

19



An aerial photograph of a riverbank. The left side shows a dense area of green vegetation. The right side shows a wide, sandy riverbank with a distinct red soil color. The river water is a light brownish-tan color. The overall scene is captured from a high angle, looking down at the landscape.

ACKNOWLEDGMENT OF COUNTRY

We acknowledge the Traditional Owners of the country on which Intrepid's Melbourne office is located, the Wurundjeri and Boon Wurrung people of the Kulin Nation, and recognise their continuing connection to the land, waters and culture. We pay our respects to their Elders past, present and emerging.



Luxor, Egypt

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MATERIALITY IN THIS REPORT

This report focuses on the matters that are deemed the most valuable and relevant for the stakeholders of Intrepid. The following outlines the material items that are included within this report:

- Our external environment
- Responsible business practices
- Actions on climate change
- Financial performance
- Customer satisfaction
- Employee engagement
- Employee wellbeing
- Our relationship with the communities in which we operate
- Corporate governance
- Impacts of Covid-19

OUR 2019 INTEGRATED ANNUAL REPORT

Our 2019 Integrated Annual Report aims to provide a balanced insight into our vision, our journey to date, our performance in 2019, and the outlook for our global business in 2020 and beyond. This report includes The Intrepid Foundation, a stand-alone not-for-profit, which Intrepid supports.

OUR APPROACH TO REPORTING

This report has been produced with a wide variety of stakeholders in mind, including our partners and staff, and presents a holistic view of our business.

We've been a signatory to the United Nations Global Compact (UNGC) since 2008. As the world's largest corporate sustainability initiative, the UNGC is both a practical framework for action and a platform for demonstrating corporate commitment and leadership.

Our integrated annual report combines our financial results with Intrepid's tenth Communication on Progress Report for the UNGC. We produce this each year to show the progress we've made in each of the sustainability areas we've committed to tackling as a business.

By combining our sustainability reporting with our financial results, this report shows how we create both short-term and long-term value for all our stakeholders, including, employees, customers, supply chain partners, travel industry partners, shareholders and regulators and government bodies.

Importantly, it builds on our accountability and transparency as a business; sharing the business strategies that worked, and those that didn't. As a privately-owned company, this report is also a useful marketing tool that we use to introduce our business to potential new stakeholders, including partners and governments.

This report draws on the International Integrated Reporting Council's (IIRC) International <IR> Framework to explain the Group's performance during the year ended 31 December 2019. Our value creation resources are:

- FINANCIAL
- ENVIRONMENT
- SOCIAL AND RELATIONSHIPS
- PEOPLE
- CUSTOMER
- BRAND AND KNOW-HOW

An independent audit of Intrepid's annual financial statements was performed by PwC and a summary of these financial statements is included within this report. The rest of this integrated annual report has not been subjected to independent audit or review. Information reported has been derived from Intrepid's own internal records and from information available in the public domain.

The Intrepid Group Board acknowledges its responsibilities to ensure the integrity of this report, which we believe is prepared in reference to the IIRC IR Framework.

Intrepid Group is an independently-owned Australian company and all figures are reported in Australian dollars, unless otherwise stated.

For an explanation of financial and travel industry terms, please refer to the Appendix.



THIS REPORT FOCUSES ON SIX VALUE CREATION RESOURCES OF:



FINANCIAL

We maintain a healthy balance sheet to enable growth and expansion of the business.



PEOPLE

We invest in our people, culture and training so that our team are safe, happy and able to deliver against business goals.



ENVIRONMENT

We commit to being carbon neutral and to the sensitive design of trips to minimise our footprint on the environment.



CUSTOMER

We invest in innovative products and leader training to deliver exceptional experiences to our customers.



SOCIAL AND RELATIONSHIPS

We commit to giving back to the communities we travel to by employing locally, buying locally and investing in community projects.



BRAND AND KNOW-HOW

We invest in our brands and operations to ensure that we deliver the right product to the right market at the right time.



Kathmandu, Nepal

We want to be **THE BEST TRAVEL COMPANY FOR THE WORLD**

Independently owned by the founders and staff of Intrepid Travel, Intrepid Group is a collection of three tour operator brands and 25 destination management companies united by the vision of Changing the Way People See the World.

Intrepid offers more than 2,800 trips and 130 countries and on all seven continents through Intrepid Travel, Peregrine Adventures and Urban Adventures.

Globally renowned as a leader in responsible travel, in 2018 Intrepid became the world's largest travel business that was B Corporation certified and joined a growing community of businesses looking beyond the bottom line.

Intrepid is a carbon-neutral business and is committed to a published seven-point climate emergency action plan.

Our not-for-profit, The Intrepid Foundation, has raised more than \$10m for more than 130 communities around the world.

OUR VISION IS TO

Change THE WAY PEOPLE
SEE THE WORLD

OUR PURPOSE IS TO

Book. Operate. Manage. Build. Share.
Lead. Create. Live. See.



THE BEST TRAVEL EXPERIENCE EVER

OUR SHARED VALUES DRIVE US EVERY DAY

GROWTH

Stakeholders in our
own success

PASSION

We are inspired by the work
we do and the trips we offer

RESPONSIBILITY

Think global,
act local

FUN

It's ingrained into who
we are and what we do

INNOVATION

Thriving on new ideas
and embracing change

INTEGRITY

Doing the right thing



High Atlas Mountains, Morocco



SNAPSHOT OF 2019

FINANCIAL **\$491m** Total transactional value **18%** CAGR since 2016 **\$28m** EBITDA

CUSTOMER **460,000+** Customers travelled with Intrepid Group **74** Intrepid NPS **81** Urban Adventures NPS

THE INTREPID FOUNDATION **\$1.6m** Total disbursed in 2019 **\$600,000+** Raised for an innovative marine carbon drawdown project **100%** Of administrative costs covered by Intrepid Group

PEOPLE **77%** Global employee engagement score **79** Different nationalities **2,400** Staff and leaders globally

BRAND & KNOW-HOW **7** Continents visited **67%** Increase in Peak DMC sales **23%** Increase in tailor-made sales

ENVIRONMENT **4.3 TCO₂E-/FTE** Greenhouse gas emissions intensity **99.2%** Post-consumer recycled and FSC® certified paper used **44** Offices' emissions assessed

SOCIAL AND RELATIONSHIPS **1st** Reconciliation Action Plan **2nd** Year as a B Corp **58%** Increase in volunteering hours

A BALANCING ACT

When Manch and I co-founded Intrepid more than three decades ago, we never imagined it would grow to nearly half a million customers and thousands of staff and leaders, located all over the world.

Intrepid has been on an incredible journey over the years – from our early days as a small start-up to becoming a truly global business, which actually still operates a lot like a start-up.

We've been committed to transparency since the beginning, not only because it's the right thing to do by our stakeholders, but also because it makes us a better business. This is the third year that we're demonstrating that commitment to transparency by publishing an integrated annual report, which is signed off by Intrepid's Board.

Right now, that commitment to communicating transparently with our staff, our customers, our communities and our industry partners is helping us through the toughest situation our business has faced. We need to trust that we're all doing our best in difficult circumstances.

Over the past 31 years Intrepid has seen a lot of change in the industry, but the impacts of Covid-19 are unlike anything we've seen before.

In these moments, it's important to remember who we are, what our values are, and why we do what we do. Manch and I started Intrepid because we wanted people to be able to discover the world in a new way.

We wanted to Change the Way People See the World. We still do. And we always will.

It has never been clearer that to be a responsible travel company is a great balancing act.

In 2019, the balance was in our favour – we achieved record financial results, record customer feedback, and record donations to our communities through The Intrepid Foundation.

For the most part, our 2019 Integrated Annual Report focuses on last year, as we continued to expand into new products, markets and destinations. It reports on our ongoing commitment to being a business that is a force for good, a certified B Corp that is leading the industry on climate action.

The report also touches on what will happen in 2020. Despite Intrepid's financial strength, which is outlined in this report, we will not be immune to the economic impacts of a global pandemic.

As I write this, it's impossible to predict how long or how deep the impacts of Covid-19 will be felt. But what I do know is that the world will always need Intrepid people.

I write this with the firm belief that Intrepid will get through these tough times, with the support of our community of customers, staff, industry partners, and suppliers. We will emerge stronger, more innovative and even more committed to ensuring that our style of travel benefits our travellers and the people that they visit along the way.

Thank you for your continued support.



DARRELL WADE
CHAIRMAN & CO-FOUNDER





A YEAR OF RECORD RESULTS

It feels almost surreal to look back on 2019, which was a year of huge growth for Intrepid, with plenty of highlights along the way. In comparison, 2020 is shaping up to be the most challenging year the travel industry has ever faced.

A different time calls for a different approach, and our solid foundation and purpose-led approach sets us up well to respond to this changed landscape.

It is also important to take a step back, take a breath and reflect on 2019 – looking back, I'm exceptionally proud of what we achieved. It was Intrepid's most successful year – we carried more than 460,000 travellers to the world's seven continents, achieved record financial results and, as a result, paid out more than \$3.5m in staff bonuses.

Importantly, as a certified B Corp that is committed to growing with purpose, we contributed to many communities around the world, made significant steps on climate change and advocated on a number of environmental and social issues.

We also realised our four-year 2020 Strategy, which we put in place after we returned to independent ownership in 2015. That set out a number of goals to grow with purpose, which, thanks to our teams and partners around the world, we've achieved – and more.

I'm proud to reaffirm our commitment to the United Nations Global Compact (UNGC) and the Sustainable Development Goals (SDGs), which underpins our strategies and activities. Intrepid joined the UNGC in 2008 and we've adopted eight SDGs that are most relevant to our business. We've made progress on many of these and they will continue to underpin our business in the year ahead.

Some of our SDGs are particularly worth highlighting. In 2019 we deepened our commitment to gender equality. We doubled our number of female tour leaders, boosted our Board diversity to 40 per cent female members; and helped more women become job ready or gain new skills through the work of The Intrepid Foundation.

As an Australian business, we recognise that reducing inequalities in this country is vital. I'm proud that Intrepid's Reconciliation Action Plan (RAP) was endorsed in 2019 – this provides a framework to foster positive relationships and create more equity with Aboriginal and Torres Strait Islander peoples and sets our direction as a business in this important area.

And, we've taken a number of significant steps on climate change. Intrepid has been carbon neutral since 2010 and in 2019 we committed to becoming climate positive. We're a founding member of the Tourism Declares collective and have adopted a seven-point climate action plan. I hope this provides the groundwork for other travel companies to follow, as effective action on climate change requires a collective response.

These are just a few highlights from the past year, there's truly too many for me to mention here – but this integrated annual report provides a transparent view of all parts of our business.

As I sign off this report, it is clear that 2020 will be the most challenging year the travel industry has ever faced. That doesn't change the fact that Intrepid's vision now and always is to Change the Way People See the World.

I can't think of a time when that vision has been more important.

JAMES THORNTON
CEO

BALANCING PURPOSE WITH PROFIT

Intrepid Group is the world's largest travel B Corp. We balance purpose and profit, with sustainability and developing local economies through responsible tourism at the core of what we do.



THREE DECADES OF GROWING WITH PURPOSE

A lot has changed, but the big things haven't. We still create sustainable experience-rich trips and look after the destinations and communities we visit.

Our founders didn't start out with a plan to create the world's largest adventure travel company.

The year was 1989. Darrell Wade and Geoff 'Manch' Manchester had just returned from travelling with a group of friends through Africa in a converted rubbish truck. During their adventure, they had an idea for a new style of small group travel. From the start, they believed travel could benefit both travellers and the communities they visit.

In fact, Intrepid's first business plan had us donating money to local projects before we were even making a profit. Our founders didn't really know how the travel industry worked, so right from the start they were selling and operating their own trips – Darrell from a kitchen table in Melbourne and Manch as our first leader in Thailand.

RESPONSIBLE TRAVEL

Intrepid's style has always been to travel the local way: using local accommodation and transport, eating in neighbourhood restaurants, travelling with local leaders. This approach ensures more authentic experiences and means more money generated through tourism stays where it belongs: in local pockets.

GROWING WITH PURPOSE

We had 46 travellers in our first year and quickly added destinations and sales regions, launched our own destination management company to deliver trips and created a day-tour brand. As the appetite for our style of authentic, immersive travel has grown, so has our product offering.

And with this growth, we've recognised that we have a responsibility beyond just our product. We always believed we could be more than just a travel company. In 2008 we became a signatory of the world's largest corporate sustainability

initiative, the United Nations Global Compact. Two years later, we became a carbon neutral travel company. In 2018 we achieved B Corp certification, which means we're part of a global community of companies who are redefining success in business to build a more inclusive and sustainable economy for the long-term.

THE NOT-FOR-PROFIT INTREPID FOUNDATION

As we grew, our travellers told us they wanted to give back to communities, too. In 2002 we set up The Intrepid Foundation and covering all administration costs. The Foundation continues to have a big impact on the partners and communities it works with around the world.

TRAVEL AS A FORCE FOR GOOD

We believe that our whole business can be a force for good. Over the years we've advocated on issues such as climate action, animal welfare, child protection and gender equality. We were the first global tour operator to end elephant rides – it was a risky decision at the time, but doing the right thing not only helped to grow our business, it has changed the industry. More recently, we declared a climate emergency as part of our action with Tourism Declares, a global collective of tourism businesses, organisations and individuals who have pledged urgent action on climate change.

We pursue partnerships that genuinely empower communities and we've seen that this shared value approach to community-based tourism is also a competitive advantage.

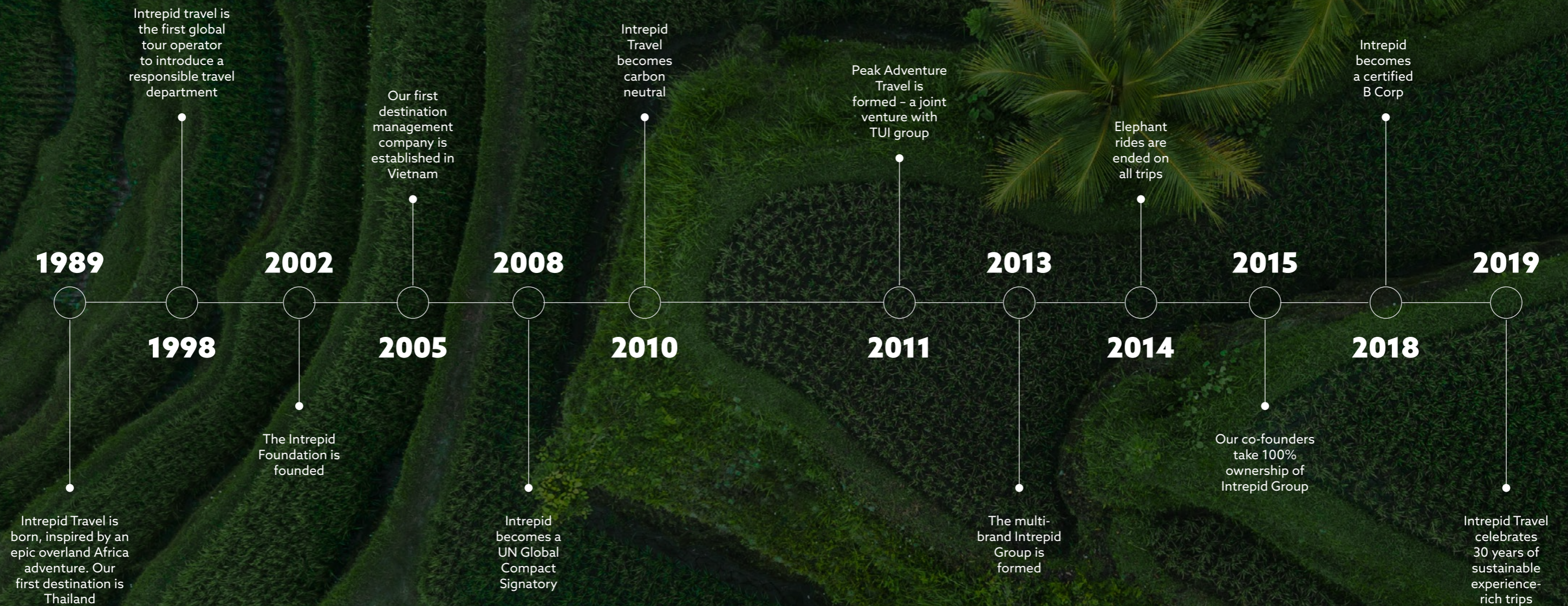
Just like any good journey, ours is still going. Although we're a bit larger these days, we're still run by travellers, for travellers, and we still get a kick out of responsible travel and very (very) big adventures.



CELEBRATING 30 YEARS OF ADVENTURE

Intrepid has evolved over three decades but growing with purpose has always been at the heart of everything we do. Today, Intrepid is a vertically-integrated global travel business with future growth plans.

Bali rice terraces, Indonesia



UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

Created by the United Nations in 2015, the Sustainable Development Goals (SDGs) comprise 17 goals and 169 actionable targets to end poverty, fight inequality and injustice, and tackle climate change by 2030. Intrepid has identified eight SDGs that best align to our key focus areas and we work to contribute to, rather than diminish, their health and value.



5. GENDER EQUALITY
Achieve gender equality and empower all women and girls

Intrepid has committed to gender equality in its business and operations. We have increased our number of senior female leaders in the boardroom and offices, and doubled our number of female tour leaders. Many trips include female empowerment experiences, and we continue to expand our offerings of women-only expeditions in key destinations. The Intrepid Foundation supports women focused projects, particularly around economic empowerment. We're setting more ambitious gender equality targets and examining our supply chain to identify opportunities to support more female-owned businesses.

11. SUSTAINABLE CITIES AND COMMUNITIES
Make cities and human settlements inclusive, safe, resilient and sustainable

In line with one of the aims of this goal to strengthen efforts to protect and safeguard the world's cultural and natural heritage, Intrepid actively develops product in less heavily visited cities and destinations. This aims to reduce pollution and overcrowding and preserve culturally and ecologically significant sites. Urban Adventures operates in city environments and 70 per cent of its tours are plastic-free, and the brand is committed to being single-use plastic free across its day tours by 2022.

10. REDUCED INEQUALITIES
Reduce inequalities within and among countries

Our inaugural Reconciliation Action Plan (RAP) addresses the target of sustained income growth for the bottom 40 per cent of the population at a higher rate than the national average. We focus on job creation, our supply chain and training for Aboriginal and Torres Strait Islander peoples. Intrepid's trips include destinations beyond the tourist paths, which allows more local communities to earn income from tourism. All Intrepid employees participate in mandatory discrimination training to ensure an inclusive work environment.

14. LIFE BELOW WATER
Conserve and sustainably use the oceans, seas and marine resources

Intrepid is funding research with the University of Tasmania, in partnership with The Climate Foundation, into Australia's first marine permaculture program: a seaweed farm off the coast of Tasmania. This supports two of this goal's aims of minimising the impacts of ocean acidification and protecting marine and coastal ecosystems and taking action to restore them in order to achieve healthy and productive oceans. Intrepid also contributed \$100K to the production of the documentary 2040.

8. DECENT WORK AND ECONOMIC GROWTH
Promote sustained, inclusive and sustainable economic growth, employment and decent work for all

Intrepid is committed to creating inclusive and safe workplaces for all employees, contractors and other stakeholders. To provide career pathways, we've created learning and development programs. Our supply chain is made up of locally-owned businesses that reflect our values. Intrepid recognises that modern slavery can occur in the tourism industry and all Intrepid employees must complete training on modern slavery. The Intrepid Foundation is focused on sustainable job creation in local communities.

