

EXPLORE EDMONTON

2023 BUSINESS PLAN



**EXPLORE
EDMONTON**



EXPLORE EDMONTON respectfully acknowledges that we are located within Treaty 6 territory, and Métis Nation of Alberta Region 4. We acknowledge this land as the traditional home for many Indigenous Peoples including the Cree, Blackfoot, Métis, Nakota Sioux, Dene, Saulteaux, Anishinaabe, Inuit and many others whose histories, languages, and cultures continue to influence our vibrant community.

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ABOUT EXPLORE EDMONTON

We are the Destination Management and Marketing Organization (DMMO) for Edmonton. We strive for excellence in everything we do, which is reflected in the two award-winning venues we manage, the Edmonton Convention Centre and the Edmonton EXPO Centre, and our industry-leading marketing teams. We help tell Edmonton's story, elevate the Edmonton experience, and drive visitation year-round.

In collaboration with our hotels, attractions, and businesses, and in tandem with organizations like Edmonton Global who support economic growth throughout the region, we strive to make Edmonton a four-season destination of choice, delivering year-round transformational visitor and guest experiences.

While Explore Edmonton's mandate is focused on attracting visitors from beyond our city's limits, what we do and how we do it also enhances and amplifies the quality of life for Edmontonians. The people who live here are our greatest ambassadors, so making it easier for them to love our city makes it easier for us to sell it.

EDMONTON CONVENTION CENTRE

Recognized as one of North America's top five performing venues, we bring people together to learn, innovate, trade, and celebrate. We are committed to creating connections to the community, to the land, to local culture and to others.

Our sustainable venue is built into the foundation of downtown Edmonton's river valley. We connect to this land through our sustainable business practices and dedication to locally sourced and inspired cuisine. As a community hub, we foster a culture of giving back and connect with the community through social programs and commitment to our people.

EDMONTON EXPO CENTRE

The Edmonton EXPO Centre brings people together to experience the biggest and best trade shows, live entertainment, sporting events, conferences, galas and more. Spread over 522,000 square feet, the Edmonton EXPO Centre is the largest venue of its kind in Western Canada with seven exhibit halls, mid-size arena, conference centre and exquisite ballrooms. We welcome more than 1.3 million visitors each year.

COMMUNITY INITIATIVES & AGRICULTURE

In 2021, Explore Edmonton's focus expanded to include the Community Initiatives & Agriculture portfolio, which is responsible for producing K-Days, Farmfair International, the Edmonton Pro Rodeo as well as stewarding urban agriculture within the Edmonton Urban Farm.





MESSAGE FROM THE CEO

When I joined Explore Edmonton Corporation as President and CEO in 2021, I joined a unique team that was on a clear mission to help showcase our city globally while focusing on rebuilding our visitor economy locally.

While we started 2022 with COVID-19 numbers going up globally, our team was committed to reactivating our community and its vibrance. When we were able to welcome visitors back to Edmonton in 2022, the energy that was missing in our city bounced back in full force. From world-class snowboarding competitions like The Style Experience, FIS Snowboard Big Air World Cup, to the Canadian Hydrogen Conference, our venues and teams were able to host and promote some amazing one-of-a-kind events that helped generate some much-needed revenue back into Edmonton's economy.

I want to acknowledge our shareholder, the City of Edmonton, as well as our trusted partners and stakeholders for all that they do to help make Edmonton a destination of choice for travelers around the world. Our team is lucky to have the privilege to work with such talented individuals who pour their hearts and souls into everything they do, who strive to offer one-of-a-kind experiences in our city, and who make Edmonton a great place to visit, live, learn, work, and play. The impact on our visitor economy when we work together has been proven to be massive, and I, for one, can't wait to see what we all achieve together in 2023.

The world needs more Edmonton, and when our visitor economy thrives, so do Edmontonians!

Traci Bednard
President and CEO
Explore Edmonton



OUR STRATEGIC PLAN

WHY DO WE PLAN WHEN WE KNOW SO LITTLE ABOUT THE FUTURE? It gives us a direction to rally around; a shared idea of what we want to accomplish and what we think will help get us there. This plan is a rallying cry and we will respond to each wave of change that comes, knowing we have worked together to determine our highest priorities. Our annual business plan works in tandem with this longer-term strategic plan and contains our visitor growth and venue action plans that need to be resourced. Have a read, explore where you can make an impact and join our journey to success.

WE NEVER WORK ALONE OR RIDE SOLO. We see the big picture and ensure that our role in economic development contributes to Edmonton's success. The impact of the visitor economy and venue industry is growing in importance, and we will steward its success as we work in partnership with the City of Edmonton, our stakeholders and the businesses that depend on revenues from the visitor economy.

EMBARKING ON A JOURNEY IS EASIER WHEN WE HAVE A PLAN. A plan gives us direction, and a shared idea of what we want to accomplish. We know where we're going anchored to our purpose, mission and vision; how we are going to get there aligned to our pillars of excellence; and our priorities keep us focused on what we want to accomplish to make our journey not only successful, but also worth the trip.

