E X P L O R A

2021 Impact Report



Contents

- ⁰³ Words from our CEO
- 04 Our Year in a Snapshot
- 05 About Us
- 06 Destinations
- 07 History
- 08 Explora in the news
- 09 Our Purpose
- 10 How we create value
- 11 Our Team
- 12 Our Destinations
- 13 A year of changes
- 14 Andean Region
- 19 Rapa Nui
- 21 Patagonian Region

- 29 **Conservation Reserves**
- 31 Torres del Paine
- 32 Puritama
- ³³ Impact and Results
- 34 <u>Environment</u> Our framework for sustainability Climate Action
- 41 <u>Socio-Económic</u> Social Economy Gastronomy Explora Connects Patagonia



Words from our CEO

«Exploring remote territories as a journey to conservation»

There is no doubt that 2021 will be a year remembered in Explora's history for a long time. We were able to make firm and decisive progress toward our goals as a company despite the powerful influence of the pandemic.

We started the year significantly empowered by our certification as a B corp. Then, we took a huge step forward and officially launched our new purpose, matured over a long time, with a firm commitment to each of the territories we are in, not just to discover them through explorations, but to protect and care for them. This means that since July 2021 our new purpose is to "Explore remote territories as a journey to conservation. This declaration is and will be the engine of our actions, always seeking to protect these unique and valuable territories not just for those who live and travel to them, but also for the biodiversity of our planet". In line with this commitment, we participated in the COP26 and became launching signatories to the "Glasgow Declaration for Climate Action in Tourism". We are going to work decisively to achieve the goals stated in the declaration.

Our new purpose also gave us the impetus to move forward in a difficult year. In a context of high uncertainty and operational complexities, not only were we able to reopen most of our destinations, but we were also able to open two new ones, both in protected areas due to their high ecological value: Explore El Chaltén and Explora Patagonia National Park. These two openings are an important step toward consolidating our new purpose and also for our presence in Patagonia, with a network of destinations that allows us to offer unique experiences to those who visit us: lodges, explorations and conservations in this great territory that we humbly call home.

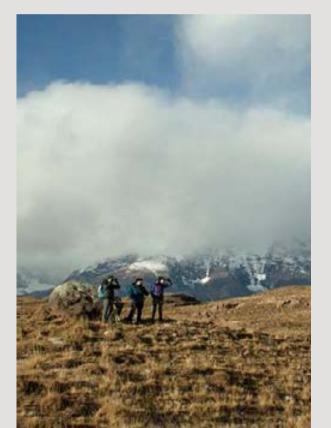
Keeping our development strategy alive has been a tremendous challenge these last few years, and I would like to acknowledge the tremendous effort and commitment that I have seen in our entire team, which quickly joined efforts to turn this pandemic period into an opportunity to emerge stronger.

In this sense, the reopenings and openings required a lot of work in different areas: refurbishment of infrastructure and equipment; thousands of hours of training and over 200 new people hired, who are no part of our great team and strongly drive our new purpose.

Lastly, I want to highlight that the high service standards that characterize us have not only been recognized by our travelers, with a corporate NPS of 86 pts, but we were also distinguished as the "World's leading expedition company" in the World Travel Awards for the third year running, an acknowledgment that, like all the others we received during the year, is a source of joy and pride for us and a special motivation to continue to improve and open new destinations that allow exploring and conserving our planet's remote territories.

Our year in a snapshot

Explora redefined as a conservation driven company





Explora El Chaltén

Explora Parque Patagonia

B certified & Carbon neutral certified company

2 openings

3,700



travelers



9,967 hours of trainina

86%

36,700

Net Promoter Score



kms explored

1million US\$

in purchases from local suppliers



new hires

25(0)