13. CLIMATE CHANGE
Take urgent action to combat climate change and its impacts

Intrepid has accepted the science that we have one decade to act on climate change. We have adopted Science Based Target initiatives and invested in capacity training, including 240 staff attending Climate Reality Project training globally. We are a carbon neutral business and have committed to become climate positive in 2020. We work with partners such as B Corp to help spread the message about the need for urgent change.

15. LIFE ON LAND
Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss

Intrepid has partnered with Offset Earth on reforestation projects through The Intrepid Foundation. Trees are planted in Kenya's Kijabe Forest in partnership with the Kijabe Forest Trust. Local people, including women, are employed to plant the trees and maintain the forest. We also have extensive waste and recycling initiatives in our offices around the world and on our trips. In addition, The Intrepid Foundation supports a number of recycling projects, including Rehash Trash in Cambodia. This involves single-use plastic litter being removed from the streets and transformed into new products, such as jewellery and handicrafts.

17: PARTNERSHIP FOR GOALS
Revitalise the global partnership for sustainable development

Intrepid works with a number of partners on sustainable development, including B Lab on B Corp Climate Collective, a group of certified B Corps that are working together to take action on the climate emergency. This group is working towards climate resiliency through a number of approaches. These include cross-sector collaboration, corporate action and reducing emissions. In addition, we support a number of Community Based Tourism (CBT) initiatives, including Myanmar's first CBT enterprise, a lodge located on the outskirts of the township of Myaing. This joint initiative with not-for-profit ActionAid Myanmar creates opportunities for locals to earn additional income through tourism while providing travellers with an insight into rural life in Myanmar.

THE INTREPID GROUP WAY

INPUTS



FINANCIAL

We maintain a healthy balance sheet to enable growth and expansion of the business



ENVIRONMENT

We commit to being carbon neutral and to the sensitive design of trips to minimise our footprint on the environment



SOCIAL & RELATIONSHIPS

We commit to giving back to the communities we travel to by employing locally, buying locally and investing in community projects



PEOPLE

We invest in our people, culture and training so that our team are safe, happy and able to deliver against business goals



CUSTOMER

We invest in innovative products and leader training to deliver exceptional experiences to our customers



BRAND & KNOW-HOW

We invest in our brands and operations to ensure that we deliver the right product to the right market at the right time

OUR BUSINESS



OUR PRODUCT

CREATING SUSTAINABLE EXPERIENCE-RICH TRAVEL

UNIQUE EXPERIENCES

REGULAR DEPARTURES

LOCAL INTERACTIONS

DIVERSE PRODUCT RANGE

POSITIVE IMPACT TO CUSTOMER, COMMUNITY AND ENVIRONMENT

OUTCOMES



FINANCIAL

Long-term sustainable growth of our business across multiple regions and destinations



ENVIRONMENT

Destinations we travel to are preserved for the generations to come



SOCIAL & RELATIONSHIPS

Strong, resilient communities that benefit from our travellers



PEOPLE

A diverse team of empowered and motivated people committed to providing customers with the best travel experience ever



CUSTOMER

Happy customers who become ambassadors for our brands and our business



BRAND & KNOW-HOW

Increased value of our brands across multiple regions

HOW WE CREATE VALUE ON OUR TRIPS

Best of Sri Lanka is a popular Intrepid Travel trip – it is an example of how we create value across every one of our itineraries.

Bandarawela, Sri Lanka



PEOPLE

We invested in a new product training system and rolled out on-demand destination training tools for all sales teams. Many staff experienced a Best of Sri Lanka trip on our educational program.



SOCIAL AND RELATIONSHIPS

We continued to run trips after the attacks in April and we were in a strong position with our partners when demand returned. Trip tote bags are made by a local women's collective and trips include a visit to the Project Orange Elephant, run by Sri Lankan Wildlife Conservation Society and supported by The Intrepid Foundation.



CUSTOMER

PEAK DMC Sri Lanka trained 18 leaders who went on to lead Best of Sri Lanka. Customer feedback has been strong, with an overall customer experience feedback rating of 4.83 and an NPS score of 81%.



ENVIRONMENT

All trips are 100% carbon offset. All groups are provided with ecobricks at the start of a trip to fill with soft plastics, which can then be used in construction projects.



FINANCIAL

This is a top 10 performing trip, based on revenue. Costs are managed closely and despite the attacks in April, departed customer bookings were only down 6% during the year.



BRAND AND KNOW-HOW

Through our local DMC knowledge we are able to offer travellers exclusive access to some experiences. Safety of staff, travellers and suppliers is the main priority on all trips. Intrepid has a comprehensive incident response plan. At the time of the April attacks, this ensured all travellers were safe and accounted for.

MULTIPLE BRANDS; ENDLESS EXPERIENCES

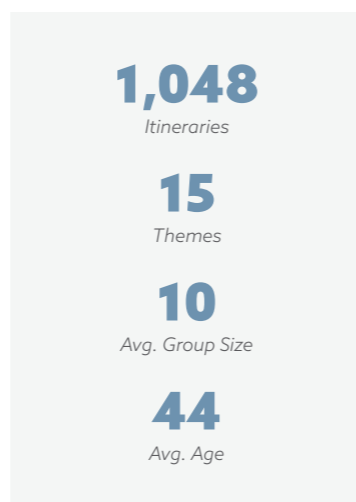
In 2019, Intrepid Group included three tour operator brands offering more than 2,800 itineraries and 130 countries across every continent.

Each brand has its own identity and caters to different segments of the tourism market; from the widest range of small group adventures with Intrepid Travel to small ship adventures with Peregrine Adventures and innovative day tours with Urban Adventures. Each brand is supported by a global operating network of 25 destination management companies, which operate each of our itineraries using their local expertise. In addition to our travel brands, we also operate our not-for-profit, The Intrepid Foundation and Adventure.com, our global online travel publication.

INTREPID TRAVEL

As our flagship brand, Intrepid Travel's small group adventures are for travellers of every age, budget and appetite for adventure. With three distinct travel styles to choose from – Basix, Original and Comfort – and more than 1,000 itineraries across 120-plus destinations, Intrepid Travel has the broadest product offering of our brands. No matter which trip customers might choose, they all enjoy the hallmarks of what makes our sustainable, experience-rich products so special: a small group style of travel that allows them to eat, sleep and

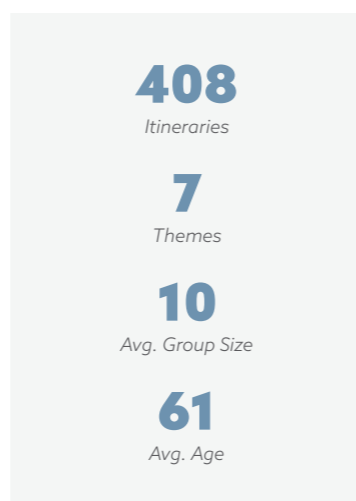
travel like the locals do, an expert local leader who can show them the highlights, as well as the hidden gems and most unique experiences, with an emphasis on low-impact responsible travel. In addition to our core destination itineraries, Intrepid Travel features 15 product themes designed to cater to our customers' interests and travel preferences. These include Cycling, Food, Polar, Sailing, Adventure Cruising, Family, 18 to 29s, Active, Walking and Trekking, Festivals, Wildlife and Short Breaks.



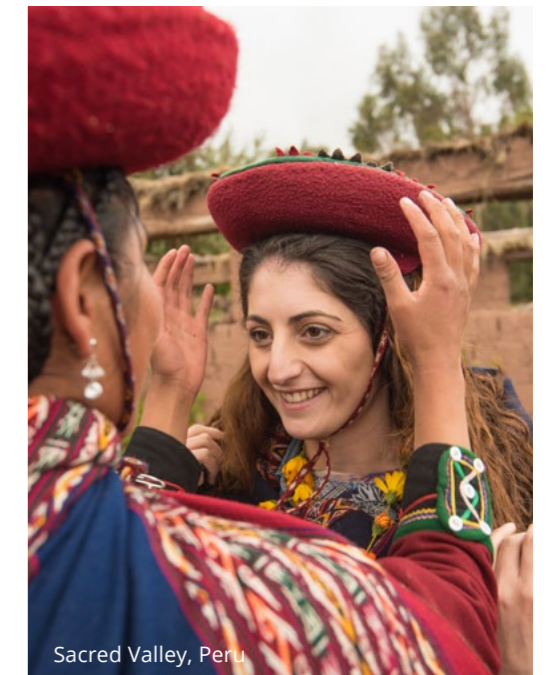
PEREGRINE ADVENTURES

Peregrine Adventures delivers premium trips with a focus on immersive local experiences. We offer sustainable itineraries with award-winning local leaders, hand-picked accommodation and small private vehicles. The Peregrine Adventures traveller is often extremely well-travelled, with a management-level career behind them, and are retired or thinking about retiring. They're looking for the slower, more considered pace of travel and the more premium style of travel that we offer through the Peregrine brand. Peregrine Adventures offers a variety of

product themes to cater to travellers' interests, including our Food Collection, Wildlife, Walking and Trekking, and Limited Edition tours created with special interests in mind. A cornerstone of the Peregrine Adventures brand is our small ship Adventure Cruising product. A sustainable alternative to the mega-cruises in market, Adventure Cruising allows our travellers to uncover the culture, cuisines and coastlines of popular destinations without swamping the locals.



Hanoi, Vietnam



Sacred Valley, Peru



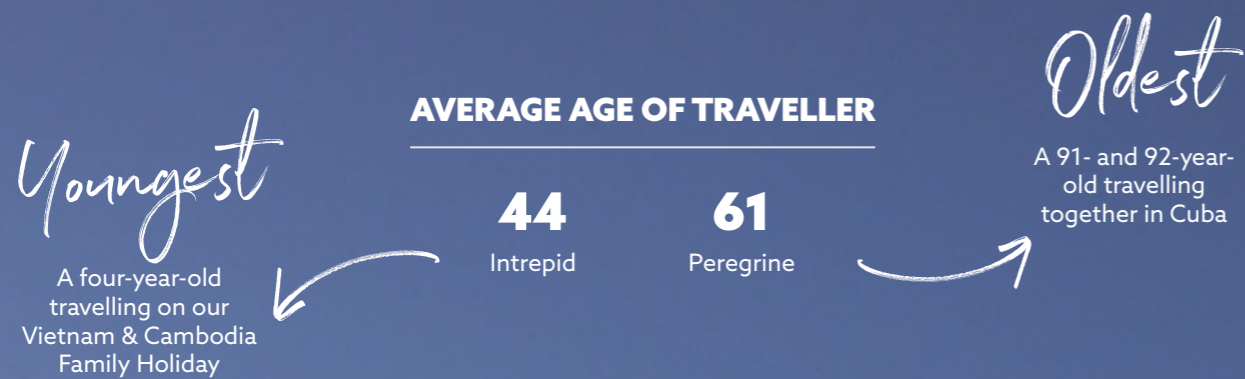
Prague, Czech Republic

URBAN ADVENTURES

Urban Adventures was created to offer a new style of day tour, enabling travellers to escape the tourist traps and connect with the cities they visit, and those who live there. By taking our travellers into local neighbourhoods with a local guide, we're giving them the opportunity to directly engage with the community in a way few other city tours can. Urban Adventures operates on a franchise business model, with a network of local Urban Adventures Partners (UAPs). UAPs have the freedom to design and deliver their own tours, with the guidance and credibility of an established global

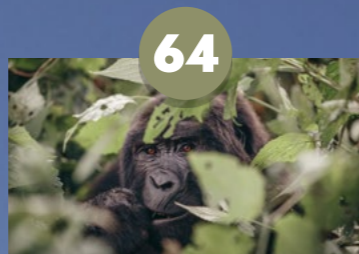
brand behind them. Our global reach ensures that local UAPs have the same opportunities in terms of distribution and support, and therefore access to major international markets, as larger tourism businesses. This global partnership structure is unique within the day tours sector. It means that local people benefit from employment and leadership opportunities, and helps to keep tourism income in local communities. An added benefit for consumers is knowing that UAP businesses must operate in accordance with Intrepid Group's responsible tourism policies.





12

MOST COUNTRIES IN ONE TRIP
Madrid to Venice



64

LONGEST TRIP (DAYS)
Africa Encompassed Northbound



\$27,995

MOST EXPENSIVE TRIP
Grand Africa (Cairo to Cape Town)
Peregrine Adventures



\$32

CHEAPEST TRIP
Kumasi Local Nightlife (Ghana)
Urban Adventures

AVERAGE COST PER DAY

\$188
Intrepid

\$343
Peregrine

\$118
Urban Adventures

Madrid, Spain

PEAK DMC

With a core purpose to create, innovate and deliver sustainable experience-rich travel, PEAK DMC is the trusted operating partner to many of the world's leading travel brands. PEAK DMC is the destination management company (DMC) of Intrepid Group, operating more than 80 per cent of our own trips, as well as itineraries for a wide range of other travel companies. With operational capability across 90+ countries in Asia, Africa, Europe and Latin America, our global staff provide invaluable local destination knowledge to assist in designing and arranging itineraries. Most importantly, our DMCs collectively recruit, train and manage more than 1,000 tour leaders and local guides globally. All DMCs are part of our global network, ensuring we develop, implement and consistently deliver global best practice around the world.



THE INTREPID FOUNDATION

Intrepid's not-for-profit, The Intrepid Foundation, provides a transparent and trusted way for our brands and their travellers to support the destinations and communities they visit. Our mission is to improve the livelihoods of vulnerable individuals and communities around the world by supporting local initiatives that deliver real impact. One hundred per cent of the Foundation's administrative costs are covered by Intrepid Group. Donations were matched dollar-for-dollar by Intrepid Group in 2019. The Foundation is funded by donations made at www.theintrepidfoundation.org, donations made by customers when booking a trip, workplace giving from Intrepid staff, fundraisers organised by customers, travellers and staff, and fundraising from Intrepid Group brand campaigns.



Inca Trail, Peru

OUR PARTNERS

Additionally, Intrepid owns global online travel publication Adventure.com and has joint venture partnerships with RAW Travel, Kimberley Wild Expeditions, Chimu Adventures and Discovery Adventure Group. These companies have been excluded from this report on the basis of materiality.



Antarctica

SUSTAINABLE GROWTH. REALISING OUR GOALS.

We achieved our 2020 Strategy, which delivered on our vision to Change the Way People See the World.

Now, our 2025 Strategy sets our direction, with a focus on being the Best Travel Company for the World.



WE SET BIG GOALS AND ACHIEVED THEM







Four years ago, we set out our 2020 Strategy, based on the vision of Changing the Way People See the World. We're proud to have achieved that plan.






The 2020 Strategy was set soon after we returned to independent ownership. The initial objective was to create a sustainable and profitable company, while fulfilling the long-term vision for our business.

multi-region platform. We recognised that our destination management company (DMC) network positions us uniquely. Not only could we control the quality of product and customer service, but we believed we could expand our distribution base, too.

We set out to meet the demands of a broad customer base and attract new people to our style of travel. We did this by delivering outstanding sustainable, experience-rich travel (SERT) products through a multi-brand, multi-distribution,

The 2020 Strategy focused strongly on continuing to develop a digital mindset throughout the business, and a commitment to being the global leader in responsible travel.

CORE PRINCIPLE	GOAL	HOW WE DEFINED SUCCESS	ACHIEVED
RESPONSIBLE BUSINESS 	To become a global leader in sustainable travel. This was achieved through partnerships (in both public and private sectors), creating shared value initiatives and becoming a certified B Corp	<ul style="list-style-type: none"> Achieved B Corp certification in 2018 Raised \$3m for The Intrepid Foundation over four years Engaged in Community Based Tourism initiatives 	
DIGITAL MINDSET 	To change the mindset of our employees to prioritise digital solutions to enhance efficiencies, create a more agile business environment and enable us to better understand our customers	<ul style="list-style-type: none"> Investment in systems, including finance enterprise resource planning system, Salesforce, Travel Studio reservation management system Digital sales growth Focus on growing the teams that support this strategic pillar 	
LEVERAGED DMC 	To design and deliver initiatives that reduce costs and increase productivity. This included speeding up decision-making and encouraging innovation by using an Agile methodology	<ul style="list-style-type: none"> New DMCs opened Regional structure implemented to improve decision making Purchasing and contracting teams established to drive efficiencies Travel Studio implemented Community Based Tourism role created 	

CORE PRINCIPLE	GOAL	HOW WE DEFINED SUCCESS	ACHIEVED
FLEXIBLE INDEPENDENT TRAVEL (FIT) 	To develop business capabilities which offered a FIT product range in a timely, efficient and competitive way, using a multi-sales approach	<ul style="list-style-type: none"> Investigations and scoping began but implementation was delayed 	PARTIALLY
BE BETTER 	To design and deliver initiatives that reduce cost and increase productivity. This will speed up decision-making and encourage innovation by using an Agile methodology to be a smarter, more adaptable, sustainable business that will be a better place to work	<ul style="list-style-type: none"> Four years of TTV and EBIT growth Productivity improvements were achieved Agile decision making through the Development and Investment Selection Committee to approve and prioritise projects 	
RIGHT PRODUCT TO THE RIGHT MARKET 	To deliver the right product, in the right market, at the right time, to the right customer. Achieved through powerful brands with a clear purpose and place; along with increasing the value of our brands and having brand owners within our organisational structures	<ul style="list-style-type: none"> Group structure evolved to become brand and customer centric Brands were streamlined 	

BALANCING GROWTH AND PURPOSE

We don't want to just be the best travel company in the world, we want to be the Best Travel Company for the World. Our 2025 Strategy sets out how we will do that.

Thirty years ago, our founders set out to create a company with purpose, values and vision. Our future will revolve around growing with purpose, through these five guiding principals:

SUSTAINABLE EXPERIENCE-RICH TRAVEL (SERT)

Our global network of local experts delivers experiences, which benefit our customers and the communities we visit.

SUSTAINABLE GROWTH

We will grow our business sustainably by growing our distribution, innovating our product, and evolving our business model to grow the market for SERT.

IMPROVED PROFITABILITY

We will continue to be a better business and create efficiencies that deliver incremental improvement to our profitability.

EMBED PURPOSE

As a certified B Corp, we balance purpose and profit to have a business that benefits all stakeholders over the short and the long term.

LEAVE A LEGACY

Ensure Intrepid lives on beyond our founders through greater staff and public ownership to deliver a business that leads the market for the next 30 years and beyond.

PLATFORM FOR GROWTH TOWARDS 2025

We will balance our investment to ensure we achieve our growth and purpose ambitions.

CORE *Business*

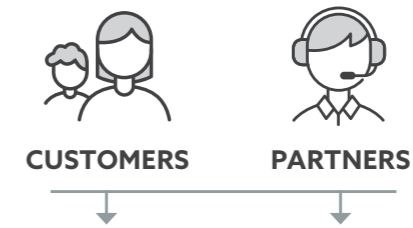
If our core isn't healthy, our business can't succeed. We will strengthen and deepen our core product offerings and customer value proposition and continue to strive for operational excellence.

EMERGING *Business*

We will invest in emerging business opportunities for medium- to long-term growth and efficiencies. The business model is not yet defined; however, resources have been allocated and there is an element of risk and ambition.