OUR PLAN IS THE CORNERSTONE OF OUR BUSINESS. It informs our daily decisions and the allocation of resources noted in our annual business plan. As change is the one thing we can always count on, we are ready to evaluate and adapt to change to achieve the desired results for our Shareholder and Stakeholders. Our strategy will ensure we are nimble, responsive and competitive.

EXPLORE EDMONTON'S STRATEGIC PLAN determines our highest priorities for the next few years and works in tandem with our **ANNUAL BUSINESS PLAN**. In the annual business plan, you will find the short-term key actions that will be driven by each business unit to achieve the results in our results map.

Before creating a business plan, it is essential to review and understand who we are as an organization. Our purpose, mission, and vision shape all our programs and projects. The image on page 7 depicts how we plan.



ENVIRONMENTAL SCAN

Edmonton's visitor economy, just as the global travel and tourism industry, was significantly impacted by the global pandemic. Over 75% of tourism businesses experienced reduced revenue and income and almost 70% of businesses had to modify their product offering according to the Stakeholder Needs Assessment conducted in May 2022. As we push away from COVID-19 and enter unfavorable economic conditions we can expect varying levels of recovery based on location and type of travel.

EDMONTON RECOVERY

- The 3rd quarter of 2022 has surpassed 2019 level occupancy averaging 61% for those three months.
- In turn, revenue per available room (RevPAR) has also increased by an average of 92% over 2021, surpassing 2019 levels of the same time.
- Total air traffic increased by 76% over 2021 in the 3rd quarter of 2022 with August peaking at 591,160 passengers.
- Based on the Tourism Sentiment Index (TSI), Edmonton scored a 24, which is within the global average, and 17% higher than last year.
- Edmonton's Net Promoter Score (NPS) is -30, three points below the Alberta average, meaning an inverse in one's willingness to recommend Edmonton as a destination.

CANADA RECOVERY

- We have entered another economic recession and unprecedented inflation causing an increase in gas prices. With these record gas prices, it is expected that the recovery of the land travel segment will slow into 2026 or later.
- The number of active businesses related to tourism has nearly recovered back to 98% of 2019 levels. Travel services and transportation remain the most fragile sectors.
- Despite business activity increasing, the labour market in tourism is still 11% below 2019 levels, compared to the total labour market in Canada which has seen an increase, above 2019 by 2%. 8.3% of tourism related jobs remain unfilled in Canada.

USA RECOVERY

- Visiting Friends and Relatives (VFR), and other non-business travel, is still expected to recover fully in 2024.
- Congress, convention, incentive trips, and large corporate meetings are not expected to recover until 2026.
- Canada is the choice for US travellers over the next year with 17% claiming it is their "most desired destination".
- 41% of those Americans claim they would travel to Canada in the next 9 months (in August and September).

