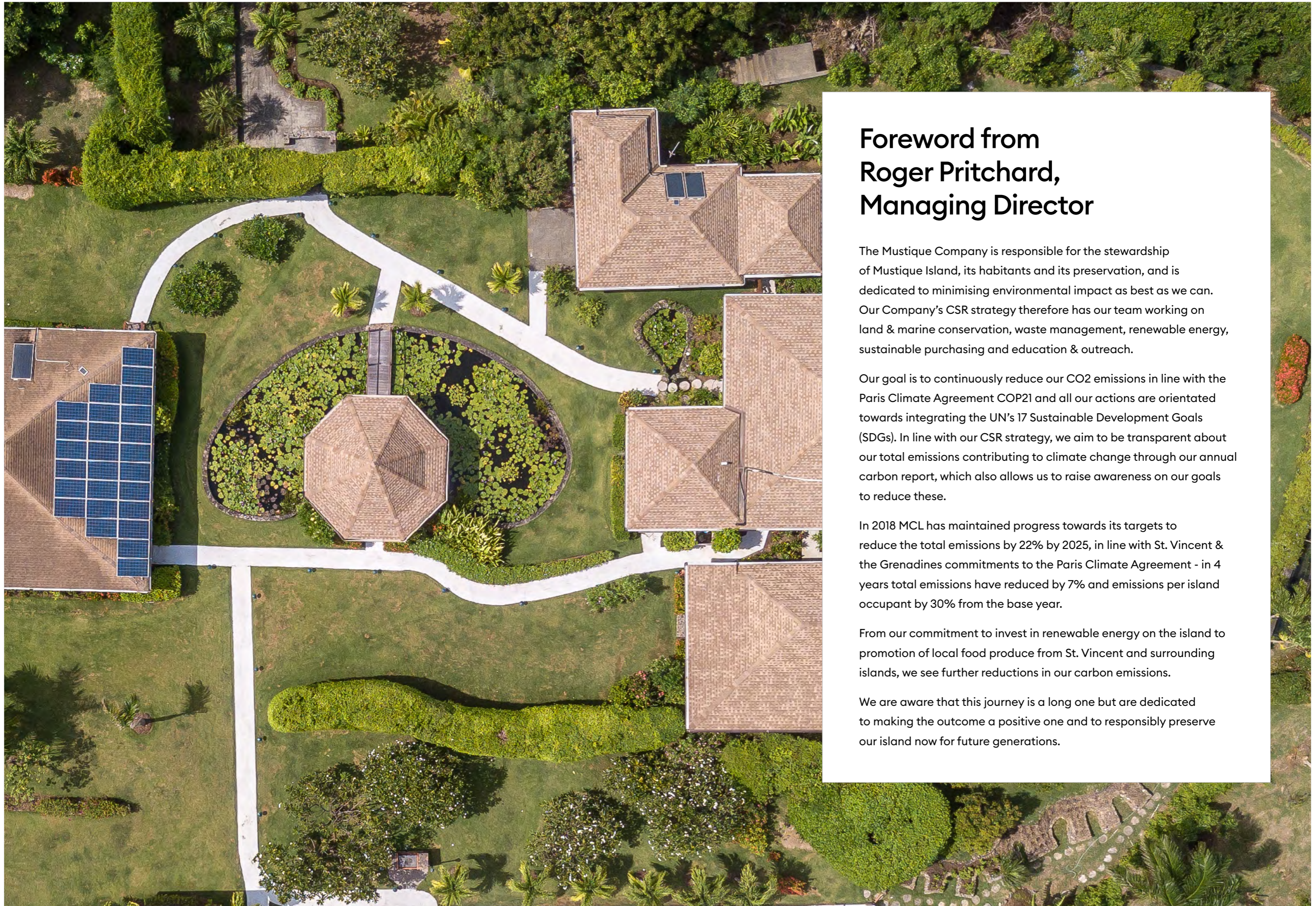




**CARBON FOOTPRINT REPORT
2018 UPDATE**



Foreword from Roger Pritchard, Managing Director

The Mustique Company is responsible for the stewardship of Mustique Island, its habitants and its preservation, and is dedicated to minimising environmental impact as best as we can. Our Company's CSR strategy therefore has our team working on land & marine conservation, waste management, renewable energy, sustainable purchasing and education & outreach.

