Responsible Business Strategy and Governance

We think ...

"I am confident that the commitment and passion of our people will help us achieve our Responsible Business ambitions, and add real value to our business."

Françoise Grumberg, Vice President, Global Responsible Business

We act ...

... across seven Responsible Business domains

Our approach to Responsible Business (RB) is closely aligned to our vision and to our Digital Difference strategy. It covers seven domains and includes 2020 targets that focus on the areas of most importance to our business and our stakeholders.

In recent years, we have seen a growing interest from clients and other stakeholders in sustainability, and we use their feedback to guide our approach and inform our strategy. Our substantial efforts have enabled us to make strong progress and adopt a leadership position in corporate social responsibility.

In April 2018, we were rated Gold for the second successive year by EcoVadis, an independent and internationally-recognized rating agency. This rating places CWT among the top 1% of all companies evaluated worldwide, both within our industry and across all industries.

Our Responsible Business domains form the basis of our program:

1. **Responsible Business Governance:** how we implement the RB strategy day-to-day.
2. **Ethics & Business Behavior:** how we conduct business ethically.
3. **Human Resources:** how we attract, develop, reward, retain and engage a diverse workforce.
4. **Human Rights:** how we uphold Human Rights across all our operations and in our sphere of influence.
5. **Environment:** how we minimize the environmental impacts of the company.
6. **Responsible Products and Services:** how we integrate RB into our product and service offerings.
7. **Community Involvement:** how we support the local communities in which we live and work.

How we identify our material issues

By assessing challenges from the point of view of employees, clients, external assessors, regulators, and global sustainability partners, among others, we gain an insight into what matters most, and we can map our findings by their importance to our stakeholders and to our business. In doing so, we create a picture of material issues that we need to address in our global RB strategy and governance.

To understand which sustainability topics to prioritize, our last materiality assessment identified 20 topics that were grouped into the seven RB domains listed on this page. The assessment comprised three key steps:

1. **Identify the relevant RB issues:** we analyzed a range of stakeholder perspectives from sustainability experts, regulatory guidelines and legislation, global initiatives such as the United Nations Sustainable Development Goals, the United Nations Global Compact's Ten Principles, external assessors and other sources across the wider travel industry.
2. **Collect feedback from stakeholders:** having identified an extensive list of issues, we engaged with key stakeholders to prioritize them. Feedback mechanisms varied depending on stakeholders engaged. For example, for employees, we use the results of our regular pulse surveys.
3. **Review issues in the context of their importance to the business:** for the issues deemed most important to internal and external stakeholders, we map them against their importance to our business activities. The outcome of this final step is a list of material issues.

We act ...

... by making long-term commitments

To help us continually monitor, improve and sustain our impact over the long term, we've set Responsible Business commitments to 2020. Each is aligned to a domain and supported by objectives.

RB domain	Priority	Long-term commitment	2020 objectives
Responsible Business Governance	Global Responsible Business Governance Page 10	Ensure progress transparency	1. Assess our Living Responsible Business maturity and performance at global and local levels on an annual basis
		Integrate Responsible Business into our activities	2. Deploy the Living Responsible Business program in functions and locations globally
Ethics & Business Behavior	Business Ethics and Compliance Page 17	Strategically address compliance and ethics worldwide: conduct our business in line with our values, our Code of Business Ethics and Conduct, and the UN Global Compact principles	3. Further engage all employees and CWT partners through a global multi-year ethics training and communication program
		Spread the word to our key stakeholders about our ethics and zero-tolerance approach	4. Deploy a robust external information campaign about our global policies and our best-practice approach to ethics and compliance, as well as our Responsible Purchasing Program
	Privacy and Data Protection Page 21	Maintain a secure business environment for a global data and privacy protection program	5. Continue protecting employee and client data through leading-edge data privacy and information security policies and practices, while continually developing expertise throughout the organization