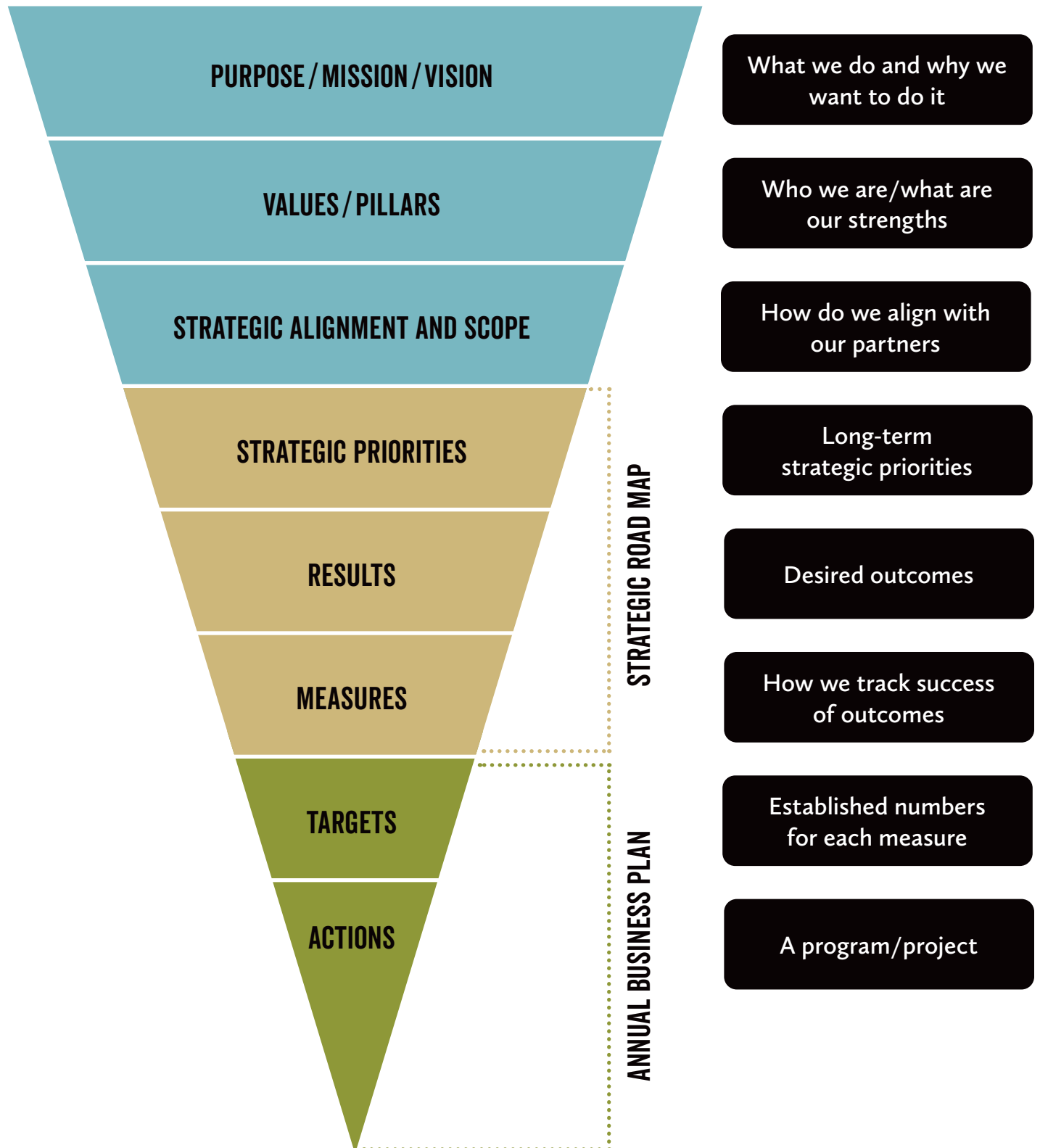
INTERNATIONAL RECOVERY

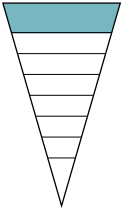
- The current total arrivals into Canada from European markets (UK, FR, DE) are 44% of 2019 levels, causing a recovery delay to 2025.
- Asian markets like China, Japan, and South Korea are at a 10% recovery rate, pushing the expectation back to 2026.



OUR STRATEGIC FRAMEWORK

Before creating a business plan, it is essential to review and understand who we are as an organization. Our purpose, mission, and vision shape all our programs, services, and projects. The image below depicts how we plan.





PURPOSE, MISSION, VISION

We are aligned through a unified purpose, mission, and vision to increase the economic impact of the visitor-based economy in Edmonton:

PURPOSE

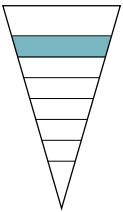
Increase the economic impact of the visitor-based economy in Edmonton.

MISSION

To showcase and inspire more people to visit Edmonton for exceptional experiences, while also enriching the quality of life for residents and creating economic prosperity.

VISION

Edmonton will be a destination of choice, delivering year-round transformational visitor and guest experiences.



VALUES

Our values describe the core ethics and principles that guide and inspire us. They reflect appropriate workplace behaviour and play an important role in building a positive culture.

PUBLIC STEWARDSHIP

We have been given a tremendous responsibility – to be stewards of public trust as well as the architect of bold ideas.

LEAD THE WAY

We step up. Start something. Change something. Connect and support others who are willing to take a risk – on our teams, in our city.

SELFLESS APPROACH

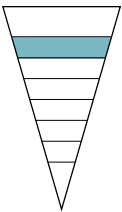
Everything we do is done in collaboration – within our teams, across our organization and with our stakeholders / clients – and when we win, we win together.

MAKE AN IMPACT

When every action, big or small, can make an impact, every action contributes to building a city that matters.

CARING FOR ONE ANOTHER

We have a genuine commitment to the success of each other, our Shareholder, and our community.



PILLARS OF EXCELLENCE

Our four pillars of excellence describe what we must do extremely well to achieve our aspirations for the future as a visitor economy and venue management leader. These are written as if we have achieved the level of excellence we seek and are referred to in the development of our strategy and our priorities. They serve to continually remind us, at the highest level, what is most important to our Shareholder, stakeholders, and clients.

MARKETING & SALES

Our sales and marketing decisions drive demand for Edmonton experiences, support stakeholders' business performance, and builds ambassadors for Edmonton.

OPERATIONAL EXCELLENCE

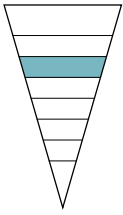
We operate with a continuous improvement mindset, ensuring that we have best practices in place for all aspects of our operations. Scalability is key in all operations and flexibility in our support services is the key to serving our Shareholder needs.

