



A legacy of 30 years

Sustainability Report 2023 | 2024

Heritage Kandalama

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An Overview of Heritance Kandalama

Heritance Kandalama is a pioneer in sustainable luxury hospitality, nestled in the cultural heart of Sri Lanka. Surrounded by lush forests and scenic views of the ancient Sigiriya rock fortress, this iconic five-star resort seamlessly blends into its natural environment, embodying both architectural marvel and environmental stewardship.

Over its 30-year journey, Heritance Kandalama has become renowned for its commitment to environmental and social sustainability, earning more than 100 prestigious awards. These accolades include the Best Five Star Resort Hotel, Best Sustainable Destination Platinum Award, PATA Green Leaf Gold Award, Green Apple Award, Wild Asia Sustainable Tourism Award, Kouni Green Planet Award, National Productivity Award, and the National Cleaner Production Award. The hotel is also ISO 14001:2015 certified and holds the Travelife Gold certification, further solidifying its position as a global leader in sustainable tourism.

Heritance Kandalama plays a pivotal role in uplifting the local community. An impressive 58% of the hotel's employees hail from within a 20 km radius, and seven management team members, who began as trainees in 1994, are from the surrounding village. The hotel has also contributed significantly to community infrastructure, including building roads, electricity networks, schools, libraries, and sanitation facilities. One of the standout community initiatives is the purchase of Gliricidia wood from local suppliers for its gasifier project, which contributes over 2,000,000 LKR annually to the local economy.

The hotel prides itself on being inclusive and accessible to all. 13% of its workforce consists of women, and it employs several differently-abled individuals. Heritance Kandalama has ensured that its facilities are accessible for differently-abled guests, with motor access on multiple floors and designated rooms and washrooms equipped for their comfort.

Heritance Kandalama's approach to sustainability extends beyond its architectural design, which minimizes the impact on the surrounding ecosystem. The hotel has adopted numerous eco-friendly practices, including using a gasifier powered by locally sourced wood to reduce reliance on fossil fuels. Although it does not currently harvest rainwater or generate biogas, the resort has consistently innovated in sustainable operations.

Corporate Sustainable Policy

Aitken Spence Hotels Integrated Sustainability Policy

We understand corporate sustainability as a proactive approach to ensure the long-term viability, profitability and integrity of the business. As a leading hospitality group operating in several countries, we remain committed to continue our heritage of exemplary corporate citizenship by aligning our sustainability strategies with global initiatives on sustainable development.

Policy Statement

Aitken Spence Hotels strives to:

- a) Exceed all legal and other requirements necessary for the sustainable operation and development of our company
- b) Facilitate the achievement of the UN Sustainable Development Goals and strengthen the adoption of the ten principles of the UN Global Compact
- c) Conduct all business in an ethical manner, promoting the adherence to the UNWTO Global code of ethics for Tourism and encourage and support our partners to conduct business ethically
- d) Use environmental management systems in all organizational operations and activities and commit to prevent pollution
- e) Engage with stakeholders, consider their opinions at all stages of planning and operations
- f) Encourage supply chains to implement and manage sustainable strategies
- g) Inculcate sustainability concepts and views in strategic decision making
- h) Use sustainable processes in organizational operations considering all relevant risks
- i) Promote innovation in the processes and products & services provided to customers
- j) Continually enhance quality of products, services and value provided to customers while ensuring profitability
- k) Get involved in community development projects and ensure employee participation
- l) Support local communities by providing employment and purchasing from local suppliers wherever possible

- m) Use the occupational health and safety management system as a basis to provide employees with a safe and healthy working environment
- n) Harness a strong and competitive human resource
- o) Support and promote the protection of internationally proclaimed human rights
- p) Report performance in a timely and accurate manner for the benefit of our stakeholders
- q) Be diligent to information security and comply with all relevant rules, regulations, industry standards and guidelines to safeguard the internal information assets, maintain information confidentiality, integrity, and availability
- r) Avoid depicting attitudes that are discriminatory or offensive to a gender, religion, ethnicity, culture
- s) or a social group; or are politically biased in company's communications
- t) Uphold annual performance review and planning
- u) Support and promote the protection of internationally proclaimed ethical treatment of animals

Implementation

The Board of Aitken Spence Hotel Holdings PLC, Aitken Spence Hotel Managements Ltd. and the Sustainability division will be responsible on setting guidelines and giving directions.

For internal circulation, policy statement will be accompanied by documents containing action points on each tier of implementation and explanatory notes.

Awareness and training programs to facilitate the implementation of the policy would be undertaken where necessary

Environmental and Social Sustainability Policy

Heritage Kandalama

We, at HERITANCE Kandalama, are committed to protect, conserve and develop our present and future environment, both internal and external, in our daily activities, as an operator in the hospitality industry, in the Cultural Triangle of Sri Lanka, situated bordering an ancient irrigation tank. The property consists of 152 room hotel and staff village including swimming pools, restaurant, function facilities, tennis courts , spa and outdoor activities.

All legislation pertaining to environmental management, public and occupational, health, hygiene and employment with all regulations therein will be complied with, in keeping with the vision and mission of the Company.

We are conscious of our immediate physical and social neighborhood, and will protect the land, forest, wildlife and tank with the other water resources and air, for the future, from any possible adverse effects of our solid, liquid or gaseous waste discharge, considering all significant environmental aspects. A framework to measure, analyze performance, set targets and inform on the performance indicating environmental objectives and targets will be established to prevent pollution.

Action will be taken to continually improve the performance on an year-on-year basis in greenhouse gas emissions, energy efficiency, conservation and management, management of freshwater resources, ecosystem conservation and management, management of social and cultural issues, land use planning and management, waste water management, minimization of waste, reuse & recycling, air quality protection and noise control.

The social and cultural sensitivities of the neighboring communities will be respected while assisting them in employment, purchase of local products and services and in environmental conservation. All employees, customers and suppliers will be informed of the environmental conservation and development programs.

This policy will be issued to all staff members and made available to all the stakeholders and public.

General Manager

Heritage Kandalama

Strategy

Heritage Kandalama's strategy is deeply rooted in sustainability, luxury eco-tourism, and operational excellence, positioning it as a leader in the hospitality industry, particularly in environmentally responsible tourism. The hotel's strategic approach can be divided into key focus areas:

1. Sustainability as a Core Principle

Sustainability is the cornerstone of Heritage Kandalama's strategy, allowing it to appeal to eco-conscious travelers and win numerous accolades in green tourism.