Our goal is to continuously reduce our CO2 emissions in line with the Paris Climate Agreement COP21 and all our actions are orientated towards integrating the UN's 17 Sustainable Development Goals (SDGs). In line with our CSR strategy, we aim to be transparent about our total emissions contributing to climate change through our annual carbon report, which also allows us to raise awareness on our goals to reduce these.

In 2018 MCL has maintained progress towards its targets to reduce the total emissions by 22% by 2025, in line with St. Vincent & the Grenadines commitments to the Paris Climate Agreement - in 4 years total emissions have reduced by 7% and emissions per island occupant by 30% from the base year.

From our commitment to invest in renewable energy on the island to promotion of local food produce from St. Vincent and surrounding islands, we see further reductions in our carbon emissions.

We are aware that this journey is a long one but are dedicated to making the outcome a positive one and to responsibly preserve our island now for future generations.

Sustainability Executive Team

NIC WELCH
OPERATIONS DIRECTOR

Nic joined the Mustique Company in March of 2016 as the Operations Director with responsibilities for property maintenance, construction projects, vehicle maintenance, landscaping, and environmental issues affecting the island.

He has a strong commitment to the sustainability of the island and has ensured that the MCL maintains this commitment in the various projects undertaken by his teams, by working in conjunction with the Environmental Manager.

NAKITA POON KONG
ENVIRONMENTAL MANAGER

Nakita is responsible for environmental initiatives and projects related to conservation of the island's natural resources. She is currently implementing Mustique's CSR strategy at all operational levels, and communicating this information to everyone on the island.

JUSTIN PROVIDENCE
SENIOR ENGINEERING MANAGER

Justin manages energy & water production and consumption on the island. He works to improve the island's resource consumption being extremely up-to-date on any technical developments in regards to power generation, water production and other operational issues.

Our Approach by Nakita Poon Kong

Since starting as the Environmental Manager for the Mustique Company in January 2017, I have been focused on integrating environmental stewardship at all levels on the island and creating a strategy with key tangible outcomes.

Through our coral restoration programme, we continue to have a positive environmental impact, having now out planted over 7500 fragments of coral thus restoring reefs around the island.

Having started to reduce single-use plastic by banning bags and straws in the restaurants and

stores, we are also now offering filtered water in reusable bottles in locations around the island.

Ongoing training sessions with staff have become a key feature of our environmental awareness programme, as well as regular activities with our local residents and visiting guests.

We strive to have active partnerships with other organisations and stakeholders throughout St. Vincent & the Grenadines, as it is only through collaboration that we can be successful in bringing change to the entire region.



MUSTIQUE PROGRESS

The Mustique Company Limited is dedicated to preserving the island's natural resources and to ensuring we increase sustainability efforts along the way. This includes MCL's commitment to reduce emissions per individual island occupant. MCL has achieved good progress in the last 4 years - total emissions have reduced by 7% and emissions per occupant by 30% from the base year.

This is largely due to an extensive installation of solar panels, adoption of battery storage and use of advanced monitoring of energy generation on the island. 1,392 Tonnes CO₂e were saved since the base year through the use of solar power alone - equivalent to emissions from driving a car around the Equator 134 times.

