

LEADERSHIP LETTER

A word from our Co-founder & MD, Sam Clark:

It has been a pivotal year for Experience Travel Group. Rebuilding from the COVID-19 pandemic and subsequent events in Sri Lanka was our overwhelming focus in 2022-2023. We aimed to consolidate our strong team in the UK and beyond, rebuild our strong foundations and return to strong levels of profitability. Increased profitability will enable us to build resource and achieve our wider objectives for a greater positive impact.

We took on a new operating system, the Entrepreneurial Operating System (EOS), to improve operational efficiency. As part of the adoption process, we clarified our purpose, values, and accountability and set our 'north star' goal. All of this served to emphasise the importance to our business of genuinely reciprocal travel experiences and our wider commitment to people, profit and the planet.

This year also saw us merging with another like-minded company, Holiday Architects. It was a merger based on shared values: to do the right thing by our destinations and our people while building a strong travel business with sustainability at the core. We added the B Corp amendment to the Articles for the new TopCo (Inquisitive Traveller Ltd – a non-consumer facing company) and for Holiday Architects – a massive commitment from our new partners to signal their shared commitment to responsible and sustainable travel. We believe the additional scale of this new platform will enable us to make a more significant positive impact, not least in the field of conscious, sustainable travel.

We are proud to have launched 'Give Back' as a central element of our holiday offering. We strongly believe that travel, done with care and compassion, is a tremendous force for good. By launching Give Back we have made it possible for each customer to see for themselves how a joyful travel experience can also contribute positively to the destination. After a soft launch in September 2022 and a full launch in April 2023, every single holiday we book now includes a Give Back experience – rigorously and robustly built in partnership with our wonderful community in the UK and across Asia.

In the year since our B Corp certification, we haven't moved as quickly as we'd like towards some of the goals we set when we completed the assessment. However, I'm confident that our work in consolidating the businesses and rebuilding from a challenging position will place us in a great position to move onward towards our short term goal of improving our B Corp score and our longer term objective of increasing our positive impact upon our world.





ABOUT US

Our Purpose:

Creating opportunities to expand our world's horizons.

Our North Star:

Enable a community of 50,000 people to experience an immersive holiday with *Give Back** by the end of 2033.

Our Niche:

Immersive Holidays with Give Back

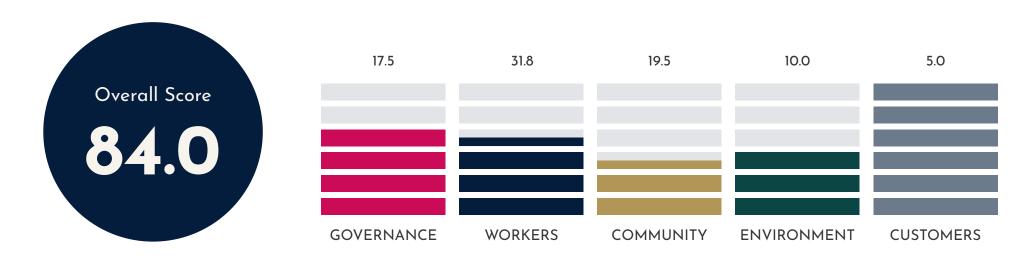
JOURNEY TO CERTIFICATION

We became a B Corp to show the world what we had been doing. We felt that we greatly impacted how people travelled in our chosen destinations. We quickly found out that we had a lot to learn. What was a concrete objective, and what was an aspiration? How did we measure our impact? Where did good intentions end and good practice start?

We took out three key elements from our certification. One was the importance of taking our customers and stakeholders along for the journey. Second, without measurement, we couldn't track or measure progress, and our good intentions remained intentions. The third was that to have the kind of impact we wanted in all the ways we believed we could, we would need to collaborate with others.



B CORP SCORE and Goals for Recertification



We felt the B Corp assessment during our certification (2022) was limited regarding supply chain management for a tour operator (such as ourselves) with complex supply chains. We felt that this was the area we could have the biggest impact and where we had the most significant expertise as a company. Supply chain management is core to our purpose. When we say we want to 'create opportunities to expand our world's horizons' we refer to the horizons of ourselves, our customers and our community of partners and suppliers throughout our destinations.