new jobs



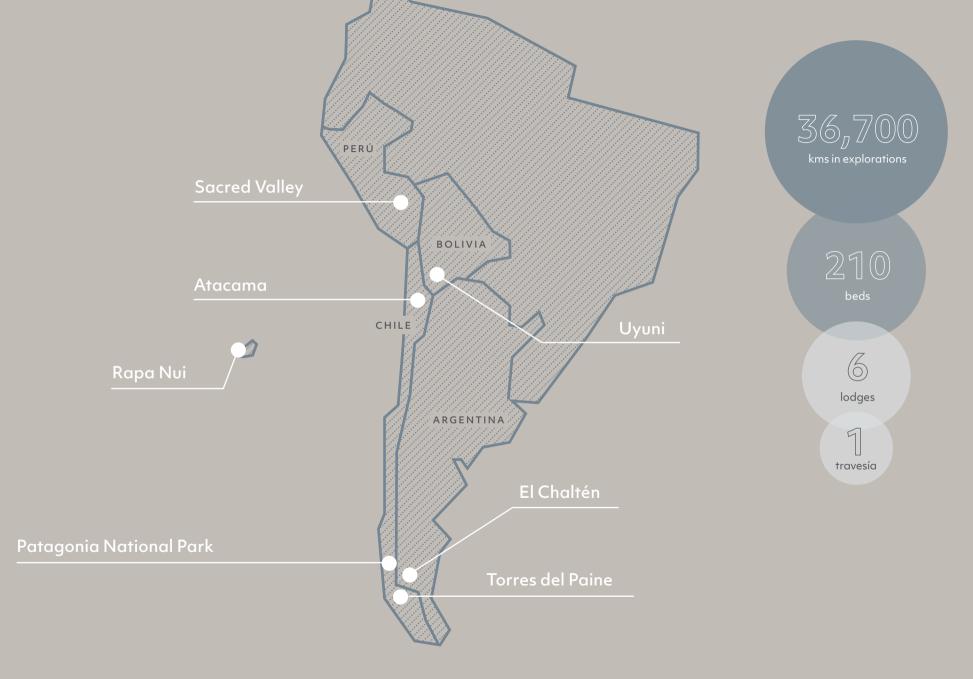
World's Leading Expedition Company World Travel Awards 2021



Launching partners Glasgow Declaration for climate action in tourism

About us

Destinations History Explora in the news Our purpose How we create value Our Team





Explora in the news

The company did not just celebrate major acknowledgements in international awards in 2021 but was also mentioned in different media outlets due to the opening of new destinations and our commitment to being a company with a triple positive impact.



World travel awards

For the third year running, we received the award for the World's Leading Expedition Company for the third year running.

Explora in the Sacred Valley & Machu Picchu was also distinguished as the World's Leading Adventure Hotel for the first time at the 28th World Travel Awards in 2021.

This acknowledgment has twice the value this year after all of the ravages that the pandemic caused to tourism, and it gives us additional energy to continue with our purpose that we love so much.

Press Headlines

Forbes. The Biggest New Bucket List Travel: Patagonia's New National Park.

Condé Nast Traveler. 30 Trips to plan a year in advance.

Forbes

FORES 2 LIFERTYLE 2 PORISÉLIPE

The Biggest New Bucket List Travel: Patagonia's New National Park

Larry Olmsted Serier Contributor O Lenn in ourierd winning travel journalist & braiselling wather. Follow me on Instagram travellioodgeg or Turther Branchoodsaw



Des 27, 2021 02:07(rm EET

Follow



The new Palagoria National Park mixes gravity planet with lenses, glasters and the variant association $\{x_i^k\}$ conclusion

Patagonia has long been a fantasy "once in a lifetime" destination for those who love nature, the great outdoors and hiking, along with famously impressive fishing, birding and horseback riding. It is rare for a major new National Park to open anyplace, but when a new one debuts here, joining Chile's legendary Torres del Paine National Park, it is a very hig deal. When you add in the fact that the new park has a new lodge operated by the world's leading all-inclusive adventure specialist, it becomes one of the biggest travel happenings of recent years - but has been oddly ignored by the travel media.





To explore

remote territores as a journey

to conservation

How we create value

Commitments

Deeply connect travellers with territories, encouraging them to commit with their conservation

2 Permanent search for positive triple impact

3 Nature conservation

"Take urgent action against Climate Change"

4

5 Hand by hand with local communities

6 Care & development for our collaborators. Support socioeconomically vulnerable collaborators







Explorers who become guardians and custodians of conservation reserves

Certified B Corp

Over 40,000 hectares protected. Longest study on Andean Cat. Support to local conservation initiatives.

- Carbon Neutral Company - Launching partner of Glasgow Declaration - Emissions reduction plan for 2030

> Local procurement & employment
> Support to local education and conservation initiatives

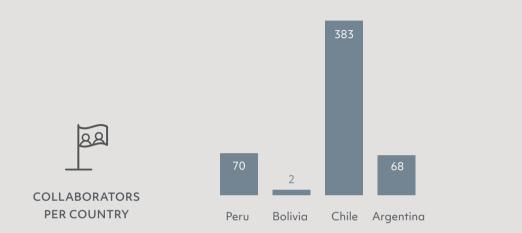
Engaged team that connects with our purpose and excels in service.

