



Communication on Progress (CoP)

to the UN Global Compact

Jetwing
HOTELS
SRI LANKA

NOVEMBER 02, 2020

STATEMENT OF CONTINUED SUPPORT

“I am pleased to confirm that Jetwing Hotels Ltd reaffirms its support for the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this Communication on Progress, we describe our actions to continually improve the integration of Global Compact principles with our business strategy, culture and daily operations. We also commit to share this information with our stakeholders using appropriate channels of communication.”

– SHIROMAL COORAY
Chairman – Jetwing Hotels Ltd

ABOUT US

Family owned and in the tourism industry for the past 47 years, Jetwing Hotels has surpassed expectation at every aspect. Building on our foundation of being passionate, as well as the experience of true, traditional Sri Lankan hospitality, constantly pioneering discoveries captures the essence of the brand. Such a strong statement and direction have enabled Jetwing Hotels to imagine, create and manage marvels and masterpieces, where distinctive design and elegant comfort complement each other and the environment.

In line with the Jetwing Hotels Sustainable Strategy, across all properties sustainable and responsible practices are given precedence with resource efficiency, community upliftment and education, and awareness being some of our key focus areas.

For more information about our sustainability initiatives: www.jetwinghotels.com/sustainability



Human Rights Principles

Assessment, Policy and Goals

As a responsible organisation, Jetwing Hotels became the first company in Sri Lanka to commit to the United Nations World Tourism Organization's (UNWTO) Global Code of Ethics of Tourism. Thus, we acknowledge and respect the principles contained in the Universal Declaration of Human Rights and The International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work. As a testament to our commitment, the Jetwing Human Rights Policy is implemented within the organisation and strictly abided by, reflecting the company's commitment to conduct business operations in a manner which respects and protects human rights in all spheres of the enterprise.

Through our employee relations and community outreach activities we also contribute to the United Nations 2030 Sustainable Development Goals of Zero Poverty, Decent Work and Economic Growth.

The Jetwing Human Rights Policy elaborates on the principles of non-discrimination and equality, protection of the rights of a child, refraining of forced labour, health and safety, fair working conditions including working hours, fair wages and compensation and refraining from harsh or degrading treatment/harassment. The Jetwing Human Rights Policy is communicated to our associates through our orientation programmes, refresher sessions and the associate handbook provided for each associate upon joining the Jetwing family, to ensure that all associates are made aware of the company's commitment towards safeguarding human rights.

Implementation

The Jetwing Hotels Human Rights Policy is an essential component of our orientation programme, which ensures that each associate of the organisation is made aware of the company's commitments and values, and the expectations placed on each associate in adhering with the said values. Apart from the initial introduction to the policy, refresher sessions are conducted at all hotels while also making available the policy in all three languages in staff cafeterias, to be sure that our associates are familiar with policies detailing the manner in which Jetwing Hotels maintains relations within the organisation, with our guests, partners and suppliers. 42 such training and awareness programs were conducted during the year, where the Jetwing Hotels' policies were made aware to associates at all levels.

The Jetwing Hotels Human Rights Policy is a declaration of our commitment to the protection and upholding of universal human rights through adherence to non-discrimination and equality, protection of the rights of a child, refraining from forced labour, ensuring the health and safety of our associates and guests, setting fair working conditions including working hours, providing fair wages and compensation and refraining from harsh or degrading treatment/harassment. As an ethical organisation, we are committed to providing all our associates equitably and impartially through our comprehensive compensation schemes, policies and procedures in place.

Furthermore, all associates are ensured equal pay for work of equal value, while the Jetwing Human Rights Policy assures that every individual is given equal opportunity in recruitment, retention and as well as training and development and is not discriminated on the basis of race, colour, gender, religion, creed, age, social and civil status, family origin, physical or mental disability or sexual orientation in our hiring and employment practices. As a testament to our values, whenever and wherever possible we actively seek opportunities to integrate the marginalised such as, those physically challenged into the business, making the Jetwing family a more inclusive one.

