



Kantipur Temple House

SUSTAINABILITY REPORT 2012-13

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This report has been compiled using verified data collected by Kantipur Temple House during the period of 16th July 2012 to 15th July 2013. The hotel management recognises the important role that their staff, guests and suppliers play in contributing to sustainability, and is subsequently keen to ensure they communicate their values to all their stakeholders.

KEY SUCCESSES

1. Kantipur Temple House has gone to great lengths to use the work of local artisans in both the design and décor of the establishment.
2. There is an in-depth understanding of and commitment to the local supply chain, with a robust responsible purchasing policy.
3. Pay and conditions for staff are excellent once they have been made permanent.
4. Female employment is encouraged and women constitute 20% of the hotel workforce.



We offer a premium product at a regular price.

Bharat Basnet - MD



ACCOMMODATION AND GROUNDS

Mr Bharat Basnet started his career in the Nepalese tourism industry in 1979 by organising a variety of tours for travellers throughout the country. As a committed environmental activist, keen to promote and preserve Nepal's cultural heritage, he wanted to accommodate his guests in a hotel that fitted in with his values of living and working responsibly. In 1998 he founded the Kathmandu Valley's first hotel based on the principles of sustainability - the Kantipur Temple House.

The Kantipur Temple House is situated in the heart of the Thamel district, a bustling maze of narrow streets housing hotels, guesthouses, trekking agencies and souvenir shops which has been the centre of the tourism industry in Kathmandu for over four decades since the arrival of the first hippies.

As its name suggests, the hotel is based on the design of the many temples scattered across the Kathmandu Valley and resembles one of the old palaces of the Newari Kings.

Kantipur Temple House was built in the age-old architectural style of the city, embracing a range of artisanal carving skills, using brick, stone and wood. As a result it is more structurally sound and resilient than the contemporary concrete buildings in the vicinity.

The hotel was built on land adjacent to a rice mill and garage. The original building, with its traditional façade, had already been constructed at the time of purchase in 1998, but it was decided to also make the interior more in keeping with traditional styles. In 2004 an extension was built to provide 16 additional guest rooms, increasing the total to 48. However a recent neighbouring construction at the rear of the building has meant that 8 of the existing rooms are now out of service as their windows have been obstructed. During the building of the extension approximately 50 local craftsmen were involved for a year, not only providing local employment but also contributing to the continuity of traditional building methods. The newer constructions within the hotel complex have been built to comply with more recent changes to legislation relating to earthquake resistance, and subsequently the newer structure has been specifically built to support the original main building to maintain its integrity should there be a significant earthquake.

The planting of shrubs in the garden consists of 70-75% local species. More trees have also been added to the garden, which has created a green open space that is attractive to birds and insect life.

INCORPORATION OF LOCAL CULTURE

A great deal of care and attention has gone into the furnishings of the hotel and almost all items used in the interior décor are locally made handicrafts. This includes artwork, furniture, bed and table linen, lightshades, plates and cooking pots. Traditional products and designs are used in all public areas, as well as the guest rooms. The wooden window frames in the guest rooms, restaurant and reception area have all been created by local carpenters, using traditional wood-carving techniques. The pillars are also constructed using hand-carved wood.

The hotel supports the wellbeing of Nepali female handicraft producers by purchasing items from fair trade establishments such as Sana Hastakala and Dhukuti. Both these businesses are based in Lalitpur, less than five kilometres away from the hotel, and have been involved in local fair trade retail for over a decade.

The hotel menu covers a range of international cuisine, but the staff encourage guests to try the traditional meals on offer, such as the Nepali staple of dal bhat (a generic term for the combination of lentil dal, vegetable or meat curry, and rice) or buckwheat bread at breakfast.

COMMUNITY CONSIDERATION

Kantipur Temple House has had a positive impact on the local community. In addition to installing lighting on the street to make it safer, a security guard remains stationed at the gate and the hotel management also pays for the access road to be cleaned on a regular basis.

ACCESSIBILITY

The layout of the hotel and the gardens would present difficulties to guests who require the use of a wheelchair, or have severe mobility difficulties, nonetheless staff are on hand to help those with milder accessibility needs.