EXPLORATORY *Activities*

Remain committed to our purpose and explore new opportunities to ensure long-term growth. Three options have initially been identified, which may or may not go ahead. These will all be in the SERT space.



VERTICALLY-INTEGRATED LEADER IN SERT

INSPIRE

WE ARE A BRAND
Customer-focused sales and marketing teams

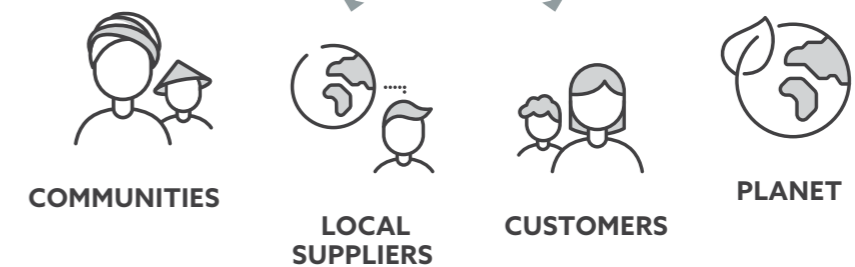
CREATE

A TOUR OPERATOR
Innovative product designers and responsible travel specialists

DELIVER

A DESTINATION MANAGEMENT COMPANY
Global network of local experts

THE BEST TRAVEL EXPERIENCE EVER



A CHANGING LANDSCAPE

Trust and sustainability were major drivers in 2019, while economic factors will be central in 2020.

The travel and tourism sectors are facing a challenging scenario, with a year of record growth in 2019 being immediately followed by the deep economic impacts of Covid-19 in the first half of 2020.

In 2019, the travel industry grew strongly, with travellers making a record 1.5 billion trips, according to the United Nations World Tourism Organization's Tourism Barometer. This is a four per cent increase on 2018, with tourism outpacing global economic growth of 2.3 per cent. Travel and tourism remains an important economic driver and employer globally. People have been travelling in ever growing numbers over the past decade – travel remains aspirational for consumers in both developed and developing nations.

IMPACTS OF COVID-19

The short-term uncertainty caused by Covid-19 will affect Intrepid's ability to create shared value for all our stakeholders. We are responding to the changed economic environment through a range of measures to ensure we are well positioned to respond to future demand when it returns, for the benefit of all our stakeholders.

COMPETITOR LANDSCAPE

A number of travel companies and airlines collapsed in 2019, most notably Thomas Cook in the UK. The subsequent collapse of some tour operators in the Australian market in 2019 was widely reported in the mass media. The effects of Covid-19 on travel businesses are not yet clear but are likely to be far-ranging.

Our position: Intrepid's brand and financial position remains strong. We have more than 30 years of operational know-how behind us, rigorous governance, a strong financial position, trusted brands and an excellent reputation. To help Intrepid achieve its ambitious plans to grow with purpose over the next five years, a chief financial officer joined the business in early 2020. The business responded swiftly to the impacts of Covid-19 through introducing a number of cost reduction measures.

CLIMATE CHANGE

Awareness of and activism around climate change grew exponentially in 2019. Carbon emissions from air travel grew in 2019 and consumers are increasingly aware about airlines' contribution to climate change.

Our position: Better informed consumers will choose sustainable products. Intrepid has been taking action on climate change for decades and has carbon offset all trips since 2010. We have set a goal to become

climate positive and are innovating with itinerary development to use alternative forms of transport, instead of flights, where possible.

OVERTOURISM

Travellers are more informed about the negative impact mass tourism can have on some destinations, particularly around issues such as sustainable development and waste management.

Our position: Intrepid has long developed trips to less visited destinations and recently we've withdrawn from certain over-subscribed destinations, such as Sihanoukville in Cambodia, and published lists of alternative destinations to visit, which received positive media coverage.

TECHNOLOGY

Google moved into the travel space in a major way in 2019 with the launch of Google Travel. This sees the search engine favouring preferred search results, which has been a major disruptor for many established industry players, particularly those in the distribution space. Separately, peer-to-peer solutions such as Airbnb continue to develop and innovate with new experiences and business models.



Udaipur, India

Our position: Intrepid has a strategic focus on digital capability. The business has invested in digital experts and built teams across the business. As a vertically-integrated operator with a strong brand heritage, we have control over the full product offering, ensuring a high-quality product and experience.

EXPERIENCES INSTEAD OF THINGS

The anti-consumerism, waste-free living and minimalism movements continue to gain traction, particularly in Intrepid's three key sales regions. More consumers are considering alternatives to traditional gifts or physical products.

Our position: Intrepid is well-placed to benefit from this preference for hyper-local, unique and transformative travel experiences with our sustainable, local travel experiences.

SOCIO-POLITICAL FACTORS

The attacks in Colombo in April 2019 had a major impact on tourist arrivals to Sri Lanka, and we saw a subsequent

decline in bookings to what had been one of our fastest growing destinations. Socio-economic and political uncertainty in parts of Latin America also shook travel confidence in some destinations, including Chile, Bolivia and Ecuador. In particular, Chile saw a decline in tourism numbers after two major international summits were cancelled in Santiago in the second half of 2019. In addition, President Trump's travel ban to Cuba impacted arrival numbers into that previously fast-growing destination. More stability in parts of the Middle East saw strong and steady growth into Egypt, Jordan and Turkey.

Our position: Intrepid remained committed to Sri Lanka and our partners there following the April attacks. Towards the end of 2019 we saw a gradual recovery of travellers to what had been a popular and growing destination. With a wide offering of destinations throughout Latin America, and local DMC expertise on the ground, Intrepid retains a strong position in the South and Central

America market. Intrepid is well placed to respond to demand for travel to Egypt and Jordan, supported by our expert DMC teams on the ground. Turkey had long been a popular destination for Intrepid and we're particularly pleased that in 2019 our customers headed back there in growing numbers.

WELLNESS TRAVEL

Wellness and nature-based experiences are growing in popularity as people seek to counterbalance their increasingly urban, stressful lifestyles. More people around the world are donning their hiking boots and embarking on walking holidays.

Our position: Intrepid is well placed to tap into this trend with its growing offering of themed walking and trekking itineraries, particularly with our joint venture partnership with walking holiday company RAW Travel.

CONSTANTLY EVOLVING. ALWAYS AMBITIOUS.

We carried more customers than ever before.

We adopted a science-based approach to carbon reporting.

And, we had a positive impact on the communities we visit.



GROWING WITH PURPOSE

Intrepid grew strongly in 2019 and delivered a record profit, marking the successful delivery of the 2020 Strategy that was implemented when the business returned to independent ownership.

Intrepid Group achieved 21 per cent growth in Group Total Transaction Value (TTV) at \$491m (from \$402m). Since returning to independent ownership in 2016, we have achieved double-digit TTV growth each year, with a compound annual growth rate (CAGR) since 2016 of 18 per cent.

Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA) was \$28m – a 62 per cent increase on the prior year.

FINANCIAL PERFORMANCE BY BRAND

Our brands performed well, with Intrepid Travel's TTV up 14 per cent year on year, while Peregrine's TTV was up 26 per cent on the previous year.

PEAK DMC performed particularly strongly and external sales increased 64 per cent.

Urban Adventures also recorded growth, with revenue up 30 per cent year-on-year.

The ATA brand did contract, with TTV declining 10 per cent during the year. The brand was sold in December 2019.

Our strong performance delivered a return on equity of 17 per cent to our shareholders – a six per cent increase. Intrepid has also seen solid improvement on its net asset position with 10 per cent growth year-on-year. Cash balances grew 17 per cent year-on-year.

Working capital improvement of 42 per cent demonstrates a strong balance sheet position, which will enable the business to invest as needed in line with our 2025 Strategy.

A PURPOSE-LED APPROACH

Intrepid continues to grow with purpose and our strong financial result supported a number of initiatives in 2019, including:

- Invested \$5m cash into 'green bonds' that are aligned with the company focus on the planet and climate. We will continue to add to this investment in the future
- Matched a record amount of donations to The Intrepid Foundation
- Continued to invest in Community Based Tourism initiatives

We also strengthened governance practices in 2019 with the introduction of two non-executive directors to the Board.

A number of controls were introduced during 2019, including the implementation of a new enterprise resource planning system. This will be rolled out across our global offices and will provide improved insights into our business performance, increase efficiencies and further strengthen financial controls.

18%

CAGR in revenue since 2016

↑17%

Net cash position up on 2018

\$5m

Investment into 'green bonds'

\$28m

EBITDA

Aswan, Egypt



Group TTV since independent ownership



HOW OUR SALES REGIONS PERFORMED

Intrepid operates three outbound sales regions, with the Asia-Pacific (APAC) team based in Melbourne, Europe Middle East and Africa (EMEA) in London and North America in Toronto. This global footprint provides many advantages, including the ability to respond to customer needs in these markets.

APAC

CAGR +13% since 2016

Our largest sales region continued to go from strength to strength in 2019. It saw double-digit TTV growth of 14 per cent. This reflects a particularly strong performance in a mature market for Intrepid.

NORTH AMERICA

CAGR +26% since 2016

Intrepid has invested in its northern hemisphere sales regions, delivering TTV growth of 28 per cent – the highest growth rate in Intrepid, mainly as a result of our focus on growing market share in this region.

EMEA

CAGR +17% since 2016

We saw an improvement in this region, which delivered TTV growth of 16 per cent, despite continued uncertainty regarding Brexit during 2019. This was an improvement on 2018 when we recorded seven per cent growth.

OUTLOOK

Intrepid celebrated a record bookings month in January 2020, achieving \$54m. Soon after, the unprecedented global impact of Covid-19 resulted in the difficult decision to suspend all our trips globally on 16 March

2020. As a responsible business, we always make responsible financial decisions. As we expect a period of contraction through the first half of the year, we have taken swift action. Our co-founders will also not receive a salary for at least six months. We will now be reshaping our forecast for 2020.



Oaxaca, Mexico

HOW OUR DESTINATIONS PERFORMED

We continue to see demand for new up-and-coming destinations such as Central Asia, as well as long-standing favourites like South East Asia.

AMERICAS +8%

CAGR +6% since 2016

This region grew slower than others, largely due to the US ban on travel to Cuba, which had previously been a fast-growing destination. Central America saw good growth of 14 per cent and a new DMC opened there. South America is our second highest destination in dollar terms with year-on-year growth of four per cent. Galapagos, in particular, grew strongly at 36 per cent.

EUROPE +25%

CAGR +28% since 2016

Once again, Europe remained popular with Eastern Europe seeing 46 per cent growth and Southern Europe up 27 per cent.

AFRICA +24%

CAGR +38% since 2016

North Africa grew particularly strongly, up 40 per cent year-on-year. Morocco remained strong and demand returned for Egypt. East Africa grew robustly at 16 per cent while Southern Africa remained steady at 5 per cent.

ASIA +23%

CAGR +14% since 2016

Western Asia, in particular Jordan and Turkey, had a phenomenal year, growing at 121 per cent. Central Asia had the overall highest growth rate of 142 per cent across all destinations – proving once again that our customers love to discover new regions. South East Asia, our highest destination in TTV in dollar terms, grew at six per cent.

OCEANIA +195%

CAGR +38% since 2016

Australasia contributed to this growth in TTV albeit much lower dollar value than other destinations.



Antarctica

TOWARDS CLIMATE POSITIVE

Intrepid has accepted the science that states the world has one decade to limit global warming to 1.5°C and we've taken urgent action by adopting a Science Based Target initiative (SBTi), among other measures.

As a business we're already managing the cost of extreme weather events and climate preparedness across our operations and supply chains. We're also seeing the effects of climate change in our destinations – some of the most iconic places on earth.

SCIENCE-BASED TARGETS AND APPROACH

In December 2019 we committed to set science-based emission reduction targets. By setting science-based emission reduction targets, Intrepid is taking real action on climate change, while leveraging it as a driver of innovation, risk management and growth. We also know that if our business is to grow in the future, it is essential to limit the planet's warming to well below 2°C.

The Science Based Targets initiative (SBTi) provides companies with a clearly defined pathway to future-proof growth by specifying how much and how quickly they need to reduce their greenhouse gas emissions. The SBTi is a collaboration between the UN Global Compact, CDP, World Resources Institute (WRI), the World Wildlife Fund (WWF). It is also one of the commitments of the We Mean Business Coalition, of which Intrepid is a member. Globally, more than 830 companies are taking science-based climate action and more than 340 have approved science-based targets.

A CARBON-NEUTRAL BUSINESS

Carbon offsetting is an internationally recognised way to manage carbon emissions that cannot be

entirely eliminated. However, we recognise it is important to decarbonise our business and set greenhouse gas emission reduction targets in line with climate science in order to future-proof growth.

Intrepid has purchased carbon credits associated with a range of renewable energy projects. This covers its total footprint offsetting of 36,545 tCO₂e.

We invest in projects that bring additional benefits. We invest only in the highest quality carbon offset projects, which bring additional economic, social, and environmental benefits. For example, in Australia we have invested in savanna burning projects in the Northern Territory, which is also part of our Reconciliation Action Plan.

BEYOND CARBON OFFSETS

We actively offset emissions and directly support important projects that help communities and mitigate climate change. But we accept that offsetting is no longer enough. As a business, our mission is to become climate positive, which means we've committed to remove more carbon from the atmosphere than we create.

In October 2019 we became a founding member of Tourism Declares, working alongside sustainability expert Jeremy Smith and Alex Narrcott from Much Better Adventures. Together we created the framework for the collective, which launched in January 2020. Tourism Declares is a collective of businesses, organisations and

individuals in the tourism industry. It supports its members in declaring a climate emergency and taking purposeful action to reduce their carbon emissions.

ANTARCTICA TRIPS

In partnership with Chimu Adventures, Intrepid is launching its own charter expeditions to Antarctica in 2020.

Tourism in Antarctica is overseen by the International Association of Antarctic Tour Operators (IAATO). It works alongside the Antarctic treaty to register tour operators and maintains strict environmental standards and Intrepid is registered through Chimu Adventures.

In addition, in 2019 we committed to double offsetting Antarctica trips in the 2020/21 season.

We also believe these trips create value for our customers, as they are an educational experience with a naturalist, marine biologist and other experts onboard.

People who have travelled to Antarctica have said they are deeply affected by its pristine yet fragile landscapes. These trips can be a catalyst for change to encourage travellers to take action in their own lives and set goals to reduce their personal carbon footprint.

ACTION AND ADVOCACY

Intrepid leveraged its leading position as a globally recognised travel brand to advocate on climate issues. We've also made changes to our offices to reduce our environmental footprint.

Intrepid again led advocacy on environmental issues in 2019. This is a topic that increasingly resonates strongly with our staff, customers and industry partners. In addition to taking an active role in the Global Climate Strike in September, we took action in a number of other ways.

UN CLIMATE CONFERENCE COP25

During the UN Climate Change Conference COP25 in December 2019, more than 500 B Corps joined Intrepid to commit to achieve net zero by 2030. This important declaration signals the largest collective of businesses leading on climate action 20 years ahead of the Paris Agreement.

2040 AND SEAWEED

Intrepid was an official partner of the documentary *2040* and supported its production with \$100K. The film, which was released in 2019, highlights marine permaculture as an innovative and sustainable way to regenerate kelp forests, which in turn can help with cooling our warming oceans.

To coincide with the film's release in Australia, The Intrepid Foundation launched a fundraiser to support marine permaculture research with the University of Tasmania, in partnership with The Climate Foundation. The initial target of \$350k was exceeded in four months and the fundraiser has raised \$640k. This is clearly a topic that resonates strongly with our travellers, staff and travel agent partners and we offered free screenings of *2040* for all of these groups during 2019.

OFFSET EARTH SUBSCRIPTION SERVICE

In December 2019, we launched a subscription service – a partnership between Offset Earth, Intrepid Travel and The Intrepid Foundation – to offer customers a way to offset their carbon emissions. Under the initiative, every tree planted is matched by The Intrepid Foundation tree-for-tree through our partner Eden Reforestation Projects in collaboration with the local community. All trees are planted in the 'Intrepid forest' site in Kenya's Kijabe Forest – a former eucalyptus plantation that was deforested more than 15 years ago to make room for the non-native species but has remained deforested ever since. So far, more than 88,000 trees have been planted.

SPREADING THE WORD

Senior Intrepid staff and experts presented at a number of high-profile events throughout the year, and we leveraged marketing and PR to highlight the issue of climate change. This includes a campaign for the *2040* film release with teacher and agency screenings and partnering with World Wildlife Fund (WWF) for Earth Hour.

Our reporting methodology is in line with Climate Active, formally known as the National Carbon Offsetting Standards (NCOS), under the Australian Government's Carbon Neutral Initiative.

All emission data presented is expressed as tonnes of carbon dioxide equivalent (tCO₂e) and includes all Kyoto gases and refrigerants.



Patagonia, Argentina

In 2019, we assessed 44 offices, which included both newly established and virtual offices. This is an increase of two offices from 2018.

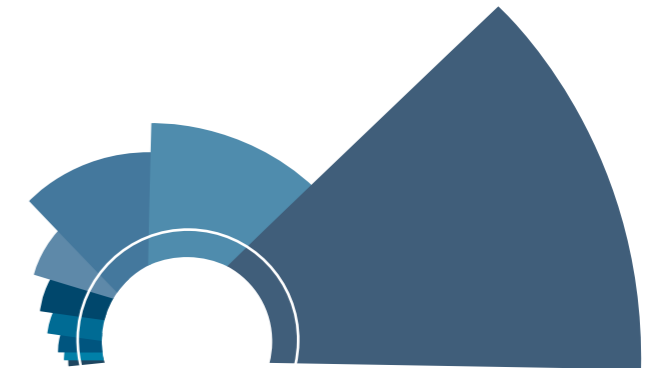
We improved our model for assessing business-related flights and updated relevant emission factors where needed. Regarding business-related flights, the improvements involved separating staff travel into business and personal related travel.

The CY 2019 office emissions include the newly captured scope 3 emissions source from Intrepid employees commuting to and from Intrepid offices (in Australia and globally).

Total green house gas emissions normalised by average full-time equivalent (FTE) employees. We have improved the estimation methodology for calculating this category with the introduction of a global people portal to "have a single source of truth for FTE" in the business.

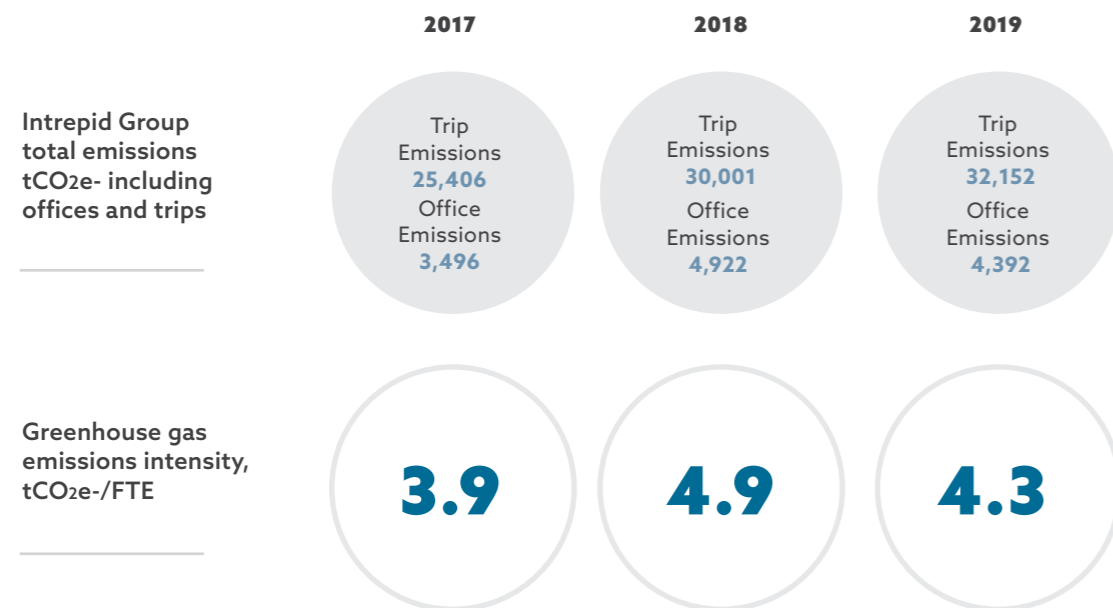
For this reason the GHG intensity per FTE is restated for 2018 from 5.3 to 4.9.