- **Environmental Management:** The hotel operates under ISO 14001:2015 environmental management standards, focusing on minimizing its ecological footprint through energy efficiency, water conservation, waste management, and biodiversity protection.
- **Energy Efficiency:** Heritage Kandalama has invested in renewable energy sources, energy-efficient lighting, and other measures that reduce electricity and fossil fuel consumption. The hotel tracks its energy consumption per room night and has seen significant improvements.
- **Water Conservation:** Through water-saving technologies and responsible usage, the hotel ensures that it minimizes water wastage while preserving local resources.
- **Biodiversity Protection:** Set within a sensitive ecological zone, the hotel has dedicated over 240 acres of land to preserving biodiversity, with 173 species of birds, 82 types of butterflies, and more. This is crucial for both environmental preservation and promoting eco-tourism.

2. Architectural and Design Excellence

The architectural design of Heritage Kandalama by Geoffrey Bawa is one of the hotel's unique selling points (USPs).

- **Seamless Integration with Nature:** The hotel is designed to blend into the natural environment, creating a minimal impact on the landscape while offering guests an immersive nature experience. The building occupies only 8 acres, with the remaining land preserved for nature.
- **Sustainable Building Materials:** During construction, sustainable and locally sourced materials were used to reduce the environmental impact, while also promoting eco-friendly tourism.

3. Unique Customer Experience

Heritage Kandalama emphasizes personalized and unique experiences to distinguish itself in a competitive market.

- **Customized Dining Experiences:** Special dining experiences like the “Bawa Dinner” and “Kotuwa Supper” served at Puranagama add cultural richness to the guest experience by offering authentic Sri Lankan meals, highlighting the hotel’s focus on promoting local culture.
- **Eco-Friendly Tourism:** Heritage Kandalama provides educational experiences where guests can learn about the hotel’s sustainability initiatives, from its water-saving practices to its energy-efficient operations. This adds an element of responsible travel to the guest experience.

4. Revenue Maximization Strategies

To drive revenue growth, Heritage Kandalama focuses on several key strategies:

- **Banquet and Event Offerings:** The hotel enhances its revenue through the strategic use of its facilities for events, weddings, and corporate functions. Unique banquet offerings and conference facilities cater to both local and international guests.
- **Upscale Tourism:** By catering to high-end tourists who seek luxury experiences combined with sustainability, the hotel taps into an upscale market segment willing to pay a premium for eco-friendly luxury.
- **Online Travel Agencies (OTAs):** The hotel has uplifted its contribution from OTAs, which expands its market reach and increases occupancy rates, particularly targeting international travelers.

5. Market Focus

Heritage Kandalama focuses on both local and international markets to maximize its occupancy and revenue streams.

- **Primary Market:** Sri Lanka remains the core market, as the hotel appeals to local guests through competitive pricing, special offers, and cultural relevance.
- **International Markets:** Russia is identified as a growing international market, and the hotel strategically targets this segment through marketing and partnerships with OTAs. The hotel's location in the Cultural Triangle also appeals to travelers seeking cultural and heritage experiences.

6. Employee Development and Local Engagement

Human resources are a vital aspect of Heritance Kandalama's strategy, particularly in the areas of employee retention, local engagement, and continuous learning.

- **Training and Development:** The hotel has a robust learning and development framework, including an annual learning calendar, monthly training schedules, and participation in external competitions. This helps maintain high service standards and supports career development within the organization.
- **Local Employment:** With 55% of employees coming from within a 20 km radius, Heritance Kandalama invests in the local community. Many of its management staff started as trainees, which demonstrates the hotel's commitment to promoting from within and building long-term careers.
- **Diversity and Inclusion:** While the hotel is working on increasing female representation (currently at 11%), the management team recognizes this as a key area for future development. Differently-abled individuals are also employed, further enhancing diversity within the workforce.

7. Sustainability Certification and Awards

Heritance Kandalama's reputation as a leading eco-friendly hotel is bolstered by its numerous certifications and awards.

- **Travelife Gold Certification:** This highlights the hotel's commitment to sustainability in the areas of waste reduction, energy efficiency, and social responsibility.
- **ISO 14001:2015 Certification:** This international certification for environmental management systems ensures that the hotel continually monitors and improves its environmental practices.
- **Award-Winning Property:** With over 100 awards, including the PATA Green Leaf Gold Award and the National Cleaner Production Award, Heritance Kandalama leverages these accolades to attract eco-conscious guests and position itself as a leader in sustainable hospitality.

8. Community Engagement

Heritance Kandalama supports the local community through initiatives that extend beyond mere employment.

- **Local Sourcing:** The hotel contributes over 2,000,000 LKR annually to the local economy by sourcing Gliricidia wood from nearby villages for its gasifier.

- **Infrastructure Development:** Heritance Kandalama has contributed to the construction of roads, schools, libraries, and sanitation facilities in nearby villages, enhancing local living standards and fostering goodwill with the community.



RISK IDENTIFICATION



RISK



MITIGATION



MITIGATION

Risk Management

Heritage Kandalama's approach to risk management is aligned with its focus on sustainability, environmental stewardship, and operational efficiency. Given its unique location and eco-friendly business model, the hotel faces various types of risks—environmental, operational, financial, and reputational. Here's how these risks are managed:

1. Environmental Risks

Given that Heritage Kandalama is located in a sensitive ecological zone near the Kandalama tank, the management of environmental risks is crucial.

- **Biodiversity Conservation:** With over 250 acres of land, including significant flora and fauna (173 species of birds, 82 types of butterflies, and more), any disturbance to the ecosystem could be a major risk. The hotel implements strict biodiversity protection policies by minimizing habitat disturbance, maintaining green spaces, and conducting regular environmental impact assessments.
- **Water Conservation:** As part of its commitment to environmental sustainability, Heritage Kandalama focuses on managing water resources effectively. It uses water-saving devices and regularly monitors usage to avoid over-extraction, which could harm local water tables.
- **Waste Management:** The hotel has implemented robust waste segregation, recycling, and composting systems to minimize waste generation. Mismanagement of waste could pose a significant environmental and reputational risk.