REPORT GUIDELINE

This 2018 report update is a continuation of the 2016 MCL Carbon Report that can be found here:

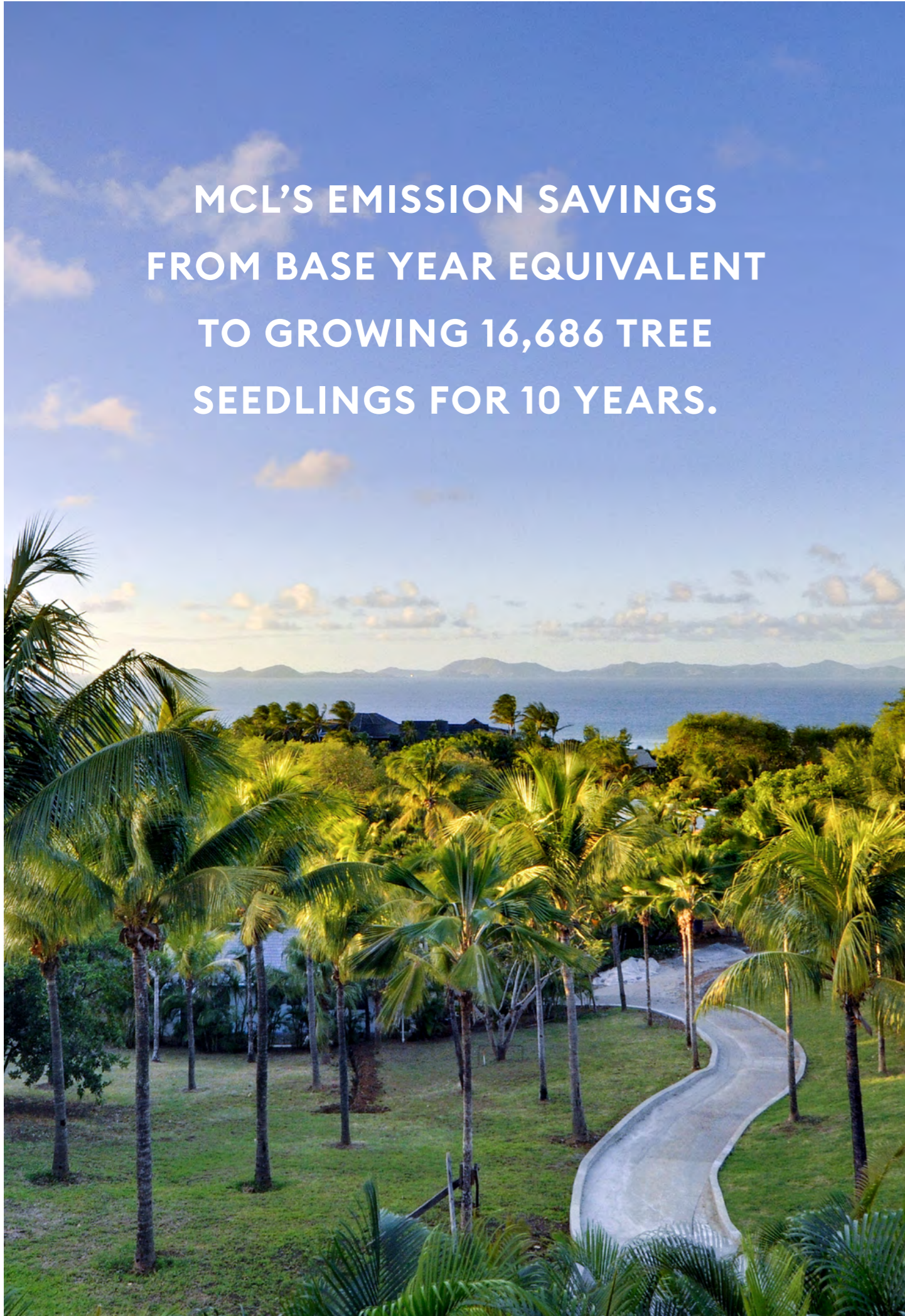
www.mustique-island.com/app/uploads/2017/05/Carbon_Report_web.pdf.

The same GHG accounting methodology has been applied and is aligned with the most widely adopted GHG accounting and reporting standard developed by the Greenhouse Gas (GHG) Protocol Initiative. Any changes from the 2016 report in relation to base year emission calculation, GHG inventory or the operational boundary are disclosed in the “2017 Report Updates” below. For a full description of the GHG accounting methodology and GHG inventory definition please contact Nakita Poon Kong (nakita@mustique.vc) or Benedetta Cassinelli (bc@considerategroup.com).

