

COMMITTED



Walkers Tours Limited

Sustainability Performance 15/16

Edition 01

INTRODUCTION AND SCOPE

This report provides a summary of the sustainability performance and initiatives of Walkers Tours Limited for the first two quarters of the financial year 2015/16. It also provides a view of the key sustainability indicators that have a direct cost and reputational impact to the Company. Environmental, Employee and Community aspects of sustainability will be covered through this report.

The sustainability indicators that will be monitored through this report would be:-

- The Carbon Footprint level
- Water Usage
- Training Hours and Competency Development of Employees
- Strengthening Value Chain and Community Development
- New Product Development
- Premier DMC Status - Marketing Specs
- Awards and Accolades

In addition to the above we would like to draw the attention towards the sustainable developments put forth by the country which will have a direct impact towards the development of Sri Lanka Tourism. As the country's premier Destination Management Company, Walkers Tours Limited has integrated this macro-economic development into its Company's long term strategy.

A quarterly comparison too is made available in order to have an understanding of the areas of strength and improvement. This analysis further directs towards the various initiatives that is needed by the Company to be RESPONSIBLE in carrying out its business practices.

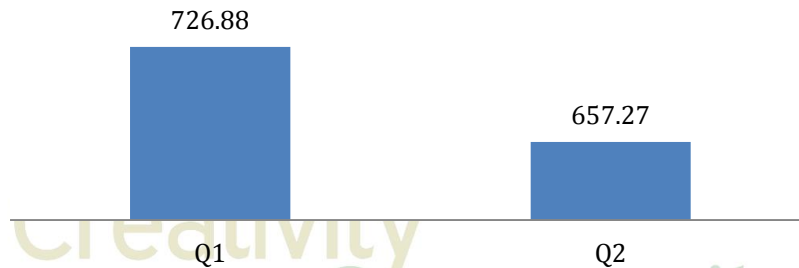


SUSTAINABILITY PERFORMANCE – QUARTER 01 & 02

Environment Performance

Carbon Footprint

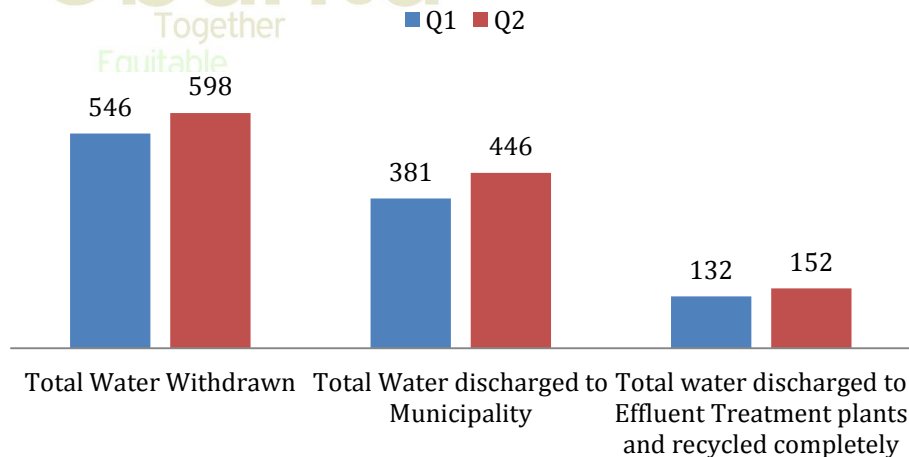
Carbon Footprint



The carbon footprint of the company is captured under scope 1, 2 and 3. Above depicts the carbon footprint of the Company during Q1 and Q2. Conscious efforts are being made to ensure reduction in the carbon footprint such as the migration towards the use of hybrid vehicles. At Walkers Tours carbon credits are purchased to support the setting off of the emissions made annually. During the financial year 14/15 the reduction in total emission was 10% even though the total mileage has increased by 3% compared to the financial year 13/14

Water Usage and Recycle

Water Usage (M3)

