Live local experiences and make your business sustainable

Pitch - 6\textsuperscript{th} UNWTO World Forum on Gastronomy Tourism

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Can we promote destination development and create opportunities for small scale rural businesses?
70% of managers say they want to make more sustainable choices for their company.

Source: Report Geco expo
Donations and support to NGOs

Current CSR solutions

Staff training on sustainability

Improvement of internal processes

Donations and support to NGOs

Compensation by reforestation
Carry out innovative **CSR activities** with measured and certified impact

**Team building** and **field training** on sustainability

**Share** the commitment internally and externally (certificate of impact)

**Certified sustainable experiences**

of one or more days
Real sustainability or greenwashing?

**CSR (Corporate Social Responsibility)**

40% of consumers will choose by 2025 products based on the level of sustainability

Source: Report Growth from Knowledge

+100% the Benefits and B-Corp in 2020. These need to draw up the Sustainability Report

Source: Report Assobenefit
Faroo certifies tour operators

Together we save the Planet, one journey at a time

The company chooses sustainable activity or accommodation

Employees / customers / stakeholders live the experience
Examples of Faroo experiences

- RE-FOOD
- BEESOUND
- FORAGING
- SENSORIAL TASTING
- NATURE TO THE TABLE
- SOCIAL EATING
- SOCIAL FARMING
- HARVESTING
- WHEATWORK
- CHEESE MAKING
- GRAPE HARVEST
- TRUFFLE HUNTING
- SOCIAL FOOD
- BLIND TASTING
- CIRCULAR-FOOD
Examples of Faroo accommodations

- Farm House
- B&B
- Farming Estate
- Agritourism
- Vacation Rental
- Hostel
- Camping
- Tavern
- Glamping
- Farm
- Farmstead
- Hotel
- Guest House
- Alpine Hut
- Dairy Farm
Self-Assessment with which tour operators can calculate their impact and require free certification.

A system of gamification will stimulate the continuous improvement of tour operators and the creation of networks on the territory.

Blockchain technology will ensure the safety of the results obtained and their veracity.
The sustainability of all tour operators is certified with our free and voluntary standard based on international criteria.
For each Faroo experience we issue a **Sustainability Certificate**, which shows the positive impact on the environment and people.

**Kg of CO2 saved**
345

**Litres of water not used**
1280

**Enhanced local products**
6

**Hours of training provided**
6

**Local people supported**
16

Thanks to this certificate, companies can share their environmental and social commitment in their **Sustainability Report**.
United Nations
Agenda 2030

UNWTO
Restart Tourism

THE SUSTAINABLE
DEVELOPMENT GOALS

UNWTO
Development of
local communities

IPCC
Climate report

ACTION AGAINST
CLIMATE CHANGE
We are the **only ones** to offer experiences as CSR tools

We do **sustainability training** during the experience

Our experiences also increase corporate **well-being**

We certify our travel partners with a **proprietary standard**

We issue an **impact certificate** for each experience

We offer activities and retreats in line with the **company’s mission**
240K €

average budget for each company in CSR in 2019

Source: Report of Osservatorio Socialis, June 2020
Growing interest in sustainability

TAM: 6 Million Italian Companies and Small Medium Enterprises

SAM: 1 Million Italian companies with more than 60 employees

SOM: 10K Companies interested in CSR (Benefit, B-Corp and Smes)

Source 1: ISTAT data 2018 by number of companies
Source 2: Reworking of the average expenditure data of the Osservatorio Socialis
We use a transactional revenues model

- **70%** Travel partner charge
- **10%** Fee
- **20%** Add on

10% Commission on our travel partner (Agency business model)

30% To Faroo

20% Additional services to the customer for the certificate of impact, compensation, communication pack, etc.
We will reach BEP in less than 3 years

- **2021 (Q4)**
  - EBITDA: -11.14%
  - Revenue: 50,000€
  - Charge: 56,000€

- **2022**
  - EBITDA: -6.05%
  - Revenue: 2,850,000€
  - Charge: 3,000,000€

- **2023**
  - EBITDA: 10.42%
  - Revenue: 5,700,000€
  - Charge: 5,100,000€
Our impact in the first 3 years