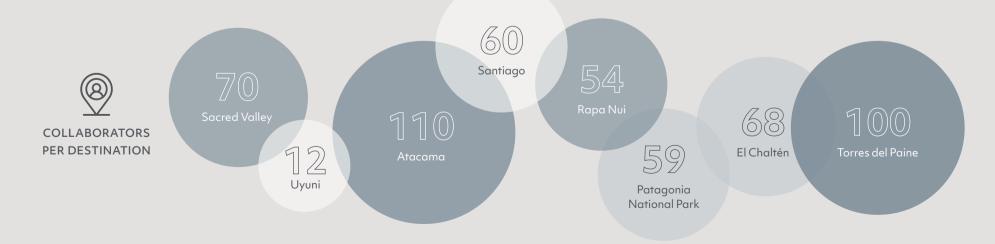


I am very proud to be part of Explora, having been an eyewitness of the long road that it has traveled in these 27 years. I feel privileged to have participated in this process of transformation, evolution and reinvention over time

— Ivonne Fernández, with Explora since 1995.

Our team





Our Destinations

A year of changes

Andean Region

Rapa Nui

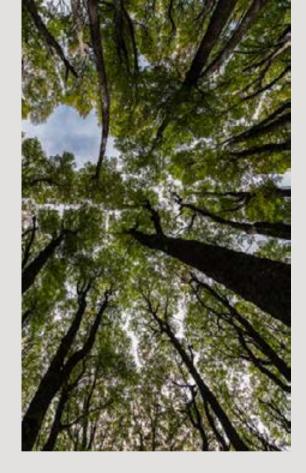
Patagonian Region

A year of changes

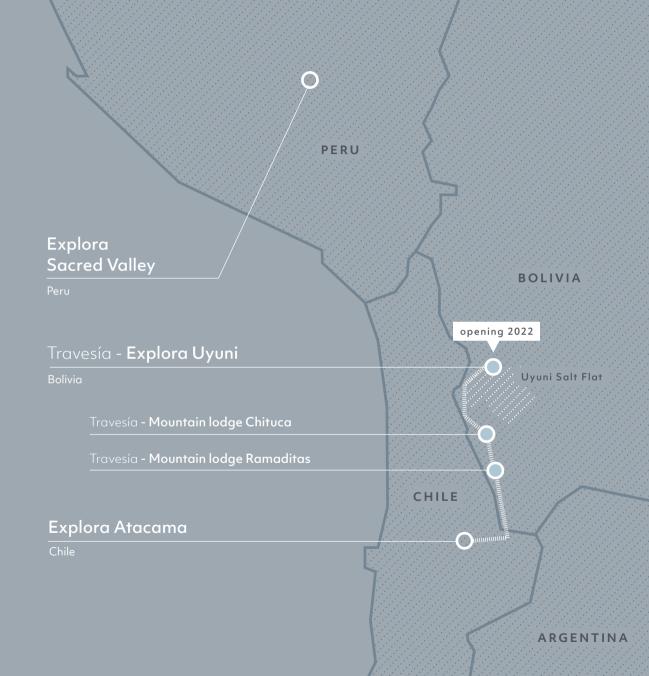
It is no surprise to anyone that the Covid-19 pandemic changed the rules of the game in tourism. In our case, the health protocols established to protect people's health included operating with reduced capacity, continuous monitoring of our collaborators' health conditions and even the total or intermittent closure of some destinations. We also had to adjust our proposition to attend to different market segments. International travel restrictions, both in countries of origin and in our destinations, meant that many traditional Explora travelers were unable to get there, so we created alternatives for short-distance markets and more flexible propositions designed for bookings with less anticipation

Like many destinations, the pandemic ultimately influenced our total number of travelers and bed nights, which were less than in 2019 but represented a significant recovery compared to 2020.

Thus, 2021 has been a year of changes, both in our proposition (which included two new destinations and new travel modalities) as well as the travelers we reached. We learned many lessons from this, and it was undoubtedly an experience that Exlopra emerged from significantly stronger.



Andean Region



Sacred Valle Peru



Explora **Sacred Valley** 96 NPS score*

OUR TRAVELLERS



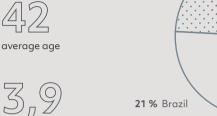
travellers

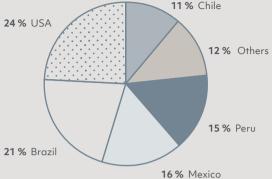
total nights of stay

5.236



42





OUR COLLABORATORS

- Henry Jara, Guide

For Henry Jara to become a guide at the lodge in Machu Picchu & Sacred Valley, he had to undergo almost three months of training in the exploration routes, Peruvian history, flora, fauna, geography and archeology, among others, and to graduate he was certified in the Wilderness First Responder course. "Explora guides are prepared for everything; we're travel companions," he says.

