



# CORPORATE SUSTAINABILITY MANAGEMENT PLAN: Vision 2020



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## Message from our CEO (Extracts of LUX\* Integrated Annual Report)



### Dear Stakeholder,

Our conviction and commitment to sustainability is to support the economic, the social and the environmental resilience of the destinations within which we operate.

However, caring can be meaningless without tangible strategies and actions. For the proper implementation of these strategies, reporting and monitoring is crucial as we cannot manage what we do not measure. Reporting is also essential to see how the strategies implemented are working and if there are corrective measures to be taken wherever a deviation from the set target or desired result is identified.

Since we operate within the destinations Mauritius, Reunion Is., the Maldives, China and forthcoming UAE, we endeavor to provide a world class service to all our Guests from different market segments, to our 2,758 Team Members from various cultural backgrounds, to our suppliers, to our shareholders, to the local community and all stakeholders involved.

We are very proud of the fact that the people and partners working with us are helping to multiply a positive impact for a better world. Sustainable practices imply workplace diversity and inclusion, ethics, community involvement and environmental protection.

The world is moving towards a low-carbon footprint concept and so is LUX\* Resorts and Hotels.

We had at the beginning of the year set a number of sustainability targets using 2013-2014 as a baseline, and which will be monitored and, where necessary, updated on an annual basis. The targets are:

- To reduce our Group CO2 emissions by 10% on Room Nights Sold by 2020
- To increase our Group energy efficiency by 10% on Room Nights Sold by 2020
- To reduce Group waste produced by 10% on Room Nights Sold by 2020
- To increase our Group water usage efficiency by 5% on Room Nights Sold by 2020

During the year, we strengthen our stakeholder engagement by reaching out to more and varied audiences. Our guests are also keen to be part of our energy efficiency programs.

Above all, we strive to make Sustainability at LUX\* a clear business imperative.

No company can solve problems affecting stakeholders on its own. It requires multi-stakeholder dialogue. Sustainable practices are designed to protect both the resources and the relationships.

We shall continue to endeavor in helping people celebrate life in a sustainable manner through reporting, monitoring and transparency as well as supporting multi-stakeholder dialogues.

## Purpose of Sustainability Management Plan

The purpose of the Sustainability Management Plan is to provide guidance in the functioning of the business operations, decision making, management, monitoring, reporting and communication within the sustainable and responsible development framework. The environmental, economic, socio-cultural, quality, and health & safety areas are taken into consideration.

The plan also helps to ensure on compliance with Legislations in the above mentioned areas, for example the Corporate Social Responsibility, Employment Laws, Health & Safety and the Environmental laws and regulations of the destinations where LUX\* is operating.

The plan helps to focus on the key KPIs and Targets set to reduce negative impacts and increase positive impacts and hence prepare to take corrective measures wherever there is a deviation. It at the same time helps to work towards

The KPIs set are for resource optimisation; biodiversity conservation; waste reduction; water and energy optimisation; carbon offsetting and reduction; Reduce, Reuse and Recycle wherever possible; trainings and employment turnover.

LUX\* not only intends to work on mitigation strategies but only on maximizing positive impacts with a balance among the 3Ps: People, Planet and Profit.

## Scope / Boundary

The Scope of the sustainability management plan has as boundary all the resorts within the various destinations where LUX\* is present. With the concept of Stakeholder Inclusiveness at the core of its business strategy, the key performance indicators on the resorts operating in the destinations: Mauritius, Reunion, the Maldives and China (Turkey as from May17). The Head Office being based in Mauritius and LUX\* being listed on the Stock Exchange of Mauritius, the new Code of Corporate Governance of Mauritius is taken into consideration.

The plan ensures on Social and Environmental actions to enhance positive impacts and mitigate or avoid negative impacts of operations on the Planet and People while increasing Profit. The plan also shows the mapping of the UN Sustainable Development Goals (SDGs) through integration of colleagues, customers, local community, business partners, owners, other stakeholders and the environment at large.

## Company Profile

LUX\* Resorts & Hotels is a collection of premium resorts & hotels present in Mauritius, Reunion Is. Maldives, China and Turkey, offering guests the opportunity to celebrate island life and enjoy light living. The present hotels in the LUX\* portfolio which it is managing are: LUX\* Belle Mare Mauritius (5\*), LUX\* Le Morne, Mauritius (5\*), LUX\* Grand Gaube, Mauritius (5\*), LUX\* South Ari Atoll (5\*), LUX\* St Gilles, Réunion (5\*) and LUX\* Bodrum, Turkey. The other properties are part of the Produced by LUX\* portfolio. These resorts have kept their names: Tamassa, Bel Ombre, Mauritius (4\*); Merville Beach Grand Baie, Mauritius (3\*) and Hôtel Le Récif, Réunion (3\*), as well Ile des Deux Cocos, Mauritius, a private paradise Island. LUX\* Island Resorts is an affiliate member of IBL, a major economic player in the Indian Ocean, leader of the "Top 100" Mauritian companies. IBL is active in key sectors of the Mauritian economy, present in 25 companies, representing a portfolio of approximately 290 companies, 12,400 shareholders and 21,800 employees and associated companies, performing a total turnover of MUR 31 billion as at June 30th 2016.

In December 2011, the company was rebranded with a philosophy in line with sustainable development and a Brand promise with a Lighter, Brighter experience. This hotel group is aware that the socio-cultural and environmental aspect of the destinations in which it operates, needs to be taken into account during planning and decision-making. The hotel group is promoting the destinations' culture and the residents' customs. LUX\* Resorts & Hotels is giving opportunities to the locals to express themselves. It has gone back to the basics this enhancing cultural communication and heritage preservation. The other objectives are to help in preserving the local customs and encourage the guests to participate in experiences which show aspects of the local lifestyle.



*Showing part of company's philosophy*

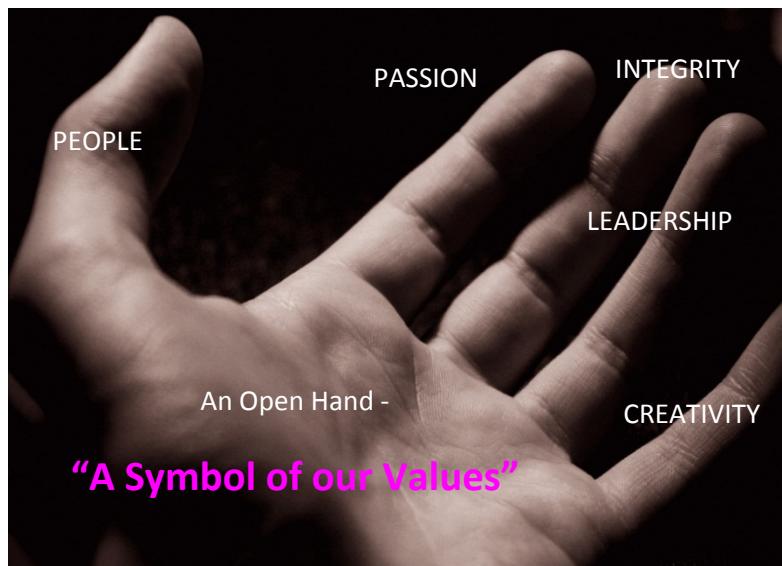
LUX\* Resorts & Hotels has been successful in developing and implementing ethics and guidelines for sustainable development, through responsive tourism planning.

## Vision, Purpose, Values

The Vision of the group is as follows: “**We Each Moment Matter**” and its purpose (Mission) is “**Helping People Celebrate Life**”. The Vision and purpose could not have been clearer. Management has decided not to have long Vision and Mission statement which no one could really understand but it rather preferred to have statements which really represent the business and which would make sense to each stakeholder working with the company.

