

EXO Travel VIETNAM

SUSTAINABILITY REPORT 2016

Introduction

Over the past two years, we have been successfully implementing our Responsible Travel policy and following a strong guidance on sustainability throughout our “Travelife certification”. We have sought improvements towards sustainability in all areas of our operations and focused on reinforcing capacities of our teams.

We aim to give to our people the confidence to promote sustainability to our clients, suppliers and travelers. In 2016, we have reached a deeper level of understanding of our policies by our staff and partners, especially thanks to further trainings, regular communication and events (Monthly newsletter, recycling stations, responsible gift market, training of our Travel consultants etc.).

We have worked thoroughly on the assessment of our suppliers and finalized a technical tool enabling us to better classify our suppliers, with the aim to promote the most responsible ones. Our numerous on site-inspections combined with the use of our sustainability rating tool, our self-assessment questionnaire for hotels and our new contract clauses have helped us to reach our targets.

We have successfully launched a pilot project to drastically reduce our consumption of plastic bottles. We worked on the implementation of our refillable bottles initiative, enabling guests to drink water from water stations and not from single use plastic bottles.

We have created more responsible experiences for our clients and have engaged our staff with corporate social responsibility programs including a meaningful partnerships with various nonprofit organizations.

Memorandum:

EXO main documents on sustainability

- [Responsible Travel Policy](#)
- [Ethical code](#)
- [Guidelines for wildlife viewing and protection](#)
- [TIPS for Responsible Travels booklet](#)
- [EXO ChildSafe Policy](#)



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1. We commit to our people

We commit to our people, this is the first commitment stated in our Responsible Travel Policy. It means that we execute a social policy ensuring human rights and equal opportunities for all employees, as well as developing and expanding training and educational materials.

EXO people in Vietnam	2015	2016
Hanoi office	61	58
Da Nang office	5	5
Ho Chi Minh City office	147	149
TOTAL	213	212

Working conditions

Working hours

The company has implemented a flexible policy and employees can take hours/days or weeks off with the approval of their direct supervisor through an online “e-leave” calendar system. We offer a higher number of annual leaves than the requirements of the national regulations and we encourage our staff to clear their annual leaves.

- ◆ High Season Flexible Working Hours Policy was created and applied for year 2016 - 2017, in order to provide arrangements for a flexible system of attendance and to help employees to manage their daily hours of work. The objective is to ensure employees working hours suit their individual needs; help them to avoid rush-hour commutes.

Equal Opportunities

EXO Travel Vietnam ensures that there is no discrimination of any kind at any level within the company. Employment decisions are based on quality and qualifications, not on gender, age, race, origin, sexual orientation, marital and parental status or any other form of distinction. Despite accounting for nearly half of the labor force, women in Vietnam, the International Labour Organization’s (ILO’s) showed in a 2015 report¹ that Viet Nam ranks 76th out of 108 countries in its proportion of female managers. Women’s limited access to decision-making positions is the result of various gender-based discrimination practices in the workplace, starting from recruitment process, through difficulties in balancing work and family life, to training opportunities and promotion.

- ◆ In 2016, EXO Travel Vietnam has a number of **76 % of women and 24% of men** working in the company (stable rates compared to 2015), among which 63% of women have top management positions and 37% of men.

Young talents

EXO as a leading Destination Management Company in Asia is committed to building future leaders in tourism industry; as such we have started to develop this year an internship program.

- ✦ In 2016, EXO received and trained 11 persons. We have permanently hired 2 former trainees within our English Inbound Department and Sustainability Team.


Some of them were interns as part of their university curriculum, others were newly graduates willing to gain experience.

¹ International Labour Organization’s “Women in Business and Management: Gaining Momentum”

Paternity & maternity leave

Last year, EXO has started to offer paternity leave to all its male employees with 3 days off work. Local employees who are working under the coverage of the governmental social security system will benefit from 5 days off.

As for maternity leave, EXO is compliant with Vietnamese labor law and employees are entitled to a paid maternity leave between 4 to 6 months.

✦ In 2016, 3 employees have taken a paternity leave 


Turnover & internal promotion

EXO Travel Vietnam is proud to have a small turnover: 8% in 2015 & 2016.

Some employees have even been working for the company since its creation, almost 25 years ago. Out of 214 employees, 29% of them (62) have been working for EXO Travel Vietnam over 10 years and 42% (89) over 5 years.

✦ In 2016, **30 employees were given an annual award** for reaching these milestones with us.

Incentives & sharing profits

In 2016, we have broadened and opened our Incentive scheme to all employees. It is calculated on revenues generated from sales and profit is shared amongst all employees in the company. Before, it was only allocated to Travel Consultants and it has been extended to employees working in all departments this year. Thus, every EXO employee receives quarterly a share of the gross profit. 

Additional benefits



We grant a 13th month bonus for all local employees, plus additional fixed bonuses 3 times per year (for important public holidays).

- Annual performance review resulted to an increase of salary for our employees from 5% to 9% in 2016.

- Best Employee of the Year: 2 best employees/year. They receive an award and a trip to attend the Yearly Management meeting organized in one of our EXO destination.

- In 2016, Spanish lessons were offered twice per week. 10 employees attended the classes.

- Summer activities for all employees: outing trip where family members are invited to a destination chosen by the trade union.

- Occasional get together by luncheon on Women's days 8/3 or Christmas party or Year End Party.

- Every children of our employees were offered a lunch at a restaurant or given nice gift on Children day 1/6.

Sustainability training and awareness raising

At EXO Travel, we believe that real sustainability is only achieved when this journey is driven by our employees. Sustainability is everybody's business. We encourage our people to be involved, to suggest improvements, and we celebrate our successes together.

EXO training plans & capacity building

- Webinar Training: For sales and product employees, introduction of new products in EXO destinations.
- Tourplan training: Techniques and procedures for using our internal software handling data from our suppliers and for accounting, it is the most important tool for sales staff. It is also being used to monitor some of our activities related to sustainability (reports of distribution of refillable bottles for travelers and of our booklet "Tips for Responsible Travels" responsible qualification of suppliers and measuring impacts of sales of responsible products/excursions). It will soon be used for carbon offsetting of our clients flights.
- **Exo Travel Academy** organized yearly are management & General Trainings for back office staff to increase their capacities / knowledge (including sustainability issues, about Travelife certification, sustainability within the product process and the company operations).
- In 2016, we have also given the opportunities to some of our best employees to share their high skills and knowledge with other EXO offices (eg: Ms Le Thi Chung - Finance Director trained staff in EXO Japan, Mr Nguyen Thanh Toan – IT director trained staff in Malaysia and Myanmar, etc.)
- Annual Staff Inspection trip plan: to develop the staff knowledge / visit to hotels, tourist attractions, etc, including sustainability checklist and criteria. This year, trips were organized in Sapa, Phu Quoc, Hanoi, Nha Trang.

Specific trainings on sustainability and responsible tourism have been conducted since 2012 by the EXO Foundation, accelerated by the sustainability coordinator in 2014 – 2015 and fostered in 2016. The trainings are progressing with understanding of staff and are becoming more and more specific with time.

