

Environmental Protection Partnership and cooperation. Certification for environmental management.

An intact environment and resource conservation are essential prerequisites for sustainable development in tourism. It is therefore indispensable for TUI to incorporate ecological and social objectives into its economic objectives if its economic success is to continue.

www.tui-environment.com

The Group's environmental activities apply to all providers in the tourism value chain, extending from travel agencies to tour operators and transport right up to hotels in the holiday destinations. These activities are supported by the Group's central environmental management, which reports directly to the Executive Board, and supplemented by overarching operative and strategic measures. The requirements of investors who base their investment decisions also on sustainability criteria are increasingly taken into account. The Group's environmental activities are comprehensively detailed on the redesigned website at www.tui-environment.com, which provides up-to-date information about new projects and developments.

ISO 14001 certification

One essential measure for continually improving environmental behaviour among providers in the tourism and logistics divisions and for maintaining it at a high level long-term, is the certification of their environmental management systems in accordance with international standards. This therefore was a particular focus of the activities of TUI's central environmental management. As a result, a large number of Group companies started as early as 2003 to base their environmental management systems on ISO 14001, the internationally recognised environmental standard of the International Organization for Standardization.

Tour operators

In 2003, tour operator TUI Deutschland completed certification of its environmental management system in accordance with ISO 14001, having made the standard an integral part of its quality management system. The audits also covered holiday brochure information on environmental compatibility, which is of major importance in communication with customers about environmental issues in the holiday regions.

Hotels

In the hotel sector, Robinson continued the certification of its club facilities under ISO 14001: following completion of certification of all Robinson Clubs in Turkey and Germany in 2002, the three Spanish clubs of Cala Serena, Jandia Playa and Esquinzo Playa followed suit in 2003. Moreover, Robinson Club Ampflwang was awarded the Austrian Environmental Label for Tourism Facilities. The internal environmental standards equally applying to all clubs were developed further and expanded to include a number of additional aspects.

The Spanish hotel company Grupotel recorded substantial progress in installing environmental management systems. Starting with Grupotel Valparaíso Palace in Majorca, the first certification schemes under ISO 14001 are scheduled for 2004.

Grecotel, the leading hotel chain in Greece, also introduced environmental management systems in all its hotels in the 2003 financial year and will fully align these systems with ISO 14001 standards in 2004. Grecotel Pella Beach is the first hotel to have completed the environmental audit and the pre-audit for certification. The experience gained in this process is now being systematically transferred to all other hotels of the group.

The Nordotel Group hotels continued with the introduction of environmental management systems according to the European Union EMAS standard. The certification process is now commencing and the first certificates are expected to be awarded in 2005.

The Spanish RIU hotel group implemented an environmental status analysis of all RIU hotels in Majorca in conjunction with the Universidad de les Illes Balears and cooperated with INESE, the Institute for Ecological Studies, in a research project on waste management systems in Majorca. The results of the two projects were used to optimise the internal environmental management system of the RIU Group.

Destinations

Besides the hotels, the incoming agencies also stepped up their environmental activities in the destinations. Hence Aeolos Travel had its Cyprus transport division certified under ISO 14001 for the first time in 2003. In Spain, TUI España started to establish an integrated environmental management system. Under this system, an environmental officer will coordinate environmental activities in the individual holiday regions and cooperation with local authorities.

Logistics

In the logistics division in 2003, Hapag-Lloyd Container Linie had its environmental management system certified under the ISO 14001 environmental standard and ISO 9001, the new quality standard. The audit covered all services along the transport chain, from sender to recipient. An essential element of the system are solutions in pre-carriage and on-carriage movements with seaports in cooperation with the customers to provide environmentally friendly carriers such as rail, inland waterway vessels and feeders in preference to road transport.

Conservation of resources and climate protection

At the First International Conference on Climate Change of the World Tourism Organization (WTO) held on Djerba, TUI presented its climate protection measures to international tourism and climate experts and contributed to the wording of the climate policy goals in the WTO Djerba Declaration. The focus was on climate change in the destinations and the reduction in CO₂ emissions by means of energy saving measures by all providers in the tourism chain.