Globally we are working with DMCs and sales offices to aim to use 100 per cent post-consumer recycled and FSC certified paper as part of our commitment to become climate positive. Within one year we were able to move from regular paper that made up to 98 per cent of all paper in 2018 to 99.2 per cent post-consumer recycled and FSC certified paper in 2019.



Office emissions by source (tCO₂e-)

- Flights 3,013.10
- Electricity 380.82
- Intrepid Employee Commuting 360.00
- Paper 349.81
- Company Vehicles Fuel 114.20
- Waste 86.58
- Natural Gas 62.31
- Water Usage 22.66
- Bottled Gas 3.00





Gorilla trekking, Uganda

MANAGING OUR IMPACT

We improved animal welfare, reduced single use plastics and introduced other initiatives.

MEASUREMENT TOOLS EXPLORED

Intrepid engaged a third-party consultancy to explore an impact measurement tool. However, after scoping the approach we have decided to use our SDG and the Intrepid B Corp assessment going forward.

SINGLE-USE PLASTICS AND WASTE

Our DMCs and Urban Adventure teams are at the forefront of our environmental efforts in our destinations.

During 2019, a number of DMCs as well as Urban Adventures introduced new measures to improve waste management and reduce single-use plastics on our trips. In 2019, Urban Adventures committed to all tours being single-use plastic

free by 2020 – up from 70 per cent. To support this, Urban Adventures launched a comprehensive training module for all partners on how to eliminate single-use plastic. In addition, the brand partnered with a training, management and certification initiative for tourism companies committed to reaching sustainability, and will be applying for certification in 2020.

Meanwhile, PEAK DMC in Africa has taken a leading role on single-use plastics, with all trips having water onboard for travellers to refill their reusable water bottles. In East Africa, progress has been made with waste management on trips, including the introduction of portable toilets and all rubbish created on Kilimanjaro climbs being brought down the mountain by crew.

In India, Malaysia and Sri Lanka, among other destinations, we worked with hotel and accommodation suppliers to either install water dispensers or to ensure water is supplied to travellers in an alternative to single-use water bottles.

ANIMAL WELFARE

Intrepid is a member of the Coalition for Ethical Wildlife Travel (CEWT) and the World Travel and Tourism Council's Illegal Wildlife Trade Working Group. In 2019 we updated our Animal Welfare Policy to address dog and reindeer sledding practices.

OUTLOOK

Intrepid will submit and validate our SBTi targets in 2020, continue to improve environmental performance across our offices worldwide, and fund \$100k for Antarctic climate change research. We will also adopt our seven-point climate action plan:

- Measure our emissions, including transport, waste and energy use
- Offset 125 per cent of our emissions – expand carbon management to offset sources of emissions beyond our

brands, such as offset travellers' flights, and double offset polar expeditions in the 2020/21 season

- Set a science-based target to reduce emissions
- Transition to 100 per cent renewable energy in offices by 2025, and on our trips by 2030
- Invest in green bonds – support assets and projects consistent with delivering a low carbon economy.
- Empower women around the world – to ensure sustainable growth, through projects such as Rehash Trash in Cambodia and Eden Reforestation Projects in Kenya.
- Invest in research and innovative solutions. In 2019 The Intrepid Foundation raised more than \$600k for the Seaweed Project with the film *2040* and the University of Tasmania in partnership with The Climate Foundation.

ADVANCING THE B CORP MOVEMENT

In 2019, we embedded B Corp throughout our company and in the wider business community.

In its second year as a certified B Corp, Intrepid championed a number of initiatives that continue to help shape and define our purpose beyond profit.

We became a B Corp in 2018, following a rigorous three-year certification process. Certification confirms we have met the highest standards of social and environmental performance, public transparency and accountability. Intrepid is the largest certified B Corp in the travel sector globally and the first certified B Corp in Cambodia, Sri Lanka and Vietnam.

Our B Corp status helps to create value in a number of ways, including driving positive change throughout the travel industry, engendering trust in our customers and positioning us as an employer of choice.

SOME HIGHLIGHTS FROM THE YEAR INCLUDE:

BENEFIT CORPORATION LEGISLATION

Intrepid supported B Lab and other Australian B Corps to seek legal change that would allow socially conscious businesses to become 'mission locked' under Australian law.

In other countries, such as the UK and US, companies are able to adopt corporate forms that allow them to legally embed a mission alongside profit as a core part of their business. Australia does not currently have a clear mechanism for companies to 'mission lock'.

Intrepid Co-founder Geoff 'Manch' Manchester has been part of a B Corp group that met with Senator James Paterson to explore solutions to this issue. The group has also engaged MinterEllison to provide legal advice on pathways forward.

LEVERAGED B CORP

During 2019, Intrepid has become more active in the B Corp movement and supported other Australian businesses who want to become B Corps, including our partner RAW Travel, which is now certified. Intrepid hired a dedicated B Corp manager and introduced the B Corp branding prominently across all marketing and corporate branding.

B CORP MONTH

Intrepid ran a number of initiatives, including screenings of the environmental documentary *2040* for staff. Intrepid supported the production of the film and The Intrepid Foundation is supporting a marine permaculture project off the coast of Tasmania.

GLOBAL CLIMATE STRIKE

Intrepid joined other B Corps and businesses to support the Global Climate Strike on 20 September. We joined forces with Australian business collective This is Not Business as Usual, which includes many B Corps, to unify the message about climate action. Along with other members of the collective, Intrepid helped fund advertising in major Australian and international media outlets. On the day of the strike, more than 300 Intrepid staff were offered the opportunity to attend the climate action rallies, and partners and customers were encouraged to join the strike as well.

OUTLOOK

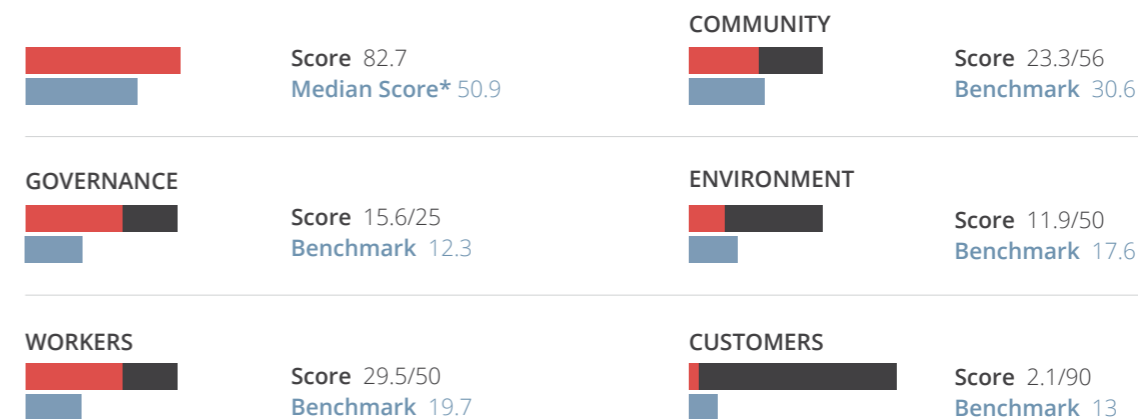
2020 is about being B Corp ready ahead of re-certification in 2021. Intrepid aims to improve its score of 90 in re-certification. In 2018, 23 offices were assessed and this will rise in 2021. During 2019, all offices completed an assessment, reviewed gaps and identified areas for improvement. In 2020, initiatives to make improvements will be implemented.

SOME 2020 B CORP GOALS

- Mission lock in US, Peru, Ecuador and Germany
- Diversity and inclusion roll out
- Create visibility and tracking of supply chain
- Environmental improvements at office level



OVERALL B IMPACT SCORE



*All businesses that have completed the B Impact Assessment

OUR RECONCILIATION ACTION PLAN

As an Australian-owned business, Intrepid's Reconciliation Action Plan (RAP) is an important part of our commitment to Aboriginal and Torres Strait Islander peoples and provides a framework to support reconciliation.

Reconciliation is about strengthening relationships between Aboriginal and Torres Strait Islander peoples and non-Indigenous peoples, for the benefit of all Australians. In 2019, our inaugural 'Respect' RAP was endorsed.

During the two-year RAP development process, Intrepid assessed a number of areas where we could make meaningful changes and work towards reconciliation.

At the time, Intrepid CEO James Thornton acknowledged Intrepid could do much more to improve relationships with First Australians: "The truth is that for all the good work we've done to empower communities in the places we visit, we haven't done enough here in Australia."

ACKNOWLEDGEMENT OF COUNTRY

An Acknowledgement of Country plaque was introduced in our Melbourne office and brand websites now feature an Acknowledgement of Country. We also displayed Aboriginal and Torres Strait Islander flags and language maps in the office and commissioned a mural by Koori artist Robert Young.

ITINERARIES IN AUSTRALIA

Uluru in the Northern Territory is a cultural and spiritually significant site for First Australians. As such, during 2019, Intrepid removed alcohol from our Uluru sunset tours and traveller feedback has been overwhelmingly positive.

Intrepid works with a number of Aboriginal and Torres Strait Islander tour operators, including Janbal Gallery and Kuku Yalanji Cultural Habitat Tours in Queensland. During 2019 we added new trip experiences including a First Nations contemporary art class led by Aboriginal guides in the Daintree National Park in Queensland.

CULTURAL AWARENESS AND ENGAGEMENT

In 2019, more than 100 Melbourne-based staff participated in Indigenous Cultural Competency workshops and cultural walks facilitated by the Koorie Heritage Trust. Plus, during NAIDOC Week, 70 staff attended film screenings and events.

CONNECTIONS AND NETWORKS

In August 2019, Intrepid partnered with Ngamai Meetups, an initiative of Kalinya Communications and funded by RMIT, to build connections with Aboriginal and Torres Strait Islander entrepreneurs and discuss the future of First Nations-led tourism.

In addition, we sponsored the #NgamaiChallenge, which invited First Nations entrepreneurs to submit a video and letter pitching how they could grow their business by connecting with communities around the globe. Entrepreneur and Muthi Muthi and Gunditjmara woman Mikaela Egan subsequently won an Intrepid trip to Kenya in 2020, where she will meet with local business owners and community-based tourism projects.

CONSERVATION IN ARNHAM LAND

Intrepid has been carbon neutral since 2010 and in 2018 we revised our methodology to align with the Climate Active Carbon Neutral Standard. Adopting this new standard coincided with a review of our carbon offset projects.

In 2019 we started working with a fire abatement project in Arnhem Land, Northern Territory, which was developed by First Nations Ranger groups to support Aboriginal land management through the sale of carbon credits. Savanna burning projects like this one reduces greenhouse gas emissions by burning cool, lower intensity fires in the early dry season when the vegetation contains moisture from the wet season. This reduces the risks that uncontrolled, late season bush fires can bring. This project creates employment for local Aboriginal peoples and supports bio-diversity conservation and cultural protection, as cultural knowledge is transferred to younger generations.

OUTLOOK

Our second RAP will focus on trip itineraries, our supply chain, new partnerships and staff awareness. We have also started to formally involve Aboriginal and Torres Strait Islander voices in our journey by working with consultants to form a RAP Advisory Group.



Queensland, Australia

WHAT WE LEARNT

We can improve our reconciliation journey.

We need to collaborate more effectively across the business. It is important that the necessary working group roles and responsibilities are in place to drive our RAP forward.

We need to improve how we identify initiatives that are more complex and may take more time to develop. For instance, developing a First Nations internship program is a key priority.

However, during 2019 we explored this and identified we needed further consultation and support to ensure we implement a successful program.

Making changes to trip itineraries and changing procurement arrangements requires working closely with Aboriginal and Torres Strait Islander operators.

MEANINGFUL CONNECTIONS DRIVING CHANGE

Gender equality, human rights and staff volunteering were focus areas during 2019.

Intrepid engages with more than 5,000 partners and suppliers globally. Our supply chain includes trade partners, hotels, transportation providers, DMCs, business service providers and many more. Intrepid's product is built on global partnerships and connections with numerous stakeholders. With our purpose-led approach, our relationships and their impact on communities, staff and partners are of utmost importance.

We create value right across our supply chain via the product that we create, revenue earning opportunities for businesses and communities, and through the leadership position we take on sustainability and social issues.

IN 2019, WE FOCUSED ON KEY AREAS, INCLUDING: WORKING TOWARDS GENDER EQUALITY

Intrepid strives for gender equality across all parts of the business, including in senior leadership, management, DMC offices, tour leaders, suppliers and more. We've been a signatory of the UN Global Compact Women's Empowerment Principles since 2017.

In 2017, we set a goal to double our female tour leaders by 2020. In 2019, we reached our goal six months early, growing from 153 in February 2017 to 314 by June 2019.

Linked to our efforts around female tour leaders, in 2018 we launched Women's Expeditions – all-female tours led by female guides. In the first year, these trips ran to Jordan, Iran and Morocco and due to popularity, in 2019 we introduced new trips to Nepal, India, Turkey and Kenya. Growing from just four departures to 36 in a matter of months, these have been among the fastest-selling tours in Intrepid's history. We also have a strong focus on supporting female-owned businesses through our DMC operations and via The Intrepid Foundation.

OUTLOOK

Our female tour leader goal has had an impact globally, challenging perceptions and providing new employment opportunities for women in some of the countries where we operate. Following the success of the initiative, we've developed new goals and are committed to:

- Double the number of female porters we have globally by 2022

In 2019, we undertook research into porters, which revealed opportunities for more gender equality among our porters.

- By 2022, we will support our 200 largest suppliers to reduce gender inequality in their businesses

We will do this by working together to create conditions that benefit both women and men, sharing best practice and providing mentoring.

- From 2020, we will report on our gender pay gap

This will help us have an open conversation about what the issues are and then set goals to address them.

- From 2020, we will have equal gender representation through our spokespeople and storytellers

We want to better reflect the diversity of our people and have set a goal to have equal representation through our spokespeople and storytellers, whether that's through speaking at events, talking to media or contributing to our content. We believe representation matters.

ADVANCING HUMAN RIGHTS

In 2019 Intrepid published its second Modern Slavery Statement, in compliance with the UK Modern Slavery Act 2015. On 1 January 2019, Australia's Modern Slavery Act 2018 commenced. New online training was offered to all staff about the legislation and our obligations. Close to 60 per cent of staff completing the training as of December 2019. Staff requested that the training be offered in additional languages to English.

In 2019, we continued to advocate for children's rights by providing guidance to travel industry partners on our journey to transition away from removing visits to orphanages and residential care facilities on any of our global trips. This work is guided by our steering committee membership of Rethink Orphanages Australia.

OUTLOOK

Intrepid will issue a third Modern Slavery Statement, in compliance with the UK Modern Slavery Act 2015, and prepare for its Australia Modern Slavery Statement, due in 2021.



Samburu, Kenya

VOLUNTEER SNAPSHOT

Just a few of the volunteer projects that our staff have been involved with include:

UNITED STATES

Staff participated in a park clean-up for the Central Park Conservancy

SOUTH AFRICA

Staff made food donations and contributed to housing projects

AUSTRALIA

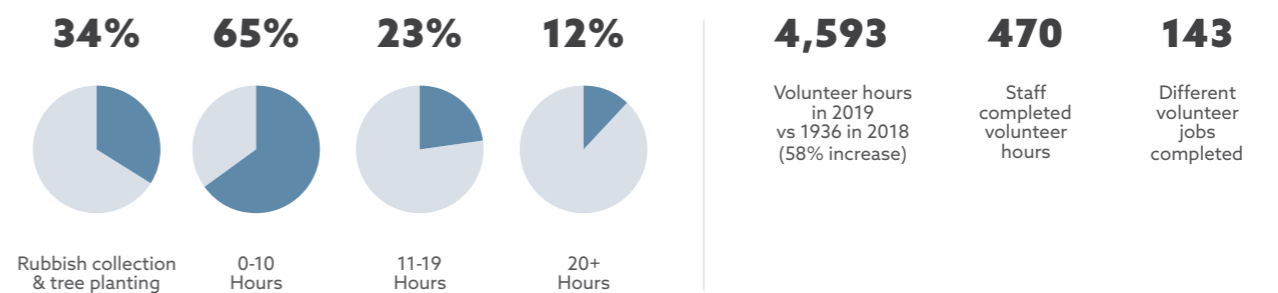
Staff planted over 500 seedlings, helping to revitalize the area and create a more natural habitat for Indigenous wildlife

INDONESIA

Staff took part in a beach clean-up in Bali

ECUADOR

Staff helped to clear up Quito after protests





Sapa, Vietnam

OUR SOCIAL IMPACT: SPOTLIGHT ON VIETNAM

Vietnam was the first country where we established a DMC office and it remains one of our most popular destinations. In 2019, PEAK DMC Vietnam cemented its place as a leader in Community Based Tourism.

Purpose is at the forefront of all PEAK DMC Vietnam projects and it is the driving force behind the newly founded partnership with local not-for-profit environmental organisation, GreenHub.

GreenHub works across waste management, sustainable agriculture, conservation and energy efficiency. The partnership with PEAK DMC Vietnam aims to develop and implement evidence-based practices that promote sustainability.

One program, located in Ha Long City, works with the local Women's Union to create bags made from recycled street banners and fabric. In Vietnam, it is estimated that more than 30 million tons of waste is produced annually but only 10 per cent is recovered for recycling. This initiative promotes education around recycling and encourages entrepreneurship within the community.

In 2020, travellers will be able to join the women of Ha Long City for a hands-on workshop to experience the program firsthand and continued to support community-based tourism.

MORE PARTNERSHIPS

Building on the success of the GreenHub partnership, PEAK DMC established a number of other community partnerships in 2019:

- Planted nearly 200 trees in mangrove revegetation areas in partnership with Children's Foundation, Blue Dragon and animal protection organisation, Four Paws
- Partnered with WWF Vietnam to end wildlife trade in tourism in South East Asia
- Continued work with Da Bac Community Based Tourism to improve safety, hygiene and infrastructure in the Hoa Binh Province

OUTLOOK

In 2020, PEAK DMC Vietnam will further its progress in a number of ways:

- Campaign to remove more than 10,000 plastic toothbrushes from hotels across Vietnam.
- Plant 500 trees in mangrove revegetation areas, double the number planted in 2019.
- Work with Vietnam not-for-profit, Culture Identity and Resources Use Management (CIRUM) on several projects, including the introduction of a framework around more sustainable approaches to local agricultural practices.