2. Operational Risks

Operational risks affect the day-to-day functioning of the hotel, which could lead to disruptions in service, efficiency loss, or even accidents.

- **Energy Efficiency:** Energy consumption is carefully monitored, as shown by their energy consumption per room night statistics. A failure to optimize energy use could result in increased operational costs and a higher carbon footprint. The hotel manages this risk through the use of energy-efficient technologies, such as solar power and energy-efficient lighting.

- **Health and Safety:** Staff are trained in safety protocols, and the hotel follows strict standards for guest safety, fire hazards, and emergency responses. Any failure to uphold these standards could affect guest safety and the hotel's reputation.
- **Staffing Risks:** With a significant portion of employees from the local community (55% within 20 km of the hotel), Heritance Kandalama relies on its workforce to operate efficiently. To mitigate the risk of labor shortages or skill gaps, the hotel invests in training and development, ensuring a steady supply of skilled workers.

3. Financial Risks

Financial risks at Heritance Kandalama are closely tied to both market conditions and operational efficiency.

- **Fluctuating Occupancy Rates:** In 2022/23, the occupancy was 35%, but it increased to 75% in 2023/24. This variation presents a financial risk, especially in periods of low occupancy. The hotel manages this through diversified revenue streams, such as enhanced banquet offerings and upscale tourism experiences to attract high-end clientele.
- **Cost of Resources:** Rising costs of energy (electricity, diesel, LPG) could negatively impact the hotel's profitability. By focusing on sustainability initiatives like solar energy and energy-efficient appliances, Heritance Kandalama mitigates these risks.

4. Reputational Risks

As a leading example of sustainable hospitality in Sri Lanka, Heritance Kandalama's reputation is a critical asset.

- **Sustainability Certifications:** The hotel holds ISO 14001:2015 and Travelife Gold certifications, which demonstrate its commitment to sustainability. Failing to maintain these standards could lead to reputational damage. Regular audits and continuous improvement ensure that the hotel meets and exceeds these standards.
- **Guest Experience:** Given that the hotel's target market includes upscale tourists and eco-conscious travelers, any negative experiences could impact its reputation. The hotel mitigates this by maintaining high service standards, training staff to anticipate guest needs, and using tools like ReviewPro to monitor feedback in real-time.

5. Climate Change Risks

As a hotel that operates in a natural environment, Heritance Kandalama is vulnerable to climate change impacts, including rising temperatures, erratic weather patterns, and potential water scarcity.

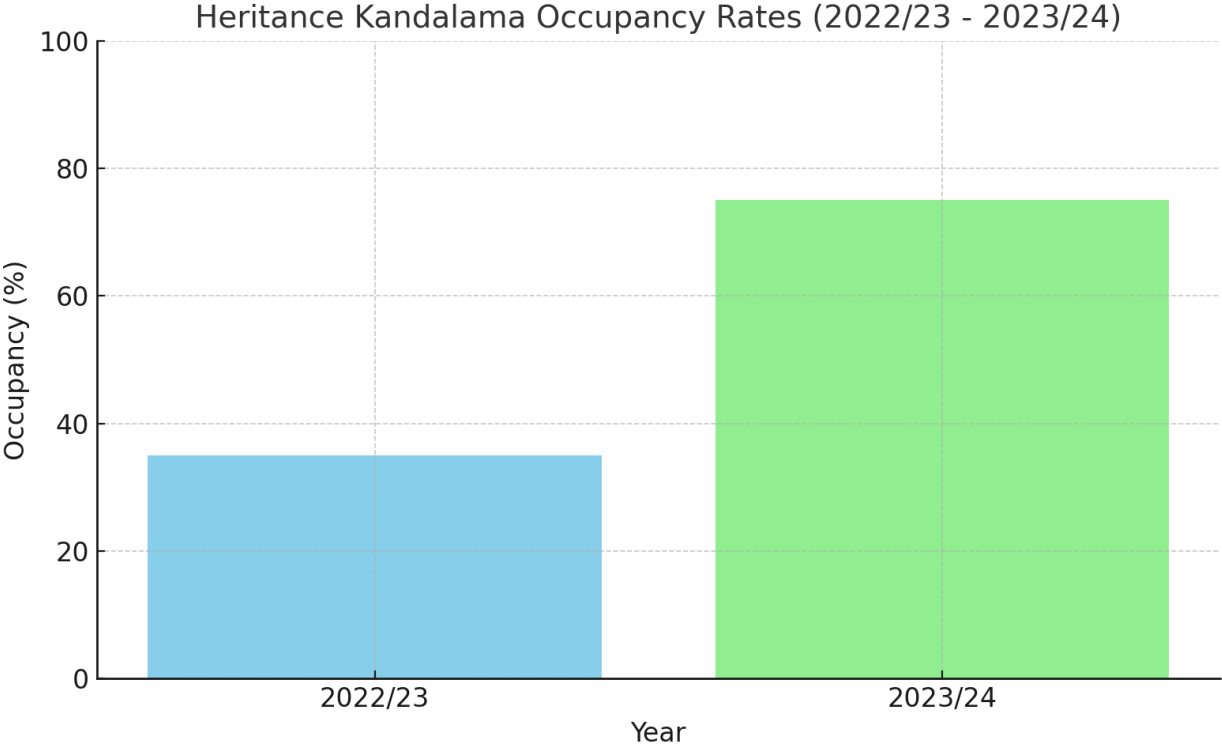
- **Energy and Emission Reduction:** The hotel implements measures to reduce its greenhouse gas emissions, such as reducing diesel consumption for the boiler. In 2023/24, GHG emissions from boiler diesel usage dropped significantly, indicating progress in minimizing its carbon footprint.
- **Natural Disaster Preparedness:** The hotel's location near water bodies means it could face risks from floods or droughts. Contingency plans are in place, including emergency response strategies to manage such risks effectively.

6. Supply Chain Risks

Heritance Kandalama has an extensive focus on local procurement, especially in the use of Gliricidia wood for its gasifier, which benefits the local economy.

- **Local Supplier Dependency:** While purchasing from local suppliers supports community development, it also presents a risk if there are disruptions in the local supply chain. To mitigate this, the hotel establishes long-term partnerships with local vendors and diversifies its suppliers where possible.
- **Resource Scarcity:** The hotel's reliance on locally sourced wood and food products means that scarcity or price fluctuations could pose challenges. To manage this risk, it engages in sustainable sourcing practices and supports local agricultural initiatives to ensure a steady supply.

