Sustainability Policy

Preamble

An important component of our passion for the Himalayas is our dedication to doing the right thing by the places we visit and the people who live there. We live here, and most of our team members come from the rural / mountain areas and their families still live there. So we have a very real and strong connection with the environment and the cultures of our region. We are keenly aware of our responsibility to do the right thing by the people whose places we visit, their diverse cultures and the precious environment that we all depend on.

Our sustainability policy and practices have been developed to identify, measure, avoid, reduce and mitigate the negative impacts of our activities and to encourage and support our clients and partners to do the same. Conversely we also aim to identify, measure and grow the positive impacts we have in the areas where we operate as well as at the level of global consumer demand for responsible travel products.

We are a small player but we know that we have a responsibility to contribute to building the demand for responsible travel experiences through educating travellers and agents, as well as supporting the supply of such experiences at the local level through education and with our partnership decisions.

Mission Statement

We provide responsible travel experiences and our extended team supports our guests to travel responsibly, using ethical business practices that respect people, the environment and the fair distribution of wealth.

Our Sustainability Policy

Himalayan Trails will ensure that we

- Integrate social, environmental and financial sustainability considerations into all our business decisions to minimize the negative impacts of our office and operational activities
- Adhere to the rules and regulations of the locations where we operate as well as the universal values of human rights and sustainable development principles
- Proactively and in an ongoing fashion
 - identify positive and negative impacts of our travel operations and realistic ways to measure such impacts
 - develop and implement practices to avoid, reduce and mitigate or offset negative impacts
 - develop and implement practices to upscale positive impacts and extend positive influences
- Monitor and review our Sustainability Policy and our practices regularly to inform revision where required and to support communication and education efforts

- Ensure that all members of our extended team understand our Sustainability Policy and are committed to implementing and improving it
- Ensure that our suppliers are aware of our sustainability commitments, and that we motivate and support them to follow sustainable management practices
- Ensure that our clients are aware of our sustainability commitments, and that we encourage and support them to follow responsible travel practices.

Sustainability Guidelines

- Our company respects and promotes human rights as described in the United Nations Declaration of Human Rights, and we require our suppliers and customers to do the same.
- Our company respects and promotes the principles of Sustainable
 Development and Responsible Travel, and we require our suppliers and
 customers to do the same. Our Supplier Codes of Conduct describes our
 expectations of partners and suppliers please see our Accommodation,
 Transport, Excursions, Procurement policies which are meant to be read with
 and form part of our Sustainability Policy.
- Our company respects national labour standards and we offer above standard conditions to our team and partners in line with international expectations and ethical trade principles. Our Human Resource policy describes our internal employment standards in detail, including our specific requirements regarding trekking staff eg porters
- Our company proactively identifies our potential impacts on people, local
 cultures, the environment and local economies. We continue to develop
 methods to measure actual impacts and practices to avoid negative impacts.
 Where avoidance is not possible, we find ways to minimize these impacts and
 mitigate or offset them. Our 'Caring for our Environment' and 'Caring for
 Culture' policies (below) describe our practices in this regard and are
 complemented by our HR policy and our ethical business practices.
- Our company is committed to ethical business, applying high standards of honesty and integrity consistently across our operations. We operate according to our corporate values and are committed to preventing corruption and bribery in all its forms and do not tolerate it in our business or in those with whom we do business. We have a Corporate Values Statement (below) that specifies our values and the way we operate.

Review and Controls

The adherence to this policy will be monitored through;

- External review Customer/passenger feedback (specifically their Responsible Travel rating and overall comments)
- Internal review Staff engagement survey how our staff perceive us to be performing against this policy.
- Sustainability Coordinator (see below) is charged with compiling this information b-annually and for alerting the team to any urgent issue immediately on becoming aware of it eg via feedback from any forum

Sustainability Coordinator

The company has an appointed Sustainability Coordinator, who actively oversees the implementation of this policy and the action plan, and regularly communicates with colleagues and management on the effect of the implemented policies and actions, the status of the objectives and formulates recommendations for next steps.

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Task description

- Review and control policy implementation and improvements;
- Ensure a general understanding of sustainability and our company policy among all staff;
- Oversee our company action plan and gain input and support from colleagues for its implementation;
- Improve sustainability of product offerings and supply chain;
- Report regularly (at least twice a year) on sustainability progress and challenges within the company to the management.;
- Coordinate external reporting and certification (eg Travelife)

Caring for our Environment

We contribute to the preservation of natural and built environments in the locations in which we operate through validation of their unique values (including economic value) and we proactively reduce the negative impacts that our operations may have on the environment.

