



SUSTAINABLE POLICY

2015



INTRODUCTION

On 2002, we moved from Santiago to the rural area of Chepu in Chiloé Island, with a Project of life, looking forward to become self sustainable, challenge that changed our life completely and for good.

We started in military tent with all the belonging we brought from the city. Our idea was to live only from nature, protecting nature and adapting, re-using everything we had brought to this new challenge to live for 2 years in a completely sustainable way without using any money. Everything we needed to live and we could not grow, produce or recycle, we exchanged it for work or other species with our neighbors: the basic principle of bartering.

At this point of our basic sustainability plan had the following base: **shelter, food, energy and social relations.**

It was a tremendous challenge to adapt ourselves to this new form of life, completely different from the traditional way of life known to us, but the reward was the great satisfaction to have been able to change our life completely and discover the true knowledge to be able to live in balance with nature and with the great inner strength to know that sustainability is now a part of ourselves.

Living in nature allowed us to have a better knowledge of areas that were almost unknown to us, getting to know well the 4 seasons, cycles of life for plants, birds, animals surrounding us, understanding more this fragile natural equilibrium, astonishing ourselves with this new world, learning to love it and therefore becoming willing to protect it as much as possible.

Everything that we learnt with the practical “trial & error” basis has today provided us with the tools to build and share this experience with our guests in this new concept of Sustainable Lodge, concepts that are part of our Sustainability Policy.

This motivates us to work hard to use all available resources, both technological innovation and creativity, to be shared with our guests in an interactive way, showing how to save natural resources during their stay.

We are confident that this experience of sustainable tourism and best practices will turn our guests in true ambassadors of our company in the world.

The goals and philosophy are an integral part of the team Chepu Adventures, and we share them with our clients, not as an obligation but with the passion that drives us to work every day in our project for a sustainable life and environmental protection.





MISSION

To bring low-impact tourism to Chepu - We do this by offering national and international tourists an interactive experience in Sustainable Tourism based on educational & safe activities in which they enjoy the nature of our unique environment, the stunning setting, and share in the protection and preservation of its pristine beauty.

VISSION

Through the development of innovative and sustainable accommodations and activities, be leaders and a source of inspiration for Sustainability in Chile. Promote the development of local Sustainable Tourism as a means of environmental and social changes by boosting the local economy as well as the protecting nature by means of a ZOIT (Zona de Interés Turístico) — Area of Tourism Interest.



SUSTAINABILITY PLAN

ENVIRONMENT & ENERGY

One of the mainstays of our operation is the environment. To live in a natural environment of great beauty, with nature around us gives us the concept with its scenic **Valley of the Dead Trees**, where our lodge is located facing this breathtaking natural scenery, mute testimony of Earthquake 1960 the strongest recorded in the world, being visited by thousands of tourists who see the devastating force of nature, as well as its regenerative force with abundant Flora and Fauna adapted and new species.

At the same time, **nature is our main supplier** of energy through wind and sun, as well as water for our facilities which is 100% from rain that we collect, treat & store for our guests



Energy

The production of clean energy with the sun and wind are our primary goal to be 100% sustainable and reduce our carbon footprint to zero or neutral. Our plan included the addition of 2 KW during 2013-2014, which we achieved during the first quarter of 2014, in order to offset rising demand in Winter months, as well as the connection of these 2KW on grid system.

With this increase now we have installed additional power of 8KW to allow us to be 100% self-sufficient throughout the year, with 30 solar panels in total plus our wind generator "Hank".



Water

Regarding the water issue we plan to increase our storage capacity in additional 10,000 Lts. of water for the summer months, especially between December and February, due to increased demand from guests and mainly by the absence of rainwater during this period, that has occurred in recent years, which has led us to perform a strict control of water secure reservations. This is certainly a topic of great relevance to our sustainability plan. With the planned increase we will have total water storage of 30,000 liters in tanks for the period of higher demand and lower supply (January and February). For this we have implemented our **Water Monitoring System** which keeps us informed of real consumption of water in the Lodge, in real time.

Regarding the production of hot water, we plan to install 3 additional solar water heaters to produce all the hot water by solar energy during the months of November to March. For the rest of the year if necessary, we are evaluating whether to install modulated gas heaters or electric heaters, which are connected only if the water temperature is below preset levels. Nevertheless, we are not operating during the winter months.



Right now we have 4 solar water heaters which are enough for September-April period: in one cabin, one ecoroom, camping showers and kitchen. These 4 solar heaters have 250 lts hot water capacity, each one.



Environment

Our commitment is to protect our natural environment and make only low-impact activities such as bird and mammal watching, kayaking through the wetlands and promote our main product: the Kayak at Dawn self guided tours, to give thanks to a new day immersed in the mist, sunrays and the sing of the birds awakening in the sunken forest. A journey where secrets, adventure and magic reveal in the silence, between shades of light and shadow, giving rise to mystical emotions.

The customer has an intimate experience with nature and their different forms of life, understanding how fragile and wonderful nature is.



SOCIO-CULTURAL

Living in a community necessarily creates ties and responsibilities to the neighbors and in Chepu Adventures we work to have the best possible relations with the community and create long-term commitments without altering local customs. On this regard, we have implemented the following practices to our social environment, and we are willing to share and support sustainable development practices, tourism activities in nature and environmental protection:

- Cooperation agreement with Alla Mapu Rural Basic School, environmentally certified school, where students learn best practices and cooperate with the local community signs on roads to sensitize visitors with messages on environmental protection. Chepu Adventures cooperates with the necessary material to make the signs, while the children choose messages at school paint the signs and place them on the road with the assistance of their teachers and community.