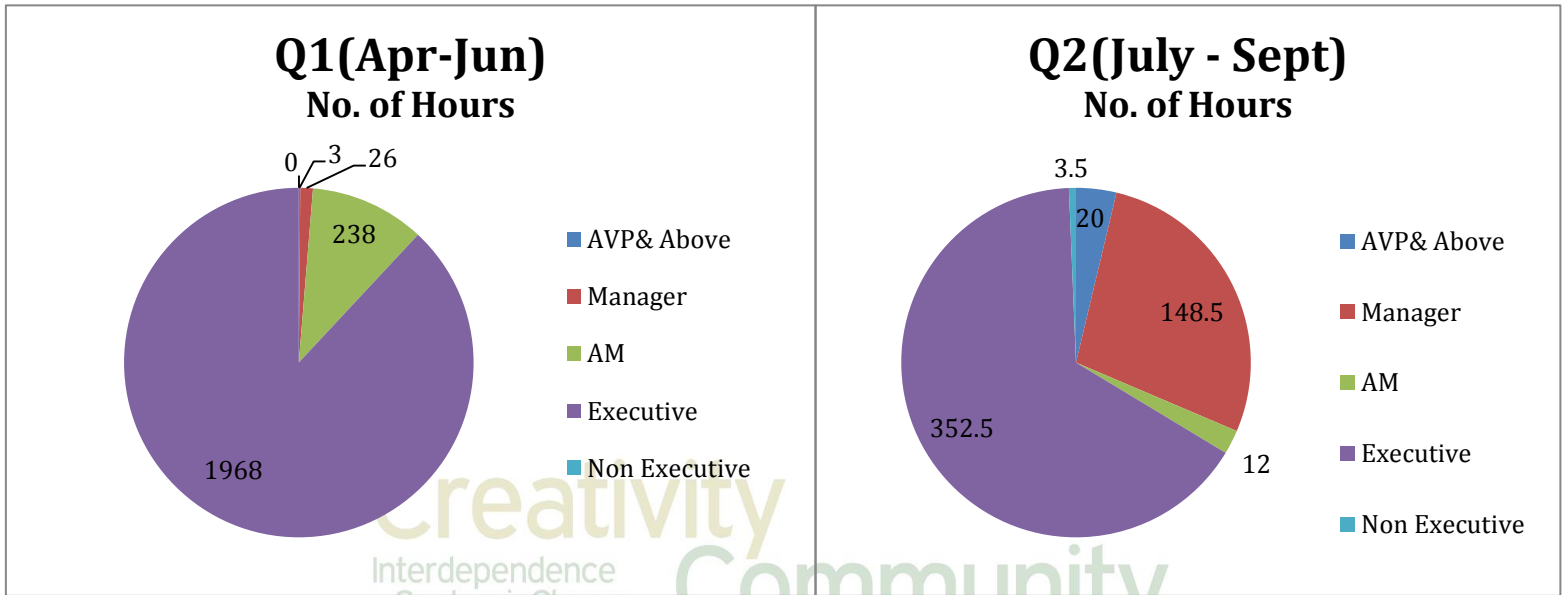


At Walkers Tours transport division a water recycling process is being carried out in order to ensure the consumed water is sent through a process of purification to be used for the garage and the garden. 20% water is lost in the transition process however 80% is converted as recycled water to be used for operational use.