SOCIAL PROSPERITY

We contribute to the social prosperity of Edmonton by supporting local producers, partners and community groups as well as providing a workplace of choice for our own employees.

SUSTAINABILITY

We invest in environmental and social sustainability as it benefits us all today and into the future.



STRATEGIC ALIGNMENT AND SCOPE

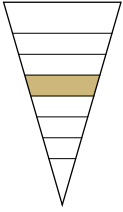
Explore Edmonton is an agency of the City of Edmonton, governed by a board of directors. Our leadership, partnerships and collaborative approach to shared outcomes are essential for ultimate success in building a prosperous city and region. Our strategy aligns with the City of Edmonton's economic development plans and goals (see Appendix A). As a key partner in Edmonton's economic development ecosystem, our work includes strategic collaboration to maximize the collective economic and social impacts to the overall prosperity of our city. Partnership examples include:

- Government (all levels)
- Not-for-profits (e.g. Edmonton Global, Edmonton Destination Marketing Hotels Assoc.)
- Industry partners (e.g. EIA, Travel Alberta, Indigenous Tourism Assoc.)
- Visitor economy sector stakeholders (e.g. hotels, restaurants, attractions)
- Business community (e.g. Chamber of Commerce)





STRATEGIC PRIORITIES



Our strategic priorities define our high-level strategic intent for the next three years. Each priority includes a brief description and is what informs our results map.

1 STRENGTHEN EDMONTON EXPERIENCES AND EVENTS

We work in partnerships to enhance existing and develop new experiences and events to meet the needs of guests, visitors, and stakeholders. This includes increasing our investment in event growth as part of the approved Major Event Growth & Attraction (MEGA) strategy approved by City Council. Additionally, environmental, and social sustainability will be key differentiators that can be incorporated in these offerings.

2 INCREASE AWARENESS AND ATTRACTION

We are improving our marketing and sales efforts by acting as one team. This will be accomplished through quality research, enhanced partner relations, and leveraging Edmonton ambassadors, which will help in targeting and prioritizing activities to build awareness and ultimately attract guests/visitors.

We undertake marketing and communication activities that build awareness and positive recognition for Edmonton. With our understanding of various target audiences, we deliver content that is emotionally engaging and inspires guests/visitors to action. This content can also be shared by our partners and ambassadors for Edmonton to drive attendance to events in Edmonton and in the venues.

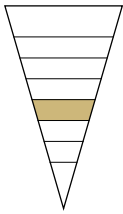
We will improve our sales efforts to secure more opportunities that best match Edmonton's strengths, as well as focus on retaining existing clients. Our roles are clearly defined, and messages are unified within Explore Edmonton and across all stakeholders to put us in the best possible position to attract events.

3 IMPROVE EMPLOYEE, GUEST/VISITOR, AND STAKEHOLDER SATISFACTION

We are strengthening our relationship with our employees, guests and visitors, and various stakeholders by delivering exceptional experiences and services. We strive to gain an increased understanding of each of our clients' needs, which provides a foundation for improvement and more effective partnerships.

4 IMPROVE OPERATIONAL EXCELLENCE

We will achieve operational excellence across the organization by using best practices to support the delivery of our priorities. With the principle of continuous improvement and long-term sustainability, we will adapt our processes, tools, systems, and reporting to ensure we make sound and timely business decisions that are evidence-based. This will support our goal of building a strong future that offers economic and social prosperity as well as environmental sustainability.



RESULTS MAP

Our results map demonstrates all the desired results we need to achieve. It was developed based on our purpose, vision, and mission as well as our strategic priorities as outlined in the Strategic Road Map. On the map below, we have identified four different kinds of results, starting from the centre, and working our way out. The diagram illustrates the inter-connectedness of our actions.



cause-effect →

conflict ↔

companion ●—●

lead-lag —→

● **Success/Sustainability Result:** our core results that demonstrate the success we create for the city and our Shareholder.

● **Current Strategic Result:** results that we attain through our strategic initiatives.

● **Process Result:** results achieved at the operational level, focused primarily on key organizational processes.

● **Critical Activity Result:** results of tactical activities undertaken by each team.

2023 BUSINESS PLAN



MEASURES | TARGETS

Explore Edmonton has identified a set of strategic measures that will provide evidence that we are achieving our aspirations in the results map. As part of our annual business plan, targets will be established each year along with strategic actions.



1 ECONOMIC IMPACT

MEASURE DESCRIPTION

Economic impact (EI) is a broad term with several accepted definitions. In general, it is the effect on various economic indicators for a region, such as employment, taxes generated or GDP. For the Visitor Economy, this may include a tourist visiting Edmonton, a large sports event occurring, a convention/trade show that we attract to our city, or a new tourism-related business opening or expanding. Explore Edmonton uses an economic calculator leveraged by most Canadian Destination Management Organizations (DMOs) to ensure consistency and to accurately compare results.

