# CLIMATE ACTION

The fate of the world ests in our hands and yours



#### WE CARE ABOUT THE CLIMATE

Having operated in Asia for more than 25 years, we've seen climate change unfold before our eyes and recognise the very real threat it poses to our region and the world. In recognition of the threats that climate change poses, we've pioneered and implemented numerous efforts to help fight it.

We accept the current IPCC advice stating the need to cut global carbon emissions to 55% below 2017 levels by 2030 in order to keep the planet warming within 1.5 degrees. Our Climate Action Plan helps us monitor, evaluate and improve our environmental impact.



#### WE MEASURE : UNDERSTANDING OUR IMPACTS ON THE CLIMATE

In order to reduce our environmental impact, we must understand where our emissions are coming from. Therefore, over the past six years, we've been measuring the use of resources in our offices and analyzing collected data to calculate our carbon footprint as accurately as possible. Working with specialist organizations on complex calculations linked to scopes 1, 2 and 3, here are the details of what we have achieved. Our partner, NEXUS, has calculated greenhouse Gas emissions associated with our operations as per guiding principles of GHG protocol and ISO-14064 under Scope 1, 2 and 3, and as indicated in the table below for 15 offices.



With regards to the Scope 3 measurement, over the years we have added two very important parameters to the analysis provided by Nexus: local transportation for travelers and their stays at hotels in our destinations.

#### **LOCAL ACCOMODATION**

Our partner, Bookdifferent.com, has provided us with a carbon footprint travel scan. This analysis and report is a detailed, weighted analysis for each travel destination, where it is mapped at the supplier level and how they perform on sustainability:

- accommodation suppliers carbon footprint
- carbon footprint per accommodation types
- accommodation suppliers carbon footprint at the destination level
- carbon footprint per accommodation types per destination per guest night in kgs
- overview of the score of sustainability at country and destination level
- energy grid at the destination level,

Their calculation is based on a formula developed by the Breda University of Applied Sciences in cooperation with the Dutch tourism sector as a part of the 'Carbon Management for Tour Operators' project. Three unique values of accommodation are incorporated to arrive at an accommodation carbon footprint score measuring direct energy use of accommodation, influential accommodation attributes and countries' unique climate factors.

#### LOCAL TRANSPORT

- FOR CARS / VANS/ BUSES: In order to measure emissions from travelers due to local transportation used in our destinations, we have extracted data from our reservation system and converted it with an online calculator based on the size of vehicles and distance travelled in kilometers.
- FOR BOATS: we surveyed our main suppliers in Indonesia and Thailand, where we have the highest number of tours including boats rides, and we have collected information on the number of passengers, types of engines, fuel consumption per hour etc. and converted data with an online calculator to measure the average consumption of boats we use for our trips.



#### WHAT DOES IT LOOK LIKE?

Based on the measurement explained above, here is what our carbon footprint looks like. As you can see in the graph below, emissions related to our offices represent around 10%. The rest is linked to emissions from travelers (hotel nights, local transports & activities, air travel in Asia).

However, there are several limitations to be taken into consideration. We have based our calculations on data available, and some offices are not included such as Japan, Malaysia (both certified in 2020) and Singapore (2 persons). We also haven't included the transport to destinations because it is purchased directly by our clients and we don't have any reliable data available to measure it.



#### WE REDUCE: TAKING ACTION FOR THE CLIMATE

Since 2013, we have taken measures to start reducing our environmental impacts, focusing on our offices and raising awareness among our employees. We have steadily decreased our footprint and, between 2018 and 2019, even reduced it by 8% on average. With a strong commitment to become a carbon neutral company, in 2018 and 2019 we offset the global footprint of EXO Travel operations and Air Travel in Asia through the purchase of verified gold standards carbon credits.

As for services and experiences offered to our clients, we have developed a system to classify <u>responsible travel experiences</u> which includes the indication of travel experiences that have the lowest carbon footprint. They are highlighted on our website as "carbon friendly".

We will continue to apply stringent criteria for our classified responsible experiences. As we believe the creation of sustainable experiences generate more qualitative tourism products, that have less environmental impacts and create more revenues for locals.



#### **AMBITIONS**

We are committed to setting reduction targets for our emissions by 2022 to ensure we are exploring every opportunity to reduce our emissions and set ourselves on the path to net zero. Due to COVID-19, we believe our clients' requirements will evolve significantly, as has been the case with our own organization, and we want to ensure that we draw achievable objectives based on this new way of working. Our objectives will be designed to support the world's progress towards limiting global warming to 1.5°C above pre-industrial levels.

#### 1. RENEWABLE ENERGIES

We are committed to using energy providers that harness renewable sources of energy at all our offices, especially regarding electronic data storage, wherever possible and as they become available in our destinations. We will encourage remote working and therefore will continue to raise awareness among our employees on energy saving tips and efficiency.

#### 2. TECHNOLOGIES

We are moving towards paperless offices and our teams are already switching to online systems to share and monitor bookings in order to avoid printing. We are incorporating remote working in our company on a large scale and will therefore reduce staff commutes, use technologies to work better from home with each other and avoid business air travels.