### Our Core Values

The Company’s five core values, People, Passion, Integrity, Leadership and Creativity, completely reflect its philosophy. These values were communicated to each team member through trainings and speeches by the Top Management. The values are integrated in each day to day operation. The employees are not called employees but team members.



*LUX\* Resorts & Hotels Values*

The five values represent the following:

1. Consideration for People
2. Serving with Passion
3. Insistence on Integrity
4. Responsibility of Leadership
5. Entertaining with Creativity

The Company has been able to communicate its VPV to its key suppliers, to customers and other stakeholders. Of course from the VPV, are derived the goals, objectives and work plans. The VPV is normally reviewed every five years. It is very important to keep in pace with the customers changing needs to be able to survive in this dynamic and fiercely competitive business environment. The company has as aim to develop without compromising with the natural environment and the local residents. It encourages its team members to participate in its objectives through creativity. Standard Operating Procedures (SOPs) are also present to make sure that the standard is respected and also to help evaluate and monitor progress.

## LEADERSHIP



In 2010, Mr. Paul Jones joined LUX\* Island Resorts as the CEO of the Group. He is an exemplary leader with a great vision and clear objectives. He inspires, motivates and coaches the management with full integrity and diplomacy. He also has great communication and listening skills. A very important aspect of his personality is the ability of making the right decision at the right time. Mr. Paul Jones has always been against the VIP syndrome. For him, every person (team member, guest and stakeholder) is a VIP and is treated with respect and dignity.

### 3.1 Top management commitment

The CEO has created a working environment where top management commitment is clearly visible. The management team fully supports the projects and operations taking place at each property and department. There is a clear policy which indicates top management commitment at all levels. There are executive meetings held where problems and solutions are discussed for continuous improvement to increase the level of quality service towards the team members, the guests and all other stakeholders working with the Group. To facilitate, guide, and coach others to work towards commonly held goals, top management makes its objectives clear and there is constant communication on where the company is going, whether being diversification of markets, profitability or other strategic moves. Top management commitment is so strong that one feels confident in managing important projects and in taking risks to be innovative, creative and share ideas among the team.

The leadership is exemplary because it allows an atmosphere for sharing of ideas, decision-making together and coming to a consensus. For example, the Vision and Purpose (Values) were decided after consulting team members from different department and the properties. All their ideas were taken into account and blended into one Mission (Purpose) and one Vision. To create a focus on action to accomplish the organisation's objectives, improve performance and attain the organisation's vision, firstly the vision and purpose are made clear. Thus everybody is better able to understand management's views and hence work together to accomplish same. Trainings were given on the VPV (Vision, Purpose, Values) to the 2900 team members working at the group, irrespective of the department or level of management to make sure that the VPV become the organizational culture.

## Sustainability Strategy & Frameworks

The Sustainability strategy is aligned with both local and international Sustainability guidelines. The KPIs are prepared in accordance with international frameworks such as the GRI (Global Reporting Initiative), the UN Global Compact and the Sustainable Development Goals (SDGs) Compass. Other guidelines being used are the Montreal Greenhouse Gas Protocol, DEFRA UK (Department of Environment, Food & Rural Affairs) and the HCMI (Hotel Carbon Management Initiative). These guidelines help ensure that the KPIs and Targets are aligned with all the Sustainability requirements of both local and global stakeholders with whom LUX\* is collaborating in the value creation chain.

Strategy is also aligned with the Stock Exchange of Mauritius Sustainability Index (SEMSI), which is based on the GRI Sustainability guidelines and the four pillars are: Corporate Governance, Economy, Environment and Social. To optimise on resources, focus has been on issues which are material to LUX\*.

To fulfil the requirement for all the destinations, the strategy reflects efforts to support the implementation of the Maldives National Strategy for Sustainable Development (NSSD), which defines the vision for sustainable development as “development achieved through progress in the three pillars of sustainable development - economic growth, environmental conservation, social integration and good governance.”

For Reunion Island, the policy for sustainable development rests on the ‘Green Energy Revolution – Reunion Island’ or GERRI<sup>1</sup>, which englobes the implementation of several sectoral strategies including Energy Production, Energy Storage, Transportation, Urbanism, Tourism as well as urban development. The national objective of Reunion Island is to become completely autonomous in energy production by 2030. LUX\* hence intends to invest in energy efficiency and renewable energies, which directly supports the GERRI initiative. The strategy is also aligned with Paragraph 47 of the Rio+20 Outcome Document – The Future We Want<sup>2</sup>.

LUX\* being present in four island destinations, part of Small Island Developing States (SIDS), its sustainable development initiatives fully support the implementation of the SAMOA Pathway<sup>3</sup> by ‘taking into account the importance of transparency, accountability and corporate social responsibility’. For the Yunnan Province in China, LUX\* aligns itself with the commitment of the authority to keep the level of clean air. Since LUX\* is serving international markets, it ensures that it participates in international objectives, like for example, the Climate Change Paris

Agreement. The material aspects were identified through GRI Methodology, including dialogues with LUX\* key stakeholders and which had been validated by the Chairman, the CEO, the Executive Secretary and the Board of Directors<sup>5</sup>. To ensure implementation, there are clear policies, communication and feedback.

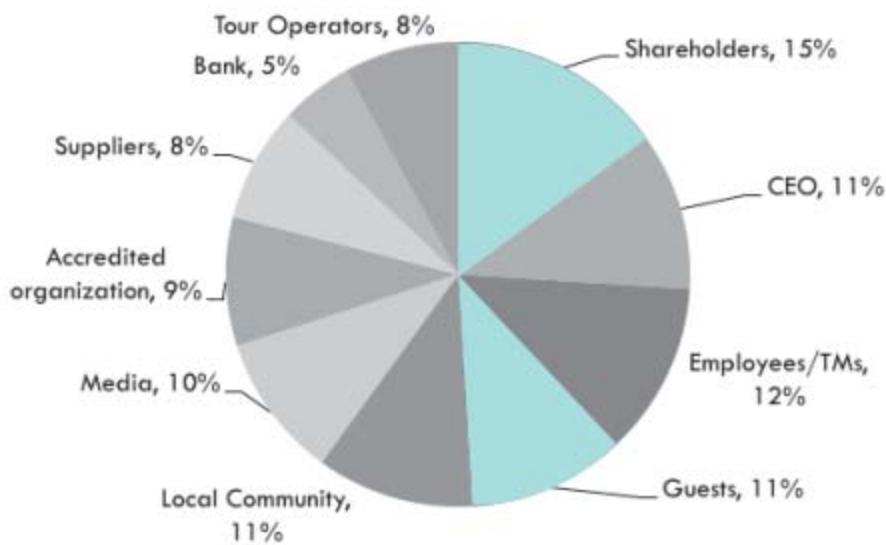
LUX\* Island Resorts Ltd has opted for differentiation strategy by providing luxury products and services different market types. It also wants to diversify its market mix.