EXECUTIVE SUMMARY

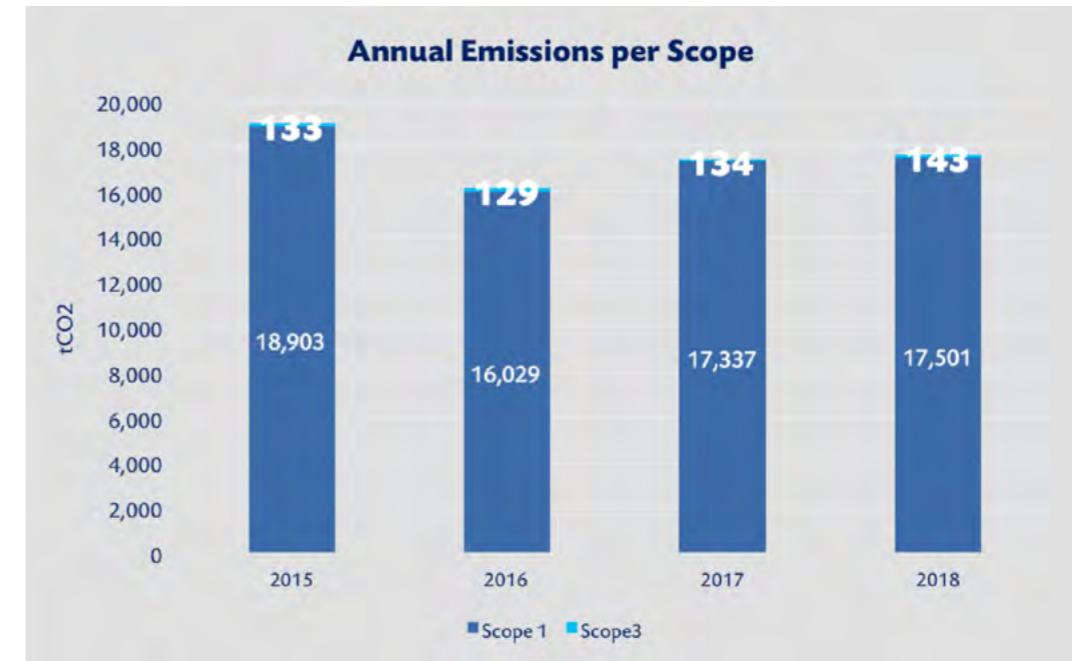
Tonnes CO2e	Base Year	2016	2017	2018	% Change from Base year
Scope 1	18,903	16,029	17,337	17,501	-7.3%
Scope 3	133.2	129	134	143	+7.5%
TOTAL	19,036	16,158	17,471	17,644	-7.3%

MCL has achieved excellent progress towards its target to reduce total emissions 22% by 2025, in line with the St. Vincent & the Grenadines commitments to the Paris Climate Agreement - in 4 years total emissions have reduced by 7% and emissions per occupant by 30%. This is largely due to an extensive installation of solar panels, adoption of battery storage and use of advanced monitoring of energy generation on the island. In particular, 1,392 Tonnes CO2e were saved since the base year through the use of solar power alone - equivalent to emissions from driving a car around the Equator 134 times.