Further in appreciation of cultural diversity, to foster an inclusive work environment, Jetwing Hotels launched a programme in 2019, to address the social dysfunctionality and racial divide that resulted from the Easter Sunday tragedy which took place in April 2019. To encourage respect for diverse opinions and beliefs, a programme titled, *Project WE* was launched to celebrate the diversity of cultures and identities in the workplace and society.

Abiding by the non-discrimination principles of the Jetwing Human Rights Policy, as an equal opportunity employer, we actively seek opportunities to involve more women in the business, through various community outreach programmes as associates and suppliers. To strengthen our efforts in the non-discrimination and equality, Jetwing Hotels is in a continuous partnership with the *SheWorks* Sri Lanka private sector partnership since 2017, to advance women's employment opportunities in the workforce of Sri Lanka. Through this platform Jetwing Hotels committed to strengthen women's business leadership, support women in the value chain and ensure the recruitment and retention of female talent in the workplace.

Apart from attracting candidates, we are committed to providing our associates a workplace free from discrimination and harassment. Thus, multiple workshops were carried out for our associates on anti-sexual harassment, to create an open platform to discuss its legal definition, the company's standpoint, the grievance handling procedure.

Further, as a responsible business operating in local communities within the country, Jetwing Hotels commits to the uplifting of the local communities in which we operate. Thus, through many community outreach programmes conducted we have sought opportunities to integrate them to the value chain as associates and suppliers. The *Jetwing Youth Development Project (JYDP)* is one such initiative conducted for economically challenged youth of rural localities in Sri Lanka. The six-month training programme in hotel operations is offered free-of-charge, and successful graduates are offered employment at Jetwing properties whenever possible. We use our best efforts to ensure that equal numbers of both young men and women benefit from the programme to provide equal accessibility to education and employment opportunities. Through this programme we also have been successful in promoting women to take on non-traditional job roles in the industry.

As a responsible organisation, we are committed to providing our associates with the necessary training and development opportunities, whenever and wherever necessary, to help them deliver world-class service. Thus, various career development programmes are designed and conducted for promising associates in non-supervisory, supervisory, and executive grades, to assist their growth both personally and professionally.

All the above initiatives are carried out to foster a fair and equitable working environment whereby all our associates are treated with dignity and respect. If any associate feels that he/she has been treated in an unfair, unreasonable or discriminatory manner due to any matter related to the company, all associates are encouraged to follow our Grievance Policy and Procedure, where the associate should consult his/her Supervisor/ Executive/ Department Head or Manager who will assist him/her, treating all personal grievances with the utmost confidentiality. In the case that an associate deems to have not received a satisfactory solution, he or she may refer the grievance to the Head of HR, or any member of the Senior Management including the Chairman, as per our open-door policy.

Fostering and promoting the health and safety of our associates is a priority at our resorts. Our comprehensive Health and Safety Policy was supported by numerous drills and programmes, held during the year under review, reinforcing the prevalence of an optimal climate of well-being of our associates and guests. Further, our associates are also provided with fire and first-aid training to ensure that they are aware of the procedures to follow at emergency situations. The orientation programmes and the associate handbook are instrumental in making awareness among all associates on the health and safety measures which are required to be adhered to, for the purpose of ensuring safety.

Jetwing Hotels has made a commitment to the environment and the community which we operate in. Apart from the *Jetwing Youth Develop Project*, we have also launched community outreach initiatives to uplift the local communities around us. In September 2019, a small-scale supplier sustenance programme named *Thrive* was launched, to provide selected small-scale suppliers the awareness, training and financial assistance needed to upscale their enterprises, with the intention of strengthening the local communities and making a positive contribution towards social upliftment.

Measurement of Outcomes

As an equal opportunity employer, through our consistent efforts to strike a gender balance, Jetwing Hotels has been able to achieve a women's participation rate of 12% during the year under review, which is higher than the industry average of 9%.

Through the signature youth empowerment programme, the Jetwing Youth Development Project, which was conducted in two phases during the year under review, we have been able to produce 36 successful young graduates and offer them gainful employment, with a women's participant rate of 41%. Thus, Jetwing Kandy Gallery became the first Luxury Hotel in Sri Lanka to have the most women butlers.

