

SUSTAINABILITY REPORT 2018

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I. OUR COMPANY

Who we are: the Ecolodge

We would like to warmly welcome you all to Mai Chau Ecolodge Mai Chau Ecolodge is a brand name development and the cornerstone of our mission. The idea of

building an Ecolodge originated around our core values:

- Closeness to nature
- Cultural development and protection
- Environmental protection
- Creating jobs for local workers and disabled people
- Responsible and sustainable tourism

The most important aspects of our success and for our future prospects derive from our esteemed guests, the community where we live and work, our beautiful natural environment, our collaborators and of course from all of our valued employees.



Little to no disturbance to the natural landscape in order to protect its authenticity





MAIN ECO POLICY

With the support and aid from all of the above, we strive to protect our landscape and do our utmost to respect and keep our beautiful valley attractive and environmentally friendly. Our main goals are:

- Satisfying customers in all issues
- Maintaining a close and fair relationship with all of our employees and the community
- Protecting our local environment, culture and landscape
- Preserving our valley for the next generations

We kindly invite you to be part of our vision and we look forward to the pleasure of welcoming you to Mai Chau valley and to Mai Chau Ecolodge

OUR LATEST AWARDS

| OUR LATEST AWARDS | | |
|---|--|--|
| Travelife Accommodation Sustainability | Travelife membership | |
| Certificate of Excellence 2018 tripadvisor | Tripadvisor Certificate of Excellence 2018 | |
| Vietnam Responsible Travel Club | A first hospitality member who has committed to strict practices of RTC in responsible tourism | |
| wtm responsible tourism | Becoming a supporter and representing the WRTD Banner online. | |

II. CONTACT DETAILS FOR FEEDBACK

This is the first official sustainability report of Mai Chau Ecolodge with aims to provide accessible information on the company, its operations, its hosting services and all those activities which are inherent in the environmental, economic and social nature of the business.

This report is available on the company's website at www.maichau.ecolodge.asia

For any explanation and question on the annual sustainability report, please contact Mr. Du Quang Huy, Director of Operations or Ms Nguyen Thu Trang DOSM Contact details:

Name: Du Quang Huy Name: Nguyen Thu Trang

Position: Director of Operations Position: DOSM - Sustainability Manager

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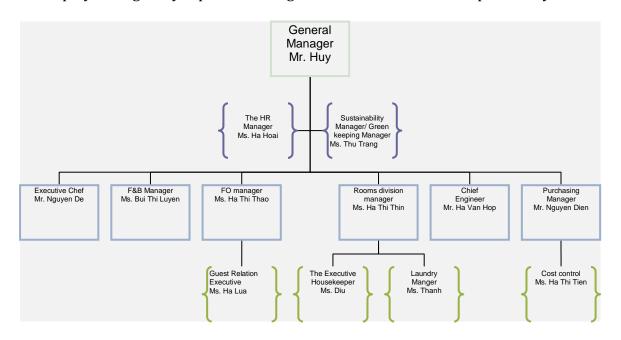




III. OUR APPROACH TO SUSTAINABILITY

Organizational Chart

Mai Chau Ecolodge is managed by the General Manager **Mr Du Quang Huy** and the management team. A sustainability committee, led by **Ms. Nguyen Thu Trang** (DOSM - Sustainability Manager), has the responsibility for all environmental actions and management. Human Resources Manager Ha Hoai has responsibility for managing the welfare and labour standards of all employees and for managing human rights. All employees regularly report to management on their areas of responsibility.



We created the "Eco-Green Team", an internal group that follows the environmental programme and the commitments of the general Ecolodge policies. It focuses on three main areas: environment, society and human resources. The "Eco-Green Team" is responsible in ensuring the implementation of environmental measurements and initiatives for Mai Chau Ecolodge.

ABOUT THIS REPORT

This report represents the first step in our journey to becoming a more sustainable company. You will hear and see a lot more from us in the coming years as our efforts will continue. We will be expanding the report to include more information on our operations. We will also provide regular updates on our performance. Thank you for spending some time to read our Sustainability Report and using this opportunity to learn more about Mai Chau Ecolodge.

In 2018, our employees spent many hours in informal and formal training. The training program was planned in a way that would meet all of the important factors in our philosophy, sustainability management, guest satisfaction, staff improvement and community progress.