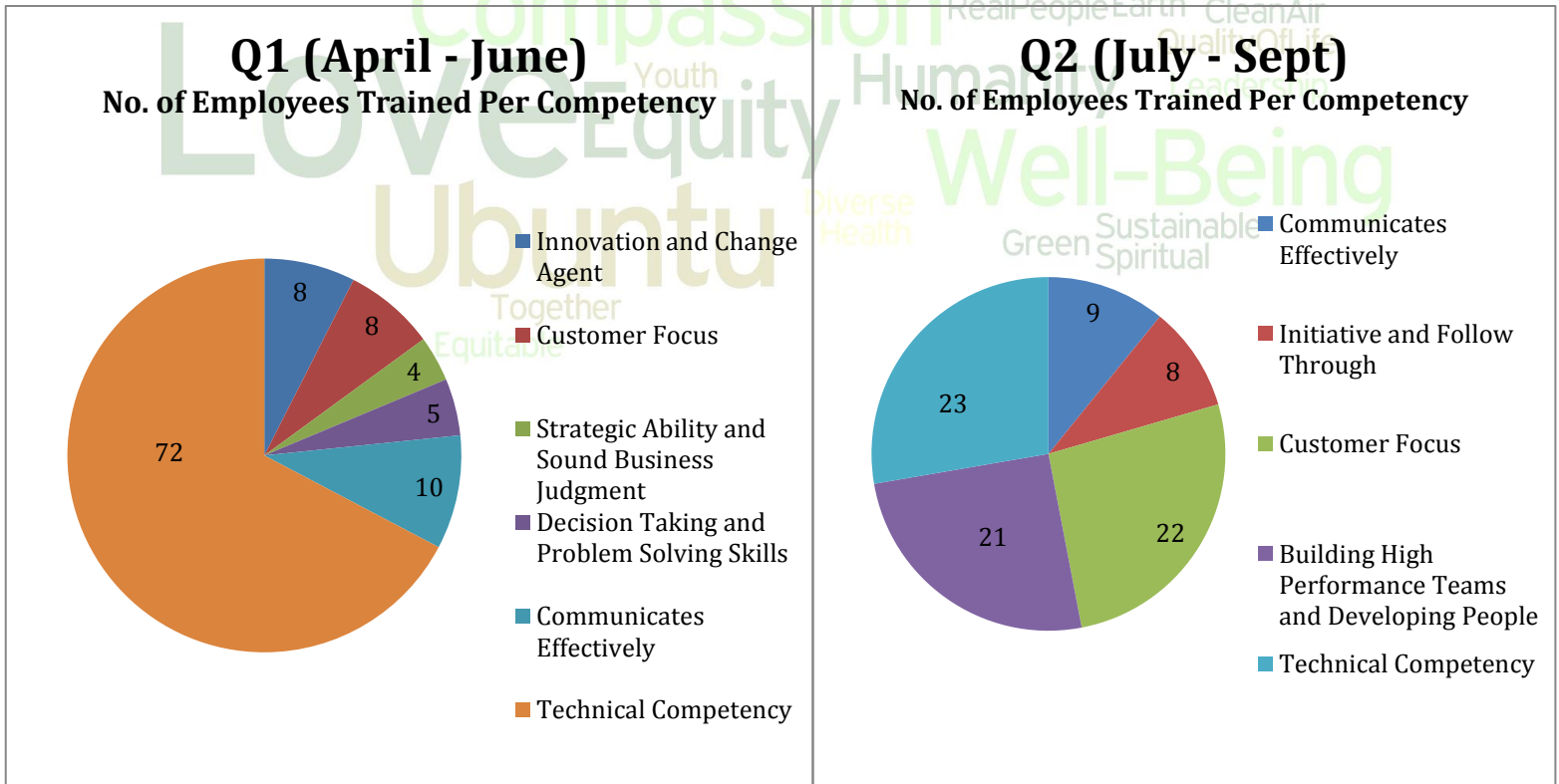


Employee Performance

Training Hours



Competency Development



Employees are trained on several competencies and training programmes are conducted by renowned institutes and training personnel



Strengthening the Value Chain & Community Development

As a measure of Responsible Tourism, Walkers Tours initiated the following projects during the first two quarters of the year in order to develop the community which has direct relation to the business we operate in. Whilst enhancing the livelihood of the beneficiaries it also assists to uplift the tourism industry.

a) Health and Safety Inspections

As a Destination Management Company we are liable for all external excursions provided to tourists. Due to this a conscious effort is made by the Company to mitigate all associated risks involved in using the services of all third party suppliers (eg:- Safari jeep suppliers, Boats, White water rafting and various other activity suppliers) Taking this into consideration the Health and Safety Team of Walkers Tours carried out inspections of all suppliers to ensure the minimum safety standards are maintained by the suppliers. Bi-annual inspections are carried out on all suppliers and improvements if any are communicated on a timely manner.

b) First Aid Training

All Safari Jeep drivers are sent through an annual First Aid Training programme after which they receive a certification valid for a period of one year. A renowned training institute “St. John’s Training” conducts the training where the trainers too are certified internationally. Providing an internationally recognized training has definitely assisted the drivers and we are certain that our clients are in safe hands. Two Training Programmes were conducted in Yala and Habarana where 85 drivers were trained.

c) Chauffeur Guide Training

Walkers Tours conducted its annual Chauffeur Guide Training programme for all its chauffeurs in June 2015. Whilst establishing the standard required by the Company emphasis is also made on the finer points of guiding and the carbon neutral certification. A well versed trainer “Mr. Nuwan Sithara Mahawattage” who is also an award winning National Tours Guide Lecturer conducts the training bringing in to life the quality of guiding that is required in today’s era.



d) Sponsoring Girls of Emerge Lanka Foundation

Emerge Global, a registered non-profit organization in Massachusetts, USA currently operates in Sri Lanka as The Emerge Lanka Foundation. The organization which was founded in 2005 focuses on the rehabilitation of young girls, ages 10 to 18 who have suffered from sexual abuse. Most of the girls have children of their own as a result of rape or incest. These girls are taken away from their abusive homes and given the kindness and support needed to rediscover their personal beauty. These girls are given the necessary tools to be self-sufficient and be a voice for other girls suffering in their communities. It is important to understand that these young girls have been shunned by their communities and labeled for something that they did not ask for. As a result the process of rehabilitation is slow and delicate with some girls requiring more time than others before returning back to their lives.