Jetwing Hotels has no reports of investigations, cases, rulings, fines, or other events related to human rights abuse in the workplace during the financial year 2019/20.

Each year, all staff policies and procedures relating to human rights are revisited and reviewed to ensure they are relevant and up to date.

Labour Principles

Assessment, Policy and Goals

Jetwing Hotels' formal Grievance Policy and Procedure along with the Open-door Policy was introduced to support aggrieved parties to discuss their grievances without hesitation or fear. At Jetwing Hotels, no associate is covered by collective bargaining agreements. Our grievance policy is introduced as an effective alternative to collective bargaining and is a formalised step by step process to encourage the resolution of associate grievances at the functional level, while the open-door policy encourages the upward communication process within the organisation.

Jetwing acknowledges and respects the principles contained in the Universal Declaration of Human Rights and the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work. The Jetwing Human Rights Policy is a statement which reflects the company's commitment to conduct our business in compliance with these principles, to protect human rights in all spheres of the business.

Jetwing Hotels, as an ethical business entity vehemently rejects all forms of forced labour as well as child labour. Thus, we adopt a zero-tolerance policy on the exploitation and/or abuse of the young, condemning all forms of child exploitation. The company does not recruit any young person under the age of 18 as a company policy and supports the elimination of exploitative child labour.

Furthermore, we make it our responsibility to act by the regulations defined in the ILO Convention, Sri Lanka Labour Regulations (i.e. Shop & Office Employees Act and Wages Board Ordinance) and other applicable laws of the country. We support the elimination of all forms of forced, bonded or compulsory labour, and we do not accept the use of prison labour or illegal labour.

Jetwing Hotels also provides a safe working environment for the associates through the company's Health and Safety Policy. This policy details the mandatory requirements to be applied throughout the company, in order to promote health and safety of all our associates at every level of employment, while also creating a safe space for our guests.

Furthermore, Jetwing Hotels does not tolerate any form of discrimination. Our recruitment, retention, remuneration and training and development process is governed by our commitment to non-discrimination and equality.

Implementation

As detailed in section under Human Rights, through the Jetwing Human Rights Policy, Jetwing Hotels commits to the upholding of principles of non-discrimination and equality, protecting the rights of a child, refraining from forced labour, ensuring health and safety of our associates and guests, setting fair working conditions including working hours, providing fair wages and compensation and refraining from harsh or degrading treatment/harassment. To create awareness on the company's commitments, all associates are made aware of the company policies and procedure at the orientation

programme while every associate is also provided with an associate handbook, containing details on employee entitlements and benefits such as statutory entitlements, remuneration, fringe benefits, leave entitlements, attendance and working hours, career development opportunities and all company policies and procedures.

Every associate is provided with a written contract of employment with agreed terms and conditions upon recruitment. Working hours will comply with the national laws and benchmarks of the industry. Associates are not required to work in excess of 45 hours a week on a regular basis. They are also provided with one and a half off days on average per week. All associates are provided with adequate and reasonable rest breaks, access to drinking water and other sanitary facilities, days off and statutory leave. Furthermore, as an ethical business organisation, we adhere to the minimum wage requirement of the industry, while providing the mandatory 84 days of maternity leave and 2 days of paternity leave although not mandated by the law.

Jetwing Hotels' Zero Tolerance Policy on child abuse and child labour is implemented with the intention of raising awareness on such exploitation. If the company becomes aware of such instances of exploitation, we also cooperate with law enforcement authorities to address any such issues. Thus, we are committed to highlighting the problem and raising awareness wherever and whenever pertinent as our contribution to eradicating exploitation of children. We always encourage our guests and associates to be vigilant, particularly in relation to the presence of paedophiles and to report any suspicious activities to either the hotel reception directly or contact ChildLine Sri Lanka or the nearest branch of the Sri Lanka Tourist Police.