RB domain	Priority	Long-term commitment	2020 objectives
Human Resources and Human Rights	Diversity and inclusion **Page 25**	Leverage diversity as one of CWT's major assets	6. Deployment of our global diversity and inclusion strategy through regional diversity and inclusion committees
			7. Non-discrimination training of all recruiters and managers
	Employee Engagement **Page 31**	Cultivate a highly engaged workforce	8. Reach the level of best-performing companies while developing leaders to enhance employee engagement
	Human Capital Development **Page 29**	Establish workforce readiness to deliver against future business needs	9. Ensure delivery against future business needs by developing and selecting the right talent for the future and driving a culture of innovation
Environment	Energy and Carbon Management **Page 40**	Develop an environmentally-responsible culture	10. Educate all our employees through eco-attitude campaigns and an environment training module translated into several languages
			11. Empower the global environment network to drive local performance
		Measure our global carbon footprint	12. Reduce our global Greenhouse gas (GHG) emissions by 10% per employee vs 2015
		Implement a global environmental strategy	
Responsible Products and Services	Responsible Portfolio **Page 48**	Contribute to our clients' Corporate Social Responsibility (CSR)/ Responsible Business ambitions and promote sustainability	13. Further reinforce our Responsible Business products and services offering to our clients
			14. Proactively propose carbon offsetting to clients
	Business Continuity **Page 50**	Ensure a robust Global Business Continuity Management system	15. Expand the scope of an ISO 22301-aligned Business Continuity Management system to include Crisis Management, Business Continuity Planning and Disaster Recovery
		Establish a best-in-class crisis management approach	16. Become the reference in terms of crisis management in the travel industry
Community Involvement	Corporate Community Involvement **Page 53**	Care for the communities where we live and work, and contribute to their development through our skills and expertise	17. Further deploy globally and measure CWT's impact in the 3E* fields of action – *Education, Emergencies, Essential needs

We act ...

... through robust governance and transparent policy

Our robust governance framework ensures we are integrating Responsible Business into the way we do business every day.

Global governance for Responsible Business is overseen by the Executive Leadership Team, which receives regular updates on RB performance and strategy from the Vice President (VP) of Global Responsible Business. The VP of Global Responsible Business also updates the Board annually on Responsible Business plans and activities.

The RB Network totals 80 people and is composed of the Global RB Team, RB Subject Matter Experts, RB Ambassadors and RB Country Correspondents. It is wide-reaching and diverse, spanning 35 countries and including members from nearly every function within CWT. The RB Network supports projects such as:

- Carbon Offsetting
- Community Involvement
- Ethics and Compliance
- Environmental Performance
- Data Protection
- Diversity and inclusion
- Real Estate
- Responsible Products and Services
- Responsible Purchasing
- Talent Management

Circular diagram center: **Responsible Business at CWT**, surrounded by: Executive Leadership Team, Global RB Team, RB Country Correspondents, RB Ambassadors, RB Subject Matter Experts

Executive Leadership Team
Chaired by the President & CEO, the Executive Leadership Team has oversight of CWT's RB strategy, supports the overall delivery of the RB program and sponsors key RB projects.

RB Subject Matter Experts
Own particular areas of RB domains and provide specialist advice and recommendations on their areas of expertise. Their role involves developing action plans to ensure CWT reaches its 2020 RB objectives in each domain.

RB Ambassadors
Contribute to the deployment of CWT's RB strategy and initiatives across the organization. RB Ambassadors who are either regional or functional and whose missions are to advance and cascade CWT's Responsible Business ambition, collaborate to define key programs and initiatives, and identify specific areas for progress within their region/function.

RB Country Correspondents
Develop, manage and implement programs in their respective countries. RB Country Correspondents foster an RB environment that embraces both CWT and local cultures and expectations. Their main contributions are implementing local RB action plans, sharing best practices relevant to their country as well as facilitating and communicating about RB initiatives.

Global RB Team
Sits at the heart of our RB framework. The team develops the strategy and coordinates RB programs globally across the RB Network. It facilitates the sharing of information, monitors and communicates performance, and liaises with internal and external stakeholders to ensure that we meet our commitments.

We live ...

... to improve governance through our global taskforces
In 2017 we launched two new global taskforces on diversity and inclusion and anti-human trafficking. Their purpose is to define priorities, ensure alignment and set objectives. Led by our VP of Global Responsible Business, the taskforces are comprised of passionate CWT employees and select members of our Executive Leadership Team. Through collaboration and regular meetings, the teams share their expertise and ideas to implement best-practice strategies that improve CWT's overall governance and performance in these important areas.

