

COMMITTED

LIVE

Community

Well-Being

Ubuntu

Equity

Compassion

Humanity

Creativity

Interdependence

Systemic Change

Youth

Real People Earth

Clean Air

Quality of Life

Leadership

Diverse Health

Green

Sustainable

Spiritual

Together

Equitable

Walkers Tours

INTRODUCTION AND SCOPE

This report provides a summary of the sustainability performance and initiatives of Walkers Tours Limited during the financial year of 2016/17. 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.

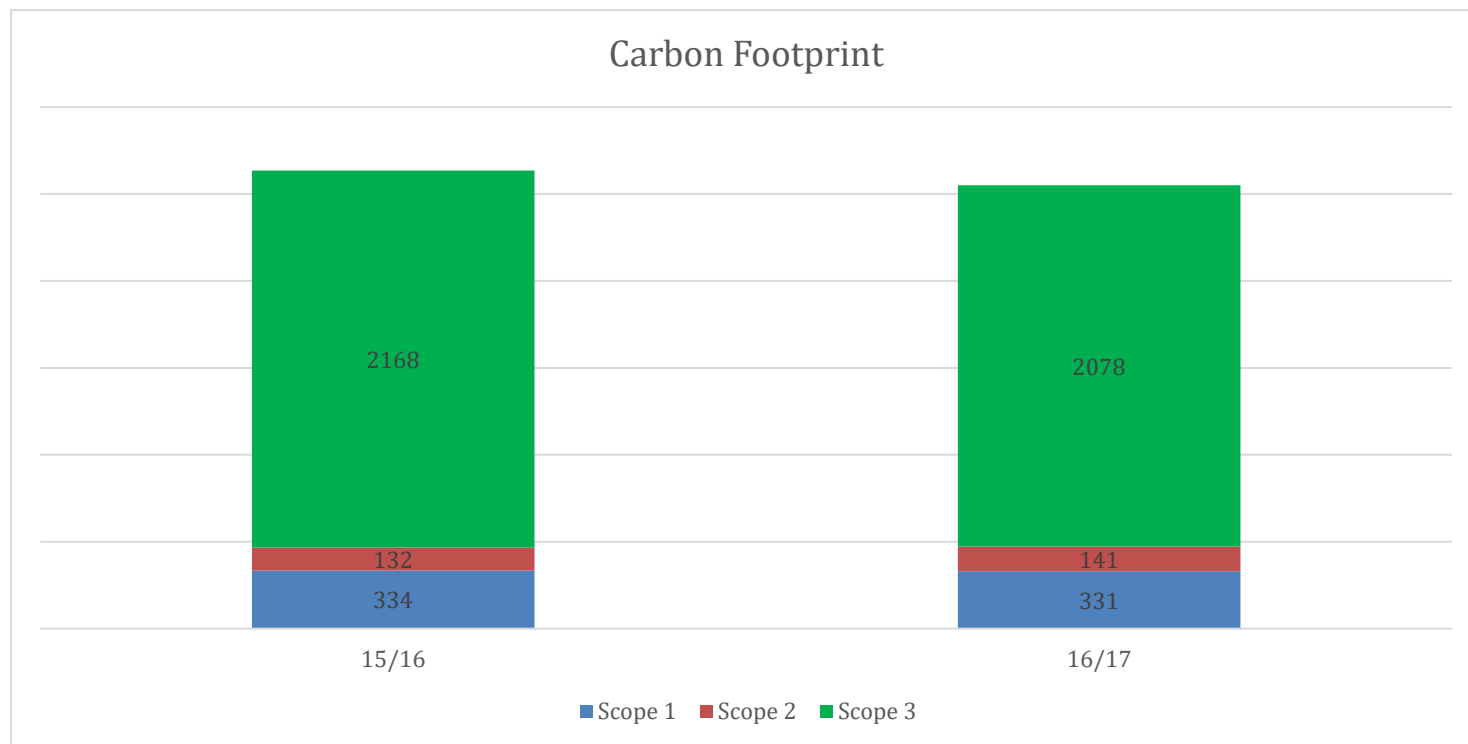
An annual comparison too is made available in order to give an understanding of the areas of strength and improvement. This analysis further directs towards the various initiatives that is needed by the Company to be RESPONSIBLE in carrying out its business practices.