Further, as part of the service sector, our organisation acknowledges our responsibility in ensuring the health and safety of our associates and guests alike. Thus, suitable arrangements are made to control and mitigate any risk to the health, safety, and welfare of our associates and those affected by its activities, through the Health & Safety Policy. Each associate is made aware of the Occupational Health and Safety Policy through the handbook as well as the orientation programme and is communicated about each person's responsibility to their colleagues and the organisation to comply with the health and safety regulations and to report and act upon any potential workplace hazard or incident. This is ensured through the clear guidance and direction offered by Health and Safety Policy and Procedure, the creation of awareness through training, the provision of personal protective equipment and the monitoring of incidents through the Employee Related and Guest Related Incident Reports. Through the said reporting procedure, incidents are tracked and utilised as lessons learnt to make a safer work environment, in order to prevent recurrence of a similar incident.

Further, during the year under review, special programmes were organised to cater to the health and safety needs of our associates, following the Easter terror attack which took place in April 2019. The incident took a toll on the immediate local community, psychologically affecting many of our associates in the Negombo region. To address the need for reducing associate distress, special programmes titled "Growing in Resilience" were organised to help associates recover from the immediate aftereffects of the incidents, supporting their emotional wellbeing.

Jetwing I Care is yet another initiative introduced with the interest of associate wellness at heart. *Jetwing I Care* was focused on educating and promoting a wellness-centric lifestyle among associates

with the aim of disseminating the interest to a larger audience through their families and immediate society. Various awareness sessions, activities, health camps and challenges were conducted through *I Care*. An array of fun and interesting sessions was conducted which included community health, nutrition, physical and psychological wellbeing, and even home-gardening to promote a healthier lifestyle at home.

Further at Jetwing Hotels, we offer our associates training opportunities, whenever the need for training arises, to up skill them to cater the demands of work. Furthermore, we offer promising associates in non-supervisory, supervisory, and executive grades, structured training and career development programmes, to help them with their succession plans.

Jetwing Hotels does not tolerate any form of discrimination or harsh and degrading treatment and harassment. Thus, if any grievances occur in this regard, all associates are encouraged to follow open door policy or the Grievance Policy and Procedure. Keeping in line with the commitment a series of awareness programs are conducted for all associates of the hotels to make associates aware of the different elements of sexual harassment, its implications and legal framework as well as best practices in handling sexual harassment at the workplace.

Measurement of Outcomes

The associate health and safety is monitored through the monthly reports maintained to record any accidents or health and safety related issues at the workplace. While serious accidents/injuries were not reported during the financial year 19/20, Nineteen minor incidents were recorded relating to cuts, slippage, and burns, which caused the loss of 119 days of work.

Further, Jetwing Hotels reports no cases of investigations, rulings, fines, or other events related to labour law violation during the financial year 2019/20.

Environment Principles

Assessment, Policy and Goals

Environmental awareness and responsibility lie at the core of the Jetwing ethos. Most importantly, we have taken this from statement to fact across every aspect of business throughout our family of companies. Across all strategy and action, respect for eco-systems around our locations, environmentally friendly processes and care for natural resources are fundamental to Jetwing Hotels.

Our commitment to continuous improvement in key impact areas in both environmental and community spheres is outlined in Jetwing Hotels' Sustainability Strategy. Specific measures for maintaining a clean and healthy environment is highlighted in the Jetwing *Environmental Policy*, and efforts to continually improve our energy performance via efficient and innovative strategies is outlined in our *Energy Management Policy*.

The hotels' environmental sustainability initiatives also contribute to the achievement of targets set under the United Nations Sustainable Developments Goals of Responsible Consumption and Production, Clean Water and Sanitation, Affordable and Clean Energy, Climate Action, Life on Land and Life Below Water.

Implementation

Diligently tracking the impact our operations have on the environment, we are fully committed to mitigating any adverse effects that arise. Mindful of the fact that the long-term viability of our business depends on the sustainability of the environment, we continuously review and proactively manage the use of resources.

