

2016 EXO Travel Myanmar Annual Sustainability Report

Contents

Introduction - Our Sustainability Mission & Achievements	2
Key findings and recommendations from Travelife audit:.....	3
Memorandum: EXO’s main documents regarding sustainability	4
Internal management: Social policy and human rights	4
Health & Safety	5
Staff training and education.....	6
Responsible Tourism for Guides Training	6
The EXO Sustainability Game	8
Internal communications	8
2017 ACTION PLAN – Internal management: Social policy & human rights.....	9
Internal management: Environment.....	9
Waste management.....	10
Electricity consumption.....	13
Paper consumption	15
Water consumption	16
Sustainable purchasing	17
2016 ACHIEVEMENTS – Internal management: Environment	18
2017 ACTION PLAN – Internal management: Environment.....	18
Developing responsible products.....	18
Accommodations	18
Excursions and activities	20
Promoting our responsible product suppliers	20
Transport.....	21
No Go excursions	21
2017 ACTION PLAN – Developing responsible products.....	22
Customer communication.....	22
EXO Tips for Responsible Travels	23
2017 ACTION PLAN – Customer communication.....	23

Corporate social responsibility..... 23

 Projects currently supported 23

 Donations 24

 Staff activities..... 24

 Sustainability collaboration..... 24

 2017 ACTION PLAN – Corporate social responsibility..... 25

General 2017 work plan:..... 25

Conclusion 26

Introduction - Our Sustainability Mission & Achievements

Our main achievement for 2016 took place in August 2016 when our Travelife audit took place and we were successful in achieving Travelife certification later that year. This was the first major milestone on our march towards sustainability and we are all very proud to have made this big step as leaders of sustainable tourism in Myanmar. We plan to share our knowledge and ideas with other Myanmar travel companies in 2017 in order to encourage them to progress towards Travelife certification, and also to build a private sector movement towards greater sustainability in the tourism industry here.



Managing Director of EXO Travel Myanmar (Su Su Tin) receiving Travelife certificate at World Travel Market 2016 in London



Myanmar Sustainability Team and other staff celebrating Travelife certification announcement

The **Travelife** scheme (<http://www.travelife.info/>) is an international and independent certification process tailored towards encouraging tour companies to implement positive changes within their businesses and supply chain to reach sustainability. The scheme is based on 245 criteria addressing economic, social and environmental issues recognized by the GSTC (Global Sustainable Tourism Council).



Key findings and recommendations from Travelife audit:

Best practices to be commended for:

- + Commitment to sustainability and the Travelife process by all staff
- + Active participation in several sustainable tourism forums in Myanmar
- + Willingness to assist Travelife in the implementation of sustainability within the national context
- + Supplier assessment strategy
- + Staff's level of sustainability and Responsible Tourism understanding
- + Commitment of Operations Manager to ensure that station office staff are also knowledgeable about sustainability
- + HR processes including special benefits that go beyond legal requirements
- + Sustainable purchasing and catering
- + ChildSafe policy
- + EXO Tips booklet

Aspects to be improved:

- 1.14: Lack of hard sustainability communication in Burmese language
- 2.4: Lack of awareness of Employees Handbook content for staff members without access to EXO 24

- 2.16: Streamline health & safety policies into a dedicated policy document
- 2.25: Implement an employee's satisfaction questionnaire
- 3.5: Consider sustainable alternatives to current tea and coffee supplies
- 5.8: Improve awareness of Responsible Standards for car and boat drivers
- 7.7: Develop training materials and advice in Burmese language for increased awareness

We were given clear deadlines to follow up on the Travelife's recommendations and appreciate this advice from an external auditor.

EXO Travel is truly passionate about being a responsible travel company that genuinely cares about how our business impacts the people and places in which we operate. Our commitment towards sustainability was first marked by the establishment of the EXO Foundation in 2011, an apolitical, secular and independent not-for-profit organization.

The EXO Foundation is responsible for defining all strategies, policies and guidelines for EXO Travel's sustainable operations. It is also in charge of coordinating the Sustainability Coordinators across all EXO countries. It has designed a variety of policies regarding sustainability and is crucial to the implementation of sustainability at EXO Travel.

Memorandum: EXO's main documents regarding sustainability

- [Responsible Travel Policy](#)
- [Ethical Code](#)
- [Guidelines for Wildlife Viewing and Protection](#)
- [EXO & Elephants](#)
- [Tips for Responsible Travel](#)
- **EXO ChildSafe Policy:** *see EXO Travel website*

Internal management: Social policy and human rights

131 MEMBERS OF FULL-TIME STAFF

Head office: Yangon – 118 staff

Operational offices: Bagan, Inle Lake, Mandalay – 13 staff

Male: 30

Female: 101

Local: 125

Expatriate: 6 (General Manager, Product Manager, French Inbound Manager, Spanish & Latin America Inbound Manager, Events Manager and Sustainability Coordinator)

% of managers that are local: 70%

At EXO, "we commit to our people" meaning that we ensure human rights for all workers, and provide training and educational materials to assist with professional development. This involves abiding by local labour

regulations, such as ensuring the right of our workers to participate in trade union discussions, and also paying a fair living wage to all employees. We refuse child labour and encourage our suppliers to do the same.

Our Employee Handbook which contains information about all our internal regulations was revised in mid-2016. This handbook is a Group level document but is adapted to take into consideration the local regulations in each country. The following improvements took place regarding our internal management:

Health & Safety

- 5 members of the Yangon office and 5 of our tour guides successfully underwent First Aid certification from the Myanmar Red Cross Society – the office staff now form our Yangon office Health & Safety team to assist with any basic medical issues.