**MCL'S EMISSION SAVINGS
FROM BASE YEAR EQUIVALENT
TO GROWING 16,686 TREE
SEEDLINGS FOR 10 YEARS.**

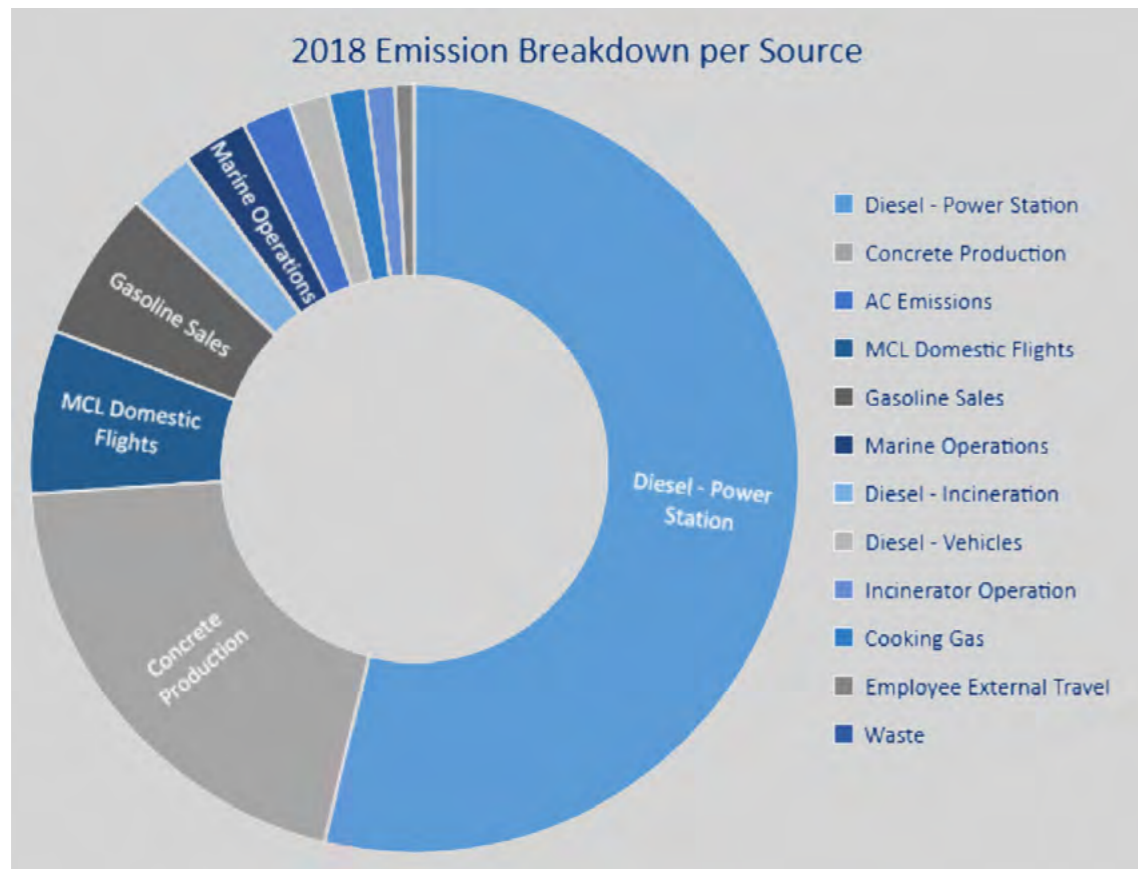
TOTAL EMISSIONS



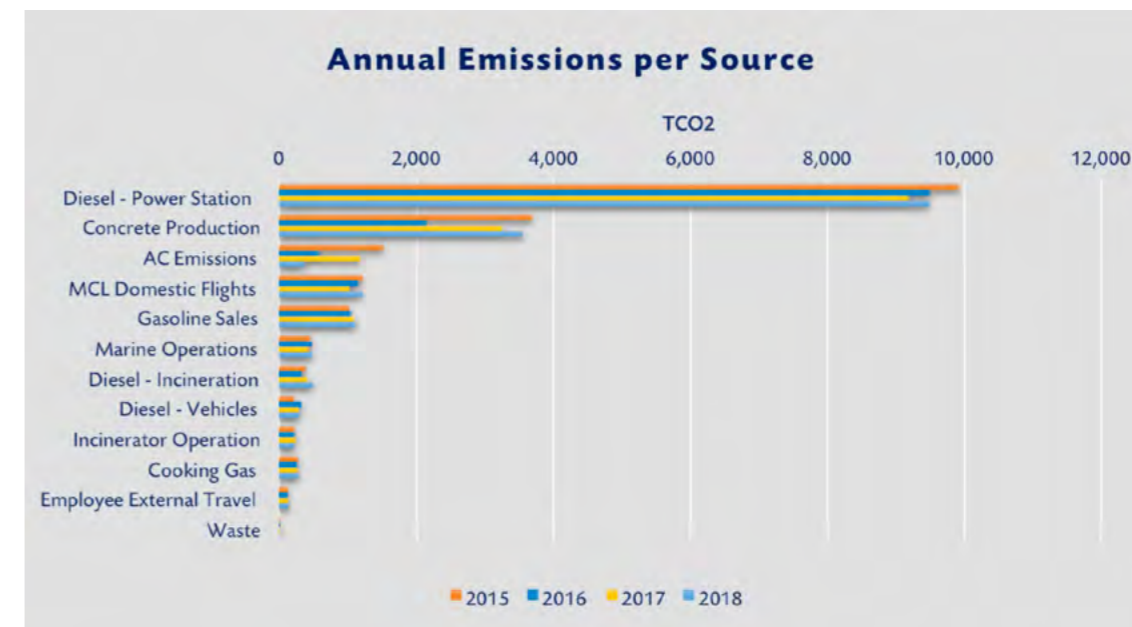
The total emissions have increased by 1% in 2018 compared to 2017 and this is despite a 25% increase in the number of visitors on the island. As a result, the emission intensity per island occupant has reduced substantially by an additional 19% from 2017.

