2015-2016

Soneva Sustainability Report

Guardians of places that have existed long before us, our vision is inspired by nature's magnitude, mystery and enchanting beauty. We work hand in hand with the environment to craft beautiful, bespoke experiences where discovery is a way of life.

Soneva is built on the foundation that a business must exist for a greater purpose than shareholder returns. We believe in a natural excellence in everything we do, whether it is delivering the ultimate in guest experiences or providing energy to the rural poor in Myanmar via the Soneva Foundation. We strive to set the benchmark for responsible tourism and we are strong advocates of the overall positive impact of travel and tourism, and the key role it plays in conservation.

This report highlights just some of the efforts we are making across the company, and we are delighted that we are able to share this with you and, in the process, we hope to inspire others towards this purpose.

www.soneva.com
www.sonevafoundation.org
www.slowlifesymposium.com

Front Cover: Haish plays with his kite on the reclaimed land on his island Eydhafushi. The construction of a seawall around the island left no access for swimming. Soneva Fushi hosts from Eydhafushi led an initiative to build a ladder over the seawall so that residents can swim and the Soneva Learn To Swim programme can continue.

Founders' Statement

In 2015, we celebrated the 20th anniversary of Soneva Fushi. When we welcomed our first guests in 1995, Soneva Fushi was the first luxury resort in the Maldives and sustainability was an unfamiliar concept. Just five years later in 2000, we were rewarded with Conde Nast Traveller UK's *Best of the Best* award.

Soneva Fushi was our first resort and we aimed high in our sustainability standards, from the wood we used in construction to the materials sourced for our interiors. In retrospect, our naivety in the creation of Soneva Fushi was our friend. Our intention was to create a destination that celebrated the natural environment to the point that we didn't even cut the branches of trees without careful consideration. We were unhindered by the enormity of what we were taking on and we had to take many leaps of faith to achieve our vision of a sustainable resort in a pristine location.

Today experience is also on our side. As our business has evolved, we have continued to aim high while being increasingly thorough in our analysis of our impact. Today we can demonstrate where we are having impact through a rigorous auditing process, our Total Impact Assessment. The return on our investments - whether in solar energy, human resources, community partnerships, global symposiums or carbon offsets - is closely analysed to ensure that our performance improves year-on-year. It also helps us identify where we need to target smarter investment and which areas of our supply chain we most need to influence to decrease our use of natural resources.

This year we are opening Soneva Jani in the Maldives. Inspired by a word that means 'wisdom' in Sanskrit, Soneva Jani is a jewel in Noonu Atoll, set within a 5.6 km private lagoon of crystal clear waters, fringed by pristine beaches and blanketed in lush tropical greenery. We have determinedly approached the creation of Soneva Jani with the same vision as we did Soneva Fushi and Soneva Kiri – that anything is possible and that to inspire awe for our natural world, we must respect every aspect of our remarkable locations.

Opening a new resort is a hugely exciting opportunity to see all our values encapsulated from conception. From the stunning villas made from sustainable wood to the state-of-the-art Eco Centro waste management facility to the organic vegetable gardens that will nurture our hosts and guests, Soneva Jani is another proof of concept that the sustainable approach benefits all – guests, hosts, our local community and our investors.

The breakthroughs of the Paris Agreement on climate change and the launch of the UN Sustainable Development Goals are beacons of hope for current and future generations, and they remind us that there can only be environmental progress with social equity.

At all our resorts, we will continue to work in partnership with our local communities on a whole range of environmental projects and on social issues such as improving the representation of women and opportunities for young people in the hospitality industry. Moreover, we are proud of our contribution through the International Tourism Partnership to achieve meaningful sustainability progress in our industry. After a successful collaboration on issues such as the Youth Career Initiative and carbon and water measurement standards, we are currently setting joint carbon reduction targets which align with the Paris Agreement. This will be a significant achievement that includes members of most of the major hotel brands.

Our aim is simple - to make a difference wherever we can. We strive to be the best employer. We aim to produce attractive returns for our investors, demonstrating that sustainability is good for business. And, above all, we hope that the natural beauty of our resorts inspires our guests to embrace environmental stewardship.

Sonu and Eva
Founders, Soneva
Founders, Soneva Foundation

CFO's Statement

Finding clarity in the soup of data that pervades our increasingly interconnected lives can be a challenge. Today's 'information' is as likely to misdirect as it is to inform. The speed, abundance and accessibility of data can foster erratic decision-making, causing companies to pinball from one well-meaning environmental or social commitment to the next. The costs of such ill-informed commitments soon add up to a perception that sustainability is a tax on performance. This couldn't be further from the truth.

Through the years we have seen that our commitment and drive to operate in the most sustainable way possible has added to the bottom line, not negatively impacted it. To a large degree this is a function of the clarity of purpose which signposts our path, but as important to our success in this area has been our grasp on the underlying data which ultimately combine to become the information flows, and the subsequent analysis which informs our decision-making.

The Total Impact Assessment (TIA) tool, which we developed in-house, allows us to get to the root of each area of our operations and to understand and cost our sustainability impacts. This year we complete the build of our new resort, Soneva Jani. While every area of the resort design and build process is guided by the highest sustainability standards, inevitably the build process draws from our natural resources. The benefit of the TIA is that we can make informed decisions of how and where to offset this impact while ensuring that the impact of our ongoing operational activities is minimised as much as possible.

Equally importantly, our TIA informs where we should invest our energies and our finances for our human and social capital. Initiatives such as Women in Soneva, which aims to increase the percentage of women employed in hospitality in the Maldives, have the potential to influence the tourism industry far more widely than our own resorts. The financial cost of the Learn To Swim programme remains low and it is confirmed again this year that the human resource investment pays back hugely, as the communities gain so much in terms of life-saving skills and environmental awareness. On an international scale, the TIA confirms that our investment strategy via the Soneva Foundation pays both environmental and social dividends.

While the theme of this report is a celebration of 20 years of sustainability leadership in the hospitality industry, it is tools such as the TIA that inform our decision-making and that will allow us to sustain the next 20 years of pioneering environmentally and socially responsible tourism.

Bruce Bromley
Chief Financial Officer, Soneva
Trustee, Soneva Foundation

Table of Contents

	Page
Profile	3
Founders' Statement	4
CFO's Statement	6
Celebrating 20 Sustainable Years	10
Soneva Total Impact Assessment 2015-16	12
Carbon Footprint & Mitigation 2015-16	13
Social and Environmental Conscience Statement	14
Natural Capital	16
Human Capital	52
Social Capital	62
Soneva Foundation	75
SLOW LIFE Symposium	81
Partnerships	86
Organisations We Support	87
Awards	91
Soneva Total Impact Assessment Methodology	92
Carbon Footprint Methodology	102

Celebrating 20 Sustainable Years

Our journey began 20 years ago when our first guests stepped onto the jetty at Soneva Fushi and shared our vision of experiences inspired by nature's magnitude, mystery and enchanting beauty.

Today our journey continues with the opening of Soneva Jani, a jewel set within a lagoon of crystal clear waters; a blueprint for sustainable resorts that has been created with insights gained from 20 years of the most rigorous of sustainability standards.

Please join us on a journey that celebrates the absolute privilege it is to craft bespoke experiences for our guests, to partner on ambitious projects with our local and global communities, and to conserve our environment, which ultimately inspires everything we do.

1995

- Soneva Fushi opens


2000

- Soneva Fushi awarded Best of the Best by the readers of Conde Nast Traveller UK
- Soneva Fushi wins the President of Maldives' Green Resort Award
- Soneva Gili opens


2001

- First Evason resort opens in Phuket

2004

- First Six Senses property opens in Hua Hin

2007

- Eco Centro opens at Soneva Fushi, the Maldives' first integrated waste management centre
- Soneva wins PATA Grand Award - Environment - Social and Environment Conscience

2008

- Six Senses Samui awarded Best of the Best by the readers of Conde Nast Traveller UK
- Soneva wins WTTC Tourism for Tomorrow Award – Global Tourism Business
- Measurement of direct and indirect carbon emissions starts across all operations
- Environmental levy introduced to offset carbon emissions
- First SLOW LIFE Symposium, an annual convening of world-leading environmental thinkers
- Soneva bans branded bottled water


2009

- Soneva Fushi installs the largest solar plant in the Maldives
- Soneva Kiri opens
- Sonu and Eva win the Inaugural Barclays Wealth Sustainable Award for their sustainable work in the luxury hospitality industry.


2010

- The Soneva Foundation is founded, funding projects that address social and environmental challenges


2011

- Soneva wins HICAP Sustainable Hotel Awards Corporate Leadership Award
- The Soneva Foundation launches the Darfur Stoves Project to provide clean cook stoves to vulnerable families
- The Soneva Foundation launches the Forest Restoration Project to plant 500,000 trees in Northern Thailand


2012

- Six Senses and Evason are sold and Soneva returns to *One Owner, One Operator, One Philosophy, One Brand*

2013

- WHOLE WORLD Water is launched, replicating Soneva's method of filtering and bottling water on-site
- Soneva wins Wild Asia Responsible Tourism Award

2014

- The Soneva Foundation launches the Myanmar Stoves Campaign to provide clean cook stoves in rural Myanmar
- Soneva Fushi becomes the Maldives HQ of FINished with Fins
- Soneva launches the Learn To Swim programme for children and mothers on Maldivian islands
- Soneva Glass opens at Soneva Fushi, taking glass bottle waste from Maldivian resorts and creating beautiful glass artworks
- Soneva Total Impact Assessment is launched to audit all organisational and supply chain social and environmental impacts



2015

- Work commences on Soneva Jani, applying rigorous environmental and social standards
- Soneva in Aqua, Soneva's sailing boat villa, is launched
- Soneva wins WTTC Tourism for Tomorrow Award - Environment category
- Soneva celebrates 20 sustainable years


Soneva Total Impact Assessment 2015-16

The Soneva Total Impact Assessment (TIA) allows us to take a 'planetary boundaries' view of all our social and environmental impacts. This includes direct impacts at our resorts and indirect impacts via our supply chain and guest air travel. Measuring our impacts provides us with a tool to drive better decision-making, more effective resource allocation and to influence the business decisions of our suppliers.

TOTAL IMPACT
$34,200,510

Key

Bars represent the scale of our impact

Green represents a positive contribution
- Direct
- Indirect

Red represents a negative contribution
- Direct
- Indirect

Definitions
Direct: Impacts from Soneva business operations.
Indirect: Impacts via our supply chain; human development improvements in social wellbeing; indirect CO_2 emissions such as guest air travel.

Carbon Footprint & Mitigation 2015-16

Soneva's vision is to become decarbonising through implementing programmes that will result in a net absorption of CO_2. An environmental levy of 2% is added to each guest's stay. The Soneva Foundation invests this in projects that have a positive environmental, social and economic impact and importantly, offset carbon emissions from resort activities and guest flights.

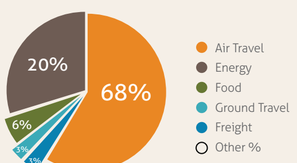
FOUNDATION

TOTAL CARBON FOOTPRINT

33,714
tonnes CO_2 in 2015-16

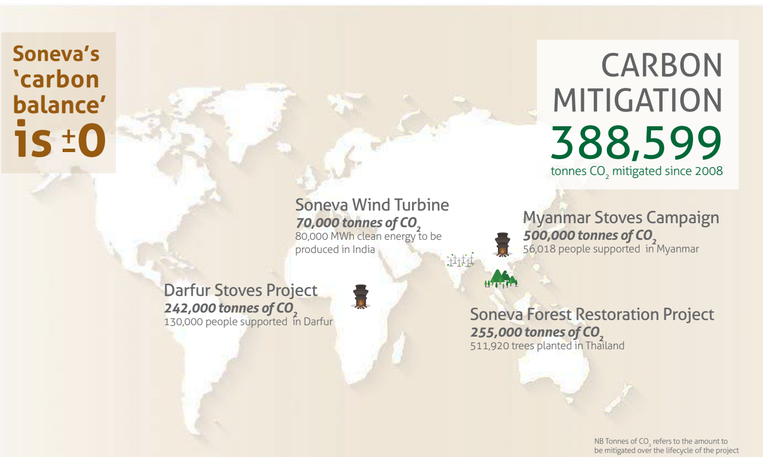
This is -19% relative to 2008-09 base year

Soneva carbon footprint by source:



Soneva's 'carbon balance' is ±0

CARBON MITIGATION
388,599
tonnes CO_2 mitigated since 2008



NB Tonnes of CO_2 refers to the amount to be mitigated over the lifecycle of the project

Soneva Foundation mitigation targets[1] | ***+1M tonnes of CO_2***

7 years	**7 years**	**40 years**	**20 years**
Myanmar Stoves Campaign	Darfur Stoves Project	Soneva Forest Restoration Project	Soneva Wind Turbine

[1] Mitigation targets over lifecycle of projects

Social and Environmental Conscience Statement

Arnfinn Oines, Social and Environmental Conscience at Soneva, oversees Soneva's sustainability performance. He provides a summary of the 2015-16 Soneva Total Impact Assessment.

This is your second Total Impact Assessment (TIA). How has your methodology evolved in the last 12 months?
The methodology is largely the same, though we have refined the accuracy and speed with which we make the assessment. We learn each year we do it and it becomes more valuable as we have historic figures to compare it with.

What has this year's TIA revealed about your sustainability performance?
We are very proud that our net total impact is positive like last year. Although our natural capital cost has gone up by 24% - i.e. we use more resources provided by nature - we have been able to increase our positive impact in other areas by 30%. Our social capital generated US$4.2 million during the year and human capital over US$11 million, both with solid increases. This tells us that we are on the right track and we will continue to improve this further.

How have you adapted your operations since you introduced the TIA?
We have increased our renewable energy capacity at Soneva Fushi ten-fold, which will make a significant improvement to our direct carbon emissions generated onsite. Additionally, it will of course improve our operational costs, which again shows that operating sustainably is good for both the environment and business.

Have you received much industry response to the TIA?
We have received some positive feedback for our Total Impact Assessment. It is always nice to receive, though I think there is still a way to go for people to understand the significance of this measurement tool. That is probably because it is such pioneering work that it needs time for people to comprehend.

Many of your social capital initiatives cannot be monetised. What additional criteria do you apply to measure success?
We always look for where we can have maximum impact which is not always a dollar value. Our focus is to support community initiatives, but we also want to drive the environmental agenda on a global stage. Raising environmental awareness is important regardless of whether it is teaching local children about sustainability or influencing sustainability practices on a global scale though the SLOW LIFE Symposium or the International Tourism Partnership.

Soneva celebrated its 20th anniversary in 2015. What do you think has been the company's biggest sustainability success to date?
There are too many success stories to pull out one specific project or initiative. I am probably most proud that we mitigate all our carbon emissions including guest air travel, which counts for 68% of our emissions. Thus not only is our energy usage carbon neutral, but also all our direct and indirect emissions that relate to our operations. This is an incredible achievement made possible by our fully committed founders. I am perhaps equally proud that we have generated over US$9 million in social value over the past three years, which is important, as social and environmental progress should go hand-in-hand.

A woman in Myanmar's central Dry Zone collects firewood. The use of wood for cooking is a major source of deforestation locally and of CO_2 emissions globally. The Soneva Foundation invests in fuel-efficient cook stoves for families in rural Myanmar and Darfur.