First Aid training participants

- A new First Aid kit and blood pressure monitor were bought for the Yangon office.
- Fire safety: New fire extinguishers were installed in all our country offices under the guidance of the Yangon Fire Department. The department also provided practical training on how to correctly use the fire extinguishers and what to do in case of an emergency in the office.



Demonstration from local Fire Department about how to use a fire extinguisher

Staff training and education

- As a service and customer-focused business, our people are our most valuable asset. Therefore we invest in training to empower our people, to get the best out of them and to encourage them to achieve their full potential. All Burmese-speaking managers (total = 12) took part in a 10-day Management Training organized by LuxDev (Luxembourg Development Cooperation Agency) during the low tourist season.
- A majority of staff were already trained in previous years on sustainability issues but a refresher training took place in 2016 as part of the Travelife audit preparation process. This training took place separately for each department, and covered all aspects of internal environmental policies and some specific supply chain issues dependent on the department being trained.
- A 1-day sustainability training took place at our Bagan and Mandalay offices.

Responsible Tourism for Guides Training

- 192 guides based in Yangon, Bagan, Mandalay and Inle took part in a 3-hour training session. Topics covered included: Introduction to EXO sustainability program, Responsible Travel Policy, environmental protection, CBT, social business, responsible wildlife interactions, responsible giving & the EXO Foundation.



Guide training in Bagan



ChildSafe training for guides in Yangon

- **ChildSafe training:** 75 guides based in Yangon took part in a 2-hour Child Protection Training organized by NGO Friends International in Cambodia. Topics covered included: Impacts of tourism on children, main issues facing children in tourism, 7 tips for travelers, laws protecting children in Myanmar, rights of the child, acting to prevent child exploitation. This was a landmark training because it was the first time ChildSafe had visited Myanmar – we hope this will encourage other tourism businesses to conduct training for their staff. It was also important to get familiar and alight with EXO Travel's ChildSafe Policy approved in 2016.
- **Travelife training:** 2 additional staff members passed the online in 2016 – Product Manager & Events Manager.

- **Introduction to Responsible Tourism for new staff:** All new staff members joining the company are introduced what this means at EXO Travel during an induction training by the Sustainability Coordinator. They are also introduced to the *Responsible Travel Policy*, *EXO Saving Tips* and *EXO Tips for Responsible Tourism* booklet.
- **Production Department:** The Product team’s monthly Product Training for all Travel Consultants in June focused on our sustainable excursions that benefit local communities, culture and the environment. Clear information was provided about why these excursions are sustainable and which aspects to highlight to clients to increase sales.
- Our **STeam** continued to operate with at least one staff member from each department – 27 members. Meetings were arranged 1-2 times per month and covered the following topics:

TOPIC	MONTH
Paper and printing	February
Rate Laos mission	February
Travelife beyond internal management	March
Sustainability questions during hotel inspections	May
CBT	May
EXO Foundation	June
Travelife audit preparation	August
Office sustainability ideas	August
Best office plants for healthier air	September
1 year review	October
World Responsible Tourism Award winners	November
STeam survey feedback summary	December
New sustainability challenge	December



EXO Myanmar STeam & Sustainability Coordinator celebrating one year together in October 2016

The EXO Sustainability Game

- This was launched in Myanmar in November 2015 and ran its one year course until September 2016. It consisted of a quiz and mission based on a particular theme which all staff were invited to take part in online.

TOPIC	NUMBER OF PLAYERS	% OF STAFF
Responsible Tourism	17	14
What is your New Year's Resolution?	5	4
EXO Foundation	19	16
Wildlife	20	15
Plastic waste	31	24
Responsible hotels	9	7
TOTAL	101	

- The following awards were given at our 2016 annual party in Yangon to reward the Game's best performers:

1. Most Responsible Employees 2016: Zun May Aung (French Inbound) & Nang Pyae Pyae Aung

2. Most Responsible International Employee 2016: Camille Barberis (French Inbound)

3. Most Committed Employee 2016: May Thiha (Backyard Travel Consultant)



Most Responsible Employees 2016 awarded by General Manager, Managing Director & Sustainability Coordinator

Internal communications

- Our quarterly newsletter was launched in March 2016. This newsletter focuses on the sustainability highlights from the previous three months to keep staff updated. Staff members are also invited to be involved in the writing and sharing of ideas for the newsletter, usually in the context of a particular destination being focused on in a particular newsletter.
- Our weekly Fun Fact about Sustainability was launched at the end of 2015 and continued throughout 2016. Clear facts were presented via our intranet (EXO24) with a simple recommendation to promote more sustainable behavior amongst staff:



10 Signs of Greenwash
by Futerra Communications
www.futerra.co.uk/services/greenwash-guide

Examples of a Friday Fun Fact about Sustainability post

In 2015, sustainability training had a heavy focus on environmental management but 2016 was about facing new challenges and working with other stakeholders in our supply chain, particularly guides. In 2017 we intend to spread our tips and advice to further members of our supply chain, such as hotels and excursion providers, in order to motivate them to adopt more sustainable practices.

2017 ACTION PLAN – Internal management: Social policy & human rights

Topic	Action
HEALTH & SAFETY	- Basic First Aid and fire safety training for staff in upcountry offices
STAFF TRAINING & EDUCATION	- Online Travelife training for new Spanish & Latin America Inbound Manager in low season - Training for Sales teams on socially & environmentally responsible hotels - ChildSafe training for all managers in Yangon office
RESPONSIBLE TOURISM FOR GUIDES TRAINING	- Responsible Tourism training for new and untrained guides - ChildSafe training for at least 60 Bagan, Mandalay & Inle guides in low season
SUSTAINABILITY GAME	- Launch a new Sustainability Challenge by Q2

Internal management: Environment

Internal environmental management is very important in our office because it sensitizes staff to environmental issues and instills good habits in them. We are keen to continue the snowball effect already started to create an environmentally and socially conscious workforce which can instill these principles in their daily work to help EXO Travel Myanmar become a more responsible company throughout all departments.