Examples of trainings organized in 2016:

- ✦ Induction trainings organized for 15 new employees and 1 new manager.
- ✦ 159 Guides and 51 Travel Consultants were also trained on responsible tourism (cf below).

EXO Sustainability team

In 2016, Sustainability team ("S.Team") with volunteer members from every department of the company. Today, it is gathering 20 active members. They met every 2 months to brainstorm on subjects that needs to be considered in a more sustainable way, such as:


- Health & Well Being at Work,
- "Travelife" anniversary,
- Sustainable purchasing,
- Preparation of "EXO, where are we going?" event (strategic giving for corporate philanthropy),
- Responsible Gift Market,
- Reflection on Sustainable purchasing.



The EXO Travel Vietnam Sustainability in Saigon (Left) and Hanoi office (Right)

Raising awareness of EXO people

In 2016, more pedagogic materials dedicated to sustainability have been spread in EXO offices and through the intranet. For example: EXO Responsible Tips, Sustainability Monthly Newsletter, Sustainability in Actions, the switching off policy, the saving paper policy and the waste management policy, the responsible Travel Policy, etc. Our CSR program & responsible travel policy are widely communicated online and inside the office and each new employee receives an introduction training about it. At all levels of responsibility, EXO equally offers resources and opportunities through regular trainings to improve staff competencies and favor personal development.

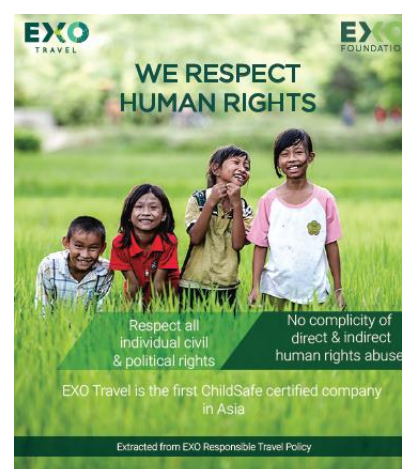
- ✦ Monthly desktop photos to communicate about sustainability (12 pictures created per year) 



- ✦ Monthly sustainability newsletter was published on EXO internal network – EXO 24. It includes an interview of 1 employee sharing a good practice reflecting sustainability.



- ◆ Posters focusing on our Responsible Travel Policy (a serie of 11 posters was created).



The Sustainability Game

In 2016, EXO continued running the sustainability game launched in September 2015, at group level to increase knowledge on sustainability issues. Monthly quizzes were proposed to staff who played on a voluntary basis. Every month it was focusing on a different theme and questions were always linked to tourism and EXO.

Topics of the quizzes & missions:

Energy / water / waste	What is your new year Responsible resolution
How responsible are you?	EXO Foundation
What is Sustainability?	Ecosystems & Biodiversity
What did Travelife changed in your life?	Reducing plastic waste
Improving Socio - economics impacts of tourism	What is a responsible hotel?
Climate change and CO2 footprint	

Every month best players have been awarded with a small 'sustainable gift'.

End of 2016, 110 employees participated in the competition, accounted for 52% of total employees.

Our 3 best winners of the year were:

- Mr Nguyen Duy Thuong for Best achievement,
- Ms Pham Dieu Le for Most committed employee
- Ms Vu Mai Quynh for Outstanding effort in the competition.

Winners were rewarded with sustainable gifts, vouchers promoting Vietnamese culture or training courses.



Winners of Sustainability Competition

STATISTICS SUSTAINABILITY COMPETITION			%
Number of questions/quizz in average	6		
Total number of players	110		52%
Average number of player over the year	26		12%
Average score over the year	10.9	/14	
Minimum - Maximum scores over the year	3.5	138.0	
Number of times played in average	3	/11	
Number of players who played at least 1 time	42		38%
Number of players who played more than 3 times	33		79%

The average score is quite high (without missions) showing that our staff has already a good knowledge about sustainability. Moreover, 79% of players played 3 times or more, which shows interest and curiosity.

- In 2017, we will review the format of the game and adapt it to our player's expectations.

EXO guides & trainings

Sustainability knowledge

Our tour guides are all locals and we offer them fair employment conditions. As our tour guides are in direct contact with both clients and suppliers in the destination, they have a remarkable impact on our clients' experience as well as our efforts to achieve sustainability in all areas. Therefore, we invest in guide training to continuously improve their knowledge and skills.

- EXO Travel shares with visitors and tour guides best practices on responsible tourism through our Responsible Tips for Travels booklet.
- EXO Travel has also elaborated a Guide Hand Book for guides with sustainable practices to respect (distribute the Responsible Tips for travels booklet, do not facilitate purchasing of wildlife parts, do not take guests to visit schools or orphanages, use of air conditioning is regulated, etc..). It is studied and discussed during guide trainings.
- ♦ In 2016, 10 guides were trained on Ha Long bay – Cat Ba Island Biodiversity by International Union for Conservation of Nature (IUCN) and **149 guides** were trained by EXO on our Operations/Responsible policies/First Aid.

2016						
Adventure + Resp. Tour. (Kim Ngan) 24/06/2016 12/06/2016 28/06/2016 27 guides	First Aid Training (FMP) 24/06/2016 28/06/2016 38 guides	Operations + Rt (Roland) - 25/08/2016 08/09/2016 09/09/2016 12/09/2016 29 guides	English Operations Junior guides 27/05/2016 6 guides	Responsible tourism (Alex) 27/05/2016 6 guides	Induction New guides Responsible Tourism + Childsafe 8 guides	Ha Long Biodiversity (IUCN) 21/12/2016 11 guides

First Aid training

- 38 guides working with the EXO Adventure department received a first aid training in 2016



Travel consultants – Training on responsible tourism: “The New traveler”

In 2016, we have organized a training for 51 Travel Consultants (English, French, Luxury, Internet Sales, German and Spanish Departments). Beforehand, a questionnaire asking for each participant's expectations for the training has been sent out, it enquired about their confidence to answer to clients' requests regarding the following topics:

- 100% of participants declared that they needed to attend a training on this topic.

List of Questions (answers from 0, not confident to 10 very confident)	Average note	Most answered
Do you feel confident in giving advice about sustainability	6.73	7
EXO policies about school/orphanage visits	7.79	10
Elephant riding & guidelines for animal viewing	7.34	10
EXO Travel & sustainability policy	6.85	8

Supporting a reliable non-profit organization	6.35	6
Including sustainability options in a program	6.48	8
Offsetting carbon emissions of air travel	5.05	0
Do's & don'ts for tourists in Vietnam	6.54	5

- Almost 30% of participants couldn't answer to this question: According to you, are your clients interested in Sustainability & Responsible Tourism? The other 70% gave the names of 29 agents².
- 83% were able to give names of responsible suppliers, they have listed 42 different ones among them some are not yet proved to be responsible and others are³.
- 64% of participants declared that their agents agreed with the distribution of our Tips for responsible Travels.

Then, the training was organized in 2 sessions:

(1) How to advise clients about sustainability? (in EXO office)

This session included facts from recent reports on 'Sales and sustainability', examples of sustainable options in Vietnam and templates of answers (e-mails) to send to clients regarding our policies.