NATURAL CAPITAL

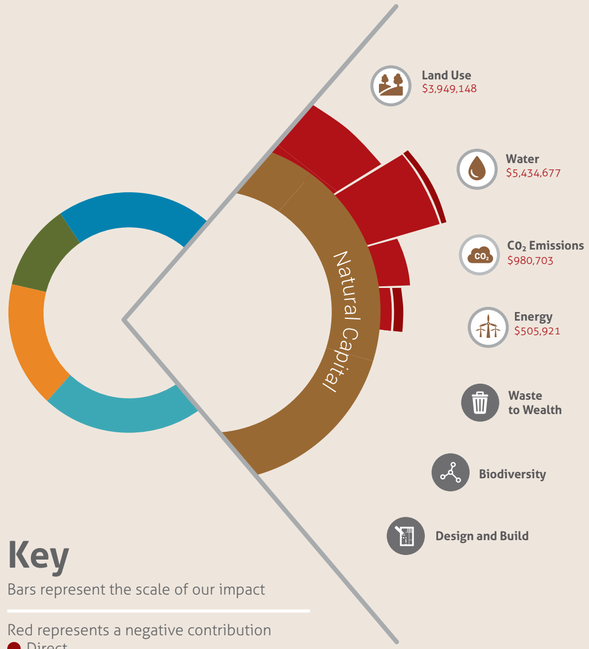
Natural capital represents the positive and negative impacts that our operations have on the natural environment. Our Total Impact Assessment covers both direct and indirect CO_2 emissions as well as impacts from energy, water and land use via the food and beverage products in our supply chain. Collectively we refer to these supply chain impacts as our Environmental Profit and Loss (EP&L).

Additionally within this section, you will find details of initiatives that are core to reducing our environmental impact but are not yet monetised according to our Total Impact Assessment methodology.

Summary

Natural Capital: $10,870,449

- **94% of our Natural Capital deficit is via our supply chain. Measuring our supply chain impacts (our EP&L) allows us to calculate the true cost of the ecosystem services required to produce our food and beverage products.**
- **Our single largest deficit is from water used in food production. We grow as much fresh produce on-site as possible, but inevitably a lot of food is imported. Our EP&L identifies which ingredients are most water-intensive, allowing us to source alternatives.**
- **73% of our waste is recycled on-site and converted into revenue-raising or saving supplies.**
- **The financial value of protecting our local biodiversity is harder to evaluate. Similarly, the decision to use building materials only from sustainable sources is not informed by financial calculations. However, we include our practices in this section as they are fundamental to our philosophy of environmentally responsible tourism.**
- **20% of our CO_2 emissions are directly from resort operations. The remaining 80% are predominantly from guest air travel. We mitigate all emissions via the Soneva Foundation.**



Key

Bars represent the scale of our impact

Red represents a negative contribution
- Direct
- Indirect

Grey icons represent impacts that are not yet monetised

Energy

Stuart Ward is Group MD of Projects and Engineering. In this capacity, he oversees the energy portfolio across all resorts.

What is the current solar photovoltaic capacity of Soneva?
At present on Soneva Fushi we have solar photovoltaic capacity of 70kWp with an additional 624 kWp coming onstream imminently. Between the two plants, this will give us an annual average generation of 1,141,336 kWh. We will install an even larger plant of 673 kWp at Soneva Jani with an additional 1,000 kWp planned for 2017.

Our approach is steady as we ultimately are following the development of battery storage. The technology is improving month by month and it is clear that real breakthroughs in this technology are imminent.

Why is solar your chosen technology?
Well, the sun shines a lot in our locations! Solar is also an excellent basic technology as it is actually quite straightforward, panel efficiency is improving all the time, and controllers and grid interface are becoming highly superior and efficient with millisecond control. Running remote islands on renewable energy will become the norm in the near future. Production of potable water from solar-powered reverse osmosis units will also make economic sense and gradually there will be no reason to have fossil fuel dependent operations.

How does solar affect your financial bottom line?
The future is bright for renewable industries across the spectrum as we have finally achieved parity or better with fossil fuel production. Large industries, especially car manufacturers, can foresee the end of the fossil fuel era, hence the mass production of electric and hybrid vehicles coming onstream.

It makes financial sense to adopt solar as our primary energy source. We also need to remember that it makes sense for our collective future. We are a stopgap generation. When you consider that we only remember back three generations, it reminds you that we need to be thinking forward three generations too.

"Running remote islands on renewable energy will become the norm in the near future."

PROJECTED SOLAR POWER GENERATION AT SONEVA FUSHI

SOLAR PV ENERGY GENERATION
- Average yearly energy generation: 1,141,336 kWh

AVERAGE ENERGY AND CO_2 REDUCTION PER YEAR
- Average energy reduction per year: 1,141,336 kWh
- Average fuel reduction per year: 342,401 litres
- Average CO_2 reduction per year: 913,069 kg

EQUIVALENT CO_2 EMISSIONS REDUCTION DUE TO PV
- Carbon absorbed from 23,663 trees grown for ten years
- Carbon absorbed from 305 hectares of forest in one year
- Annual greenhouse emissions from 3,500,098 km driven by an average passenger vehicle

Soneva resorts are located in remote off-grid locations where typically resorts rely heavily on imported diesel. 20% of Soneva resort CO_2 emissions are derived from energy consumption, which is the second largest contributor after air travel. We will double our resort solar PV production year-on-year until we reach our target of 100% renewable energy by 2021.

Soneva restaurants are either open air or naturally ventilated, eliminating the need for air-conditioning.

Water

Soneva resorts are located in remote areas with no municipal water supplies. Waste water at Soneva Kiri moves through a series of filtration and oxygenation ponds that are populated with nine species of mopping plants and 80 different types of effective micro-organisms that help in the breakdown and absorption of organic matter and potentially toxic compounds. The result is a BOD level of 5 mg/l – well below the 20 mg/l maximum requirement for treated waste water.

Martijn van Berlo is the Biologist at Soneva Kiri. He is responsible for biodiversity surveying, guest experiences and for informing resort practices with scientific expertise.

How do you treat and use waste water in a location with no municipal water supply?
It is very important to us to treat our water as the precious commodity it is. We use a sophisticated yet completely natural water filtration process, moving the waste water through a series of filtration and oxygenation ponds.

The waste water is initially collected in a catchment pond. The contaminants in the water undergo aerobic dissimilation by a combination of micro-organisms, sunlight and aeration. The water is then pumped into a second pond, flowing naturally into a wetland where a series of mopping plants and algae grow and absorb many of the remaining excess nutrients and potentially toxic compounds.

After these three stages the water is still very rich in nutrients. It is then accumulated into a large catchment basin that contains lotus and greater duckweed. These plants are capable of absorbing large amounts of possible contaminants and excess nutrients. This final pond also contains tilapia fish that keep the vegetation under control and contribute to the release of available nutrients.

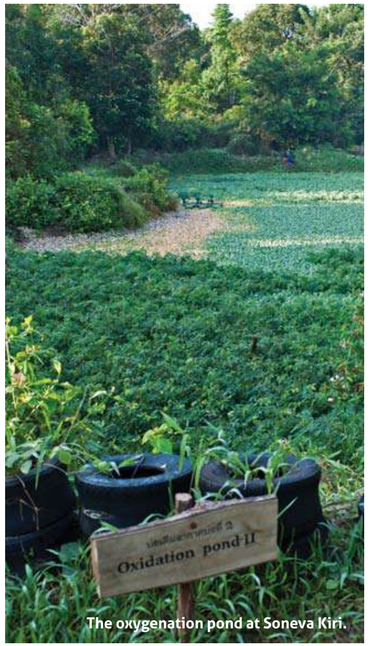
How do you use the treated water?
By the time the water reaches the final pond, it is naturally enriched in nutrients. We use it for irrigation and as fertilizer in the fruit and vegetable gardens.

100%

self-sufficiency in water supply at all Soneva resorts

752,345

people globally have been given access to safe water through Soneva and WHOLE WORLD Water combined projects



The oxygenation pond at Soneva Kiri.

Eco Centro Waste-to-Wealth

Gordon Jackson is Area Waste-to-Wealth Manager, Maldives. In a nation with very few municipal waste facilities, Soneva recycles 73% of waste on-site through a robust waste management strategy and a focus on innovation.

Soneva Fushi has been operational for 20 years now. What sustainability lessons have been learnt along the way?
Soneva Fushi was built on sustainability principles. The main bar and main office were built with recycled telegraph poles transported from the UK. Many of the early innovations were around the choice of materials and local expertise. We have an engineering team that makes all our own furniture and a tailoring shop that makes all our soft furnishings. That is common now but it certainly wasn't 20 years ago when the perceived logic was to go to a supplier. One of our core values is local and that has always guided us.

How has waste management evolved over 20 years?
20 years ago when Soneva Fushi was built, we had a burning pit in the middle of the island for waste as there were no municipal waste facilities. So we knew we had to create our own and Eco Centro is built using the rubble of old demolished villas. It was opened in 2007. We now pride ourselves in not burning anything on the island (except in the process of making the resort's charcoal) so that every resource can be used for the greatest benefit.

It continues to evolve. For instance, this year we started making lightweight blocks out of Styrofoam waste to use in construction. We hope that this leads the way for future resorts in the Maldives to be built using the discarded materials of the past, starting with our own Soneva Jani.

What lessons are you able to apply to Soneva Jani?
Our aim is for Soneva Jani to be a zero-waste resort – everything will be composted, reused or used in construction. Eco Centro will be practical but also very guest friendly, with a strong emphasis on education and training. We have boiled down 20 years of experience into what we hope is the best recycling centre in the country.

Do you see a similar evolution in waste management across the Maldives?
There is an incineration plant opening in the neighbouring atoll in the next 12 months. We will see a lot of change with how waste is managed across the islands. I have always advocated that waste collection should be charged by the kilo as otherwise there is no incentive to recycle, and I'm pleased that they are adopting that recommendation.

I know there is a big effort to encourage local islands to compost rather than throw waste out to sea. I've seen marked improvements on local islands. If you have to take your food waste to a composting plant, this reduces litter in the sea and on land as it reduces the number of plastic bags that wash up.

73%

of solid waste recycled

1.2 million

plastic bottles prevented from going to landfill since 2008

$265,249

in value generated from Eco Centro

Raja, second right, with the team at Eco Centro. He is a mason by trade and was key to establishing Eco Centro in 2007. His charcoal ovens are legendary at Soneva and improve with every iteration.

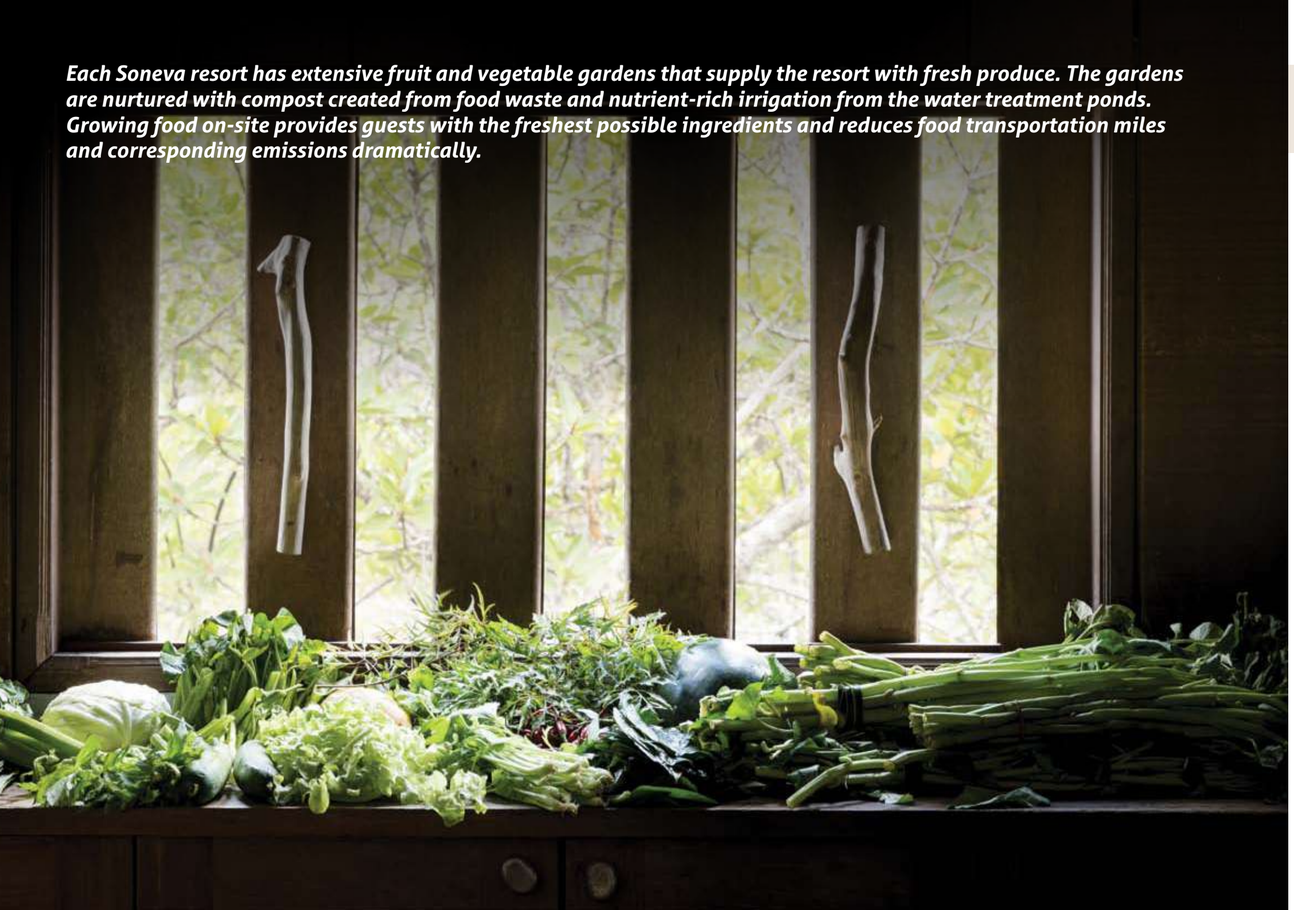
The Soneva Glass team, led by Kevin Christison, Curator of Art at Soneva, works with guests and world-renowned glass artists to create objects of art from waste glass materials. Waste glass is collected from resorts in the local area. 12,500 bottles were saved from landfill in 2015-16.

Soneva Art

The Soneva Glass Studio invites guests to watch world-renowned glass artists create objects of art from waste glass materials and to learn the art of glassblowing themselves. The glass is supplied exclusively from waste glass that is transported from resorts in the local area. Approximately 1,200 bottles per month are recycled into objects of beauty.

Legendary glass artist Maestro Lino Tagliapietra travelled with his team to Soneva Fushi in 2015 and created a magnificent series of artworks to help officially launch the Soneva Glass programme. Often referred to as the grandfather of contemporary glass, these are the first artworks Maestro Lino has created in his 70-year career using recycled waste glass.

Maestro Lino Tagliapietra working in the Soneva Glass Studio.



Each Soneva resort has extensive fruit and vegetable gardens that supply the resort with fresh produce. The gardens are nurtured with compost created from food waste and nutrient-rich irrigation from the water treatment ponds. Growing food on-site provides guests with the freshest possible ingredients and reduces food transportation miles and corresponding emissions dramatically.

Vegetable Gardens

IBJ Bandara is Island Guardian Manager at Soneva Jani. He has been on the island since July 2015, when it was a farm producing crops for sale to local islands and the Maldivian capital, Malé. He talks about the challenge of changing the land from commercial use to an organic resort kitchen garden.

Soneva Jani already has established vegetable gardens. What do you currently produce?
The current produce is used by our kitchens to cater for hosts and contractors during our construction phase, with any surplus sold to nearby islands. Crops include amaranth, banana, bitter gourd, aubergine, Chinese cabbage, cucumber, Maldivian cabbage, Maldivian chilli, moringa, pumpkin, spinach, snake gourd, tomato and watermelon.