Since he was six years old, he would organize hikes to different areas near his city, Cuzco, with the children from his neighborhood. He would regularly travel with his parents to visit his grandparents, who lived in the remote jungle of La Convención.

They had no electricity there and at night you could hear the buzzing of insects, animals making their way through the land, the echo of birds and the swaying of trees in the wind. "I think that's where my passion for nature was born," he says.

He applied to the Explora lodge in the Sacred Valley as an airport greeter in 2016. He liked

the company philosophy of wanting to reduce

its carbon footprint, to seek the common good of the indigenous communities, to worry about environmental protection and conservation. After two years, he applied to become a guide.

"In Andean culture the concept of ayni is very important, synonymous with reciprocity - for communities to help each other like a family. I feel like that happens in Explora," he says



IMPACT REPORT

17



Explora Atacama 91 NPS score*

OUR TRAVELLERS



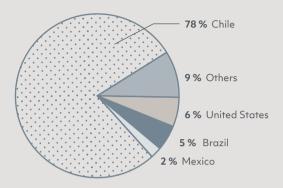
travellers

average age

42







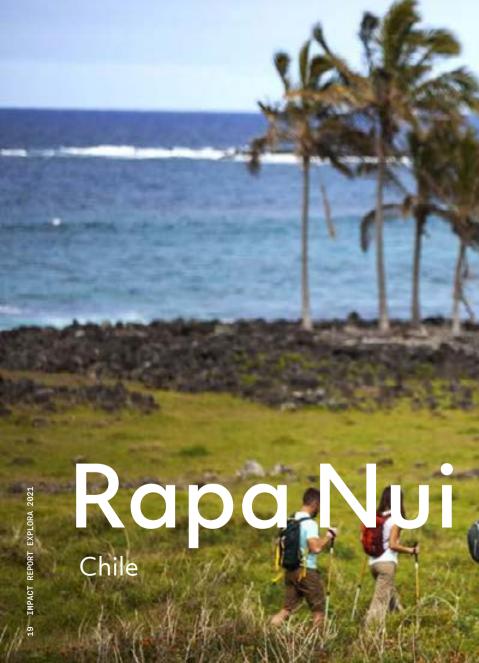
OUR COLLABORATORS

– Roberto García, Field supervisor

"You were born in the early morning," his grandmother would tell him, "The little birds sang and said that a man had arrived who would plant for them."

Roberto has worked at the lodge in San Pedro de Atacama for almost three decades. He began watering and taking care of the land where the hotel was to be built. I had to preserve the trees, the plants. Prevent campers from lighting fire. A native of the Catarpe Valley community, he grew up watching and learning how to protect and till the land from the "old folk." "In the field everything is dynamic; there is no set pattern," he explains, "the tasks vary from season to season."

One of his first missions was to recuperate the vegetation - damaged during construction - and to plant native trees. "Around 1,200 chañar trees were planted (pepper and carob trees in smaller quantities), which have improved the environment and ecosystem, creating a microclimate," he comments. The chañar and carob trees have protected the place from winds and frost, thus allowing life to Flourish. "At first to plant you would make a hole and put the trees in, but not now. We add compost before planting; imagine the treatment we give them," he says.



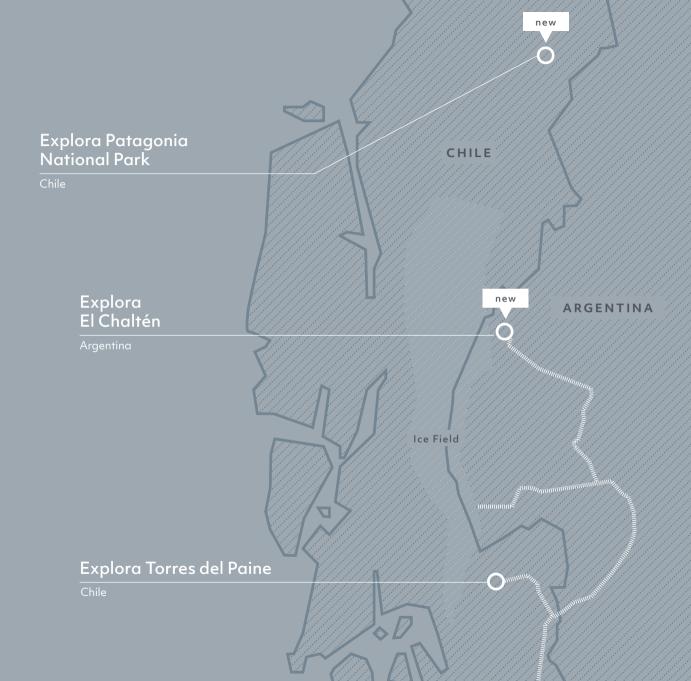


Explora Rapa Nui

Due to the restrictions associated with Covid-19, the Explora lodge in Rapa Nui remained closed throughout 2021.