Therefore, key focus areas when assessing our impact are on the supply side – or our 'product'.

Inspired by our work to get our B Corp status, and the methodologies we had learnt, we committed to improving this element, despite it not having a clear scoring goal.

We anticipate changes to the framework in the future as B Labs adapts to additional business models.

We scored 84 when we were initially certified. With the assessment as it stands today, we will aim for a score of 95 or more when we re-certify in 2025. With changes to the framework to further examine the supply chain, we could aim for higher.

In any case, we will continue to work on multiple aspects.

IMPACT AREAS PLANS AND PROGRESS



GOVERNANCE



What We Said We'd Do

- Refocus our purpose, mission and values and communicate that with our key stakeholders.
- Form closer ties with other travel companies to develop a platform to make a more significant positive impact.
- Develop our stakeholder representation and employee engagement around the issues within the B Corp framework.
- Commit to a charitable donation as a percentage of our profits and form a long-term relationship with selected charities.

▶ What We Did

- We introduced EOS (Entrepreneurial Operating System) and overhauled our purpose, values and mission. We communicated these with key stakeholders. As a result, we strengthened our processes and accountability and identified critical areas where we need to develop to have the required impact.
- We merged with fellow tour operator Holiday Architects to create 'Inquisitive Traveller Ltd'. A key objective from the merger was to be able to build a platform and a structure to have a more significant positive impact, as reflected in the mission of the new TopCo to "build a group of leading travel brands that deliver immersive experiences for the inquisitive traveller & achieves a lasting positive impact for our communities".
- We made less progress than we'd have liked on stakeholder consultation and representation issues and on developing employee engagement and participation.
- We made no progress on committing a certain percentage of our profits to charity. We worked with our charity partners 'Share the Wonder' to raise money for two specific projects.





Plans for 2023

- Incorporate stakeholder engagement into our formal processes.
- Ensure environmental principles and metrics are incorporated into our formal team goals and plans.
- Better integrate social and environmental decision-making by developing job descriptions, performance reviews and board agendas to incorporate social and environmental performance explicitly.
- Commit a certain percentage of our profits to charity and agree on the charitable split.



WORKERS

What We Said We'd Do

- Introduce better health and safety practices and policies for the workplace as well as schemes and incentives for employees to participate in health and wellness activities.
- Help employees overcome the difficult challenges post-covid with a lack of resources and capital for investment putting massive pressure on remaining staff.

> What We Did

- Launched an in-depth staff survey, reporting on findings fully transparently and acted on findings by making changes.
- Raised the basic wage well above 'London Living Wage' and ensured every new starter would come in on at least £26,000 pa.
- Set up a scheme with Grant Thornton to access the Governmental 'Apprenticeship Training Scheme', which funds 95% of costs for formal 'on the job' training at whichever level.
- We fell short in our goal to introduce health and wellness incentives and opportunities and didn't implement any health and safety measures for home working or our offices.

Plans for 2023

- · Develop worker wellness, health and other programmes.
- Develop employee learning and development i.e. encourage and organise more to take courses and ensure that work is structured so that more staff can take the courses during work time. Aim to have at least six staff undertake formal professional development.

2023



COMMUNITY



What We said We'd Do

- We would move our banking to a B Corp bank.
- We would incorporate measures to improve our performance on diversity and inclusion.
- Implement formal volunteer time, a system to track and measure this and therefore help our employees volunteer more using paid work time.
- Implement a standard system for supplier impact social and environmental assessments.
- We would develop our 'Tip-inclusive'* offering to support our guides.

*NB: this is not part of any formal B Corp program as it doesn't fit in with the assessment (as it is currently configured). Nonetheless, given the disproportionate impact tipping has on the lives of our key subcontractors, we feel it is an area of critical importance to our community.



What We Did

- All the bespoke holidays we arranged during 2022-23 were 'Tip-inclusive'*. We further embedded and developed our processes and communications around this. Our guides and other subcontractors gave us very positive feedback on this policy. It made a substantial impact both on their incomes and on their mental well-being. Our customers were less positive and there were teething issues. We implemented several tweaks to refine and calibrate the setup. We didn't get the communication right at all, but we have completed a major communication overhaul in time for the 2023 summer season.
- We were unable to switch our banking due to a lack of capacity at the preferred alternative bank.



