




WILDERNESS
HOLDINGS

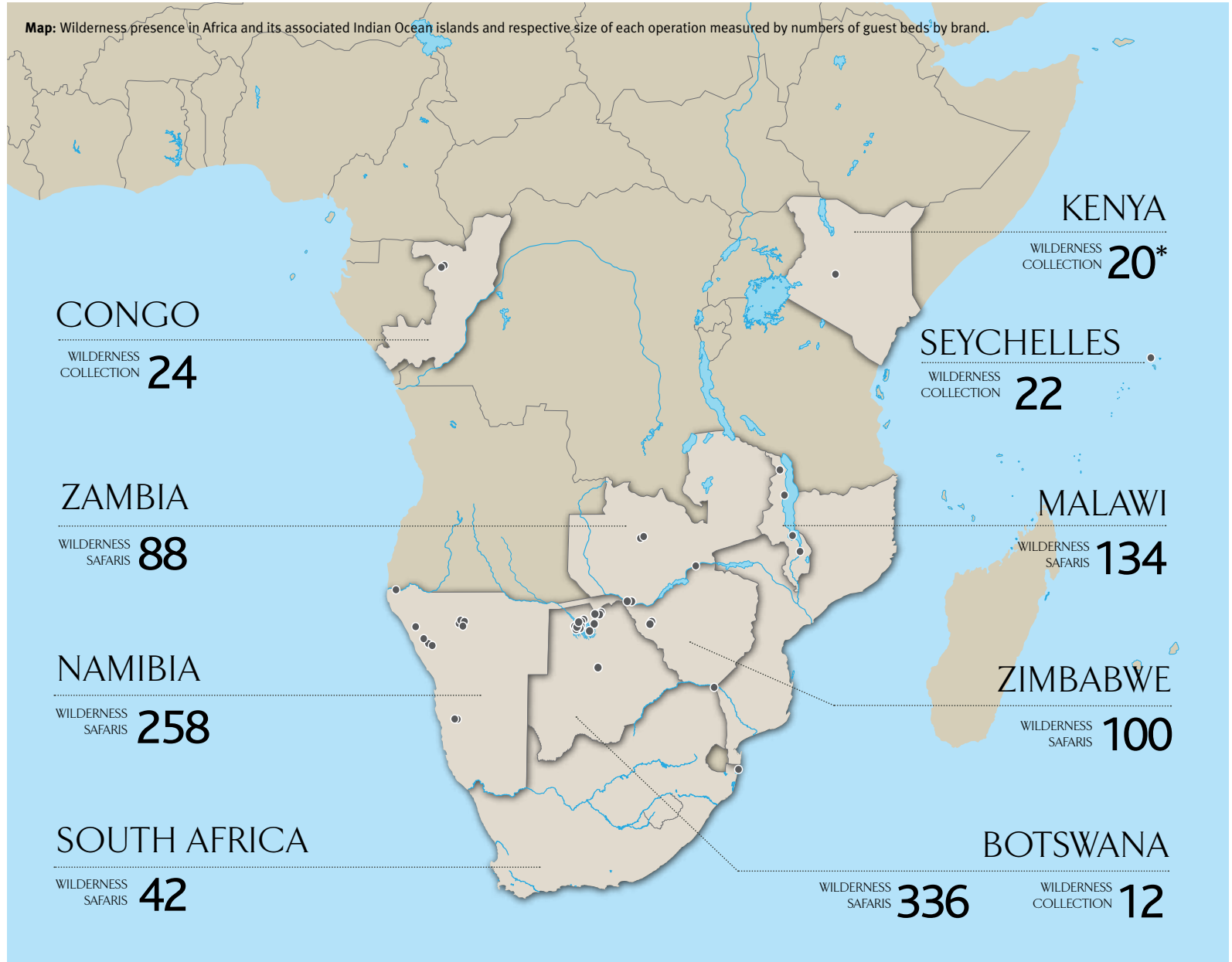
SUSTAINABILITY REVIEW 2014


WILDERNESS
SAFARIS


WILDERNESS
COLLECTION


WILDERNESS
AIR

OUR FOOTPRINT







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WILDERNESS VISION

To be **Africa's leading ecotourism organisation**, creating **life-changing journeys** in order to build **sustainable conservation economies** and **inspire positive action**.

WILDERNESS BLUEPRINT

<p>COMMERCE We create life-changing wilderness journeys for our guests and clients, and work closely with our Government partners, conservation and community stakeholders and shareholders, to ensure the ongoing financial success and sustainability of our business.</p> 	<p>CONSERVATION We aim to maximise the positive impact of our operations on biodiversity conservation and to build and manage our camps in the most eco-friendly way possible to minimise our negative impact.</p> 	<p>COMMUNITY People are at the heart of our business. We hope to provide opportunities and growth to inspire our staff and external communities to learn about nature, love and conserve it, and to realise the importance of ecotourism.</p> 	<p>CULTURE We respect and promote our unique Wilderness culture, as well as those of all our employees and neighbouring rural communities. We hope to positively impact a global culture of respect and care for the environment.</p> 
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WILDERNESS VALUES

Our values provide a moral compass and framework for decision making and day-to-day operations within our organisation.

 <p>LEADERSHIP We have the courage to innovate and are purpose-driven in shaping a better Africa</p>	 <p>AUTHENTICITY We always remain loyal to the Wilderness Way</p>	 <p>INTEGRITY We are respectful, honest and ethical</p>	 <p>FUN We enjoy making a difference and changing peoples' lives</p>	 <p>ACCOUNTABILITY We take responsibility for our actions</p>	 <p>COMMITMENT Our dedication to the environment and our guests is unwavering</p>
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SUSTAINABILITY REVIEW 2014

WILDERNESS AND SUSTAINABILITY

Thirty years ago, the founders of Wilderness Safaris fell in love with Africa's remote, wild places. They realised that many of these places were not getting the attention they deserved. Some had too many visitors, while others had none at all. Some areas were being hunted excessively or had alternative forms of land use on the agenda, like cattle farming, timber harvesting, irrigation schemes and mining. The human impact on these areas was indicative of a lack of care and understanding.