During this time closed our efforts have primarily focused on two things. The first was our people, which is why we kept a team of 42 people hired. On the other hand, we launched a local suppliers project with the support of the CORFO during the pandemic, with the aim of strengthening local agriculture on the island through training and technical assistance in organic farming for over 15 families.

Patagonian Region



Opening of 2 new lodges in Patagonia

Patagonia National Park

The Explora lodge in Patagonia National Park has a privileged location in the Chacabuco Valley in Chile's Aysén Region, an area that stands out for the unique richness of its ecosystems, which makes it a differentiating attraction for tourism and scientific research.

The opening of this lodge comes in the context of the tender for the park's ecotourism services, awarded to Explora in early 2021, after Kristine Tompkins donated it to the Chilean state.



Located on the north bank of the Eléctrico River and with unrivaled views of the Marconi Glacier and the Eléctrico Valley, the Explora lodge El Chaltén is the perfect base for travelers to discover the wonders of Argentine Patagonia.

The opening of this new lodge in El Chaltén will strengthen Explora's presence in the area and it joins a network of destinations in Chilean Patagonia, specifically in Torres del Paine and the Patagonia National Park.

Chile



OUR TRAVELLERS

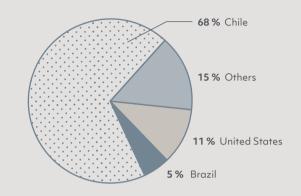


travellers





3,9 average nights



OUR COLLABORATORS

Yamila Zapata - Head of Administration

"A year ago she spoke with her boss about the option of being transferred from Santiago to Patagonia. She is now head of administration at Explora in Patagonia National Park. Changing the city for that place has been one of the best decisions she has made and seeing how happy her daughter is reaffirms this every day.

Having the animals right in front of you leaves you speechless. Some time ago we saw a puma with her cubs eating a guanaco a few meters from us; that makes you understand that we are part of nature and coexist with it and its fauna every day."

Explora Patagonia



NPS score*

Torres del Paine

Chile



OUR TRAVELLERS



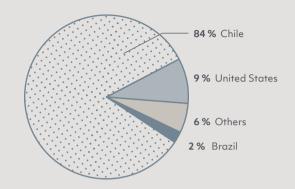
travellers

average age

ĄĄ



average nights



OUR COLLABORATORS

Luisa Mansilla - Housekeeper

It is a dream come true to work in a place with that nature surrounding you. It doesn't matter whether there is rain or shine, Patagonia has its charm all year round and Luisa feels privileged to be able to admire it in every season.

Explora Torres del Paine 85 NPS score*



*Net Promotore Score: Metric used to measure guest´s satisfaction

El Chaltén

Argentina



OUR TRAVELLERS



travellers

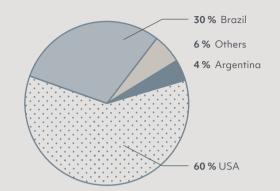
average age

<u>A</u>A



total nights of stay

average nights



OUR COLLABORATORS

Emilia Farmache

"I realized that this was what I wanted to do after finishing school. Being a trekking guide has formed me as a person; I would be a totally different person if I did not do this. Nature makes you appreciate, get to know yourself, especially when I go on long mountain expeditions"