PRIORITY LINK	RESULTS LINK
<ul style="list-style-type: none">• Increase Awareness and Attraction	<ul style="list-style-type: none">• Stakeholders receive a high rate of return from investments in our programs• Maximized direct economic impact

2023 TARGETS

	2022 RESULTS	2023 TARGET
Explore Edmonton Economic Impact	\$182M	\$201M

**Explore Edmonton reports direct EI as it reflects the direct results of our work; although there is also indirect and induced economic impact, it is not included.*

2023 KEY ACTIONS

- Leverage Juno Awards as a pilot program to reimagine and strengthen Destination Activation for major attracted events in Edmonton.
- As part of our 10-year Tourism Master Plan (TMP), 2022 has seen the roll-out of a 3-year tactical plan focused on executing the following strategies: (1) Indigenous Tourism Strategy (2) Regenerative Tourism Strategy and (3) Night-time Economy Strategy.
- In alignment with the TMP, build a Place Brand Strategy in collaboration with the City to strengthen the awareness and perception of Edmonton as a tourism destination.*
- Support EIA and new route development with investment into marketing and trade support once routes are confirmed.*
- Elevate the focus on building the sales funnel for business events plus sports and culture; developing a network of “big thinkers” to bring meetings and conventions to the region.*
- Update major sport and cultural event attraction strategy.
- Create strategy and execute around attracting the next mega event.
- Leverage Rendez-vous Canada in 2023 prior to hosting the event in 2024.
- Develop a locals’ strategy, balancing communications and marketing messaging. Drive interest and appreciation for Edmonton’s tourism assets and help encourage visiting friends and family.*

**Part of the TMP*

2 NET PROMOTER SCORE | STAKEHOLDER SATISFACTION

MEASURE DESCRIPTION

Every action we undertake is to ensure that our guests/visitors, stakeholders/partners, and employees have positive experiences at our venues, in Edmonton, and in our place of work. If we do this right, we expect they will recommend our venues, our city, or our organization to others. The Net Promoter Score (NPS) is a single question asked as part of a survey about a respondent's likelihood to recommend based on a scale from 0-10. Based on their rating, they are classified as a promoter, detractor, or neutral.

PRIORITY LINK	RESULTS LINK
<ul style="list-style-type: none"> Strengthen Edmonton Experiences and Events Increase Awareness and Attraction Improve Employee, Guest/Visitor, and Stakeholder Satisfaction Improve Operational Excellence 	<ul style="list-style-type: none"> Edmonton has experiences to market year-round Guests, visitors and Edmontonians are inspired to engage with our platforms, programs and services Employees, guests and stakeholders are supported by our programs and services Improved organizational image We are an employer of choice

2023 TARGETS

NET PROMOTER SCORE	2022 RESULTS	2023 TARGET
Visitor Economy	59	30
Venues (clients)	81	85
Venues (guests)	39	40
Employees	4	36
Satisfaction %		
Employee Engagement	73%	77%

2023 KEY ACTIONS

- Activate a Marketing Agency of Record, driving marketing excellence across all channels; venues, consumer, CIA, business events, sports and culture.
- Support the enhancement of Culture attractions as well as Festivals & Events.*
- Reignite the destination activation/street team and identify new technology platforms for visitor service automation.*
- Expand participation in the YEG Expert Program.*
- Modernize the ECC and EXPO to remain competitive and to improve guest experience.
 - ECC: Modernize furniture, public area settings, reader boards.
 - EXPO: Signage digitization, Hall D upgrades (part of the City's rehabilitation program).
- Execution of the Re-imagine K-Days and Re-imagine Farmfair recommendations in alignment with Shareholder and community expectations.
- Redevelopment of Klondike Park.
- Develop overarching People & Culture Strategy and related strategies for elements of the employee experience (phase 1).
- Execution of Corporate Brand Strategy, research and design was completed in 2022.
- Upgrade systems / processes to deliver operational efficiencies and improved decision-making (e.g. upgrade Finance system, improve service delivery leveraging standard IT frameworks, evolve business data analysis).

*Part of the TMP

3 GREENHOUSE GAS EMISSIONS (GHG) | ENVIRONMENTAL

MEASURE DESCRIPTION

Explore Edmonton is committed to environmental sustainability and are participants in the City of Edmonton's Corporate Climate Leaders Program. We are also aligned with the City of Edmonton's climate adaptation strategy, retrofitting and upgrading our facilities to reduce their carbon footprint and enhance their sustainability. Our goal is to achieve a 15% reduction (from 2018 levels) by 2025 and 30% by 2035. Emissions are recorded as Scope 1, 2 or 3 in accordance with the principles outlined in the GHG Protocol (GHGP), which is the accounting and reporting standard for GHG emissions used globally. Emissions are recorded based on the level of control the organization has over the energy use or emission sources:

- **SCOPE 1:** Direct GHG emissions – sources owned or controlled by the company
- **SCOPE 2:** Indirect GHG emissions – generation of purchased electricity consumed by the company
- **SCOPE 3:** Other indirect GHG emissions – includes emissions that occur in the value chain of the company