We do this by proactively minimising the use of resources (energy, water, waste), and reduce our carbon emissions in our offices and on our trips. A highly detailed progressive audit table (available on request) has been developed to summarise and track the impact of everything we do (as far as reasonable) with summary points below.

Office

- Use renewable energy where possible; minimize energy use through conservation measures e.g. replacing desktop computers with laptops, energy saving light bulbs (CFL / LED) across the whole office and only switch on lights when really necessary
- Ensuring better waste management through the avoid, reuse, reduce, recycle principles; leveraging office culture; ongoing audit to identify and minimize waste
- Unavoidable waste is taken by private waste collecting company K.P Cleaning Service P. Ltd. They will separate the waste based on its nature before they handover it to the Central Waste Management System of the government

- o Organic waste from the office is composted for a local vegetable garden
- Paper culture to reduce printing aim for no print office; use Lokta(local recycled) paper wherever possible
- Implementing water saving initiatives to reduce consumption build on existing awareness and staff culture to avoid water wastage e.g. use the big 20l jars for the drinking purpose with enough cups and glasses; install dual flush toilets where possible (or put brick into large cisterns in rented bathrooms)
- Adopting better purchasing practices eg. By sourcing products with postconsumer recycled content

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Trips

- Use local transport where safe, reliable and feasible
- o If not, use private locally owned transport
- Ensure supplier vehicles are well maintained and do not use contaminated fuel thereby contributing to excess pollution
- o Encourage staff and passengers to minimise their waste and water usage
- Encourage our suppliers to adopt more sustainable practices and where possible partner with suppliers who already have greener practices in place
- Preference local eateries using locally available ingredients (limiting food miles)
- Preference shopping at local markets offering local and fair trade produce, items, souvenirs etc. and educate clients about this issue
- To contribute to preserving the natural and built attractions in destinations, we visit we:
 - o Ensure our actions do not contaminate local water supplies
 - Observe all visitor rules where these apply, eg national parks or significant religious or cultural sites. Where no rules are specified or where they are not to our standard, our standards apply
 - Require staff to adhere to a no rubbish policy and to support our guests to do the same
 - Manage intrusive behaviour such as photography and keep noise to a minimum at culturally significant sites
 - Undertake continuous education of guides and travellers to identify and prevent potential actions that may damage sites or destinations visited – eg touching fragile carvings or images, walking off the trails, potential contribution to deforestation / pollution from preparation of tourist meals and/or 'amenity' fires, etc

Caring for Culture

We are committed to supporting the preservation of local cultures through public acknowledgement and validation of their unique values as well as economic support to communities through fair trade which enables local cultures to generate income without having to change.

We do the following and expect and support out suppliers to do the same:

- Employ predominantly local staff and empower them to proudly share their unique culture (Nepal is very diverse!) with the wider team and guests
- Design trips to feature local suppliers and preference suppliers who directly benefit the local community such as social enterprises, local fair trade arts and crafts organisations and community cooperatives
- Purchase sustainable and locally produced goods and services rather than imported products wherever possible
- We preference support via ethical economic exchange (empowering, respectful and sustainable in line with our ethical business values) over charity, although we do have charitable work that we undertake in key communities. For these we undertake works only at the request of local communities themselves, such as schools with significant local contribution and with ongoing support as appropriate to ensure continuity/sustainable outcomes. Ultimately though we prefer to guarantee a purchase of a locally produced product or service to provide sustainable income that validates and supports the local culture.

Other specific standards we expect from our staff and request from our clients, partners and suppliers:

- Respecting local cultures including their etiquette and customs, as well as their religious places and practices
- Support understanding of the local way of life and support respectful interaction, with emphasis on the visitors' chance to learn valuable knowledge rather than take great photographs
- Asking permission before photographing and respect right to refuse
- Emphasising and requiring appropriate dress standards
- Requiring respectful and appropriate portrayal of destinations and cultures in marketing and communications

<u>Integration</u>

Policies which are to be read with and form part of the Sustainability policy:

- Accommodation
- Transportation
- Excursions
- Procurement
- Employee Manual

This policy is integrated into the strategic and operational levels of the organisation, including communication with clients and suppliers. Documents included below are informed by and inform this policy.