The following policy documents are clearly and regularly communicated to staff in different ways:

- Waste management
- Energy consumption
- Paper consumption
- Water consumption

“We can only improve what we measure”

Central to all our efforts is the **Monitoring Tool** used to record our consumption with regards to all the above themes. The tool is regularly updated and in light of this information, please find below a brief summary of our progress on various environmental management fronts.

Waste management

“Setting an example is not the main means of influencing others, it is the only means.”



EXO Waste Tips

There are currently no facilities for recycling waste in Myanmar. Nevertheless, EXO Myanmar is taking responsibility for setting an example by doing as much as possible to ensure that as little “waste” as possible is created and wasted.

- All our pantry waste is separated according to the following categories: **wet waste, dry waste, instant coffee packets, plastic bottles, aluminium cans**. We regularly remind staff to bring recyclable waste down to the pantry rather than depositing it in their personal bins.
- Used individual coffee packets are sent to the Mary Chapman School for the Deaf on a regular basis. The school uses these as a raw material to create handicrafts in their training workshop:



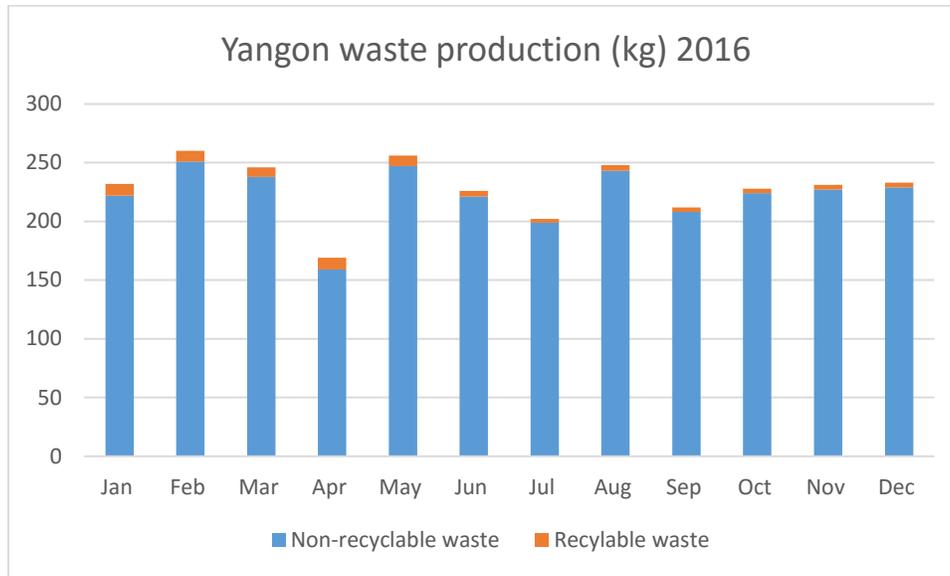
Handbag made using old coffee packets – a great example of ‘upcycling’!

- Staff have been sensitized about the negative health and environmental impacts of polystyrene. Sustainable Staff Party Guidelines were created in 2016 to ensure that staff communicated the correct information to event caterers. For example: bring reusable plates and cutlery, serve drinks from large containers etc. Management also provided six reusable plastic food containers and six metal food containers to ensure staff did not have to use polystyrene boxes for takeaway food from restaurants nearby:



Food containers for takeaway food

- Housekeeping staff sell accumulated used plastic bottles and paper to informal waste collectors who recycle these products. This raises awareness that “waste is not waste” and in fact has a value.



*Non-recyclable waste = wet waste, dry waste
 Recyclable waste = coffee packets, plastic bottles, aluminium cans*

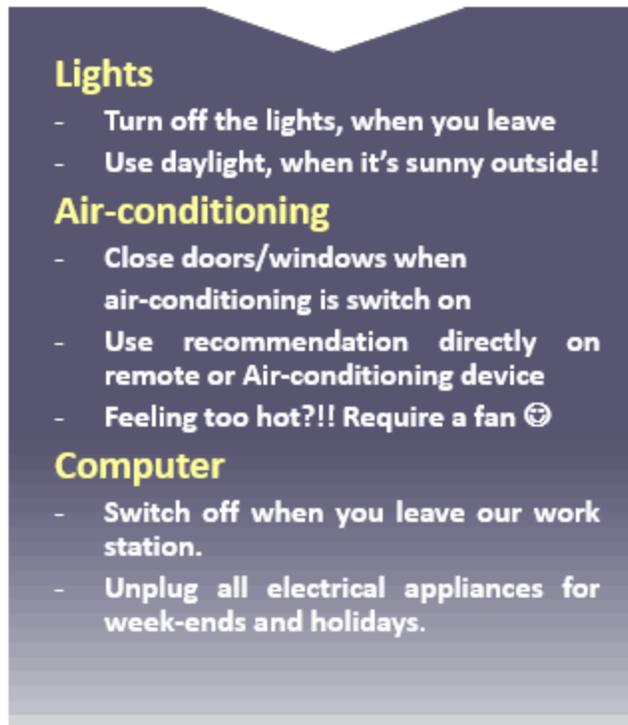
[Monitoring of our waste production started in January 2016 so no annual comparisons are possible]

AVERAGE NON-RECYCLABLE WASTE PRODUCED PER STAFF MEMBER PER MONTH = 1.6KG

AVERAGE RECYCLABLE WASTE PRODUCED PER STAFF MEMBER PER MONTH = 45g

Although our non-recyclable waste production did not fluctuate too much during 2016 (apart from a reduction during April because of the national Water Festival/New Year holiday), our production of recyclable waste did gradually decrease over the year from an average of 9kg per month in Q1 to 4 kg per month in Q2. This is a positive sign and we hope to maintain the current levels, if not lower, throughout 2017. With regards to non-recyclable waste, 2016 was the first year of actively sensitizing staff.