How will the gardens need to change to accommodate resort guests?
Nearly all fresh fruits and vegetables are imported to the Maldives from neighbouring countries and most are from agrochemical farms. That is why we are so keen to grow our own organic produce – as well as it providing a much better flavour. We plan to include more leafy vegetables and herbs which are used extensively in our kitchens.

Growing conditions are notoriously difficult in the Maldives, with poor sandy soil that is highly alkaline. How will you manage these challenges in organic kitchen gardens?
Because of the high alkaline situation (pH value around 8.5), agriculture is a difficult practice in Maldivian soil. This is common to both inorganic and organic practices. To improve the soil condition, compost is very helpful as it provides plant nutrients while creating favourable conditions for growth. Our basic agronomic practices are as follows:
- We use organic techniques right from the potting phase in the nursery.
- We don't practise any mechanical land preparation techniques like ploughing and harrowing which would exacerbate the loose soil structure.
- We hand weed prior to transplanting.
- Compost is applied from the start and reapplied later for all seasonal crops.
- Mulching is applied to improve moisture and nutrient conservation, especially in open fields.
- Pest and disease management is done by hand picking, improving sanitary conditions in the crop field, destroying any infected crop residues, crop rotation, and so on.
- We hand pollinate all flowering crops as there are very few natural pollinators for many of the crops we grow.
- Harvesting is carefully managed to minimise post-harvest losses.

You are starting composting from scratch using the jungle trimmings from the construction phase. Can you describe the composting process?
We have accumulated a considerable amount of jungle clearings during the construction phase. This was a good way to create compost and avoid a waste management problem. We chip the clearings and have created a large heap with layers of wood chip, chopped banana trees, weeds and some kitchen waste combined with a thin layer of Soneva Fushi compost to introduce beneficial micro-organisms. The heap needs turning once a month to maintain the correct moisture level. Since wood chips contain a lot of hard wood material, it takes a few months to break down. We chose the heap method as it is simple to manage and the most cost-effective method. We have already put a lot of the compost to use in the vegetable gardens.

What are the aims for the vegetable gardens as you make the change from a commercial farm?
Our main goal is to grow healthy organic food for our guests and for it to make financial sense. Others include:
- Understanding the proper agronomic practices for the different crops growing on the island.
- Using appropriate permaculture techniques to make a sustainable system on the island.
- Identifying new cultivars, self-sufficient seed production, proper waste management, environmentally-friendly pest and disease management, and natural landscaping.
- Sharing the knowledge gained with our neighbours.

120%
increase in vegetable yield

$70,766
generated from vegetable production

Soneva Fushi's restaurant *Fresh in the Garden* is located at the heart of the resort's vegetable gardens.

Food and Beverage

Local ***is a Soneva core value. This applies equally to the talent and expertise we nurture and value as it does to materials and produce. We are very proud that we have senior Thai and Maldivian chefs at the helm of our restaurants.***

Chef Goff
Executive Chef, Soneva Kiri

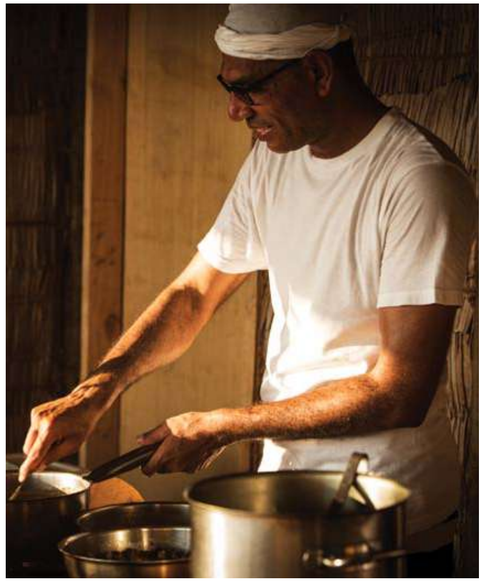
How long have you been with Soneva Kiri?
I was Executive Sous Chef when Soneva Kiri opened in 2010 and I returned as Executive Chef in 2016.

How significant is it that Soneva Kiri has a Thai executive chef and Soneva Fushi has a Maldivian senior chef?
My experience has been gained by learning from chefs from all around the world. We all learn from each other. If international chefs want to learn how to cook first-class Thai food, they need to learn from a Thai! But it is not just about the food. It is also about managing the kitchen and the team which requires cultural understanding more than anything.

Historically, the top resorts have always brought in international chefs. However, that is changing now. We have some of the best chefs in the world in Thailand and it is a big advantage to have clear communication between the chef, the team and the suppliers. Many problems in the kitchen arise from poor communications.

How do you incorporate Soneva's sustainability ethos into your menus?
I work closely with the Eco Centro team to develop the gardens to produce exactly we need for our menus. I also work directly with suppliers to ensure we get the best organic and local ingredients.

The focus on sustainability at Soneva is unique in the industry. Other places have sustainability criteria but it isn't deep or detailed like it is here. This is the real thing! We have a lot of support from our boss with very clear targets so we all know what we are working towards. We care about the Earth.



Chef Sobah
Chef de Cuisine, Soneva Fushi

What is unique about *Sobah's Restaurant*?
We opened *Sobah's* in 2015. It is a fine-dining Maldivian restaurant but what is really unique is that it is on an uninhabited island. We take guests by boat from Soneva Fushi, maybe seeing some dolphins along the way. They arrive at a candle-lit beach and it takes their breath away.

What do you serve?
We serve Maldivian cuisine with modern twists using traditional cooking methods. We show guests how we bake the fish in a pit in the sand. It is a very authentic Maldivian experience and the food is local and sustainable. The vegetables are grown in our gardens and the fish is caught locally.

How significant is it to have a Maldivian chef working at the top level in an international resort?
I would like to see more local people in higher positions but there is definitely an upward trend that should be celebrated. It is certainly much better than when I started my career. The management at Soneva Fushi are not afraid of giving locals a chance and they nurture all forms of creativity. They have signalled their confidence in me by allowing me to open my own restaurant, which is a huge honour.

You have won many awards in the Maldives and internationally.
Two of the awards I am most proud of are Best Chef in the Maldives 2015 and Best International Chef 2015, Food and Hospitality Asia. I am very keen to pass on the knowledge I have acquired and I encourage cookery competitions with our hosts and local children. It is important to encourage people to think about where their food comes from, what we can grow ourselves and what we need to import.

Sobah's Restaurant **on Mendhoo Island, a 15-minute boat ride from Soneva Fushi.**

Soneva Fushi Reef Survey

Federica Siena, Marine Biologist at Soneva Fushi, produces an annual reef survey that details any changes to the house reef and attempts to identify cause and effect. The survey guides conservation and management policies that protect the reef and the local marine ecosystem.

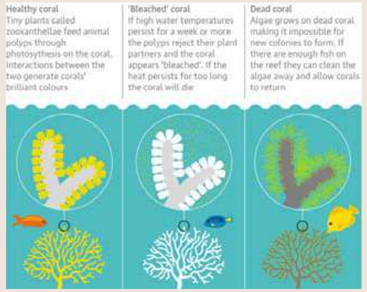
In May 2016, El Niño hit the Maldives and other parts of the world. The sea surface temperature was high above the expected seasonal values for several weeks, causing the corals to bleach with many subsequently dying.

Most corals live in symbiosis with special algae of the genus *Symbiodinum*, which are commonly known as Zooxanthellae. The algae live within the tissue of the corals and are responsible for transforming CO_2 into sugar and oxygen, vital for the coral's growth; they are also responsible for the coloration of coral.

When the temperature of the water exceeds historical limits for a prolonged period, the balance between the host coral and the algae is disrupted. Corals become stressed and Zooxanthellae may be expelled from the host tissue. The corals start showing very bright colorations, such as highlighter blue, yellow and purple; after a few weeks, corals totally lose their coloration and become white. Coral tissue that has turned white or pale is described as 'bleached'.

El Niño in the Maldives
April and May are the warmest months in the Maldives and almost every year the weakest corals become stressed. Further to these naturally recurring cycles, a massive bleaching event caused by a warm phase of El Niño Southern Oscillation hit the Maldives in April-May, increasing water temperatures by several degrees. During the same event, 93% of the reefs in the Great Barrier Reef were affected, with up to 35% of the corals reported dead or dying.

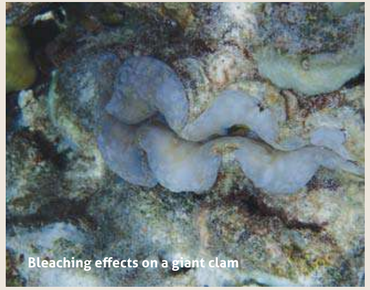
Bleaching effects on the Soneva Fushi house reef
The most fragile corals such as *Acropora spp.* and *Pocillopora spp.* on the reef top and *Leptoseris spp.* on the wall were the first to bleach. By the end of May, the most resilient coral genera such as *Porites spp.* bleached on the reef top and slope. By the time the water temperature started to decrease, most of the table corals in the reefs visited around Baa Atoll had died, while the most resilient species showed recovery.



Healthy corals, bleached corals, dead corals.
Graphic © The Guardian.


Bleaching effects on a soft and hard coral


Bleaching effects on an anemone


Bleaching effects on a giant clam


Unaffected midnight coral. *Tubastrea micratnhus* does not host *Zooxanthellae*

Recovery and reef management
On a positive note, the fishing of herbivorous fish is not common in the Maldives and the high abundance of species such as parrotfish, surgeonfish and rabbitfish will control algae covering. Worldwide, where fisheries have extensively targeted herbivorous species, reefs have shifted from a coral-dominated phase into an almost irreversible algal-dominated phase, far less attractive for tourists and less productive for operators and local fishermen.

Undoubtedly when an event such as El Niño hits, there is not much that can be done to avoid it. Globally, the direct causes influencing climate events need to be removed. Our responsibility as tourist operators and environmental stewards is to manage our operations sustainably as well as informing our guests and hosts of the possible catastrophic consequences on this fragile environment.

We will keep monitoring the recovery of the reef through Point Intercept Transects and the oscillation in temperature through temperature loggers. We aim to enhance the awareness of our hosts and the local community through a series of lectures on the marine ecosystem and sustainability as well as conducting regular snorkelling sessions to help engage people with their environment.

Soneva Kiri Biodiversity Survey

Martijn van Berlo, Biologist at Soneva Kiri, has produced the first botanical survey of the resort. The amount of different ecosystems present, along with the relatively unspoiled environment, allows Koh Kood to support a very large diversity of life. This survey will contribute to a better insight into why such a large biological diversity can be found here.

Soneva Kiri is situated on the island of Koh Kood, Thailand's fourth largest but least populated island. Located in the lush tropical rainforest region of southern Thailand, Koh Kood boasts more biodiversity – including flora and fauna – than is found in the whole of Great Britain.

The mangrove forests along the western coastline of Koh Kood offer flood protection, protection from erosion, carbon storage and nurseries for fish and crustaceans. It is estimated that mangrove ecosystems are essential for the reproductive success of 75-90% of tropical commercial seafood species.

Due to the southern climate and the proximity to Cambodia, Koh Kood shares much of its forest diversity with the largely unexplored and untouched rainforests of the Cardamom Mountains. By far the largest part of Koh Kood is covered with tropical rainforest, most of which is still in its untouched state because of the low population density.

The following are just some of the plants found at Soneva Kiri.

***Anacardium occidentale* (cashew)**
The cashew tree is an evergreen tropical tree. It is native to northeastern Brazil, but is now widely cultivated across the tropics. Well-known for the cashew nut, the sweet and astringent cashew apple is also very popular, either fresh as a juice, or fermented into liquor. This tree is most noticeable at Soneva Kiri when it is fruiting in the dry season.

Ripening cashew fruits in varying stages of development. Note how the fruit stalk slowly swells up to produce the so- called 'cashew apple'.

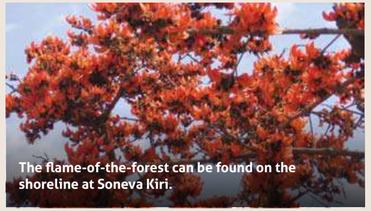
***Hevea brasiliensis* (rubber tree)**
The climate and soil on Koh Kood provide ideal conditions for the rubber tree, which is native to South America. Before the increase in tourism, rubber plantations, along with fisheries, were one of the primary sources of income for the local population. Today, Thailand is still the world's largest producer of natural rubber.

Rubber plantations can be widely spotted around Koh Kood.

***Bauhinia spp.* (mountain ebony)**
This genus contains more than 500 species across the tropics and some of them are commonly known as orchid tree (although they are not related to orchids), mountain ebony, or in India and Pakistan as kachnar. The example found in Soneva Kiri is actually not a tree, but a small shrub.

***Bauhinia saccocalyx*, a very common species in Thailand.**

***Butea monosperma* (flame-of-the-forest)**
During the dry season, when this deciduous tree sheds its leaves, it flowers abundantly. In some areas in India, it makes up a large percentage of forest trees and when flowering, it can appear as if the forest is on fire. Its pronounced appearance may explain its popularity in folk stories and religious literature.



The flame-of-the-forest can be found on the shoreline at Soneva Kiri.

***Mimosa pudica* (shy plant)**
The Latin *pudica* means 'shy, bashful or shrinking'. The shy plant's compound leaves fold inwards and droop when disturbed, re-opening a few minutes later. It is presently being studied for its potential to help control a widespread tropical parasitic roundworm disease, and as a possible antidote to the venom of the monocled cobra.

The shy plant in its full flowering glory.

***Sterculia lanceolata* (tropical chestnut)**
This tree is native to Southeast Asia and has very characteristic fruits consisting of five dehiscent capsules that turn a yellow-red colour while ripening. When ripe the fruits split open on the underside and reveal a number of black seeds. The bark fibre is sometimes used to make bags and paper.

***Sterculia lanceolata* can be found beside the arrival jetty at Soneva Kiri.**

While conducting this survey, over 100 different species were found, of which some 56 different genera and species and 42 different families could be identified. Many of these plants have an important ecological, economical or medicinal significance. Because of the large biodiversity present on Koh Kood and at Soneva Kiri, the survey remains a work in progress.

Soneva Kiri nestles within the tropical rainforest of Koh Kood. Tropical rainforests are widely regarded as the most biodiverse terrestrial ecosystems. The entire surface of the British Isles supports some 3,842 vascular plant species. Thailand supports at least 10,000 species, with new ones being described on a regular basis.

Introducing Soneva Jani

Soneva Jani opens its doors in October 2016. Inspired by a word that means 'wisdom' in Sanskrit, Soneva Jani encompasses a collection of water and beach villas set within a 5.6 km private lagoon of crystal clear waters, fringed by pristine beaches and blanketed in lush tropical greenery.

Sustainability at Soneva Jani

Soneva Jani has been designed and built to world-leading sustainability standards. Every aspect of our Total Impact Assessment is considered, from protecting the local flora and fauna, to building strong community relationships with our neighbours.

Every detail of the resort, whether it be front of house or behind-the-scenes host accommodation and operational facilities, has been considered to the finest detail, using the experience gained over 20 years of creating resorts that aim to set the benchmark for responsible tourism.

Turtles
The eastern side of the island is the last landfall before Sri Lanka, 700 km away. The beach is renowned locally for its turtle population. There will be no construction on the east side of the island and no lights to disturb the turtles.

Vegetable garden
Prior to ownership by Soneva, the island was a farm and has extensive established gardens. A 1.2 hectare vegetable garden will supply the resort with fruit, vegetables and herbs for the kitchens. The gardens will use rich compost produced from our food waste.