COMMUNITY

Plans for 2023

- We want to implement blind reviews of applications, training for employees on cognitive bias and other measures to help improve our performance around diversity and inclusion.
- 2. Develop a set of specific and measurable goals to help us improve our performance on diversity and inclusion.
- 3. Switch our banking to a B Corp Bank.
- 4. Establish formal volunteering, monitor volunteer hours and a setup that encourages and supports volunteering.
- 5. Introduce third-party impact assessment tools to our supply chain.
- 6. Work with other tour operators to help amplify the positive work done in terms of social and environmental impact by smaller and independent accommodation providers in Asia.

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ENVIRONMENT

What We Said We'd Do

- · Develop a carbon reduction plan.
- Implement a robust carbon measurement process for carbon-emission reduction related to 'in-destination' travel.
- Put in place specific waste reduction targets both in the UK (and home) offices and to reduce the waste our customers produce during their travel.
- Make a carbon contribution to Seatrees (our chosen carbon offset partner) to offset the international flights for each customer who travels with us as well as all staff travel.

> What We Did

- · Carbon reduction plan in place, published and communicated.
- A carbon contribution to offset the emissions for every holiday package sold and all staff travel*.
- Put in place procedures for reducing emissions on all staff travel, insisting on more extended periods abroad and incorporating train journeys wherever possible.
- Internally participated in the Greenpeace big plastic count and overhauled our OBaaT (One Bottle at a Time) plastic bottle reduction plan.
- We started to collate data on measuring impact, corroborating our estimates on what we were offsetting. We attended events with our travel associations and investigated various options but didn't manage to put in place a robust system for measurement (and then introduce emission reduction targets.

*See appendix





CUSTOMERS

We aimed to give our customers a chance to experience the beneficial effect that travel can have in ways beyond the purely economic and in a more positive sense than limiting the adverse impact of their holiday.

To this end, we launched our initial 'Give Back' experiences in September 2022 and across all our destinations by April 2023. Each booking now includes at least one 'Give Back' experience.

The selection process is by nature somewhat subjective, but we have built a framework to assess the experiences based on the UN Sustainability Goals and the experience should be reciprocal and beneficial to both parties*.

In the year May 2022 to end of April 2023, 319 customers participated in a 'Give Back' experience.

Our goal for 2023-24 is for 1250 people to participate in a 'Give Back' experience.

We intend to develop further the scope, number and framework for developing, continually improving, and monitoring our 'Give Back' experiences. We shall do this in destinations and regions where we already operate and some countries where we do not yet offer holidays.

*See appendix for examples of Give Back Experiences, how we count them and for our UN Sustainability Goal framework

APPENDIX

APPENDIX 1: CARBON MITIGATION

One SeaTree Token represents one metric ton of carbon dioxide "wiped out" on behalf of an individual or brand, who has calculated their carbon footprint through the SeaTrees platform.

A SeaTree Token for ETG will be comprised of the following mix:

- 0.5 metric tons of CO2 sequestered through VCS certified carbon credits sourced from the Southern Cardamom REDD+ Project, Cambodia.
- 7 mangrove trees planted on Biak Island, Indonesia, that is estimated to sequester 2 metric tons of CO2 over the lifetime of the trees (25 years). This project is not currently creating certified carbon credits, but has other established reporting and monitoring systems in place, including annual site visits by SeaTrees staff.