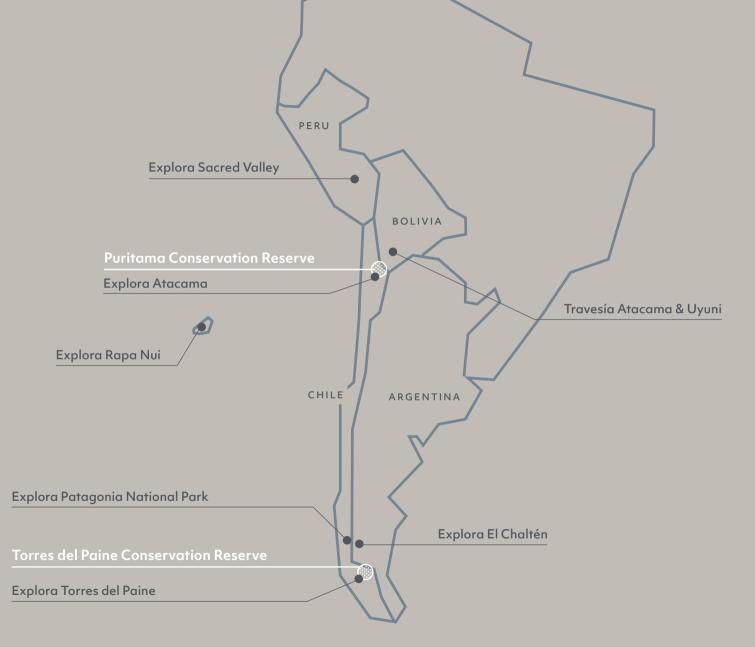
Explora El Chaltén 85 NPS score*



Conservation Reserves Torres del Paine

warphall!

Puritama

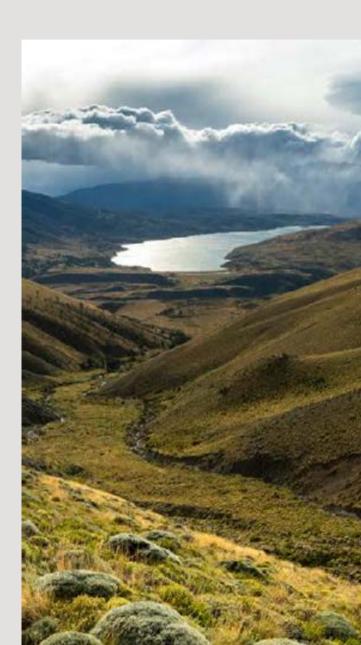


Torres del Paine Conservation reserve

Not far from the Explora lodge in Torres del Paine – Patagonia, strategically nestled between the mountains, Explora also created the Torres del Paine Explora Conservation Reserve, a 6,000-hectare project from which numerous horseback explorations set off to explore deep Patagonia. Located between the Paine Horns and the Sierra Baguales, this territory holds some of the region's most striking elements, in addition to rich yet fragile ecosystem. Vast territories like Patagonia tend to be dotted with private enclosures and estates. These large portions of land are often simultaneously the most productive and economically viable, while also offering some of the best potential for biodiversity conservation. Their safeguarding is therefore critical, as they cradle highly dynamic and fragile ecosystems.

This reserve is Explora's first conservation project in Patagonia, through which acquired a perpetual commitment to protect a 6,000 hectares fraction of untouched, pristine Patagonia. The Torres del Paine Explora Conservation Reserve is a former Patagonian ranch or estancia –now property of Explora – where some of our horseback rides are held. The reserve encloses unique natural features, including the fragile ecosystems we strive to protect.

Within the reserve it is possible to share a mate with the gauchos, who often ride alongside our horseback explorations. The gaucho and Patagonia are one, sharing temperance, silence, mystery and fascination. Trying to tell the story of this territory without their voice, is having completely misunderstood its essence



Puritama Conservation reserve

Located deep in the Andean canyons of the Atacama Desert, this Explora Reserve covers a unique ecoregion in the world, where the Andes Altiplano and the driest desert in the world converge on the Great Atacama Salt Lake. The reserves cover an area of 6.000 ha within the Puritama River Valley, including the Puritama hot springs, where the native vegetation and the abundance of flora and fauna offer an oasis for numerous species. There, from 2010 explora carries out the most prolonged monitoring of the endangered Andean cat (gato Andino), among conservations efforts of other iconic species, crucial for this diverse ecosystem, such as puma, pampas cat, foxes, dozens of birds ranging from the majestic Chilean Blue Eagle up to the tiny greenish-yellow finch, and even some new-for-the-science species of lizard and frog.

Over the last decades, our engagement with Altiplano and Atacama reinforced our care for their territory and the people who belong and visit them. Their unique landscapes, exceptional ecosystems, and living ancestral cultures are a world's heritage that only sustainable conservation will preserve for present and future generations. Puritama Conservation Reserve is conceived to bring people together to support and participate in a wide range of conservation projects.



Impact and Results

ENVIRONMENT

Our framework for sustainability Climate Action

SOCIO-ECONOMIC

Social

Economy

Gastronomy

Explora Connects Patagonia

Impact and Results

ENVIRONMENT

Our framework for sustainability



Caring for environmental sustainability is at the core of what we do. We care and love the destinations where we are and that implies, we need both to have sustainable operations and to get involved in active protection of the environment and biodiversity.