It is unfortunate that no major positive change was seen, however the sensitization process will continue with more signs placed around the office to encourage people to create less disposable waste.



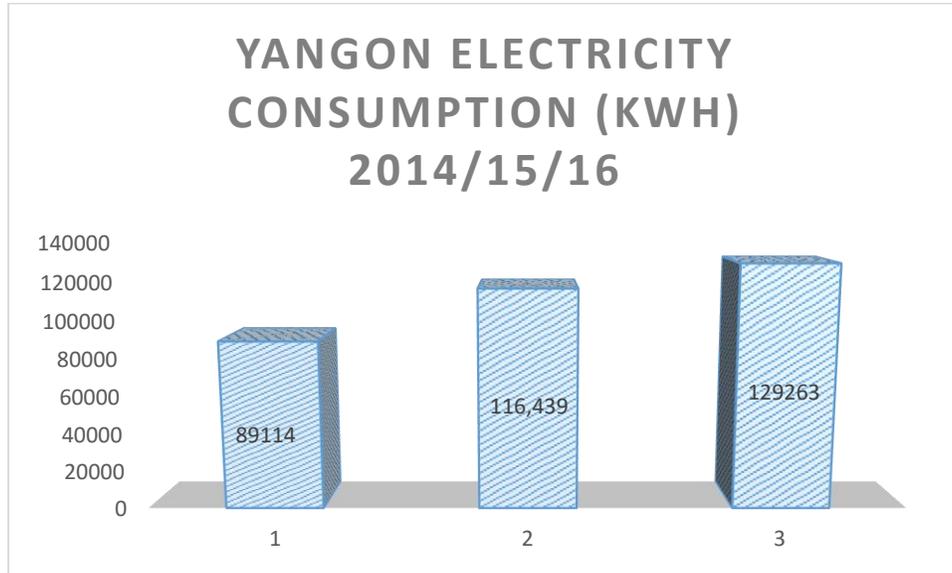
EXO Electricity Tips

- Our electricity supplier visited the Yangon office twice during early-mid 2016 to investigate the reasons for an increase in electricity consumption over the previous year. No conclusive evidence resulted from these visits and it was decided that more of an effort would have to be made on internal environmental management to bring consumption down.
- Stickers reminding staff to switch off lights and air-conditioning were posted following an increase in electricity consumption in 2015:



Electricity switch off sticker

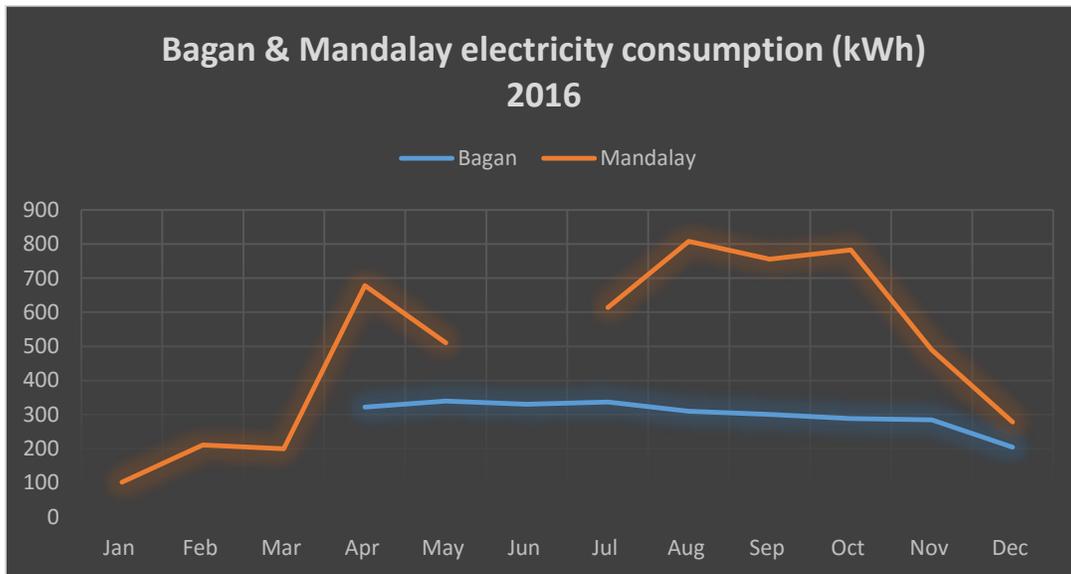
- A servicing contract was signed in the first half of 2016 that guaranteed all the air-conditioners in our Yangon office would be serviced every six months. The reason for doing this was to increase the efficiency of our machines and resultantly bring electricity consumption back down. Prior to this contract, air-conditioners were only serviced when a problem was encountered and they needed to be fixed.



AVERAGE ELECTRICITY CONSUMPTION PER STAFF MEMBER PER MONTH IN 2014 = 67.5 kWh
AVERAGE ELECTRICITY CONSUMPTION PER STAFF MEMBER PER MONTH IN 2015 = 74.6 kWh
AVERAGE ELECTRICITY CONSUMPTION PER STAFF MEMBER PER MONTH IN 2016 = 89.8 kWh

The overall electricity consumption in 2016 increased by a staggering 45% from 2014, the year we first started recording consumption. It increased by 11% from 2015 to 2016. This is not a positive trend by any means and improvements need to be made as soon as possible. Corrective measures implemented in 2016 along with greater sensitization of our staff towards energy saving measures should improve this situation in 2017. The STeam will continue to work on this topic and we will hopefully see more positive results in a year when electricity consumption will be the main focus of our internal management.