It was evident that communities and governments were getting little or nothing out of the natural areas that had been in their care since time immemorial.

Our goal therefore was to conserve these places by enabling people to visit them and earn a return for the business and its employees at the same time. This was not a complex idea but an important one. Wilderness thus offers journeys and experiences to discerning, globally caring travellers, and is in the business of building sustainable conservation economies, achieved through the employment of a responsible tourism model.

We began operating in Botswana and then spread out into the rest of southern Africa and Seychelles, recently into west-central and east Africa. Wilderness currently operates 61 different safari camps and lodges, comprising some 1 016 beds, in nine African countries and hosting in excess of 30 000 guests per year – all based on a strong sustainability platform: the 4Cs.

The 4Cs concept, adopted from the Long Run Initiative (www.thelongrun.com), is predicated on the belief that a business cannot be truly sustainable unless it commits to the four dimensions of Commerce, Conservation, Community and Culture. We believe that this framework is an appropriate sustainability model for our industry and accordingly our Vision, Mission and Values are all aligned with these Cs. Our strategic plan is also based on this platform and a set of outcomes have been developed for each C. These outcomes have then been extended into specific actions that are required to ensure their achievement. Step by step then, we are making a difference to Africa and ultimately the planet.



LETTER FROM OUR CHIEF SUSTAINABILITY OFFICER

Dear Guest,

We are committed to ensuring the sustainability of our business. This commitment is part of our DNA and reflects a number of aims and objectives, the most important of which are outlined below:

- Firstly, this is enlightened self-interest. We depend on the health of the ecosystems and species that are the attractions for our guests. Any negative impacts on the environment resulting from our business would reduce their attractiveness and thus the competitiveness of our products. On the other hand, improvements to biodiversity and species will increase the attractiveness of our tourism operations and therefore the success of our business;
- The health of ecosystems in modern Africa is to a large extent dependent on the goodwill of surrounding rural communities and to this end, our fair and equitable engagement of these partners is a critical component of the sustainability of both protected areas and our business;
- In this day of discerning and responsible travellers, it is important to demonstrate the sincerity of our sustainability commitments, and the actions arising therefrom. If this can be achieved, we will differentiate ourselves from our competitors and enhance our reputation in the world of ecotourism;
- Many of our sustainability initiatives have important efficiency by-products and thus result in improved business performance. For example, our investments in renewable energy supplies result in significant reductions in diesel consumption and therefore in our operating costs;
- As a responsible corporate citizen, it is our duty to ensure that any negative impacts resulting from our operations are minimised, and any positive impacts are maximised;
- Many of our staff are themselves personally committed to biodiversity and responsible living and our equivalent value systems enable us to attract and retain the brightest and the best people; and
- Aligned to the previous point is the creation of a culture within our organisation that values and promotes sustainability, not only within our business but in all other aspects of each of our own day-to-day lives.

This review is a high-level summary of our Integrated Report for 2014. Readers seeking further details can download the full report at www.wilderness-holdings.com/sustainability.



Derek de la Harpe, Chief Sustainability Officer, Wilderness Holdings Limited

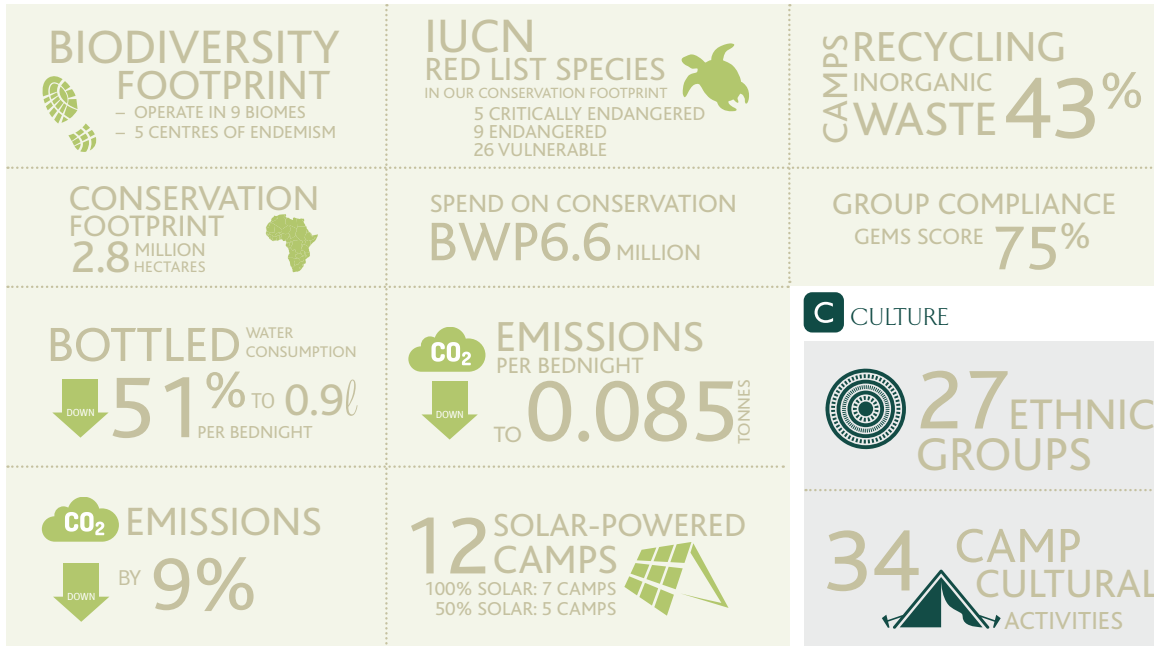


OUR PERFORMANCE IN 2014

C COMMERCE



C CONSERVATION



C COMMUNITY



YEAR IN REVIEW

MAY 2013



Wilderness Collection's Odzala Wilderness Camps, Congo, and Segera Retreat, Kenya, featured in Travel + Leisure's 2013 'It' List of the world's best new hotels for 2013.