Our Corporate objectives and values

Corporate Objectives:

Operate a sustainable business

- sustainable financial management to ensure reliable and ongoing employment for our staff and supliers, which in turn provides stimulation for the wider economy
- financial success is not achieved at the cost of social, cultural or environmental considerations but through promoting and safeguarding the intrinsic value of Nepal's diverse cultures and unique environment
- to achieve this objective HT undertakes the following activities
 - marketing and sales
 - product development
 - operations
 - financial management
 - human resource management
 - legal compliance
 - CSR activities
- Grow the overall tourism market in Nepal (rather than increasing our share of the existing market) through marketing into new source markets and developing new products for existing markets
- Use tourism to contribute to Nepal's development
 - Be a model for sustainable business by successfully implementing ethical and fair business practices, thereby contributing to the growth of sustainable business practices in the local business environment
 - Educate local industry and end consumers about responsible tourism (supply and demand)
 - o Contribute a percentage of annual profit to specific CSR projects

Himalayan Trails values:

- we take great personal pride in our work
- we are 'self starters' and we work til the job is done
- we are flexible we work ridiculous hours when necessary and we feel good about taking it easy when everything is under control
- top quality service delivery is of primary importance
- we deliver what we promise there is no excuse to hide behind, we simply have to deliver on what we said we would do ... one way or another
- we are innovative if we can't do something one way, then we come up with alternatives
- what we do creates jobs and / or supports existing local jobs and businesses
- what we do promotes Nepal, with respect for the diverse cultures and unique environment
- what we do models pride in Nepal and contributes to maintaining a 'viable space' for the Nepali way, now and in the future, in business and in daily life
- authenticity, integrity, honesty with us "what you see is what you get"

Sustainability exerpt from our strategic marketing plan:

PLANET

Our corporate goals are very much about sustainability – business viability to ensure sustainable contribution to the economy without adverse impacts on culture and the environment. We aim to improve awareness of culture and environmental issues so that our business has a positive impact rather than the more passive 'no harm' approach.

Social focus

Our CSR social activities include partnering with remote and disadvantaged communities to build community infrastructure such as schools, bridges, water supplies. A lot of this has been done on the basis of request and when we can allocate funds.

Over time we have communicated to our guests (they sometimes request to donate to a specific cause) that we are prioritising our contributions to the highly disadvantaged 'Chepang' communities of the middle hills. We do not provide cash or handouts, we plan with the community about what is important to them and then work out how we can team up. We can bring materials and tools not available locally and the village can supply labour and local materials. In this way works are more sustainable as the construction and maintenance skills (and ownership) remain in the villages and we do not get into the 'saviour' mentality.

This relationship builds on previous work and the relationships established by the owner of Himalayan Trails through his trekking company over the last 20 years or so. Himalayan Trails (in its current company form) has now worked with Chepang communities since 2006 to

- build schools and support their operation until the government takes them over (after 3 years of continuous operation)
- access the government resources that are allocated to them but not delivered mentoring and capacity development
- build facilities that they have identified they can secure support for from the government – including water supply for 1 village and school and toilets for the school – health and sanitation outcomes, supporting education and health aspirations of the village
- generate cash income as preferred 'labour' for treks where possible we employ
 members of the Chepang community, initially as porters but will provide training
 and support to advance if interest is shown cash income is highly enabling as it
 means they can realise some of their aspirations themselves without relying
 on/partnering with anyone
- generate a small but consistent cash income via our guest gift program all
 guests are given a handmade gift of a traditional wooden jar, made in miniature
 size in a Chepang village, bringing valuable cash into the village, see above
 comment about income
- income generation and awareness raising to support the environment we pay
 more for the wooden jars which use tiny amounts of wood compared with the
 full size jars they sell locally which require whole trees to be cut down. This
 means that lesser use of wood has a higher value and whole trees are more
 'valuable' for their branches than the trunks. This community relies on the forest

for food and material so deforestation is a critical issue for them. This is not solving all the problems, but it is helping in a small but real way. It should be viewed in combination with the education and health efforts requested by the communities and the benefits of direct employment, which is dependant on trekking and hence is sporadic.

Environmental:

Our CSR work has to date achieved more on a social level than we have achieved on an environmental level, where we are still operating at 'do no harm' level. We do our utmost to ensure that we do no harm through our travel activities and we actively promote environmental considerations.