Solar plant
Solar panels cover the rooftops of the host accommodation, providing 673.4 kWp of clean energy, increasing to 1,000 kWp in 2017.

Eco Centro
Soneva Jani aims to be a zero-waste resort – all waste will be composted, reused, recycled or used in construction. A state-of-the-art Eco Centro waste-to-wealth facility will process all waste and provide an educational centre for guests and our local communities.

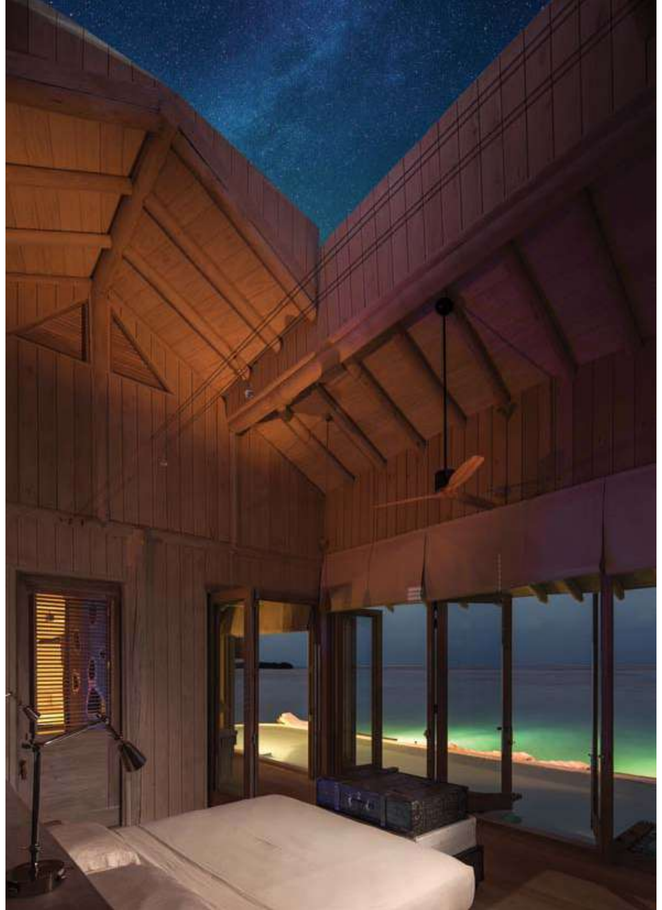
Water
Waste water is treated in natural filtration ponds and is used as nutrient-rich irrigation in the vegetable gardens.

Villas
Villas are constructed using sustainable wood. Rather than just relying on certification schemes, we visit suppliers ourselves so we know first-hand how they plant and how they harvest. Our hand-woven interior fabrics come from a women's cooperative in Sri Lanka that helps rural women find work.

Trees
Only 8% of tree cover has been lost on the island during the construction process. To compensate for this, we are transplanting 2,500 palm trees from neighbouring island Kendhikoludhoo that were due to be cut down to make way for a new road.

Solar-powered boats
Solar-powered boats will transport guests between their villas and the islands within the lagoon.

Marine life
The lagoon houses a stingray nursery and a manta ray feeding station. Guests will be invited to help us conserve these populations.



HUMAN CAPITAL

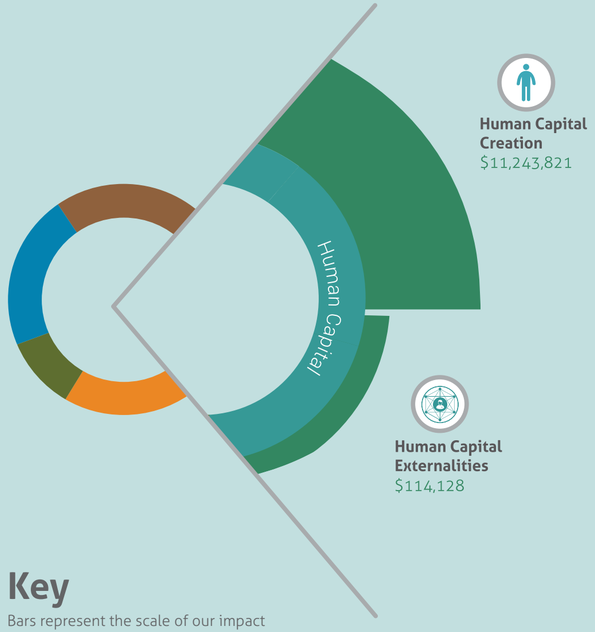
Human capital calculates the value of the jobs created and sustained in our operations by salary, training, working environment and experience, namely Human Capital Creation. It also calculates Human Capital Externalities, which is the value created in society from hosts' post-Soneva employment.

We believe that the success and profitability of a company depends on how well human resources are managed. We measure, value and maximise the holistic returns on our human capital rather than simply considering training from a 'cost-to-company' perspective.

Summary

Human Capital: *$11,357,949*

- **Human Capital Creation assesses the value of the jobs created and sustained in our operations by salary, training, working environment and experience.**
- **Human Capital Externalities assesses the value created in society from hosts' post-Soneva employment.**
- **Soneva employs 722 full-time hosts.**
- **23% of hosts recruited at Soneva Jani to date are women.**
- **13 participants successfully completed and received the Youth Career Initiative certificate as part of the inaugural Soneva Junior Host Programme in 2016.**
- **Soneva hosts receive 54,372 training hours per year across all levels of employment.**
- **38% of all training hours are focused on sustainability.**



Key

Bars represent the scale of our impact

Green represents a positive contribution
- Direct
- Indirect

Soneva Junior Host Programme

Soneva Fushi is running its first Junior Host Programme which trains school leavers for a career in hospitality. It is certified by the Youth Career Initiative. Nalaka Dissanayake, Area Director of HR, Maldives, explains the programme.

What is the Soneva Junior Host Programme?
The Soneva Junior Host Programme is a 12-month apprenticeship for school leavers. We accept 14 hosts a year. This year we are really happy with all our graduates and we would like to retain them all! They remain on our priority list for the next 12 months and whenever there is a suitable vacancy, we will fill the post with one of our junior host graduates. The programme is monitored and certified by the Youth Career Initiative (YCI), a global initiative founded by the International Tourism Partnership that helps school leavers and the underprivileged to achieve opportunities.

What is your incentive for running the programme?
One of our core values is Local – which in this case translates as community engagement. We want to encourage young Maldivians to embark on their career with us. We have lots of senior managers who started their careers here in junior roles, so we understand the value of investing in young people.

Because the Maldives is so remote, most expats won't stay here for more than a few years. Historically, senior roles in hospitality would be filled by expats but the trend is changing. Maldivians want to do well and we want to retain people for longer.

What is the selection process for the programme?
We have a very strict selection policy. We have visited 15 local islands doing recruitment drives. Some say it is harder than getting in to Oxford! All candidates are 18-19 years old and have finished their Advanced Level of schooling with good grades. The programme is residential and they go home about once a month. The culture shock of coming to live and work on the island is not so great as it would be in most other countries as our intake are used to living on small islands and have often had to live apart from their families on another island for schooling.

The guardian of the programme is very sensitive to their needs. Everyone has a buddy to take care of them, taken from more senior and experienced ranks.

What was your biggest surprise of the programme?
My biggest surprise was that we only have one female trainee. She hopes to become a pastry chef which is not a common career path for a woman in this culture. I am very proud of her.

"Some say it is harder getting in to the Junior Host Programme than getting in to Oxford!"

200
candidates interviewed

13
candidates successfully graduated the YCI programme

Women in Soneva

To meet our target of being the best employer of women in the Maldives, we are implementing the following measures:

1. We aim to improve conditions in the workplace for women and beat the trend of low ratios of female employees in Maldivian resorts.
2. To make Soneva Jani and Soneva Fushi feel as secure and safe as possible for women hosts.
3. To offer secure women-only accommodation, sitting room and washing areas if requested and required.
4. To ensure appropriate structures and processes to deal with issues surrounding sexually inappropriate behaviour and sexual harassment.
5. Offer Gender Awareness training for all hosts to understand the responsibility we all have to our fellow men and women, and act accordingly.
6. To ensure at least one women's activity a month in the Host Activity Calendar.
7. To provide a wide selection of women's products in the Tuck Shop.

2,500

applications from women to Soneva Jani
out of 5,500 in total

23%

of new recruits to date at Soneva Jani
are women

Nationally, only 4% of the workforce in resorts in the Maldives is female, compared to women constituting 45% of the workforce in industries such as education, healthcare and the civil service. Women in Soneva is a recruitment drive aimed at achieving a representation of female hosts at Soneva Jani of 30%.

Mariyam Naadha, Community Engagement Manager at Soneva Fushi and Soneva Jani, explains the intent behind the programme.

Why are there so few women working in hospitality in the Maldives?
Generally speaking, socio-cultural and patriarchal beliefs in the Maldives hinder women's ability to participate effectively in public life, including economic life. Specifically in hospitality, certain perceptions, such as women's physical abilities, prevent women from actively participating in the tourism industry.

What can Soneva do to challenge these perceptions?
Women are missing opportunities and we are missing a valuable resource. Our broader strategy is to systematically address issues that limit women's ability to come work at Soneva resorts. This includes ensuring that Soneva properties are safe and inclusive, improving female hosts experiences, and also where possible providing opportunities for women to be able to commute back to their families when they are done with their shift. We will provide more ferries to and from local islands so that women can go home to their families at the end of the day.

How do you reach out to women in your recruitment process?
We do recruitment drives on local islands and talk about what it is like to work at the resort. We make ourselves very visible to the local community so that they can see it is not just a male preserve. It is hard for people to see the positive impacts of women working at resorts as the resorts are on separate islands than the local communities. So we are finding ways to have more interaction by helping with women's groups on local islands with planting trees, beach cleans and so on. Specifically, we have started friendly sports matches such as football and volleyball between Soneva women's teams and island women's teams, which is a lot of fun and excellent at breaking down barriers.

How soon do you think the balance can be redressed?
Cultural changes will take a while. But internally at Soneva, policies can be changed quickly. We have held consultations with heads of teams – who are mostly male - as it is very important that they can see things from this angle. Our approach has been to ensure everyone understands the concept of Women in Soneva and understands what behaviours might make women feel uncomfortable. Female hosts have anecdotally noticed a difference already in how their male hosts are interacting with them.

We want to be the best employer of women in the Maldives. Over time, we will see the culture change.

"Women are missing opportunities and we are missing a valuable resource."

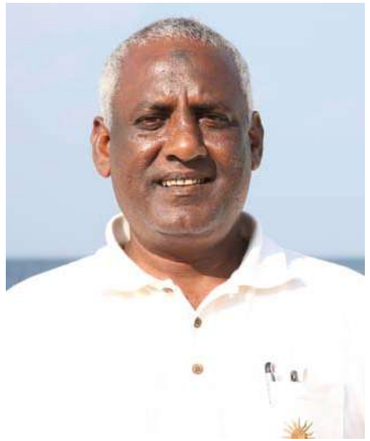
Case Study: Manadhoo Women's Collective

In our opening recruitment drive, Soneva Jani received 70 applications from women from local island Manadhoo alone. While the resort cannot employ them all individually, we do want to harness the energy and enthusiasm of all these women and they will be employed as a collective. They have nominated their own co-ordinator, Moomina Solih, who is already running a women's group on the island that supports the local council with cleaning projects. Moomina will co-ordinate the whole team of 70 women.

The collective will have a guaranteed 72 hours per day, with the women receiving equal pay rates to male employees. The hours will be split between 12 women per day and a ferry service will be provided to and from Manadhoo.

Olivia Richli, General Manager of Soneva Jani, with the Manadhoo Women's Collective.

Host Stories



Abdulla Ibrahim
Maintenance Manager, Soneva

Abdulla is Soneva Fushi's longest serving host. He is currently supporting the opening of Soneva Jani.

I think I must qualify as longest-serving host at Soneva Fushi as I was here even before it opened! My time at Kunfunadhoo, the island Soneva Fushi occupies, started when I was appointed Island Chief in 1988 when it was run by a company called Treasure Island. I stayed when Soneva bought the island and I am now Maintenance Manager.

I have a great love for this island and a love for the company, especially the owners. They have looked after me very well. I have had many opportunities to work elsewhere but I have turned them all down.

I think many people don't know how much Soneva has changed tourism in the Maldives for the better. Soneva was the first resort outside the Malé Atoll which people said would be impossible, but Soneva even started a helicopter company, Hummingbird, to make it work. Soneva was also the first luxury resort at a time when other resorts were targeting more budget travellers. And Soneva built the first resort with environmental responsibility at its core.

There are always more improvements to be made. There are so many eco innovations, but we have to learn and adapt according to what works. For example, in the construction of Soneva Jani, we have moved away from coconut thatching for villa roofs which have a lifespan of 2-3 years, to hardwood shingles which have a lifespan of 7-8 years.

Whatever happens over the next 20 years, I know that Soneva will continue to grow, hopefully not too fast and not too slow. As for me, I am 58 years old and my youngest son has four more years before he graduates, so I expect to be working for a few more years to come!

Ibrahim Saeed
Area Manager for Private Residences, Maldives

Ibrahim Saeed is one of the longest serving hosts at Soneva Fushi.

I have been at Soneva for 19 years and six months. It was never my intention to be here so long! There simply aren't any other resorts that take such good care of both their guests and their hosts' well-being.

My son developed hydrocephalus when he was 12, a very dangerous condition of an accumulation of cerebrospinal fluid in the brain. It was an emergency situation and he needed to be airlifted to a hospital in Singapore. My medical insurance would not cover this, so Sonu and Eva stepped in. They chartered an aircraft to arrive from Singapore with a full medical team to take my son to the hospital for the surgery. Who else would do that? My son survived and he is now a healthy adult.

Soneva has always had a unique vision. Right from the beginning, Sonu and Eva were pioneers. Back in the 1990s, people were selling souvenirs made from turtle shells. Soneva funded Eco Care Maldives, who distributed leaflets to tourists on arrival at the airport, discouraging them from buying turtle souvenirs. This contributed to a change in the law that banned the sale of turtle shells.

Resorts usually clear whole areas of land for construction. Soneva has never done this. Villas have always been built around the trees or trees have been incorporated into the villa design. We were the first resort to create our own charcoal, our own vegetable gardens and our own waste management facility. People have learnt a lot from us.

Over 20 years, the villas have got bigger but the concept remains the same. It's exciting to see the lessons learnt over 20 years being applied to Soneva Jani. It's like a family expecting a new child.

Azka Ramiz
Junior Host, Soneva Junior Host Programme

Azka Ramiz is in the first intake for the Soneva Fushi Junior Host Programme.

I wasn't considering a career with Soneva as I am from Addu in the southernmost atoll of the Maldives, and it is very far away. However, I knew I wanted to be a pastry chef and this training programme was just too good an opportunity to miss.

This is the first time the programme has run so we are all learning together. But overall, it's brilliant. For three months we get to experience all the different departments before selecting a specialism for the remaining nine months of the programme.

In the rest of the world, working in the kitchen is quite a luxury and as a chef, you get a lot of respect. In the Maldives, that hasn't historically been the case, particularly not for women. Even now, I am the only female in the kitchen and working in hospitality is not seen as a suitable career for women. Soneva is helping challenge these perceptions with the Women in Soneva recruitment drive. We need to show the older generation that hospitality is a good option for their daughters' future.

Slowly, people are starting to realise it's a critical job, a really important job. People haven't understood the craft element of this industry. But they are starting to get the wow factor. The feeling is wonderful when someone says something you have made is delicious.