MAY 2013



DumaTau Camp featured in Condé Nast Traveler's Hot List as one of the best new hotels in the world, as well as one of 'The Best New Hotels to Splurge On'.

MAY 2013



Wilderness Holdings' Integrated Report for the 2012 Financial Year recognised as **fifth best in the world** in the Corporate Register Reporting Awards (CRRA) for 2013.

MAY 2013



DumaTau and Damaraland Camps selected as two of **National Geographic Traveler's Best Ecolodges**.

JUNE 2013



Mombo Camp (including **Little Mombo**) ranked **Top Hotel in Travel + Leisure 2013 World's Best Awards** list of Top 100 Hotels.

AUGUST 2013



Wilderness Safaris wins the prestigious **Condé Nast Traveler World Savers Award** for Wildlife Conservation.

SEPTEMBER 2013



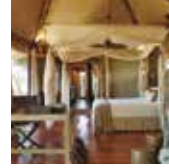
North Island listed as **Fourth Best in the UK Condé Nast Traveller Readers' Awards** in the Middle East, Africa and Indian Ocean category.

OCTOBER 2013



Odzala Wilderness Camps shortlisted in the **2013 PURE Awards**: The combined Lango and Ngaga camps were shortlisted for Best High Emotion/Low Impact Experience.

OCTOBER 2013



Mombo and **Little Mombo** listed in **US Condé Nast Traveler Readers' Choice Awards**, in the Top 15 Resorts and Safari Camps category.

NOVEMBER 2013



DumaTau Camp shortlisted in the following awards: **Best Honeymoon Hotel category** in Hitched.co.uk's Breakthrough Awards
Best Room with a View category in the Amadeus and WTM Travel Experience Awards.

NOVEMBER 2013



Desert Rhino Camp wins **Authentic Travel Award** at the inaugural Amadeus and WTM Travel Experience Awards.

NOVEMBER 2013



Wilderness wins the Best Corporate Report & Accounts in the Commerce and Industry Sector in PricewaterhouseCoopers Annual Report Awards, hosted by the Botswana Confederation of Commerce, Industry and Manpower (BOCCIM).

NOVEMBER 2013



Wilderness awarded first prize for our Annual Integrated Report in the Regionally Listed Companies category in the Chartered Secretaries of Southern Africa and JSE's 2013 Annual Report Awards.

JANUARY 2014



Mombo and **Little Mombo** listed in **US Condé Nast Traveler's 2014 Gold List**, featuring the world's best places to stay; two of only three camps from Botswana to be included in the Africa and Middle East category.

CONSERVATION

The Conservation C is centred on one reality: without the wilderness, there is no Wilderness. This inspires our business to make investments in maximising the positive impacts arising from our activities, while at the same time implementing measures to reduce any negative impacts. This respect and care for the wilderness makes for a better business and ultimately a better world.

Our efforts in conservation are divided into two main areas and we define our roles as:

BIODIVERSITY

- Ensuring the long-term conservation of wilderness areas through the creation of sustainable ecotourism businesses and ensuring ecotourism remains the preferred economic alternative to less sustainable alternatives;
- Creating a profitable, ethical and responsible business based on conservation that others can mimic in areas in which we are not present;
- Measuring and understanding our biodiversity footprint and enhancing indigenous species richness.

ENVIRONMENTAL MANAGEMENT SYSTEMS (EMS)

- Minimising or mitigating any negative impacts that our camps and other operations may have on the environment in which they are situated;
- This includes how we manage our energy and carbon emissions, water and waste as well as the products used in our camps;
- We believe that our high EMS standards are a competitive advantage and enhance our guests' experiences.

*Without the wilderness there is no Wilderness.
This respect and care for the wilderness makes for a better business and ultimately a better world.*



HIGHLIGHTS IN 2014

BIODIVERSITY

BIODIVERSITY CONSERVATION

SPEND BWP **6.6** MILLION

BOTSWANA ROAN ECOLOGY



PROJECT SHOWS PROMISE FOR POPULATIONS IN SURVEYED AREAS

NAMIBIA KUNENE RHINO TRACKERS PROJECT



HAS INCREASED MONITORING AND SECURITY OF BLACK RHINO POPULATIONS

THE WILDERNESS BIODIVERSITY FOOTPRINT COVERS A TOTAL

OF **2.8** MILLION HECTARES



ENVIRONMENTAL MANAGEMENT SYSTEMS (EMS)

IMPROVED
75% COMPLIANCE WITH THE GROUP ENVIRONMENTAL **MINIMUM** STANDARDS

CARBON EMISSIONS  REDUCED BY 9%

51% REDUCTION IN **BOTTLED** WATER USE PER BEDNIGHT 

 CAMPS RECYCLING **INORGANIC** WASTE INCREASED **TO 43%**

LANGO AND NGAGA CAMPS CONVERTED TO ABOVE GROUND SEWAGE TREATMENT



BIODIVERSITY

We help conserve 2.8 million hectares (6.8 million acres) across Africa – what we call our biodiversity footprint. Nine of Africa's 11 biomes (communities comprising plant and animal species best adapted to that environment) are located within this enormous area, which includes conservation bridges or corridors for animals and plants to move across. In 2012, we expanded our footprint into our ninth biome: the tropical rainforest of Republic of Congo. This also allowed us to expand into our sixth African centre of endemism: the Guineo-Congolese (centres of endemism are areas containing ranges of species with restricted distributions, making them high conservation priorities).

There are some 1 100 bird, 280 mammal, 190 reptile and no less than 50 amphibian species within our biodiversity footprint. Of this enormous diversity, no fewer than 40 species fall within the top three threatened categories of the IUCN Red List, with five species in the Critically Endangered category. Where these species occur in our footprint, we have monitoring programmes in place.

Our aim is to continually increase our biodiversity footprint. In 2014, this included participating in 87 active research and conservation projects with over 70 independent institutions. This meant that BWP6.6 million was spent directly on biodiversity conservation.