Performance and Occupancy statistics



Here is the table and a graph illustrating the occupancy statistics for Heritage Kandalama:

Year	Occupancy (%)	Total Room Nights
2022/23	35	44,121
2023/24	75	86,250

The bar graph shows a significant increase in occupancy between 2022/23 and 2023/24, with occupancy rising from 35% to 75%.

Land Use

Heritage Kandalama is built with a deep focus on environmental sustainability and responsible land use. Here is an overview of the land usage at the hotel:

- **Total Land Area:** Over 250 acres.

- **Building Footprint:** Only 8 acres are used for the hotel's infrastructure, including the main building and guest accommodations. This reflects a minimal impact on the landscape, ensuring that the hotel is in harmony with its surroundings.
- **Land Dedicated to Flora and Fauna:** The remaining area, over 240 acres, is preserved for natural flora and fauna. This large space contributes to the conservation of biodiversity and helps maintain the region's natural ecosystem.
- **Biodiversity:** The surrounding area is home to:
 - **173 bird species**, including the rare Shaheen Falcon.
 - **82 species of butterflies.**
 - **43 species of mammals.**
 - **21 species of dragonflies.**
 - **8 varieties of frogs and amphibians.**

This thoughtful land use not only minimizes the hotel's environmental footprint but also fosters a rich natural habitat, contributing to the hotel's appeal as an eco-tourism destination.

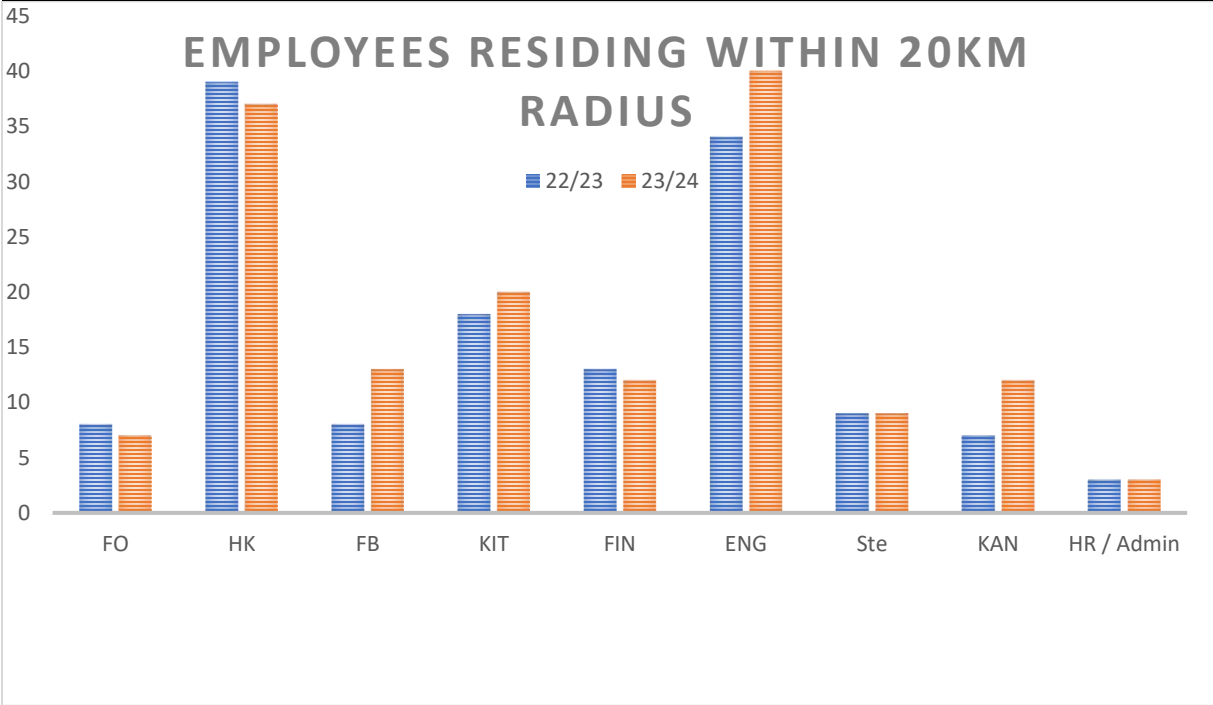


Internal Community

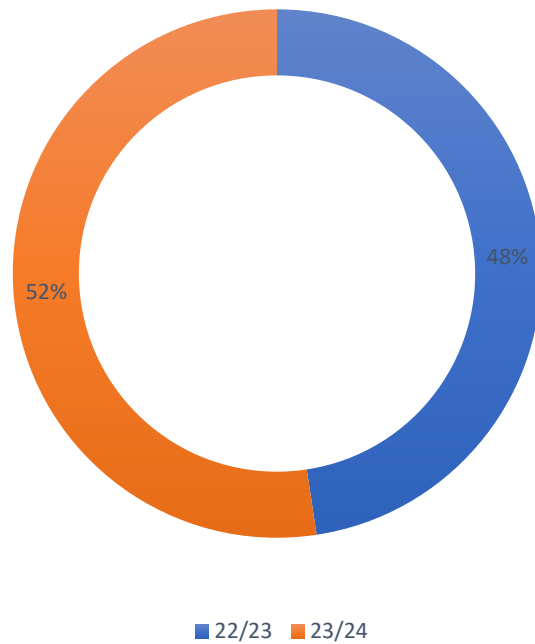
Employee Breakdown

Here’s a detailed breakdown of the employees at Heritance Kandalama based on gender and job category:

Category	Males	Females	Total
Executives	31	4	35
Non-Executives	268	33	301
Total	299	37	336



Employees recruited within 20Km radius



- **Males:** 299 (approximately 89%)
- **Females:** 37 (approximately 11%)

Insights

- The majority of the workforce consists of males, with a significant number of non-executive positions.
- The representation of female employees is relatively low, indicating potential areas for improving gender diversity, particularly in executive roles.
- Encouraging more female representation in the workforce could enhance inclusivity and bring diverse perspectives to the team.