In particular we will focus on our use of air-conditioning throughout the office since this is said to account for approximately 90% of total electricity consumption.



Monitoring at our Bagan and Mandalay offices only began in 2016 so no comparison data is available between this year and 2015. Instead, figures for the two offices have been compared since both host the same number of staff members is six. The general trend in Bagan is good since consumption is quite low and has gradually been decreasing over the course of 2016. Consumption in Mandalay is unfortunately much higher, especially since an office move in June 2016. The reason for this was because of the bill being shared with the house above, however this situation was resolved through separation of bills, and consumption has gradually been decreasing since October down to similar levels to those in Bagan. This is a positive sign.

Paper consumption

1. Think twice before you print:
Do you really need to print? If the purpose of printing is...:

- comparing or copy parts of two documents:* display them both on your PC at once and work on them electronically.
- following up a booking or a tour:* use Tour Plan ☺ and hyperlinks in booking notes to store relevant information / file on EXO server.
- passing it to another department:* you can scan it or save it on your computer and send it by email (ask IT department for guidelines)

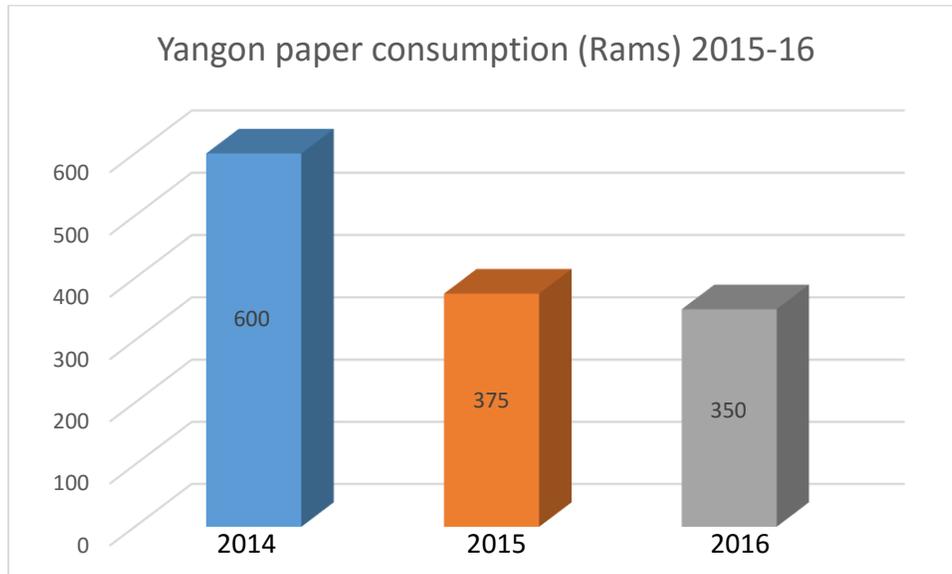
2. Always use Calibri, font size 11

3. Print on both sides/ draft

4. Reduce margins (narrow)

- Individual meetings were held with each office department (including our station offices in Bagan & Mandalay) regarding their printing habits in the first half of 2016. Firstly, an overview of what they printed was done and then the reasons why they printed these were assessed. Following this assessment, the SC gave advice on how they could reduce the amount of printing they did.

YANGON



AVERAGE PAGES PRINTED PER STAFF MEMBER PER MONTH IN 2014 = 227
AVERAGE PAGES PRINTED PER STAFF MEMBER PER MONTH IN 2015 = 130
AVERAGE PAGES PRINTED PER STAFF MEMBER PER MONTH IN 2016 = 122

Our paper consumption has reduced by 42% from 2014 to 2016, and by 7% from 2015 to 2016. This translates to a **reduction of 105 pages per person per month since 2014** which represents a very positive change. Although we did not reach our target of 30% reduction during the period of 2015-16 it is still a positive trend because we had already reduced our consumption by 37.5% from 2014 to 2015 and maintaining the same level of reduction would have been unrealistic.

Water consumption

- As a result of one of the recommendations made by our Travelife auditor in August 2016, a sign was placed in Burmese language encouraging people to use less water when washing dishes.
- Water flow in Yangon is controlled by the house owner to ensure that the flow is not too high and this controls our core consumption.

YANGON

[Complete post-July 2016 bills still pending from Water Department as of beginning 2017]

Sustainable purchasing is a process that evaluates more than cost used to buy goods and services.

- Buy from suppliers with valid licenses
- Buy product produced locally
- Buy in bulk, avoid small packages
- Buy from social enterprises/NGOs
- Buy natural/organic/fair trade
- Check certifications and logos (*ask your Sustainability Coordinator*)
- Avoid disposable products (plastic spoons, plates etc..) or recycle them carefully!
- Rent instead of buying when possible

EXO Sustainable Purchasing Policy

- Sustainability criteria were strongly considered in awarding the Sustainability Game prizes throughout the year and for the annual awards. This led to an increased awareness about sustainably-sourced goods amongst staff and it was in evidence at our annual staff party by the creativity of the outfits in our Sustainable Outfit Competition at Ngapali Beach in September 2016:



Sustainable Outfit Competition winning team and outfits (centre)

Following discussions with our Operations department, it was noticed that no fixed suppliers list existed for our internal and gifts for travelers. This created a good opportunity for the SC and MICE Manager to research the below Yangon social enterprises for suitable items. A list of six shops was created for internal reference. A full list of products and prices has now been finalized and will be implemented in 2017.