Some of these projects include:

- The reintroduction of threatened species into areas of their former range (e.g., black rhino);
- Growth in the populations of threatened species that in some cases has resulted in favourable changes in their IUCN Red Listing status (e.g., loggerhead turtle and green turtle);
- Enhanced understanding of the conservation ecology of threatened species that has resulted in improved management of the species either in situ or in external areas where they are of more pressing conservation concern (e.g., roan antelope and lion);
- The confirmation of extant conservation corridors linking sub-populations (e.g., elephant, zebra, wildebeest and wild dog movement studies);
- Mitigation of human-wildlife conflict (e.g., Seronga Human-Elephant Conflict study);
- Establishment of biodiversity (e.g., aquatic biodiversity surveys) and population baselines (e.g., wildlife monitoring indices and aerial surveys);
- Removal of artificial and anthropogenic causes of wildlife mortality and ecosystem rehabilitation (e.g., Victoria Falls Anti-Poaching Unit in Zimbabwe and North Island vegetation rehabilitation in Seychelles);
- An understanding of the potential impacts of ecotourism related activities (e.g., off-road driving study).

There are some 1 100 bird, 280 mammal, 190 reptile and no less than 50 amphibian species within our biodiversity footprint.



Case study: Namibia Kunene Rhino Trackers Project



Save the Rhino Trust (SRT) is a well-known NGO in the Kunene area of north-west Namibia and has been active for three decades in the conservation of desert-adapted black rhino (*Diceros bicornis bicornis*). SRT began working in the 1980s, when huge spikes in poaching caused critical declines in the wild black rhino population. With close monitoring and careful management, the rhino population gradually recovered and has now greatly increased in number; however the black rhino remains Critically Endangered and close conservation work with other local stakeholders is pivotal to the success of the population in future years.

Since 2005, SRT has trained over 60 community game guards, sharing best practices and empowering communities to protect and monitor their own black rhinos. But, despite SRT's best efforts, community game guards often failed to make it out on patrol. This led to the development of the Communal Rhino Custodian Support Programme in 2012/2013 and the subsequent training of and joint patrolling with 22 Rhino Rangers (or specialist rhino trackers/guards) in order to increase the monitoring and security of black rhino populations in the region.

SRT is supported by a number of organisations, including Wilderness Safaris and the Wilderness Wildlife Trust.



ENVIRONMENTAL MANAGEMENT SYSTEMS (EMS)

How do we ensure that we minimise our negative impacts on the environment – and indeed, maintain the integrity of the pristine wild areas in which we operate? At Wilderness, we have established Group Environmental Minimum Standards (GEMS) that specify how we develop and operate our camps. We perform biannual environmental audits on the camps to ensure they maintain these high standards and to identify where we can improve.

OUR GEMS INCLUDE:

- **MONITORING AND REDUCING CARBON EMISSIONS**

Our camps are situated in remote areas where we are required to generate our own electricity, mostly through generators that account for 50% of our carbon emissions. When building new or refurbishing existing camps we are converting to solar power as the primary energy source, thus reducing emissions substantially. In 2014, we had 12 solar-powered camps (seven 100% solar- and five 50% solar-powered), and a further 12 camps on smaller solar systems that power each guest unit independently. In addition, 25 camps use battery-inverter systems to reduce generator running time from 24 to about 9 hours a day. Our emissions of carbon dioxide dropped by 9% to 15 835 tonnes in 2014, compared with 17 412 tonnes in 2012.

- **EFFICIENT WATER USAGE**

By installing our own purified water

systems at our camps, and thanks to strong support from both guests and staff, we reduced our bottled water consumption per bednight by 51% in 2014. By doing so, we also cut down on vast amounts of plastic waste going into landfills, with less than one 500ml plastic water bottle used per guest per night in most camps. In water-stressed areas like Namibia and the Central Kalahari Game Reserve in Botswana, we manage our water consumption carefully, even harvesting rainwater at Kalahari Plains Camp.

- **WASTE WATER**

Across Wilderness, 40% of our camps are situated in areas with high water tables or near rivers. In these situations, we have installed above-ground sewage treatment plants (STPs) that treat the water naturally with bacteria to ensure that there is no contamination of either ground or surface water.

By installing our own purified water systems at our camps, and thanks to strong support from both guests and staff, we reduced our bottled water consumption per bednight by 51% in 2014.



Case study: Expanding our renewable energy commitment to Namibia



In line with our commitment to investing in renewable energy, we installed solar power into our first camps in Namibia.

With the refurbishing and expansion of Kulala Desert Lodge, we installed a solar plant to cover the additional power needs of the camp, making it 50% solar- and 50% generator-powered. With the building of our new Hoanib Skeleton Coast Camp in the Palmwag Concession (opening in August 2014), we had the opportunity to further these investments. The photovoltaic array at this camp generates 50kW and is designed to provide all the energy needs of the entire camp, including the staff village. A diesel generator is on site for backup purposes, should the solar plant fail or inclement weather lower the efficiency of the system. This also provides significant financial savings on diesel fuel

requirements at both camps. When opened, Hoanib Skeleton Coast Camp will join the seven camps already 100% solar-powered in Botswana, while Kulala Desert Lodge is now one of five solar-hybrid camps.

In addition to solar power, the new Hoanib Skeleton Coast Camp's waste water treatment system has been carefully designed to provide more than sufficient breakdown of waste water and eliminate any risk of ground water contamination. LED lighting technology has predominantly been used as well as subtle designs that take into account natural lighting and air flow. All rooms (both guests and staff accommodation) make use of double-layer insulated canvas to maintain comfortable temperatures and reduce the need for fans in summer or heating in winter.



When building new or refurbishing existing camps we are converting to solar power as the primary energy source, thus reducing emissions substantially.





COMMUNITY

People are the heart of our business. The Community C engages with all the people related to and part of our business, including guests, staff, community partners, shareholders, NGOs, governments and academic researchers.

