

Responsible Travel Report 2014

Since our modest beginnings in 1994, we at Buffalo Tours hold responsible travel as a core commitment. As we have grown, so too has the commitment to work responsibly with our host communities, local governments and suppliers. In 2014, we announced an updated and strengthened Buffalo Tours responsible tourism policy. The new responsible tourism policy highlights three areas; poverty, environment and society.

We believe our responsible values define the way we work and perform as a business. We want to be a trusted and respected company by our customers, shareholders, business partners, governments and communities. As such we aim to achieve a high performance in all aspects of our business. Equally we aim to encourage similar high performance with all suppliers and community partners.

This report will highlight how Buffalo Tours embraces and applies each component of the policy with pride.

Buffalo Tours fights back on Corruption

Following the leadership of our parent corporate group TMG, Buffalo Tours is committed to ethical business practices ensuring transparency in all financial transactions. In 2014 established TMG code of business conduct which states

Bribery and improper payment

TMG will not condone, under any conditions, the ordering or receiving of bribes or any other form of improper payments, including what are known as 'facilitating payments'. Even the appearance of a breach of anti-bribery or anti-corruption laws could do significant damage to TMG's reputation

This is the start of our Responsible Travel work. Corruption undermines community development, good governance and environmental protection. To ensure our business is sustainable we will always take a strong stand against corruption.

Buffalo Tours joins Travelife

In October 2014 Buffalo Tours joined the Travelife Partnership Programme. The goal is to document and quantify Buffalo Tours responsible tourism activities in all aspects of our business. Travelife was identified as an ideal partner as it assists tour operators and destination management companies to manage and improve economic, environmental and social impacts of travel by complying with a wide range of sustainability criteria. This is potentially the highest international sustainability certification available.



There are 191 Travelife Partnership criteria: 43 obligatory and 148 voluntary within 10 main themes. In 2014 58% of compulsory criteria achieved. Further all 191 Travelife criterion have been reviewed. In brief:

68 criteria (**36**%) achieved due to ISO 9001:2008 and Buffalo Tours Responsible Travel Policy.

25 obligatory criteria (58%) achieved.

43 voluntary criteria (29%) achieved.



In December 2014 a baseline assessment was completed highlighting Buffalo Tours responsible travel strengths and weaknesses. This is not an easy process as it requires an honest appraisal of what we are doing well, and more importantly, what we need to do better.

Strength Internal Management (Social Policy and Human Rights)

Tour Leaders, Local Representatives and Guides

Moderate Sustainability Management and Legal Compliance Destinations

Customer Communication and Protection

Weakness Internal Management (environment and community relations)

Partner Agencies

Transport

Accommodations

Excursions and Activities

The baseline assessment has been used to identify actions required to strengthen all management and implementation of Buffalo Tours Responsible Travel Policy. In the first part of 2015 these will include:

Human Resource & Administration

Internal Environmental Policy & Guidelines:

Establish management system to measure, monitor and target reduced consumption of i) water ii) energy; iii) disposable consumer goods (ex. paper, plastic water bottles...).

Sustainable Purchasing Policy & Guidelines:

Establish management system to measure, monitor and encourage purchase of sustainable office products, (ex. organic, fair-trade, compostable, biodegradable, chlorine-free, recycled, low energy).

Product Development

Animal and Wildlife Policy & Guidelines:

Establish management system to evaluate products and monitor operations to ensure excursions involving animals and captive wildlife (elephants, tigers, bears, tarantula, etc) are compliant with local, national and international laws, best practices and codes of conduct.

Meaning Excursions Policy & Guidelines:

Establish management system to evaluate products and monitor operations to ensure excursions in environmentally or culturally sensitive destinations have adequate guidelines/training in place to minimise negative visitor impact.

Product Development Policy & Guidelines:

Establish selection criteria for sustainability aspects in the process of new product design (e.g. transfer distance, types of accommodations available, waste management infrastructure, community participation, etc.)

Marketing

Promotional Materials Policy & Guidelines:

Establish management system to inventory promotional materials stock for efficient use and prevent over-printing and wastage.

Printing and Purchasing Policy & Guidelines:

Establish management system to ensure paper for marketing purposes is produced from recycled and chlorine-free stock, and printing suppliers are certified ISO 14001, EMAS, etc.

Promote Sustainable Partners:

Establish management system to promote suppliers engaged in responsible tourism practices.

Marketing Research:

Establish management system to ensure responsible tourism practices is an integral part of the research into client satisfaction

Sale & Reservation

Responsible Travel Sales Policy & Guidelines:

Establish management system to encourage and monitor sales of responsible travel options (accommodations, low carbon emission vehicle, public transport, meaningful excursions, etc).



Pre-departure Policy & Guidelines:

Establish management system to monitor if clients receive guidelines / code of conducts about any responsible tourism issues of the destination (any form of exploitation, wildlife, cultural sensitivity, etc.)