Employee Development

Human Resource Policy

Community Development

In order to support the neighboring community and to maintain the sustainable development, the hotel recruits 55% of the staff it's cadre from the 20-kilometer radius

Acquisition of New Blood

School leavers or freshers for occupations who carries new thinking and unspoilt minds are assets for Heritance Kandalama. We believe that molding this youth will benefit individual, organization, society and the country as a whole.

Fair and equity

It is a policy of human resource department to monitor and evaluate the fairness in distribution of all remuneration to employees of the organization.

Employee wellbeing

It is a policy of Human Resource Department to look in to all employee wellbeing.

General Manager

Heritance Kandalama

1. Promoting from Within

- **Local Talent Development:** A significant portion of Heritage Kandalama's management team started as trainees when the hotel first opened in 1994. Seven members of the management team, all from the local village, have risen through the ranks over the years. This shows a commitment to fostering local talent and providing them with career advancement opportunities.
- **Internal Promotions:** Out of the hotel's 35 executives, 9 have been with the hotel since the early 1990s, having progressed from entry-level positions to executive roles. This indicates a strong culture of internal promotion and career growth within the organization.

2. Structured Training and Development Programs

- **Annual Learning Calendar:** Heritage Kandalama implements an annual learning calendar that outlines a range of training programs for employees at all levels. This ensures that staff continuously receive relevant training to improve their skills and enhance their career prospects.
- **External Training and Certifications:** Employees are regularly sent for external training programs to further their expertise. This may include certifications in hospitality management, leadership development, or specific technical skills related to hotel operations.
- **Interdepartmental Competitions and Talent Shows:** These initiatives provide employees with opportunities to showcase their skills and talents. Participation in these programs can lead to recognition and career advancement within the hotel.

3. Focus on Multiskilling

- **Cross-Training:** To encourage versatility and open up new career paths, employees at Heritage Kandalama are trained in multiple departments. This cross-training allows them to gain a holistic understanding of hotel operations, making them more adaptable and better suited for leadership positions.
- **Skill Development:** Employees are encouraged to develop a wide range of skills, from customer service to operational management. This multiskilling approach enables staff to take on more responsibilities and move up within the hotel hierarchy.

4. Career Development for Entry-Level Employees

- **School Leavers and Hotel School Students:** A large portion of the hotel's recruits are school leavers and students from local hotel schools. These employees are provided with tailored training programs to integrate them into the hotel's culture and operations, setting them up for long-term careers within the organization.
- **On-the-Job Training:** New recruits benefit from hands-on, practical training within their departments. By gaining real-world experience in various aspects of hotel management, they are equipped with the skills needed to advance their careers.

5. Performance-Based Career Advancement

- **Performance-Based Pay and Promotions:** Heritage Kandalama rewards employees based on their performance, ensuring that hard work and dedication are recognized through promotions and salary increases. Career advancement is directly tied to employee contributions and results.
- **Talent Identification and Mentoring:** Employees who demonstrate strong leadership potential are identified early and provided with mentoring from senior management. This mentorship helps to fast-track their career progression.

6. Diversity in Career Progression

- **Promoting Female Employees:** Although females make up a smaller percentage of the workforce (about 11%), the hotel has a strong focus on creating opportunities for women to advance in their careers. While currently, only 4 out of 35 executives are female, there is potential for increasing female representation in leadership roles through targeted career development initiatives.
- **Support for Differently-Abled Employees:** The hotel ensures that career development opportunities are available to all employees, including those who are differently-abled. The inclusive work environment provides them with the necessary support to grow within the organization.

7. Sustainability-Focused Career Paths

- **Sustainability Training:** As part of the hotel's commitment to sustainability, employees are trained on environmentally friendly practices and sustainable hospitality. This not only enhances their skills but also opens up new career paths in sustainability management within the hotel and beyond.
- **Leadership in Sustainability:** Employees who take on leadership roles in the hotel's sustainability programs, such as waste management, energy conservation, or community engagement, can

advance their careers through the development of specialized knowledge and experience in sustainable tourism.

8. Participation in Competitions and External Events

- **Competitions and Awards:** Heritance Kandalama encourages employees to participate in external competitions related to hospitality, such as culinary, wine, cocktail, and tea contests. These experiences not only enhance their skills but also provide recognition that can lead to promotions within the hotel.
- **Global Exposure:** The hotel provides opportunities for employees to represent the organization at international hospitality events, gaining exposure to global best practices and expanding their career horizons.



8.02 Learning Hours Per Employee in 2023/2024



Common benefits provided to all employees

- Bonus/Exgratia, Service Charge
- Insurance cover for injuries/fatalities/disabilities/Hospitalization/invalidities and deceases
- Benefits at the death of an employee, immediate family members
- Annual gift vouchers to purchase books for children
- Contribution for ETF/EPF, Loan on no interest
- Gifts at the marriage, Gift for first and second baby,
- Gift when starting the education of children, Gift when children of employees get through the grade five examinations
- Staff day once a year, Annual staff' trip, Annual executives' trip, Annual supervisors' trip
- Uniforms including shoes and PPEs for required operations,
- Three Meals, Accommodation, Facilities for recreational activities for 100% of the staff.

Special Benefits for permanent employees that are not provided for other employees

- Reimbursement of tuition/exam/course fees on successful completion
- Maternity Leave, Annual Leave, Casual Leave

Medical Camps

Ensuring healthy, strong and efficient work force at the workplace, the hotel conducts a Medical Camp annually for employees and their immediate family members. This is done in collaboration with Dambulla Hospital. All employees are benefited with a fee medical check-up.

Staff Day

Staff Day is the most important day for our employees. They are entitled to bring their families on that day to the hotel. At the entrance, Management team welcomes all staff members and their families on the red carpet and take a family photograph. Many activities and entertainment are organized for kids and adults alike.

