This statement is made pursuant to section 54 of the UK Modern Slavery Act 2015. It sets out the steps TUI Group has taken to prevent acts of modern slavery and human trafficking from occurring in its business and supply chain up to and during the financial year ending 30 September 2016.

INTRODUCTION

TUI Group respects all internationally proclaimed human rights as specified in the International Bill of Human Rights and expects the same of our suppliers and business partners.

Modern slavery and its components of forced labour and human trafficking are of particular concern given their egregious nature and increasing prevalence. In this statement, we address how we seek to identify, mitigate, and prevent cases of modern slavery in our operations and our supply chain.

In accordance with applicable law, conventions and regulation TUI is committed to respecting human rights throughout its worldwide operations. We have a number of policies and initiatives in place to monitor, identify, mitigate and prevent human rights impacts in line with the UN Guiding Principles on Business and Human Rights, and will take remedial action where necessary.

In September 2014, TUI signed up to the UN Global Compact, committing the Group to 10 universally accepted principles in the areas of human rights, labour, environment and anti-corruption.

Moreover, TUI signed the UN World Tourism Organisation’s (UNWTO) Global Code of Ethics in 2012 – further underlining our commitment to respecting human rights.

About TUI Group and our supply chain

TUI Group is the world’s number one tourism business. The broad portfolio gathered under the Group umbrella consists of strong tour operators, 1,600 travel agencies and leading online portals, six airlines with around 150 aircraft, over 300 hotels with 214,000 beds, 14 cruise liners and a significant number of destination management companies in holiday destinations around the globe. This integrated offering enables us to provide our 20 million customers annually with an unforgettable holiday experience in 180 destinations.

In 2015/16 financial year the TUI Group with a headcount of 67,000 recorded turnover of €17.2 billion and an operating result of €1 billion. The TUI Group’s share is listed on the London Stock Exchange in the FTSE index and in the regulated market of the Frankfurter Stock Exchange. Our extensive supply chain covers thousands of suppliers in more than 90 countries. The biggest supplier category is our hotel partners, however our suppliers range from the manufacturers of aircraft and cruise ships, through to the laundry and other services provided to our hotels, to tourist guides and other services our customers use in destination.

A key feature of our corporate culture is our global responsibility for economic, environmental and social sustainability. This is reflected in more than 25 years of environmental reporting and engagement with sustainable tourism.

To find out more about the nature of our business, please click here.
The employee Code of Conduct commits us to respect and observe human rights. TUI Group employees are encouraged to report any wrongdoing to the ‘Speak Up’ Line. All employees wherever they are in the world have access to a confidential reporting channel which allows them to report concerns about illegal or unethical behaviour directly to a group function free from reprisal. Employees are specifically encouraged to report concerns about, among other things, potential human rights issues. Group Legal Compliance closely monitors the hotline and ensures ongoing employee awareness through e-mails, newsletter updates, websites, e-learning and posters in prominent areas.

Our Supplier Code of Conduct sets out the minimum standards that we expect from suppliers and their employees, sub-contractors, agents and subsidiaries when working on our behalf. Among other things the code includes guidance on human rights and labour laws, bribery and corruption, environmental impacts and support for local communities. TUI was the first major player in the Travel and Tourism sector to introduce supplier codes of conduct in order to mandate standards and stipulate requirements of third party business partners, ensuring their alignment to TUI’s expectations for responsible and ethical business practices.

The TUI Supplier Code of Conduct prohibits the use of forced and involuntary labour and requires that suppliers do not:

a. employ anyone against their will;

b. traffic in persons or use any form of slave, forced or bonded labour;

c. require workers to surrender any government-issued identification, passports, or work permits as a condition of employment; or

d. require workers to undergo excessive indebted labour: that is, where workers are required to pay a fee in connection with obtaining employment, expenses associated with recruitment, processing, or placement of both direct and contract workers, Suppliers shall be responsible for payment of fees and expenses in excess of an affordable portion of a worker’s salary (a guide being one month of the worker’s anticipated net wages).

The Code also provides detail on the following areas; general rights of workers, child labour, child protection from sexual exploitation, trafficking, anti-discrimination, working times and remuneration.

As part of a process of continuous improvement both codes are currently under revision to ensure better transparency and understanding amongst our employees and suppliers.

Our TUI tour operating businesses have incorporated environmental and social requirements into contracts for our biggest supplier group - accommodation partners - Sustainability Requirements for Accommodation Suppliers. We have reviewed these requirements to make sure that they adequately cover human rights, in particular forced labour and human trafficking. These requirements are also outlined in our agreements with contracted Destination Management Companies. We are currently in the process of adapting these requirements for other areas of our procurement.

We also require our hotel suppliers to implement credible sustainability 3rd party certifications recognised or approved by the Global Sustainable Tourism Council (GSTC). Travelife is the certification body we work most closely with and we were involved in developing new, stricter criteria, which launched in 2014. One of the revisions has been the inclusion of the principles of the Ethical Trading Base Code to strengthen the human rights components of the audit process, including modern slavery aspects. In the financial year 2015/16 6.3 million TUI holidaymakers (representing around 40% of our package holiday customers) stayed in certified hotels, with 1170 of our hotels now certified with schemes recognised or approved by the GSTC.
We conduct regular child protection training for all colleagues working for TUI Destination Services to ensure they understand child protection and how to react and proceed when an incident occurs. We are in the process of training specific groups of colleagues about human rights and modern slavery, such as holiday representatives and purchasers working in high risk destinations. All crew members of Thomson Airways participate in the Vulnerable Children & Trafficking Training during their inductions, where they learn about how to spot trafficking and what to do if identified so. TUI Group is planning to roll out this training to its other airlines.

What is more, for certain purchase categories several of our buyers undergo Chartered Institute of Procurement and Supply (CIPS) training, which includes key guidance on modern slavery issues in supply chains.

Sadly, child sexual exploitation has become associated with tourism in various parts of the world. We have a number of processes in place to ensure it does not happen in our operations, and those of our business partners. We are also taking a number of steps to support adolescents and young children who are at risk of trafficking and/or commercial sexual exploitation including:

- TUI Care Foundation, the corporate foundation of TUI Group, has worked on a project in Brazil and is initiating one in the Dominican Republic aiming to promote the social, economic and personal empowerment of adolescents and youths at risk of commercial sexual exploitation. We will continue to work together with the Foundation to identify and support projects, which protect and empower the young generation in key destinations.

- Our businesses actively support several child protection projects and campaigns, and in 2015 TUI Group and RIU were named as Top Members of the Code of Conduct for the Protection of Children from Sexual Exploitation in Travel & Tourism. In 2016, we joined the Board of the Code as chairperson. We also sit on the UNWTO Child Protection task force.

Performance measurement in preventing modern slavery

These performance indicators will assist us in assessing the effectiveness of the steps taken to ensure business and supply chain are slavery free:

- Number of customers staying in hotels with a GSTC certification*;
- Number of colleagues trained on human rights in tourism;
- Actions taken to strengthen our policies;
- Steps taken to initiate and strengthen supply chain management;
- Number of modern slavery cases reported and actions taken in response;
- Projects and partnerships initiated to uphold human rights in our destinations.

*Schemes approved and/or recognised by GSTC mandate the highest standards of human rights, child protection and social welfare in the tourism industry.