Because the Community C includes such a diverse group of people involved in and affected by our business, we distinguish between two groups, namely our internal community and our external community:

INTERNAL COMMUNITY

- This largely comprises our staff who are the primary interface between Wilderness and our guests and other stakeholders;
- Staff are therefore fundamental in our operations and we endeavour to be an employer of choice;
- We strive to ensure our staff are fulfilled, rewarded and act as valued ambassadors of the company.


EXTERNAL COMMUNITY

- This is a diverse group that includes our neighbours, host governments, and the rural communities that either own the land we operate on, or work or live adjacent to it. Many of our staff come from these communities;
- Honest, mutually beneficial and dignified interactions with these community partners form the backbone of our relationships with them, creating meaningful and life-changing opportunities from the proceeds of responsible ecotourism;
- Community-centric employment, joint ventures, education and training, social and health benefits, capacity building and infrastructure development form the bulk of our engagements with communities.


HIGHLIGHTS IN 2014

INTERNAL COMMUNITY

2 663 
PEOPLE EMPLOYED

 **1 598**
MEMBERS OF STAFF
RECEIVED VOCATIONAL
TRAINING

 IMPROVEMENT
IN THE
WILDERNESS
STAFF LOYALTY
**INDEX BY
1.6 POINTS**

 **78%** GUEST
SATISFACTION
(62% INDUSTRY AVERAGE)



EXTERNAL COMMUNITY

 **BWP10 MILLION**
WAS PAID TO COMMUNITY
PARTNERS IN TERMS
OF CONTRACTUAL
ARRANGEMENTS

 **BWP3.5 MILLION**
WAS SPENT ON OUR
CHILDREN
IN THE
WILDERNESS
PROGRAMME

506 CHILDREN
ATTENDED A CHILDREN IN
THE WILDERNESS CAMP

2 575 CHILDREN
ATTENDED CHILDREN IN
THE WILDERNESS ECO-CLUBS
IN SIX COUNTRIES

 **BWP3 MILLION**
CONTRIBUTED TO
VARIOUS COMMUNITY
DEVELOPMENT PROJECTS



INTERNAL COMMUNITY

In 2014, Wilderness employed 2 663 people from many different backgrounds. We continue to localise as many positions as possible in order to demographically represent the countries we operate in, resulting in only 8% of our employees being non-citizens of the country in which they are employed. More than 70% of our people come from remote, rural communities.

We pride ourselves on our commitment to our Human Resources policies, based on the International Human Rights Charter as well as local labour standards, ensuring a safe, respectful and fair workplace. No form of discrimination or corruption is tolerated and we operate an anonymous Ethics Hotline to ensure this is maintained.

The health and safety of our staff is one of our top priorities, with health risks most associated with our operations being those of a chronic nature, e.g. malaria, TB, asthma, HIV and hypertension. First Aid training is also of vital importance, and all guides and managers have valid First Aid certificates.

Performance reviews are critical for our staff development, with 88% of staff receiving a biannual performance review in 2014. Our training and development of staff focuses on building capacity and confidence to ensure we all have the resources to deliver high-quality service. Currently we have three platforms that support continued staff development: full-time training departments in each country, the Lobster Ink virtual training platform, and the Wilderness Business School.

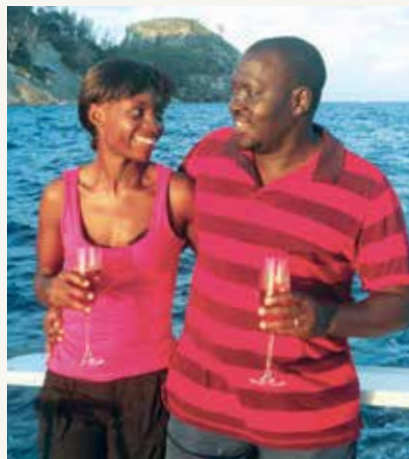
All of this plays a critical part in achieving the guest feedback in 2014 whereby we scored a net promoter score (NPS) of 78.08%, measured against Reicheld's research of *The Ultimate Question*, "would you recommend the product to friends/family?" This compares favourably with the 62% average of other high-end tourism products. For more information on *The Ultimate Question*, visit <http://www.netpromotersystem.com>.

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Case study: Service hero



Petros Guwa has been with Wilderness since 2006, working in our Zambian operation. He is well known throughout our operations for his service ethic and leadership ability. He has also worked in other regions when the Zambian camps have been closed over the green season. Petros understands the sincere approach required to deliver exceptional service and has the ability to pre-empt guests' needs.



Petros stands out as a true service champion due to his natural ability to lead and motivate his team with specific reference to lifting camp service standards and encouraging learning on the Lobster Ink platform. Toka Leya, the camp that Petros manages with his wife, Gogo, was the first camp where all the front-of-house employees went through the Lobster Ink modules and completed all their practical assessments.

As a reward for his great achievement, Petros and Gogo travelled to North Island in the Seychelles for a true guest experience. In Petros' words, "This is more than what we had imagined. Gogo and I are having such a ball and every day is definitely another learning curve for us. We sure will leave this place with a different perspective of what service is all about. I really can't describe the level of service we have encountered here and it makes me wonder though that if we can offer this class of service at one of our properties, why can't we have this at all of the Wilderness properties? This is now homework for me and I sure hope that we will be able to motivate our team to up our game at our camp. We thank you and the EXCO for affording us this opportunity."



EXTERNAL COMMUNITY

The profitability and sustainability of Wilderness depends on the health of the wilderness areas in which we operate. This is determined to a large extent by the attitudes of the communities that live in or near these areas and who frequently bear the costs of conservation, largely through human-wildlife conflict (HWC). Our activities aim to ensure that neighbouring communities value conservation through the receipt of meaningful, real and visible socio-economic benefits.

We engage with our local communities in a number of ways:

- Our Children in the Wilderness programme (see page 24);
- Various formal community partnerships;
- Preferred employment of local community members;
- Preferred use of local suppliers of goods and services;
- Development of various community and social welfare projects.

We are able to measure our progress by recording our investments into projects or communities, this year amounting to just over BWP3 million and positively impacting over 13 577 people.