2016 ACHIEVEMENTS – Internal management: Environment

This was a year for making practical changes on the environmental front having conducted a baseline assessment during the previous year. Implementation of these procedures involved the cooperation of different departments for different tasks and this increased the levels of understanding on sustainability issues. There is still progress to be made, in particular regarding waste and electricity but we are quite satisfied with the number of improvements made over the year as this shows that sustainability is becoming part of daily routine in the office.

2017 ACTION PLAN – Internal management: Environment

Topic	2017 Objectives
WASTE	<ul style="list-style-type: none">- Reduce non-recyclable waste production by 10% in Yangon- Begin monitoring of waste production in Bagan and Mandalay offices in mid-2017- Introduce upcycling of aluminium cans
ELECTRICITY	<ul style="list-style-type: none">- Reduce consumption by 10% in Yangon- Maintain or reduce December 2016 consumption levels in Bagan and Mandalay throughout the year
PAPER	<ul style="list-style-type: none">- Regularly monitor consumption to ensure good habits are maintained objective?
WATER	<ul style="list-style-type: none">- Re-discuss water-saving equipment with the building owner in Yangon objective
SUSTAINABLE PURCHASING	<ul style="list-style-type: none">- Review, formalize and implement list of sustainable gifts to send to clients- Identify responsible suppliers in other destinations

Developing responsible products

As a large destination management company (DMC), our greatest positive impact is made by working closely with our suppliers to increase the level of sustainability throughout the supply chain. Our primary suppliers are accommodation and excursion providers. Success in this task depends on prior training and awareness raising among in-house staff so they are in a position to share best sustainable practices with our suppliers. This is where the benefits of our internal sustainability management procedures and other training is demonstrated.

Accommodations

In 2014 a strategy was designed at Group Level by the EXO Foundation to communicate, assess and promote sustainability within the accommodations we work with. It involves 6 steps:

- 1) Communicate our march towards sustainability by sharing our RTP and core commitments – in November 2015 80 accommodations (EXO Top 75% in terms of room bookings) were sent our **Sustainability in Actions** document, **Sustainability Contract Addendum** and a link to our **Sustainability Questionnaire**. In February and October 2016 29 further suppliers were sent this same information.
- 2) Assess level of sustainability of our main suppliers to identify the responsible ones and those interested to implement best practices via a questionnaire and on site inspection – *process started in 2016 with our main partners*

- 3) Rating review and validation by the EXO Foundation - *process started in 2016 with our main partners*
- 4) Quality in our internal booking database suppliers identified as responsible – *dependent on above review and validation*
- 5) Highlight these responsible suppliers to offer an informed choice to clients with two icons (one social and one environmental) – *pending launch of new website*
- 6) Monitor our performance in selling responsible suppliers – *pending qualification of hotels in our internal booking database*

Please find below the response rate so far & number of inspections and ratings completed:

SUSTAINABILITY CONTRACT ADDENDUM & QUESTIONNAIRE SENT TO TOP 75% OF HOTELS					
Destination	No. of hotels emailed	No. of addendums signed		No. of questionnaires completed	
YANGON	28	7	25%	6	21%
BAGAN	25	4	16%	4	16%
INLE	24	9	38%	7	29%
MANDALAY	21	6	29%	4	19%
NGAPALI	11	3	27%	3	27%
TOTAL	109	29	27%	24	22%

No. of inspections done		No. of ratings completed	
3	11%	3	11%
6	24%	0	0%
7	29%	3	13%
2	10%	0	0%
4	36%	0	0%
22	20%	6	6%

- The current rate of signatures for our Sustainability Contract Addendum is not high enough and needs to be improved to prove that our suppliers at least have committed to a basic level of sustainability. This will be addressed in collaboration with the Contracting Department as they have close relationships with our suppliers.

Getting staff involved in the identification of responsible suppliers:

Part of the empowerment strategy designed within the overall EXO CSR program is to train staff to identify how responsible a supplier is. We start by asking them to address 6 key questions as per below which are to be integrated systematically during their usual hotels' inspections. In MM this was initiated during the staff inspection trip to Inle Lake and Loikaw during the low season:

1. *What are you doing to reduce/reuse/recycle your waste?*
2. *What are you doing to save energy & water?*
3. *Do you organize training for staff?*
4. *How many locals are employed at management level?*
5. *How does your hotel benefit the local people, environment or culture?*
6. *Do you encourage your customers to visit local villages and buy local handicrafts?*

Unfortunately the feedback was not very extensive because the hotel representative taking our staff on the inspection did not usually have the information to answer the above questions. It was nevertheless a useful tool for our staff members to get a better idea of what sustainability means inside a hotel.

In 2017, we will advise staff members to ask for a senior hotel staff member to answer the above questions to get more complete responses and send the questions prior to inspection if possible.

Excursions and activities

We apply a slightly different process to assess our excursion suppliers to the one we use with our accommodation partners. It is much more complicated assessing excursions compared to hotels because of it involves many different services, activities and so a longer, more complex questionnaire (more of a checklist) covering various aspects of a tour: transport, food & drink, shopping, child policy, social empowerment, social, cultural and economic benefits/impacts for the visited communities, conservation & environmental impacts. Then this checklist can't be similar depending on the type of activity an elephant camp will not be assessed the same way as a CBT project.