- To enhance brand to appeal to customers seeking luxury hotels in major markets.
- Expanding branded hotels to further our strategy of strengthening brand identity.
- Expanding internet presence and sales capabilities to increase revenue and improve customer service.
- Enhancing our marketing efforts by integrating customer databases.
- Increasing operating efficiencies through increased use of technology;

## STAKEHOLDER INCLUSIVENESS

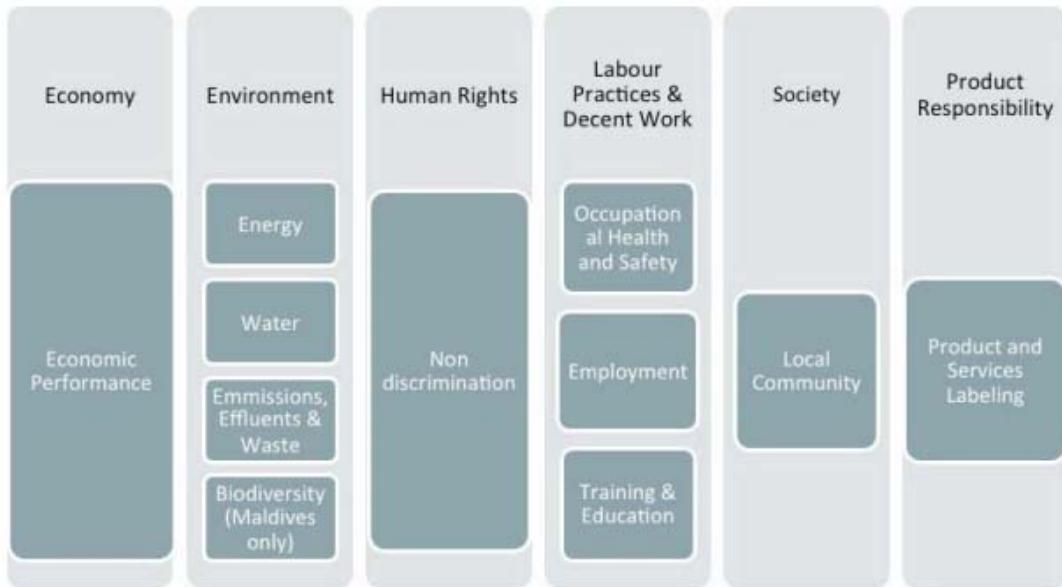
The identification of stakeholders was carried out in two stages. First, consultations with the senior leadership team of our hotels have helped to draw a list of all our stakeholders, the key ones being: guests, team members, shareholders (including senior managers), as well as the local communities and the local media. The stakeholders of LUX\*Resorts and Hotels were identified through two questions: (1) Is this group of stakeholders significantly influenced by LUX\* Resorts and Hotels' activities? and (2) Does this group of stakeholders have a significance influence on LUX\* Resorts and Hotels' activities? The ten stakeholders thus identified, including their importance in terms of the percentage of Team Members who identified each stakeholder, are shown in the pie chart. Except for banks (5%) and shareholders (15%), the weights given to all other stakeholders ranged between 8% and 12%.

## List of Stakeholders



Based on same, LUX\* aligns its strategy to create value for the key stakeholders.

A materiality assessment has been carried out where all potential issues that could result from our activities were identified and then assessed based on how significant they are to our business and to our stakeholders. We have engaged with our stakeholders (see stakeholder inclusiveness above), both internal and external, to know more about their concerns and their perceptions on sustainability issues that are relevant to the operations of LUX\* Resorts and Hotels. Initially (February to June 2013), the GRI G3.1 reporting guidelines were followed but we migrated to the G4 when it was launched later in 2013. The G4 Guidelines have helped us focus our strategy on the issues that matter most for our business and our stakeholders. Care has been exercised to comply as much as practicable with the G4 Guidelines. The material Aspects that were retained after conducting internal discussions with our directors and employees, as well as surveys and dialogues with our external stakeholders are summarized below. In this case, the GRI G3.1 was used as seen in the use of the Aspect 'Emissions, Effluents & Waste', which in the G4 has been separated into 'Emissions' and 'Effluents & Waste'. The material Aspects were identified through a two-step process, namely: (1) selection of Aspects in terms of importance according to Team Members (100 persons in total) and board members (12 persons in total), and (2) scoring of the Aspects deemed important by three groups of stakeholders (see Materiality Matrix below). Since team members form the foundation of LUX\* Resorts and Hotels, Employment was added to the list of material Aspects.



We have added Biodiversity for Mauritius and Reunion Is. also.

### **Monitoring of objectives**

To monitor objectives, there is constant reporting on the actual performance against set targets. There is use of Balance Scorecards, Presentations and Dashboards. Monitoring is done weekly, monthly, quarterly and yearly.

### **Achievement of objectives**

When objectives are achieved, they are communicated to all team members and stakeholders.

### **Review of objectives**

Every year, objectives are reviewed depending on the market dynamics and the business environment. Sometimes there reviewing is upward, downward or maintained.

# SUSTAINABILITY POLICY

LUX\* Resorts and Hotels firmly believes in making sustainable tourism development a reality in order to meet the needs of present tourists and local communities while protecting and enhancing opportunities for the future. It is hence committed to managing resources in such a way that the economic, social and aesthetic needs can be fulfilled for both present and future generations while maintaining cultural integrity and essential ecological processes, including biological diversity and life support systems.

We recognise our responsibilities towards the local communities, the environment & resources in the destinations in which we are operating. We ensure that our activities are in accordance with the relevant legislations, this policy and the associated standard operating procedures which englobes the commitments towards Environment, Corporate Social Responsibility, Human Rights, Child Protection and responsible Purchasing. We hence have as focus to maintain safety and quality in all our operations, while taking into account the diverse culture in which we are operating.

LUX\* Resorts & Hotels is aware that the sector has many opportunities to mitigate the impacts of its operations through all stakeholders involvement (Team Members, Local Community, NGOs, Suppliers, Guests) in enhancing the wellbeing of the residents, employees and guests. We do so by showing our commitment to the community, providing financial assistance to NGOs involved in educational, charitable, cultural, social and environmental causes.

The protection from child labor is already included in the normal employment policy and hence this point is well taken into consideration. The Team Members are requested to report on any identified breach in child protection, general abuse and sexual exploitation.

We are committed to ensure a state of environment where there is a balance among economic, social and environmental goals. We intend to continue investing time and resources in different activities related to Social Responsibility. LUX\* Resorts & Hotels constantly look for opportunities to bring improvement towards its Mission which is “Helping People Celebrate Life”. LUX\* Resorts and Hotels also believes that the participation of its team members is essential in increasing resources efficiency.

This policy has been prepared to ensure the achievement of the mentioned objectives which englobe issues relating to labor practices, community involvement, good corporate governance, human rights, social progress, consumer protection and fair business practices. We also put emphasis on good corporate citizens through the mobilisation of our team members to provide corporate community volunteer services. We also have regulatory environment for high level of standards of ethics and integrity.

## **Sustainability Committee: STRUCTURE**

To handle this responsibility, the company has a great team which is the Green Committee. The “Sustainability Committee” at LUX\* Island Resorts has as aim to serve as a platform to enhance communication among the properties in the various destinations, the Head Office and the Training Academy for a two-way feedback on all environmental activities and projects. This helps in working together as a team to achieve the same objective, which is mainly, to go towards sustainable tourism development in a carbon clean future through “Green Practices”. The team is working in close collaboration with the “Joseph Lagesse Foundation”. Most of the properties are already engaged in various green activities such as cleaning of beaches and lagoon.

## **Corporate Social Responsibility**

### **Community welfare and development**

A total of MUR 2,447,919 was directed towards varied social and environmental projects. Fifty percent of the total CSR Fund was channeled to the Joseph Lagesse Foundation (JLF) for social and environmental projects. LUX\* also supports the platform “Small Step Matters”, a crowdfunding initiative by JLF.

## **JOSEPH LAGESSE FOUNDATION - LUX\* CSR VEHICLE**

- ✓ Mo L'Endroit Bois Marchand Project (Social & Environment) : **61%**
- ✓ Anou Gard Nou Pei Propre Ek Zoli (Environment) : **25%**
- ✓ GML Cleanup Week (Environment) : **4%**
- ✓ Chemin Rail (Environment) : **4%**
- ✓ Social Projects : **4%**
- ✓ Terre de Paix (Social) : **2%**

## Ray of Light by LUX\*

Every year a Charity Gala is organised through the collaboration of various partners to support Gender Links in the project for Women Empowerment. Gender Links supports the empowerment of Mauritian women from underprivileged backgrounds by giving them the right tools to achieve social, emotional and economical independence.