- Chepu Adventures Scholarship to give financial support to students with economic problems, to allow them to have all they need to study: materials, books, uniforms and other expenses during the year.
- Display at our lodge for those that sell local crafts in order to obtain fair prices for their products and to prevent unscrupulous people to devalue their work.
- To buy locally available products from local greenhouses and family gardens, dairy products, and honey in order to support local economy.
- To hire local boats for nature sightseeing on local rivers and for transportation of tourists to and from seaside trails & beach, paying fair prices for their work.
- To hire local guides to accompany our tourists, when required.



Everything indicated above only seeks for sustainable development of local community, to help them understand that tourism is a powerful tool for local development; therefore the protection of local environment must be a general compromise of community.

QUALITY AND INNOVATION

At Chepu Adventures we believe that to last and be sustainable in the long term we must be in a constant renewal incorporating to our products and services two fundamental:

- Quality in our service
- Permanent innovation of our products

Through these two principles, we have been differentiating and giving a personal seal to our products and services.

Quality

In order to deliver quality service, in our Sustainability Plan, we have been seeking to improve permanently and we have found quality certification & support through the Quality Certification from SERNATUR (National Service of Tourism in Chile), in order to deliver quality service and on 2011 we were the first company in Chile to certify our camping facilities, according to national INN quality requirements. On 2013, we received Quality Certification from SERNATUR for our Lodge and renewed the certification of the camping. At present, we are the only company with two quality certifications from SERNATUR.



These seals achieve our goal to ensure our guests that we have everything necessary to provide quality service and prove our commitment to go beyond the standard, surpassing our special touch on quality, taking special care with beds, sheets, duvets, and comfort in our rooms, adding energy efficiency, insulating the walls and installing thermal panels on the windows, energy saving lamps etc. This is the engine of continuous improvement that moves us, immediately accepting critics or suggestions that we receive and working to improve them.



Innovation

On this regard, we have won different contests: Electric navigation with zero carbon footprints for flora & fauna observation, with no acoustic or chemical contamination, protecting local environment. This innovative concept allowed us to receive a distinction from FEDETUR Tourism Federation of Chile (Federación de Turismo de Chile) & SERCOTEC Government Technical Cooperation Service (Servicio de Cooperación Técnica del Gobierno de Chile).

Also we designed and implemented new software (Water & Energy Monitoring System) that allows online monitoring for water and energy consumption in the lodge, allowing better control of our resources through a wi-fi network, allowing us to turn on and off electrical outlets, automate showers with water flow control of lts/min. This initiative allowed us to receive World Responsible Tourism Award 2013 as Best for Water Conservation.

All this information is available to all our guests, making them aware their individual and general water and energy consumption and therefore be able to remain within established “eco-limits” previously indicated by us, according to water availability, time of the year and number of guests, allowing us to be sustainable and not to increase our carbon footprint.

Our experience has shown us that this system is highly efficient to initiate people in sustainable habits, with only a few, less than 1%, who have not remained within eco-limits and in these few cases, these guests knowing our sustainability concept have offered to pay for their own tree.



This information is also available to our guests in a Tablet that they can take to their rooms. Part of this innovative Water & Energy Monitoring System allow us to reward each customer for their efforts to be sustainable, planting a tree in an Offset Project in Patagonia considering one tree per booking.

HEALTH & SECURITY

Chepu Adventures meets Chilean law, in all matters relating to employment, health, legal and safety regulations to ensure the safety of both guests and employees.

Chepu Adventures is fully aware that sustainability is dynamic, which is why both the Sustainability Policy, and Business Plans, Water, Energy, Waste & Acquisitions which are an integral part of the Sustainability Policy should be reviewed at least once a year.

STATEMENT OF PRINCIPLES

1. The company has promotional material with complete and verifiable information about their services, avoiding the use of terms, which by its ambiguity could lead to expectations about the services actually provided by the establishment. This includes considerations for sustainability.

2. The planning, design, construction, operation and operation shall be developed taking into account sustainable practices that comply with current legislation in land use and protected areas, provide access to people with special needs and do not affect or compromise:

- a) Access to housing for surrounding communities.
- b) The production, consumption or transportation of food and water for surrounding communities,
- c) The power supply for surrounding communities,
- d) The water supply for surrounding communities,
- e) The basic health or the health infrastructure in the surrounding communities,
- f) Access to basic resources for subsistence of the community, including aquatic resources,
- g) Access to heritage, cultural, historical or spiritual sites,
- h) Right of access roads and the transportation for resident communities,
- i) The natural environment and cultural heritage adjacent to the company.

Chepu Adventures also respects the rights of ownership of land and water, and acquired their land legally and considering the rights of local or indigenous community, without having generated involuntary displacement or resettlement of these.



At the same time, will have and will encourage the respect for intellectual property rights of local communities.

3. Regarding the development of the business, declares that the following aspects will remain present and as targets:

- a) Promotion of training initiatives and fair treatment for staff and team work
- b) Local sourcing and sustainable acquisitions system
- c) Strengthening information systems for tourists and visitors with an emphasis on safety
- d) Promotion of initiatives to strengthen the quality and control of tourism services
- e) Incorporation of systems to follow up, revise and manage goals & systems, limitations, etc.
- f) Company commitment to achievement, creativity, developed initiatives, awards
- g) Promotion of comprehensive community development and local welfare
- h) Conservation and protection of natural ecosystems and native biodiversity
- i) Compliance and innovation for the reduction and waste management, energy and water savings.



April 2015