(2) What is a responsible supplier and how to conduct a sustainability inspection? (on-site inspections at Caravelle & Sheraton Saigon)

Each participant had a "Sustainability checklist" to fill out on-site, then answers were collected and corrections were sent individually. They had to ask questions to all staff met (reservation managers, concierge, engineering, housekeepers, receptionists etc.). Each hotel gave a 15 min presentation on actions they take to be more responsible.



- ◆ Following our training sessions, 91% of participants (who answered to our survey 1174), have considered this training as interesting and useful or very useful for their work. 73% are confident in conducting a basic sustainability inspection.

² 123 Voyages, Rosario, Virtuoso, Mundo Explora, Catai, New Traveler, Tarawa, Reyes Tours, Stella, Inside Asia tours, Image Asia, Holiday Architect, I can holiday (South Africa), Friendly Planet (USA) Trail Finders, Food I am, Megahave, Singa Travel, Talisman, Titan, COMTOUR Arte Reisen, GEBECO, DIAMIR, A&E, EVOLVED Travelers, MTA, ProTravel, SabraTravel.

³ Mekong Ecolodge, Mango Bay Phu Quoc, La residence, Caravelle, Park Hyatt, Victoria Group, Bloom Micro Venture, Mai Vietnamese Handicraft, Co Tu Village, Sofitel Legend Metropole, La veranda, Intercontinental Da Nang, Anantara, Accor, KOTO, Mekong Quilt, Reaching out, Mai House, Villa Aria Mui Ne, Bhaya, Paradise cruise, Thien Thanh Vehicle, Indochina Junk, Jack Tran's Eco-tour, Bai Tho Junk, Topas Eco Lodge, Hoi An Eco Tour, Emeraldalda Resort, Ana Mandara Nha Trang, Tra Que Eco Village, Palm Garden, Lifestart Foundation, Very Ngon, Mekong Ecotour Ky Son, Mercure Phu Quoc, Sheraton SGN, Majestic SGN, Moevenpick HAN, Grand SGN, Pu Luong lodge, Cassia Cottage Resort Phu Quoc, Mai Chau Ecolodge.

2. We care about our environment

We believe that if we want to advance a convincing sustainability policy towards our suppliers, we must first be a genuinely responsible business. With Travelife, we keep working strongly on this subject. In our Responsible Travel Policy, we commit to minimize the negative environmental impacts of the office operation and activities. In other words, we must be an example for both our staff and suppliers.

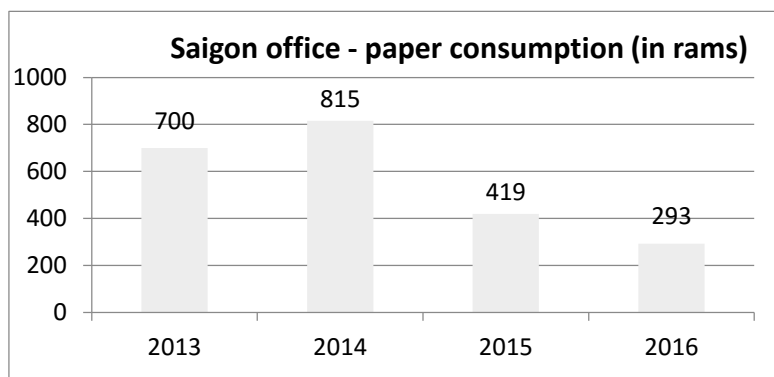
Monitoring tool

In 2016, all resources consumption (water, energy, paper, waste) and flights were monthly recorded, updated and managed via the online monitoring system on intranet – EXO24.

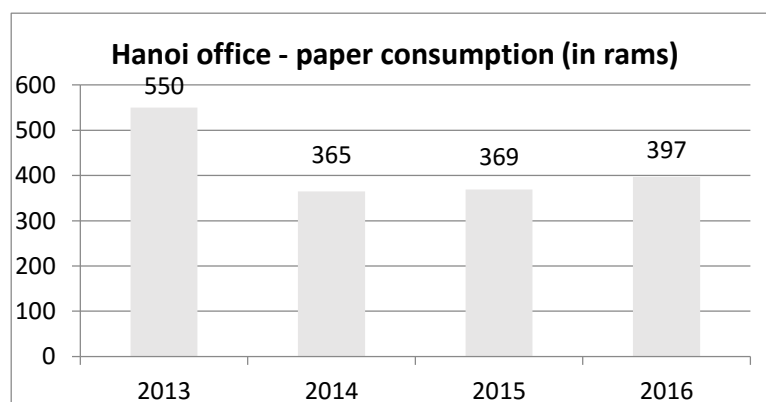
Reducing paper use

We have been strictly applying our policies and tips encouraging our employees to reduce their consumption of paper (such as printing double side, on draft paper, using an hyperlink to share documents, using Calibri Font point 11 etc.). We also purchase paper sourced sustainably and have chosen a lighter grammage.

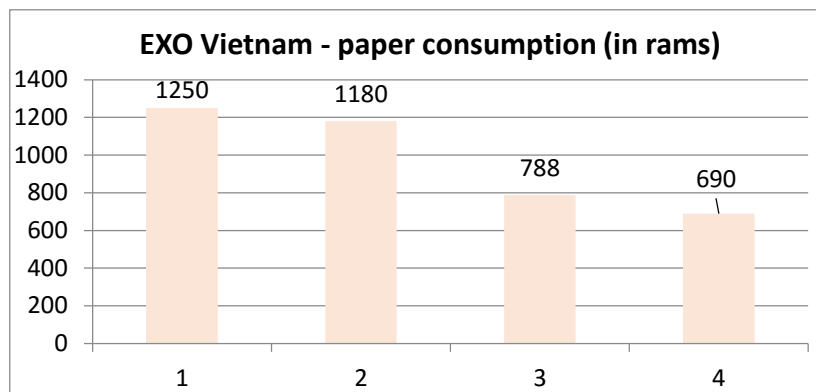
Our employees well understood the stakes of using less paper and have agreed to implement our tips. Their efforts are significant has shown on the graphics below.



- ✦ In Saigon, measures to reduce paper consumption allowed us to **decrease by 30.07 % in 2016** (compared to 2015).



- ★ Whereas in 2016, Hanoi office has increase its consumption **increased by 7.6% compared to 2015**. It can be explained with the fact that we have increased our operations by 24% (number of travelers handled) compared to last year and Hanoi office is mainly handling booking/reservations.