- **Local gastronomic products enhanced**: 5k (2021), 50k (2022), 150k (2023)
- **Local people supported**: 20k (2021), 200k (2022), 500k (2023)
- **Hours of training provided**: 70 (2021), 1k (2022), 3k (2023)
- **Litres of water not used**: 2k (2021), 10k (2022), 20k (2023)
- **Kg of CO2 saved**: 300 (2021), 8k (2022), 20k (2023)
Faroo Pitch Deck

Roadmap

- **DECEMBER 2021**: Sale of the first 100 packages
- **APRIL 2022**: First 1000 operators certified with Faroo
- **SEPTEMBER 2022**: Launch Instagram community
- **MAY 2021**: Establishment of Faroo SRL SB
- **FEBRUARY 2022**: Accreditation standard tourism
- **MAY 2022**: Launch platform for buying experiences
Our team

**TERESA AGOVINO**
CEO & Co-Founder
Environmental Engineer and UN-GSTC Sustainable Tourism Consultant

**GIUSEPPE BARBA**
CTO & Co-Founder
IT consultant and partner in Thinkfor Mobile Agency

**CAMILLA SIMONGINI**
Sustainability Manager

**FRANCESCA MARTINA**
Auditor Expert

**DIANDRA SACCO**
CSR Manager

**ERICA MURACA**
Travel Designer
We’re in business to **turn tourism**

into a force

for the **global good**
Our positive tourism formula

Sustainable hands-on gastronomy activities  +  Touristic impact measurements  +  Small scale producer training

Our way to enhance reputation of destination and empower local community
Are you ready to join the loop?
Thank you for your attention

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The information contained in this presentation shall be presented on a confidential basis.
Backup
**2021**
- Development of travel packages
- GoLive app
- Self-Assessment

**2022**
- (B2B) Product market fit
- Launch community

**2023**
- (B2B) Consolidation
- (B2C) Launch of B2C platform

**2024**
- Growth

**2025**
- Internalisation
The first **free** and **voluntary** sustainable tourism standard inspired by 3 **international certification** models
To whom the certification is addressed

Open to all tour operators

Local Experiences  Accomodations
Our standard of certification

- **Categories**: 20
- **Criteria**: 82
- **Areas**: 5
### What we measure

<table>
<thead>
<tr>
<th>Categories</th>
<th>Criteria</th>
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</thead>
<tbody>
<tr>
<td>Biodiversity</td>
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<tr>
<td>Facilities</td>
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<tr>
<td>Energy</td>
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<td>Emissions</td>
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<td>Water</td>
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<td>Waste</td>
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**ENVIRONMENT**

Measure the level of environmental sustainability and social structure analysing the impact on different sectors (air, water, energy, waste and biodiversity)
WORKERS

Measure the impact of the structure on the occupational and social well-being of workers

What we measure

5 Categories
- Contract
- Health and Safety
- Welfare
- Rights
- Inclusion

21 Criteria
SUPPLIERS

Measure the level of environmental and social sustainability of the structure by analyzing the choices regarding suppliers and products purchased.

What we measure

3 Categories

9 Criteria

Relations
Supply chain
Purchases
CUSTOMERS

Measure the impact of the structure on the well-being of customers and the level of involvement in sustainability practices.

What we measure

<table>
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<td>8</td>
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Communication Rights
Measure the level of social and economic sustainability of the structure by analyzing the impact on the local community and territory.
The first step is to measure the level of sustainability in the 5 areas. Through the free online questionnaire on the platform, the minimum score to proceed with the certification is 50 points out of 150.
1. Self-Assessment

2. Virtual audit

3. Certification

4. Continual improvement

An entirely online process

If the score is suitable, our certified internal auditors will validate it through:

- Evaluation of the company mission
- Document verification
- Running the Virtual Tour
1. Self-Assessment

2. Virtual audit

3. Certification

4. Continual improvement

Concluded with the **positive result** the operator receives the **certification of sustainable tourism** and enters the **Faroo community** signing the declaration of Interdependence.
4. Continual improvement

Certification is only the beginning of the sustainability path: thanks to gamification there is continuous improvement

EVENTS
- Organising sustainable events for travellers (e.g. plastic collection on the beach or visits to local producers)

NETWORK
- Initiating synergies with suppliers or other local stakeholders (e.g. purchase of km0 products or raw materials)