



Why SLOW LIFE? Why now?

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When you look back at the early history of corporations, the expectation that they should serve to benefit society is clear. From the 15th century onwards, a Charter of Limited Liability was a gift by the citizens of a country through their governments, so that corporations could provide a service to the public. There were limits on profits, limits on the amount of debt allowed and even limits on how much land corporations could own. They had a clear mandate by the people to serve the people. Over time this relationship has gradually changed. Corporations have grown increasingly independent. In many cases, the emphasis has moved away from the creation of public good towards the creation of wealth for shareholders, and as such, the contract between businesses and society has broken down. Today corporations measure success through profits, share price and dividends. But as Robert Kennedy said, this “measures everything except that which makes life worthwhile”. It seems that corporations are no longer mandated by society to do good, and yet they still enjoy the benefits that limited liability brings. So, how will this imbalance affect our society, our economy and our planet? The charity Oxfam recently published research forecasting that by 2016 the richest 85 people in the world will have the same wealth as the poorest half of the world’s population: 3.5 billion people. Christine Lagarde, the Managing Director of the International Monetary Fund, proclaimed, “Make no mistake; it is the world’s most vulnerable people who will suffer most from the convulsions of climate.” She went on to say that due to environmental degradation, by 2030 “almost half of the world’s population will live in regions of high water stress or shortage” and “that 40% of the land now used to grow maize in sub-Saharan Africa will no longer be able to support that crop”. So we will see the natural environment upon which we depend to sustain us instead turning against us.

I have spent my life working in the hotel industry, and have devoted my career towards building what is now a network of luxury resorts. I do not believe that this puts me at odds with conservation but I am the first to admit that my sector has a role to play in admitting where it has failed. Hotels serve the richest 20-30% of the world’s population, and in doing so consume far too many natural resources, therefore negatively impacting the other 70-80% of society, the world’s poorest. There can be no doubt that we, as an industry, consume far more than our fair share of resources. But I believe that all companies, hotel businesses included, must have a purpose beyond profit. They must play a greater role in the world beyond just enriching their shareholders. I don’t believe that this has

to run counter to a successful business model – in fact it can be central to it. In the hotel business we can find opportunities to make small positive changes that do not impact negatively on either our profitability or our guests’ perception of our products, yet which can generate considerable good for both the environment and society. In fact, they can often enhance our guests’ experience. By taking bold steps we can fundamentally redress the balance between business and society, and shift back to the original purpose of the corporation as a service to society.

We are trying to achieve this at Soneva. We have made some radical changes to the way we do things, but we are the first to admit that this is the beginning of a journey and that there is still much to do. Our hotels are located amongst some of the world’s most pristine waters and natural environments which make us acutely aware of their natural importance, and we are passionate about conserving them. Reducing our environmental impact is central to our company’s philosophy. We have implemented some specific initiatives that we can practice in our own business, but we also have programmes that are designed to impact the wider world. In 2008 we took the simple step of adding a mandatory 2% carbon levy to our guests’ bills, to off-set their travel emissions. It was a small change and relatively small charge, which we found our guests more than happy to accept.

And the rewards have been great. In seven years we have raised about USD5m, which the SLOW LIFE1 Foundation has used to fund a reforestation programme in northern Thailand. Through this, we have planted around half a million trees, mitigating around 250,000 tons of CO2. Additionally, funds have financed wind power generators in South India, and we have distributed 30,000 low carbon cooking stoves in Myanmar and Darfur, helping 150,000 people. We have also convened some of the world’s greatest minds across science, business, philanthropy and policy at our annual SLOW LIFE Symposium. Described by one of our participants as a ‘laboratory of intent’, the event, now in its fifth year, provides these leaders with the time and space to address the worst challenges threatening our incredible natural environment, and create tangible, collaborative solutions.

The Symposium has delivered real results. For example, in 2011 the WHOLE WORLD Water (WWW) initiative was conceived and cofounded by Symposium attendees Karena Albers and Jenifer Willig in partnership with the SLOW LIFE Foundation. The premise was

simple: how can we scale the Soneva model of filtering and bottling water locally and using part of the revenue to fund clean water initiatives rather than importing bottled water? The model devised not only eliminates plastic waste but also cuts out unnecessary transportation miles. Today WWW extends this concept out to the travel and tourism industry, with 10% of sales revenues invested in clean and safe drinking water initiatives around the world. The scale of ambition for WWW is dizzying – we estimate that if the entire travel and tourism industry united around this single issue, we could raise \$1bn annually. While this target is still some way off, last year WWW made its first investments in clean water projects in Cambodia, Uganda and India. It is remarkable that many children in our island nation, The Maldives, do not swim. A fear of the water is compounded by a nationwide waste problem that sees local island beaches used as a dumping ground for household waste. Following the 2013 SLOW LIFE Symposium, Soneva Fushi established a Learn To Swim programme with our neighbouring island Eydhafushi. By teaching children to swim, we hope that they will learn to love their ocean, and when they love it, they will protect it. In 2015 we will scale this programme to offer intensive swimming programmes across Baa Atoll, partnering with other resorts, local and national NGOs, environmental awareness groups and government ministries. Supported by filmmaker and National Geographic adventurer Jon Bowermaster, who made a documentary film of the 2014 Learn To Swim programme, we aim to develop a model of environmental inspiration and education that can be applied around the world.

At the 2013 SLOW LIFE Symposium, we were inspired by Jochen Zeitz's introduction of an environmental profit and loss account at the sports brand Puma. We have committed to adopt this at Soneva and we will use the methodology we develop to support other businesses that are preparing to take this step.

¹ Soneva's core purpose is to create innovative, enlightening SLOW LIFE. SLOWLIFE is the guiding principle that embraces who we are and everything that we do. SLOWLIFE stands for Sustainable, Local, Organic, Wellness, Learning, Inspiring, Fun, Experiences.

We already undertake a granular analysis of our environmental performance, but the EP&L will take this to another level. As Jochen says, you cannot manage what you do not measure.

Much of this management is necessarily via our supply chains. At the 2014 Symposium, discussions with Maldivian government ministers centred around plans to develop a Blue Economy. Connections were made between foundations, marine experts, economists and government ministries to devise an economic model for the Maldivian fisheries that is sustainable, provides a viable livelihood for the nation's fishermen, and values and protects the reef ecology. Digital Green, led by the remarkable young social entrepreneur Rikin Gandhi, is doing amazing work through peer-to-peer video tutorials to increase yield for smallholder farmers in India.

Digital Green is supporting many of these farmers to convert from an anaerobic floodbased cultivation of paddy to the System of Rice Intensification (SRI), which can reduce nitrous oxide emissions by 0.90kg per hectare. A team from the SLOW LIFE Symposium is assisting Rikin to certify SRI farmers for Gold Standard carbon credits (and possibly water credits). The returns will be reinvested to sustain and scale Digital Green's important work. These examples of SLOW LIFE Symposium initiatives give an insight into what we can achieve when we collaborate. There is no question that if a change is to be made it is partnerships, collaborations, and brilliant innovations that will bring the greatest efficacy. The private sector has a huge role to play in the solutions agenda and we assume this responsibility as totally central to our core purpose. Corporations should look back to the history books and remember that having a purpose should be central to their mandate – and that this contribution should be measured and valued as robustly as any financial returns.