SUSTAINABILITY PERFORMANCE

Environmental Performance

Total CO2 Footprint - Scope 1, Scope 2 and Scope 3



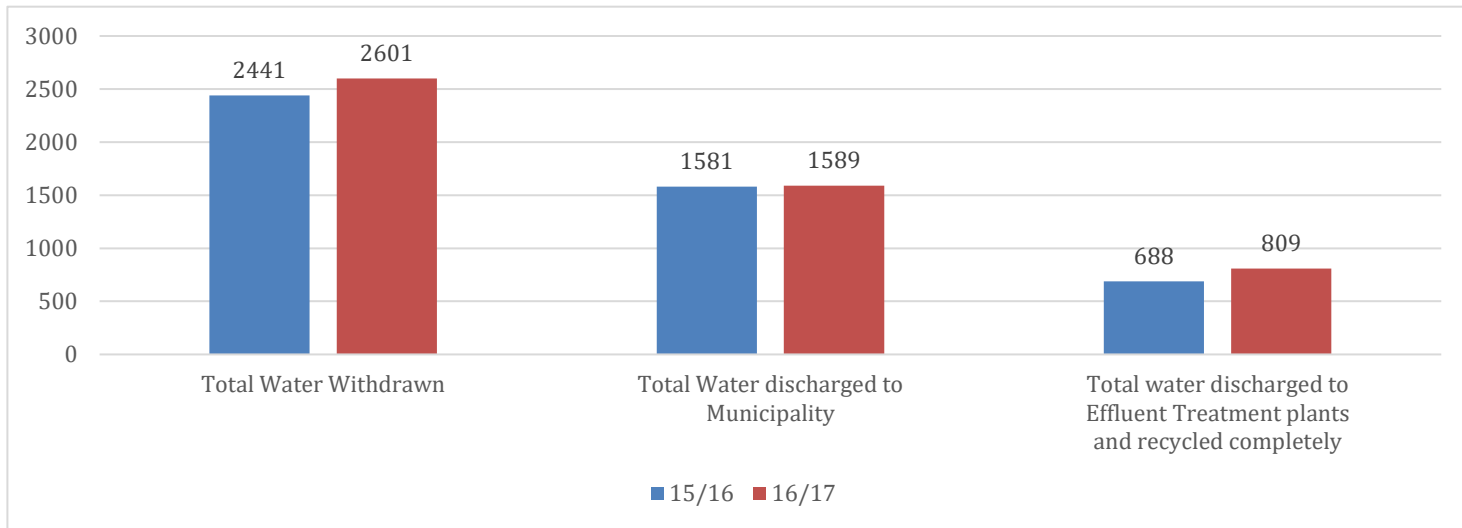
The carbon footprint of the company is captured under scope 1, 2 and 3. Above depicts the carbon footprint of the Company during past two financial years. Conscious efforts are being made to ensure reduction in the carbon footprint such as the migration towards the use of hybrid vehicles. At Walkers Tours carbon credits are purchased to support offsetting of emissions made annually.

Water Usage and Recycle

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 being lost in the transition process however 80% is converted as recycled water to be used for operational use.