Research has shown that, when communities are involved in the ecotourism operation, they are generally more positive about ecotourism and conservation. We can see this for ourselves in the various equity/ownership and community partnerships that we have entered into, all amounting to a total of over BWP36.8 million in value generated for these communities in 2014:

- Formal joint ventures (JVs) e.g., Damaraland and Doro Nawas camps in Namibia;
- Public-private-community partnerships e.g., Desert Rhino Camp in Namibia;
- Public-private-community partnerships, including a joint venture with the community e.g., Rocktail Beach Camp in South Africa;
- Private sector-community partnership e.g., Banoka and Khwai Discoverer camps in Botswana and Serra Cafema in Namibia;
- Private sector-NGO-community partnership e.g., Ngaga and Lango camps in Republic of Congo.



Case study: Water provision in Sinde village, Zambia



Wilderness Safaris officially handed over two solar pumps, four water tanks and two water troughs to Sinde village in Zambia on 26 February 2014. This generous donation was funded by guests from Toka Leya Camp and will greatly assist the community with access to clean water. Sinde village is situated approximately 30 minutes' drive from Toka Leya and guests of the camp can experience a village tour lead by a local guide, which includes visiting the pre-school, village centre, local shop, a homestead and Twabuka Community School.

“Water is as much about social welfare, as it is about education. The availability of suitable water at the school and in the centre of the village, where the pumps and troughs were installed, ensures that children do not have to walk long distances in the dry season to collect water and, therefore, have more time available to concentrate on their schoolwork”, said Dr. Sue Snyman, Children in the Wilderness (CITW) Programme Director.

During her speech at the handover ceremony, the Headmistress of Twabuka Community School thanked Wilderness Safaris and Toka Leya for their ongoing partnership and said that the installation of the solar pump and water tanks was indeed a blessing and very exciting for the schoolchildren. “Our pupils can now draw water from a tap just like children in urban areas. The availability of water will make it possible for the school to run most of its projects, such as gardening, tree planting and greening the school. Before, the borehole used to run dry by the third term which affected our students’ attendance. But now that is a story of the past. Indeed, Wilderness Safaris, Toka Leya, you are our everyday partners; thank you.”



CULTURE

HIGHLIGHTS IN 2014



DEVELOPMENT OF THE WILDERNESS CULTURE STRATEGY

CULTURE WAS
INCORPORATED INTO
MORE GUEST ACTIVITIES
AND CAMP INFORMATION



DEVELOPMENT OF A CULTURAL MAP FOR NAMIBIA

ANNUAL WILDERNESS
HERITAGE DAY
CELEBRATED IN ALL
COUNTRIES, CAMPS AND OFFICES



Encouraging staff to be proud of their culture and integrate it into guest activities allows us all to learn about Africa's diversity.

To a large degree, Culture gives context to the other three Cs, as it impacts on and is affected by all the other Cs. Encouraging staff to be proud of their culture and integrate it into guest activities allows us all to learn about Africa's diversity.

To integrate culture into our camps and allow our guests to experience it, we must have an understanding of what culture means and of the different ethnic groups within Wilderness. Socio-economic surveys conducted from 2009 to 2010 provided this and other important information on staff and the communities with whom we work.

We offer a holistic experience, part of which involves learning about the different cultures and their unique traditions. First and foremost, employing staff from different ethnic groups brings the Culture C directly into the business. From here, staff celebrate their culture through day-to-day interactions, allowing them to educate and inform guests and other staff about their traditions and customs.

Culture is further incorporated into Wilderness and the guest experience in a number of different ways, such as:

- Traditional story-telling, talks or bedtime stories
e.g., traditional story-telling at Davison's and Ruckomechi camps, Zimbabwe.
- Local village visits and tours
e.g., Himba village visit at Serra Cafema, Namibia.
- Local choirs/dance groups
e.g., Mbira musical evenings at Little Makalolo, Zimbabwe.
- Traditional food
e.g., traditional Créole food and use of local produce at North Island, Seychelles.
- Local crafts/curios
e.g., local craft market in Ngamo village bordering Hwange National Park, Zimbabwe.
- Cultural events
e.g., Bushman walk experience at Kalahari Plains Camp, Botswana.
- Community and culture newsletters
e.g., all our camps contribute to a newsletter with updates on ethnic groups and cultural activities when applicable.

- Traditional dancing
e.g., local traditional dancers from villages adjacent to Mvuu Camp and Mvuu Lodge, Malawi.



Case study: Culture maps



To highlight culture and provide our guests and staff with the opportunity to learn more about the diverse cultures and ethnic groups in Africa we have begun developing cultural maps for each country. These will include a brief description of each of the main ethnic groups, as well as their history, traditions, etc. The map also includes information on cultural activities available in our camps, as well as important codes of conduct.



COMMERCE

HIGHLIGHTS IN 2014

OCCUPANCY
PERCENTAGE
UP TO **62%** FROM 56%



IMPROVED
OPERATIONAL
PERFORMANCE IN
ALL GEOGRAPHIC
SEGMENTS



PROFIT
AFTER TAX
UP BY **75%** TO P48 MILLION



REVENUE
PER AVAILABLE ROOM (REVPAR)
UP **23%**



CASH GENERATED
FROM OPERATIONS



97% TO P211 MILLION

EBITDA
UP **39%** TO P151 MILLION



Without a viable business model, we cannot justify investing in the areas in which we operate.

The Commerce C is what gives us the resources to make the interventions under the other three Cs. Without a viable business model, we cannot justify investing in the areas in which we operate. By the same token, even if there is a viable business model we cannot justify an investment that does not address the other three Cs.

In 2014, the trading environment continued to improve, mainly as the result of the continued growth and stabilisation of the economy of the United States, our most significant market. The slower recovery of the European economy has resulted in a less marked improvement in demand out of Europe.

Revenue grew by 16%, despite a 9% reduction in available bednights. Growth came from organic expansion of existing businesses and is attributable to greater volumes of sales of independent products, increased yield per owned bednight and a benefit from depreciating local currencies. The combination of the net currency movement contributed approximately 6% of the revenue growth.