LUX\* South Ari Atoll and the Maldivian Blood Services signed an agreement with the aim of generating ways to foster cooperation among medical institutions thus improving services provided to patients suffering from the hematological disorder, thalassemia. LUX\* South Ari Atoll also announced its support through donations which will enable the Maldivian Blood Services to cater for more patients and to promote blood donation throughout the country. The Reunion resorts work with NGO 1000 Sourires and sponsor children from very poor backgrounds as well as children suffering from handicaps and illnesses. The team in Lijiang and Benzilan work with the locals on social and environmental projects. LUX\* has also been supporting various initiatives during the year as per below:

- ✓ AfrAsia Movember-Plage initiative in Cancer
- ✓ Christmas celebrations with LUX\* sponsored NGOs in all its destinations
- ✓ Tournaments, Competitions, Activities for Team Members
- ✓ Miss 2015 Beauty Pageant for a Cause was held at LUX\* South Ari Atoll
- ✓ High tea at LUX\* Belle Mare to congratulate Team Members' children
- ✓ World Kidney day in collaboration with Apollo Bramwell
- ✓ Activities in collaboration with JLF - Cleanup Week & Demain Le Film
- ✓ Youth Foundation Movement of Dhigurah and Dhigurah School Maldives

Thalassemia Society is also sponsored, Thalassemia is a life-long disease and if left untreated, can lead to severe debility and death. Blood transfusion is lifeline for survival of thalassemia patients. Transfusion dependence makes these patients and their families vulnerable. Thalassemia can be prevented through education of the population at large coupled with premarital screening and counseling and antenatal screening.

## Cultural Heritage

Team Members are trained to guide guests towards the cultural sights and events and/or entertainment/restaurants that the guests are most interested in. The local culture and is explained. There is a weekly program available for the guests and this shows the various

locations and cultural sites. Guests are also guided about the dress codes in certain cultural sites where there are temples.

Guest can read through the basic do's and don'ts in their complementary tourist guides. Historical and archeological artifacts are not sold, traded, or displayed. Business complies with laws, standards and regulations concerning the protection of historical sites and cultural heritage. LUX\* places great emphasis on being a part of the local environment in regards to cultural and social activities, as well as incorporating use of local food and competencies from local businesses. We take great pride in our vast network, and spend a lot of time and energy, explaining our collaboration with local suppliers and businesses to interested parties .

## CHILD PROTECTION POLICY STATEMENT

LUX\* Resorts & Hotels share the commitment to ensure respecting children's rights and include the protection of children from general abuse and sexual exploitation.

The fundamental policy of LUX\* Resort & Hotels is to respect the dignity and rights of each individual child. We will sphere of influence to promote create and maintain safe environments for children.

To make sure this code is effective, LUX\* Resort & Hotels provide a clear direction of VALUES which is well known and signed by every member of the Team Member. After each workshop all managers teach their own Team Member. With this we ensure that every member of the Team knows how to react.

The protection from child labour is already included in the normal employment policy and hence this point is well taken into consideration.

LUX\* ensures that the premises abide by the security norms for child protection. Recognising that images of children can be used inappropriately or illegally, Team Members must, wherever possible, obtain permission from a child's parent/guardian before taking an image of a child. Team Members must inform the parent/guardian about the nature and extent of the use that will be made of the image(s) and generally comply with the Policy. Team Members & guests must respect the privacy of other members and must not use camera phones, videos and cameras inside changing areas, showers and toilets.

LUX\* Resorts & Hotels is partner of different organizations to support disadvantaged children by donating items and equipment (like toys, repairing, computers, dishes, bed linens, clothing, mattresses etc.) that may benefit from them.

### **Actions**

**Policy:**

- Description policy: Policy statement
- Dissemination strategy: Display in public areas ( on notice boards & lounges) + communication
- Protocol on how respond to different incidences feedback mechanism & hotline

**Training of Team Member:**

- How many personnel and which functions: all personnel & HODs
- Info on trainings (e-learning/face-to-face, duration, content, expert trainer) – orientation + policies communication

**Contracts**

- Description clause: enclosed in Sustainability Commitment
- In contracts with which suppliers:
- Which situations needs which actions

**Communication customers:** Display in public areas ( on notice boards & lounges) + communication

- Communication plan
  - When
  - Communication channels
  - Message
  - Reach

**Engage stakeholders:** communication

- Describe collaboration: multi stakeholder dialogues
- Which stakeholders – T.Os, partners, employees, NGOs, committees
- Which countries: destinations where LUX\* is operating & markets served

**Criteria 6: Reporting**

- When reporting planned – every year
- How gather the needed info – data collection from resorts
- Meeting Local Code Representative
- Implementation plan following year

# ENVIRONMENTAL POLICY

LUX\* Resorts & Hotels is committed to comply with all relevant laws and regulations at national and international levels and other environmental related requirements through the continual improvement of its environmental management system and the prevention of pollution. It is committed to merge good environmental practices into its corporate decisions and throughout its operations. These values originate at the company's top management and are emphasised through all levels of responsibility within the organisation. It will develop and monitor annual environmental objectives and targets to assist in meeting this commitment.

Through the Tread Lightly initiative, an amalgam of green initiatives, it'll achieve its objectives through involvement of all stakeholders. Our guests, suppliers and even contractors are also involved in the Tread Lightly initiative. Several of our resorts are committed to be operating sea-water desalination plants, and successfully recycling waste waters, plastics, paper, cardboard, glass, cooking oil and also taking appropriate measures to control other air emissions and noise pollution.

In light of LUX\* Resorts & Hotels green commitment, attainable targets for water and energy utilisations, pollution reduction and resource efficiency have been established.

LUX\* Resorts & Hotels will also control its impact on the surrounding ecosystem, including the beach. It will minimise waste and encourage segregation of solid waste. LUX\*Resorts & Hotels will communicate its environmental policy to all its guests, hotel staff, suppliers and contractors and involve them in respecting the hotels' environmental policy and will continually train and develop its team members on good environmental practices and environmental issues.

In light of LUX\* Resorts & Hotels commitment; the environmental policy, objective and program shall be periodically reviewed to ensure continual improvement through the group's Green Committee actions. This policy shall be made available to the public and be communicated to all the Team Members and LUX\* Resorts & Hotels, to solicit their input in meeting its environmental goals.

# PURCHASING / SUPPLIER POLICY

LUX\* Resorts & Hotels conducts all its purchasing and selection of suppliers activities in accordance with the relevant legislations. All its purchases for goods & services are to be in accordance with this Purchasing / Supplier Policy and the associated standard operating procedures.

This policy has been prepared to ensure the achievement of reduction of the environmental, social and economic impacts on the destinations in which LUX\* Resorts & Hotels is operating. LUX\* Resorts & Hotels strives to achieve environmentally preferred purchases and work with service providers who are aligned with this Policy. We also ensure that local products are purchased and seek for local service providers before going towards international providers wherever possible.

We have as criteria to evaluate factors like cost, quality, duration and extent to which the goods or services meet the specified requirements, as well as social and environmental responsibilities. Whenever possible, we inform our suppliers and service contractors of the preference for environmentally preferred products & services which meet sustainability standards. (E.g. ISO certified paper) and also which are Fair Trade Certified. We also ensure that wherever possible, we utilise recycled products. We strive to look for products with limited packaging and give preference to buying in bulk and waste minimisation.

In line with our Good Corporate Governance practice, we take into account the Risk Management Principles and ensure that the goods and services being purchased are developed using a safe design approach to minimise the risk of failure and harm to the consumers. We also ensure that the service providers with which we work follow the same guidelines before finalizing any agreement.

Innovation & Creativity being part of our core values, we also take into account that the products and services are in line with our objective to be the leaders in improved industry performance, business relationships and resource optimisation methods.