PRIORITY LINK	RESULTS LINK
<ul style="list-style-type: none"> • Improve Operational Excellence • Improve Employee, Guest/Visitor, and Stakeholder Satisfaction 	<ul style="list-style-type: none"> • We have a healthy workplace • Improved organizational image • We are an employer of choice • Reduced organizational carbon footprint • We use best practices in our operations • Guests share their positive Edmonton experiences

2023 TARGETS

For annual reporting purposes, preliminary (unofficial) results for metric tons of carbon dioxide equivalent (MTCO₂e) will be used as this is available in Q1; official results validated by a third party are generally not available until Q3/Q4.

LOCATION	2022 RESULTS*	2023 TARGET
ECC	5,232	6,768
EXPO	9,244	7,321
WTC	483	3,166
EXPLORE EDMONTON TOTAL (MTCO₂e)	14,959	17,255

*preliminary

2023 KEY ACTIONS

- Installation / expansion of Electric Vehicle charging capacity.
- Implementation of single-use item transition strategy.
- Develop and implement Venues Zero Waste Plan in alignment with the Zero Waste Canada Alliance.
- Develop Social and Environmental Procurement Guide.
- Continued focus on sustainability with signature events such as K-Days.

4 EQUITY, DIVERSITY & INCLUSION (EDI)

MEASURE DESCRIPTION

At Explore Edmonton, we expect that everyone should be able to feel included and have an equitable stake in their interactions with others. The EDI Council is 16-people strong with representation across the whole organization. We are committed to doing our part in ensuring we entrench and foster EDI practices and learnings in our culture and operations. In 2021, we undertook an EDI sentiment survey. In 2022, we completed a second GDEIB assessment. These combined metrics are the basis of our EDI evaluation going forward.

PRIORITY LINK	RESULTS LINK
<ul style="list-style-type: none">Improve Employee, Guest/Visitor, and Stakeholder Satisfaction	<ul style="list-style-type: none">We have a healthy workplaceImproved organizational imageWe are an employer of choiceEmployees, guests and stakeholders are supported by our programs and services

2023 TARGETS

	2022 RESULTS	2023 TARGET
EDI Sentiment ¹	81%	84%

(1) Based on an annual survey of employees responding to the question “I feel that Explore Edmonton is an equitable, diverse and inclusive organization.”

2023 KEY ACTIONS

- Continue to build EDI awareness, training, and tools within the organization, which leads to expectations such as:
 - Continued alignment with our Indigenous Tourism Alberta MOU.
 - Ongoing training from external experts.
 - Identify external speaking opportunities to share best practices from lived EDI experience.
 - Explore mechanisms to build more EDI programs for our part-time, hourly teams.
 - Develop a social and environmental procurement strategy.
 - Facility upgrades that consider EDI to ensure appropriate access to all.
 - Adaptation of marketing assessments.
 - Evolve our recruitment practices to ensure we highlight our EDI culture during the recruitment process.





5 SOCIAL | COMMUNITY BENEFIT

MEASURE DESCRIPTION

Explore Edmonton, as do all other organizations, have a basic Corporate Social Responsibility to give back to the community. We take this a step further by hosting events such as Homeless Connect, providing shelter during a pandemic, or bringing in events that raise awareness and leave legacies for specific industries, sports, or cultures. We also have a strong volunteer program and an Urban Farm that support our community, which is what our current measures are based upon. Looking forward, as we incorporate this community perspective into all aspects of our work, these measures will evolve.

PRIORITY LINK	RESULTS LINK
<ul style="list-style-type: none"> Improve Employee, Guest/Visitor, and Stakeholder Satisfaction 	<ul style="list-style-type: none"> Our venues are recognized as community hubs Improved organizational image We are an employer of choice Edmonton values the work we do We are leaders in venue and destination management

2023 TARGETS

MEASURE	2022 RESULTS	2023 TARGET
Number of active volunteers	739	750
Volunteer hours	8,308	5,000
Urban Farm visitation	7,491	7,500

2023 KEY ACTIONS

- In alignment with the goals of #MEET4IMPACT to create positive societal impact of events:
 - Evolve the Responsible Events Program (sustainability product offering for clients).
 - Development of Event Legacy Plan for Edmonton.
- YEG Natural & Cultural Preservation Education.*
- Grow the volunteer program and enable the rest of the organization to leverage the program.
- Develop diversified vendor strategy to support local vendors for K-Days and Farmfair International.
- Develop Urban Agriculture strategy that benefits the community.