We act ...
... to apply widely-recognized global principles and standards

We align our approach to widely-recognized international principles and standards. In doing so, we are confident that we are reflecting the most pressing societal and environmental challenges in our industry and beyond.

United Nations Global Compact (UNGC)
We have been a signatory to the UNGC since 2012 and remain committed to operating in a way that nurtures respect, dignity and sustainability.

As the world's largest corporate social responsibility initiative, we support the UNGC's Ten Principles on Human Rights, Labor, Environment and Anti-Corruption. We also seek to take strategic actions to advance broader social goals such as the UN Sustainable Development Goals (see **page 12**). Our United Nations Global Compact correspondence table can be found on **page 63**.

Global Reporting Initiative (GRI)
GRI is an international, independent organization that helps businesses, governments and other organizations understand and communicate their impact on critical sustainability issues. This report is prepared in accordance with the GRI Standards Reporting Guidelines: core options and our full GRI Index can be found on **page 60** of this report.

CDP
Formerly known as the Carbon Disclosure Project, CDP provides a global disclosure system for organizations to measure, disclose, manage, and share key environmental information. We have been reporting our environmental performance to the CDP Supply Chain program since 2013. You can find our environmental data on **page 41**.

ISO Standards (ISO 26000, ISO 14001)
ISO 26000 is the international standard that serves as a reference for companies to effectively assess and address their social responsibilities. We refer to this standard when developing and reviewing our RB approach. We also hold ISO 14001 Environmental Management certification in European markets including three UK sites (recertified 2015), all offices in Spain (recertified 2016), and one site in Germany (certified in 2017). See **page 44**.

EcoVadis
This environmental and social performance rating agency assesses over 25,000 businesses against 21 CSR criteria covering environment, labor, fair business and sustainable procurement. In April 2018, we were rated Gold for Corporate Social Responsibility (CSR) for a second successive year, placing us in the top 1% of all companies evaluated worldwide by EcoVadis both within our industry and across all industries. We were also rated in the top 1% for Fair Business Practices and Ethics & Compliance.

International Labor Organization (ILO)
ILO brings together governments, employers and workers to set labor standards, develop policies and devise programs promoting decent work for all women and men. We comply with the ILO Fundamental Principles and Rights at Work.

Green Office Certification
WWF Green Office is an environmental management system developed by the WWF. It helps offices to reduce their ecological footprint and greenhouse gas emissions by motivating office staff to act in an environmentally-friendly way in everyday tasks. CWT Finland renewed its Green Office certificate delivered by the WWF in 2017 (see **page 44**).

United Nations Sustainable Development Goals (SDGs)

The 17 SDGs agreed by all 193 UN Member States in 2015, call on society (including governments, businesses and civil society) to work together to end extreme poverty, fight inequality and injustice, and protect our planet. Meeting the goals by 2030 will require an unprecedented effort and we have a responsibility to play our part.

We have selected six SDGs and supporting targets that we believe we can best address. As well as listing the specific actions we have done to target these in 2017 below, icons are featured throughout the report to show where we have targeted specific goals across our domains.

SUSTAINABLE DEVELOPMENT GOALS

Sustainable Development Goals and Targets

Our contribution in 2017

The path ahead

SDG 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

Target 4.1
By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes.

Target 4.4
By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.

Beyond our focus on providing support in Emergencies and Essential needs, our 3E community involvement strategy seeks to promote Educational projects through teaching, training and research.

Obtaining a quality education is the foundation to improving people's lives, which is why we continued to run several educational initiatives in communities around the world in 2017.

See **pages 53, 55**.

Through our 3E community involvement strategy, we will continue to support the transfer of knowledge and skills from one generation to the next.

As part of our business activities, we will also raise awareness of key topics such as Human Rights, ethics and the environment among our employees through training and development opportunities.

SDG 5: Achieve gender equality and empower all women and girls

Target 5.1
End all forms of discrimination against all women and girls everywhere.

Target 5.2
Eliminate all forms of violence against all women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation.

Target 5.5
Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.

We promote gender equality and equal opportunities for all through our own actions, and in partnership with our stakeholders. In 2017 we created a new global diversity and inclusion taskforce comprised of passionate individuals from around the organization.

As well as supporting global events and initiatives such as International Women's Day, we also put in place measures to boost gender equality in the workplace. This included becoming a signatory to the UN Women's Empowerment Principles on International Women's Day in 2018.