## Reducing Energy Use

### Energy Management System

An EMS (Energy Management System), has been implemented at LUX\* Belle Mare & LUX\* Grand Gaube in 2012 in collaboration with the energy management specialist. This shows a first step to enhance energy efficiency by optimising the HVAC (Heating Ventilation and Air-conditioning) system through the investment of more energy-efficient equipment, standardised maintenance and adjusted energy usage.



*The Technicians/Engineers at work*

The maintenance team at LUX\* Belle Mare has had the opportunity to gain expertise from the “Pace Footprint” team in terms of handling new technology for energy management. It is seen that there is around 30 percent reduction in energy consumption from HVAC, hence reduction in energy costs and reduction in carbon emission.

### Energy Efficiency

Areas	Actions
Lighting	<ul style="list-style-type: none"><li><input type="checkbox"/> Change the light bulbs used throughout the hotel to energy saving alternatives such as LED light bulbs.</li><li><input type="checkbox"/> Implement a lighting rota requiring staff to turn off lights in public areas when not required during daylight hours.</li><li><input type="checkbox"/> Implement a key card system within guest rooms that deactivates the lighting when a card is not in place. This will ensure that the lighting is switched off when a guest has left the room.</li></ul>

	<ul style="list-style-type: none"> <li><input type="checkbox"/> Install motion-sensored lighting in public areas.</li> <li><input type="checkbox"/> Install key card systems into guest bedrooms that switch off the energy supply when guests are not present in their rooms.</li> </ul>
Refrigeration	<ul style="list-style-type: none"> <li><input type="checkbox"/> Schedule a maintenance check to ensure all equipment operates efficiently.</li> </ul>
Heating / Air conditioning	<ul style="list-style-type: none"> <li><input type="checkbox"/> Install motion-sensored units that automatically switch off when windows and doors are open.</li> <li><input type="checkbox"/> Assign a member of staff to check that units are switched off in inactive areas of the hotel such as conference rooms.</li> </ul>
Laundry	<ul style="list-style-type: none"> <li><input type="checkbox"/> Reduce the amount of laundry by educating guests on the environmental costs and by giving them the option of changing their bed sheets and towels every other day. Educating guests can be done through a welcome talk upon arrival or by creating leaflets and posters and placing them within the hotel and guest rooms.</li> <li><input type="checkbox"/> Operate laundry cycles at a lower temperature.</li> </ul>
Renewable energy resources	<ul style="list-style-type: none"> <li>- In the pipeline, we have renewable energy technologies, such as solar panels and PVs, which can naturally heat water or provide power. This will reduce the amount of energy used from the national grid and thus reduce costs. We seek out expert advice to understand the appropriate technology, the costs of installation, the payback period of investment and whether there are any planning regulations to consider, before committing to a purchase.</li> </ul>

### Ongoing monitoring and recording of usage

To monitor progress against energy reduction objectives and targets, there is recording of usage for each energy source (for example, meter readings). Over time, this will help to identify

trends relating to the parts of the day, month or year where energy is most or least consumed. Meter readings are recorded in a report Energy, Waste and Water report.

## Water Efficiency

Area	Action
General	<ul style="list-style-type: none"><li><input type="checkbox"/> Maintain pipes and mend leaky taps.</li><li><input type="checkbox"/> Train TMs regularly (including induction for new TM).</li><li><input type="checkbox"/> Install back-of-house signs reminding TMs how to manage water.</li><li><input type="checkbox"/> Advise guests how they can play a part in water efficiency.</li></ul>
Taps (kitchen, public restrooms, guest rooms)	<ul style="list-style-type: none"><li><input type="checkbox"/> Install water-saving devices including flow restrictors/aerators.</li><li><input type="checkbox"/> Monitor the temperature of water, although hot water tanks should be set at 60°C, which is the minimum needed to remove Legionella.</li><li><input type="checkbox"/> Install mixer taps, which can reduce water consumption by ensuring that water is delivered at the required temperature.</li></ul>
WCs (public restrooms, guest rooms)	<ul style="list-style-type: none"><li><input type="checkbox"/> Install 'bottles' and 'hippos' in cisterns, reducing the amount of water a toilet uses during a flush.</li><li><input type="checkbox"/> Install low-flush WCs.</li><li><input type="checkbox"/> Use timers to reduce flush frequency, including 'cistern misers' or 'waterless urinals'.</li><li><input type="checkbox"/> Use composting toilets in remote areas.</li><li><input type="checkbox"/> Use sea, river or rain water, although you should check country regulations to ensure this is allowed. Check also that such measures are compatible with existing technologies.</li><li><input type="checkbox"/> Use treated waste water for toilet flushing.</li></ul>
Towel and linen reuse	<ul style="list-style-type: none"><li><input type="checkbox"/> Display information cards in guest rooms to encourage the reuse of towels and/or linen. Refer to the environmental impact and explain where towels for reuse should be left.</li></ul>

## Gardens

- Reuse appropriately treated 'grey water' from laundry cycles to water gardens.
- Use timing devices to minimise operating times or water manually.
- Only water gardens at the coolest time of the day to avoid evaporation.
- Fit moisture sensors to ensure water systems only water on demand.
- Work on a system that delivers water to plants below soil level.

## Disposal of Wastewater

Poorly treated waste water is the world's deadliest pollutant. Untreated sewage is not only harmful to health, but affects the quality of a destination's environment. The water should be treated to meet the minimum standard specified by your country or those defined by the World Health Organisation. It's important that we establish how waste water is disposed of because this is normally a service that we pay for. As with water consumption, we check utilities bills to see how much waste water the property produces and what we pay for disposal on a month-by-month basis. Alternatively, we have an on-site treatment facility. In both cases, the more water that we save, the less we'll have to dispose of or reprocess, which will bring down overall costs. If the public waste water treatment plant is known to be ineffective, we should keep records to show that waste water is being adequately treated and monitored on a daily basis. Encourage local authorities/water treatment companies to improve their service. Other options, if we're not using public treatment services, might include:

- holding an up-to-date certificate for waste water;
- routine checks to ensure that the chemicals used are not killing the bacteria essential to the operation of the system;
- treated water matching the specification levels provided by the manufacturer of the plant.

## Waste Reduction

Method	Actions
<b>Reduce</b> The best way to manage waste is not to produce it in the first place, which we can do by buying and using less.	<ul style="list-style-type: none"><li><input type="checkbox"/> Reduce packaging waste by purchasing in bulk.</li><li><input type="checkbox"/> Avoid over-packaged goods that use several packaging materials, such as cardboard, plastic, paper etc.</li><li><input type="checkbox"/> Encourage suppliers to minimise or reuse packaging and use packaging which can be recycled.</li><li><input type="checkbox"/> Avoid disposable goods, such as plastic cups or paper napkins and buy more durable alternatives.</li><li><input type="checkbox"/> Discuss food purchasing with your chefs to see if there are any areas where perishable food is over-ordered.</li><li><input type="checkbox"/> Only print when necessary and on both sides of paper.</li></ul>
<b>Reuse</b> Reusing products for the same purpose.	<ul style="list-style-type: none"><li><input type="checkbox"/> Maintain and repair appliances so they last longer and function efficiently.</li><li><input type="checkbox"/> Repair broken fixtures, fittings and furniture.</li><li><input type="checkbox"/> Reuse storage containers.</li><li><input type="checkbox"/> Buy products with recycled content like recycled paper or toilet roll.</li><li><input type="checkbox"/> Refill product containers wherever possible. For example, toner and printer cartridges and dispensers rather than miniature plastic bottles in guest room bathrooms.</li> <li><input type="checkbox"/> Donate old but still reusable items like old clothes/uniforms or furniture to a local charity or community group.</li><li><input type="checkbox"/> Donate reusable materials to local businesses who use them in the manufacture of their products.</li></ul>

## Recycle

Making something old into something new that can be used for the same or a different purpose.