PEAK DMC VIETNAM

15

Years of operation

16,502

Travellers in 2019

153

Staff in 2019

7

Local communities supported

4

Current and potential partnerships



Annapurna, Nepal

INSIGHTS AND DATA: DELIVERING AN EXCEPTIONAL EXPERIENCE

Customer expectations are rapidly evolving – Intrepid has invested in a number of strategies to improve our customers’ experience.

Intrepid carried a record 460,000 travellers across its tour operator brands in 2019, compared with 431,000 in 2018. This is a strong result but we know that the traveller landscape is changing quickly and our customers’ expectations are rapidly evolving. In order to remain at the forefront of every part of the customer journey, we’ve embraced new technology, research methods and strengthened on-trip safety policies.

PERSONALISED COMMUNICATIONS

In 2019 we continued to focus on enhancing the experience of our customers at every stage of their journey with us. Improved data capture and quality has given us new insights and understanding of our customers. We have developed new systems that enable the personalisation of our communications, helping us to better connect with our customers.

The development of a new series of triggered email journeys, including responses to abandoned cart

journeys and trip anniversaries, has provided current and prospective customers with regular and engaging content.

The introduction of Augmented Intelligence (AI) into web and email resulted in doubling of email open rates, which confirms our content is increasingly relevant to our customers.

ANTHROPOLOGY CREATES CUSTOMER UNDERSTANDING

To help us better understand customer needs we added an anthropologist to our design research team in 2019. This has resulted in more holistic and qualitative research across our feedback platforms, which has enabled us to better identify customer trends and provided insights for new and existing business transformation projects, including the launch of new search functionality in 2020. The impact of using ethnographic methodology for customer research has seen Intrepid recognised externally by Haas, Harvard Business School as a case study in its course material.

CUSTOMER CENTRIC SALES AND SERVICE

Using Salesforce functionality, an omnichannel pilot project was launched in 2019 to enable anyone in our global sales and service teams to answer any customer enquiry at anytime from anywhere. All customer enquiries through phone, live chat, and the website are now funnelled through Salesforce and directed to the consultant who is best placed to respond. This means that we are providing our customers with our best service on the channel that best suits them.

Omnichannel also provides a 360 degree or single view of our customers, improving the efficiency of our consultants and enabling them to provide a more personalised service. This has improved our data collection and reporting, which provides greater insights and improves our relationships with customers. This has contributed to a 6.6 per cent increase in productivity for APAC, our largest sales region.

In 2019 we also introduced a pay later option for customers booking online. This had previously been available to customers booking by phone. The introduction of pay later for our online customers resulted in a 138 per cent increase in bookings via mobile.

These changes contributed to improvements in our bookings NPS, which increased from 57 to 61 for the Group globally in 2019.

LOYALTY PROGRAM AND CUSTOMER RETENTION

In 2019, we discontinued the Legends loyalty program for Intrepid and Peregrine. This was due to the high level of administration required and the small number of customers utilising the program. The process was hampered by data limitations and received a mixed reaction from customers.

Customer retention continues to be a focus and in 2019 we introduced Insiders, an exclusive community of travellers that have travelled at least once with Intrepid or

Peregrine, as a way of recognising all customers. Insiders who are subscribed to our email marketing receive email updates with exclusive content. It is early days for Insiders, but early results show there is an appetite from our past customers for more regular perks. An email with an exclusive Cyber Sale offer for Insiders in North America achieved almost double the usual click through rate and contributed to an overall campaign result that was 122 per cent to target.

HELPING AGENTS TO SUPPORT CUSTOMERS

Travel agent partners continued to be our most important sales and distribution channels globally.

To help travel agents to better help our customers, in 2019 we delivered a new self-service online booking experience that enables our agent partners to create and manage bookings from any device, delivering easy access on an iPad at customer events or on a mobile phone for agents on the go. More than 74 per cent of our agent partners have transitioned to the new agent portal, significantly reducing the need for post-booking support from our team and providing faster service for our customer. The new agent portal and improvements to our Customer Relationship Management (CRM) system provided our partnership growth managers with tools to be more effective, resulting in a 14 per cent improvement in productivity.

LEADER PORTAL CREATES WARMER WELCOME

In 2019, we rolled out a new mobile portal that enables our leaders and our customers to start their trip right – eliminating necessary admin so that have more time to connect with each other and discover the destination. The new leader portal connects with our reservation systems, which allows tour leaders to access traveller information online. Leaders have a clearer view of customers, which allows them to cater to their individual requirements and ensure a more seamless check-in process at the start of a trip. It also creates an opportunity to validate the customer data stored in our systems. This has resulted in major efficiencies, reducing the time to complete customer insurance checks by 90 per cent. We've received excellent feedback from leaders, such as: "...for me (and the group) it was easy and fast. Travellers were also happy because there is no paper involved. Most of the information was there and it was correct, so it was fast to confirm for each customer."

USING DATA TO IMPROVE CUSTOMER SAFETY

The safety and security of customers and our people is Intrepid's first priority. We continually identify opportunities to improve customer safety. In 2019, we completed a major review of our operational health and safety policy and introduced additional training and on trip measures. Using Salesforce, we developed a new incident database which has helped us to prevent, manage, and report on incidents.

OUTLOOK

Covid-19 has impacted our customers at every stage of the journey. Intrepid responded rapidly in order to keep customers informed about the fast-changing situation. The crisis demonstrated the strength of our incident management plan, which enabled our global operations team to bring more than 3,000 travellers home. While our global operations may be paused during 2020, we are continuing to adapt to meet the evolving needs of customers. Following a beta launch in 2019, in 2020 we launched new search functionality on the Intrepid Travel website, which makes it easier for our customers to find the trip that best suits them. This has already improved our conversion by two per cent overall.

NET PROMOTER SCORES

NPS is a key customer metric and something that we take very seriously.

INTREPID



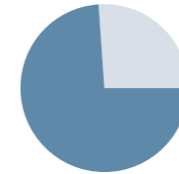
URBAN ADVENTURES



PEREGRINE ADVENTURES

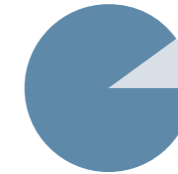


CUSTOMER HIGHLIGHTS



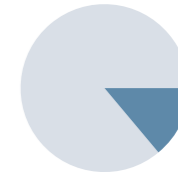
74%

Of agents have transitioned to the new online booking engine



90%

Reduction of time taken to complete customer insurance checks



14%

Productivity improvement for product growth managers



INVESTING IN OUR PEOPLE

Intrepid has a diverse and global team located in 40+ countries. In 2019 we restructured the senior leadership team, engaged with our people and strengthened systems.

With our team spread across multiple continents, there are naturally different skills, experience and requirements across our business. In line with our 2025 strategy, we aim to attract, retain and develop world-class talent and hungry, humble and smart people across the Intrepid business.

SENIOR MANAGEMENT TEAM

During 2019 we restructured our senior team to align with our 2025 Strategy.

BONUSES AND STAFF COSTS

Thanks to Intrepid's strong performance in 2019, and despite the impacts of Covid-19 on the travel industry at the start of 2020, Intrepid honoured its commitment to pay more than \$3.5m to staff in bonuses in the first half of the year.

In order to protect as many jobs as possible, in response to the impacts of Covid-19 a number of actions were taken. This is aimed at protecting the business, our people and our communities during an uncertain time and retaining skills for when the industry recovers.

ANNUAL STAFF SURVEY

We also listened to our people, with the 2019 overall global staff survey receiving a 94 per cent participation rate (up from 89 per cent in 2018). The response was strong but the survey revealed a decline in overall global employee engagement score to 77 per cent (from 82 per cent in 2018).

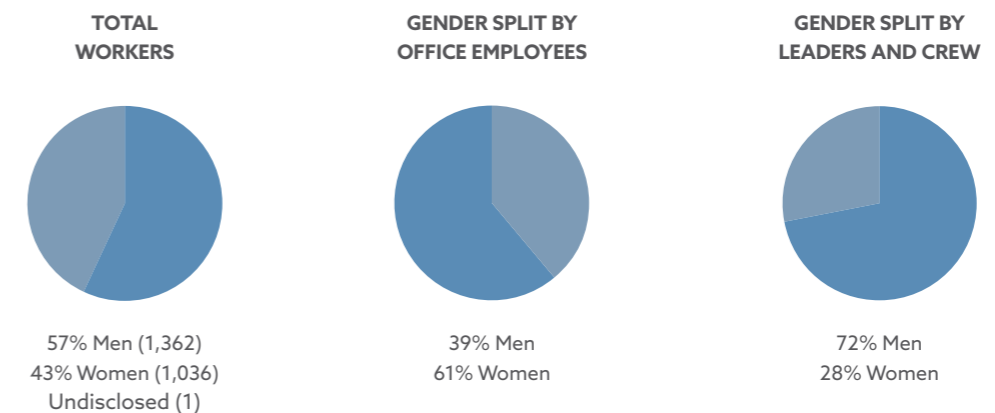
While this is still a good result – in fact, five per cent higher than the B Corp average – we aim for higher. In addition, we saw a decline in employee Net Promotor Score (eNPS), which dropped to 45 (from 55 in 2018).

Our People team has invested time in trying to understand more around these results and are working on plans at a local and global level. This includes each department being required to post a transparent pledge on our company's intranet (Yammer) to explain what they will do differently to help create a stronger employee experience for our people.

TOTAL HEADCOUNT



WORKFORCE AT A GLANCE



ENGAGEMENT SURVEY



INVESTMENT IN SYSTEMS

Our teams are global so it is essential to have systems that provide accurate and timely information and supports our employees throughout their employment.

In 2019 we implemented the first phase of our People Portal, a top-tier HR system provider. We launched five modules: People Central (Core HR data), Recruitment, Onboarding, Compliance Training (LMS) and Performance & Goals. We've seen numerous benefits to the business and our people as a result, including stronger privacy practices and risk reduction, improved data integrity and more productivity.

LEARNING AND DEVELOPMENT

Ongoing learning and development are essential for Intrepid to remain ahead of the pack. As such, we continue to use the online learning platform Degreed and in 2019 we saw a 23 per cent increase in usage of the hub. Employees shared 60 per cent more items, showing they were engaged with the system.

As a global business, the main benefit of the online system is to empower our people to drive their own learning and reduce the need for travel, while ensuring a high-level of access to learning. One event, however, that a number of staff did travel to was the Global Summit. More than 360 staff from around the world attended, in addition to more than 40 additional partners and industry guests.

We also continued to offer classroom-based offerings and saw an 11 per cent increase in offerings across face-to-face offerings.

In addition, we set a target of 100 per cent of office-based staff setting at least one development goal. This was aimed at encouraging team members to take responsibility for their own development plan. We achieved 100 per cent uptake.

INCENTIVES AND EMPLOYEE SHAREHOLDERS

No major updates were made to the employee incentive program in 2019. As in previous years, we continue to offer a suite of benefits, including one FOC (free of charge) educational trip a year for permanent employees, as well as volunteering opportunities, travel discounts, global parental leave, flexible work arrangements and perks including social events. The employee share scheme also welcomed another 20 employees, bringing us to a total of 43 staff with shares in Intrepid.

Other important initiatives that the People team have been closely involved with include gender diversity and the Reconciliation Action Plan (RAP).

OUTLOOK

With the impacts of Covid-19 affecting our business, we are focused on protecting as many jobs as possible, and retaining the skills we need for when growth returns.

FLEXIBLE WORKING

2,399

Workers

1,299

Leaders and crew

169

Part-time employees

32

Employees permanently working from a home-based office



Melbourne HQ (all images)



ANNUAL STAFF TURNOVER

13%

AVERAGE LENGTH OF EMPLOYMENT

4.18

Staff only, excluding leaders, crew & contractors



GROWING THE MARKET FOR SUSTAINABLE EXPERIENCE RICH TRAVEL

Intrepid's growth is driven by the increasing global demand for eco-conscious and locally immersive travel experiences. In 2019, we continued to leverage our competitive advantage as a global vertically integrated travel company, who are thought leaders in sustainable experience-rich travel. In 2019 we focused on the growth of our core brands, Intrepid Travel and Peregrine Adventures, as well as on growing our DMC partnerships.

INTREPID TRAVEL

It was another year of growth for Intrepid Travel as we marked the 30 year anniversary of our hero brand. The milestone was celebrated with the operation of our first Uncharted 'mystery trip', which departed Kazakhstan in June. Designed in the spirit of Intrepid's first exploratory trip, Uncharted demonstrated our global operational expertise and the power of Intrepid's brand, as the trip sold out in less than 24 hours.

In 2019, the Ocean Endeavour Expedition Company was established by Chimu Adventures to oversee the new Intrepid Group Polar program. This marks Intrepid as one of just a handful of travel companies around the world to operate trips on every continent.

As Intrepid grows globally we're able to see new travel trends emerging amongst our customers and in destinations globally – and then collaborate across the business to innovate our product.

In 2019, we focused on improving our core products – those trips that have the greatest impact on our commercial success – and built out product categories that we feel have exciting growth potential, including 18 to 29s, Antarctica Expeditions, Women's Expeditions and Family Adventures.

Our global brand and operational expertise is also enabling us to have an impact on the wider travel industry. For example, we've been outspoken on overtourism in media, talking to trends through our annual Adventure Index. Operationally, we are actively responding to disperse traveller numbers in a number of ways. In 2020, we are also replacing some destinations from selected itineraries that are under significant pressure. For example, removing Halong Bay from itineraries and replaced with Cat Ba Island.

In 2019, we focused on growing our brand and our vision of Changing The Way People See the World, by leveraging our global operational expertise.

Our customers and our staff are passionate about sustainability, and in 2019 Intrepid Travel focused on better integrating our purpose into our brand storytelling through four key themes: gender equality, animal welfare, climate action, and our B Corp community.

As an independently owned business, we're not afraid to be outspoken on these issues and to publicly commit to being better. In 2019, we continued to take a thought leadership role, supporting events around the world, including the launch of the documentary 2040. The highlight of our advocacy work was our collaboration with the B Corp community on the Climate Strike.

INTREPID SIMPLIFIES BRAND STRUCTURE

Intrepid Group sold the Adventure Tours Australia brand to Discovery Adventure Group in December, as part of a plan to progressively simplify its brand structure and focus on our core brand, Intrepid Travel.

All current Intrepid Australia trips will continue to be sold in 2020 under the Intrepid Travel brand, but over time Intrepid's Australia trips will become more aligned with product in other parts of the world. Intrepid has taken a stake in Discovery Adventure Group as part of the deal.

PEREGRINE ADVENTURES

The demand for a more comfortable style of sustainable experience-rich travel saw huge growth for the Peregrine Adventures brand in 2019. Our core product saw 36% growth, while our Adventure Cruising charters saw 118% growth year on year. The decision was made to change our Polar charters from being Peregrine branded to Intrepid branded, to ensure that we reach a global audience with the new product range.

While Peregrine sales were up in 2019, the brand's NPS score was 64 for the year, which was below the target of 67. Further training has been rolled out across the business to better meet the needs of Peregrine travellers going forward.

BRINGING SERT TO CHINA

In December, Intrepid Travel announced a strategic partnership with China's largest OTA, Ctrip. Recognising that Chinese travel habits are changing, the partnership will see Intrepid's style of sustainable experience-rich trips localised for the Chinese market, with Chinese speaking guides. Ten Intrepid trips were launched on the Ctrip platform covering destinations such as Morocco, Nepal, and Peru. Sales have been impacted by Coronavirus in Q1, but are expected to kick off when global travel returns.

TAILORMADE

Known as a global leader in small group travel, Intrepid recognized the opportunity for tailor-made or Free Independent Traveller (FIT) sales in its 2020 strategy. Although Tailor-made travel is not actively marketed by Intrepid, 2019 saw a 23% increase in customised trip sales from independent travellers drawn to the brand's sustainability credentials and local expertise. In 2020, Intrepid will complete the implementation of Travel Studio, a new system which will enable all 25 DMCs to provide quick and accurate quotes on tailor-made tours.

URBAN ADVENTURES

Previously the fastest growing brand in the Intrepid Group, 2019 saw highs and lows for Urban Adventures. The brand saw a 30% increase in departed revenue, but this was below expectations. This was due to a number of factors. In 2019, Urban Adventures single biggest destination, stopped dead overnight when the United States changed the rules on Americans visiting Cuba. Changes to Google search and display challenged the brand's digital performance, and Urban Adventures also suffered from the knock-on effect of changing market conditions for OTAs.

Marking its 10-year anniversary in October, there was a lot for Urban Adventures to celebrate in 2019. The New York Times expanded its range from 12 to now include 21 cities; and seven new destinations were also added to Urban Adventures' global network:

Customer numbers also continued to increase, with more than 300,000 people travelling with Urban Adventures last year, up 13%. Most importantly, the feedback from these customers was outstanding: Urban Adventures achieved an NPS score of 81.

In 2020, Intrepid Group is working closely with our Urban Adventures Partners to review the business model. Day touring is a core part of our 2025 strategy and our focus is on ensuring the business benefits all its stakeholders.

PEAK DMC CONTINUES TO GROW

It was Intrepid's global destination management company, PEAK DMC, that saw the biggest year-on-year growth with sales from DMC partners up by 67% in 2019. This is an emerging area of the business that will help to grow the overall market for sustainable and experience-rich travel.

Peak DMC also continues to expand its scope of trip styles – increasingly operating educational trips and tailor-made or FIT travel for tour operator partners.

In 2019, we expanded our presence in South America, with the full integration of our Chimu DMC partners in Rio de Janeiro and Santiago. In January 2020, we opened a new destination management company in Bogota, Colombia, becoming the 25th DMC in our global network.

There were some challenges for Peak DMC in 2019. For the first time in 10 years, the DMC network did not reach its EBIT Target, as the cost of operating our tours in some destinations increased by more than anticipated impacting our gross margin. Despite this, Peak DMC contributed \$6.9m EBIT to the overall group result.

SAFETY FIRST

As a vertically integrated global company, Intrepid Group and PEAK DMC proactively managed a wide range of incidents too, including ongoing protests in destinations such as Hong Kong, Bolivia and Chile and the large-scale bombing attack in Sri Lanka. The aftermath of the Easter Sunday terror attack saw a strong customer-led response, with our experienced Peak DMC Sri Lanka and Asia Product teams working quickly to ensure that the many Intrepid and Peregrine travellers on the ground were safe and well.

OUTLOOK FOR 2020

WORLD-LEADING PARTNERSHIPS:

The growing reputation of the Intrepid brand has resulted in new brand-building partnerships. In January 2020, Intrepid launched a range of tours with world-leading travel publisher Lonely Planet. Lonely Planet Experiences comprises of 200 day-tours operated by Urban Adventures and more than 130 multi-day tours including walking, cycling, food, festivals, family and marine adventures. The brand partnership enable Intrepid to reach a new global audience and the range of tours will replace Intrepid's Basix style.

In February 2020 Intrepid launched a new partnership with WWF-Australia which will create shared value for customers and the environment. WWF-Australia researchers will be conducting scientific research into Antarctica's great whales and sharing it with travellers onboard Intrepid's Ocean Endeavour voyages in 2021 and 2022. The partnership also aims to establish marine protected areas in the Southern Ocean.