As a pastry chef you don't just create food, you create something really beautiful. There are no limits to how creative you can be. You can create beautiful sculptures and art. Working here is like a combination of everything I want to do. I can create beautiful things and the work is peaceful.

SOCIAL CAPITAL

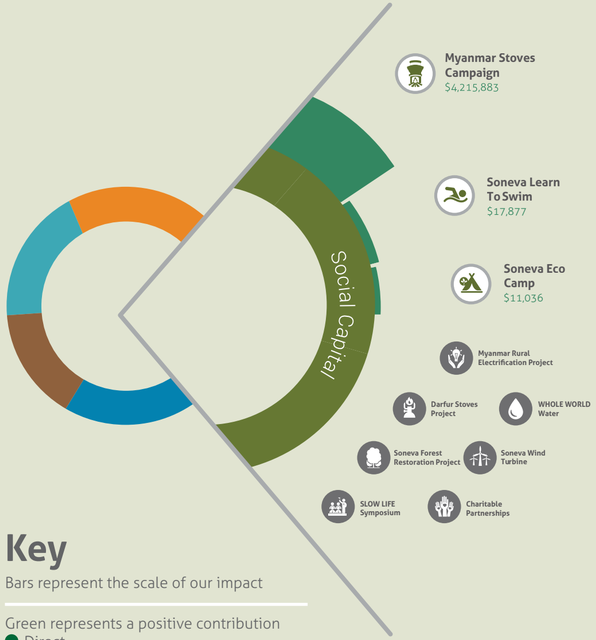
Social capital calculates the value of the wellbeing generated by our outreach and philanthropic activities.

Social capital is hard to assess in purely financial terms, as by its very nature the benefits to individuals are often qualitative rather than quantitative. Not all social and environmental projects will deliver a dollar value, though they may nevertheless have an important social and environmental value. Hence, within this section, you will find details of initiatives that are core to delivering our impact but are not yet monetised according to our Total Impact Assessment methodology.

Summary

Social Capital: $4,244,795

- **$361,264 was spent in 2015-16 via the Soneva Foundation, returning a social value in excess of $4,244,795.**
- **The Myanmar Stoves Campaign reached 25,208 people and trained 110 cook stove vendors in 2015-16.**
- **Since inception, the Myanmar Stoves Campaign has distributed 12,178 stoves and reached 56,018 people in 406 villages and trained 316 vendors.**
- **The fuel-efficient stove supplied by Envirofit reduces wood consumption by 50%, air pollution by 80% and CO_2 emissions by 60%.**
- **The Learn To Swim programme taught 63 children and 30 adults to swim, and trained 20 swimming instructors in 2015-16.**
- **The Soneva Eco Camp raised the environmental awareness of 150 school children in Baa Atoll.**
- **WHOLE WORLD Water provided safe water to 88,070 people in 2015-16, bringing the total up to 142,452 people since inception. Combined with Soneva Clean Water Projects, the total number of people given access to safe water is 752,470 since 2008.**



Key

Bars represent the scale of our impact

Green represents a positive contribution
- Direct
- Indirect

Grey icons represent impacts that are not yet monetised

Girl Guides arriving at Soneva Fushi for environment and conservation training.

Working with our Communities

Soneva works closely with local communities on projects spanning environmental protection, waste management, sustainable development and education. Mariyum Naadha is Community Engagement Manager at Soneva Fushi and Soneva Jani. She details some of the Soneva community partnerships.

The Learn To Swim programme is now in its third year. How has it developed?
In 2016, we saw two mothers from Eydhafushi, our local island, certified as swimming instructors. It is immensely satisfying to see mothers progress from participating in a swimming class to becoming certified as instructors.
Since our first programme in 2014, we have strengthened the community adoption of swimming by partnering with the Maldives Lifeguards Association to train teachers, police officers and parents as swimming instructors. There is a real sense of ownership of the programme in the local community, which is vital to its continued success.

How do you keep the children engaged once they have completed the swimming?
We believe swimming competitions can really help. The Maldives runs swimming competitions nationally but representation from Baa Atoll is low as coaching capacity is strongest around the capital, Malé. We would like to run some fun competitions for those who have completed the Learn To Swim programme and to build local coaching capacity so that teams can go on to participate in national and international competitions.

Soneva has recently contributed to the environment and conservation training for the Baa Atoll Girl Guide camp. Why is that a focus for you?
The camp consisted of 150 girls from across the atoll. It's a fantastic opportunity to empower girls to take a key role in environmental conservation and management. We brought them over to Eco Centro at Soneva Fushi to learn about waste management and composting.

We are considering what we can do to enhance girls' confidence in getting involved with environmental issues. We can provide technical input that allows them to play more of a role. Next year we would like to bring in a marine conservation component.

Gender parity is clearly a priority for Soneva. It seems you are focusing as much of your attention on girls as you are on women.
We have good gender parity in education in the Maldives. There are more and more girls with bachelor's and master's degrees. But women are under-represented in decision-making roles and in hospitality specifically. We would like girls to grow up considering working in resorts as viable employment. We would like to see girls involved in community decisions so they grow up confident that their opinions count as much as anyone else's.

We don't want to lose the potential of this other 50%. There is such a bonus for us when we engage with women as they take what they learn straight back to their communities and influence the next generation.

"We would like to see girls involved in community decisions so they grow up confident that their opinions count as much as anyone else's."

Soneva Learn To Swim Programme

Despite living in an island nation, many children in the Maldives grow up without learning to swim. A multitude of factors influence the children's relationship with the sea: in a nation with few municipal waste facilities, beaches are often litter strewn; the shoreline is used for moorings; and on islands that have reclaimed land, a seawall surrounds the island, limiting access to the sea.

Soneva works in partnership with local communities to deliver the Learn To Swim programme to Grade 3 schoolchildren. The intensive swimming programme runs over two weeks. Soneva works with the Maldives Lifeguard Association to train swimming instructors from within the local community.

233
children taught to swim

28
swimming instructors trained

Case Study: Learn To Swim

Aishath Hussain is a mother of three from Eydhafushi. She recently completed her swimming instructor training and is now supporting the Learn To Swim programme.

I completed my swimming instructor training with Soneva Fushi and the Maldivian Lifeguard Association at the end of 2015. It was physically very tough and the time commitment is hard as the theory classes take a long time as well as the time spent in the water. Balancing that with three children is a challenge!

I enjoy swimming a lot and I often take my five-year-old swimming. He really enjoys it. Last year my eldest son completed the Learn To Swim course and my brother also passed his swimming instructor certificate so we really are a swimming family.

Since the Learn To Swim programme started, there are many more people swimming on Eydhafushi of all ages. We meet in groups to swim safely and since the programme started, there are now four instructors on the island.

We have had help from Soneva Fushi to set up classes for all Grade 3 children and now we are equipped to continue on our own. The school is very engaged and the whole community is supporting the programme. Also the parents of smaller children are asking for a swimming programme. They see me taking my three-year-old daughter swimming and they want to join in.

Before I did the instructor course, I had never used goggles. Now I know the beauty of what is underwater. The ocean is so beautiful and I want everyone to be able to experience it.

Children's Cooking Competition

Each year, Soneva Fushi's Chef Sobah organises a cooking competition for 100 children from local islands, aged 11-12, in partnership with Baa Atoll Education Centre on Eydhafushi.

The aim is to teach children what the industry is about and what is possible for them if they choose this profession as a career. Chef Sobah trains the children for three months prior to the actual competition and during that time they learn everything about working in a professional kitchen and how a restaurant works.

The winning group are invited to Soneva Fushi where they see the chefs in action and learn about a professional kitchen. Next year the competition will be expanded to other islands with the aim of creating a national competition.

Winners receive bronze, silver and gold medals and a cash prize.

Mobile Dog Clinic

The dog population on Koh Kood is increasing rapidly as many dogs roam free and are rarely neutered.

The mobile dog clinic provides an island-wide sterilisation programme and is a partnership between Soi Dog Foundation, Soneva Kiri, the Department of Livestock Development (central government), Orbator (local government), the military and a number of local business owners.

Soneva Kiri provides logistical and financial support, food and volunteers.

In total, 593 dogs and 184 cats were sterilised in the 2016 programme. The Department of Livestock Development considers it a model project for the strength of the partnerships and co-operation and aims to replicate this model around Thailand.

www.soidog.org

Soneva Foundation

We are committed to reducing our environmental footprint by embracing responsible business practices and accounting for and managing our environmental liabilities through our Total Impact Assessment. While we go to great lengths to improve our own performance, we recognise that the environmental impacts of our resorts also include indirect emissions such as guest air travel.

To address these emissions we have introduced an environmental levy of 2% of room revenue to each guest's stay, which has raised $6.2 million to date. The Soneva Foundation invests these funds in projects that have a positive environmental, social and economic impact, and importantly, offset carbon emissions from resort activities and guest flights. The Foundation uses impact-investing principles, seeking to recover outlays through carbon finance, which in turn will be fed back into projects to help extend the reach and benefits to more families.

Flagship projects of the Soneva Foundation include solar energy provision and clean cook stoves in rural Myanmar. Human development and energy use are intrinsically linked. Simply being able to turn on a light can extend the working day and allow for much-needed extra income or allow a child to study after dark. Indoor cooking on open fires is devastating for human health and a huge contributor to deforestation worldwide. Targeted interventions can make a big difference to individual lives and to environmental impact on a local and global scale.

$9.4 million

in social value

186,018

people benefitted from fuel-efficient stoves

388,599

tonnes of CO_2 mitigated

511,920

trees planted in Thailand

$6.2 million

raised for the Soneva Foundation

Soneva Foundation Projects

Myanmar Stoves Campaign
The Soneva Foundation is delivering the first Gold Standard Foundation certified carbon project in Myanmar which will see the distribution of fuel-efficient cook stoves to 84,000 families. We are working with Orbis Development Partners as our project developer and Mercy Corps as our implementation partner. In 2015 this project was extended to include institutional cook stoves, large stoves used in schools, monasteries and market places.

Myanmar has one of the fastest rates of deforestation in the world. As the forests disappear, the price of wood gets higher, driving more and more families into energy poverty. Cutting expenditure on wood makes a huge difference to families already living in poverty, and reducing time spent foraging for wood means more time to spend on smallholdings and securing a good harvest.

In 2015-16 we distributed 5,480 stoves, reaching 25,208 people. In total, 12,178 stoves have been distributed reaching 56,018 in 406 villages. The fuel-efficient stove supplied by Envirofit reduces wood consumption by 50%, air pollution by 80% and CO_2 emissions by 60%.

Myanmar Rural Electrification Project
The Soneva Foundation is funding Orbis Development Partners to install solar micro-grids in two villages in rural Myanmar as part of a pilot project for the Myanmar Rural Electrification Project. The project supplies clean, affordable and reliable lighting to 23 households in Yone Kone village and 45 households in Kyat Tel village in Myanmar.

In a country where darkness typically falls at 6pm, the extra hours of light allow villagers to extend their working day to include work that can be done from the home. Some villagers report increasing their monthly income by up to 35%. Solar-powered lighting also offers a safe alternative to candles and oil lamps which pose a serious fire hazard.

Darfur Stoves Project
The Soneva Foundation has provided funding to distribute 26,295 fuel-efficient cook stoves in war-torn Darfur. Women are particularly vulnerable to violent attacks while foraging for wood, so reducing the quantity of fuel needed for cooking is vitally important. Deforestation is also averted and carbon emissions from cooking – a major contributor to global carbon emissions – are reduced. The project has created a local industry around the assembly of cook stoves, bringing much-needed employment to an area where jobs are scarce. As a result, 242,000 tonnes CO_2 will be mitigated.

Soneva Forest Restoration Project
The Soneva Foundation partnered with the PATT Foundation to plant 511,920 trees covering 300 acres in the Chiang Mai region of Northern Thailand. We used a Framework Species Methodology, with guidance from the Forest Restoration Research Unit of Chiang Mai University, with 90 species of trees planted. Over a period of 7-8 years, seed-disbursing birds will increase the number of species further, creating a rich biodiverse forest. The project will mitigate an estimated 255,000 tonnes of CO_2.

Soneva Wind Turbine
The Soneva Wind Turbine is a 1.5 Mega Watt (MW) Suzlon wind turbine built to provide clean energy in Tamil Nadu, India. This will mitigate 70,000 tonnes of CO_2 over a 20-year period through the production of 80,000 MWh of clean electricity.

www.sonevafoundation.org

Ma Cho and her mother-in-law Than Than Win cook with the Envirofit fuel-efficient cook stove in Myanmar's central Dry Zone.

SLOW LIFE Symposium

We founded the SLOW LIFE Symposium to have influence beyond our own networks and beyond our own industry. The Symposium is organised by the Soneva Foundation and hosted by Soneva, providing a perfect opportunity to align the values of the Foundation with the business ethic of Soneva.

Each year we gather the best scientists, philanthropists, business leaders and policy makers for three days of problem-solving around the most pressing sustainability challenges and opportunities facing humanity. We use the planetary boundaries framework developed by the Stockholm Resilience Centre to benchmark and communicate how we are doing against interrelated environmental and social boundaries.

www.slowlifesymposium.com

Jonathon Porritt
Chair, SLOW LIFE Symposium
Founder Director, Forum for the Future

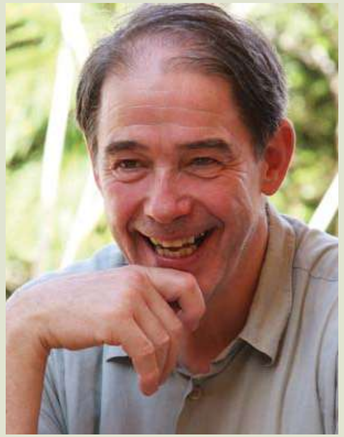
Ours is now such a troubled world that it's sometimes hard to know best how to make a difference. Where should our limited energies be directed? That's something we're very focussed on with this year's SLOW LIFE Symposium.

We are hoping to carve through all the sound and fury of today's 'concatenating crises' to celebrate the all-too-easily forgotten breakthroughs of 2015 – in the form of the Sustainable Development Goals and the hugely encouraging Paris Agreement. We'll seek to develop smart, collaborative ways of building on those crucial foundations.

Right from the start, that's what the SLOW LIFE Symposium has been about: bringing together an influential and committed group of people, in an utterly inspiring place; fashioning an agenda that makes the most of people's diverse experiences and skills; insisting on there being hard-edged, innovative outcomes by way of new collaborations or initiatives; and letting it all rip!

That was the mix that gave birth both to WHOLE WORLD Water, an inspirational not-for-profit supporting clean water projects across the world by persuading hotels and restaurants to do away with their one-trip plastic bottles, and the Soneva Fisheries Dialogue, bringing together the CEOs of the world's largest fisheries companies to explore new benchmarks for industry leadership and collaboration.

None of that, on its own, makes our world any less troubled than it is today. The challenges we face are pervasive and run deep in all societies. But the Symposium reaffirms the power of positive solutions, and provides a platform for the Soneva Foundation to demonstrate what's possible by working collaboratively in this way.



SLOW LIFE Symposium Initiatives

Soneva Dialogue
A project team from previous Symposiums is organising a high-level gathering of the leaders of the world's largest seafood industries together with leading ocean, fisheries and sustainability scientists. We will be exploring routes towards enduring business strategies and actions that benefit the industry, humanity and the planet.

The background for this meeting is a rapidly-emerging understanding of rising environmental risks that threaten fisheries and indeed world development. There is ample scientific evidence of the risk of collapsing systems under business-as-usual pathways, from climate change to forests to marine systems, and that no industry will be able to isolate itself on a globally connected planet.