*Part of the TMP

FINANCIALS

CHANGES TO THE ORIGINAL 2023 BUDGET

During the 4 year budget process with the City of Edmonton, Explore Edmonton submitted a request to increase base funding from \$11.7M to \$17.8M, \$18.6M, \$17.8M and \$19.0 in 2023 through 2026. The increase in base funding is required to address parts of our scope of work that were unfunded and not accounted for when the original base funding was set at \$11.7M in 2020. This includes stewardship of the Northlands assets, producing signature events such as K-Days and Farmfair International, destination development, and a stronger focus on local marketing.

We also submitted funding requests for our venues to manage the downturn in business related to COVID-19 and to address deferred renewal maintenance deficits. An additional funding request was made to fund the Tourism Master Plan, a 10-year Strategy.

Although a \$5M increase to our base funding was approved on a one-time basis for 2023, our other funding request were not successful. We will re-enter the City budget process in the fall of 2023 in an attempt to secure funding for 2024-2026.

To develop a balanced budget in 2023, the service packs that were not funded were removed from our financials. This includes \$5M for venue operational deficits and deferred renewal maintenance, \$1M reduction to the Tourism Master Plan, and \$0.5M for BBDC operations.

2023 BUDGET

REVENUES	'\$000
Conference Centre Revenue	37,331
External Revenue	32,416
Other Revenue	5,000
TOTAL REVENUE	74,747
EXPENSES	
Payroll and Related Costs	38,935
Cost of Food & Beverage Sold	3,586
Rent, Utilities, Taxes, Insurance	3,764
Maintenance and Repair	3,315
Operating Expenses	7,991
Marketing and Promotion	9,897
Administration and General	24,202
SUBTOTAL	91,690
Transfer to/from Reserve	(5,200)
Total Expenditure and Transfers	86,490
NET OPERATING REQUIREMENT	11,743

KEY ASSUMPTIONS

The following key assumptions have been incorporated into the 2023-2026 Budget:

- Venues continue to ramp up their activities during 2023 to 2026, deficits decline as operations normalize.
- Venue fixed costs are consistent throughout the period; variable costs are a function of revenue.
- Total FTE Count is almost at par with 2022 levels; there will be focused effort to efficiently utilize the current resources to achieve enhanced organizational targets for 2023-2026.
- Funding support from EDMH (\$5M per annum) and a provincial grant for K-Days and Farmfair International (\$1.7M per annum) will be secured for the year 2023-2026.
- Actual reserve at Dec 2022 of \$5.2M will be utilized to cover the deficit of 2023.

RISKS TO THE BUDGET

The budget is based on assumptions and best estimates available as of now. There could be changes to this as we progress in 2023. Salient risks to the Budget are highlighted below:

UPSIDE RISKS

- EE manages to secure additional funding for budgeted initiatives from provincial government, City of Edmonton, or other partners.

DOWNSIDE RISKS

- Venues are budgeted to achieve break even in the year 2023. Slower than expected recovery due to macro economic factors may result in deficits at the Venues.
- The budget assumes funding support from EDMH (\$5M per annum) and a provincial grant that supports K-Days and Farmfair International (\$1.7M per annum). If these don't materialize or the amount is reduced, it will increase the budgeted deficit. We have EDMH funding agreement for the year 2022 in place and management is working towards having a multi-year agreement in place.
- Some programming and resourcing decisions will be deferred into 2023 as we align expectations with our Shareholder and determine ongoing sustainable investment levels.