Finally, it is difficult to have one check list which fits all types of excursions – a river cruise trip cannot be assessed the same way as a trekking excursion, for example. So the checklist will only be sent to suppliers we foresee as responsible (or claiming to be) and who can communicate in English. Recommendation by the EXO Foundation is to inspect first of all those we foresee as responsible or those we question as maybe being not responsible enough (elephant camps for example)

Furthermore, many excursions suppliers speak only Basic English and may not understand the questions. For these, the Sustainability Coordinator (accompanied by a Burmese-speaker) and local staff will directly go on inspection trips. This process has begun with one elephant camp in Myanmar and will continue with other excursions in 2017.

The focus in 2016 was first on getting our Sustainability Contract Addendum signed to raise awareness among suppliers. This was translated into Burmese by an external translator to ensure understanding. The contract addendum was sent to ALL excursion suppliers in March 2016 asking them to sign.

SUSTAINABILITY CONTRACT ADDENDUM SENT TO ALL EXCURSION SUPPLIERS			
Type	No. of suppliers emailed	No. of addendums signed	
TOURS	38	2	5%
CRUISES	38	5	13%
TOTAL	76	7	9%

Promoting our responsible product suppliers

Part of our process of engaging suppliers in our Responsible Tourism initiative is to offer incentives to our responsible partners. We have designed icons to highlight responsible suppliers in all our communications. There are two labels, one for environmental best practices and one for social best practices:



Icons denoting 'environmental' and 'social' responsibility

Once a hotel's commitment to sustainability is recognized following assessment and review by the EXO Foundation, it will be labeled in our information system. Our employees, especially our travel consultants have been informed about EXO's Responsible Travel Policy, as well as our sustainability assessment along our value chain.

The process of working with our suppliers is a long one and it has to be if we wish to create a long-term positive impact. The first step of this process was to work with our accommodation suppliers due to the more straightforward nature of communication with them. We are now in a position to start working with our excursion suppliers and this will be a priority during 2017. As a DMC, the products we are able to offer define our business and that is why there will be closer cooperation between the Sustainability Coordinator and Product team in 2017.

Transport

- International flights are the biggest contributor to greenhouse gas emissions from transport. EXO Myanmar does not organize such flights for our clients, however in 2016 we committed to calculating the distances flown by travelers in-country in order to determine the cost of carbon offsetting their domestic flights. A decision will be made in early 2017 as to whether this cost will be covered by EXO or by our clients.
- Our Standard Operating Procedures, including a list of Responsible Standards, were personally communicated to our car, bus and boat suppliers in Bagan, Mandalay and Inle in September 2016. Managers and their drivers were present at the meeting led by our Operations Manager and SC.
- Sustainability information posters were created and posted for our office drivers to ensure they were aware of the following information: do not leave the engine running when car not in use, switch air-conditioning off when waiting for passengers etc.

No Go excursions

- School and orphanage visits are banned by the EXO Group and are neither encouraged, promoted nor sold by Sales staff. Clear guidelines have been published for Sales staff that receive requests for visits to such no-go excursions from agents or clients and training is given to new staff. Our stance was re-enforced by the publication of our Childsafe Policy in 2016 and our certification at group level a.
- EXO Travel is continuing to work together with the Travelife working group to advocate against no-go excursions, such as elephants camps mistreating their elephants and mahouts.
- We have started to build up contacts in the NGO sector with whom we can partner with for group CSR activities. Although we are yet to send clients to any of these projects, particular progress has been

made in Inle with the organisation *Green Hands* who can organise a community lunch and tree planting activity in a community forest near the shores of Inle Lake.

- We have created two separate lists: 1) Sensitive excursions, and 2) Responsible excursions. This information has been communicated to all staff and in particular to Travel Consultants to assist them in making sustainable recommendations to our clients.

2017 ACTION PLAN – Developing responsible products

Topic	Action
ACCOMMODATIONS	<ul style="list-style-type: none"> - Communicate sustainability inspection information to suppliers - Provide recommendations for improving behaviour based on best practice - Continue to get contract addendums signed by suppliers that are yet to do this because our current rate is too low – greater involvement from the Contracting Department for assistance with this
EXCURSIONS & ACTIVITIES	<ul style="list-style-type: none"> - Conduct basic excursion supplier assessments - Continue to get contract addendums signed by suppliers that are yet to do this - Integrate more sustainable hotels and excursions into current packages - Implement refillable bottle program with selected agents and tours
TRANSPORT	<ul style="list-style-type: none"> - Provide more sustainable transport alternatives for our Top 20 tours - Finalize Environmental Tips for Cars sign and distribute to car suppliers
PROMOTING OUR RESPONSIBLE PRODUCT SUPPLIERS	<ul style="list-style-type: none"> - Label responsible suppliers on our internal booking system and train Sales staff to recognize these logos to promote the suppliers to our clients - Increase sales of these products by 10%

Customer communication

We are a B2B company meaning that the end traveler in Myanmar is not a direct client. Our direct clients are the travel agents who communicate with the travelers. Nevertheless, we understand our in-country responsibility and believe that an informed customer is one that has a better experience in Myanmar. It is for this reason that we published an updated EXO Tips for Responsible Tourism booklet in 2015 to encourage clients to be more sensitive travelers and have a more enjoyable experience in doing so.

The following information is communicated to our agents on a group level, providing them with the means to convey our principles to the end traveler:

- Responsible Travel Policy
- Ethical Code
- Guidelines for Wildlife Viewing & Protection
- Ban on visits to schools and orphanages

- Childsafe Policy
- EXO Foundation website
- Pro Guide
- E-Newsletter

EXO Tips for Responsible Travels

- This booklet is distributed to clients arriving in Myanmar and our Operations team is heavily involved in the process. In 2016, a total of **1,839 booklets** were distributed and this meant that around **1 in 3** of all our clients were reached (based on one booklet for every two travelers). The following topics are covered within the booklet:
 - Respecting local culture
 - Child protection
 - Contributing to poverty alleviation
 - Responsible spending
 - Respecting the local environment
 - List of Fair Trade shops
- Our Internet Sales team started sending an e-version of this booklet to all direct clients upon confirmation of their booking. This will allow them to read important sustainability information prior to their visit, however they will still be offered a hard copy in-country in case they would like it for easier reference while travelling.