In terms of sustainable operations, we have defined four main material aspects:

Climate: We live a climate emergency. We need to take decisive and urgent actions both to mitigate and to adapt to global warming. And this implies not only working on our operations but also to foster climate action in collaboration with other stakeholders wherever we are.

Energy: The more energy we use, the more we need to intervene the environment to get it. Therefore, we are constantly looking for ways to be more efficient in its use and for technologies that allow us to use less.

Water: We are aware water is at the heart of the environment crisis nowadays. Therefore, we try to use less, to make the most of what we use and to make a clean and useful disposal of it.

Waste: We are working hard on our way to be a zero-waste to landfill company. We have removed single-use plastics and we are promoting recycling in all our destinations, something which is not easy given the remote nature of our destinations.

In these and other aspects we try to work with excellence for the protection of nature. Our climate commitment is key to this and this is why we signed as Launching Partners of the Glasgow Declaration for Climate Action in Tourism and this is why we have created a whole new area of Conservation Reserves with ambitious goals for the next years.

Climate Action





We are living a climate emergency, but we can solve it, if we take urgent and decided actions. We are doing all we can to contribute to mitigating and adaptating to climate change. Here is a short list of the actions we are implementing:

Implement nature based solutions to capture carbon from the atmosphere.

2 Offset all our carbon emissions.

Design and implement a reduction plan to half our emissions by 2030, alligned with science based targets.

Educate ourselves , and our travellers so we all take actions against climate change

5 We know we can't make this alone, so we are creating alliances:

With travellers, through our Conservation Reserves & ECho Society.

With other tourism initiatives through Glasgow declaration and local initiatives.

With local conservation initiatives.

Glasgow Declaration







During the COP26, we signed as launching partners of the "Glasgow Declaration on climate action in tourism", committing to:



Measure and disclose all travel and tourism related emissions



Decarbonise our energy matrix

Regenerate , restore and protect ecosystems

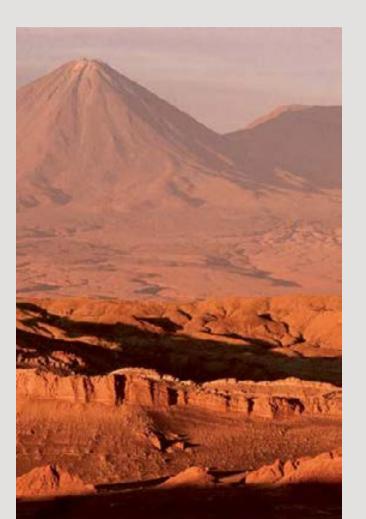
Collaborate effectively with stakeholders and guests to address climate change

Ensure organizational resources and capacity building to meet our goals.

More info and becoming a signatory at: https://www.oneplanetnetwork.org/programmes/sustainabletourism/glasgow declaration

ENVIRONMENT

COP 26 Champions Seminar





In line with the commitment made by signing of the Glasgow Declaration for Climate Action in Tourism, Explora organized the talk "Climate emergency and challenges in tourism sector" at its lodge in San Pedro de Atacama.

The activity was attended by the High-Level Climate Action Champions of COP 25 and 26, Gonzalo Muñoz and Nigel Topping, in addition to representatives of the Lickan Antay people, authorities and local tourism.

During the event we had time to analyze and reflect on the challenges faced by the local and national industry in the context of the climate emergency and the commitments made at the COP26 global climate summit



ENVIRONMENT

Our carbon Footprint

According to our commitment with the Glasgow Declaration, here we disclose our 2022 carbon footprint, as audited by Carboneutral, an independent third party.

In scope one, most of our footprint is generated by the energy system providing both heat and electricity to our lodges. The rest comes from our vehicles fleet.

In scope two, the bulk of our footprint comes from the energy system of our lodge in Sacred Valley, and a small percentage from our corporate office and our storing facility for supply, both in Santiago, Chile.

In scope three, we have included four material categories, the main one being waste, followed by our corporate flights and supply chain.

Our greatest challenges in terms of reduction during the year were the design and planning of renewable energy projects and recycling initiatives (particularly in Torres del Paine). Energy efficiency is a permanent goal for our teams at each destination.