ADVENTURE.COM

Throughout 2019, Adventure.com continued to build respect and authority among both the travel industry and travellers themselves by focusing on stories that go beyond just travel and dig deeper into communities, cultures, personalities, destinations and ideas for our sustainable future. Collectively, our global network of travel writers and photographers brought home eight award wins (beating out household-name publications in the process)

REACHING NEW AUDIENCES

Environmental activism, sustainability and gender equality were high on the media agenda in 2019, and Intrepid's leadership in this space was recognised by award wins and media mentions on these topics. As a business that balances purpose with profit, the company also won some significant business awards and attracted coverage in leading business and finance titles.

We had a lot to celebrate. Here's just a few of the accolades we received in 2019:



Ones of World's Most Innovative Companies

FAST COMPANY



Best for Sustainable Business

BRITISH TRAVEL AND HOSPITALITY HALL OF FAME AWARDS



Best Managed Company

DELOITTE AUSTRALIA



Best in Adventure

INTERNATIONAL TRAVEL & TOURISM AWARDS



Best for Social Impact (Finalist)

WTTC TOURISM FOR TOMORROW AWARDS



Responsible Travel Initiative of the Year

TTG TRAVEL AWARDS



Change Maker Award

INTERNATIONAL INSTITUTE FOR PEACE THROUGH TOURISM



Audience Selection

TRAVEL VIDEO AWARDS



Shared Value Organisation to Watch

SHARED VALUE PROJECT

MEDIA COVERAGE

We achieved incredible media coverage globally in 2019, across every channel and medium - here's just a sample:

We beamed the Land of the Rising Sun into Aussie living rooms via Channel 9's Sunrise, one of Australia's biggest morning TV shows. Over a week in March, the show's weather presenter Sam 'Mac' McMillan and the Sunrise weather team toured Japan, broadcasting live from various destinations across Japan.

In the UK, BBC's Travel Show featured Intrepid Travel's women-only expedition in Morocco's Atlas Mountains, with presenter Cat Moh discovering Berber culture and history. The show was also available to a global audience online.

In the US, Intrepid was featured on NBC's The Today Show's Travel Tuesday deals segment. The program is one of the country's most popular morning shows, reaching some four million viewers.

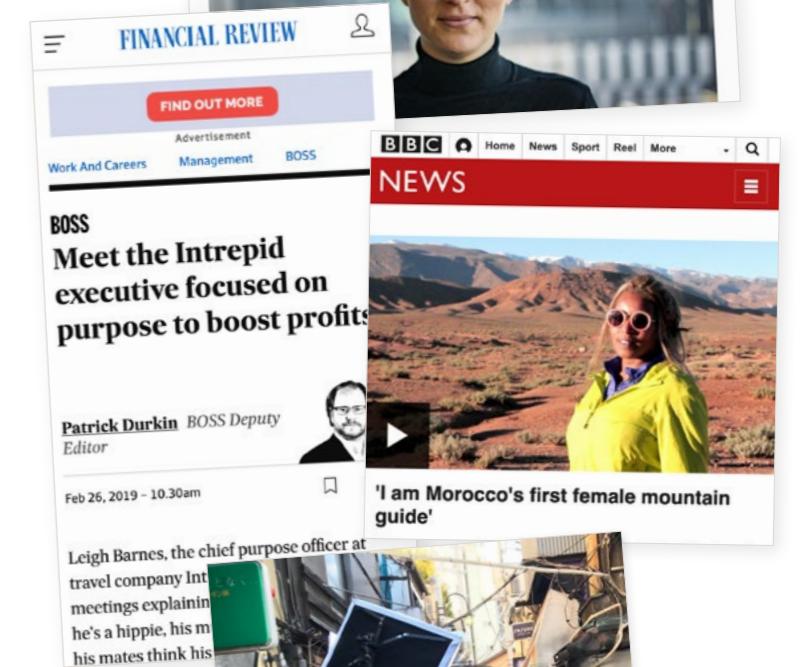
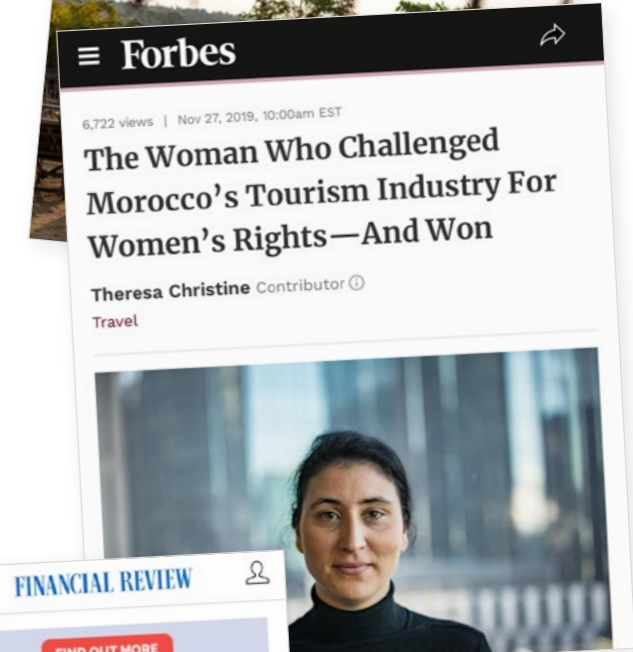
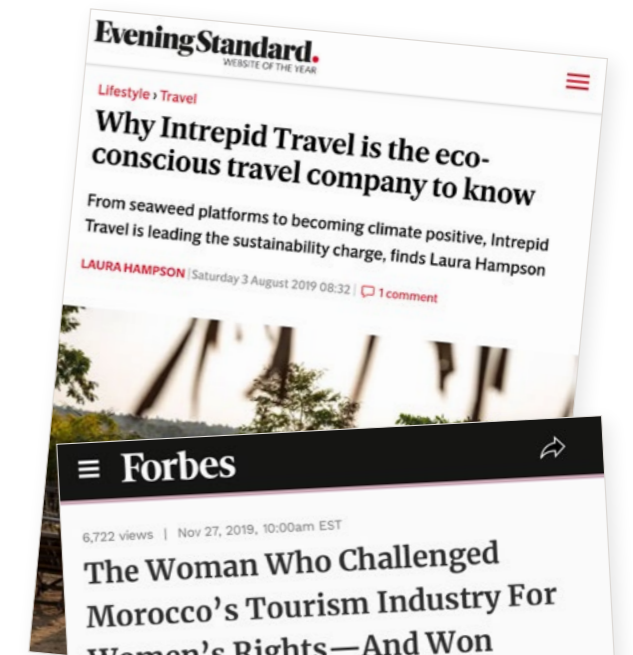
Our stories attracted phenomenal coverage in print too, including London's widely circulated daily newspaper The Evening Standard's story on 'Why Intrepid Travel is the eco-conscious travel company to know'.

UK broadsheet The Telegraph featured Intrepid's Thailand Adventure Cruise trip in a story by travel journalist Jo Booth, which described Intrepid as "community tourism at its best". And, luxury UK lifestyle brand Harper Bazaar featured Intrepid in its feature 'How to be a More Sustainable Traveller' with tips on how to live like a local and support community businesses.

Intrepid's women-only trips also attracted coverage from respected print media titles globally. Just a few outlets who ran stories on these female-led expeditions include Metro in the UK, The Independent and The Telegraph, among many others.

Media titles also tempted their audience's taste buds with stories on food-related trips. For instance, The Sunday Telegraph featured Intrepid's vegan tours in Thailand, in line with the rising demand for plant-based diets and food experiences. And, other food trips were featured in The Guardian, The Independent, Metro and The Telegraph.

Meanwhile, business media titles also found plenty of reasons to feature Intrepid and its senior leaders. Leading business title, Australian Financial Review featured interviews with CEO James Thornton and then chief purpose officer (now chief customer officer) Leigh Barnes, reaching a business audience of 756K. Plus, Intrepid co-founder and chairman Darrell Wade was profiled in Company Director, the magazine of the Australian Institute of Company Directors.



EXPERIENCED LEADERSHIP, INDEPENDENT VIEWPOINTS

We appointed two Non-Executive Directors to the Board to strengthen our governance.

New policies and processes have been introduced to strengthen risk management.

And, why we're focused on climate risk.

THE PEOPLE WHO SET OUR DIRECTION

In 2019, additional rigour was introduced with two non-executive directors joining the Board.

Intrepid is governed by the Intrepid Group Board of directors, who have been appointed by shareholders. The Board is responsible for governance and setting the strategy and overall direction of the business. The Board is committed to the highest standards of governance and develops policies, practices and procedures in line with best practice.

Two experienced non-executive directors joined the Board in 2019 – Liz Savage and Sarah Morgan. These appointments reflect Intrepid's commitment to diversity at all levels of the business, including within senior management, and ensured the company realised its goal to have 40 per cent female directors on the Board by 2020.

KEY GOVERNANCE ISSUES IN 2019

Understanding that governance practices can impact value, during the year, the Board focused on:

- Achievement of the 2020 Strategy and launch of the 2025 Strategy
- In-depth analysis of our approach to mergers and acquisitions and commenced investigations into emerging markets
- Revised the Audit and Risk Committee Charter and implemented the Board Delegations of Authority Policy
- Reviewed the company's approach to hedging
- Detailed review of Health and Safety policies and procedures

BOARD EFFECTIVENESS

Annually, the Board reviews its own, as well as the Audit and Risk Committee's, performance. Board members complete a survey on the performance of the Board and the Committee, which seeks to determine whether both function effectively and efficiently. A 2019 report was prepared for the Board, which will evaluate the findings and form priorities for 2020.

The independent and founding directors meet separately at every board meeting to discuss a number of issues, including the effectiveness of the Board. An evaluation of each director, including the chairman, was conducted by the company secretary.

The directors are encouraged to have free and open contact with management at all levels, and full

access to all relevant information. At each board meeting, a member of the Core Management Team will present on their area and the Board receives all reports and in-depth presentations from these executives.

All board meetings were held in Melbourne, except one which was held in Bangkok. This gave the Board the opportunity to visit a DMC and experience an Urban Adventures day-tour first hand. The directors gained a better understanding of regional differences in the business and the specifics of various markets.

The chair of the Audit and Risk Committee reports to the Board on matters considered or decided in the Committee meetings and the Board frequently reviews the actual performance of the Group versus its long-term strategy.



DARRELL WADE, CHAIRMAN
Member since 1989

Darrell is the co-founder of Intrepid Travel and chairman of Intrepid Group. Darrell is a successful entrepreneur and works with a number of start-ups and accelerators, and is a passionate advocate for responsible tourism. His interest in climate change was stimulated after reading *The Weather Makers* and he became one of the first Australians to complete Al Gore's Climate Reality Project training. He is a member of the Executive Committee of the World Travel and Tourism Council.



GEOFF MANCHESTER
Member since 1989

Geoff, known as 'Manch', is the co-founder of Intrepid Travel and director of Intrepid Group. Manch helps ensure Intrepid continually delivers on its sustainable and responsible travel ethos. Manch spearheaded the establishment of The Intrepid Foundation in 2002 and was integral to the Group becoming a B Corp in 2019. Manch is an ambassador for Conscious Capitalism Australia.



JAMES THORNTON
Member since 2015

James began his career in asset management before making a career change to join Intrepid's UK office. As CEO he is focused on growing the market for sustainable, experience-rich travel and operating a company that balances purpose and profit. Under his leadership, Intrepid achieved B Corporation certification and recorded record growth since 2016. He is a member of the Young President's Organisation and the Australian Institute of Company Directors.



LIZ SAVAGE
Member since January 2019

Liz is a full-time company director and holds non-executive director roles across a portfolio of organisations including Auckland Airport, North Queensland Airports, and Triathlon Australia. Liz was formerly business development director of UK low-cost airline easyJet and chief commercial officer of Virgin Australia.



SARAH MORGAN
Member since January 2019

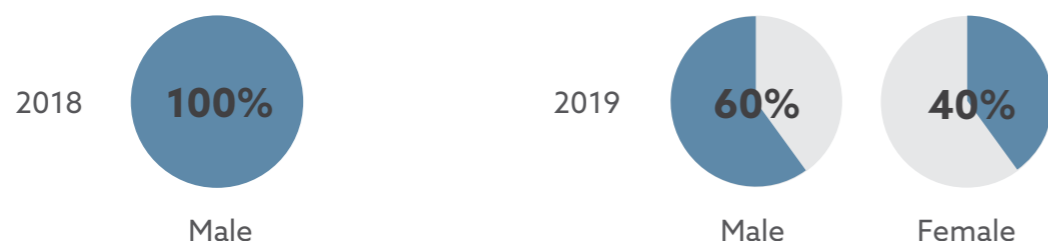
Sarah is a experienced non-executive director and serves on a number of boards, including Adslot, Nitro Software, Future Generation, Melbourne Girls Grammar School, the National Gallery of Victoria Foundation and Whispir. She has worked on significant transactions in both Australia and globally, across a range of industries.



Board meetings attended in 2019 (6 in total)

Darrell Wade	6
Geoff Manchester	5
James Thornton	6
Liz Savage	6
Sarah Morgan	6

BOARD GENDER DIVERSITY





AN ACTIVE APPROACH

As a multi-brand global business, Intrepid is exposed to a number of business risks that may materially impact our business, so an effective risk management system is essential to safeguarding our success.

Intrepid Group uses the COSO Enterprise Risk Management – Integrated Framework to manage its global risk. We use a multi-layered approach to identify, manage and mitigate external and operational risks.

The Intrepid Board has appointed the Audit and Risk Committee to lead risk governance. This committee oversees the effectiveness of internal controls and risk management systems across the business and actively participates in the ‘top- down’ identification, assessment and acceptance of strategic risk. In 2019 two non-executive directors joined the Board, and one of them joined the Audit and Risk Committee as chair.

In addition, Intrepid Group has three lines of defense against risk and all levels of our risk management framework work together to ensure business risks are mitigated:

The Core Management Team (CMT) manages business risks at an operational level. This team ensures a culture of risk awareness, control focus and ‘doing the right thing’ within the business. Nominated risk champions within business units promote and implement risk management.

The Intrepid Group functions, which are set up to identify opportunities to further mitigate common group-wide risk and set required control standards; communicating and reporting these to the wider business.

Independent assurance by way of external auditors, who provide independent and objective assessment of the effectiveness of risk management, operational controls and governance processes. The auditors also provide guidance to the management team on risk and control through ad-hoc consulting, as required.

ASSURANCE AND INTERNAL CONTROL ENVIRONMENT

Intrepid Group’s risk management framework is designed to manage, rather than eliminate, risk and it can only provide reasonable and not absolute assurance against material misstatement or loss.

Intrepid’s internal control framework ensures the accuracy and reliability of financial reporting, including clearly defined lines of accountability and delegation of authority, and procedures that cover all aspects of the business.

SOURCES OF ASSURANCE

The Board has delegated responsibility for reviewing the effectiveness of the group’s systems of internal control to the Audit and Risk Committee.

This covers all material controls including financial, operational and compliance controls and risk management systems. The committee is supported by several sources of internal assurance to complete these reviews, in particular:

COMPLIANCE REVIEW

Intrepid Group’s main assurance relies on the compliance program, which includes quarterly compliance checks of the Group’s key controls, regular spot checks of key controls, tax, licensing, updates on fraud and other irregularities, and onsite compliance visits to global group entities.

FUNCTIONAL ASSURANCE

This includes health and safety and our environmental footprint.

RISK GOVERNANCE FRAMEWORK

Strategic Governance	Intrepid Group Board Audit And Risk Committee
Operational Governance	Core Management Team
First Line of Defence	Global Leadership Team
Second Line of Defence	Group Functions Intrepid Group Compliance Tech Services Peak DMC Global
Third Line of defence	Independent Assurance External Auditors

CLIMATE CHANGE: STILL A MAJOR RISK

The travel industry is grappling with Covid-19, one of the biggest shocks to ever hit the sector, but our chairman Darrell Wade believes despite this, ultimately climate change remains the biggest risk facing all travel businesses.

Manch and I co-founded Intrepid over 30 years ago and we're very proud of the role we've played in making the world a better place. More than that though, I'm proud of the incredible benefits travel brings to the whole world.

As an industry we account for 10.4 per cent of the world's GDP and more than one in 10 jobs worldwide. The tourism industry can take people out of poverty and gives them enjoyable, meaningful and financially rewarding employment. That's big. Beyond that, tourism protects and values ecosystems, assists with gender equality and builds far greater understanding between visitors and host communities, which directly contributes to world peace. In fact, if you look at the United Nations Sustainable Development Goals (SDGs), you'll see that tourism is a key contributor to the achievement of these goals. I doubt there would be an industry that contributes more. And, because our industry typically grows faster than global GDP, these benefits get more impactful every year. Yes, we have a lot to be proud of in our industry.

But we have a dirty little secret, too. A secret that as an industry we try to hush away and pretend doesn't exist. Or isn't our fault. Or we can't do anything about. But it's not little, and it's not really even a secret. It's our carbon emissions.

And, because our industry has been growing quickly, our emissions have also grown rapidly. Worse, we're one of the few industries that isn't taking collective action. In fact, even individual action is happening too rarely.

Depending on the data source, our industry accounts for anywhere between two and eight per cent of global emissions. I suspect it's even more than that, given our

contribution to the global economy and some of the carbon intensive aspects of the industry, such as aviation.

Most people acknowledge we have a climate crisis. Yet the travel industry continues to talk its way out of taking meaningful action. There are, of course, exceptions and we should praise these businesses that are reducing emissions further and targeting carbon neutrality to reduce their emissions further. We should also acknowledge those companies that have signed up to Tourism Declares a Climate Emergency. But many, many more need to do this. As travellers we should support these businesses – and avoid those that continue to dodge the biggest crisis the world is facing.

I find it both amazing and frustrating that travel industry companies claim they can't afford to do anything. I would argue they can't afford not to do anything. As a company director, one of my roles is to manage risk for Intrepid. There is no bigger risk management issue for the world than climate change. For our sector, we simply won't have a travel industry if we don't manage this risk correctly.

Intrepid has been taking action on climate change for 15 years, and we've been carbon neutral for more than a decade. Our sales and profitability are both an order of magnitude larger than they were 15 years ago – so our action certainly hasn't inhibited our growth. It won't for others either.

The time for talk is well and truly over. The decade for climate action starts now.

DARRELL WADE

RISKS AND MITIGATION

Intrepid has identified the most pressing risks to our stakeholders and our ongoing business success, as well as potential consequences if these risks are not addressed.

CLIMATE CHANGE



The Intergovernmental Panel on Climate Change (IPCC) special report on the impacts of global warming of 1.5°C above pre-industrial levels clearly describes the key impacts and comparisons between global warming of 1.5°C and 2°C. The IPCC urges immediate global action in rapidly reducing carbon dioxide emissions at an unprecedented pace and scale. Climate risk is already real for Intrepid and is creating value chain vulnerabilities. Climate-related risk is no longer only an environmental issue but also one that has direct long-term financial and reputational impact across our value chain.

CONSEQUENCES

Climate change presents profound implications for our business. Not adequately addressing climate change will have negative consequences for our revenue, profit and long-term growth – for instance, increased physical or financial vulnerability due to climate-related impacts.