- ★ In 2016, for both offices, we saved **6 trees** compared to 2015, by reducing its consumption from 1990 sheet per employee during 2015 to **1643** sheet per one in 2016. **For both offices, we reduced by 14** **our paper consumption.**



Overview of our paper consumption (rams converted in trees) over the past 4 year

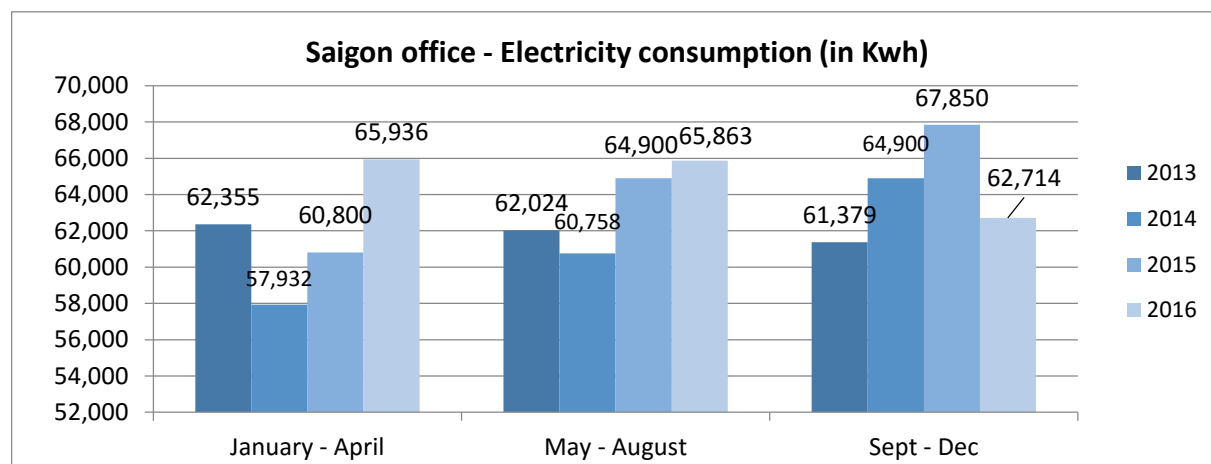
- In 2017, the objective is to keep reducing the consumption of paper by 15%. Overall, we have reached our target and even more thanks to durable efforts in Saigon office.

Electricity consumption

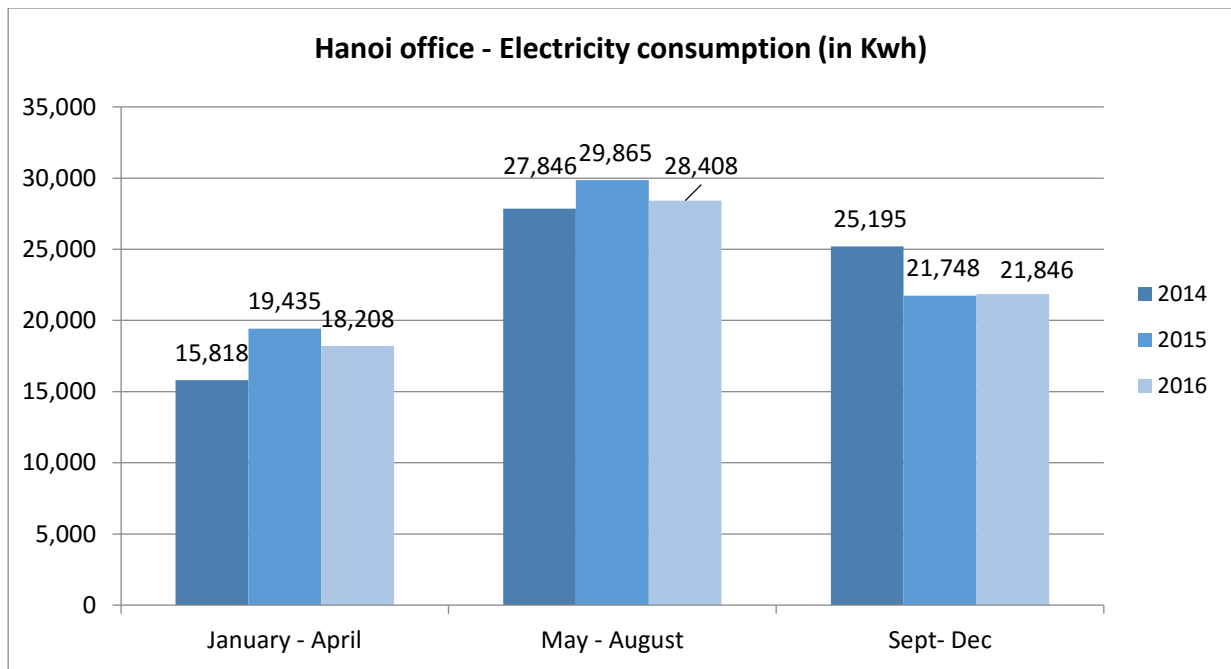
In 2016, EXO travel Vietnam has continued the work started by the EXO Foundation (energy policy and trainings) since 2013. The energy policy includes automatic switch off on computers, minimum-maximum temperatures for our Air conditioning use, using day light etc.


In 2016 in Saigon office, in order to be more energy efficient, we have:

- Replaced all lights by **led lights** - in progress
- Insulated windows and doors (entrance + 9th floor door + 9th floor windows) - done
- Fixed air conditioning system (advice to replace it) - done
- Checked the pertinence of installing fans suspended to walls – done, not possible.
- Shaded with plants on the 9th floor balcony – \$354.6
- Window film energy efficient on each floor – \$1.480 (EXO paid 50%, Building management 50%)



- ◆ In Saigon, despite our actions we have not seen a significant drop in our electricity consumption. However, in the last quarter of 2016, we have witnessed a small decrease by 7.6% following the installation of our UV anti-reflective window screens.
- ◆ In 2016, we have met with the Energy Conservation Center and attended a workshop in November 2016 on Energy efficiency organized by CCIFV (with Artelia manager of Energy efficiency/Environment Department as guest speaker). We have clearly discussed our situation and asked for technical advice. According to ratios in Vietnam, we are in the highest category of consumption of electricity per square meters (240 Kwh/sq/year).
- ◆ We have been suggested to convince our building management to undertake a thorough energy audit, in order to find out the best technical solutions enabling us to save energy. However, it was not accepted by our Building Management and we don't have the financial resources to cover the cost of this audit for the entire building.



- ◆ On the contrary, in Hanoi, for the first time since we have started to implement our good practices our consumption has **decreased during the year by 4% compared to 2015**. 

Waste management

In 2016, EXO Travel Vietnam has continued to apply its policies to raise awareness about waste consumption and to encourage its people to recycle in the office and at home.

Reducing plastic waste

In 2016, to raise awareness about the negative effects plastic has on the environment and on people health and bring solutions.

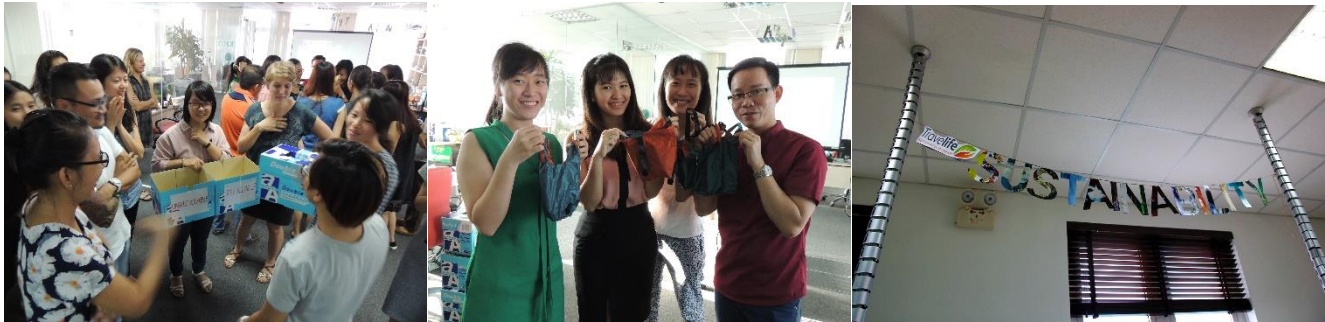
★ Travelife first anniversary, on 8 July 2016 celebrated in cooperation with “Clean Up Vietnam”

We have taken the opportunity to celebrate our first year of Travelife certification, as we aimed to remind everybody about our past achievements and future targets. We have involved our Sustainability team in the organization of this event and we have decided to focus our message on reducing plastic consumption (thanks to a video and song).