Walkers Tours extended its fullest support to the Emerge Lanka Foundation by sharing proceeds from sales of tours with the foundation which will in turn be used to enrich the lives of these young and deserving girls. During this financial year 3 young girls were sponsored where by the costs related to the rehabilitation is been taken care of by us. In addition to the above every client that books directly via our website contributes a certain percentage of proceeds towards this worthy cause. By booking to spend enjoy their holiday through Walkers Tours they also lend a helping hand to uplift the community of Sri Lanka.

e) Chauffeur Re Categorisation

The re-categorisation process of Chauffeurs was continued by means of introducing another batch of chauffeurs to the process. The re-categorisation process is such that an every Chauffeur needs to sit through a carefully assessed interview whereby they are assessed on Language, knowledge and skill of guiding. Such assessment is conducted by a renowned tour guide lecturer. Upon completing the interview process these chauffeurs are assessed by the transport division of Walkers Tours and the market staff in order to derive a more sound decision about their grading. The payment scheme differs according to the grade of the Chauffeur. This we believe will no doubt motivate the chauffeurs to improve their skills and become better at the job they perform.



New Product Development

During the first two quarters of 2015/16 new products were introduced and existing products were improved to give a unique flavor of tourism to all our clients. Continuous innovation is the linchpin of the industry we operate in. Walkers Tours invests time and attention on its dedicated new product development team which is a mix of employees from different markets and divisions who share a common passion for innovation.

a. Women In Tourism

An initiative run by the Institute of Gender and Development Studies – Sri Lanka, to create opportunities for women to actively participate in Tourism and to trickle down its benefits to the local community

- a. Home Stay (Ramani's Place)
- b. Traditional Home based Weaving in the Dumbara Valley
- c. Community Tourism – Kandyan Forest Gardens



b. Catamaran Rides in Pollonnaruwa

An adventure where clients cast off on a local fisherman's catamaran. The day's work complete, he is more than happy to oblige as he effortlessly guides the catamaran through the water. You are welcome to try your hand at navigating the boat, but you'll soon realize that it's not as easy as it looks!



c. Primate Experience in Pollonnaruwa

Dr. Wolfgang Dittus, is a research scientist who carries out detailed studies on the primate population in the area. The main focus of the study is the populations of Torque Macaques and Purple Faced and Gray Langurs. The monkeys are observed mainly inside the Polonnaruwa archeological site and within the surrounding forests. Tourists will stay at the camp for 02 nights and learn about the work carried out at the camp.



Premier DMC Status – Marketing Specs

As the country's premier DMC, Walkers Tours ensures that the main Risk elements of the Company are evaluated on a quarterly basis in order to ensure necessary measures are taken to mitigate the risks associated with the business. Risks are identified according to 5 main components namely, Business Operation, Business Strategies and Policies, Organisation and People, Technology and Data and External Environment.

Risk Control measures are drawn up for every risk item identified and same will be monitored

Walkers Tours employs a comprehensive Business Continuity Plan which supports the business in any case of emergency. Emergency Response plans (ERPs) have been drawn up to support a wide array of emergency situations that could arise in the industry we operate in. Timely drills are been performed to ensure applicability of the ERP.

Walkers Tours, a fully owned subsidiary of John Keells Group operates a comprehensive client liability insurance cover of USD 1million which is a coverage unmatched by any other DMC in the country

Supporting the core business operation is the 24/7 Transport and Airport operation handled by Walkers Tours. Operating a dynamic fleet of vehicles we have moved to employing a hybrid fleet of vehicles to reduce the carbon emissions and this initiative has supported the Company to reduce its emission by 10% during the year 2014 /15

PROPOSED DEVELOPMENTS IN SRI LANKA

Proposed developments in Sri Lankan which will have a direct impact towards the development of the tourism industry are given below

- Many investments have been made by the private sector as well as the foreign associates in terms of increasing the number of room availability in the country. Development of many hotels and integrated resorts have commenced and annexure 01 gives an insight in to the latest developments in this area
- As a measure to develop the economy, Sri Lankan government has taken steps to improve the accessibility via construction of many highways, roads and Metro lines. Circular Highways, Colombo region metro line and many rural road development projects are currently underway. This will no doubt reduce travel time and improve infrastructure facilities
 - The southern expressway which will be extended to Hambantota
 - Construction of Kandy – Colombo highway has already commenced
 - The Metro Colombo Urban Development Project is a proposed monorail system to be built in Colombo and has already commenced construction in 2Q 2015.