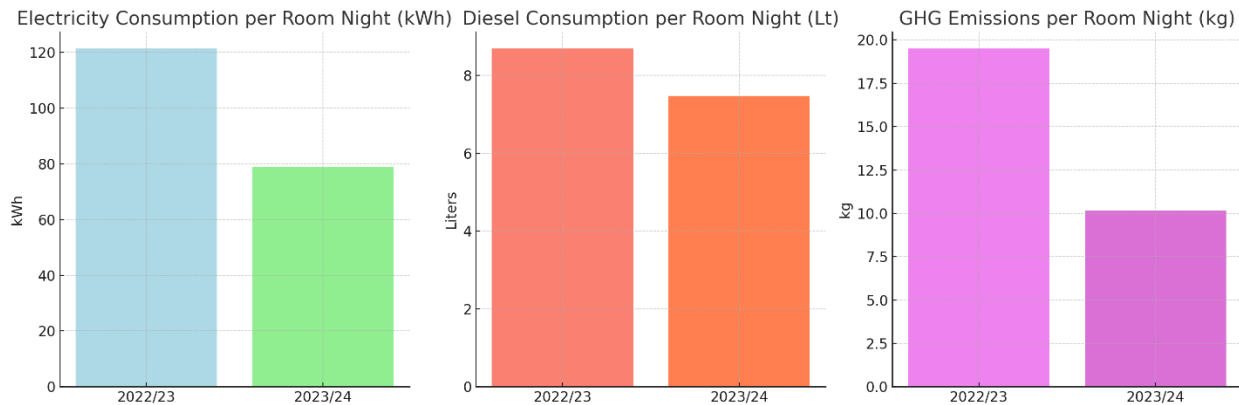
Sports Activities

Annual Inter-department Sports Festival is another key activity in the staff calendar. Employees are also encouraged to participate in Group Sport-O-Rama, Mercantile Tournaments representing Aitken Spence PLC, etc. Further, the Heritage Battle which is held annually and regional sports activities

National and Religious Activities

In showcasing the strength of our culture and traditions as well as the diversity as a multi-religious country, Heritage Kandalama family celebrates these special occasions, not only for self-gratification but also to showcase these vibrant traits to visitors from around the globe. Some of the days thus celebrated are, Independence Day of Sri Lanka, Vesak Day, Christmas, Sinhala & Tamil New Year, among others.

Consumption and Management

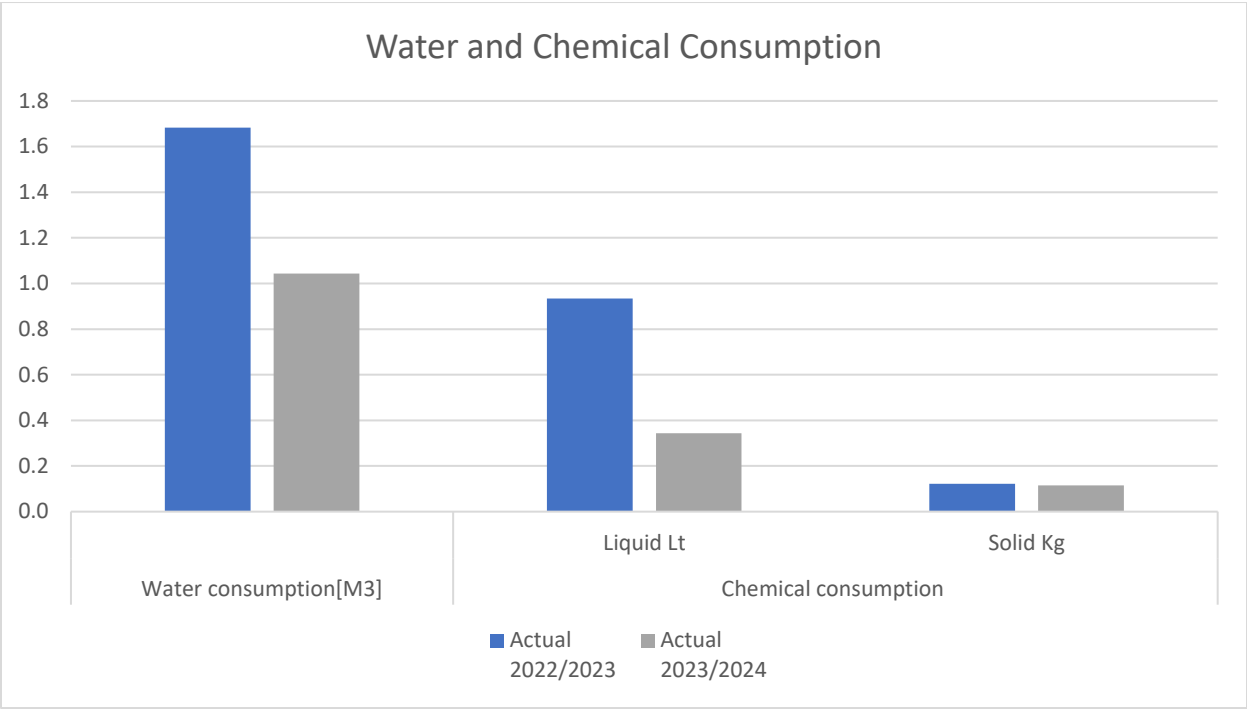


The graphs above illustrate the energy consumption and emissions per room night at Heritage Kandalama for the years 2022/23 and 2023/24:

1. **Electricity Consumption per Room Night (kWh):** There is a significant reduction in electricity usage, dropping from 121.415 kWh in 2022/23 to 78.984 kWh in 2023/24, reflecting better energy efficiency.
2. **Diesel Consumption per Room Night (Lt):** Diesel consumption per room night also decreased, from 8.691 liters to 7.478 liters, showing progress in fuel efficiency.
3. **GHG Emissions per Room Night (kg):** Greenhouse gas emissions from boiler diesel usage were reduced from 19.504 kg to 10.163 kg per room night, representing an almost 50% reduction, showcasing efforts towards sustainability.