EBITDA margin has improved from 9% to 11%, due to initiatives undertaken in the prior year, including the closure of loss-making camps and a shift in focus from cost-cutting to eliminations of inefficient or non-value add activities. Greater investment in camp maintenance, marketing and sales, technology and a doubling of the share-based payments charge resulted in an acceptable 8% increase in operating costs.

Nearly BWP81 million was re-invested in capital expenditure, including camp assets, technology and new camps. Two new camps under the Explorations brand were opened and we also invested capital in the new Hoanib Skeleton Coast Camp in Namibia, which is scheduled for opening in August 2014.

The focus of the past year has been on consolidation and organic growth; this is expected to continue on the back of the stronger U.S. market and an improvement in the European market. Various opportunities for expansion both within our current geographic footprint and beyond it into other regions of Africa have been identified and expansion plans are being considered. The market outlook on tourism in southern Africa is positive, we therefore remain optimistic about the future.

Case study: Namibian Operation



In 2009, our Namibian business reached its highest operating profit since inception, but subsequently its operating margins deteriorated, culminating in an operational loss in 2013. Factors that contributed to the poor performance over the period included:

- The global economic crisis, particularly the long hangover in Europe, as Namibia is particularly reliant on the European market;
- The 2010 Soccer World Cup had the effect of keeping our traditional traveller from travelling;
- Stronger local currency resulting in higher Euro and US Dollar selling prices;
- Easy 'drive-in' access to most locations;
- A general over-supply of beds in the region.

Over the period leading up to 2013/14, steps were taken to close down loss-making camps together with rationalisation of our head office and the creation of a new flying circuit. Certain of these projects are ongoing and not yet complete, but early positive signs are being felt with a turnaround already recorded in the current year. With the new Hoanib Skeleton Coast Camp expected to open in August 2014, further interest and demand is expected into that region. This camp will offer unique experiences and become the hub of our northern circuit. We anticipate this new attraction will become a 'catchment camp' and create a spill-over to all our other Namibian camps.





CHILDREN IN THE WILDERNESS

Children in the Wilderness (CITW), a life skills educational and environmental programme for children who live in the villages around conservation areas, is an independent non-profit organisation established and supported by Wilderness. The programme began in 2001 in Botswana and currently operates in seven countries: Botswana, Malawi, Namibia, Seychelles, South Africa, Zambia and Zimbabwe. This is achieved in a variety of ways, from running three- to five-day programmes at Wilderness camps, to running Eco-Clubs and follow-up programmes at schools within the rural communities that live on the edges of the wild areas of Africa.

The education programme run at Wilderness camps combines leadership skills, environmental education and recreation – all in a unique and safe wilderness environment. The programme aims to increase the children's understanding and appreciation of the diversity of natural environments, as well as to encourage them by demonstrating the opportunities that exist for them. Finally, the programme is designed to increase self-esteem, teach new skills and impart knowledge to our children. Via these programmes, CITW also aims to develop leadership values amongst the participants, so as to create leaders who are inspired to care for their legacy and can show others the way.

To achieve these goals, CITW has also begun a number of other initiatives to assist children and their teachers and parents, such as school nutrition schemes, village and school upliftment and scholarships.

The Children in the Wilderness programme:

- Practises and teaches sustainable environmental education;
- Fosters leadership qualities in Africa's children;
- Exposes the children to new experiences and new friends;
- Helps to build self-esteem and teach life skills;
- Inspires the children to continue with their education;
- Focuses on everyday issues pertaining to their particular situation, such as HIV/AIDS, nutrition, and poaching; and
- Provides the children with a sense of hope and opportunity.



WILDERNESS WILDLIFE TRUST

The Wilderness Wildlife Trust, an independent non-profit entity associated with the Wilderness Group, was formed in the late 1980s when it was understood that Wilderness Safaris could only do so much for conservation in the course of its day-to-day activities and needed a dedicated vehicle to take matters further. More funds and a greater reach were needed so that overall conservation activities could be more effective. Accordingly, it was decided that an independent entity that facilitated fundraising and the disbursement of the monies to deserving projects would mean that, both directly and indirectly, Wilderness could reach more people, wildlife and places.

The relationship between Wilderness and the Trust is therefore symbiotic. In many projects supported financially by the Trust, Wilderness also contributes through logistics and in-kind