Compared to the base year, the total emissions have reduced by 7.3%. The emissions per island occupant have reduced by 30% compared to the base year.

EMISSIONS PER SOURCE



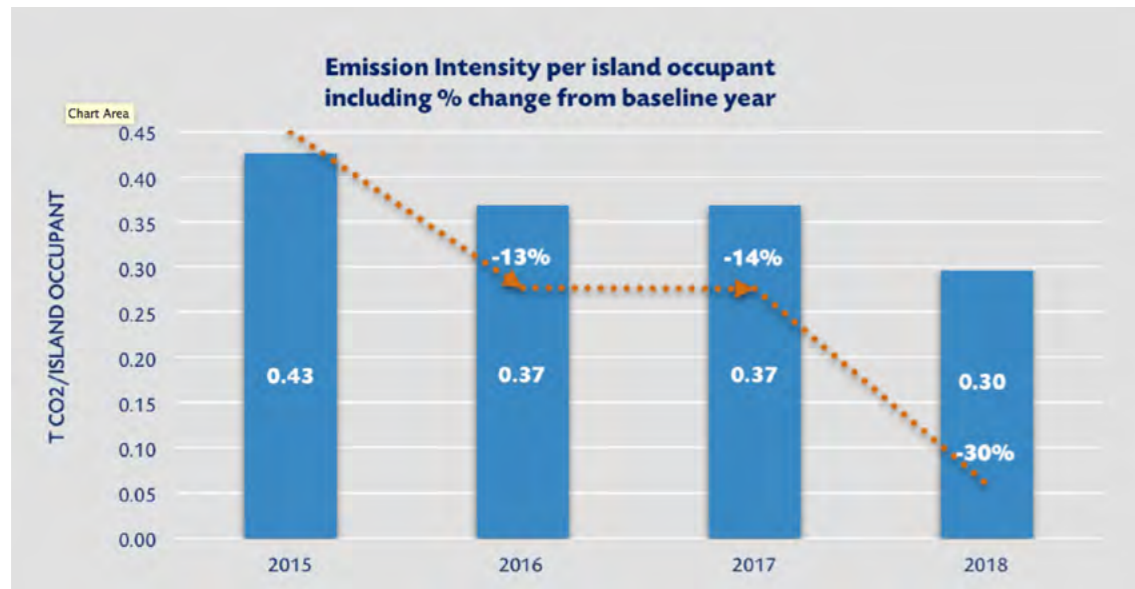
Electricity generation from diesel is responsible for 54% of MCL’s emissions. Other significant emission sources include concrete production (20%) gasoline sales (6%) and flights on MCL planes (7%). Of note is the decrease in emissions for refrigerants, these represented 7% of total emissions in 2017, however in 2018 they account for only 2% of emissions, a reduction of 69% compared to 2017.