A guest speaker from a non-profit “Clean Up Vietnam” working on environmental cause – Mr. Scott Alderson, gave a speech about plastic waste and an introduction its works on raising awareness on littering.

Employees were involved in making the decoration (from recycled materials), in recycling-action games, and in organizing a plastic free buffet. Rewards were given to employees which participated in the “sorting Games”, custom-made lunch bags to reuse and carry sandwiches and cups.



Refuse, Reduce, Reuse, Recycle

- EXO employees are using recycling bins in the office: for papers (normal paper, magazines, newspaper, biscuits cardboard' boxes, calendars, brochures...), plastic and aluminum (plastic bottles, plastic glasses, cans) and batteries. Plastic bottles, plastic glasses, cans, cardboards are sold by the cleaner to waste pickers.
- Batteries and non-working computers are given to a safe recycling program “[Vietnam Recycles](#)”.
- In 2016, Hanoi office recycled 153.7 out of 319 kilos of waste and Saigon recycled 73 kilos out of 1,313 kilos of waste 



In 2016, Saigon office significantly improve their practices in terms of sorting waste. A new Recycling waste station was established with a series of sign indicated how waste sorted out.

Total investment for recycling stations: \$ 543.25 

Cleaning materials

EXO Travel strives to use eco-friendly alternatives such as triclosan-free soap, biodegradable plastic bags, recycled fiber paper towel, natural dry fruits as sponges etc. The cleaner has been trained to use eco-friendly principles for cleaning our office.

- New guidelines have been edited and given to our housekeepers as reminders.



Office maintenance for sustainability

Water:



- Check water leakage in the building - done
- Repairing water saving system in the toilets – done

Safety:

- Use of water based paint for renovating purpose (MAXILITE – Green Label Singapore certified)
- Check fire extinguishers and repair exit doors – done

Carbon offsetting

EXO Travel Group has concluded a partnership with NEXUS, a carbon offset program, to compensate carbon emissions of staff air travel.

It was planned to offset clients' domestic / regional flights as well at the start of 2016/17 season but we have faced **some technical delays** in our head office.

Moreover the launch is pending upon EXO Group decision, as to whether we will do it in a systematic manner (charge each client according to their flights following the rule polluters pays) or if we ask first for clients' consent. The EXO Foundation recommends a systematic offset as the overall average cost per client shall not go beyond 1 or 2\$ in most of our destinations.

In 2016, EXO Travel Vietnam employees flights have generated **tons of 16.83 ton of CO2** (-45% compared to 2015), with 117,528 km **travelled, equivalent to 38% less than last year**.

It mainly due to Familiarization trips for our staff organized closer to our Sales offices (Phu Quoc, Da Nang).



CARBON OFFSETTING

WE AIM TO SUPPORT PROJECTS HELPING TO



Reduce carbon emissions, by reducing reliance on wood and fossil fuels for water boiling



Objective: more than 75 tones of woodfuel saved



Save households money, by decreasing fuel purchases



Objective: 129 tonnes of carbon credits offsetted



Protect forests, by lessening demand for wood fuel and charcoal



Objective: 4.6 hectares of avoided deforestation



Create rural employment opportunities, through local production and distribution



Sustainable purchasing

Gifts

In 2016, we used our Sustainability Checklist for Giveaways Suppliers, in order to assess 16 different suppliers and then to identify 14 responsible ones.

- In September 2016, we have organized a “Responsible market” in order to better promote responsible shops/souvenirs to all our staff. We have gathered 9 fair trade shops which have showcased their product to EXO’s employees.
- We have also worked on more detailed guidelines for our suppliers regarding eco-friendly gift wrapping and “note/information” about the social projects supported behind the products.




- Following the market, EXO Vietnam issued a Procedure of Gift Purchasing and Gift Brochure. All departments are being encouraged /reminded to buy from responsible shops in the New Gift Brochure. Others regular suppliers could be considered if the recommended responsible ones are unable to supply the requested products. In 2016, EXO supported [Craft Link](#), [To He](#), [Mai Vietnamese Handicraft](#), [Maison chance](#), [Zo project](#), [Thien Tam Huang](#), [TàLài Arômesd’Indochine](#), [Nam Xanh JSC](#), [Very Ngon Homeware](#) and others.



- ✦ In 2016, we have bought **30% of our gifts** compared to 25% in 2015 (including gifts to travelers, agents and staff) from non-profit organizations supporting communities and 60% from the local market mostly products reflecting Vietnamese local culture.

- ★ We have collaborated with To He to tailor made our “Luxury” travel kits and with Backyard Travel to source their “welcome kit” products.

Gifts purchasing	Hanoi	Ho Chi Minh	Total	%
From Non Profit organizations			\$ 3,938.58	30%
To He - supporting disadvantaged children		\$ 577.78	\$ 577.78	15%
Mai Vietnamese Handicrafts - Fair trade certified		\$ 1,706.67	\$ 1,706.67	43%
Craft Link - Fair Trade certified	\$ 1,499.02		\$ 1,499.02	38%
Hoa Ban + - women cooperative in Mai Chau	\$ 155.11		\$ 155.11	4%
From responsible companies			\$ 1,276.51	10%
Sense Asia Tea company		\$ 1,276.51	\$ 1,276.51	100%
From local market			\$ 7,705.73	60%
Ceramics	\$ 29.33	\$ 413.33	\$ 442.67	6%
Lacquer paintings, albums, boxes	\$ 1,207.56		\$ 1,207.56	16%
Bamboo chopsticks, boxes & hats	\$ 701.69		\$ 701.69	9%
Wooden puppets, cups, boxes & stone statues	\$ 1,940.53		\$ 1,940.53	25%
Books & postcards	\$ 2,093.47		\$ 2,093.47	27%
Embroidery	\$ 1,091.56		\$ 1,091.56	14%
Others	\$ 228.27		\$ 228.27	3%
TOTAL	\$ 8,946.53	\$ 3,974.29	\$ 12,920.82	100%

- In 2017, we will try to reach 50% of our gifts bought from responsible shops and source more responsible shops to buy from. 

3. We involve our supply chain

EXO Refillable bottles initiative



Over the years, plastic water bottles and wet towels have become a must-have during a trip. Every day, each traveler receives 2 plastic bottles placed within our partners vehicles (cars/buses). In 2016, it has represented more than 256 283 plastic bottles and 200 446 plastic wrapped tissues distributed by EXO. Thus, we have decided to take action and to reduce drastically our distribution of single-use plastic bottles by convincing our clients and partners to join our “refillable bottles” initiative.