The world's food system faces fundamental challenges - as the largest single sector contributing to climate change and resource degradation; and massive opportunities - as holders of planetary and humanity-scale solutions. There is, as never before, a grand need for sustainable innovation to meet increasing global demand for healthy protein.

The Soneva Dialogue will occur one year after the adoption of the UN Sustainable Development Goals (SDGs).

Soneva Learn To Swim Programme
Despite living in an island nation, many Maldivians grow up without learning to swim. While this poses a clear risk to life, it also means that children grow up with little environmental awareness of the ocean and the coral reefs that surround them. If children learn to swim, they can lose their fear of the ocean and learn to love it.

At the 2013 SLOW LIFE Symposium, Jon Bowermaster, filmmaker and six-time National Geographic awardee, along with Soneva Fushi pledged to run an intensive swimming programme for Maldivian children and to capture their story in a documentary film.

Jon Bowermaster's film, *Sink or Swim*, was a finalist in the 2015 Blue Ocean Film Festival.

WHOLE WORLD Water
WHOLE WORLD Water (WWW) was founded with a very simple premise: if the hospitality industry unites to provide clean and safe drinking water globally, together we could raise the millions of dollars necessary to achieve this goal.

The idea for WWW was born out of the 2011 SLOW LIFE Symposium, with Symposium participant and WWW co-founder Karena Albers taking inspiration from the Soneva concept of filtering and bottling water on-site and donating a percentage of revenues to clean drinking water projects. Soneva has been doing this since 2008 and has averted the production of 1.2 million plastic bottles and provided clean water and sanitation to over 610,000 people whilst simultaneously reducing operating overheads. WWW projects have to date provided 142,000 people with safe water globally.

WWW members are hotels, resorts and restaurants that adopt a similar operating and financial model, installing on-site filtering and bottling and generating revenues from sales of their own water. Members can increase their water sales revenue by 28% compared to buying branded bottled water. 10% of sales revenue is donated to the WHOLE WORLD Water Fund which is then distributed to carefully selected partners to deliver local water and sanitation services.

WHOLE WORLD Water works with industry partners to provide access to clean and safe drinking water worldwide. Photo credit: One Drop. Bihar, India.

Partnerships

Whether working with our local communities or working with global institutions, we know that influencing change is more effective in partnership than individually. We work with carefully selected partners to deliver our social and environmental mission.

The Long Run
Established by entrepreneur and former CEO of Puma Jochen Zeitz, the purpose of The Long Run is to provide a gold standard for the management of pristine destinations. To qualify as a member, destinations need to own or have influence over significant areas of landscape or seascape and adhere to rigorous standards of the 4Cs: Commerce, Culture, Conservation and Community. Soneva Kiri is a Long Run Alliance Member and Soneva Fushi became an accredited Global Ecosphere Retreat in 2016, considered the highest standard for sustainability within the hospitality industry.
www.thelongrun.com

International Tourism Partnership
The International Tourism Partnership (ITP) provides a non-competitive platform for hotel industry leaders to share ideas, build relationships and work collaboratively to make this one of the world's most responsible industries. ITP provides a network for leaders within the hotel industry to collaborate with businesses, industry associations, non-profit organisations, campaigners, suppliers and academics – all with the common goal of improved sustainability standards. The focus this year has been the development of the Hotel Water Measurement Initiative in which Soneva participates.
www.tourismpartnership.org

FINished with Fins
Soneva Fushi has long been an active campaigner against shark fishing in the Maldives. In 2010, the Maldives became only the second country in the world to implement an outright ban on shark fishing. In 2014, Soneva Fushi was named SharkSavers' 'I'm FINished with Fins' regional campaign headquarters, and Sonu and Eva Shivdasani were named as ambassadors.
www.sharksavers.org

The Dai Rees Foundation
The Dai Rees Foundation was founded by paramedics to provide high-level pre-hospital emergency life-support training and medical equipment donations to populations that lack extensive medical provision or are located in remote areas. Soneva provides logistical and financial support to extend first aid training in the Maldives.
www.daireesfoundation.org

Organisations We Support

Soneva Foundation	www.slowlifefoundation.org
WHOLE WORLD Water	www.wholeworldwater.co
Orbis Development Partners	www.orbisdp.com
Mercy Corps	www.mercycorps.org/myanmar
Gold Standard Foundation	www.goldstandard.org
Water Charity	www.watercharity.org
Thirst Aid	www.thirst-aid.org
Action Against Hunger	www.actionagainsthunger.org
Care for Children	www.careforchildren.com
PATT Foundation	www.pattfoundation.org
The Converging World	www.theconvergingworld.org
Shark Savers	www.sharksavers.org
One Ocean Media Foundation	www.jonbowermaster.com
Diversity in Aquatics	www.diversityinaquatics.com
Baa Atoll Resorts United (BAARU)	
Baa Atoll UNESCO Biosphere Reserve Office	www.broffice.gov.mv/en/
The Dai Rees Foundation	www.daireesfoundation.org
Soi Dog Foundation	www.soidog.org
The Long Run	www.thelongrun.com
International Tourism Partnership	www.tourismpartnership.org
World Travel & Tourism Council	www.wttc.org

Case Study: Dai Rees Foundation

The Dai Rees Foundation was founded by paramedics with the purpose of providing people with the basic education they need to save a life. We teach first aid skills and help instil confidence, alongside donations of equipment that can be used in the community. We essentially provide the bare bones of a paramedic service.

Islands in the Maldives have great communications and technology but often lack basic health provision. The islands are so remote and the populations are often so small that it is hard to be systematic in healthcare provision. Often hospitals are located on islands with no airport, which further compounds the need for people in the community to be equipped to deliver emergency treatment until the patient reaches definitive care.

We have gone from a single project in Baa Atoll to working with the Indira Gandhi Memorial Hospital in Malé to advise on paramedic care.

We couldn't be nearly as ambitious without our partnership with Soneva. They provide us with logistical support such as boats out to the islands; local information such as island demographics, including the age of the local population and the number of males and females on the island; and financial support, funding our flights and accommodation.

In September we will do our first project with Soneva Jani. We want to work as closely with the local communities as possible and we know that the Soneva Jani team share the same ethos. We aim to deliver water rescue training, accredited lifeguard training and internationally-accredited first aid training to Soneva staff and local island communities. The added benefit of training resort staff is that they take this knowledge back to their local communities.

There is so much respect and support from the Soneva Jani team for the local communities. It's a great partnership.

Adam Khan
Co-Founder, Dai Rees Foundation
www.daireesfoundation.org

The Dai Rees Foundation provides internationally-accredited first aid training to Soneva hosts and local island communities.

Awards

Soneva is committed to excellence in everything we do. We are proud of the following awards which demonstrate that a commitment to our values ultimately enhances our guests' experience.

General Awards	
2015 - 2016	
BRIDES MAGAZINE HONEYMOON AWARDS 2016	Winner, Best Honeymoon Hotel in Asia and India – Soneva Kiri, Thailand
ZANADU TRAVEL AWARDS 2016	Winner, Best for Family Holidays - Soneva Kiri, Thailand
ZANADU TRAVEL AWARDS 2016	Winner, Most Innovative Marketing Campaign - Soneva
FAMILY TRAVEL AWARDS 2015	Winner, Best Long-Haul Accommodation for Families – Soneva Fushi, Maldives
MATATO MALDIVES TRAVEL AWARDS 2015	Leading Luxury Resort – Soneva Fushi, Maldives
CONDÉ NAST TRAVEL CHINA 2015	Reader's Choice Award, Best Resorts in the Maldives – Soneva Fushi, Maldives
CONDÉ NAST TRAVEL CHINA 2015	Gold List, Best Resorts in Thailand – Soneva Kiri, Thailand
CONDÉ NAST JOHANSENS AWARDS FOR EXCELLENCE 2015	Finalist, Best Dining Experience - Soneva Fushi, Maldives

Sustainability Awards	
2015 - 2016	
GLOBAL TRAVEL EXPERIENCE AWARD 2016	Finalist Best Eco-Conscious Hotels/Resort - Soneva Fushi, Maldives
VIP INTERNATIONAL TRAVELLER READER'S TRAVEL AWARD 2016	1st place Sustainable Luxury Tourism - Soneva Fushi, Maldives
VIP INTERNATIONAL TRAVELLER READER'S TRAVEL AWARD 2016	2nd place Sustainable Luxury Tourism – Soneva Kiri, Thailand
RESPONSIBLE TOURISM AWARDS 2015	Winner, Best Beach for Tourism – Soneva Fushi, Maldives
TOURISM BRANCH AWARD 2015	3rd place in Travel One Eco Pioneers – Soneva
SMITH HOTELS AWARD 2015	Runner up The Eco Award – Soneva Fushi, Maldives

Soneva Total Impact Assessment Methodology

The Soneva Total Impact Assessment (TIA) methodology is inspired by the pioneering efforts of companies such as Puma and PwC to measure their Environmental Profit and Loss (EP&L) and Total Impact Measurement and Management (TIMM) respectively. As yet, there is no industry standard for environmental and social reporting so we have developed our methodology internally with the intention to improve on it year-on-year. Our Human Capital and Social Capital sections were developed with assistance from GIST Advisory.

The TIA assesses impacts from sources over which we have direct and indirect control within the following five categories.

1. Natural Capital
a. CO_2 emissions
   CO_2 emissions from energy, air travel, ground travel, food, paper, waste and water from Soneva's direct and indirect operations.
b. Direct water use
c. Environmental Profit and Loss
   Impacts from energy, water, land use and CO_2 emissions via the food and beverage products in our supply chain. Collectively we refer to these supply chain impacts as our EP&L.

2. Human Capital
a. Human Capital Creation
   The value of the jobs created and sustained in our operations by salary, training, working environment and experience.
b. Human Capital Externalities
   The value created in society from hosts' post-Soneva employment.

3. Social Capital
a. Social Capital calculates the value of the relative improvement in well-being of individuals comprising the communities Soneva has been involved in.

4. Economic Capital
a. Payroll
b. Operational Expenditure
c. Investments

5. Tax
a. Property Tax
b. People Tax
c. Production Tax

The total value for each category is combined with the Natural Capital deficit to give the value of the Total Impact Assessment.

Inclusions and Exclusions
Soneva accounts for all of its direct and indirect impacts and no impacts have been intentionally omitted from this report.

Base Year Selection
To measure performance Soneva has set a base year of July 2014 - June 2015 as a reference against which to assess progress on reductions targets in the future years.

Quality Assurance
The data provided by Soneva Fushi and Soneva Kiri presented in this report was obtained under the supervision of Soneva Social & Environmental Conscience and is assumed to be accurate and complete.

Where accurate measures of emissions are not possible, estimates have been made. Soneva strives to improve the accuracy of its measurement and reporting of this voluntary disclosure.

Natural Capital

Natural capital represents the positive and negative impacts that our operations have on the natural environment.

Environmental Profit and Loss
We calculate the true cost of ecosystem services provided for our food and beverage products via our supply chain. There are a number of environmental drivers of which we assess land use, water, energy and CO_2 emissions. Collectively we refer to these impacts as our Environmental Profit and Loss (EP&L). We have placed a monetary value on each of the four environmental drivers based on research from academic papers as shown in Figure 1.

Figure 1: Environmental Drivers

	Environmental Drivers			
	Land use	**Water**	**Energy**	**CO_{2e}**
Pricing methodology	Global farmland index approach	Cost of green, blue and grey water	Oil = energy	Social cost of carbon/effective cost of carbon
Breakdown of usage per kg of top ten products	Feed production, grazing processing, infrastructure, etc.	The green, blue and grey water footprint of farm animals and animal products	Crop and feed production, building and construction, up/downstream processes, etc.	Feed production, on-farm energy usage, transportation, commodity delivery, water supply, etc.
Derived costs	USD 5,861/ha	USD 1.98/m^3	USD 108/barrel of oil	USD 35/tonnes of CO_{2e}

Analysis
We have completed detailed studies of 44 of our top products, accounting for 75% of our total food purchase dollar value. For the remaining products we have used averages in categories such as meat, seafood, fruit and vegetables, groceries, dairy, alcoholic beverages and non-alcoholic beverages using the following methodology:
1. A universally acceptable model of Life Cycle Assessment.
2. Conversion of the environmental impact in monetary terms – refer to Figure 1.
3. Land use, water, energy and carbon emissions breakdown – refer to example in Figure 2.

CO_2 Emissions
Our CO_2 emissions (for methodology see page 102) and our EP&L constitute the Natural Capital component of our TIA. We have converted our CO_2 emissions to a dollar value using a conversion factor of $35 per tonne of CO_2. For water consumption we use a conversion factor of $1.98 per m^3 as shown in Figure 1.

Figure 2: Life Cycle Assessment: case study of beef

Land use		Unit	Amount	Notes: Land use
For a billion kgs		Ha	6,106,000	***1. Effects of improved productivity upon population size and reduced time to slaughter, in combination with increased cropping yields has reduced the land use per kg of beef.***
For 1 kg		Ha/kg	0.006	
Total land used per kg of beef		Ha/kg	0.006	
Water usage				**Notes: Water**
In feed				***1. Feed depends on method of farming - grazing, mixed or industrial. Figures taken from The Green, Blue and Grey Water Footprint of Farm Animals and Animal Products.***
Grazing	Green	L/kg	21,121	***2. World average of water footprint has been used for the "Green, Blue & Grey Water" inputs.***
	Blue	L/kg	465	***3. Increased crop yields have per hectare resulted in a reduction of water use per kg of feed of 19% for corn silage, 65% for grain, 89% for soybeans, 14% for pasture.***
	Grey	L/kg	243	
Mixed	Green	L/kg	14,803	
	Blue	L/kg	508	
	Grey	L/kg	401	
Industrial	Green	L/kg	8,849	
	Blue	L/kg	683	
	Grey	L/kg	712	
Total water in 1 kg of beef		L/kg		
	Green	L/kg	14,924	
	Blue	L/kg	552	
	Grey	L/kg	452	
Summary: Water use				
Feed		L/kg	15,928	
Miscellaneous (maintenance, drinking)		L/kg	-	
Total water in 1 kg of beef		L/Kg	15,928	
Energy	**%**	**Unit**	**Amount**	**Notes: Energy**
Processing plant	75%	Mj/kg	12	***1. Timeframe consideration: 485 days birth - slaughter.***
On-site processes	14%	Mj/kg	2	***2. Carbon is the fundamental unit of energy within animal systems; thus differences in total maintenance energy can be considered to be a proxy for both resource use and CO_2 emissions.***
Upstream processes	7%	Mj/kg	1	
Transport	4%	Mj/kg	1	
Fossil fuel energy		Mj/kg	-	
Total energy	100%		16	

CO_{2e}	%	Unit	Amount	Notes: Carbon emissions
Enteric processes	30 %	Kg CO_2/kg	4.71	***1. Crop production in Australia is usually dry (no irrigation) but chemically intensive. Crop storage also adds significant weight to energy costs.***
Feed production	40 %	Kg CO_2/kg	6.27	***2. Total CO_2 emissions per kg of beef is averaged from three different case studies (Victoria, NSW and USA).***
On-farm energy consumptions	20 %	Kg CO_2/kg	3.14	***3. Manure management is considered 0% because it is fed back into the system.***
Manure management	0 %	Kg CO_2/kg	-	***4. Studies evaluating CO_2 footprint of beef production show ranges per kg from 8.4-25.5 CO_2/kg.***
Transportation	4 %	Kg CO_2/kg	0.63	
Commodity delivery	2 %	Kg CO_2/kg	0.31	
Water supply	2 %	Kg CO_2/kg	0.31	
Administration	2 %	Kg CO_2/kg	0.31	
Total CO_{2e}/kg of beef	100%	Kg CO_2/kg	15.7	

Human Capital

Human capital calculates the value of the jobs created and sustained in our operations by salary, training, working environment and experience, namely Human Capital Creation. It also calculates Human Capital Externalities, which is the value created in society by hosts post-Soneva employment.