Emissions from use of diesel to generate electricity on the island have been on a gradual decrease since the base year of 2015. However, 2018 marks the first time there have been an increase in diesel emissions by 3%, although this is expected considering the 25% increase in guest numbers, and in fact it is encouraging that the figure has not increased by more. Emissions from use of MCL’s planes have increased by 18% and emissions for marine operations by 12% from the previous year however given the 25% growth in occupancy this

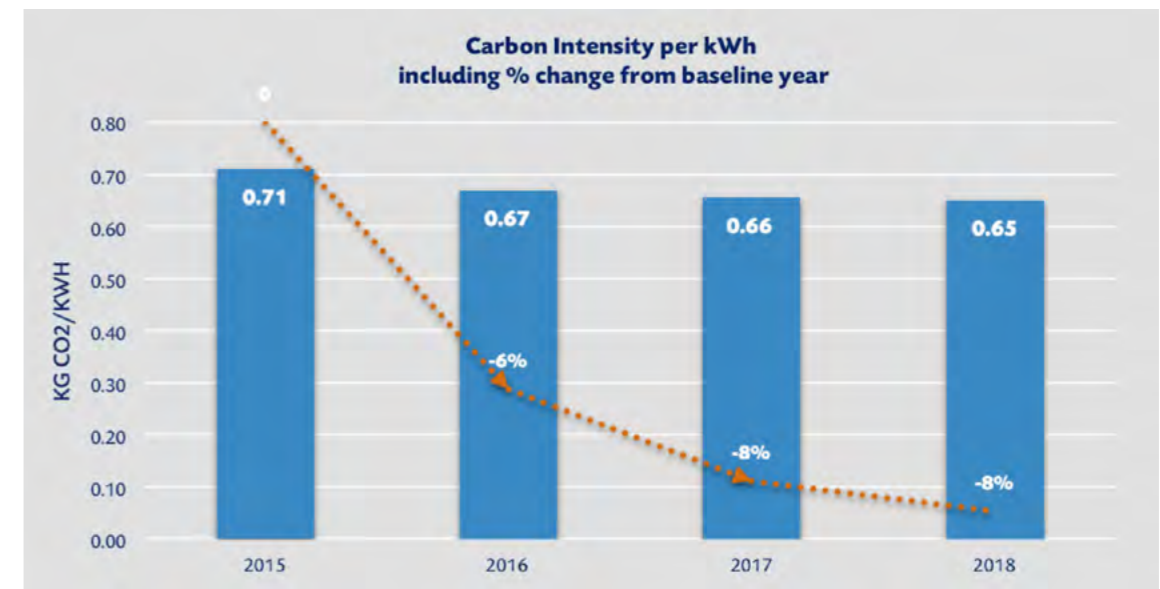
is not surprising. In 2018 there was a decrease in emissions from incinerator operation (-8%) and the reduction in AC refrigerants as previously stated (-69% compared to 2017). There was a simultaneous increase in diesel sales (2%), concrete production (+10%), marine operations (+13%) and diesel incineration (+22%). However, again these are not areas for concern, particularly because they do not match or exceed the 25% increase in guest numbers.

EMISSION INTENSITY



Additional significant reduction is achieved in emission intensity per island occupant each year. The emission intensity per occupant has reduced by 30% from 2015, from 0.43 TCO₂/island occupant to 0.3 TCO₂/island occupant.