Physical assets (our offices) and products and services (trips) are vulnerable to weather and climate change. This includes increased frequency and severity of extreme weather events, such as heatwaves, hurricanes, floods or stress on water resources. In 2019, Intrepid had to reroute a number of trips or change inclusions due to extreme weather events – just a few examples include:

- In Sri Lanka, a fast-growing destination for Intrepid and location for our shared services centre, there were electricity shortages due to drought impacting the production of electricity at the country's hydro-electric power stations. Some suppliers, such as smaller hotels and local restaurants, do not have generators, and this resulted in some itinerary changes having to be made.
- Bushfires across various parts of Australia in the second half of 2019 resulted in a number of trips having to be rerouted or adjusted, including some in Western Australia and New South Wales.
- In Europe, heatwaves during the summer months meant a number of activities had to be rescheduled to cooler parts of the day, such as early in the morning.

Our offices are not immune to the impact of extreme weather events. In 2019 our Bangkok office was flooded due to torrential rainfall, resulting in insurance claims and losses in productivity. Heatwaves in various regions required greater use of air conditioning in offices, resulting in higher operating costs.

MITIGATION MEASURES

During 2019 Intrepid has significantly increased its action and advocacy on climate change. Within the business we have taken a number of steps to mitigate the risk of extreme weather events and to reduce our carbon footprint overall. We are a signatory to the UN Global Compact and our SDGs underpin our approach to the environment.

IN 2019, SOME OF THESE STEPS INCLUDED:

Decarbonising the business – Intrepid has been carbon neutral since 2010. In late 2018, we revised our reporting methodology in line with Climate Active, formally known as the National Carbon Offsetting Standards (NCOS), under the Australian Government's Carbon Neutral Initiative. We have committed to becoming climate positive in the future. This means, we're creating environmental benefits by removing additional carbon dioxide from the atmosphere and decarbonising our business by reducing emissions from our trips and global operations.

- Committed to a SBTi in December 2019 to reduce emissions, in line with climate science. We will be submitting our targets to the SBTi for validation in 2020
- Started discussions with Tourism Declares and in January 2020 went public with our Climate Emergency Declaration and seven-point action plan
- Invested in green bonds.
- Advocated for action on climate change as part of the Not Business As Usual collective of B Corps during the Global Climate Strike
- Increased renewable energy use in our offices globally
- Reviewed our product to identify opportunities to use more environmentally friendly modes of transport, in cases where it won't compromise safety or experience
- Supported reforestation community projects through The Intrepid Foundation
- Invested in technology that enables meetings to be conducted via video conferencing
- Educated and informed management and staff about climate change risks and adaptation measures

Outlook: We need to better understand the risks and opportunities presented by a transition to a lower emission future. In 2020 we will significantly ramp up our action on climate change, including conducting a climate risk and opportunity study.

MAJOR GLOBAL INCIDENT



Intrepid Group and its passengers are exposed to the inherent risk of domestic and/or international incidents affecting some of the countries that we operate in, including terrorism, natural disasters and pandemics.

CONSEQUENCES

The risk of injury or trauma to customers, including possible death, potentially leading to lawsuits, fines and penalties, as well as significant reputational damage.

MITIGATION MEASURES

- All trips are run in accordance with the travel advice issued by the Australian Department of Foreign Affairs, with reference also made to the governmental travel advisories from other key source markets.
- Our business model is based on having a balanced destination mix to minimise concentration risk.
- Minimise the impact of any potential negative events in our source markets and destinations by ensuring the effective execution of our incident management plans.
- The business is debt-free and maintains a healthy level of free cash, which allows us to absorb temporary shocks to cash reserves resulting from regionalised destabilisation.
- Our DMC network has strong relationships with local tourism bodies and travel and aviation associations, and actively monitors the political situation in volatile destinations and keeps updated on disease risks.

ECONOMIC ENVIRONMENT



Spending on travel and tourism is discretionary and price sensitive. The economic outlook remains uncertain with different source markets at different points in the recovery cycle. Consumers are also waiting longer to book their trips in order to assess their financial situation.

CONSEQUENCES

An ability to react to changes in the market leading to misallocation of resources and an inability to meet customer demand.

MITIGATION MEASURES

- We closely monitor and action critical KPIs (passenger numbers, trip fill, average selling price etc.).
- We closely monitor and action changes in political environment, such as Brexit.
- Actively manage, and invest in, resources for our yield management systems to ensure flexibility and resilience in our business model. This ensures that each trip fill is maximised, and capacity is aligned closely to forecasts in order to protect margins and profit growth.
- Maintain a healthy free cash position to absorb any temporary shocks.
- Continue to ensure we have a diversified customer base and that we are targeting growing sectors of the industry. We aim to obtain number one position in each market.
- Management has ability to adjust cost structure in response to changing market conditions.

DIGITAL HEALTH



Inability to implement, or poor implementation of, digital strategy leading to us falling behind in the marketplace and systems failing to match the business needs.

CONSEQUENCES

An inability to react to changes in the market leading to misallocation of resources and an inability to meet customer demand.

MITIGATION MEASURES

- Implemented Agile project management practices to enable projects and the wider business to react to changing circumstances and ensure we are working towards up-to-date goals.
- Ensure we have appropriate resources allocated to executing this strategy through our five-year planning process and embed changes through training and support.
- Continue to execute our digital strategy and support the digital customer journey. Strategy is reviewed as part of the ongoing goals alignment process.
- Prioritise ongoing vigilance and a renewed focus on data protection, privacy and cyber security. We hold cyber insurance to reduce the consequences should a serious breach occur. Staff education and a focus on the issue from senior management reinforce the importance of data protection and cyber health.

ON TRIP SAFETY



Provision of travel includes potential risks to safety for both customers and employees.

CONSEQUENCES

The risk of injury or trauma to customer or staff, including possible death, potentially leading to lawsuits, fines and penalties, as well as significant reputational damage.

MITIGATION MEASURES

- The Health and Safety Policy is embedded into all parts of the business, both in our offices and at an operational level.
- Regular assessment of on-ground adherence to our Health and Safety Policy through customer feedback, leaders' trip reports and trip safety audits.
- A Global Incident Management Plan ensures any incident is dealt with in a timely and professional manner. Tracking and review of incidents to mitigate any further damage to customers or the business.
- Comprehensive insurance is in place.
- All leaders and guides receive regular and comprehensive health and safety training.
- Maximise the use of in-house DMC network where we have more direct control over quality assurance.

TALENT MANAGEMENT



The Group's success depends on its ability to attract, develop and retain high-quality talent, including key management while remaining competitive within the market.

CONSEQUENCES

Increased cost to the business to recruit and onboard talent into key roles.

MITIGATION MEASURES

- Continue to work on putting succession and development plans in place for all identified business-critical roles.
- Run a suite of internal management development programs and invest in an online learning ecosystem to ensure consistent and accessible content is available globally at all times for all of our people.
- Undertake a range of activities to build culture and increase engagement.
- Progressively grow the employment offering by increasing our employee value proposition and ensuring that our incentives and benefits are within the affordability of the business.

REVIEWS AND UPDATES

The following policies and guidelines were reviewed or updated in 2019 to ensure Intrepid continues to create value for all stakeholders.

RESPONSIBLE BUSINESS AND TRAVEL



ANIMAL WELFARE GUIDELINES

Intrepid actively discourages customers to participate in activities that exploit or harm animals, whether they are wild, domestic or working animals. These guidelines provide guidance for responsible interaction with animals on our trips. In 2019, we updated these guidelines to include dog and reindeer sledding guidelines and refreshed the viewing of wildlife in the wild, for both land and marine environments.



RESPONSIBLE PURCHASING POLICY

Intrepid spends a substantial sum of money each year purchasing goods and services. With this purchasing power comes responsibilities. The purchasing decisions we make have a real impact not only on our business, but the environment and communities in which we operate. This policy ensures these impacts are positive while serving the operational needs of the business. In 2019, the policy was updated to include more detail on environmental best practice.

EMPLOYEE BENEFITS AND RECRUITMENT



STAFF EDUCATIONAL FOC POLICY

As part of our permanent office-based staff's overall benefits package, employees have the opportunity to access an educational FOC trip. The purpose of these trips is to provide the chance to find out more about our product, our destinations, to understand the challenging role of our leaders and DMC staff, and to become specialists in providing customer-rich insight about our style of travel.



EDUCATIONAL LEAVE GUIDELINES POLICY

With a diverse workforce spread across the globe we understand that not all team members can use the staff benefit provided through an annual staff educational FOC trip. We offer those staff the opportunity to take up to five days educational leave in lieu of taking the full staff educational FOC trip benefit to undertake external learning and development.



STAFF VOLUNTEER POLICY

Intrepid offers all permanent team members the opportunity to spend up to 20 hours per calendar year of paid time to volunteer with an eligible organisation. This is a responsible business initiative in line with our overall Purpose strategy. Volunteering time is intended to create mutual benefit for the local community and Intrepid employees and is an opportunity for team members to share their knowledge, skills and time with an organisation in need of support, while at the same time developing a better understanding about complex social and environmental issues.



COMPANY BONUS PLAN

We believe that every team plays a part in the company's growth. We're all in it together and we want our people to share in our success. The company bonus plan is designed to reward our team members globally for their contribution towards achievement of the company's annual goals/targets for the calendar year.

OPERATIONAL (THROUGH PEAK DMC)



INCIDENT MANAGEMENT PLAN

The Incident Management Plan (IMP) is a systematic approach to the management of any incident that may seriously affect passengers, leaders and crew, operations, and/or the reputation of the business. It provides a framework to effectively deal with incidents as and when they occur. It covers the entire incident management process from preparation, planning and training, immediate response during an incident, resolution and post-incident learning and development. Major updates to the IMP in 2019 included the introduction of a new incident level matrix, an incident response action pack and clearer guidelines on communication to ensure that all stakeholders receive the appropriate information within reasonable timeframes.



SEXUAL MISCONDUCT POLICY

The policy was updated to improve processes and training in the prevention and management of sexual misconduct incidents. The policy, which applies to all staff and leaders, defines unacceptable on-trip behaviour and clearly conveys the consequences of any breach of policy. Updates include closer alignment of crisis management and internal investigation procedures, as well as additional education for leaders, staff and suppliers on appropriate behaviour.



OPERATIONAL HEALTH AND SAFETY POLICY

A major review and update was made to this policy, which takes a pre-emptive, holistic and pragmatic approach to health and safety in order to ensure trip operations are undertaken in a safe and thoughtful manner. We are committed to our legal and moral obligations to ensure the health and safety of all passengers, staff, leaders, crew and other related stakeholders associated with our travel operations. In order to meet these obligations, a robust safety culture must be maintained with comprehensive policy and systems that are understood and actively used within the business. The 2019 update spells out specific sections – for instance, aviation, activities, and acute mountain sickness – to ensure more efficient access to specific topics. The policy's scope was also broadened to include health and safety requirements for product, marketing and sales staff.

GOVERNANCE



PREVENTION OF BRIBERY AND CORRUPTION POLICY

Intrepid's culture reflects our values of acting with integrity and being socially responsible. Accordingly, Intrepid is committed to carrying out business fairly, openly and honestly. We inherently oppose bribery and corruption. We recognise that these inappropriate ways of doing business are evident in and are a cause of hardship and crime in several countries in which we operate. This policy defines bribery and corruption and identifies what each Intrepid brand is responsible for. The guidelines were reviewed and deemed to still be relevant and robust.



CONFLICT OF INTEREST POLICY

Intrepid has a commitment to high legal, ethical and moral standards. All employees are expected to share this commitment. This policy provides guidance to all Intrepid staff as to appropriate involvements in businesses outside of Intrepid. The guidelines were reviewed and deemed to still be relevant and robust.



GLOBAL SOCIAL MEDIA GUIDELINES

Intrepid consists of well-known, recognisable brands and we are proud to talk about what we do. We like to have open communication and we encourage staff to tell the world about our trips and share their passion. However, social media and digital communication is changing the way we talk to each other, our customers and our partners. These guidelines were designed to provide practical advice for staff when using social networking, media and content sharing sites as an identifiable employee or representative of Intrepid and its brands. The guidelines were reviewed and deemed to still be relevant and robust.



PRIVACY POLICY

This sets out the types of personal information Intrepid collects, how it is collected, and what the business does with it, as well as some of the steps we take to safeguard information. The policy covers consent, intra-company sharing, cookies, selling data and security measures and was updated in 2019.

DIVERSE AND EXPERIENCED LEADERSHIP

Intrepid maintains the highest standards of governance supported by best-practice structures, management and policies.

Sound corporate governance is essential to build long-term value for all stakeholders. The Intrepid Board, and its sub-committees, ensures open and honest operation at every level of the business. There are three main sub-committees in the business:

AUDIT AND RISK COMMITTEE

The board has delegated authority to the Audit and Risk Committee to oversee the following areas:

- Financial management (including the external audit process)
- Compliance and risk management
- Health and safety

The Audit and Risk Committee met six times in 2019 and the chair of the Committee reported back to the Board after each meeting.

CORE MANAGEMENT TEAM (CMT)

During 2019, we created a Core Management Team (CMT), in order to support the business as it grew and matured.

This restructured team was put in place in September and saw the creation of a chief operating officer, chief commercial officer, chief customer officer, chief financial

officer, GM business operations and an executive manager. Additionally, the team includes a seat at the table for GM people and GM communications.

This structure better aligns with our 2025 Strategy, allows for stronger cross functional collaboration and is a better representation of our functions, people and customers.

The CMT meets once a month in Melbourne with regular shorter deep dive sessions to focus on specific business opportunities and challenges as required, for instance the immediate response to Covid-19, which saw the team meeting daily.

In 2020, the CMT will be focused on the response to Covid-19, and the execution of the 2025 Strategy.

GLOBAL LEADERSHIP TEAM

The Global Leadership Team (GLT) is the broader senior team that leads and executes 2025 strategy and annual goals. It is made up of 30 representatives from key business segments and divisions, some department heads and our co-founders. The GLT act as a wider steering committee that facilitates two-way communication between the CEO and the global business.



CORE MANAGEMENT TEAM

BACK	GM PEOPLE Natalie Juricic	GM COMMUNICATIONS Gillian Monahan	CHIEF FINANCIAL OFFICER Michael Burnett	CHIEF EXECUTIVE OFFICER James Thornton	CHIEF OPERATING OFFICER Natalie Kidd
FRONT	GM BUSINESS OPERATIONS Tom Beadle	CHIEF CUSTOMER OFFICER Leigh Barnes	EXECUTIVE MANAGER Jessica Johnson	CHIEF COMMERCIAL OFFICER Brett Mitchell	CHIEF INFORMATION OFFICER Michelle Beveridge

OUR POSITION AT A GLANCE

The summarised consolidated financial statements are included in the following pages.

These comprise a summarised consolidated statement of comprehensive income, summarised consolidated statement of financial position and summarised consolidated statement of cash flows and the director's declaration.

These have been derived from the audited financial statements of the Intrepid Group Limited.

SUMMARISED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2019

	CONSOLIDATED ENTITY	
	2019	2018
	\$('000)	\$('000)
REVENUE FROM CONTINUING OPERATIONS	371,519	303,538
Other income	3,978	3,439
Cost of sales	(250,626)	(203,931)
Selling costs	(15,019)	(12,740)
Administrative expenses	(60,129)	(54,841)
Marketing expenses	(25,384)	(21,126)
Other expenses	(2,594)	(467)
Finance costs	(490)	(61)
Share of net profit of associates and joint ventures	246	623
PROFIT BEFORE INCOME TAX	21,501	14,434
Income tax expense	(5,808)	(4,617)
PROFIT FOR THE YEAR	15,693	9,817

SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2019

	CONSOLIDATED ENTITY	
	2019	2018
	\$('000)	\$('000)
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	86,998	78,129
Trade and other receivables	16,387	6,797
Derivative financial instruments	687	3,903
Other current assets	31,226	20,662
TOTAL CURRENT ASSETS	135,298	109,491
NON-CURRENT ASSETS		
Receivables	-	1,433
Investments accounted for using the equity method	3,765	3,575
Property, plant and equipment	8,237	7,349
Deferred tax assets	3,922	4,481
Intangible assets	58,975	58,659
Right-of-use assets	10,677	-
TOTAL NON-CURRENT ASSETS	85,576	75,497
TOTAL ASSETS	220,874	184,988
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	39,438	32,301
Customer deposits	65,958	57,282
Current tax liabilities	2,282	1,882
Provisions	6,373	5,487
Lease liabilities	2,428	-
TOTAL CURRENT LIABILITIES	116,479	96,952
NON-CURRENT LIABILITIES		
Provisions	630	2,598
Lease liabilities	9,584	-
TOTAL NON-CURRENT LIABILITIES	10,214	2,598
TOTAL LIABILITIES	126,693	99,550
NET ASSETS	94,181	85,438
EQUITY		
TOTAL EQUITY	94,181	85,438

SUMMARISED CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2019

	CONSOLIDATED ENTITY	
	2019 \$('000)	2018 \$('000)
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers (inclusive of GST)	374,188	315,126
Payments to suppliers and employees (inclusive of GST)	(351,991)	(300,646)
	22,197	14,480
Other income	1,853	1,214
Interest received	1,116	1,201
Interest paid	(489)	(565)
Income taxes paid	(1,296)	(1,196)
NET CASH INFLOW FROM OPERATING ACTIVITIES	23,381	15,134
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment and intangibles	(2,033)	(2,676)
Receipt from/(payment for) term and security deposits	(4,764)	16,537
Payment for equity interest in associates	(1,047)	(300)
Proceeds from sale of property, plant and equipment	96	64
Receipts from consolidation of subsidiary (previously as associate)	1,168	-
Dividends from associates	-	356
NET CASH (OUTFLOW) INFLOW FROM INVESTING ACTIVITIES	(8,043)	13,293
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issues of shares and other equity securities	460	219
Principal payment of leases	(2,894)	-
Dividends paid to Company's shareholders	(4,905)	(4,489)
NET CASH (OUTFLOW) FROM FINANCING ACTIVITIES	(7,339)	(4,270)
NET INCREASE IN CASH AND CASH EQUIVALENTS		
	7,999	24,157
Cash and cash equivalents at the beginning of the financial year	78,129	51,289
Effects of exchange rate changes on cash and cash equivalents	870	2,683
Cash and cash equivalents at end of year	86,998	78,129

BASIS OF PREPARATION

The summarised consolidated statement of comprehensive income, summarised consolidated statement of financial position and summarised consolidated statement of cash flows (together, 'summarised financial information') have been prepared to assist Intrepid Group Limited with their integrated reporting. The summarised financial information does not and cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of Intrepid Group Limited and controlled entities as the full financial report. A full description of the accounting policies adopted by Intrepid Group Limited and controlled entities may be found in the full financial report. The summarised financial information is presented in Australian dollars.

DIRECTORS DECLARATION

For the year ended 31 December 2019

In the opinion of the Directors of Intrepid Group Limited:

- There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable;
- The summary financial report has been derived from and is consistent with the full financial statements for the financial period ended 31 December 2019;
- The full financial statements and notes thereto are in accordance with the *Corporations Act 2001* and:
 - comply with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
 - give a true and fair view of the financial position and performance of the Company for the 12-month financial period to 31 December 2019.

Signed in accordance with a resolution of the Directors



Mr Darrell Wade

Chairman and Director of Intrepid Group Limited
Melbourne, 26 March 2020



Independent auditor's report on the summarised consolidated financial statements

To the members of Intrepid Group Limited

Our opinion

In our opinion, the summarised consolidated financial statements are consistent, in all material respects, with the audited financial report of Intrepid Group Limited, in accordance with the basis of preparation described in the summarised consolidated financial statements.