ENERGY MANAGEMENT

Electricity

The majority of the hotel's electricity is generated through hydropower supplied by the national grid. There are regular planned power outages and, prior to monsoon season, there are times when electricity can be unavailable for up to 16 hours per day. The hotel has a diesel generator to supplement the electricity supply, although usage is restricted to just two hours in the morning and two hours in the evening, to minimise both carbon emissions and the noise pollution. An inverter provides backup lighting during power outages that helps to reduce diesel usage.

GUEST Co2e EMISSIONS



Solar panels have been installed to provide hot water across the hotel and electric-fired hot water geysers supplement the demand where required.

All light bulbs used in the hotel are energy saving CFLs (compact fluorescent light bulbs). In the hot summer months, electric fans are used for cooling, instead of air conditioning, which is less energy efficient.

Electric blankets are supplied to guests during the coldest winter months.

Liquid Petroleum Gas

As in most kitchens in Nepal, LPG is the only power source used for cooking.

Although the winter sun is warm and pleasant, the nights can be surprisingly cold in, so it is essential to ensure there is some form of heating for the comfort of the guests. LPG is used as a heating source in both common areas and guest rooms, however use is limited to minimise any odours, fumes, and carbon emissions.

Diesel

Besides the generator no other diesel is used in the running of the hotel. All shopping is done wherever possible on bicycle or on foot. When bulk purchasing is required, a local cycle-rickshaw is employed.

Water Management

Water is an extremely valuable and depleted resource in Kathmandu, especially during the dry winter months. The hotel is committed to keeping its water usage to a minimum, and has access to its own underground water supply. There is no piped water supply in Kathmandu; therefore the hotel has to purchase quantities of water to supplement its own supply when demand is high.

Most of the toilets are fitted with dual water saving flush options: six litres and three litres. Water displacement devices are also installed within the toilet cisterns to further minimise the amount of water used per flush.

Each bathroom has a bucket in place to collect the excess cold-water run-off as the solar heated water takes a short while to warm up. Guests and staff alike are advised to run the tap and collect the cooler water, which can then be saved for cleaning purposes.

Waste Management

Waste in Nepal is generally not adequately managed due to a lack of proper facilities and an absence of local governmental responsibility. There are no operational recycling facilities in place for plastics within Nepal, meaning that plastic waste has to be transported to India for recycling. All non-biodegradable waste that cannot be recycled

is collected by the Municipality, and then dumped in one of the city's overflowing landfill sites. This places an enormous strain on the environment, endangers local health and causes an eyesore so for these reasons the hotel is committed to limiting the amount of waste created.

The majority of waste produced is organic matter, which is given to a pig farmer in Kathmandu.

Bottles and cans are collected and sold to recycling agents (kewarris).

Wherever possible paper, especially newspaper, is taken to Kheti Bazaar where the staff make paper bags to be used in the sale of their food products. If there is any waste paper that cannot be made into bags it is collected and sent to be recycled.

Mineral water is not sold and instead filtered water is available in large jugs, with guests invited to refill containers free of charge. Reusable water bottles are sold to guests or are available to borrow.

The kitchen makes its own freshly produced food where possible to avoid buying in packaged items like sauce, jam, noodles, bakery items and more. The hotel has a no plastic policy, which extends to all purchases.

Batteries are not used on the premises.

Harmful & Hazardous Substances

"Eco-friendly" cleaning products are not available in Nepal and so the hotel is restricted to purchasing items that are fit for purpose and produce minimal harmful effects. The hotel buys products as they are needed, and does not dispose of any waste that is considered harmful or hazardous. Lemongrass is used for fragrance instead of chemical-based air fresheners, and the hotel supplies herbal soaps for guests to use.

Other Pollutants

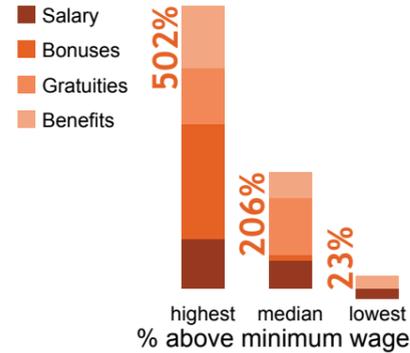
To minimise unwanted noise staff members are not permitted to use their mobile phones during working hours. Vacuum cleaners are only used during daytime hours.

The hotel has a strict smoking policy, which ensures that smoking is only permitted by guests and is restricted to the grounds. Staff are not permitted to smoke on the premises.

The ground's outside lighting is turned off when all guests have gone to bed to avoid adding to the city's light pollution.