In 2016, EXO Vietnam, along with EXO Laos and EXO Cambodia, have launched a pilot of this initiative, in order to have a better understanding vision of operational issues and costs. We have experienced giving a free refillable bottle to each traveler of a group and encouraging them to refill it with available water stations during their trip instead of using single-used plastic bottles.



We have sourced bottles’ supplier in Vietnam with competitive prices and ensured that the bottles met our safety requirements (SCG tested in compliance with Food and Drugs Administration Regulations) and we ordered a total of 500 bottles for our trial phase.

We have launched our pilot initiative thanks to the cooperation of a German client DIAMIR.

Since June, we have been working on itineraries of two series we operate for them, in order to convince hotels, car companies, guides and restaurants to implement ‘water stations’ for our guests along their trip (duration of 11 days, between 6 and 15 guests per group, at least 3 main destinations visited – North, Central & Southern Vietnam).

- **7 excursion providers and hotels responsibly joined** us: Bhaya Classic Cruise, Chalcedony Hanoi, Midtown Hue, Lotus Hoi An, Sonnet Saigon, Sunrise Central Saigon, Iris Can Tho and Victoria Nui Sam,.
- **4 car companies** committed to set up water bottles on cars and bus for guests to refill: Minh Viet, Mai Anh, Da Nang Sky Travel and Hai Van.
- **Both drivers and our guides** were informed and shown how to implement the initiative through a booklet and a visual guideline. Guests received a letter explaining the process together with their individual bottle.

Our pilot experience was very successful, **two groups of 20 travelers in total** and **16 persons** on a Familiarization trip for GEBECO have traveled with refillable bottles and appreciated it. It **enables** to save over **550 single-used plastic bottles from the landfill**.

- Early 2017, we will give a full feedback of this experience to our managers, explaining challenges we have faced and introducing the guidelines that we will suggest to apply to all of our groups (upon clients approval).



Accommodations Suppliers

In 2015, EXO Foundation has designed a strategy to communicate, assess and promote sustainability within accommodations and excursion suppliers we work with.



It includes 6 steps:


1. Communicate our March Towards Sustainability by sharing our Responsible Travel Policy and core –commitments.
2. Assess level of sustainability of our main suppliers to identify the responsible ones and those interested to implement best practices.
3. Review and validation by the EXO Foundation of responsible suppliers
4. Qualify in our internal booking database suppliers identified as responsible.
5. Highlight these responsible suppliers to our clients with special icons so they can make an informed choice.
6. Monitoring our performance in selling responsible suppliers

Promotion of responsible tourism


In 2016, EXO Travel Vietnam has sent and resent a communication named "[Sustainability in Action](#)" our partners in order to inform them on its new [Responsible Travel policy](#) and on its commitments towards this sustainability journey. It included a [questionnaire](#)⁴ detailing main best practices a hotel could implement. EXO Travel Vietnam has also announced that it will favor them in their relationships, if they also commit to responsible tourism. Moreover, in 2016, EXO Travel continued to send the [responsible contract clauses addendum](#)⁵ to its partner suppliers and require them to sign it.

As this represents a tremendous follow up work (including inspections on site to check and complete answers) to obtain answers from this thorough questionnaire, we prioritized in 2016 the evaluation of our top hotels representing 70% of our bookings.

2016 - Accommodations	Total	Top 20	70% of business	95% of business	Inspections
Total nb of contracts signed	309	20	56	149	66
Number of Sustainability annex sent	244	20	54	128	5 of Top 20
Number of Sustainability annex received	147	16	37	83	14 of Top 70%
Number of annex pending	97	4	17	45	41 Top 95%
Return on sending	60.25%	80.00%	68.52%	64.84%	34 (questionnaire received)

- ★ 67 hotels have completed the questionnaire until end of 2016.
- ★ Sustainability inspections have been made in 65 hotels (46% of hotels which answered to our questionnaire). 
- ★ 147 hotels have agreed to sign our Responsible Contract Clauses (80% of our top 20 hotels and 68% of hotels representing 70% of our business).

Sustainability inspections

Overall, we have achieved our target to inspect at least 20% of either preferred or potentially responsible hotels, as we have inspected 21% of hotels we have a contract with. 

Following, "6 main questions about responsible tourism" created since 2015, we have created a rating scheme, enabling us to always follow the same criterion during our inspections. This list is based on the questions of our "Sustainability questionnaire" and includes additional parameters.

⁴ **Hotel assessment questionnaire**

This questionnaire comprises of 35 questions on 4 activity areas: Internal Human Resources, & socio-economic benefits toward the community, environment; communication to guests and heritage conservation. This set of question is designed to help EXO Travel acknowledge better the level of commitment of our hotel partners. Moreover, it also intends to suggest initial guidelines to suppliers who wish to engage, so they see how sustainability can be integrated in their daily operations.

⁵ **Responsible Contract Clauses**

This document covers basic requirements regarding social & ethics, environment, captive animals, biodiversity and culture heritages. It is now a compulsory part of any contract renewed since 2015.

Regarding our EXO people, we have started to train our Sales teams & Product Team to use a “Sustainability checklist” with 19 easy-to-answer questions tackling each pillar of sustainability.

What's next?



- We expect to get the Responsible Contract Clauses addendum signed by 90% hotel partners.
- We are aiming for a more collaborative approach to stimulate our current suppliers towards more sustainability, such as partnership with non-governmental organizations (NGO), education institutes and/or other tour operators to facilitate workshops on sustainability to raise awareness as well as share knowledge and best practices.

Transportation in the destination

Sustainable transports

EXO Travel Vietnam is offering a variety of cycling tours, thanks to its adventure department. Moreover, we offer cyclo tours in Hanoi & Hue, which have a social positive impact as well as they are supporting poor people and a no-smoke policy. The product department is now investigating to offer electric means of transportation modes to our visitors (bikes, boats & cars).

Code of conduct for drivers

EXO has elaborated code of conducts for drivers with sustainable practices to respect. Moreover, in 2016 EXO Vietnam designed a responsible tips for travelers.

In 2016, EXO Hanoi invited 80 drivers and 7 car operators (from our most important car companies (Minh Viet, Mai Anh and Hai Van) to attend the trainings on responsible tourism.


- The objective is to train 70% of our drivers in 2017.





Excursions and activity suppliers

For excursion and activities suppliers, we apply a slightly different strategy as it is more complex to assess excursions than hotels. First because it includes various elements, second because many providers are non-English speakers and may not understand the questions. Third, it is difficult to have one check list which fits all types of excursions. A diving trip cannot be assessed the same way as a homestay.

Consequently, the evaluation check list⁶ is sent only to suppliers we foresee as responsible (or claiming to be) and who can speak good English. For others, the Sustainability Coordinator and other staff in the mid-term will directly go on inspection.