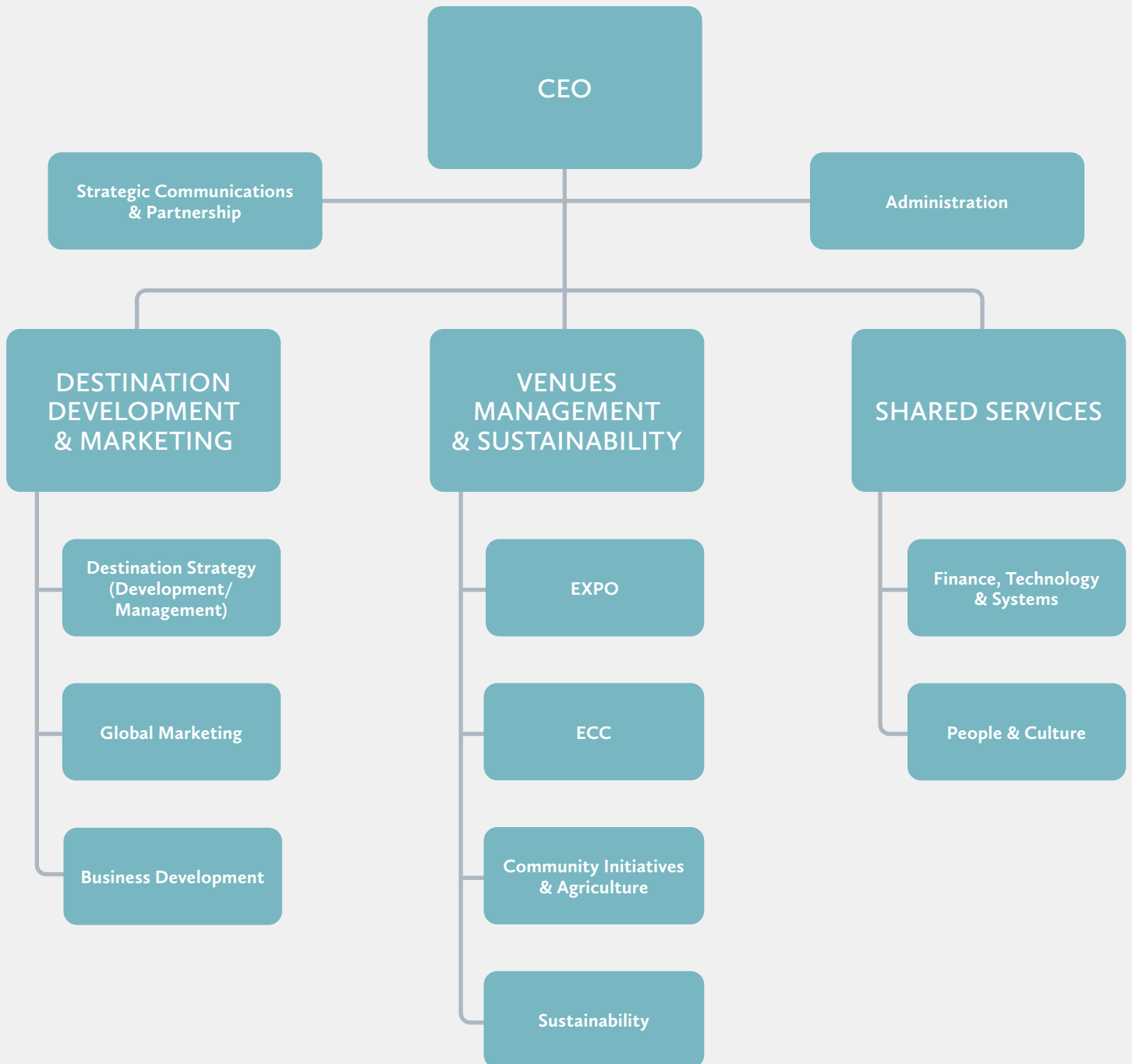




GLOSSARY

Action	A specific task, program or project undertaken by a business unit that works towards improving a priority and attaining a result.
Measure	Tools or processes that can be used to track the success and progress of achieving a result linked to a priority.
Mission	Describes what our organization does currently, for whom, and how.
Pillars of Excellence	Describes what we must do extremely well to achieve our priorities with improved results now and for the future.
Priority	A high-level summary of strategic expectations.
Purpose	What our organization was created to accomplish.
Results Map	Reveals our intended outcomes that will help us achieve our aspirations for the future and deliver value to our stakeholders.
Shareholder	City of Edmonton
Stakeholder	A broad range of organizations that include government, not-for-profits, industry partners, visitor economy sector stakeholders, and the business community. It also encompasses visitors, clients/guests, and Edmontonians. Stakeholders may vary based on the nature of the work.
Target	An achievable goal that will let us know we have accomplished a result or portion of a result. Ex. 75% Stakeholder satisfaction.
Values	Describes our organization's culture and desired behaviours.
Vision	Describes the way we envision our organization. It communicates that dream to our employees and customers in an inspirational manner.
Visitor Economy	Direct, indirect, and induced economic activity resulting from visitors' interactions within a destination.

ORGANIZATIONAL CHART





CITY OF EDMONTON ALIGNMENT

Explore Edmonton is aligned to the City of Edmonton's plans as outlined below:

CONNECT EDMONTON (2019-28 STRATEGIC PLAN)

STRATEGIC GOAL: REGIONAL PROSPERITY

- Indicator: Global Awareness
 - Edmonton's position against other cities in a number of selected national and international rankings as a place to live, visit and invest in
 - *Jointly owned by the City of Edmonton and Explore Edmonton (formerly Edmonton Economic Development Corporation)*

CITY PLAN (2020-65 VISIONARY PLAN)

BIG CITY MOVES (COLLECTIVE PROJECTS): GREENER AS WE GROW

- Strategic measures:
 - Greenhouse gas emissions generated by City assets
 - Greenhouse gas emissions generated by the community
 - Recycled solid waste

EDMONTON ECONOMIC ACTION PLAN (2021-2030 ACTION PLAN)

- **ACTION 2:** Align relevant economic development activities, reporting metrics, funding agreements, and grants to ensure we're working together as effectively as possible.
- **ACTION 19:** Develop and implement an integrated place brand strategy.
- **ACTION 24:** Utilize and coordinate the City of Edmonton's event strategy and Explore Edmonton Tourism Master Plan as tools to support investment by creating awareness about local opportunities for businesses and people.
 - Performance Measure: Economic impact (as measured by Explore Edmonton)

**EXPLORE
EDMONTON**