CARBON INTENSITY

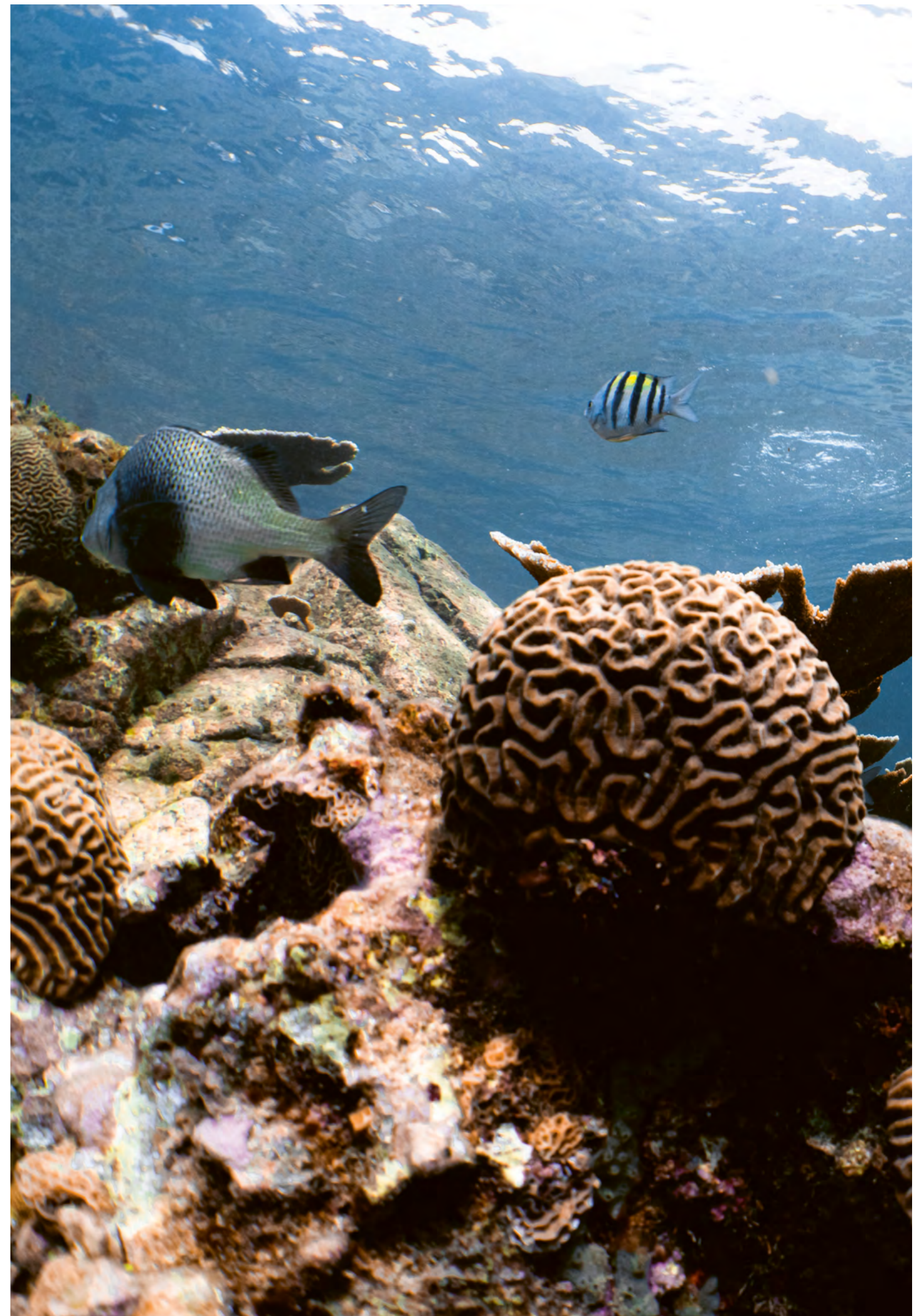


Carbon intensity per kWh tracks variation in emissions per kilowatt-hour of generated electricity across years. The carbon intensity per kWh has continually decreased since the base year, in 2018 the carbon intensity was 8% lower than in 2015 due to the increasing amount of solar generation used by the island.

GOING FORWARD

The Mustique Company has set a target to reduce emissions by 22% by 2025, which would require total emissions to decrease by approximately 3.75% annually. This takes 2015 into account as the MCL baseline year (approximately 324 tonnes CO₂e annually).

As MCL makes further investments in renewable energy, the goal is to be able to generate over 70% of the island's energy from solar by 2024. Mustique's coral reef restoration project and reforestation programmes will also add positive carbon impact to St. Vincent & the Grenadines.





MUSTIQUE