#### 3. SUSTAINABLE SOURCING

We are a sustainably-certified company with Travelife and accredited by The Global Sustainable Tourism Council. These certifications provide guidance for our sustainability agenda. We help main partners to reach internationally-recognized sustainable certification requirements as well using online tools, training and favoring exchange of experiences –especially accommodations. Whenever possible we source office supplies, cleaning products, gifts for clients and food and drinks for our staff sustainably through purchasing from social enterprises, community projects, organic shops etc.

#### 4. SLOW TRAVEL

We are developing systems to offer shared transport options and to promote the use of public transport options. We actively advocate for the development of convenient and comfortable public transport options for our clients within our networks of influence. We assess the carbon footprint of of all tours and experiences and find alternatives to lower them by promoting environmentally friendly options (walking, cycling etc.) with fewer flights. To respect the carrying capacity of our destinations, we encourage our clients to offer itineraries with longer stays in the same area, with more alternative destination choices.

#### 5. WASTE MANAGEMENT

Since 2016, we have been working tirelessly to reduce plastic waste from our operations, gradually replacing plastic water bottles with refillable ones, eliminating plastic wrapped wet towels, encouraging our employees and business partners to refuse plastic packaging and replacing them with available alternatives. We invested \$6,000 in the development of a mobile application enabling travelers and locals alike to find <u>refillable stations in Asia</u>.We've also developed training programs and materials to raise awareness among local communities; especially youth. We have nurtured a culture of reusing and recycling in our company and we will continue to do so.

We have invested in a circular economy and raised more than \$50,000 for projects with significant positive impacts in Vietnam, Cambodia and Indonesia. In Vietnam we support <u>Reform Plastic</u>, which is transforming non recyclable plastic waste into furniture. In Cambodia there is <u>GAEA</u>, transforming glass bottles into sand for construction. In Indonesia, we acquired a <u>river trawl net</u> which is used by local communities to clean up rivers and give a second life to waste. We closely monitor the outcomes of these projects and help initiate similar projects in Asia.

Given that the contribution to global warming by food wastage emissions is nearly equivalent to global road transport emissions (source: FAO), we will work proactively towards reducing waste generated in our destinations and make food waste a priority.

### WE COMPENSATE: TAKING ACCOUNTABILITY FOR THE CLIMATE

We view verifiable carbon offsets as an interim solution to offset emissions until we can find effective solutions to reduce emissions from the services we provide to our clients. In partnership with Nexus for Development, we offset emissions from air travel. First, for our staff and, in 2018, for all domestic and regional flights booked by our company, even for travelers.



We support an <u>improved cookstoves programme in Laos</u>, where most people cook with wood and charcoal which results in carbon emissions, air pollution, and a significant loss of forest cover. This has amounted to a significant environmental threat in Laos over the last two decades.

Through the Laos Improved Cookstove Programme, local producers receive training and are now making stoves that are more efficient. The recipients of these cookstoves not only end up saving on fuel costs, but the more efficient stoves also require less fuel which results in cleaner breathing air which avoids forest degradation.

## **Gold** Standard<sup>®</sup>

Climate Security & Sustainable Development

Since 2017, EXO Travel has contributed more than \$127,000 towards the purchase of 7,000 tons of Gold-Standard Certified carbon credits. Last year, we worked with <u>Yagasu</u> in Indonesia to plant over **20,000 trees in the Mangrove in Sumatra**. Mangroves are one of the planet's largest carbon sinks, and contribute greatly to the fight against climate change.

They prevent erosion and are vital nursery habitat for fish. Indeed, restoring mangrove allows biodiversity to flourish: birds, monkeys, fishes, shrimps and more.

The NGO that we are working with is not only working on restoring mangroves, but also helps local communities to develop alternative livelihoods to palm oil plantations.



Including an <u>automatic compensation</u> <u>scheme for 100%</u> of the services we provide to our clients, for every guest visiting our destinations. EXO Foundation will manage this fund and allocate it to curated local projects.



Through our EXO Foundation, we provide ongoing support to numerous projects helping communities to protect their natural heritage and restore biodiversity in our destinations.

Our **annual contribution represents around** \$100,000 given back to local projects with a positive impact, both for our planet and for communities living in Asia.



#### WE COLLABORATE: DRIVING POSITIVE CHANGE FOR THE CLIMATE

Our strength comes from our people, and we will continue supporting their growth as responsible citizens and engaged climate action leaders. Over the years, we have participated in the rise of a movement towards the promotion of responsible tourism in Asia. We have actively involved our employees, our whole supply chain, our valued clients and even our competitors in this movement. We are proud to share best practices and share experiences with like-minded companies and will continue to be active in the following initiatives:

- UNWTO One Planet Network
- Global Sustainable Tourism Council
- Tourism Declares Climate Emergency
- Coalition for Ethical Wildlife Tourism
- PATA Sustainability Working Group
- Co-founder of Impact Vietnam for Sustainable Tourism
- Myanmar Network of Responsible Tour Operators
- CAM DMC

#### AMBITION

Influencing our communities and policy makers to engage in sustainability and adopt more responsible strategies and development plans in all of our destinations.

This Climate Action plan is a working document, we will adjust it if needed and continue to monitor our progress. Our annual report "Sustainability Guide" is shared with our partners and available publicly online.