Following are some of the initiatives implemented to effectively manage our operational impact:

- Consumption of electricity, diesel, water etc. is monitored daily and compared against occupancy levels to identify and address any irregularities and reduce specific consumption year on year
- Routine training is given to associates to help them understand the importance of carrying out sustainability initiatives and to garner their co-operation and support
- Guest awareness is raised regarding the hotel's commitment to sustainability and their support enlisted through the display of the Green Directory booklet (detailing hotel's environmental performance) in guest rooms and through environmental messages displayed across the hotel

Energy & Carbon Footprint:

In order to reduce the greenhouse gas emissions and carbon footprint associated with our operations, the hotels have actively reduced its national grid electricity consumption by both reducing its energy demand via energy conservation and efficiency improvements and promoting non-fossil fuel based (renewable) energy generation.

Initiatives to improve energy efficiency undertaken across the hotels include:

- Transition to artificial illumination being provided via energy efficient LED lights
- Dual-set-point thermostats fitted in guest room to set the air conditioner to an energy saving, set-back temperature when unoccupied
- Variable Frequency Drives used to control the speed of motors according to the load requirement or climate conditions, have been introduced for pumps and motors where the installed electrical load is high
- Improving energy efficiency of the hotel buildings is also considered at the concept stage of new properties and designed to minimise the need of artificial illumination and mechanical ventilation

Initiatives to move to renewable energy sources implement in many of the hotels include:

- Solar PV systems supplement grid electricity demand
- Hot water requirement generated via renewable energy sources - solar hot water panels during daytime and a biomass boiler fuelled by cinnamon wood, during night-time
- Vapour Absorption Chillers, run sustainably via steam generated from a biomass boiler, cater (04) hotels' entire air conditioning requirement
- Cooking in the staff cafeteria fuelled through sustainable means; this includes the use of cooking stoves fuelled by biogas (generated from onsite biogas digesters), and industrial biomass stoves

Water use and wastewater management:

Recognizing the importance of water conservation, initiatives are taken to minimise water consumption, reduce wastages and reuse wherever possible. Across the hotels, where possible separate water meters have been installed in different departments, allowing for daily monitoring of use and highlighting any abnormal use. While fixtures in use, such as taps, shower heads and toilet cisterns are specifically chosen during design/retrofitting for optimum usage, introduction of flow restrictors/water savers with faucets have also improved the efficiency in water usage in older fixtures.

Wastewater generated at the hotels is treated via effluent treatment plants and reused onsite, or responsibly discharged to the hotel grounds following pre-treatment (anaerobically) in septic tanks. Treated wastewater is reused for cooling towers, cisterns, or garden irrigation, reducing the requirement of freshwater; and the quality of the discharged treated water is routinely checked by an accredited external company to ensure it meets the required standards of the Central Environmental Authority.

Solid waste management:

By the very nature of business, hotels generate considerable quantities of waste from their diverse areas of operation. Through our comprehensive waste management system, generation of solid waste has been minimised through the introduction of reusable alternatives (i.e. glass water bottles and amenity bottles, fabric laundry bags) and conscious procurement practices such as need-based purchase of fresh produce, and purchase of dry goods in bulk or without secondary packing to reduce packaging waste.

Solid waste generated is separated at their sources of origin – in all departments such as the kitchen, restaurant and bar, maintenance, stores and guest rooms – stored safely and hygienically and disposed in the most environmentally-sound manner available. Dry solid waste collected (such as cardboard, plastic, glass bottles and metal) is inventoried and sold to external parties for recycling or reuse. Organic waste (primarily food waste) collected from hotel operations is treated and reused onsite via composters, fed into biogas units for renewable energy generation or sent to a local piggery to be used as animal feed. Minimal quantities of mixed waste items which can neither be recycled nor biodegraded, are collected by local authorities for disposal.

Plastic bottled water use remains a concern because of both the cost and emission of transporting from source to end user as well as the waste disposal problem that it creates in due course. To replace the use of the plastic bottled water with reusable glass water bottles, potable-water bottling plants have been commissioned at strategic hotel locations. Inhouse bottled water production has increased during the year under review with the commissioning of the new bottling plant at Jetwing Warwick Gardens, Nuwara Eliya.