- Find licensed waste contractors who'll collect and recycle materials such as glass, plastics, cardboard etc.
- Compost food or garden waste. Alternatively, install an onsite anaerobic digester.
- Donate food waste to your local farm, for use as a feed for livestock.
- Work with local businesses that may use recycled materials in the manufacture of their products.

It's important that we confirm that our waste contractor is licensed to carry waste and is able to provide you with the required paperwork, such as Waste Transfer Notes. This will allow both us and the local regulatory authorities to track where recycling is transported to. This is particularly important if hotel is based in an EU country (Reunion), where this is a requirement of the Waste Directive. If we don't have access to this type of facility in our country, it may be possible to work with other businesses or local authority to find an environmentally safe, alternative solution. However, we should always make sure that we're in compliance with the country's regulatory requirements regarding the transport and treatment of recycling materials.

## Ongoing monitoring, recording & communication

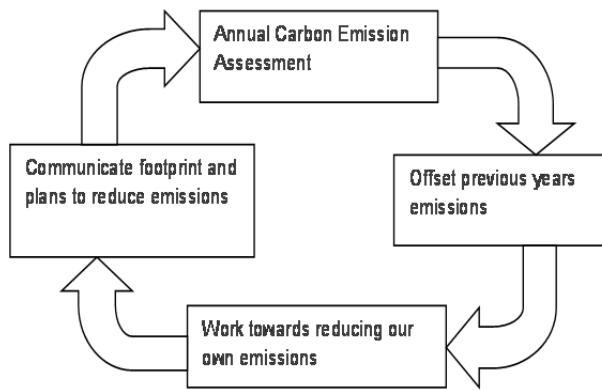
To monitor progress against waste minimisation objectives and targets, we begin recording waste. Over time, this will help measure performance against initial baseline, as well as identify trends relating to those parts of the month or year where waste is most or least produced. Waste recording is again documented in a report: Energy, Waste and Water report.

## Carbon Reduction & Offsetting

LUX\* has as objective to be a Carbon Neutral Group of resorts by offsetting 100% of the carbon emitted from its operations among the destinations Mauritius, Reunion, China, Turkey and Maldives. It has as aim to be lighter, brighter and greener. To cater for this, it has a

comprehensive environmental policy , which encloses all environmental responsibilities of the Group.

For further monitoring of energy consumption and hence reduction in carbon emission, a Carbon Management Plan (CMP) has been introduced. The CMP consists of actions to be taken by the resorts and Head Office and have as objective to reduce carbon emissions. The members of the Green Committee from each respective entity will be responsible to ensure that the actions are undertaken.



*LUX\* Carbon Management Process*

There is third party verification, which is carried out by the carbon management partner “Aera”.



*A Collective Commitment at LUX\**

## Recycling and Green Initiatives

The company is aware of the impacts of global warming and climate change on the different destinations and at a global level. It is hence involved in various environmental projects such

as:-, recycling of paper, cooking oil, plastics and waste waters and sea water desalination. It has also implemented a tree planting scheme destined to further compensate the amount of CO2 produced by the company's activities. In light of LUX\* commitment, the environmental policy, objective and program shall be periodically reviewed to ensure continual improvement through the group's Sustainability Committee actions. The policy has been made available to the guests and team members. The Group has embarked in a project called "Tread Lightly". Launched in August 2011, 'Tread Lightly', an amalgam of environmental protection projects, is one of the steps taken by LUX\* to participate in sustainable tourism development.



*Beach Cleaning by Team members from LUX\**

## **NGOs (Non-Government Organisations)**

LUX\* also financially supports NGOs like Mission Verte and Mauritian Wildlife Foundation in environmental projects. The company works in collaboration with GML Joseph Lagesse Foundation to assess the proposed projects before taking decisions for funding.

### **Biodiversity**

#### **THE MAURITIAN WILDLIFE FOUNDATION (MWF) ILE AUX AIGRETTES PROJECT**

LUX\* continues to focus its efforts in supporting the MWF on project Ile Aux Aigrettes which is home to the last remnants of an ecosystem once abundant in the coastal regions of Mauritius, but almost lost to us today. This coastal forest, rich in ebonies and other endemic species of

plants, birds and reptiles and once home of the Dodo, is facing a similar fate. By bringing its share of help, LUX\* participates in the protection of the species in danger.

## **THE WHALESHARK PROJECT**

LUX\* South Ari Atoll's Marine Biology Centre is providing its continuous support to protect the whale sharks in the South Ari Atoll Marine Protected Area.

# Stakeholders Engagement & Policy Advocacy

## OUR KEY RELATIONSHIPS

The identification of stakeholders was carried out in two stages. First, consultations with the senior leadership team of our hotels have helped to draw a list of all our stakeholders, the key ones being: guests, team members, shareholders (including senior managers), as well as the local communities and the local media. The stakeholders of LUX\*Resorts and Hotels were identified through two questions: (1) Is this group of stakeholders significantly influenced by LUX\* Resorts and Hotels' activities? and (2) Does this group of stakeholders have a significant influence on LUX\* Resorts and Hotels' activities?

An overview of our prime stakeholders, how we engage with them and the general nature of their expectations, is provided.

STAKEHOLDER GROUP	HOW WE ENGAGE WITH OUR STAKEHOLDERS	THEIR CONTRIBUTION TO VALUE CREATION	WHAT OUR STAKEHOLDERS EXPECT FROM US	WHAT CONCERN OUR STAKEHOLDERS	IMPACT ON STRATEGY AND OBJECTIVES
Team Members and management	<ul style="list-style-type: none"> <li>➤ Internal newsletters and posters, MOMENTS</li> <li>➤ CEO roadshows</li> <li>➤ Executive committees</li> <li>➤ Regular updates via email</li> <li>➤ Team Members surveys</li> <li>➤ Induction programs</li> <li>➤ On-going training and education</li> <li>➤ Performance management programs</li> </ul>	Team Members are the most important asset and form the foundation of our business by being productive and offering superb and unique guest experience for the success of our business.	Providing a safe, stimulating and rewarding work environment which offers opportunities for personal and career development.	<ul style="list-style-type: none"> <li>➤ Health and safety performance</li> <li>➤ Job security</li> <li>➤ Performance management</li> <li>➤ Decent Work &amp; Labour Practices</li> <li>➤ Equal Opportunity</li> <li>➤ Gender Equality</li> <li>➤ Ongoing training programmes and education</li> <li>➤ Open communication between Team Members and Management</li> <li>➤ Provision of competitive remuneration and benefits packages</li> </ul>	Put people first
Shareholders and investors	<ul style="list-style-type: none"> <li>➤ Regular presentations and roadshows</li> <li>➤ External newsletters</li> <li>➤ Integrated reports and financial statements</li> <li>➤ Media releases and published results</li> <li>➤ Annual General Meeting</li> <li>➤ Dedicated analyst</li> </ul>	Investors provide the financial capital necessary to sustain growth	Providing sustained returns on investment through sound risk management, strategic growth opportunities and good governance practices.	<ul style="list-style-type: none"> <li>➤ Delivering sustainable growth and returns</li> <li>➤ Dividends</li> <li>➤ Leadership and strategic direction</li> <li>➤ Corporate governance and ethics</li> <li>➤ Progress of projects</li> <li>➤ Capital expenditure plans for current and future periods ( risks and opportunities of</li> </ul>	Grow revenues, reduce cost and project development