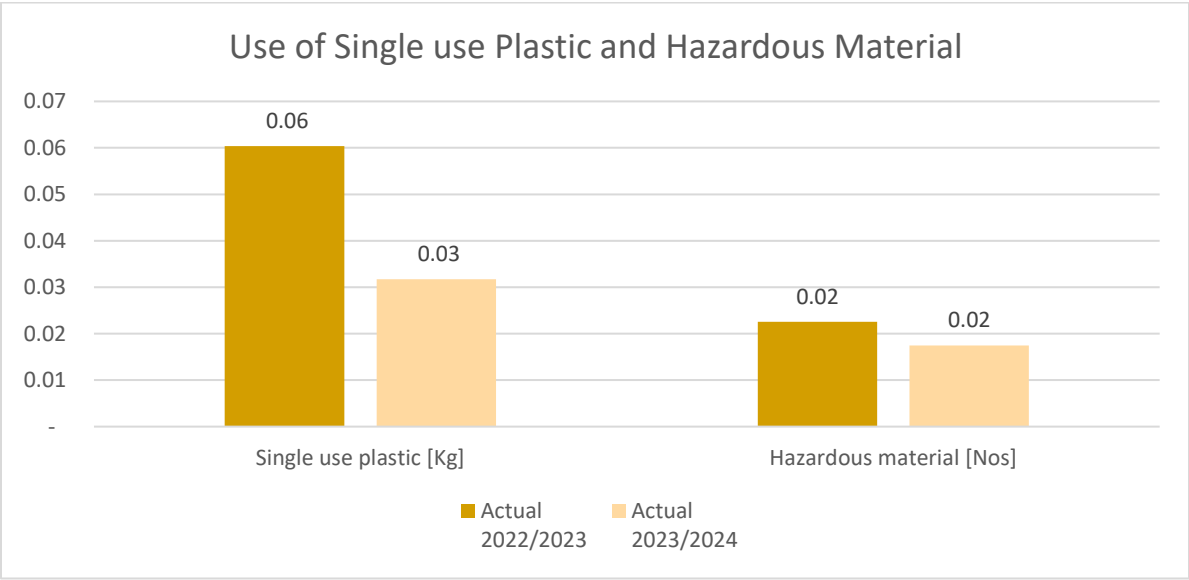
These reductions highlight substantial improvements in energy efficiency and emissions management during 2023/24.

Water and Chemical Consumption



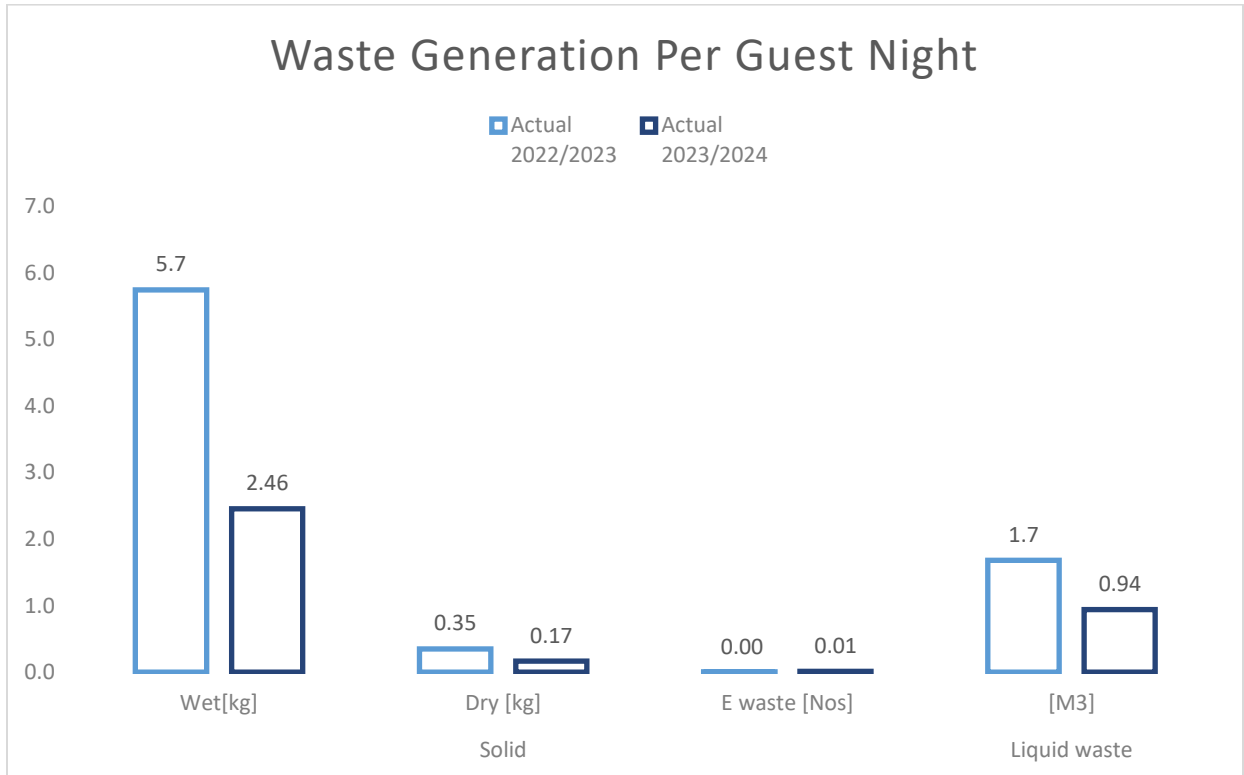
The water consumption at Heritance Kandalama decreased from 1.7 cubic meters in 2022/23 to 1.04 cubic meters in 2023/24. Similarly, chemical consumption also dropped significantly, with liquid chemical usage going from 0.93 liters to 0.34 liters, and solid chemicals decreasing from 0.14 kg to 0.11 kg. This highlights a focus on resource conservation and reduced environmental impact.

Single use Plastic and Hazardous Material



At Heritance Kandalama, the usage of single-use plastic decreased from 0.06 kg in 2022/23 to 0.03 kg in 2023/24. Hazardous material consumption remained constant at 0.02 kg for both periods. This indicates ongoing efforts to reduce plastic waste while maintaining careful management of hazardous materials.

Waste Generation



This chart represents the **waste generation per guest night** at Heritance Kandalama for the years 2022/2023 and 2023/2024. It shows the actual waste data for different categories:

- **Wet waste:** Significant reduction from approximately 6 kg in 2022/2023 to around 3 kg in 2023/2024.
- **Dry waste:** Minimal and consistent amounts for both years.
- **E-waste:** Very low and consistent for both years.
- **Liquid waste:** Slight reduction from 2022/2023 to 2023/2024.

Corporate Governance

Heritage Kandalama has a long-standing commitment to transparency and integrity. Our Board of Directors oversee management and through this oversight enhances the long-term value of the company.

A formal infrastructure of a range of panel members comprised of executives and associates guide us in making everyday decisions that affect our work environment, our sustainability practices and our business strategy.

Transparency and Accountability

Heritage Kandalama places a high value on transparency in its operations, both internally and externally.