Biodiversity:

Although Jetwing Hotels does not operate any sites in formerly protected areas, located in scenic natural locations, such areas may hold high biodiversity values. Thus, we have a distinct responsibility in ensuring that activities carried out do not have an appreciable adverse effect on the local flora and fauna. We continue to review our impact and work towards reducing energy, water and material usage

and generation of emissions, effluents and solid waste; while also enhancing habitats through increasing the green cover with native flora, control of invasive alien species etc. - which have an ongoing positive effect on biodiversity in the areas in which we operate. Further, we provide environmental education support with a particular focus on future generations – local students – to share best practices and awareness on the importance of biodiversity and nature conservation.

Committed to proactively protecting the environment where we operate, extending the in-situ conservation of turtle nesting sites carried out along the hotel beach-front over the last few years; Jetwing Yala, in partnership with the Department of Wildlife Conservation in January of this year began operation of an onsite turtle hatchery, for the ex-situ conservation of turtle eggs collected from the vicinity – protecting the eggs from natural and human threats, and safely releasing the hatchlings to sea.

Compliance:

Compliance with regulatory and voluntary standards demonstrates our commitment to always operating in an environmentally responsible manner. The management systems introduced adhere to all relevant local laws and comply with a range of Jetwing's own internally developed policies including the Jetwing Sustainability Policy, Environmental Policy, Energy Management Policy and Health & Safety Policy. In addition, Jetwing 'owned' hotels have obtained external verification for or is in the process of introducing systems compliant with ISO 14001:2015 standard for environmental management systems, ISO 50001:2011 standard for energy management systems and *Travelife's* sustainability criteria.

The company is aware that disputes and concerns could arise over the environmental impacts of the organisation's activities and its relationships with others. Should such grievances/complaints be brought forward, the hotels are ready to handle them efficiently at source, through dialogue and mediation. We are geared to investigate and address such issues via a clear and transparent process. We maintain a positive outlook viewing any issues that crop up as opportunities to improve and better manage our environmental performance.

Measurement of Outcomes

The hotels systematically track their resource usage and the savings it achieves through various conservation efforts.

During the preceding year, at Jetwing 'owned' hotels:

- 60% of the energy demand was met via renewable energy sources
- Over 234,000m³ of wastewater was treated and reused onsite (enough to fill 93 Olympic size swimming pools!)
- Over 452,000 glass water bottles were produced (eliminating approximately 4.5 tonnes of plastic waste)

While not accounted for in above figures, the latest addition to the Jetwing portfolio – Jetwing Kandy Gallery – also boasts an array of features for improved environmental performance. These include, a 90.5 kW roof-mount solar PV system, solar thermal system for day-time hot water supply, onsite

treatment & reuse of wastewater generated and a biogas digester for the treatment of food waste disposed from operations, among others.

Savings acquired from such measures are not only beneficial for the environment but incur direct benefits to the hotels in the long run as these savings go hand in hand with cost savings.

It is our belief that protecting the environment isn't just a legal or social obligation but is integral to our strategy to run our business in a way that is ethical and aims to create long-term value for all our stakeholders.

Anti-Corruption Principles

Assessment, Policy and Goals

Jetwing Hotels considers the risk of corruption across its business low, however we are committed to ensuring that company is not involved in any corruption, extortion or bribery in our business dealings. "Taking of or giving bribes or gratification in cash or any other kind" has being formally recognised as an act of associate misconduct and we expect our associates to achieve a high standard of personal, ethical and professional conduct.

Implementation

Jetwing's outlook on business practices are guided by our 'family' values: Passion, Honesty, Integrity and Tenacity. These values combine to form and provide the foundation for corporate governance; thus, we strive to pursue all business transactions in an honest and ethical manner.

We maintain transparency and open communication with stakeholders regarding our progress, impacts and services offered. Internally, we maintain an excellent check and balance system with information on transactions being corroborated and monitored by the senior management.

Measurement of Outcomes

Hotels' accounts are subject to internal audits as well as statutory external audits which can be used to identify any suspicious transactions. Audit results are reviewed by the senior management periodically to ensure consistency with commitment to unethical business dealings.

There have been no incidents related to corruption and bribery within this period.

- End of Report -