	<p>and investor presentation</p> <ul style="list-style-type: none"> <li>➤ Lux* Resorts &amp; Hotels website</li> </ul>			<p>expansion)</p> <ul style="list-style-type: none"> <li>➤ Liquidity and gearing</li> </ul>	
Guests	<ul style="list-style-type: none"> <li>➤ Online and onsite satisfaction surveys (e.g TripAdvisor)</li> <li>➤ Reward programmes</li> <li>➤ Dedicated customer relationship managers and call centres</li> <li>➤ Active website, 24 hour chat and other social media channels</li> <li>➤ Personal, one-to-one interaction</li> </ul>	<p>Understanding the needs of our guests, their perceptions and behaviours helps us to deliver experiences relevant to them and leads to brand enhancement and driving of revenue.</p>	<p>Providing consistent quality experience which responds to their expectations and needs.</p>	<ul style="list-style-type: none"> <li>➤ Unique, consistent and quality experience</li> <li>➤ Simple and quick interaction with Team Members</li> <li>➤ Value offerings</li> <li>➤ Recognition for loyalty</li> <li>➤ Innovative products and services</li> </ul>	<p>Brand strength and optimal distribution</p>
Tour Operators & Travel Agents , Business Sources	<ul style="list-style-type: none"> <li>➤ Regular meetings</li> <li>➤ Participate in forums</li> <li>➤ Establish and maintain constructive relationships</li> </ul>	<p>Tour operators and travel agents are essential to the success of our business since they are at the forefront of attracting guests and generating revenue.</p>	<p>Providing exceptional service to guests and engage in favourable business deals.</p>	<ul style="list-style-type: none"> <li>➤ Satisfaction of guests</li> <li>➤ Favourable terms</li> <li>➤ Timely payment</li> </ul>	<p>Elevate the experience</p>
Local community	<ul style="list-style-type: none"> <li>➤ Events and sponsorships</li> <li>➤ Corporate social responsibility programmes</li> <li>➤ Donations</li> <li>➤ Media channels</li> </ul>	<p>Constant focus on the empowerment of the local community contributes to the long-term viability of our business.</p>	<p>Helping to provide a better environment by offering job opportunities, organising social events and sponsorships.</p>	<ul style="list-style-type: none"> <li>➤ Investment in disadvantaged communities (education, health, poverty and empowerment)</li> <li>➤ Employment opportunities</li> <li>➤ Sponsorships</li> </ul>	<p>Environmental sustainability</p>
Accredited Organisations, Legislations, Policies & Authorities	<ul style="list-style-type: none"> <li>➤ Establish and maintain constructive relationships</li> <li>➤ Comment on developments in legislation</li> <li>➤ Participate in forums</li> <li>➤ Regulatory surveillance, reporting and interaction</li> <li>➤ Membership of industry bodies (e.g MTPA)</li> </ul>	<p>Government and other regulatory bodies provide us with our licence to trade and the regulatory framework within which we operate (both at national and international level).</p>	<p>Providing incentive for community empowerment through job creation, compliance with laws and regulations and generate taxation revenue.</p>	<ul style="list-style-type: none"> <li>➤ Taxation revenue</li> <li>➤ Compliance with legislation and licence conditions</li> <li>➤ Job creation</li> <li>➤ Investment in public and tourism infrastructure</li> <li>➤ Investment in disadvantaged communities</li> <li>➤ Environmentally-friendly operations and reduction in energy and water consumption</li> </ul>	<p>Elevate the experience</p>

Suppliers	<ul style="list-style-type: none"> <li>➤ One-to-one meetings</li> <li>➤ Tender and procurement processes</li> <li>➤ Supplier forums</li> </ul>	<p>Suppliers are vital to the success of our business by enabling us to deliver consistent guest experience.</p>	<p>Providing a framework for transparent supplier selection and effecting payments in a timeous manner.</p>	<ul style="list-style-type: none"> <li>➤ Timely payment and favourable terms</li> <li>➤ Fair treatment</li> </ul>	Elevate the experience
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In addition to providing exceptional experiences to our customers, the group generates direct and indirect financial benefits for our stakeholders including:

- ✓ returns for our shareholders and funding institutions;
- ✓ substantial income tax, dividends taxes and Team Members' tax
- ✓ corporate social investment within the communities we serve;
- ✓ employment within the communities we serve;
- ✓ sustainable business for our national and local business partners and suppliers which creates wealth and additional employment; and
- ✓ Continuous investment to maintain and expand our portfolio of properties and win new management contracts.

# Human Rights Policy for LUX\*

LUX\* Resorts & Hotels is a hotel group with properties in Mauritius, the Maldives, China and Reunion Island. At LUX\* Resorts our Team Members are from all different nationalities, orientation, gender, religion and ethnicities.

LUX\* Resorts & Hotels acknowledges and respects the principles contained in the Universal Declaration of Human Rights. The LUX\* Resorts & Hotels Human Rights Policy reflects the commitment to conduct its business with these principles and to protect human rights within the company's sphere of influence. LUX\* Resorts & Hotels demonstrates global leadership in responsible workplace practices, and endeavours to conduct its business operations in a manner that is free from any complicity of human rights abuses. The commitment to the United Nations Global Compact and compliance to the Global Reporting Initiative are further evidence to this commitment.

Our Human Rights standards are built on international sources of law and are in line with the LUX\* Resorts & Hotels Code of Ethics and our Beliefs which are:

1. Consideration for People
2. Serving with Passion
3. Insistence on Integrity
4. Responsibility of Leadership
5. Entertaining with Creativity

## **Human Rights Principles**

The LUX\* Resorts & Hotels Group has adopted a series of Human Rights principles across all of its businesses

### **a) Freedom of Association**

LUX\* Resorts & Hotels in compliance with the Employment Relations Act 2008 (updated in 2013) and the principles contained within the Global Reporting Initiative Guidelines' endeavours wherever necessary to facilitate open and free dialogue between all levels of staff and management. Through the Team Member Committee, all team members are able to freely and openly discuss any and all concerns with a view to creating a happy and contented workforce.

### **b) No forced or compulsory labour**

True to our Code of Ethics, Values & Beliefs; LUX\* Resorts & Hotels has adopted human resource practices that do not support any kind of forced, bonded or compulsory labour. This would include any type of underage employment and illegal overtime that is either unpaid or without mutual consent. All employment is mutually agreed between Employer and Employee. On being employed by the group, Team Members shall be informed of their employment conditions in a written and understandable format with respect to the conditions of employment.

### **c) Protection of Indigenous rights**

In the countries in which LUX\* Resorts & Hotels has operations, where there exist groups of indigenous people and a sensitive history of human rights abuses; LUX\* Resorts & Hotels respects the rights, history and cultural inheritance of all Team Members and the communities in which it operates. LUX\* Resorts & Hotels endeavours to associate with suppliers and vendors who respect the same.

### **d) Equal Opportunity Employment**

The LUX\* Resorts & Hotels Policy on Equal Opportunity refers LUX\* Resorts & Hotels will take the following steps to implement the Policy as follows:

- a) The Policy is a priority for the organisation and the Chief Human Resource Officer will be responsible for the day-to-day operation of the Policy.
- b) The Policy will be communicated to all Team Members of LUX\* Resorts & Hotels and will be posted on the organisation's website for information to all Team Members and job applicants.
- c) All Team Members will be trained on the policy; on their rights and responsibilities under the Policy and how the Policy will affect the way they carry out their duties and also what constitutes acceptable and unacceptable conduct in the organisation.
- d) Managers and Team Members in key decision making areas will be trained on the negative effects that certain practices can have on employees and the importance of being able to justify decisions and to apply them.
- e) Complaints on any and all human rights abuses or infringements of the Policy in the course of employment will be fully investigated and appropriate disciplinary actions will be taken whenever deemed necessary.
- f) Requirements, conditions, provisions and practices will be regularly reviewed and revised with a view to eliminating any form of human rights abuses or infringements at work.

All Team members are responsible for familiarising themselves with this policy. Managers must also ensure that their team members know about and follow the Policy.