ORGANISATION AND MANAGEMENT

FAIR SALARIES PERMANENT EMPLOYEES



CORPORATE GOVERNANCE

Kantipur Temple House is a legally registered private company according to Nepalese legislation. An accountant and auditor are in position to manage financial and legal matters.

The hotel is fully transparent with regards to its VAT payments and makes every effort to be as transparent as possible with its income tax. Nepal is, however, notorious for incidences of corruption and bribery, despite managing to improve its ranking in the world corruption tables from 148 to 113 out of 180 (2013). Many companies are not in the least transparent in their financial dealings, so, ironically, attempts to be open create a great deal of attention and suspicion from government tax inspectors, resulting in increased tax inspections.

Kantipur Temple House has so far successfully managed to adhere to a policy of not paying bribes, with no incidents of such payments having been demanded.

STAFF WELFARE

Terms of Employment

The terms of employment are competitive and meet the legal national requirement. 85% of staff at Kantipur Temple House have been issued with appointment letters, job descriptions, have access to the Labour Act, fair disciplinary terms, fair grievance procedure, and health and safety

requirements. Kantipur Temple House does not employ any members of staff who are under 16 years of age, and only recruits staff to permanent employment positions.

Salaries and Benefits

An induction period of six months is put in place for all new staff, so recruits can be trained and prepared for their role. Kantipur Temple House is committed to recruiting unskilled young people, who may have few other opportunities within the tourism industry. The hotel had experience of training up staff who then quickly left, taking their new skills elsewhere. With trade unions having a significant influence, the induction period was subsequently introduced. During this induction period the initial wage is set at a lower rate, to be increased when it is satisfactorily completed. The lowest rate is 18% below the national minimum wage with no access to bonus payments. The hotel acknowledges that the rate of pay for new staff is low, however the rate of pay rises dramatically once the induction period is over.

Once staff have completed their induction period and become a permanent staff member, they are entitled to the following:

- Basic pay plus dearness allowance
- Provident fund
- Festival bonus

- Service charge
- Share of tips
- Medical insurance
- Food
- Insurance
- Uniforms
- Laundry.

The department heads are given performance incentives. Other incentives such as further training and company trips are available.

Leave Entitlement

Staff are given 48 days leave a year, plus access to special leave for sickness, pregnancy etc.

Training and Progression

Staff are given regular access to on-the-job training by their seniors. In the off-season they are given refresher training, and on occasions outside training is made available. For example, in August 2012 a bread making course was put on for two weeks. The course was open to all kitchen staff, however places were also made available for any other staff who were interested, providing their shifts were compatible.

Local Employment and Community

As a capital city Kathmandu attracts migrants from all over the country, seeking employment and advancement. The hotel has a policy of only

recruiting local staff to the workforce, and all hotel employees are from Nepal, and have been recruited from the Kathmandu area.

Employee Equality

Nepal is historically a patriarchal country, and although women comprise up to 80% of the workforce, many of these roles are informal, menial and unpaid. Female employment is encouraged and as a result 20% of the hotel's employees are female, and furthermore make up 20% of the senior positions. The average wage for female employees is 61% above the national minimum wage whereas the average for males is 47% above the minimum.

Nepal is a melting pot of many different ethnic groups, with the 2011 census distinguishing 126 separate castes and ethnicities. The hotel management is committed to ensuring that employment is encouraged from all sectors of Nepali society.



STAFF IMPACT

Staff are given an induction to their role and the ethos of Kantipur Temple House on beginning their employment. This orientation is refreshed annually. The departmental heads meet their staff twice a month and the front desk staff meet once a month to discuss all issues related to the running of the hotel, ensuring that everyone is clear on their role and responsibilities, and that a high standard of customer care is maintained.

Nepal is situated in a high-risk seismic zone. The danger is heightened in the city of Kathmandu due to the close proximity of buildings at risk of collapse in an earthquake. In order to minimise the risks for the staff and guests, and to ensure they are prepared for such an emergency, an annual drill is carried out.

SUPPLIER IMPACT

Kantipur Temple House selects suppliers very carefully. All suppliers are required to be registered and regulated companies who issue bills inclusive of VAT. All interior fabrics and furnishings are purchased from fair trade suppliers (Dhukuti, Sana Hastakala etc.) who already have responsible purchasing and supply policies in place.

Vegetables and grains are purchased from Kheti Bazaar, a sister company of the Kantipur Temple House, located at Dillibazar, in Kathmandu.