The key drivers of Human Capital are:
- Skills generated by company training.
- Value of association with company brand.
- Individual capacity to absorb and apply training.

Focus groups
The analysis constitutes two separate focus groups:
- Total employees in individual cohorts at Soneva Fushi and Soneva Kiri at the end of each financial year.
- New hires and trainees hired in each individual cohort annually.

Data collection
The following data points for hosts and trainees are used for the analysis. Data is segregated into five individual cohorts based on Soneva's employee structure and obtained from metrics collected on an annual basis by the human resources (HR) team:
- Total Employee Headcount (cohort-wise).
- Average Age of Employees (cohort-wise).
- Average Salary: Average annual compensation at the end of financial year for each cohort.
- Cost of Training: Marginal costs such as fees paid to external trainers, travel costs for training programme, and absorbed or allocable costs.

Quantification and valuation of HCX™
General reporting measures do not reflect the value of human capital impacts beyond a narrow 'incurred-cost' value whilst also ignoring the lifetime returns on the same. The value of the 'asset' created by skills training and other forms of human resource development is neither estimated nor reported. The positive externalities from attrition are usually neither measured nor reported. To address these failings in most reporting systems, the following key valuation parameters are incorporated in assumptions of GIST Advisory's HCX™ model:
- Future annual salary growth rate.
- Future annual attrition rate.
- Future annual increase in compensation attributable to Soneva.
- Per capita Human Capital (HC) distribution across training period.
- Discount rate.
- Long-run inflation rate.

Social Capital

Social capital calculates the value of the well-being generated by our outreach and philanthropic activities. To enable this, it is necessary to estimate quantitative (i.e. monetary) as well as qualitative values of the benefits gained as a result of Soneva CSR activities which are known to lead to improvement in well-being (i.e. social capital) at the individual and community level.

Drivers
Three programmes have been assessed that generate positive benefits for stakeholders across South East Asia. These are:
- Myanmar Stoves Campaign
- Soneva Learn To Swim
- Soneva Eco Camp

The key drivers of social capital externalities for these three material programmes are:
- Income benefits stemming from productivity gains / employment opportunities.
- Indirect savings (i.e. monetary costs avoided) for beneficiaries attributable for Soneva initiatives.

Valuation and data collection
Valuing and measuring social capital both in physical and monetary terms involves developing benchmarks and metrics that identify welfare improvements as a direct result of a specific programme and derived within a specified period of time.

Table 1: Myanmar Stoves Campaign data indicators

Indicator	Unit	2015-16
Target population		
Location	Pyawbwe, Meikhtila and Tharsi, Myanmar	
Total population of region	Number	772,636
Total number of households in region	Number	172,194
Total number of households covered under programme outreach	Number	5,480
Average number of people per household in region	Number	4.6
Percentage of women in total population	%	54%
Percentage of children in total population	%	28%
Primary occupation of households in region	Description	Farmers
Average monthly income per household in region	US$	$71.00

Table 1: Myanmar Stoves Campaign data indicators

Indicator	Unit	2015-16
Cook stove details		
Type of cook stove (primary) used prior to programme intervention	Description	Three stone cook stove
Type of fuel utilised by three stone cook stove (primary)	Description	Fuel wood
Thermal efficiency of three stone cook stove	%	10%
Quantity of fuel wood consumed per household per year (prior to programme intervention)	Kgs/year	3,938
Type of cook stove (secondary) used post programme intervention	Description	Envirofit M5000
Primary fuel used by Envirofit M5000 (secondary)	Description	Fuel wood
Market price of Envirofit M5000 cook stove	US$	$30.00
Thermal efficiency of Envirofit M5000	%	29.7%
Percent improvement in average fuel consumption by switching to Envirofit M5000 versus traditional three stone cook stove	%	50%
Unit cost of fuel wood	US$/Kg	$0.02
Percentage improvement in CO emitted per kg of fuel wood for Envirofit M5000 versus three stone cook stove	%	70.9%
Percentage improvement in Particle Matter (PM) emitted per kg of fuel wood for Envirofit M5000 versus three stone cook stove	%	44.7%
CO_2 emitted per cook stove per year for three stone cook stove	Tonnes CO_2/year	7.8
CO_2 emitted per cook stove per year for Envirofit M5000	Tonnes CO_2/year	3.05
Estimated social cost of carbon (current estimates based on Trucost)	US$/t$CO_2$	$121.00
Vendor training		
Total number of vendors trained	Number	110
Percentage to local vendors employed post-training	%	89%
Average number of cook stoves sold per vendor in financial year	Number	56
Average income per cook stove sold (over period of two years) for vendor	US$/cook stove	$2.00
Average monthly income per vendor post-training in financial year	US$/vendor	$111.84
Cost of the programme		
Total cost of programme design & management in financial year	US$	$65,148
Total cost of programme implementation in financial year	US$	$60,000
Total fixed costs associated with programme in financial year	US$	$125,148
Percentage of total fixed costs borne by Soneva in financial year	%	100%
Total cost of purchasing Envirofit M5000 cook stoves in financial year	US$	$149,367
Total cost of distributing Envirofit M5000 cook stoves in financial year	US$	$6,032
Total variable costs associated with programme in financial year	US$	$155,399
Percentage of total variable costs borne by Soneva in financial year	%	100%

Table 2: Myanmar Stoves Campaign assumptions

Description	Unit	FY
Health expenditure		
Percentage of COPD afflicted population seeking healthcare	%	100%
Vendor training		
Average increase in annual income post-training	%	5%
Discount rate for NPV of future incomes	%	0%
Inflation rate	%	5%
Average quit rate (i.e., rate at which trained vendors quit occupation)		
Years 1-5	%	10%
Years 6-10	%	25%
Years 11+	%	20%

Notes:
- Women are primarily vulnerable to respiratory diseases caused by indoor air pollution.
- The most harmful constituents of indoor air pollution are particle matter (PM) and carbon monoxide (CO). The average reduction of both these pollutants (CO & PM) has been used as a proxy for reduction in the health cost of target population.

Table 3: Soneva Learn To Swim data indicators

Indicator	Unit	2015-16
Target population		
Location	Baa Atoll, Maldives	
Target population	Children	
Total population of the region	Number	13,856
Swimming lessons		
Total number of children covered under programme	Number	63
Total number of adults covered under programme	Number	30
Annual frequency of conducting programme	Number	1
Average number of classes conducted under single programme schedule	Number	3
Average cost per beneficiary for participating in alternative programme providing same benefits (i.e. fees paid for similar swimming lessons to private instructors)	US$	$40

Table 3: Soneva Learn To Swim data indicators

Indicator	Unit	2015-16
Employment		
Total number of adults trained under programme	Number	20
Total number of adults employed as swimming instructors post-training	Number	0
Skill development-employment ratio	%	0%
Average annual income of women employed as swimming instructors in financial year	US$	$7,000
Costs of the programme		
Total number of personnel employed under programme in financial year	Number	4
Total work hours per programme for employed personnel in financial year	Number	21.25
Average CTC per personnel in financial year	US$ / personnel	$698
Total average CTC of personnel for programme in financial year	US$	$2,794
Percentage of total fixed costs borne by Soneva in financial year	%	100%
Total fixed costs borne by Soneva in financial year	US$	$2,794
Total cost of travel incurred by programme in financial year	US$	$144
Other variable costs (material, literature, etc.)	US$	$0
Other personnel costs (hosts apart from trainers) in financial year	US$	$5,141
Total variable costs associated with programme in financial year	US$	$5,285
Percentage of total variable costs borne by Soneva in financial year	%	100%
Opportunity costs associated with the programme		
Total number of volunteers associated with the programme	Number	14
Average hourly wage rate in region in financial year	US$	$5.73
Total number of hours under programme in financial year	Hours	85
Average opportunity cost of volunteering (based on forgone Incomes) per volunteer for programme in financial year	US$/person	$487.05
Total opportunity cost of volunteering (based on forgone incomes) for programme in financial year	US$	$6,818.70

Table 4: Soneva Learn To Swim assumptions

Description	Unit	FY
Swimming Classes		
Opportunity costs (estimated hourly wages) per volunteer	US$	$5.73
Swim Instructors		
Average quit rate (i.e. rate at which swimming instructors quit occupation)		
Years 1-2	%	0%
Years 3-4	%	0%
Years 5+	%	0%
Estimated lifespan for income generation	Years	10
Average increase in annual income post-training	%	8%
Discount rate for NPV of future incomes	%	4%
Inflation rate	%	8%

Table 5: Soneva Eco Camp data indicators

Indicator	Unit	2015-16
Target population		
Location	Baa Atoll, Maldives	
Target population type	Children	
Total population of region	Number	13,856
Eco Camp programme		
Total number of children covered under programme	Number	150
Total number of schools in the region	Number	12
Number of schools covered under the programme in financial year	Number	2
Number of Soneva Eco Camps conducted annually	Number	3
Average number of students participating in each Eco Camp	Number	50

Table 5: Soneva Eco Camp data indicators

Indicator	Unit	2015-16
Cost of the programme		
Total number of personnel employed under programme in financial year	Number	7
Total work hours per programme for employed personnel in financial year	Number	126
Total CTC per personnel in financial year	US$	$1,314
Total fixed costs borne by Soneva in financial year	US$	$1,314
Total cost of programme design and management in financial year	US$	$0
Total cost of travel incurred by programme in financial year	US$	$548
Other variable costs (material, literature, etc.)	US$	$0
Total variable costs associated with programme in financial year	US$	$548
Opportunity costs associated with the programme		
Total number of volunteers associated with the programme	Number	40
Average hourly wage rate in region in financial year	US$	$5.73
Total number of hours under programme in financial year	Hours	32
Average opportunity cost of volunteering (based on forgone incomes) per volunteer for programme in financial year	US$/person	$183.36
Total opportunity cost of volunteering (based on forgone incomes) for programme in financial year	US$	$7,334.40

Economic Capital

Economic Capital uses the financial figures from Soneva's fiscal year and summarises three categories:

- Payroll
- Operational Expenditure
- Investments

Tax

Tax impact uses the financial figures from Soneva's fiscal year and summarises three categories:

- Property Tax
- People Tax
- Production Tax

Carbon Footprint Methodology

Carbon Survey

The management of our carbon footprint is a key component of our commitment. To identify where to invest in carbon reduction, Soneva conducts an annual *Carbon Survey.*

Each of our resorts has a designated sustainability officer who collects and reports performance data on all resort activities and equipment that emit greenhouse gases. In addition to monitoring our own emissions, we also collect data on emissions from activities that occur outside the resort property but which can be directly attributed to the activities of the resort – this includes emissions from the freight transport of goods and the air travel of our hosts and guests.

Scope

For our annual carbon survey we collect and report emissions data on activities in eight categories that collectively capture all the CO_2 emissions associated with Soneva resorts. These categories are: energy, air travel, ground travel, freight, food, paper, waste and water.

In order to meet international conventions on emissions reporting we further group these emissions into three baskets or 'scopes'. Each scope reflects how the emissions relate to the activities of the resort. Figure 1 provides a key for identifying how each category of emissions is grouped by scope.

Throughout this document we report emissions by both scope and the activity category responsible for the emissions.

Figure 1: The scope of our carbon footprint analysis

Scope 1 emissions encompass all of the greenhouse gas emissions that arise from sources that are owned by our resort and spa properties.

What's included
- On-resort energy production

Scope 2 covers the emissions that result from the production of electricity that is imported into the resort from local electricity suppliers.

What's included
- Imported electricity

Scope 3 covers the emissions that occur as a consequence of the operation of the resort, but that occur from sources not owned or controlled by the resort.

What's included
- Host and guest air travel
- Host and guest ground travel
- Sea, air and road freight
- Food
- Other, including waste, paper and water

Source: Soneva

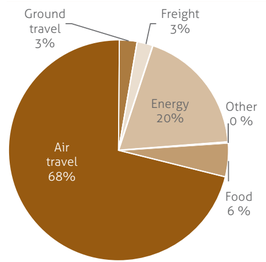
Carbon Footprint

Soneva had a total carbon footprint for 2015-16 of 33,714 tonnes CO_2. This represented a decrease of 19% on the 2008-09 baseline figure of 41,715 tonnes CO_2.

Guest and host air travel emissions represent the vast majority of Soneva emissions with 68% of the total, while energy emissions are the second largest contributor to the overall footprint with 20% of measured emissions. Remaining emissions account for 12% of the total carbon footprint seen in Figure 2.

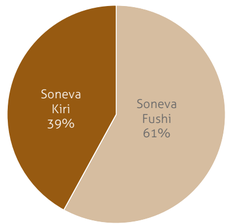
The distribution of the total emissions is 61% for Soneva Fushi and 39% for Soneva Kiri as seen in Figure 3.

Figure 2: Soneva emissions by source



Source: Soneva Carbon Calculator

Figure 3: Soneva emissions by resort



Source: Soneva Carbon Calculator

Table 1: Breakdown of 2015-16 emissions

Tonnes of CO_2 unless otherwise stated	Scope 1	Scope 2	Scope 3							Totals		Per-resident-night		
Resort	Resort direct energy consumpt.	Electricity imports	Air Travel	Ground Travel	Freight	Food	Waste	Paper	Water	Total emissions Scope 1&2	Total emissions Scope 1-3	Per-resident-night Scope 1&2 in kg	Per-resident-night Scope 1-3 in kg	Per-resident-night excl. air travel in kg
Soneva Fushi	3,838	0	13,948	899	710	1,170	-49	12	0	3,838	16,691	20	108	35
Soneva Kiri	3,011	0	9,169	148	193	674	-16	7	0	3,011	10,174	29	127	39
Soneva	**6,849**	**0**	**23,117**	**1,047**	**903**	**1,844**	**-65**	**19**	**0**	**6,849**	**26,865**	**23**	**115**	**36**

Source: Soneva Carbon Calculator

Per-resident-night comparisons

Another useful approach for comparing the carbon footprints of each property is to interpret the emissions through a measure of 'per-unit' emissions such as per-guest-night or per-guest-stay. We use *per-resident-night*. This is defined as:

$$\frac{\text{Total carbon footprint}}{\text{Total guest nights + Total host nights}}$$

The reason for favouring a per-resident-night measure is that it is relatively effective at neutralizing the impact of changing occupancy or host levels on the overall emissions data. A per-resident-night approach also has an advantage over a per-guest-night perspective in that it neutralizes the impact of different resourcing policies and hosts residing on or off resort.

Table 1 provides a breakdown of emissions by source for each of the Soneva resorts. The columns on the right of the table illustrate the emissions per-resident-night for each property.

Soneva had a footprint of 115 kgs CO_2 per-resident-night in 2015-16. Excluding air travel the carbon footprint per-resident-night was 36 kgs CO_2.

Emissions reductions

Soneva reduced its total carbon footprint by 19% against the baseline emissions of 2008-09.

The majority of these emissions increments were through lower air travel emissions, largely reflecting an increase in average length of stay at both properties.

Adjusting for the contribution of air travel emissions, the overall performance of Soneva was up 5%. On a per-resident-night basis (excluding air travel) emissions were down 4% compared to 2008-09, which indicates increased efficiency. Considering only energy, Soneva emissions increased by 8% overall, but were down 1% on a per-resident-night basis. This largely reflects the bigger villas constructed at Soneva Fushi.