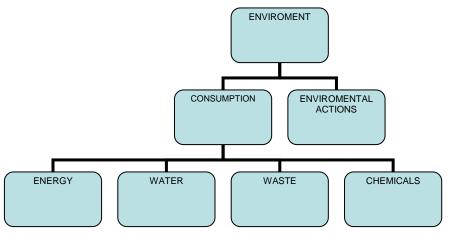
2018 SUSTAINABLE PERFORMANCE HIGHLIGHTS

| Reduce our energy usage by 1.25% | Water consumption per guest day was reduced | 124kg of waste was recycled |
|----------------------------------|---|-----------------------------|
| 85% LED lighting in the | Composting for the garden | Participating in a Clean- |
| guestrooms. | since 2016 | Up Day Event every year |

OUR SUSTAINABILITY PROGRAM

Our sustainability policy has been published in the Ecolodge's Sustainability Manual. For details please visit: https://maichau.ecolodge.asia/en/Sustainability.html



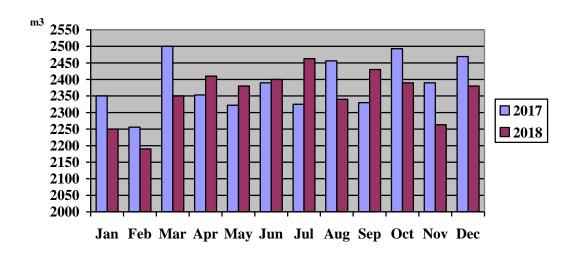






- We have reviewed all of our business-related policies and embodied sustainability criteria.
- We have developed an employee handbook with updated HR procedures focusing on equal opportunities, non-discrimination, and human capital.
- We have set sustainability targets for both ecolodges under the Asia Ecolodge brand.
- We have developed the roles of our Eco Green Teams.
- We are focusing on social actions playing a role in local communities.

IV. ENVIRONTMENT EFFICIENT WATER, ENERGY AND WASTE MANAGEMENT



Water Consumption

WATER SAVING MEASURES

Realising the importance of water and understanding the drought problem the northwestern region of Vietnam is facing, especially during the summer months, we took the following actions:

| | Our water consumption for this year was 0.85 % per guest per |
|--------------|---|
| | night, the same level as in 2017 |
| SN | Fitting shower heads with flow reducers |
| <u> </u> | Fitting toilets with an economic flush |
| E | Encouraging guests to reuse towels |
| A(| Re-using treated water in gardens and fields |
| 2018 ACTIONS | Watering our gardens late in the evening to |
| 20 | prevent water waste |
| - / | Monitoring our water consumption on a monthly |
| 201' | basis |
| 8 | |





2019 TARGET

In 2020, we will have installed water flow restrictors in all rooms. Our target consumption for 2019 – 2020 is 1.15m³ per guest per night.



Automatic Floating Water Level Control for Water Tank



Ecolodge Water Conservation

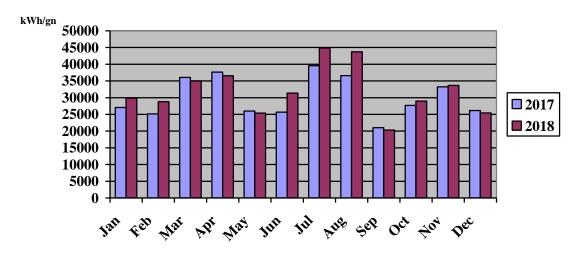




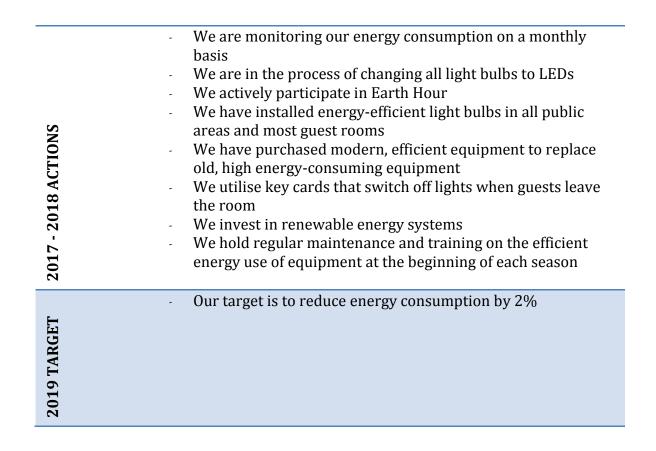




ENERGY SAVING MEASURES



Energy Consumption









Keycard Holder Energy-Saving Switch



Light Timers and Electric Time Switches



















WASTE MANAGEMENT AND RECYCLING

Recycling has always been an integral part of the environmental awareness of our Ecolodge brand. All recyclable materials are collected and sent for recycling.

- In two years we have recycled: paper: 243kg, glass: 65 kg, batteries: 36kg, ink/toner: 5 pieces, light bulbs: 40 kg, cooking oil: 50 litres.
- From 2014, we have banned plastic straws from our operations and replaced them with biodegradable ones.
- Used oil & fats are collected.
- We provide recycling bins for recycling batteries, plastic, glass, paper, aluminium and toner cartridges.
- We undertake efforts to limit the use of disposable products.
- We reuse paper for internal use. We choose returnable glass bottles wherever available.
- We support local transport.





2019 TARGET

- Our target is to be able to recycle 55% of our waste.
- Increase the number of recycle bins (paper, glass, plastic/aluminium) to 5 places around the Ecolodge.
- Only serve paper straws upon request.