Operations

<u>Guide and Leader Responsible Travel Policy &</u> Guidelines:

Establish management system to monitor all tour leaders and guides receive training on Buffalo Tours responsible tourism policy and apply for all excursions and destinations.

Transport Policy & Guidelines:

Establish management system to monitor fuel consumption, and rate most efficient transportation options for all excursions and destinations.

Driver Policy & Guidelines:

Establish management system to monitor all drivers receive training on fuel efficient driving techniques and apply for all excursions and destinations.

Purchasing

Supplier Contract Sustainability Clauses:

Establish management system to encourage and monitor sustainability issues in contracts with suppliers (child labour, sex trade, waste management, protection of biodiversity, etc).

Accommodation Policy & Guidelines:

Establish management system to encourage and monitor sustainability issues through inspections of contracted accommodations.

Buffalo Tours & Community Development



Buffalo Tours is proud of the results of our educational travel team (ETA). ETA is a dedicated team of educators, development specialists and travel experts in Vietnam, Cambodia, Laos and Thailand. ETA is mandated to create beneficial products and projects in every country Buffalo operates through project management services, job creation, homestays, community micro credit funds, community health promotion and Buffalo Schools.

ETA's 2014 direct financial contributions to communities, supported by **939** clients, traveling in four countries totalled **\$162,395 USD**



Community Development Projects



ETA provides professional project management services that allow our clients to effectively contribute to the economic and social development of communities they visit. Project management services are conducted free-of-charge as part of Buffalo Tours contribution to community development. In this way we ensure that 100% of client donations go directly to the project. There are no management or administrative fees.

Projects are a limited activity to achieve a specific goal within a specified time frame – ex. building a school, village infrastructure, providing professional services. In 2014 ETA successfully managed **22** projects, totalled **\$110,293 USD**.



Community Development Project Donations \$110,293 USD

| | Ψ110,230 GGD |
|----------------------------------|--------------|
| Chan Sar, Cambodia | |
| Chansar Library project | \$8,475 USD |
| Knapor Library project | \$8,000 USD |
| Seuang River, Lao PDR | |
| Renovation 2 classrooms of | |
| Pakxeng high school | \$6,602 USD |
| Renovation 1 classroom of | |
| Pakkeng high school | \$4,299 USD |
| Houay Pho Community Meeting Hal | \$2,774 USD |
| Sop Jak High School Dormitory | \$3,010 USD |
| 3 Community Health Projects | \$6,950 USD |
| Om Goi, Thailand | |
| Tung Loi Community Water Supply | \$2,000 USD |
| Maeramit Community Water Supply | \$10,920 USD |
| Maeramit Community Sanitation | \$2,130 USD |
| 1 Community Health Projects | \$1,800 USD |
| Mai Chau, Vietnam | |
| Bao Kindergarten Construction | \$11,000 USD |
| Ba Vi Centre Toilet | \$1,200 USD |
| Ba Vi Centre Renovations | \$1,400 USD |
| Chau Doc Drainage Project | \$1,800 USD |
| Pung Kindergarten Construction | \$9,100 USD |
| Na Chao Kindergarten and | |
| Elementary School | \$9,170 USD |
| Vinh Long Housing Project I & II | \$7,504 USD |
| 2 Community Health Projects | \$12,159 USD |
| | |





Job Creation



ETA works long term with our community partners to develop sustainable community-based educational tourism products. This includes developing aspects of local culture and unique characteristics into jobs for the local people. We view this as the most fundamental opportunity that a for-profit company can do for long term poverty alleviation. We create sustainable, well paid employment in rural communities that protect local environments, enhance traditional cultures, and instil community pride through self-reliance.

In 2014 ETA successfully created **2,951** working days at an approximate average daily rate of **\$10.76 USD** (varies due to local currency) for a total amount of wages paid **\$31,760 USD**.