Table 2: Change in emissions relative to 2008-09 base-year

% change relative to 2008-09	Scope 1	Scope 2	Scope 3							Totals		Per-resident-night		
Resort	Resort direct energy consumpt.	Electricity imports	Air Travel	Ground Travel	Freight	Food	Waste	Paper	Water	Total emissions Scope 1&2	Total emissions Scope 1-3	Per-resident-night Scope 1&2	Per-resident-night Scope 1-3	Per-resident-night excl. air travel
Soneva Fushi	+13%	0%	-26%	+23%	-1%	+20%	-222%	+6%	±0%	+13%	-17%	+2%	-24%	+2%
Soneva Kiri	+3%	0%	-28%	-53%	+1%	-15%	-870%	+5%	±0%	+3%	-22%	-3%	-27%	-11%
Soneva	**+8%**	**0%**	**-27%**	**±0%**	**±0%**	**+4%**	**-269%**	**+6%**	**±0%**	**+8%**	**-19%**	**-1%**	**-26%**	**-4%**

Source: Soneva Carbon Calculator

Breakdown of 2015-16 emissions

Table 3: Breakdown of 2015-16 emissions

Scope	Source	Quantity	Unit	CO_2 (kg/yr)	Percentage of total resort emissions
Scope 1 (Direct emissions)	**Energy consumption**				
	Charcoal	25,234	kg	58,467	0.17%
	Methanol	6,842	L	8,757	0.03%
	Kerosene	1,410	L	3,567	0.01%
	Diesel for power consumption	2,358,610	L	6,321,075	18.75%
	Liquified petroleum gas	150,919	kg	457,285	1.36%
Scope 2	**Imported electricity from local electricity supplier**	0	kWh	0	0%
Scope 3 (Indirect emissions)	**Air travel**				
	Long Haul International (>5,000km)	87,858,719	km	18,462,631	54.76%
	Medium Haul International (1,000-5,000km)	15,410,792	km	2,878,274	8.54%
	Short Haul International (<1,000km)	394,278	km	131,322	0.39%
	Jet Fuel (Seaplane)	650,040	L	1,644,600	4.88%
	Ground travel				
	Motorcycle/scooter	90,000	km	6,570	0.02%
	Diesel for transport	176,297	L	472,476	1.40%
	Gasoline for transport	245,349	L	567,983	1.68%
	Food				
	Non-vegetarian meals	851,126	Meals	1,489,471	4.42%
	Vegetarian meals	283,709	Meals	354,636	1.05%

Scope	Source	Quantity	Unit	CO_2 (kg/yr)	Percent of total resort emissions
Scope 3 (Indirect emissions)	**Freight**				
	Air – Long Haul (>5,000km)	365,238	Tonnes km	97,243	0.29%
	Air – Medium Haul (1,000-5,000km)	433,111	Tonnes km	571,707	1.70%
	Air – Short Haul (<1,000km)	52,564	Tonnes km	219,143	0.65%
	Road	69,294	Tonnes km	8,523	0.03%
	Ship	497,161	Tonnes km	6,463	0.02%
	Paper				
	Office paper (0% recycled content)	129	kg	368	0.00%
	Office paper (100% recycled content)	6,726	kg	12,040	0.04%
	Toilet paper / tissue paper / serviettes	6,892	kg	6,892	0.02%
	Waste				
	Landfill – mixed solid waste	263,852	kg	31,662	0.09%
	Organics dumped at sea	14,309	kg	859	0.00%
	Biochar produced	18,712	kg	-9,356	-0.03%
	Recycled food scraps (organic)	353,911	kg	-42,469	-0.13%
	Recycled garden waste	307,740	kg	3,077	0.01%
	Recycled glass	13,135	kg	-1,182	0.00%
	Recycled metal	8,762	kg	-12,617	-0.04%
	Recycled plastic	1,791	kg	-752	0.00%
	Recycled paper	32,404	kg	-34,348	-0.10%
	Water				
	Rainwater collected	52,086	m^3	0	0.00 %
	Deep well	42,177	m^3	0	0.00 %
	On-site desalination	112,004	m^3	0	0.00 %
Total emissions for 2015-16			**33,714,366**	**100%**	**100%**

Our methodology

The Soneva Carbon Footprint Report is modelled on the World Resources Institute / World Business Council for Sustainable Development (WRI/WBCSD) *Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition.*

The Soneva Carbon Calculator collects and analyses emissions data from Soneva resort and spa properties and this information is then reported in an annual Carbon Inventory Report for each property.

Our operational boundaries

Soneva's operational inventory follows the 'control' approach and includes carbon emissions from sources over which it has operational control.

The GHG Protocol identifies three Scope categories for common classification and comparison of resort emissions:

- Scope 1: Direct Carbon Emissions from sources that are owned by resort/spa
- Scope 2: Indirect Carbon Emissions from the generation of purchased electricity
- Scope 3: Indirect Carbon Emissions that occur as a consequence of the activities of the resort/spa, but occur from sources not owned or controlled by the resort/spa

According to the Greenhouse Gas Protocol, Scopes 1 and 2 must be included in any carbon footprint assessment. The inclusion of Scope 3 emissions is optional and Soneva has opted to include it in our Carbon Footprint analysis. Carbon dioxide (CO_2) is the primary greenhouse gas that is included in this inventory. Other gases, such as CH_4 and N_2O are more minor contribution sources based on Soneva's activities and are included as part of the CO_2 results.

Inclusions and exclusions

- Emission sources are identified with reference to the methodology described in the GHG Protocol and the ISO 14064-1 (2006) standard.
- Soneva accounts for all of its direct and indirect emissions and no emissions have been intentionally omitted from this report.

Good practice

A number of good practice guidance documents are used in the calculations of the Soneva Carbon Footprint Report. These include:

- Greenhouse Gas Protocol Corporate Standard
- Guidelines to DEFRA's GHG Conversion Factors: Methodology Paper for Transport Emission Factors (2008)
- Environmental Defense Paper Calculator
- US-EPA Solid Waste Management and Greenhouse Gases: A Life-Cycle Assessment of Emissions and Sinks
- US-EPA – Direct Emissions from Mobile Combustion Sources

Note that for ease of general interpretation we have adopted a convention of ignoring the equivalence "e" in our presentation of emissions and merely refer to CO_2 emissions.

Base year selection

In order to set a reduction target and to measure performance against that target, Soneva has set a base year which acts as a reference year against which to assess its progress reductions targets in the future years.

The base year has been established as the period July 2008 – June 2009. This period is in line with Soneva's financial year.

Data collection and quantification methodologies

Emissions factors

Each emissions source has an associated emissions factor which indicates the average emissions from the source relative to the intensity of that activity.

These emissions factors are used to derive estimates of greenhouse gas emissions based on the amount of fuel combusted on industrial production levels, distances travelled or similar activity data.

Emission factors assume a linear relation between the intensity of the activity and the emissions resulting from this activity.

Table 4 on page 109 details the sources of the relevant data and the emissions factors which have been used. The volume of CO_2 emissions has been calculated by multiplying the activity data from the resort by the relevant emissions factor.

Other assumptions

The following assumptions were made in calculating resort emissions:

- Flights: Precise routing is not known and estimated based on guest's country of residence. As a result, those flights are categorised as either short (<1,000 km), medium (1,001-5,000 km), or long (5,000 km+) haul. Distances are then estimated based on Soneva Flight Distance Calculator.
- Seaplane: Average occupancy assumed to be 15 passengers per flight (maximum capacity 16), in calculation of total flights from total passengers flown.
- Soneva Kiri plane: Emissions are calculated based on Jet A fuel consumption.

- Petrol: Assumed to be used exclusively for vehicles and so is classified as ground travel combustion, Scope 3. This includes company owned boats, which could have been put in Scope 1.
- Charcoal: Considered Residential/Commercial Coal with an emissions factor of 2.317 kg CO_2 / kg.
- Canned heat: Considered as methanol with an emissions factor of 1.28 kg CO_2 /L.
- Water desalination and pumping: Energy use is already included in energy figures so desalination and water pumping does not have a specific carbon impact.
- Laundry: All laundry energy and water is already included in energy and water figures.
- Freight: At present freight is measured from source port to resort, but no account has been taken of the transport of the product from its place of origin. Work to improve the measurement and reporting of emissions from freight is ongoing.
- Paper: Recycled paper is considered to be made of 100% recycled content. Non-recycled paper is considered to contain 0% recycled fibres.
- Food: Meals are estimated to be 25% vegetarian and 75% non-vegetarian. Each meal is estimated as an average composite meal with its carbon impact estimated using the low carbon diet calculator (http://www.eatlowcarbon.org/Carbon-Calculator.html).
- The emissions from the properties' Six Senses Spas are included in the Carbon Footprint Inventory.

Quality Assurance

The data provided by Soneva Fushi and Soneva Kiri presented in this report was obtained under the supervision of Soneva Social & Environment Conscience and is assumed to be accurate and complete.

In many instances accurate measures of emissions are not possible, and estimates have had to be made. Soneva continues to strive towards improving the accuracy of its measurement and reporting.

Table 4: Emissions factors used in estimating carbon footprint

Emission Source	Units	Emissions Factor	Factor Source
Energy			
Coal – residential/commercial (charcoal)	kg	2.317	California Climate Action Registry – General Reporting Protocol – v3. 1 Jan 2009
Methanol (canned heat)	L	1.28	EPA – Direct Emissions from Mobile Combustion Sources
Kerosene	L	2.53	EPA – Direct Emissions from Mobile Combustion Sources
Diesel	L	2.68	EPA – Direct Emissions from Mobile Combustion Sources
Liquefied petroleum gas (LPG)	kg	3.03	EPA – Direct Emissions from Mobile Combustion Sources
Air travel			
Long haul (>5,000km)	Tonnes km	0.1106 (0.211 with RFI of 1.9)*	DEFRA 2008. RFI DEFRA 2008
Medium haul (1,000-5,000km)	Tonnes km	0.0983 (0.187 with RFI of 1.9)*	DEFRA 2008. RFI DEFRA 2008
Short haul (<1,000km)	Tonnes km	0.1753 (0.331 with RFI of 1.9)*	DEFRA 2008. RFI DEFRA 2008
Jet fuel (own plane)	L	2.53	EPA – Direct Emissions from Mobile Combustion Sources
Ground Travel			
Motorbike – small (moped/scooter - approx 120 c.c.)	Km	0.073	carboncounted.com values
Diesel for transport	L	2.68	EPA – Direct Emissions from Mobile Combustion Sources
Petrol for transport	L	2.315	EPA – Direct Emissions from Mobile Combustion Sources
Freight			
Air – long haul (>5,000km)	Tonnes km	0.60	carboncounted.com values
Air – medium haul (1,000-5,000km)	Tonnes km	1.32	carboncounted.com values
Air – short haul (<1,000km)	Tonnes km	1.85	carboncounted.com values
Ship	Tonnes km	0.013	carboncounted.com values
Road: truck	Tonnes km	0.123	carboncounted.com values

* The Soneva Carbon Calculator includes a Radiative Forcing Indicator (RFI) to reflect the added global warming effect of greenhouse gases when emitted in the stratosphere.

Table 4: Emissions factors used in estimating carbon footprint

Emission Source	Units	Emissions Factor	Factor Source
Food			
Non-vegetarian meals	each	0.00175	Estimate based on low carbon diet calculator
Vegetarian meals	each	0.00125	Estimate based on low carbon diet calculator
Paper			
Office paper (0 % recycled content)	kg	2.844	Environmental Defence Fund Paper Calculator: papercalculator.org
Office paper (100 % recycled content)	kg	1.79	Environmental Defence Fund Paper Calculator: papercalculator.org
Toilet paper / tissue paper / serviettes	kg	1	Wuppertal Institute's MIPS data tables.
Waste			
Landfill – mixed solid waste	kg	0.12	EPA Solid Waste Management and Greenhouse – Sept 2006, Exhibit 8-6
Organics dumped at sea	kg	0.06	EPA Solid Waste Management and Greenhouse – Sept 2006, Exhibit 8-8
Biochar produced	kg	-0.6**	EPA Solid Waste Management and Greenhouse – Sept 2006, Exhibit 8-8
Recycled food scraps (organic)	kg	-0.12**	EPA Solid Waste Management and Greenhouse – Sept 2006, Exhibit 8-8
Recycled garden waste	kg	0.01	EPA Solid Waste Management and Greenhouse – Sept 2006, Exhibit 8-8
Recycled glass	kg	-0.09**	EPA Solid Waste Management and Greenhouse – Sept 2006, Exhibit 8-8
Recycled metal	kg	-1.44**	EPA Solid Waste Management and Greenhouse – Sept 2006, Exhibit 8-8
Recycled paper	kg	-1.06**	EPA Solid Waste Management and Greenhouse – Sept 2006, Exhibit 8-8
Recycled plastic	kg	-0.42**	EPA Solid Waste Management and Greenhouse – Sept 2006, Exhibit 8-8
Water			
Rainwater collected	m^3	0	carboncounted.com values
Deep well	m^3	0	carboncounted.com values
On-site desalination	m^3	0	carboncounted.com values

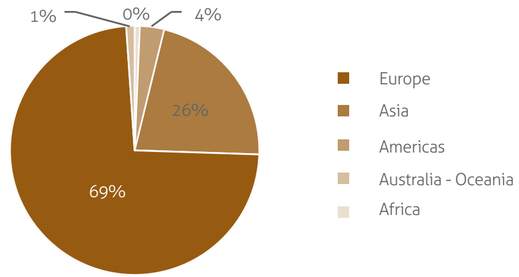
** Under the sign convention used in this report, the negative value indicates that emissions are improved as it represent the incremental change in GHG emissions involved in recycling or composting compared to landfill.

Market

The majority of our guests are from Europe (69%) followed by Asia (26%), Americas (4%), Australia-Oceania (1%) and Africa (0.2%). This makes our resorts long haul destinations for most of these guests and it means that the environmental impact of our resorts begins before our guests arrive on our islands and continues after they leave.

Our resorts had 17,306 room nights from July 2015 – June 2016. We employ 722 hosts. Our total revenue for fiscal year July 2015 – June 2016 was US$ 24.1 million*.

* Revenue refers to Soneva Holdings Pte Limited



This is Soneva's sixth sustainability report. It follows Soneva's fiscal year from July-June.
The currency used in this report is US dollars unless otherwise stated.
This brochure has been printed on 100 % recycled FSC Certified Cocoon Offset paper with vegetable based ink. CO_2 emissions incurred during printing have been offset through the Soneva Foundation. The brochure is also produced for online viewing.
Photographers include: Adam Khan, Adam Oswell, Adrian Alston, Antonina Gern, Arnfinn Oines, Asit Maneesarn, Bill Curry, Bruno Aveillan, Cat Vinton, Chanchai Piromrak, Dan Kulberg, Fabio Giungarelli, Firas Afeef, Federica Siena, Helicam, Herbert Ypma, Huyam Mohamed, Ibrahim Mohamed, Kieattipong Panchee, Kitti Attakitmongcol, Martijn van Berlo, Martin Whiteley, Mohammed Nooray, Moritz Krebs, MUHA, Naushal Saudhullah, ONE DROP, Onphilat Oines, Paul Raeside, Richard Waite, Sandro Bruecklmeier, Thoriq Abdul Rahman and Yosita Srikun.
Layout Artist: Sittida Neamsoom Printed in Thailand Copyright © Soneva - 2016. Soneva Resorts, Soneva Fushi, Soneva Kiri, the Sun crest, are registered marks belonging to Soneva.

Recycled Paper

SONEVA
19/F Two Pacific Place, 142 Sukhumvit Road, Bangkok 10110, Thailand
Phone: +66 (0) 2631 9698 Fax: +66 (0) 2631 9699
www.soneva.com