- we provide training to our trek leaders and guides
- a no-excuses policy we ensure our teams know our standard and that not meeting the standard means no more employment with us
- we try to raise awareness in our suppliers, as appropriate. We do use buses and cars and planes so we cannot claim to be green, but we do give preference to 'greener' businesses where available. This is all very early in the process in Nepal so we cannot claim to be making a big difference in this field yet, but we are trying and it will gather momentum. We want to be at the forefront of change on this issue and actively promote (and deliver) sustainable travel.
- We are engaged in the Travel life program

Focus on modelling ethical and sustainable business

Ethical and fair business practices – shown in simple things such as

- we are 'good customers' in that we pay on time, rather than drawing out payment (which is the norm in the local operating environment). This in turn gives us priority treatment and allows us to get bookings/services which might otherwise be unavailable. So it's good for us as well as our suppliers.
- we value longer term relationships rather than chasing price at every transaction (though we do randomly check to make sure we being treated fairly). We value quality and reliability and are prepared to pay fairly for this, also taking into consideration the value of our volume of business. We believe there must be something in it for everyone and as a result we have good relationships in the local operating environment

Other more specific example include:

Fair labour practices

- We pay higher than market standard for all staff and crew and ensure they are insured to the full amount possible here, as well as covering their accommodation, food, transport and equipment/special clothing (where required) to ensure their wellbeing and safety.
- We have all our permanent staff on profit share which is highly unusual in Nepal.

• We are not large enough yet to unionise our office (Nepal has a minimum staff number to form a union), but the option is there as we grow.

An excerpt from our pre-travel dossier to clients

...5. TRAVEL TIPS.

Do dress appropriately. Not only for the prevailing weather, but also not to cause offence. Please see the 'what to bring/clothing' section in this dossier.

Don't wear anything made of leather into a Hindu temple. Be sure to take off your shoes before entering a temple or someone's house. Be sure to cover your arms and legs in a temple as Nepal has some of the most important Hindu and Buddhist shrines anywhere!

Do walk around stupas clockwise, so that the outer walls are always on your right. If you encounter a stone wall covered with Tibetan inscriptions, do the same.

Do not step over other people's feet or any other part of their body. Don't sit with your feet pointing at someone, especially toward a monk or lama - both practices are considered insulting. If you touch someone with your foot make sure you say sorry as it's quite offensive.

Do not offer food to a Nepalese person after having tasted it yourself as it is then considered impure. Only offer food that has not been tasted or tried, or is still 'pure'.

Do not use your left hand for eating, handling food or shaking hands, as it's traditionally used when going to the toilet. For the same reason, always present or accept items with your right hand only.

Do be aware that cows are sacred in Nepal, as they are in India, and are allowed to wander about freely and are not eaten!

Do ask permission before taking photos in temples and of people and respect their right to say no. If you have a digital camera why not show the subject their photo — this way you can share and engage with them, after all why shouldn't they get to enjoy the photo too? By sharing the photo you get to share an experience, make a connection and the subject of your photo will not feel devalued.

Begging. We recommend that you don't give to children who ask for money or food. Although it is challenging and you may feel guilty if you don't, please remember that successful begging can lead to children ending up on the streets. For genuine streetkids, who are already on the street, it reduces the ability of refuge programs to get them OFF the street. Instead of becoming part of the problem we encourage you to find a trustworthy refuge or orphanage and support their efforts to provide these kids with a future.

Do carry some tissues/loo paper in your daypack or on long excursions from your base hotel. Many toilets, even the western style ones, don't have toilet paper. You will see the bucket of water and dipper which is the prevalent method! If you use toilet paper it's best to put it in the bin provided rather than flushing it down the toilet, as it will clog the plumbing; not nice!

Never lose your temper in public or when bargaining for a purchase. This is considered a serious embarrassment for both parties.

Do take along a flashlight (preferably a head torch), even if you're not planning to trek. Power outages are quite frequent in the Kathmandu Valley.

Please note: These tips are meant to help you have a great trip to Nepal, but don't get too worried if you forget – Nepali people generally are very appreciative if they see you trying to abide by the customs, and very forgiving if you get it wrong or forget. Similarly it's good to remember that some things you see may offend or disgust you – eg animal sacrifices or spitting on the street – and be prepared to be as tolerant toward Nepali people as they are to you.

If you have any other questions or concerns about your visit to Nepal, please don't hesitate to get in touch with us! You can also find more information on the travel tips and FAQs sections of our website:

http://www.himalayan-trails.com/thing-to-know http://www.himalayan-trails.com/faqs