CHEMICAL MANAGEMENT

| 2017 - 2018 ACTIONS | The use of chemicals is limited and organic farming methods are applied. The planting of local flora in the garden that require less water and are more adapted to the local climate. The daily control of the swimming pools in order to use the minimum amount of chemicals and other substances. Minimum use of chemicals in the garden area and housekeeping department (Ecolab). |
|---------------------|--|
| 2019 TARGET | Our target is to reduce chemical use by 2% in 2019 – 2020 Chemical use has been slightly reduced to 17% since 2017 due to staff training. We aim at a 15% reduction. |



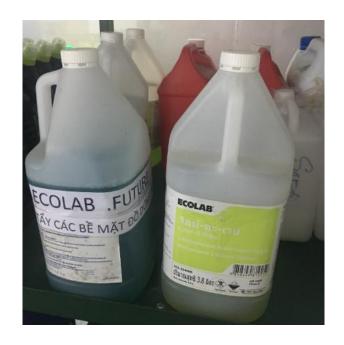




Clean in the Kitchen with baking soda, vinegar, lemon & salts



Plant lemongrass to repel mosquitoes





Proper use of Ecolab detergents





ENVIRONMENTAL ACTIONS AND GUESTS





















Tours and activities are conducted in the most environmentally friendly manner possible in order to preserve the natural habitat here. Tours educate guests about the importance of environmental conservation.

V. CREATING VALUE FOR THE LOCAL COMMUNITY

We support the local community and we actively participate in the local community council.

- We support the purchase of food and beverage products from local businesses.
- We encourage our staff and guests to volunteer for our valley clean-ups.
- We actively support the local community through charitable or in-kind donations to schools, groups or initiatives that work to improve the lives of local people, protect their environment and preserve the community's culture and traditions.
- We participate in the social events of the valley.
- We encourage our guests to support the local community.
- We collaborate with schools to teach young children about environmental sustainability. Special programs also fund disadvantaged students in our neighbouring surrounds.
- Ethnic Thai traditional dance shows are organised daily at the Ecolodge to showcase local culture













- We use locally available materials in construction.
- We provide English classes for employees.
- We invite guests to interact with our employees and local families to learn about the people and culture of Mai Chau.
- We run a number of tree planting initiatives at local schools each year, offering fun and
 motivation for students while, at the same time, teaching them the importance of concern for the
 environment.
- In 2016 we introduced our "Commit to Clean Water" project with the intention of drilling deep boreholes to provide water to Na Thia village. This was the last village in the area to be without water because of its difficult location on the mountain. Mai Chau Ecolodge built water tanks on top of the mountain, renovated the land to dig wells, built pumping stations and constructed





pipelines to the village. Now over 100 families have clean water running directly to their homes, something that would not have been possible without Mai Chau Ecolodge.

- We recommend to our guests local places such as markets or craft centres and encourage them to explore the ethnic cuisine, history, culture and traditions of the valley.
- We actively engage our staff in our policies with training, workshops and many activities.
- We promote locally made products (Thai brocade, handicrafts, Mai Ha rice wine, *mac khen, nep nuong* and more from artisans in Mai Chau valley.





In this way we support the local economy and safeguard the local community which is integrated into the unique holiday experience we offer to our guests. Our Guest Relations and our Eco Green Team will be glad to give you more details concerning our sustainability program.

Native people comprise over 90% of the staff at Mai Chau Ecolodge. Local people can use the facilities of the premises with a tailored cost providing the availability of a room.

Social policy

For 2019-2020, Mai Chau Ecolodge aims to:

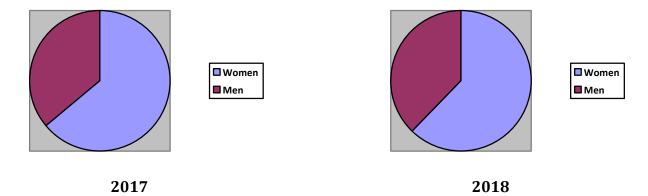
- Continue the language training program
- Train our employees in order to help them understand what role they play in the realisation of our organisation's sustainability strategies.

V. CREATING VALUE FOR THE STAFF (EMPLOYEES)

Total Human Capital in 2017-2018







It is well known that one of the most stable pillars of our 5 years of success is our loyal and professional employees, who we take great pride in. As a company of soul, through realising their needs, we can meet and exceed their expectations in the best way possible:

- We do not employ children.
- We comply with the Labour Law in Vietnam to ensure a healthy and safe working environment by trying to minimise any possibility of accidents at work and exposure to health hazardous factors.
- All employees have access to the Ecolodge's doctor.
- Free accommodation is offered to employees if requested.
- Free breakfast, lunch and dinner is offered to all of our employees.
- All of our employees are fully insured and have a legal contract according to Vietnamese legislation.