Conservation of resources

For the Group's airlines, TUI's central airline management introduced a systematic environmental monitoring system and continued the development of environmental standards, which are already at a high level. In the operational area, the focus was on resource conservation, and this had also a positive impact on earnings due to the resulting cost reductions. In 2003, Hapag-Lloyd Flug and Britannia Airways continued the programmes launched in previous years which have already produced lasting results with regard to the efficiency of flight operations and technology. Besides the cut in aircraft fuel consumption, these positive results also include a substantial reduction in aircraft noise, achieved with the use of a modern aircraft fleet.

Renewable energies

TUI's environmental protection initiatives in the destinations include climate protection via the use of renewable energies. In Sarigerme Park, an Iberotel facility which is also a pioneer in terms of ISO 14001 certification, the Institute for Solar Research of the German Aerospace Centre (DLR) started a research project. The Sarigerme Energy Group of Turkey, co-founded by the TUI hotel, was awarded the 2003 European Solar Award by the EUROSOLAR Foundation and KfW-Förderbank in recognition of its commitment to date in the field of climate protection and the use of renewable energies.

Further projects on the use of renewables were implemented by Robinson and Nordotel in 2003. The Robinson Club Cala Serena in Majorca, newly opened in June, uses solar panels for energy generation. This means that more than half of all Robinson Clubs already use solar energy. The Nordotel Tres Vidas launched a pilot project for the integrated use of renewable energies, comprising a state-of-the-art photovoltaic system for electricity generation and, in addition, an initial number of solar collectors for hot water generation with additional surface areas to be added progressively in the course of 2004.

Partnership and cooperation schemes

TUI cooperates with many different national and international organisations and so only some of these cooperation schemes will be presented here as examples.

TUI AG and German tour operators

TUI promoted the discussion of specific ecological issues at several fora both in the European source markets and in the destinations. These debates focused on climate protection by means of renewable energies, improvements in energy efficiency and the preservation of bio-diversity through the controlled use of large nature reserves, the latter being implemented in cooperation with EUROPARC, the Federation of Nature and National Parks in Europe. In this context, TUI AG also drew together the activities of several Group companies in the Tour Operators' Initiative for Sustainable Tourism Development and intensified its involvement in Econsense, the forum for sustainable development of German industry.

Tour operators of TUI Northern Europe

In 2003, as a member of the British Sustainable Tourism Initiative, TUI UK co-founded the Travel Foundation and established the World of TUI-Malta Heritage & Environment Fund for the third time in succession. The purpose of this fund is to promote projects to preserve the cultural and natural heritage of the island of Malta. TUI Nordic continued in 2003 to support World Wildlife Fund projects in Spanish Natura 2000 reserves and cooperated with the UNESCO World Heritage Center.

Incoming agencies

TUI España participated in several expert panels on future-oriented measures to preserve bio-diversity in the Canary Islands. Examples worthy of mention include its cooperation with the Loro Parque Fundación for the protection of endangered parrot species and with Sociedad Española de Cetáceos, the whale protection organisation. TUI Hellas has been working for a long time with Archelon, the nature conservation organisation, and the National Marine Park Zakynthos in the fields of bio-diversity and coastal management. In Africa, TUI agencies participated in a project run by the East African Wildlife Society with the aim of preserving the Tsavo national parks in Kenya.

Logistics

Hapag-Lloyd Container Linie and Hapag-Lloyd-Kreuzfahrten continued their activities supporting sensitive eco-systems. These included membership of the Clean Cargo Group to promote environmentally compatible sea transport and of the International Association of Antarctica Tour Operators (IAATO) as well as close cooperation with the Alfred Wegener Institute for Ocean and Polar Research, the Institute for Ecology at the University of Jena and the WWF Arctic Programme.