## **Quality and Resources**

Very often, specialists/experts are appointed as third party verifiers. For example, the service quality Guru, Mr. Ron Kaufman was appointed to bring his ideas in terms of Leadership and VPV training. There is a culture to go towards continuous improvement of level of service quality to satisfy both internal and external customers, through training, quality audits and coaching. The Quality Assurance department from each resorts is responsible for compiling all feedback from Guest Comment Cards (Ref copy of Guest Comment Card) and the report is shared with all Head of Departments (HODs) within the hotel and concerned executives at the Head Office. Weekly Memos are sent to all team members about where the company is and where it wants to be and how the team members can help to reach there. Every time that Top Management goes for a business trip, information is cascaded to all team members about the purpose and result of the business trip.

### **Ability to adapt**

There is constant communication between top management and the team members of each resort and department. It is to be noted that the CEO has a blog where any team member can post his comment or begin a conversation on the weekly topic mailed to everyone. The topics/subjects are always up to date. Thus the team members are encouraged to innovate and share their ideas and hence bring improvement wherever needed. Very often, team members are rewarded and given recognition for their commitment towards achieving the company's objectives. There are titles like "Team member of the month", "Department of the year", which help to further motivate the team members.

### **Ability to resolve conflicts**

To be able to efficiently handle problem-solving, the following tools are utilised:

- Deming Wheel of Improvement
- The 5 Why's
- 5WH (Why, When, Who, Where, What, How)
- Brainstorming - Meetings
- 8 Disciplines
- Fishbone (Cause and Effect Diagrams)

As it can be seen, top management makes use of the simple problem-solving tools which are very efficient, easy to understand and implement. The Group has the ability to resolve its conflicts internally due to good relationships and clearly defined roles and responsibilities. To be able to assess where the Group is standing, continuous market analysis is done to understand customer needs. Top management is always up to date with the market dynamics. Competitive analysis is made to assess the Group's position in the market. However, since the company wants to position itself differently, it works harder on how to achieve this objective.

### **Internal Communication Mechanisms**

The internal communications are done through emailing, Memos, Intranet (Figure 3) and posting of messages on blogs. Every week, Memo from the CEO is sent to all team members on what the company is doing in terms of markets, finance, human resource and operations. The Memo is also in a form of Blog where the readers (team members) of the Memo can give their feedback/point of view on what the Memo elaborates.

Each team member has his login credentials on the intranet which he uses to access the information he needs and can also participate in discussions/forums on the site.

### **Workforce & Development**

There were 3,023 Team Members during 2015- 2016. Continuous emphasis is put on diversity & equal opportunity. Five of the properties also work with recognised Trade Unions for collective bargaining. The Team Member Survey also showed progress compared to previous financial year. The ratio of remuneration remains 1:1 for Male and Female Team Members. The numbers of lost days due to injury has gone down by -15%. A Team Member survey is carried out every year. Investment in Talent Management is part of strategy. Investment in Training & Development is ongoing and Human Rights Training is ongoing.

### **HUMAN RIGHTS**

#### **+ 119% HRS OF TRAINING ON HUMAN RIGHTS**

With its constant commitment to ensuring respect for human rights, the company has increased given training to 1,574 hours as compared to 718 hours last year. The management believes that leadership is about empowering the Team Members.

## **HELPING PEOPLE CELEBRATE LIFE**

In line with its purpose Helping People Celebrate Life, various activities and events have been organised during the year to enhance a positive momentum. There were many team building activities and reward and recognitions. Games Tournaments and Competitions were also organised. Other events include Team Members kids party. To ensure well-being, a Professional Psychologist has also been appointed to support Team Members in their personal life.

### **Ensuring working hours comply with national or international law or benchmark industry standards, whichever affords employees the most protection**

During peak season, TMs will invariably work hard to fulfil the needs of guests. To ensure they're not working unreasonably long shifts, which may put their health and wellbeing at risk, we should demonstrate that we keep records of their working hours. In addition, it's important that we're familiar with the requirements of national or international law to ensure that we comply with legal requirements. We can also seek advice about the industry benchmark in the country, to guide your management approach.

As a general rule, we should ensure that TMs don't work more than 48 hours per week, with at least one day off in every seven, and regular breaks within their working day. This information should be recorded somewhere (for example, on timesheets) and reflected on TMs' payslips. Overtime should be voluntary and it's recommended that it doesn't exceed 12 hours per week. We may also want to offer flexible working arrangements and job sharing if we want to demonstrate exceptional employment practice.

## Key Performance Indicators

### Energy (MJ/RNS)

FY 13/14 - 532.00

FY 14/15 - 526.20

FY 15/16 - 381.24

### Reductions

- ✓ -28% against baseline
- ✓ -28% against Last Year, showing a decrease in energy intensity.

### Projects

- ✓ Low Energy Consumption Lighting
- ✓ Key Cards Control
- ✓ Energy Management System
- In the Pipeline – Renewable Energy Solutions

### Water (m3/RNS)

FY 13/14 - 3

FY 14/15 - 2.5

FY 15/16 - 1.6

### Reductions

- ✓ -47% against baseline
- ✓ -36% against Last Year, showing a decrease in water intensity.

### Projects

- ✓ Laundry Asterix
- ✓ In the Pipeline – Water Optimisation Device

### Wastewater (m3/RNS)

FY 13/14 - 1.01

FY 14/15 - 0.79

FY 15/16 - 0.98

### Reductions

- ✓ -22% against baseline
- ✓ -19% against Last Year

## Waste (kg/RNS)

FY 13/14 - 16.3  
FY 14/15 - 2.29  
FY 15/16 - 10.9

## Reductions

- ✓ -86% against baseline
- ✓ -79% against Last Year

## Projects

- ✓ Oil recycling
- ✓ In House Water Bottling to reduce plastic bottles
- ✓ Composting

## Guest Satisfaction Index

FY 13/14 - 88.9  
FY 14/15 - 91.2  
FY 15/16 - 91.7

## Performance

- ✓ +2.8% against baseline
- ✓ +0.5 % against Last Year

## Projects

- ✓ Up Your Service by Ron Kaufman
- ✓ LUX\* Innovation Challenge
- ✓ Continuous Growth & Development of Team
- ✓ Leadership Training
- ✓ Product Responsibility

## Carbon Emissions

### **SCOPE 1 & 2 (tCO2e/RNS)**

FY 13/14 - 33,045  
FY 14/15 - 14,924  
FY 15/16 - 18,624

## Reductions

- □-56% against baseline
- □-21% against Last Year

## **SCOPE 3 & TOTAL EMISSIONS:**

Total emissions are 58,652 tCO2e, while Scope 3 emissions amounted to 18,728 tCO2e

### **Offsets**

- ✓ 25,303tCO2e (16,692.2 tCO2e Last Year)
- ✓ 52% in offsets

### **Offsetting projects**

#### **The Sarako Photovoltaic Power Plant**

- the first ever Solar Farm in Mauritius. The 15.2 MW Sarako Photovoltaic Power Plant, in Eau Bonne, Bambous, offsets over 22,000 tons of CO2/ annum and supplies 35,000 people with green electricity. This is a truly innovative project for Mauritius and it is an honor for LUX\* to be part of such an endeavor.

#### **The Yunnan Mangli Hydropower Project**

- represents a CO2 offset of 113,000 tons/annum. The project offers direct support to the local economy and society by providing electricity and through job creation. Around 40,000 people now benefit from green electricity.

#### **The Appayyapeta Biomass Project in India**

- uses rice husk, ground nut shell, bagasse, juliflora and other agricultural waste to produce energy. This endeavor abates a total of 33,000 tons of CO2 per annum and contributes to closing the powerdeficit of the region, with an estimated 60,000 people being supplied with electricity.

#### **Other projects are:**

- Uganda Nile Basin Reforestation
- Humbo Ethiopia Assisted Natural Regeneration
- Bundled wind power project, Bangalore

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