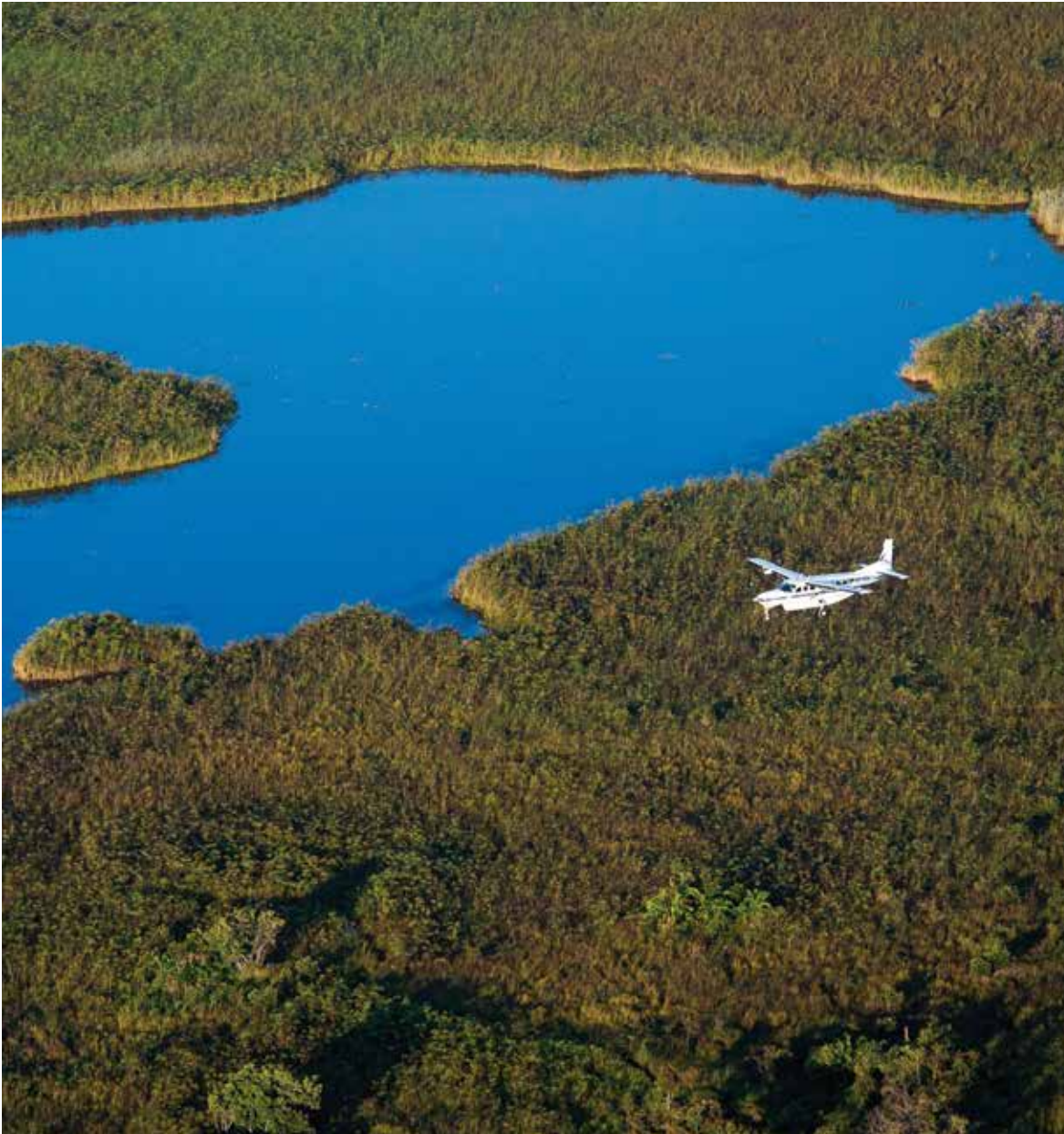
support (e.g., equipment, manpower, fuel, vehicle servicing, access and accommodation) to ensure the enhanced viability of the work. On the other hand, the fact that the Trust is independent also means that it is able to engage with projects beyond the geographic scope of Wilderness' camps and concessions and ensure that conservation is the driving force.

The Trust focuses its work in three key areas:

- Research and conservation – including species studies and human-animal conflicts;
- Community empowerment and education – such as community upliftment and CITW;
- Anti-poaching and Management – including aerial surveys.



WILDERNESS
WILDLIFE TRUST



YOUR JOURNEY ONLY BEGINS WHEN YOU LEAVE US...

We believe that our journeys change peoples' lives and, through our guests' support by travelling with us, we create sustainable conservation economies. For this we thank the tens of thousands of guests that have become part of our family and help us to create value in remote rural communities while also helping to conserve Africa's remaining wilderness areas.

We do hope that, when your visit comes to an end, the impact of your stay with us has only just begun. If our 4Cs approach to business can also translate into your everyday lives, then we have succeeded in delivering an experience that creates a better world. We invite you, our guests, to leave with the following thoughts to consider when you arrive back home:

- **CONSERVATION**
What can I do in my home or country to reduce my environmental footprint and help conserve the wilderness?
- **COMMUNITY**
Is there a way that I can get more involved in my local community or identify communities that need support to conserve wilderness areas in my country?
- **CULTURE**
Do I accept cultures other than my own and do my best to respect them, while embracing my own heritage?
- **COMMERCE**
How can I create more value out of my business and financial circumstances that will help me have a positive impact on the other 3Cs?

OUR JOURNEYS CHANGE LIVES

TORRA CONSERVANCY: JOINT VENTURE PARTNER, NAMIBIA



Wilderness Safaris and Torra Conservancy, the then-Ward 11 Residents Trust, started the relationship as business partners in 1995, three years before the conservancy was gazetted. From the start we kept our relationship as good as possible. We have quarterly Joint Management committee meetings where we discuss matters on the ground and, present the conservancy and Camps reports and plan for the future. Conservation is our joint interest and tourism their (Wilderness) culture. We have learnt from each other over the years and we can now apply our knowledge.

We completed our first term of engagement, which was ten years. After which we signed our second agreement for the duration of twenty years. The business became sustainable over the years and we decided to enter as a business partner. We now have 40% share in the business and still receive our monthly 10% turnover as bed levies. We feel we have ownership and can make decisions at director level.

Over and above the cash benefits to the community, Wilderness also employs local people and trains them to a level where some of them manage other camps


and have obtained other senior positions in the company. Damaraland Camp is fully managed by local people, which means, we have passed the employment hurdle that says “Selection and recruitment will take place exclusively within the community, excepting where such positions require qualifications and experience not available”.

Wilderness also shows social responsibility and engages with school visits and traditional community lunch in Bergsig village as an activity.

Where there are issues or areas of concern in the partnership we discuss the topics and set joint tasks to solve any problems. Wilderness concerns are mostly over predator killings, especially Lions because it affects their market negatively but they also understand that we must keep a balance to sustain communal farming in the area. Human-wildlife conflict is a major issue for the community.

*Bennie Roman
Torra Conservancy Chairman and Damaraland Camp Board of Directors*





We would like to thank the many people and organisations who supported us during the year and made our operations possible. We have received enthusiastic support from a wide range of trade and other partners, host governments and their respective agencies, local communities and non-government organisations. And of course the business would not begin to function without the guests who visit our operations from all over the world. Finally, and perhaps most importantly, our staff are at the heart of the business and we would like to acknowledge and thank them for the pivotal role that they have played. We are proud of what we have achieved during the year and the contributions that we have made to conservation and to the societies and economies in which we operate. This has been a joint effort and we thank everyone who has joined us on this journey.

www.wilderness-group.com

www.wilderness-safaris.com

www.wilderness-collection.com

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