Community Employment (direct to villagers) \$31,760 USD

| Chan Sar, Cambodia | |
|---------------------------------------|-------------|
| Village cooks | \$1,600 USD |
| Assistant village cooks | \$1,085 USD |
| Village performances | \$295 USD |
| Village broom making classes | \$144 USD |
| Village cooking classes | \$225 USD |
| Village ox cart rides | \$800 USD |
| Local temple blessings | \$200 USD |
| Traditional dances | \$360 USD |
| Support for local school teachers | \$370 USD |
| Chan Sar Buffalo School teacher | \$900 USD |
| Kien Sangker Nursery School teacher | \$900 USD |
| Seuang River, Lao PDR | , |
| Village cooks | \$1,415 USD |
| Assistant village cooks | \$930 USD |
| Village guides | \$784 USD |
| Village Trek Porter | \$23 USD |
| Village boats for river crossings | \$56 USD |
| Village cooking classes | \$1,114 USD |
| Village weaving classes | \$143 USD |
| Village basketry classes | \$305 USD |
| Local materials for classes | \$2,407 USD |
| Basci blessing ceremonies | \$650 USD |
| Bamboo rafting | \$2,100 USD |
| Traditional boat racing | \$350 USD |
| Traditional hut building | \$475 USD |
| Traditional dances | \$1,138 USD |
| Support for local school teachers | \$75 USD |
| Support for local health care workers | \$2,825 USD |
| Om Goi, Thailand | |
| Village guides | \$300 USD |
| Village Teacher + Material | |
| for community activities | \$1,200 USD |
| Village supply truck | \$1,200 USD |
| Local Performance Dancer | \$1,105 USD |
| Assistant village cooks | \$640 USD |
| Mai Chau, Vietnam | |
| Village cooks | \$1,836 USD |
| Village supply motorcycle | \$2,115 USD |
| Bamboo rafting | \$108 USD |
| Village cooking classes | \$614 USD |
| Village embroidery classes | \$171 USD |
| Village dance classes | \$471 USD |
| Village basketry classes | \$171 USD |
| Village guides | \$162 USD |





Homestay

Another aspect of ETA commitment to long term sustainable community-based educational tourism products are homestays. Once again this creates sustainable, well paid employment in rural communities and instil community pride through self-reliance.

In 2014 ETA successfully created **3,697** homestay nights for a total amount of accommodation fees paid **\$13,309 USD.**

Community Homestays (direct to villagers)

| | \$13,309 USD |
|-----------------------|--------------|
| Chan Sar, Cambodia | \$1,806 USD |
| Seuang River, Lao PDR | \$5,899 USD |
| Om Goi, Thailand | \$1,845 USD |
| Mai Chau, Vietnam | \$3,759 USD |

Village Funds

ETA work to ensure equitable distribution of income throughout a community by providing opportunity for all to participate. Unfortunately, this is not always possible. For example, not every household is able to afford a toilet and bathing area required to provide homestay. To ensure equity in distribution of benefits every guest at one of our communities provides a daily contribution to a community micro credit fund. These funds are managed and administered by the communities for agreed upon improvements. These include road repairs, community health and improving facilities for their guests.

In 2014 ETA successfully created **3,668** days of village fund contribution for a total of **\$7,034 USD**.

| Village Fund Contributions | \$7,034 USD |
|----------------------------|-------------|
| Chan Sar, Cambodia | \$1,446 USD |
| Seuang River, Lao PDR | \$4,418 USD |
| Om Goi, Thailand | \$906 USD |
| Mai Chau, Vietnam | \$264 USD |
| (started late 2014) | |



Community Health Promotion



Health is a critical factor in poverty alleviation. Poor health can quickly lead to poverty. Health and wellness can lead to prosperity.

ETA works with partner agencies, universities and local health authorities to provide clinical placements for medical and nursing students and professionals to remote, hard to access villages. Mobile clinics are conducted to control, protect and promote health through check-ups, vaccinations and health education. Our clients work in the clinics to treat any and all ailments under supervision of the local health care practitioners.

The main tasks include:

Basic Health Checks and primary healthcare provision Skills exchange with health care workers through the course of your working day

Health education (sanitation, diet and nutrition, dental hygiene etc to community and schools

Women's workshops focusing on ante and post natal care

In 2014 ETA successfully managed 6 community health placements, in 60 communities and serving more 6,000 patients.

Buffalo Schools

"Our dream is that our children can have access to education that we did not. We want them to become a doctor or teacher. If they become educated they do not need to go to work in Thailand"

The above comment was from parents in Chan Sar and Knapor communities, Cambodia, in a needs analysis meeting conducted April 30, 2014. 75 representatives from 8 villages participated together with local authority, police and teachers. Base on survey questionnaires and discussions, improved education was identified as the community's highest priority.

The community depends on farming and fishing. They are classified as one of the most disadvantaged in Cambodia with income approximately USD 15 – 30/month. 80% of population are living in poverty and 45 % living extreme poverty.





Students in Cambodia go to school half the day due to overcrowding and shortages of teachers. Children from more affluent urban families will also attend supplemental schools to ensure they pass the difficult exams to enter junior and senior high school. Rural families do not have the same options, thus education achievement is lower and continues the cycle of poverty.

In response ETA has opened Buffalo School to provide supplemental lessons, free of charge, to children of 9 villages from over 1,138 families. Taught by qualified local teachers in evenings, ETA pays additional salary with two objectives. First, it helps keep good teachers in the rural community. Teachers can make more in the city. If they leave the villages the village children loose. Second, it provides improved education opportunity.

Buffalo Schools are still in their infancy, but with the help of our partners, we hope to improve and expand this programme to other countries.





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