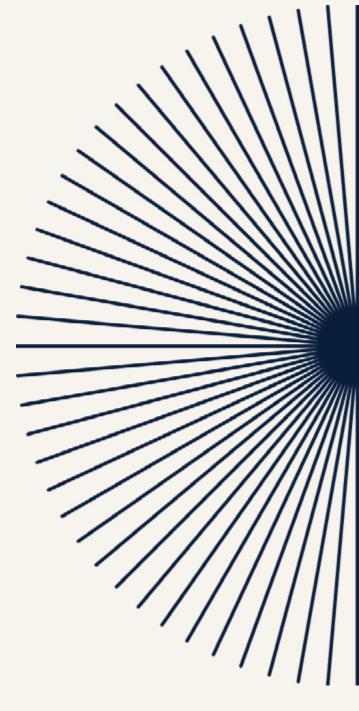
In addition to the carbon sequestered, SeaTree Tokens support development of the SeaTrees platform and other regenerative projects with many SDG benefits, such as kelp forests, seagrass meadows, and coral reef regeneration. These projects need support because they do not fit traditional carbon market accounting, and/or are too expensive to fund on carbon benefit alone.

Verified Carbon Standard

We offset 1911 tonnes of carbon at a total cost of \$38,491 during 2022-23.



The VCS program allows certified projects to turn their greenhouse gas (GHG) emissions reductions and removals into tradable carbon credits. Since its launch in 2006, the VCS Program has grown into the world's largest voluntary GHG program. VCS projects include dozens of technologies and measures which result in GHG emission reductions and removals, including renewable energy, forest and wetland conservation and restoration, transport efficiency improvements and many others.



APPENDIX 2.1: GIVE BACK ASSESSMENT CRITERIA

Our assessment broadly follows several of the UN Sustainable Development goals as laid out below:

Responsible Consumption and Development

Target 12 B Develop and implement tools to monitor sustainable development impacts for sustainable tourism that creates jobs and promotes local culture and products

Life On Land

Target 15.5 take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and protect and prevent the extinction of threatened species.

Gender Equality

Target 5.1 End all forms of discrimination against all women and girls everywhere.

• Quality Education

Target 4.3 By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university

A 'Give Back' experience should make an impact in one or more of these categories. There are many sub-categories. See: https://sdgs.un.org/goals for more information.

The impact should be measurable, even in a simple way. Measurement allows us to demonstrate the impact. ETG will do the impact assessment.

We calculate the number of passengers simply by counting the number of passengers booked on a qualifying experience. Some passengers might take part in multiple 'Give Back' experience.

APPENDIX 2.2: EXAMPLES OF 'GIVE BACK' EXPERIENCES

- Day tours with a meal included at a Social Enterprise Restaurant (the very idea of GiveBack grew from our "One Meal At A Time" initiative). We find our customers love the enthusiasm of the young staff and enjoy supporting the development of the young trainee staff.
- Salaam Balaak Trust in Delhi: walking tours of Delhi guided by former street boys. This experience provides employment, English learning and validation of their life experience. Customers gain an entirely new perspective on the city and life!
- Phare Circus in Cambodia is an experience that offers education and vocational training to underprivileged local people by highlighting local skills and cultural aspects of Cambodia. Customers get an outstanding performance and participate in the learning by spectating.
- The Curd Making experience in Sri Lanka is designed around the daily activity of a couple who follow traditional methods of producing curd. It is not altered to suit tourism but is done to showcase and appreciate the craft as it is traditionally. This experience supports a traditional craft and skill, providing additional income streams but also showing an interest in a traditional vocation less valued locally in recent years.





- Sepilok Orangutan Rehabilitation Sanctuary in Borneo. Their primary concern is the rehabilitation of orphaned, injured and ex-captive orangutans. It is a useful learning tool for locals and visitors to learn about conservation. Tourist visits support the centre economically and incentivise the long-term habitat preservation for the orangutans and other wildlife.
- A visit to the Sidab Women in Muscat Oman. This experience helps support a project which empowers an underrepresented group in the region (eg women). Visitors receive a great insight into local culture and female tourists have a chance to interact with local women in a way which is usually problematic for tourists. The visit helps support local skills and crafts and provides economic support.
- A 'Give Back' experience can also be an accommodation that offers vocational training or allows local people to remain within their communities to earn a living, nurture their environment and maintain traditional skills or lifestyles. There are many examples of this throughout our programme. While it is great to know about these options, we focus predominantly on experiences which any customer can partake in regardless of where they stay.

NB: It is worth noting that Give Back experiences are not: Voluntourism, experiences designed purely for raising money, 'human zoo' or 'poverty safari' type experiences.