- ✦ In April 2016, EXO Travel Vietnam sent and resend out the “[Sustainability in Action](#)” campaign to 347 contracted excursion suppliers. The content was the same as for hotels except that EXO Travel was requiring them to sign the [responsible contract clauses addendum](#) 

2016	Excursions
Total nb of contracts signed	92
Number of Sustainability annex sent	60
Number of Sustainability annex received	44
Number of annex pending	16
Return on sending	73.33% 

- ✦ 44 contracted excursion suppliers have signed the responsible contract clauses addendum. Thus, we have reached our target for 2016 by having our Addendum signed by 25% of our excursion partners, because we have 47% of them signed. 



What's next?

- We expect to get the Addendum signed by 90% of our excursion partners.
- We will finalize sustainability assessment of 50% of our top contracted partners considered as potentially responsible in 2017.

Promotion and communication of responsible suppliers



Part of our engagement towards our suppliers is to offer responsible partners promotional advantages. We have designed icons to highlight responsible suppliers in all our communications.

⁶ Checklist for excursions

A document comprises of 62 questions covering various aspects which may be included in a tour: transport, food & drink, shopping, child policy, social empowerment, social, cultural and economic benefits/impacts for the visited communities, conservation & environmental impacts.

⁷ Responsible Contract Clauses

This document covers basic requirements regarding social & ethics, environment, captive animals, biodiversity and culture heritages. This document now is a compulsory part of any contract renewed since 2015.

There are two labels, one for the environment best practices and one for the social best practices 

Once a hotel's commitment to sustainability is recognized, it will be labeled in our information system.

Our employees, especially our travel consultants, have been informed about the EXO Responsible Travel Policy, as well as our process of supplier engagement in sustainability.

Developing new responsible products (including educational tours and MICE)

The product department has developed a number of excursions that directly supports local communities. For example, EXO includes in its tours vocational training restaurants, trekking-biking-walking, workshops' visits run by NGOs or directly supporting local people etc (eg : [Lifestart Foundation](#) in Hoi An, [Bloom Microventures](#) in Hoa Binh, [La Vie Vue Linh](#) in Yen Bai, [Mekong Plus](#) in the Mekong Delta, [Talai Longhouse](#) in Dong Nai, etc..).

In 2016, we have extended our network of partners and created new experiences:



- Green Youth Collective in Hoi An, in Central Vietnam a new experience has been created and is been approved by our Headquarters. It is a walking tour in a village nearby Hoi An, which is helping to supports local families, through the local association which organizes lunches and beverages for our guests. Also, this tour aims to discover the project of Green Youth Collective, which is based on permaculture and biodiversity conservation.
- [Hope Center](#) in Hue, it is a vocational training center for adults (above 15 years old), upon a request of one of our clients, we have organized visits within this center for groups between 5 to 10 persons. Guests are able to visit the center and to make along with the workers a small souvenir in recycled electric wire (bowl/keychain), they can also attend another workshop of pottery for a total of 2hours. They support the center through a fee per person including the price of a small souvenir given to each participants.


Still in progress:


- [Streets International](#) in Hoi An, we are working a superstitious tour in partnership with Street International (NGO): a tour to introduce our guests to the many superstitions ruling the daily life in Vietnam with a focus on the life after life (presentation of a good selection of paper items to send to the Afterlife by burning (ex: motorbikes, money, etc.) also a good ground for exchanges about the beliefs in Vietnam and in Western countries, supporting Street International and giving an opportunity for their students to interact with our guests and develop their English skills.
- [Healing Wounded Heart](#) in Hue, they have a workshop in Hue and we are discussing with them in order to create a small experience and to bring more guests to their workshop/shops supporting disabled people and heart surgeries for children.
- [KOTO](#) - Walking Street food tour guided by Koto Trainees, we have discussed this opportunity for a specific group of students and had drafted an itinerary but due to their workload we have not finalized this experience.

Vocational training restaurants are often added to our programs, they enable young adults from poor backgrounds to get off the street by giving them a profession.


We also developed a range of educational trips for students and schools, through these trips in Vietnam our aim is to promote global citizenship, to enable students to experience 'real-life' scenarios and to give them a unique chance to discover the country's context and issues. We strive to challenge misinformation and stereotyped views, in order to allow children to counter ignorance and intolerance. Our educational trips will enable them to understand that each of us can change things, and has responsibilities towards each other, with greater power when we people work collectively. It will also demonstrate to students that the world we live in is unfair and unequal, but that initiatives are led to challenge and change this.

- [Maison Chance](#) in Ho Chi Minh City, this center is a vocational training center/shelter for disabled and disadvantaged people. We have worked with them to create a half-day experience in their center, especially for students groups including games and sports activities.
- [Saigon Children Charity](#) in the Mekong Delta, a tour has been designed with this organization for one of our client. It is offered to groups of high-schoolers from Australia, the idea is to deliver bicycles to children in the Mekong Delta, so they can attend school easily. 
- [Blue Dragon](#) in Hanoi, we are selling 3 experiences that this organization has created for groups of students/youngsters. It enables them to learn about the work of Blue Dragon in Vietnam with young people facing issues such as poverty, homelessness, child labour and human trafficking.
- [LP4Y](#), in Hanoi and Ho Chi Minh City, we have been exchanging on the idea of creating a workshop for both foreign guests students and trainees of LP4Y tackling entrepreneurial abilities and search for employment (writing CVs, motivation letter etc.). Moreover, in 2016, we have welcomed a group of trainees in Hanoi office from LP4Y, enabling them to better understand company's life and expectations. 
- ◆ In 2016, we have arranged an inspection trip for a new client "World Challenge" including proposal of "Community involvement activities" in Ta Lai Longhouse and with Bloom Microventures in Hoa Binh province.

Then, we organize for our client's companies their own CSR activity when they wish to develop one during their travel. We have organized charitable and meaningful activities for foreign companies coming to Vietnam (eg: for incentives, events and team building), such as setting up partnerships with local nonprofits and supporting their needs (eg: financial donations, building bridges for students to go to ools, supporting families through community programs, providing medical care etc.).

- ◆ In 2016, for the 7th year, we continued organizing 3 days of medical consultations for ORMES/BIODERMA in remote villages in the mountainous area of Northern Vietnam. The event in 2016 followed up sustainability guideline and recommendation last year 

- ✦ EXO also organized a 2-day CSR event for Solterbeck in Long An with [Habitat for Humanity](#): following a request from a group handled by MICE Department, we have worked hands-in-hands with Habitat for Humanity (HFF) to renovate houses of disadvantaged people, also they have helped to renew the school. We have actively worked with HFF in order to understand the need assessment they had realized prior to the arrival of the group of 300 persons. We have also made recommendations **son** tasks that could be handled by the group, such as creating a recycling area and a vegetable garden in the school yard and suggested ways to be more eco-friendly.
- ✦ In 2016, we have received 5 requests for CSR activities and have sent new proposals to our clients: Ormes (Orange proposal of CSR in Hanoi with FabLab and in Danang with Passerelles Numeriques), Lion's President (CSR proposal for Da Nang with Football For All), Carl Zeiss (CSR proposal in Ho Chi Minh city with LIN), HRS (Being a street vendor and FFAV), Mondial Events.