What we have audited

The summarised consolidated financial statements are derived from the audited financial report of Intrepid Group Limited for the year ended 31 December 2019. The summarised consolidated financial statements comprise:

- the summarised consolidated statement of financial position as at 31 December 2019
- the summarised consolidated statement of cash flows for the year then ended
- the summarised consolidated statement of comprehensive income for the year then ended
- the directors' declaration.

Emphasis of matter - basis of accounting and restriction on distribution and use

We draw attention to the basis of preparation of the summarised consolidated financial statements, which describes the basis of accounting. The summarised consolidated financial statements have been prepared to assist Intrepid Group Limited in preparing their integrated annual report. As a result, the summarised consolidated financial statements may not be suitable for another purpose. Our report is intended solely for Intrepid Group Limited and its members and should not be distributed to or used by parties other than Intrepid Group Limited and its members. Our opinion is not modified in respect of this matter.

Summarised consolidated financial statements

The summarised consolidated financial statements do not contain all the disclosures required by Australian Accounting Standards applied in preparation of the audited financial report of Intrepid Group Limited. Reading the summarised consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial report of Intrepid Group Limited and the auditor's report thereon.

The audited financial report and our report thereon

We expressed an unmodified audit opinion on the financial report in our report dated 26 March 2020.

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Management's responsibility for the summarised consolidated financial statements

Management is responsible for the preparation of the summarised consolidated financial statements in accordance with the basis of preparation described in the summary consolidated financial statements.

Auditor's responsibility

Our responsibility is to express an opinion whether the summarised consolidated financial statements are consistent, in all material respects, with the audited financial report based on our procedures, which were conducted in accordance with Auditing Standard ASA 810 *Engagements to Report on Summary Financial Statements*.

PricewaterhouseCoopers

Jason Perry
Partner

Melbourne
26 March 2020

THE INTREPID FOUNDATION

In 2019, our not-for-profit organisation had more impact than ever before, distributing \$1.6m to 35 community organisations and improving more than 16,000 lives.



CREATING CHANGE IN COMMUNITIES

Intrepid's not-for-profit arm works to improve livelihoods of marginalised people through sustainable travel experiences.

OUR MISSION AND MODEL

Our mission, adopted in 2018, remains to create new jobs, provide vocational and skills training and ensure tourism-related jobs are fair and decent. Our goal, set in 2016 was to raise AU\$10m by 2020 and to positively impact 10,000 lives through sustainable tourism initiatives. We not only achieved this goal, but surpassed it one year early in 2019.

In the year to come, we'll be looking to expand our impact, creating employment opportunities and advocating for rights of those working in the tourism industry. While we do this, we will also continue to invest in climate action and innovative regenerative solutions. The climate crisis is a global issue, but it's the world's most vulnerable populations who will experience the worst effects. We must act now for people and their livelihoods, wildlife, and our planet.

The Intrepid Foundation started with the idea of helping travellers give back to the places they visit. It was a way of connecting them with local communities, and, since 2002, we've brought donors together with more than 136 organisations.

Today, we want to make giving back an integral part of travel. We work with our partners to develop tourism products that provide decent employment. Whether it's coffee in Cusco or a cooking class in Kathmandu, we support projects that don't only create sustainable travel experiences; they help change the way people see the world.

Tourism is responsible for one in 10 jobs. This makes it one of the best industries for the promotion of women, youth, and people facing additional disadvantage. When we create opportunities in tourism, we create more equality. We help to create jobs, train people to work in these jobs and advocate for their rights, to make lasting change.

OUR MODEL

As part of Intrepid's commitment to Purpose, the business covers all administrative fees for The Intrepid Foundation, including credit card transaction fees, website hosting fees, business expenses and overheads.

With this model, 100 per cent of donations go directly to communities. Our staff are responsible for prospecting new projects, reviewing grant applications, creating outlines for programs, fundraising, and sharing our partners' work with our donors. Every project we fund undergoes a process of rigorous assessment and due diligence, ensuring full transparency and integrity of the programs.

OUR IMPACT SINCE 2002

AU\$10m	136	37
Total raised by The Intrepid Foundation	Organisations supported	Countries with current or former projects

2019 HIGHLIGHTS

AU\$113k

Raised for Blue Dragon Children's Fund

6

Elephants roamed chain-free in MandaLao's new sanctuary

6,422

Porters empowered to know their rights on Mount Kilimanjaro through Kilimanjaro Porters Assistance Program

27

Youth got a fresh start brewing coffee at Mission Australia's Cafe One

AU\$29k

Donated by travellers for women's empowerment

Case study

SEAWEED: THE REGENERATION



As part of our commitment to being climate positive, we supported the production of *2040* – a documentary that explores some of the climate change solutions available to us right now, and what the future could look like if we embraced them. One of these solutions – marine permaculture – is becoming a reality with the help of our donors.

Marine permaculture is a sustainable, environmentally-positive form of aquaculture that also supports kelp forest restoration efforts.

During 2019, we launched a matching fundraising campaign that exceeded all our expectations by nearly doubling our target. The funds raised will go to research conducted by the University of Tasmania, in partnership with The Climate Foundation, in Tasmania's Storm Bay. The campaign was so successful that we will be launching a second Seaweed project in the UK in 2020.

REGENERATION HIGHLIGHTS

AU\$600k+

Total funds raised*

3,068

Donors

AU\$1m

Of revenue can be produced from 100-hectare marine permaculture array^

51%

Of total marine aquaculture production comes from seaweed^

60%

Reduction in cattle emissions can be achieved by adding less than 1% seaweed to livestock diets^

*(AU\$300,000 matched by Intrepid). ^Source: Climate Foundation

MORE IMPACT AND MORE OPPORTUNITIES

In 2019 we raised more than \$1.6m for communities.

In 2018, we implemented a new impact framework to support our strategic direction of improving livelihoods through sustainable travel. By collecting impact statistics from our partners, this provides greater transparency with our donors, but also ensures we continue to grow our projects to scale. With this growth, we hope to make them fully sustainable in order to impact as many lives as possible.

The Intrepid Foundation had some outstanding success in 2019, including the response to our Seaweed: The Regeneration initiative. The project exceeded the original fundraising target and continued to raise more than double the expected amount (see case study on previous page). Most of the projects that The Intrepid Foundation supports are in destinations popular with our travellers around the world. However, in January 2020, as huge bushfires raged around Australia, the foundation launched a major fundraising appeal to support impacted communities. Despite the timing over the peak holiday season in Australia, the campaign raised more than \$600k, including \$200k in dollar matching.

We also identified a number of key learnings with our other fundraising campaigns, including our porter welfare initiative Step Up for Porters and women's empowerment campaign Be the Change.

OUTLOOK

In 2020, as of March, dollar matching has been paused for fundraising, due to the effects of Covid-19 on the broader Intrepid business, although all administrative costs continue to be covered.

We will continue to seek ways to create employment opportunities and advocate for the rights of people working in the tourism industry. We will also continue to invest in climate action and innovative regenerative solutions.



Case study REHASH TRASH



In Siem Reap, Cambodia, endless plastic debris pollutes the streets and waterways. With this empowerment project, the women of Rehash Trash give single-use plastic a second life by turning rubbish into handicrafts. The profit from the products – available to locals and travellers alike – support their livelihoods as they train new women to join the enterprise.

Meet Mom Hem. As the household matriarch, her days start early and end only when the last head hits the pillow. There is no mention of work-life balance; her life is work so that her loved ones can survive. For Mom Hem, there are not enough hours in the day to commute from her rural village to a workplace that will pay for her labour. But with Rehash Trash, she is given the chance to fit paid work into her schedule and earn an income.

The bowls, keychains, and other crafts Mom Hem crafts are made from discarded fabric or plastic bags salvaged from the street. She learns new patterns and shapes from the Rehash Trash workshop and creates the products in her own time. When they are sold in the workshop, she takes home an income to support her family – and herself.

Case study STEP UP FOR PORTERS

In 2019 over 1,500 people across the world took part in The Intrepid Foundation inaugural 'Step Up for Porters' challenge. Participants from Lima to London to Sydney to Singapore joined together to raise funds – and awareness – for an important cause: the welfare and empowerment of porters.

Supporters laced up their walking shoes and hit the trails (or the treadmills) to average over 10,000 steps per day, all in honour of the hard work our persevering porters do to make trekking expeditions happen.

With the help of our donors, we raised \$37,845. All funds raised from the challenge go to three locally-registered charities based in Nepal, Peru and Tanzania.



Case study MANOS UNIDAS

In Cusco, Peru, Manos Unidas Cafe is serving up delicious food and empowering people with disabilities. The restaurant serves as a vocational training program and safe employment cafe for young adults, offering hands-on hospitality experience with travellers and locals alike.



Sebastian is a 23-year-old with Down Syndrome living in Cusco, Peru. He faced relentless challenges finding decent, sustainable work, from unfair pay to outright discrimination. After struggling to support himself – and his family – for several years, he found Manos Unidas Cafe. Today, he's one of their most popular employees, readily sharing his love of baking and breadmaking with customers. The safe and supportive environment of Manos Unidas Cafe has helped Sebastian thrive both professionally and personally – so much so that he's expected to take his baking skills to a well-known hotel in the near future.

Sebastian is just one of the young adults at Manos Unidas Cafe, and just one of the thousands of lives we've touched since 2002 with support from people like you. Together, we can keep making this world a better place to live and travel for everyone.

98% Of youth and adults with cognitive disabilities are unemployed

25 Youth supported in 2019 with vocational training and prepared for future employment

2 Teachers employed to lead the vocational training school

MEET THE BOARD

The Intrepid Foundation is a company limited by guarantee. It is governed by a Board of Directors made up of senior Intrepid Group leaders and experienced external directors.

The Board sets strategic direction of The Intrepid Foundation and is responsible for overall governance. The Board works closely with Intrepid Global Leadership Team to ensure the overall group vision and goals are achieved.

A core team based in Intrepid's Melbourne office, is responsible for the Foundation's day-to-day operations. The team monitors and evaluates supported projects and is responsible for financial reporting, marketing and campaigns. This team is supported by and has access to Intrepid's systems, training and more.

The Foundation's accounts are audited by external, independent firm PwC annually.



JAMES THORNTON | CHAIR
Member since 2017

James is the CEO of Intrepid Group. After joining Intrepid Travel in 2005 he rose quickly through the business, holding a number of senior roles before being appointed CEO in March 2017. He became chair of The Intrepid Foundation soon after. Intrepid Group is committed to balancing purpose and profit and James is well placed to support The Intrepid Foundation as it grows in reach and impact.



MELANIE GOW
Member since 2018

Melanie is group general manager for Corporate Affairs with the not-for-profit health service and aged care provider St Vincent's Health Australia. She has more than 20 years' experience in the international aid and development sector working in a variety of roles for World Vision Australia and internationally.



DARRELL WADE
Member since 2002

Darrell founded Intrepid Travel with Geoff Manchester more than 30 years ago, and The Intrepid Foundation in 2002. Darrell is the chair of his family foundation — the Dawn Wade Foundation — and is on the advisory board of Travalyt the non-profit established by the Duke and Duchess of Sussex.



GEOFF MANCHESTER
Member since 2002

As one of the co-founders of Intrepid Travel and, later, The Intrepid Foundation, Geoff (or Manch, as we know him) is a leader in responsible travel. Manch is a director of Conscious Capitalism Australia and was chair of The Intrepid Foundation until 2017.



HAYLEY ONIONS
Member since 2017

Hayley is a finance professional and an expert on responsible business. She started her career at professional services firm KPMG before leaping into the travel industry in 2011, first with Flight Centre in Brisbane and later Travelpart in Dubai. In 2016 she joined Intrepid's responsible business team before becoming a member of The Intrepid Foundation Board in 2017.



FIONA MCCLEAY
Member since 2017

Fiona McCleay is CEO and Commissioner at Legal Services Board (Victoria). She was previously CEO of Justice Connect, which provides free legal help to marginalised and disadvantaged people. She's held senior roles at World Vision Australia, including General Counsel and Company Secretary.

Board meetings attended in 2019 (5 in total)

James Thornton 5, Melanie Gow 5, Darrell Wade 3, Geoff Manchester 5, Hayley Onions* 2, Fiona McCleay 1

*Company secretary Jane Kahler was proxy for Hayley at two additional meetings while Hayley was on parental leave

THE INTREPID FOUNDATION LIMITED

The Intrepid Foundation Limited receives funds and makes disbursements to international community project programs .

SUMMARISED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2019

	31 December 2019 (\$)	31 December 2018 (\$)
REVENUE AND OTHER INCOME		
<i>Fundraising – donations</i>	580,332	938,850
<i>Other revenue</i>	33,413	15,961
TOTAL INCOME	613,745	954,811
TOTAL OPERATING EXPENDITURE	(23,662)	(12,973)
NET SURPLUS BEFORE DONATIONS	590,083	941,838
<i>Funds to community project programs</i>	(342,487)	(731,965)
<i>Funds to the Trustee for the Intrepid Foundation</i>	(247,596)	(209,873)
NET SURPLUS	-	-
TOTAL COMPREHENSIVE SURPLUS	-	-

SUMMARISED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2019

	31 December 2019 (\$)	31 December 2018 (\$)
TOTAL CURRENT ASSETS	1,157,800	971,838
TOTAL ASSETS	1,157,800	971,838
TOTAL CURRENT LIABILITIES	1,157,700	971,738
TOTAL LIABILITIES	1,157,700	971,738
NET ASSETS	100	100
EQUITY	100	100

THE TRUSTEE FOR THE INTREPID FOUNDATION

The Trust is an eligible recipient of deductible gifts, and therefore acts as an entity to make donations to Australian partners

SUMMARISED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2019

	31 December 2019 (\$)	31 December 2018 (\$)
REVENUE AND OTHER INCOME		
<i>Fundraising – donations</i>	989,607	548,061
<i>Other revenue</i>	20,161	24,210
TOTAL INCOME	1,009,768	572,271
TOTAL OPERATING EXPENDITURE	(1,100,285)	(424,266)
NET SURPLUS /(DEFICIT)	(90,517)	148,005
TOTAL COMPREHENSIVE SURPLUS/(DEFICIT)	(90,517)	148,005

SUMMARISED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2019

	31 December 2019 (\$)	31 December 2018 (\$)
TOTAL CURRENT ASSETS	1,639,222	1,462,686
TOTAL ASSETS	1,639,222	1,462,686
TOTAL CURRENT LIABILITIES	437,158	170,105
TOTAL LIABILITIES	437,158	170,105
NET ASSETS	1,202,064	1,292,581
EQUITY	1,202,064	1,292,581

Basis of preparation

The summarised statements of profit or loss and other comprehensive income and the summarised statements of financial position (together, 'summarised financial statements') have been prepared to assist Intrepid Group Limited with their integrated reporting. The summarised financial information does not and cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of The Intrepid Foundation Limited and The Trustee For the Intrepid Foundation as the full financial reports. A full description of the accounting policies adopted by The Intrepid Foundation Limited and The Trustee For the Intrepid Foundation may be found in the respective entity's full financial reports. The summarised financial information is presented in Australian dollars.

DIRECTORS DECLARATION

For the year ended 31 December 2019

In the opinion of the Directors of The Intrepid Foundation Limited and the Trustee for The Intrepid Foundation:

- (a) There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable;
- (b) The summary financial report has been derived from and is consistent with the full financial statements for the financial period ended 31 December 2019;
- (c) The full financial statements and notes thereto are in accordance with the *Corporations Act 2001* and:
 - (i) comply with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
 - (ii) give a true and fair view of the financial position and performance of the Company for the 12-month financial period to 31 December 2019.

On behalf of the Board



Mr James Thornton

Chair of The Intrepid Foundation

Melbourne, 27 March 2020





Independent auditor's report on the summarised financial statements

To the Directors of Trustee of The Intrepid Foundation Limited and members of the Intrepid Foundation Limited

Our opinion

In our opinion, the summarised financial statements are consistent, in all material respects, with the audited financial reports of The Intrepid Foundation Limited and of the Trustee for the Intrepid Foundation Limited, in accordance with the basis of preparation described in the summarised financial statements.

What we have audited

The summarised financial statements are derived from the respective audited financial reports of The Intrepid Foundation Limited and of the Trustee for the Intrepid Foundation Limited for the year ended 31 December 2019. The summarised financial statements for each entity comprises:

- the summarised statement of financial position as at 31 December 2019
- the summarised statement of profit or loss and other comprehensive income for the year then ended
- the directors' declaration.

Emphasis of matter - basis of accounting and restriction on distribution and use

We draw attention to the basis of preparation of the summarised financial statements, which describes the basis of accounting. The summarised financial statements have been prepared to assist Intrepid Group Limited in preparing their integrated annual report. As a result, the summarised financial statements may not be suitable for another purpose. Our report is intended solely for the Directors of the Trustee of the Intrepid Foundation Limited and for the members of the Intrepid Foundation Limited and should not be distributed to or used by parties other than the Directors of the Trustee of the Intrepid Foundation Limited and for the members of Intrepid Foundation Limited. Our opinion is not modified in respect of this matter.

Summarised financial statements

The summarised financial statements do not contain all the disclosures required by Australian Accounting Standards applied in preparation of the audited financial reports of The Intrepid Foundation Limited and of the Trustee for the Intrepid Foundation Limited. Reading the summarised financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial reports of The Intrepid Foundation Limited and of the Trustee for the Intrepid Foundation Limited and the auditor's report thereon.

The audited financial report and our report thereon

We expressed an unmodified audit opinion on the financial reports in our reports dated 27 March 2020.



Management's responsibility for the summarised financial statements

Management is responsible for the preparation of the summarised financial statements in accordance with the basis of preparation described in the summary financial statements.

Auditor's responsibility

Our responsibility is to express an opinion whether the summarised financial statements are consistent, in all material respects, with the audited financial reports based on our procedures, which were conducted in accordance with Auditing Standard ASA 810 *Engagements to Report on Summary Financial Statements*.

PricewaterhouseCoopers

Jason Perry
Partner

Melbourne
27 March 2020

APPENDIX

FINANCIAL DEFINITIONS

Total transactional value (TTV): Gross price of a tour, before any discounts or commission expense.

Departed Revenue: Revenue reported at date of departure

Booked Revenue: Revenue reported at date of booking

ASX-listed: Companies that are listed on the Australian Stock Exchange

EBITDA - Earnings before interest, tax, depreciation and amortisation

CAGR - compound average growth rate

GLOSSARY OF INDUSTRY TERMINOLOGY

Sustainable, experience-rich travel (SERT): A style of low-impact travel that respects and benefits local people, their cultures, economies and the environment.

Adventure cruising: Small ship cruising with a local crew that includes low-impact exploration of local destinations.

Flexible Independent Travel (FIT): A style of travel that allows customers to create their own bespoke trip, as opposed to purchasing a pre-packaged trip.

Destination Management Company (DMC): A business that has in-depth local knowledge that creates, packages, coordinates and delivers trips or events in local destinations.

World Travel and Tourism Council (WTTC): The body which represents the Travel & Tourism private sector globally.

World Tourism Organization (WTO): The United Nations specialised agency responsible for the promotion of responsible, sustainable and universally accessible tourism.





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Certified



Corporation

Intrepid Group is the global leader in delivering sustainable experience-rich travel. The world's largest travel B Corp, we're committed to being a business that benefits people and the planet.



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