

Environmental Protection **Implementation** of environmental quality standards. **Monitoring of environmental indicators.**

The integration of environmental quality standards and the active implementation of such standards in all Group areas are of strategic relevance for TUI AG's sustainable business policy. Climate protection, biodiversity and the protection of seas and oceans, in particular, are key prerequisites for ecologically sustainable operations in the TUI Group's tourism and shipping divisions.

Environmental monitoring

Group environmental performance indicators

In the course of the merger between TUI's tourism division and First Choice to form TUI Travel PLC, Group reporting was adjusted to the new structure of the Company, taking account of international reporting standards (including the G3 Guidelines of the Global Reporting Initiative). In order to maximise the continuity and transparency of the environmental indicators presented, the presentation of the key indicators follows the approach adopted in 2006.

Energy consumption

As before, the use of fossil fuels in airline and shipping operations accounted for the largest proportion of the Group's total energy consumption in 2007. A total of 250,436 tera joule (TJ) of energy was consumed in 2007 (previous year: 232,426 TJ). Due to the consolidation of First Choice Airways and Island Cruises within of TUI Travel PLC and the fleet expansion at Thomson Cruises, a year-on-year comparison of absolute energy consumption is only of limited use.

Total specific fuel consumption by TUI's airlines (without First Choice Airways) amounted to 3.12 litres of aircraft fuel per 100 passenger kilometres (pkm) in 2007 (previous year: 3.08 litres per 100 pkm). They were therefore again in comparison among Europe's most efficient airlines. First Choice Airways reported for the period of consolidation from September to December 2007 a fuel consumption of 3.11 litres per 100 pkm.

In container shipping, specific energy consumption per standard container (TEU) and sea mile (sm) totalled 2.31 mega joule (MJ) in 2007 (2006: 2.41 MJ/TEU/sm). Specific consumption of the entire cruise fleet stood at 3.28 MJ per passenger and 100 sm (2006: 3.65 MJ/passenger/sm).

Carbon dioxide emissions

One of the TUI Group's key environmental indicators are emissions of carbon dioxide (CO₂) of all business sectors. In the 2007 financial year, total CO₂ emissions amounted to 17.19 million tonnes (2006: 15.99 million tonnes). CO₂ emissions per pkm across all TUI airlines (without First Choice Airways) stood at 80 g (2006: 79 g/pkm). For the period of consolidation from September to December 2007 First Choice Airways reported a CO₂ emission per pkm of 78 g. CO₂ emissions by the container ship fleet

amounted to 163 g/TEU/sm (2006: 174 g/TEU/sm) in the 2007 financial year. For the cruise segment, specific emissions totalled 231 g CO₂ per passenger and 100 sm (2006: 283 g CO₂/passenger and 100 sm).

Continuous quality improvement by means of certification

The environmental management systems of the individual Group companies are continually adjusted to the requirements of international environmental standards. The systematic improvements in environmental aspects regularly focus on hotel companies. In 2007, twelve facilities were newly certified under ISO 14001, seven hotels were certified under ISO 9001 and one Robinson Club was newly certified under EMAS. By year-end, the environmental management systems of a total of eleven Robinson Clubs, nine Magic Life Clubs, two Grecotels, seven Iberotels, four Nordotels, nine Grupotels, four Dorfhôtels, one Jaz Hotel and three hotels of the Sol y Mar Group were certified according to ISO 14001.

Hotels newly certified in the 2007 financial year:
Dorfhôtel Sylt (ISO 14001)
Dorfhôtel Schönleithn (ISO 14001)
Dorfhôtel Seeleithn (ISO 14001)
Grecotel El Greco (ISO 14001)
Grecotel Club Marine Palace (ISO 14001)
MAGIC LIFE Bodrum Imperial (ISO 14001/9001)
MAGIC LIFE Kemer Imperial (ISO 14001/9001)
MAGIC LIFE Marmaris (ISO 14001/9001)
MAGIC LIFE Sarigerme Imperial (ISO 14001/9001)
MAGIC LIFE Seven Seas Imperial (ISO 14001/9001)
MAGIC LIFE Sirene Imperial (ISO 14001/9001)
MAGIC LIFE Waterworld Imperial (ISO 14001/9001)
ROBINSON Club Cala Serena (EMAS)

Complete list: www.tui-environment.com

In shipping, Hapag-Lloyd AG's existing environmental management system was extended to include the business operations of the former CP Ships, which have now been fully integrated, and certified under ISO 14001 and ISO 9001 by Germanischer Lloyd.

Strategic partnerships and cooperation schemes

In early February 2007, TUI presented itself in a shared stand with the 'Convention on Migratory Species' and EUROPARC Federation, the umbrella organisation of large nature reserves in Europe, at the 17th travel fair ('Reisepavillon') in Hanover. With around 300 exhibitors from 30 countries and around 120 events in the overall programme, this international trade fair provided information about the various facets of sustainable tourism. Presentations by TUI included information on the partnership scheme on the 'Year of the Dolphin', implemented in cooperation with the United Nations Environment Programme, the importance of the EUROPARC Charter for Protected Areas and the sustainable use of the charter for TUI's environmental activities.

See TUI's Sustainability Reporting 2006/2007 for a more detailed presentation of TUI's multi-stakeholder dialogue

In 2007, TUI AG continued its pro-active commitment as a founding member of econsense – Forum for Sustainable Development of German Business.

Since the end of 2007, the activities within the Tour Operators' Initiative for Sustainable Tourism Development aimed at implementing a sustainable development of tourism with the support of the United Nations Environment Programme of the United Nations Educational, Scientific and Cultural Organization (UNESCO) and the United Nations World Tourism Organization (UNWTO) have been continued by TUI Travel PLC, which pools all tourism activities of the Group.

In the shipping division, Hapag-Lloyd's environmental activities included in particular research projects aiming to reduce emissions and increase energy efficiency in shipping. These projects were carried out in cooperation with the US Environmental Protection Agency and the EU. In addition, the container line is a member of the Container Owner Association which engages in dialogue with manufacturers to promote the use of environmentally friendly paints.