We are aiming to develop more and more partnerships and we are willing to ensure high quality and greater impacts when we organize such programs. We have written guidelines and we recommend companies to undertake meaningful activities and to support local communities in a mindful manner. 


4. We care about our customers

TIPS for Responsible Travels booklet



The booklet « [Tips for Responsible Travelers](#) » in English, French, or Spanish is given to travelers upon arrival. It provides advice to maximize their positive impacts and minimize the negative ones.


In 2016, we have released a new version of our former "EXO Cares booklet" with updated information.

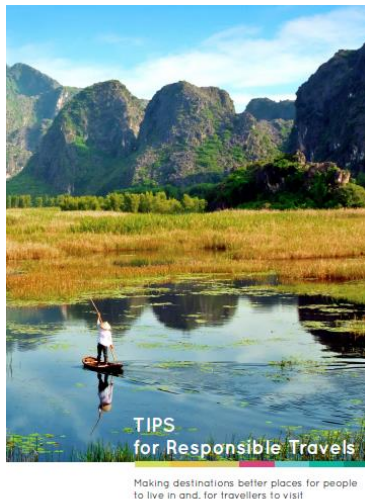
Unfortunately, not all tour operators working with EXO have allowed us to distribute the booklets to their clients. 

This year, we have clearly asked our major accounts for their approval to distribute this booklet and we also offer it to our MICE clients automatically. Only few agents have disapproved our request. 

EXO Travel Vietnam is also training its guides on responsible tourism, so they are able to inform clients on issues tackling sustainability.

- ✦ **This year, 5 497 of "EXO Tips" have been distributed to our travelers 10% more than in 2015.**
As, we have handled 43.880 velers to Vietnam, if we consider that they mainly travel with peers, it means that we have distributed our booklet to **25% of guests welcomed in our destination.** 

Distribution of "EXO Tips"	HANOI	HO CHI MINH
English version	1 169	863
French version	1 536	114
Spanish version	655	
Backyard Travel (language NA)		1 160 
Total	5 497 booklets distributed in 2016	



Top 3 of distribution ⁸ - 2016	Nb booklets
English – 81 agents	
Trailfinder	136
Travkor	39
Agro Reisen	31
French – 42 agents	
Syltours	365
La Francaise des circuits	187
Tour Square	76
Spanish – 17 agents	
SIC	528
Transrutas	48
Mega Travel	24


Responsible tips in cars

EXO Travel released a new communication materials for traveler on cars. It noticed traveler about environment protection and child protection. In 2016, EXO Travel distributed 600 stickers for 8 car companies: Hai Van, Mai Anh, Minh Viet, Thien Phuong, Thien Thanh, Phuong Khanh, Phu Dai Viet, HTH.



Sustainability Awards

PATA Gold Award on CSR Category

EXO Travel  been awarded with a Travelife certification for « Excellence in Sustainability in Tourism » in 2016 and is the first Destination Management Company in Vietnam to be Travelife certified. Article [here](#).

Policy influencing

Sharing experience

EXO Travel Vietnam is involved in various organizations dedicated to tourism and sustainability and is an active member of the following groups:

- VISTA (Vietnam Association of Travel Agents), we have submitted a proposal for the white book on Tourism tackling responsible tourism issues.
- The tourism group by EuroCham (European Chamber of Commerce in Vietnam),
- Publication of an article in CCIFV new magazine “Connect” with an interviewing session on CSR

⁸ * based on data collected from Hanoi, not available for Saigon office.

- Publication of 2 articles on Watchful Wanderer Blog: How to be a green tourist: <http://www.watchfulwanderer.com/blog//how-to-be-a-green-tourist> and What is a good tourist: <http://www.watchfulwanderer.com/blog//what-is-a-good-tourist>.
- Responsible Travel Club in Hanoi.

5. We support community involvement & development

Donations

EXO's Strategic Corporate Philanthropy and Employee Engagement EXO, Where Are We Going? In cooperation with LIN non-profit network

On 3 August 2016, 26 EXO staffs went to site visits at 6 nonprofit organizations (NPOs) including Association of Victims of Agent Orange (The VAVA CU CHI), Hoc Mon Association of Children Welfare (CEPORER Hoc Mon), CHANGE, Thien Tam Vocational Training, Coi Viet Library and Madam Muoi Charitable Class.

Prior to the site visit worksheet, LIN conducted an orientation about the Development vs. Charity and How to give well (please find attached the LIN's presentation) to 26 participants.

On site visits, EXO staffs met and talked with NPOs' staffs/ volunteers to collect information about the organizations: establishment, governance, program management, and so on. Detailed information about 6 NPOs can be found in the site visit worksheets attached.

Around 40 EXO staffs had a debrief session (open to all staffs) to review the big picture of site visits; and voted for one NPO with which EXO should partner in 2017. The VAVA CU CHI was finally selected with 54,8% votes (17 out of 31 staffs voted for The VAVA CU CHI).




Supporting local organizations

In 2017, EXO Travel will join hand with EXO Foundation and EXO staffs plan to sponsor for Va Va Cu Chi a new physical therapy room (2250\$), allowance for 2 therapist (a round 1000\$) and 30 insurances (around 1000\$) for beneficiaries of VaVa Cu Chi.

✦ EXO Saigon in 2016 donated 10 computers in working conditions to 10 nonprofit organizations in need in Saigon, and 10 computers for a secondary school in Kien Giang Province through partnership with [Not Lang](#) a non profit organizations.



- ✦ In 2016, Hanoi team organized a company trip for 5 trainees of Life Project for Youth (a nonprofit organization). They also provided necessities to an orphanage. One representative of the company & one of Trade Union have delivered them. They did not had direct contact with children supported, just with the direction of the orphanage.
- ✦ In 2016, EXO Foundation has directly supported \$8 000 for the following projects in Vietnam:
 - CHANGE - \$2 000 
 - HY VONG SCHOOL - \$4 000
 - LA VIE VU LINH - \$2 000

Conclusion

In 2016, we have continuously implemented our guidelines and policies on sustainability within EXO Travel. We have pursued our objectives to monitor our progresses and instilled more confidence to our team members to share ideas and information on responsible tourism to our clients, guests and suppliers.

For the coming year, we will focus on launching meaningful initiatives such as developing on a higher scale our “refillable bottles” project, organize workshops enabling to share best practices on sustainability with our valued partners especially on topics such as energy efficiency and waste management. We will assess and promote internally our suppliers based on our new requirements and create new responsible products to widen our range and share more benefits among the communities.

We will communicate more to our clients on our sustainable initiatives and encourage them to join us towards a more responsible tourism with our carbon offset program and by choosing our most responsible partners. We will collaborate with trustworthy nonprofit organizations and to recommend them to our clients, in the frame of corporate social responsibility activities. Our guides will also continue to be the main Ambassadors of our policies and we will strive to reinforce their knowledge on sensitive issues and their capacities to share information on sustainability to our guests.

We will encourage our people to act responsibly and to take actions for sustainability, we will create new ways of engaging them and ensure they will have a secure and enjoyable working environment. In 2017, we will also welcome a new Travelife Audit giving us a clearer overview of our achievements and weaknesses on which we will focus for the coming years. 