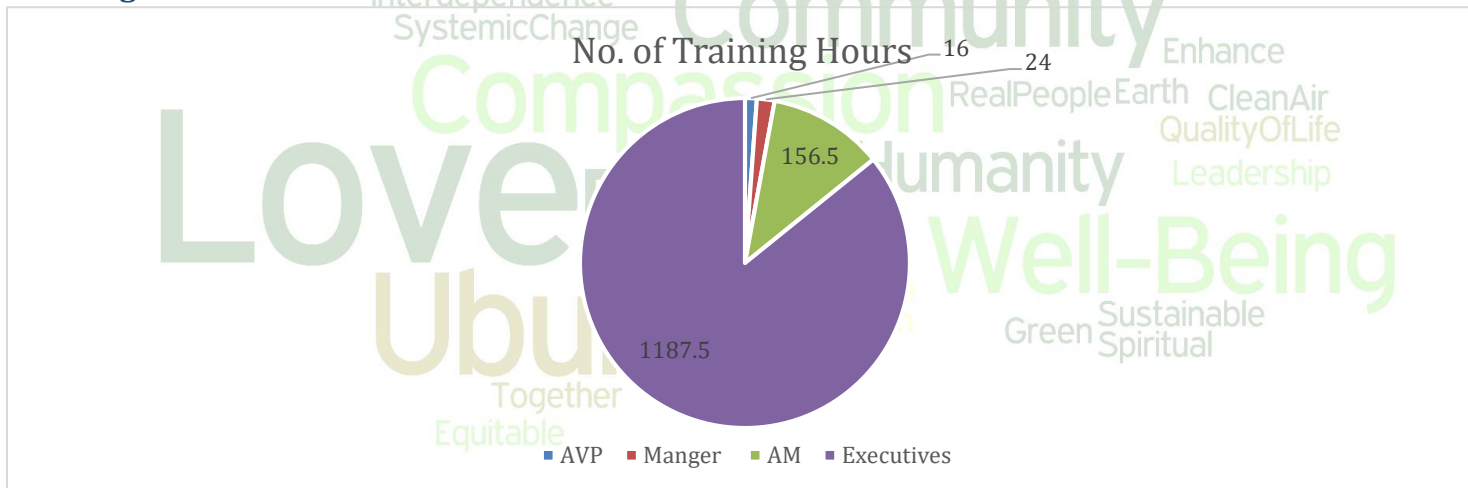


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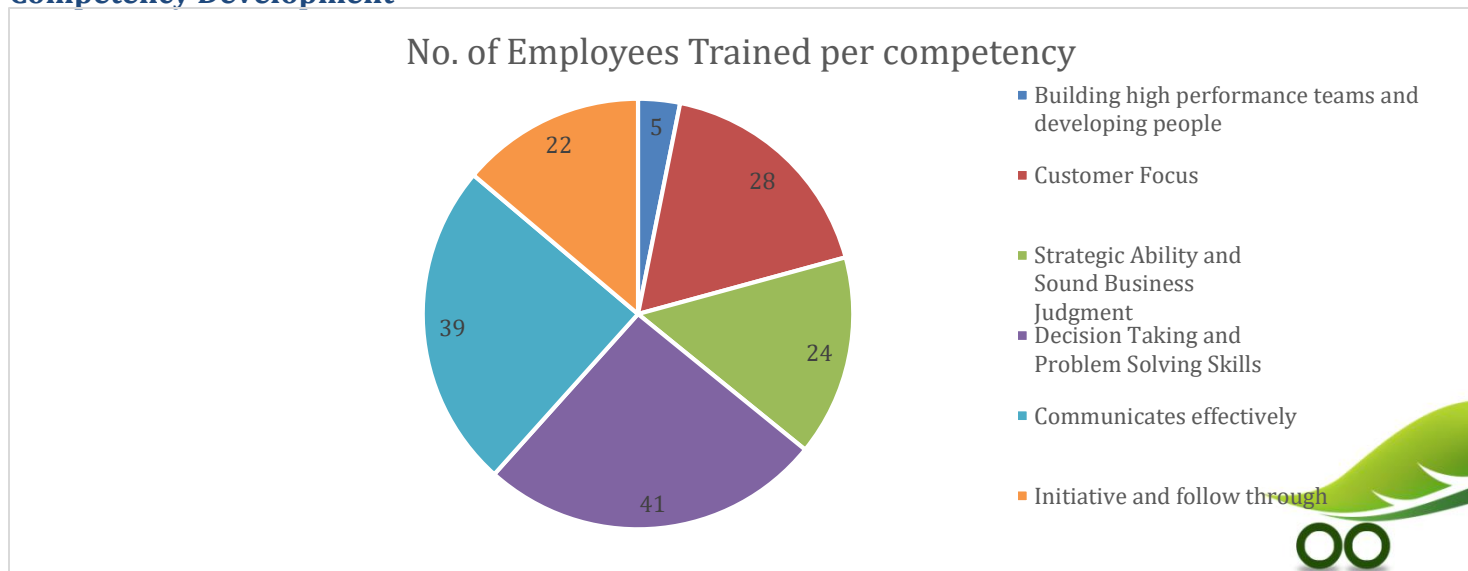


