awareness, for example, in brochures, on tickets, during flights and in resort, as well as promoting Foreign Office travel advice and health information. We also ensure that we learn from our customer experiences and the feedback given to us. We work with those who are able to give us specialist advice on safety matters that may affect the holidays we sell. These include the World Health Organisation, the European Centre for Disease Prevention and Control and Control, ABTA and the FTO.

An important part of our strategy for profitable growth is to ensure that we create products that our customers can trust and that we deliver what our customers expect. We achieve this by the development of a robust quality assurance process and have this year strengthened our commitment even further with the creation of a unified Group Quality Assurance team. Our approach is to ensure that all hotels within our differentiated product range, and those we send high volumes of customers to, have strict standards in place relating to health, safety and well-being.

Our focus has been on meeting and exceeding customer expectations, assuring the safety of customers while on holiday, delivering excellent quality standards and encouraging hotels to recognise the importance of sustainability by working towards Travelife and other environmental and social accreditation systems. This approach plays a key part in our continued pursuit of a sustainable supply chain.
2020 TARGETS

OUR AMBITION

“WE WILL BRING COST SAVINGS THROUGH RESOURCE REDUCTIONS IN ORDER TO CREATE LONG-TERM VALUE”

OUR AIM

Destinations:
> To have at least one Local Label excursion in every staffed destination.

Hotels:
> 20% of customers to stay in accommodation certified with a GSTC recognised sustainability certification.
> All Concept hotel accommodation suppliers to reduce water volumes to an average of 350 litres per guest night.
> All Concept hotel accommodation to reduce electricity consumption measured per customer.

Measurement:
> Customers to rate Thomas Cook as a green and responsible business.
> To measure and improve our hotel and accommodation health and safety performance scores.
The Thomas Cook Group website provides news and details of the Group’s activities, plus links to our customer sites and up-to-date information, including:

- corporate news
- presentations
- share price data
- historic Annual and sustainability reports
- half-year results and interim management statements
- news alerts
- career opportunities