Essentially a marketplace for organic products, Kheti Bazaar aims to encourage more farmers to practice sustainable farming.

Meat is required to be hygienically prepared and vacuumed packed, and is transported from within the city. The hotel purchases dairy products from the government-owned Dairy Development Corporation, which was set up for the economic advancement of poor farming communities within Nepal.

All suppliers are specifically requested not to bring goods to the hotel in polythene bags, and staff use only cloth or jute bags when shopping for supplies themselves.

Promotion of Local Products and Services

Kantipur Temple House tries in every way to support the use of local products and produce so that guests can experience the real Nepal while also ensuring that the majority of tourism revenue goes back into the local economy.

The hotel encourages the use of local produce, mostly organically grown in the Kathmandu Valley. There is a daily organic menu that changes depending on local availability. The idea behind this menu is to encourage guests not only to eat organic produce, but to support the organic farming industry within Nepal. Purchasing locally not

only helps the local economy but also minimises CO2 emissions produced through transportation. Organic produce sourced from Kheti Bazaar is grown within the Kathmandu Valley, although foodstuffs such as beans and lentils are sourced from more remote areas of Nepal.

GUEST IMPACT

All guests are given a welcome briefing by the hotel reception staff on their arrival. This is designed to address the key principles of sustainability, and the importance of acting responsibly, both within the hotel and in the local area. Information is supplied on the Kantipur Temple House website about its philosophy on social responsibility and the importance of sustainable behaviour, and in particular asks guests to avoid changing sheets and towels daily, as well as avoiding the use of plastic bags and water bottles.

Guests are encouraged to use registered local guides to explore Kathmandu and further afield. The hotel reception staff are also ready to give the names of local suppliers should guests enquire about purchasing handicrafts or souvenirs.

There are known incidences of sex tourism in the Thamel area, with a growing market for young male and cross gender prostitutes. The hotel does not specifically address the issue of sexual behaviour on guests' arrival, but the management

does stress that it would take action if there was any evidence of inappropriate or irregular activity involving guests.

CUSTOMER SATISFACTION

The approach to customer satisfaction is informal. The reception staff and management are on hand to talk to the guests and ask for feedback. The hotel makes sure that it is clear about its sustainability philosophy on the company website so guests can be informed before they arrive, however there are occasions when guests request air conditioning, or wish for a television in their room. If guests are unhappy the hotel management will try to accommodate their wishes by moving them to a more suitable room, and generally trying to improve their comfort. If this cannot be achieved then the hotel issues an apology.

“We are always approaching our guests to make sure they are happy and I would say 99% of them appreciate our principles. Sometimes guests might not be aware of our principles when they arrive but go home being influenced by what we do.”

Subechhya Basnet - MD

CHARITY DONATIONS



CHARITY

LOCAL COMMUNITY PHILANTHROPY

The Kantipur Temple House has been donating to Samata School, located in the Boudhanath area of Kathmandu, for the past seven years. Built entirely of bamboo, the school was the brainchild of Uttam Sanjel who wanted to construct a school for the lowest possible cost. In a country where there is no system of free schooling, the Samata school charges only 100 rupees per student per month regardless of age. Since its establishment in 2001 the project has expanded into eleven different locations within eight districts, Kathmandu, Bhaktapur, Lalitpur, Kavrepalanchowk, Sindhupalchowk, Chitwan, Nawalparasi, and Makawanpur. The school currently has 16,000 students.

In 2012/13 the Kantipur Temple House donated 4.2% of its profit to Samata School.

Kantipur Temple House staff are also encouraged to take part in regular clean ups in the community, however there is currently no system to record staff involvement in such activities.

FUTURE

FUTURE ACTION POINTS

1. Sustainability philosophy information to be included in room folder for guests' reference.
2. Emergency / earthquake safety information also to be included in room folder.
3. Record incidences of staff volunteering in local "clean ups".
4. Feedback forms to be created.

Responsible tourism verification is the process whereby an independent third party reviews the applicant's responsible tourism policy and sustainability report to validate the statements made in each document are true.

All data in this report has been independently verified by a JUSTreport verifier. Legal responsibility and liability resides with the company making the declaration and if their claims have formed part of their contract with any consumer, they may be liable for mis-selling. All personal information used to verify the company is returned after the publication of the report and is not held by JUSTreport Verification Systems LTD.

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