Emisiones (†CO2eq/year)		2021
Scope 1	2851	59%
Energy generation	2394	50%
Transport (own vehicles)	252	5%
Refrigerants	204	4%
Scope 2	351	7%
Electricity purchased (Chile)	79	2%
Electricity purchased (Perú)	272	6%
Scope 3	1612	33%
Corporate Flights	365	8%
Waste	1.016	21%
Supply transport	220	5%
Home-office	11	0%
TOTAL		4813

ENVIRONMENT

Our decarbonization plan





Alligned with science based targets, we need to half our emissions for 2030 (baseline year 2019). In order to achieve this, we are working on:

Energy matrix conversion : turning our energy sources from fossil fuels to renewables in a progressive plan including the energy generation systems and our vehicle fleet.

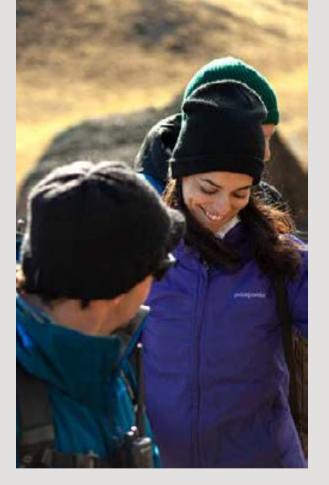
Implementing energy efficiency initiatives in all our destinations.

Aiming to reducing our waste to the minimum , and even get to be a " zero waste " company.

Implementing collaborative actions with other tourism companies , our providers and other local initiatives at each destination

Impact and Results

OCIO-ECONOMIC



Social



After an intense 2020 year, 2021 offered us the opportunity to recover and create a significant amount of jobs.

With 2 openings and 3 reopening processes, we had the challenge both to hire and train over 350 people in four different destinations and alligned with our commitment to promote local employment, 50% of those hirings were to local inhabitants of each destination.

We implemented around 2500 hours of training for the two new destinations in El Chaltén and Parque Nacional Patagonia. In Torres del Paine, Atacama and Sacred Valley we implemented around 7450 hours. All workers received capacity building related to their multifunctional roles in the company, allowing them also to be better trained for new job possibilities But they also received additional cross training, and in topics related to sustainability.





Economy

A very special Travesia.

Our Travesia Atacama Uyuni is not only unique because of its breathtaking landscapes and remoteness. It is particularly unique because the whole project has been implemented in partnerships with local communities . For the lodges at Ramaditas and Chituca , we have generated alliances with three communities owners of the land where the lodges are located --, which will receive both economic and social impacts of the project. When working in rural, remote areas, promoting the local economy is both a challenge and a must.

Through that , one can create local employment , promote local culture and foster positive relations with the community.

Alligned with this , we have created initiatives to promote local agriculture providers , in partnerships with government departments (Corfo & Indap) In Rapa Nui and Atacama, we started implementing a capacity building project to promote local agro ecologic production for local families.

One of the key material aspects of our economic impact is the local procurement.

The pandemic stroke hard on the economies of the remote territories where we are, since they highly depend on tourism . Therefore , our efforts for buying to local providers during 2021 where crucial for the reactivation of local economies. During 2021, we contributed with 1MM USD to over 150 local providers in the six destinations where we are at.



Gastronomy



In Explora we design unique experiences, so our travelers can get to know our territories in depth.

Gastronomy is yet another way to discover and get to know the territory; it is an interpretation of the environment. We have partnered with renowned chefs who share this same purpose to bring this concept to our travelers, developing a culinary proposition that invites travelers to explore through their flavors, ingredients and traditions.

Virgilio Martínez – Explora Valle Sagrado

Pablo Jesús Rivero & Guido Tassi – Explora El Chaltén y Explora Patagonia National Park

Sebastián Giménez y Mauricio López – Travesía Explora Atacama & Uyuni





Explora Connects Patagonia

With 2 new destinations in Patagonia, well spread so one can get a both wide and deep connection to the territory , we had to think of new ways to move around this huge area.

Explora launched a new experience for travelers that want to bridge the mountainous distances between three Explora lodges in Patagonia near the southern tip of South America. The Explora Connects Patagonia programs, involve lodge-to-lodge van transfers, and this year included an exclusive air charter service offering small - medium plane flights between Torres del Paine and Patagonia National Park in Chile, with the journey between Torres del Paine and El Chaltén in Argentina being done by land.

Conscious of the environmental impact the charter flights will have, all journeys will be carbon neutral with the offsetting of their carbon footprint.

E X P L O R A

Explora Hotels Lodges & Explorations www.explora.com

Contact Us

Juan Marambio / Sustainability Manager jmarambio@explora.com Magalena Olfos / Head of Brand and Communications molfos@explora.com E X P L O R A