Employee Performance

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 conducted the following projects during the financial year of 16/17 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 jeep 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. Training Programmes have been conducted in the areas of Yala, Wilpattu, Udawalawa and Habarana covering all Safari jeep suppliers where over 120 drivers were trained.



c) Chauffeur Guide Training

Service Excellence - We maintain a pool of Chauffeurs who are of high caliber. With the scarcity faced by the industry with regards to the lack of quality Chauffeur Guides, Walkers Tours initiated its own development programme to invite individuals interested in entering the tourism industry to join as Chauffeurs. An extensive 50 hour classroom lectures brought to light by two expert National Guide lecturers followed by a Virtual tour, Colombo City tour and two fam tours was the curriculum which was followed by the selected applicants. A thorough screening process was conducted in order to handpick the best applicants. We have successfully concluded the first batch of Chauffeurs who graduated and are already working for the prestigious markets of Walkers Tours. Two of these Chauffeurs have already obtained the license provided by the national body upon completion of our programme, and one other has entered the National Guide Lecturer License programme. With the clear success of the first programme we have invested in the second batch of Chauffeurs who were inducted to the system on the 01st July 2017 as certified Chauffeurs with extensive knowledge of the tourism industry which is in par with most of the veterans in the industry.



d) Chauffeur Re Categorization

The re-categorization process of Chauffeurs was continued by means of introducing another batch of chauffeurs to the process. The re-categorization process is such that 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 to derive a 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 perform better.

e) Training on Defensive Driving for Chauffeurs

210 Drivers and Chauffeurs were sent through a comprehensive training on Defensive Driving which was seeing as a dire need at this point of time due to increased attention given to practicing Responsible Tourism. A classroom training was organized which covered all areas concerning Defensive driving and this was brought to light by Dr. Rohitha Rathnaweera who is the Managing Director of Global Institute of Safety, Security and Technology (Pvt) Ltd and the only Sri Lankan certified by ROSPA to carry out the training. Upon the completion of the classroom training all drivers were sent through a practical driving training in order to put in to practice the knowledge shared during the classroom sessions. All 210 drivers successfully completed the training and carry with them an identity which certifies the knowledge of practical experience of Defensive driving. In addition, Walkers Tours Limited too was certified as a Company for having a pool of Drivers / Chauffeurs trained in Defensive Driving.



f) Medical clinic for service providers

All drivers were encouraged to obtain a medical test in order to identify the minimum health standards needed to qualify as a responsible driver. A medical clinic was organized by Walkers Tours at our Transport division which gave the opportunity to all our drivers to obtain a medical report which detailed out areas of concern and provided the information required for Walkers Tours to employ the drivers who are medically fit to perform their duties as a tourist driver. 450 drivers obtained their medical tests.



g) Sharing of sustainable best practices with our value chain

In the hope of uplifting the standards of the leisure industry Walkers Tours Limited partnered with Cinnamon Hotels to organize a Hotel awareness workshop on sustainable best practices to share with our value chain. First programme was held in Habarana targeting all our suppliers (Hotels, restaurants and other accommodation providers) in the cultural triangle region. The programme highlighted the sustainable best practices in the industry, Quality Health and Safety standards and Food safety standards expected by Walkers Tours from all our suppliers. The programme ended with a walk around at the Cinnamon Lodge Habarana in order to showcase the waste water management plant and the waste segregation initiatives taken by our sister hotel which could be considered as a best practice example.