See **pages 25, 26, 34, 57**.

Our diversity and inclusion taskforce will focus on putting in place measures to further promote gender equality moving forward.

Our efforts will include providing non-discrimination training for recruiters and managers, as well as unconscious bias training for employees in 2018.

Sustainable Development Goals and Targets

Our contribution in 2017

The path ahead
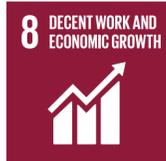
SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Target 8.5
By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.

Target 8.7
Take immediate and effective measures to eradicate forced labor, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labor, including recruitment and use of child soldiers, and by 2025 end child labor in all its forms.

Target 8.8
Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.

Decent work and economic growth are key pillars to global prosperity. We aim to provide quality employment and contribute to economic growth in the countries in which we operate through our Human Resources and Human Rights efforts and business performance.

We comply with the International Labor Organization (ILO) Fundamental Principles and we respect the Universal Declaration of Human Rights as set out in our Code of Conduct.

In 2017 we created two new global taskforces on Diversity and Inclusion and anti-human trafficking to take further action on these topics.

See **pages 25, 26, 32, 34, 57**.

We will continue to put in place measures to promote equal and fair employment opportunities for all.

Our anti-human trafficking taskforce will roll out strategies and put in place initiatives to fight this crime. This will include continuing to add travel alerts in itineraries to destinations where there is a prevalence of sex trafficking.

SDG 10: Reduce inequality within and among countries

Target 10.2
By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.

Target 10.3
Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard.

All of us at CWT must hold ourselves and our colleagues accountable to CWT's high standards of conduct, and must maintain a zero tolerance stance to any forms of discrimination or harassment.

Our Human Resources and Legal and Compliance teams run non-discrimination campaigns for all employees through our social intranet. This year's campaign included information on how to report cases of workplace harassment.

See **pages 17, 26**.

Evaluating and further reinforcing our internal Human Resources processes to ensure diversity and inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status, will remain a key focus in the future.

Sustainable Development Goals and Targets	Our contribution in 2017	The path ahead
SDG 13: Take urgent action to combat climate change and its impacts **Target 13.2** Integrate climate change measures into national policies, strategies and planning. **Target 13.3** Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.	We extended our environmental reporting campaign in 2017 to improve how we calculate our emissions and raise advocacy through our Environmental Awareness Week. We also continued to encourage local and global environmental actions such as promoting environmentally-friendly offices, encouraging waste management and recycling and offsetting emissions from key events. See **pages 40, 41, 43**.	Promoting an environmentally-conscious culture through awareness campaigns and targeted initiatives will remain a focus. Efforts will also continue to strengthen environmental reporting processes and further integrating environmental considerations to reduce our global footprint.
SDG 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels **Target 16.2** End abuse, exploitation, trafficking and all forms of violence against and torture of children. **Target 16.5** Substantially reduce corruption and bribery in all their forms.	Our Code of Ethics states our zero-tolerance stance on bribery and corruption, and that we adhere to all local and regional regulations required. In 2017 we ramped up efforts to tackle the challenges of human trafficking. As well as creating a dedicated anti-human trafficking taskforce, we continued to contribute to charities, speak at events and global conferences to raise awareness. See **pages 17, 34, 57**.	We continue to uphold our zero-tolerance stance on bribery and corruption. Our employees will carry on following annual training on our Code of Ethics. The fight to tackle human trafficking will remain a focus as we look to reinforce policies, create more awareness, and build even stronger partnerships with stakeholders and leaders.

We said …

2020 objectives

Assess our Living Responsible Business maturity and performance at global and local levels on an annual basis.

Deploy the Living Responsible Business program in functions and locations globally.

We did …

2017 performance

Conducted a global reporting campaign across our network and main internal stakeholders to assess progress.

Worked with our Responsible Business Ambassadors to deploy the RB program in their specific functions and regions.

We also partnered with members of the Executive Leadership Team to sponsor our diversity and inclusion and anti-human trafficking initiatives.

We will …

2018 goals

Further improve our global processes for gathering information and measuring progress across all geographies and functions.

Further reinforce partnerships with functions, to help them embed RB in their daily activities.

Initiated   In Progress   Completed