AWARDS AND ACCOLADES

During the first two quarters of the financial year Walkers Tours was recognized for its best practices and dedicated employees;

- Bernard Machado, providing the services of a Tour Guide was recognized by Kuoni at the annual guide recognition day and he emerged runner up – Kuoni guide of the year
- As a member of the TourCert community Walkers Tours was featured in their annual publication as a best practice example to share with the community the initiatives taken to practice responsible tourism.
- As a subsidiary of John Keells Group and competing against 70+ business units the Human Resources Division of Walkers Tours was awarded the best in employee engagement in the small and medium scale category amongst all other Business units of John Keells
- Long standing service awards were given away to two experienced employees for their 25 years of prolific service
 - Yohan Peries – Vice President, Head of Business Development Europe /Transport and Logistics
 - Prabath Harshakumar – Vice President, Head of Business Development Asia, Middle East and USA

Sustainability is routed deep within the business strategy of Walkers Tours Limited and the above performance testifies the success of the initiatives employed by the Company.



Annexure 01

Sangria-La Hambantota Resort & Spa. 3Q2015



Investment	US\$120M
Land	145 Acres
Rooms	375 Including 26 suites
F&B outlet	lobby lounge, all day dining , Asian specialty & North Indian , 2 pool bars & Golf clubhouse lounge.
Function space	2,525 square meters.
Spa	Ten treatment rooms, a beauty salon and health club.
Facilities	18-hole golf course, Dive center, 30m lap pool, Eco Center, Sanctuary, retail.

Shangri-La Colombo Mixed-use. 3Q2017



Investment	US\$ 600+ Million.
Land	10 acres
Hotel	33fl- 543 rooms ranging from 484 to 646 sqft includes 30 suites 968 to 2,421 sqft. 4,500 sq m of facilities over 3fl for meetings, receptions & private functions. fitness center, spa, swimming pool, & 1 underground parking.
Office Tower	39fl- office tower 5 levels of high-end retail, F&B court, anchor stores, cinema, supermarket, 3 underground parking levels.
Residential Towers	2x51- story 418 residential units. 1 level of underground and 4 floors aboveground parking.
NWE	Residential shopping and entertainment complex Colombo 10 Investment US \$ 250 million

RIU Hotel Ahungalla 2016



- Investment: \$100 joint venture Aitken Spence & RIU Hotels Spain.
- Five-storey, 500-roomed five-star luxury resort.
- RIU 1st project in the Asia Pacific region.
- 1st business model development involving Southern Highway and the Mattala Airport
- The hotel which would cater to high end customers looking for long stay vacations will arrive on Boeing 787 Dreamliner charters.

Movenpick City Hotel Colombo 4Q2015



- Joint venture softlogic holdings and Movenpick Hotels.
- 26 fl 224 rooms, 35 sqm standard rooms.
- Hi-Speed Internet in all rooms. State of the art rooftop gym.
- Movenpick's Colombo hotel will command prices of about \$200 a night.

Colombo City Center.



Asia's first NEXT Hotel™ joint venture between SilverNeedle Hospitality and the Abans Group will develop a mixed-use lifestyle center, inclusive of a 200-room Next Hotel, a four-storey lifestyle mall and a 55 floor condominium tower. The total investment in the project is in excess of US\$ 100 million.



Hyatt Regency Colombo 2015



43 storied 170m luxury hotel, 565 Rooms plus 90 apartments.
To be Managed by Hyatt International under the Hyatt Regency brand.

IITC Hotel Colombo 2018



- ITC's first overseas hotel located in the largest city Colombo,
- The hotel will showcase a stellar line up of 300 guest rooms and suites.
- State-of-the-art business and conference facilities.
- Fine selection of Indian and international cuisines.

Sheraton Hotel Colombo



306 room investment of \$ 80 million
Sheraton Colombo Hotel - 1Q2015

Weligama Bay Marriott Resort & Spa



200-room, 11-storey Marriott Weligama Resort and Spa joint venture between Marriott International and East West Properties PLC

640sq metres of flexible ballroom space, three restaurants, a pool with a pool bar, spa, fitness center and a beautiful stretch of beach.

Integrated Resort Development

John Keells Holdings Waterfront Integrated Resort.



Phase 01	Investment	US\$650 million
	Hotel	850 Rooms
	Convention Center	2500 Seating capacity
	Shopping Malls	400, 000 sqft
	Entertainment & Gaming Facility	150 000sqft
	Residential Apartments	240
	Car Park	2500 slots
Phase 02	Series apartments	200
	Office complex	