New Product Development

Walkers Tours in partnership with International Finance Corporation (IFC) introduced 3 new products in 3 different areas of the country during the year 2016. IFC’s priorities in Sri Lanka include access to finance, infrastructure, tourism, and agribusiness, with a focus on balanced regional growth. The Quality Health and Safety Team along with the New Product Development team carried out necessary inspections to ensure value for money experience is offered to our clients, which is of superior quality. In order to ensure that the minimum quality standards were met the requirements were communicated and a follow up inspection was conducted to ensure compliance, upon which these were enlisted as new products.

Area	Activities offered
Batticaloa	Hiking, Dairy farm tour, Village excursion, Therapeutic art, Kovil visit
Arugambay	Safari, Luxury camping, Home cooking, Handcraft making, Homestay
Mannar	Camping, Bird watching, Snorkeling, Kayaking, Cooking classes

Legacy Well-Being



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 being 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 3million 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 emissions.

Keeping abreast with the change in technology and travel patterns we have identified the need to enhance our reservation system which will bring in an improvement of 30% in our efficiency. Upon carrying out a detailed study of our internal processes we have finalized on an internationally renowned vendor. We have already made a worthy investment to customize a reservation system which will support our business to keep growing positively along with the growth of our Agents, the industry and technology.

We have reviewed our customer service function and looked at the integration of Review Spotter (A customer review platform) to obtain live feedback from our clients to keep improving our service standards. With the customized reporting modules we believe this system would assist us in analyzing customer feedback / suggestions whilst on tour and end of tour which would assist us in being proactive to address any concerns before it's too late. We thrive in the need to be proactive.



PROPOSED DEVELOPMENTS IN SRI LANKA

Proposed developments in Sri Lanka 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
- As a measure to develop the economy, Sri Lanka 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. Annexure 01 gives an outline of few of these developments.

AWARDS AND ACCOLADES

- Awarded Sri Lanka's Leading Destination Management Company at the World Travel Awards 2016
- Silver Award winner at the W3 Awards for the Walkers Tours website 2016
- Winner Most Engaging Website at the Asia Pacific Customer Engagement Forum
- TourCert check status was obtained granted until the year 2019
- Walkers Tours recognised as the best performing company within the TourCert community
- Walkers remains Asia's only Carbon Neutral certified green fleet for the 5th consecutive year

Sustainability is rooted 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

▪ Expansion of Bandaranaike International Airport

A project concluded in April 2017 to expand the island's first international airport at Katunayake, 35 km north of Colombo. The project included the expansion of the transit area, construction of new baggage-reclaim area, multi storied car park and widening of the existing runway. A feasibility study is being carried out for a second runway.

▪ North East (Colombo Kandy) Expressway Project (CKH)

The proposed North - East Expressway (Colombo - Kandy Expressway) begins at Kadawatha of the present Colombo - Kandy (A1) Road (at the access point of the Outer Circular Highway) and links with Katugastota- Kurunegala - Puttalam (A10) road at Hedeniya and Kandy- Jaffna road (A9) at Katugastota. The length of this road is 99 km. Construction of the North - East Expressway is mainly divided into two construction phases viz. Phase I (Kadawatha-Ambepussa) and Phase II (Ambepussa- Katugastota).

Benefits

- Opening up an alternative roadway towards the North, East, North Central, North Western and Central Provinces, and resulting in the expansion of residential and industrial areas.
- Opening new areas for Economic, Industrial, Agricultural, Plantation Development, etc.
- Increase Tourism and other investments.