2017 ACTION PLAN – Customer communication

Topic	Action
EXO TIPS FOR RESPONSIBLE TRAVELS	Add to the Myanmar list of Fair Trade shops with options outside of Yangon

Corporate social responsibility

Sustainability is a core principle of the work that we do and we are proud of our commitment to helping local disadvantaged communities and the environment by making donations and providing further assistance when required.

Projects currently supported

Funds from the EXO Foundation are used to support two social projects in Myanmar:

1. **Ah Lett Chaung Clinic, Yangon - \$3,114.56 in 2016**
2. **Maung Shwe Lay Library, Rakhine State - \$792.75 in 2016**

2016 TOTAL = \$3,907.31

EXO Myanmar is responsible for coordinating the distribution of these funds and reporting to the Foundation on activities at both projects. We adopt a pro-active strategy to ensure needs are quickly met and maintain a

close relationship with the community. The Sustainability Coordinator is in regular contact with those involved with the projects and this included the following visits in 2016:

1. *Ah Lett Chaung Clinic, Yangon – January & November 2016*
2. *Maung Shwe Lay Library, Rakhine State – April & September 2016*

Donations

EXO Travel is also committed to making donations on a one-off basis to support certain organisations and events:

- JUNE 2016: Voucher for 2pax for a half-day kayaking tour in Inle donated to the raffle at the launch event of the Myanmar Responsible Tourism Institute (MRTI)
- DECEMBER 2016: Voucher for 2pax for a full-day Bago & Moeyungyi tour donated to the auction at the launch event of *Project Lalasoa* – a charity creating playing spaces for street children in Yangon

Staff activities

- During our September annual staff retreat in Ngapali, the team took part in waste clean-up activities together with local staff and community members to raise awareness about plastic waste issues and share information on dealing with waste responsibly. In Ngapali itself, 25 EXO staff and 10 staff from the Sandoway Resort participated in the activity, collecting 10 large bags of waste in the process. In Maung Shwe Lay village, 45 minutes from Ngapali, 70 EXO staff and 30 local community members were involved in collecting 8 large bags of waste. The majority of the waste collected was plastic and the activity helped sensitize local people to the negative impacts of such accumulation and provide simple solutions to reduce these negative impacts.

EXO Myanmar is not a social enterprise, however we are very committed to running a profitable business that is not merely passively respectful but actively involved in community development and conservation efforts. We believe in our CSR activities but they are just a kick starter to mobilize our staff to get involved in a wider range of actions inside and outside of the office to create a wider positive impact.

Sustainability collaboration

The Sustainability Coordinator participated in the following meetings/workshops:

- Union of Myanmar Travel Association (UMTA) Sustainability Working Group first and only meeting in May 2016
- Myanmar CBT Networking Group meeting in February, June, July & October 2016

Both these forums rely heavily on input from large private sector companies like EXO that have been influential in the development of tourism in Myanmar over the last 20 years. We are very happy to contribute and be a major voice in sustainable tourism.

2017 ACTION PLAN – Corporate social responsibility

Topic	Action
DONATIONS	Finalize a contribution to a CBT train-the-trainer program being run by the MRTI, identify a plastic bottle brick project in Bagan to contribute to through local partners
STAFF ACTIVITIES	Organise more sustainability activities between EXO staff and local communities (based on STeam feedback), arrange another sustainability activity and challenge for the annual staff party
SUSTAINABILITY COLLABORATION	Encourage UMTA to re-mobilize the UMTA Sustainability Working Group since it is a good platform for the private sector to share ideas with the association

General 2017 work plan:

Travelife reporting	Monthly reports to GM & EF
Sustainability management	Continued monitoring of resource consumption and waste production
	Continued monitoring of EXO Tips distribution
	Identification of sustainable suppliers for gifts
	Creation of training materials - publications on EXO 24 etc.
	STeam meetings - 2 per month
Product	Continue suppliers assessment
	Sustainability Contract Addendum signatures
	Inspections
	Highlight responsible suppliers on product factsheets
	Update current and identify new responsible products
	Develop a database of CSR projects/sustainable gifts/sustainable operations options for MICE groups
	Develop a tree planting program for clients in Bagan and other destinations where possible
Operations	Implementation of unwrapped towels initiative
	Prepare refillable bottles initiative with hotels and restaurants
Inbound	Continue to share information about sensitive excursions
	Promote new responsible products
Networking	CBT group, UMTA group, Green Drinks, Travelife

Conclusion

Our major accomplishment of 2016 was becoming Travelife Certified, however this was the first step in our long march towards sustainability. We strongly believe that sustainability can only be achieved when it is integrated into the core structure of our business. It is not an “add-on”. It must be part of our decision-making process. This is why 2017 will see more collaboration with our Product team to ensure our core product is made more sustainable.

The adoption of sustainability in our business enhances team spirit and collaboration among departments across our organization making EXO Travel a special place to work. Our employees are proud of being part of a meaningful movement – a higher purpose. This was shown in 2016 by commitment to the Travelife process and participation in the Sustainability Game and other activities.

We have proved ourselves as leaders in the industry by promoting responsible tourism and influencing perspectives on the sustainable development of tourism in Myanmar. We look forward to sharing our knowledge with other travel companies in 2017 to share our experiences with Travelife and sustainability in general. We fully intend to work together to create a growing wave integrating multiple stakeholders within the supply chain.