- **Internal Audits:** Regular internal audits ensure that all aspects of the hotel's operations—from financial performance to sustainability—are in compliance with both internal policies and external regulations.
- **External Audits:** Third-party audits for sustainability certifications like ISO 14001 and Travelife Gold further ensure accountability and reinforce the hotel's commitment to maintaining high standards.
- **Stakeholder Reporting:** The hotel provides clear and transparent reports to stakeholders, including environmental impact reports, financial performance reviews, and sustainability metrics.

Sustainability Committee

Ranjith Kumarasinghe
[Asst General Manager - L&D]
 President

Nalinda Samaranayake
[Naturalist]
 Vice President

Gamini Wijetunge
[Asst Resort Manager]
 Adviser

PG Abeywardana
[Executive Housekeeper]
 Adviser

Lakmi Walisinghe
[HR Supervisor]
 Secretary

UJ Amarasiri
[Senior Bookkeeper]
 Treasurer

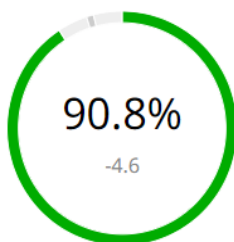
Jayantha Iriyagolla
[Eco Animator]
 Asst Secretary

Athula Ihalagedara
[Senior Supervisor]
 Asst Treasurer

Guest Engagement

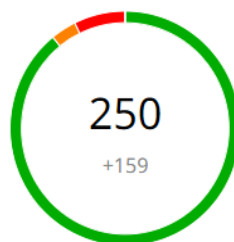
Summary ?

Global Review Index™

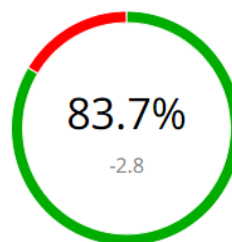


🎯 Goal 96.0%
by 31 Mar. 2025

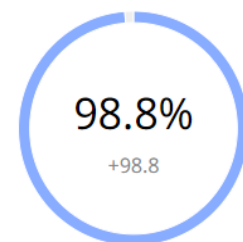
Reviews



Semantic Analysis



Management Response



🎯 No Goal



Community Engagement

Corporate Social Responsibility policy

Heritage Kandalama being the pioneer in the hospitality industry in the region of Dambulla, Sri Lanka, is committed to ensure environmental and social sustainability following our legacy “giving back to the community”. Any activity related to sustainability will form the key area of our Corporate Social Responsibility to improve the quality of life of the community.

Environment and society is our prime concern at all times and we will do our maximum to conserve the physical and social environment. We will maintain a plant nursery and help the community to improve the green cover of our country.

Special consideration will be given to enhance the education level of our community through infrastructure development, awareness programmes and providing learning aids to schools. We will provide opportunities for all interested parties to gather knowledge on the sustainability practices via field visits to our hotel and conducting awareness programmes. We will provide maximum employment opportunities for nearby communities and ensure continual career development by enhancing both practical and theory knowledge. We will purchase goods from village farmers and local suppliers as appropriate to promote Heritage and Culture.

Participation of our stakeholders including our guests and other interested parties will be maintained by continuous dialog among all to ensure environmental, social and economic sustainability to increase localization.

General Manager , Heritage Kandalama

1. Local Employment and Economic Support

- **Local Hiring:** A significant portion of Heritance Kandalama's workforce is recruited from the surrounding villages, with **55% of employees living within a 20 km radius** of the hotel. This helps in building strong ties with the local community and creating job opportunities for the area's residents.
- **Career Development:** The hotel has a strong focus on training and development for local employees. Some management team members, who started their careers as trainees, have advanced within the hotel since its opening in 1994. Out of 35 executives, 9 began as trainees between 1994 and 1996.
- **Economic Contributions:** The hotel contributes significantly to the local economy by sourcing goods and services from the surrounding villages. This includes purchasing **Gliricidia wood** from the local community for use in its gasifiers, an initiative that contributes **over 2,000,000 LKR** to the village economy.

2. Infrastructure and Development Projects

- **Community Infrastructure:** Over the years, Heritance Kandalama has played a pivotal role in **building roads, electricity networks, and providing water supply** systems in the nearby areas, greatly improving the standard of living for residents.
- **School and Educational Support:** The hotel has supported the development of local schools by building **school infrastructure, libraries, and improving sanitation facilities**. These projects help enhance educational opportunities for children in the area.

3. Sustainable Agriculture Support

- The hotel promotes the use of sustainable agricultural practices within the community by purchasing **Gliricidia wood**, a renewable biomass resource, from local farmers. This initiative provides a stable income stream for villagers while promoting environmentally friendly agricultural practices.

4. Cultural Preservation and Promotion

- **Support for Local Culture:** Heritance Kandalama actively encourages the promotion and preservation of local culture and traditions. This includes incorporating traditional cultural

performances and events into the guest experience and supporting local artisans by showcasing their work at the hotel.

- **Traditional Cuisine:** The hotel's "Puranagama" experience offers guests traditional meals, like the **Bawa dinner** and **Kotuwa supper**, reflecting local farming and culinary practices, thereby preserving and promoting the local food heritage.

5. Empowering Women and Differently-Abled Individuals

- **Employment Opportunities for Women:** Although only **13% of the workforce** is female, Heritance Kandalama is committed to providing career opportunities for women in an industry where male dominance is prevalent. By focusing on inclusive recruitment and career development, the hotel is working to improve gender diversity.
- **Differently-Abled Individuals:** The hotel has designed facilities that ensure inclusivity for differently-abled individuals, including **accessible rooms, bathrooms, and motor access** throughout the property, both for guests and employees.

6. Sustainability Education and Awareness

- **Sustainability Training:** The hotel provides sustainability education not only to its employees but also engages the community by raising awareness about the importance of eco-friendly practices, including waste management, biodiversity conservation, and energy efficiency.
- **Engagement with Schools:** The hotel frequently engages with local schools to educate students on the importance of environmental sustainability, helping foster the next generation of eco-conscious citizens.

7. Community Welfare Initiatives

- **Health and Welfare:** Heritance Kandalama has been involved in initiatives aimed at improving the health and welfare of the local population, such as organizing **medical camps** and providing support to local health centers.
- **Disaster Relief:** The hotel has previously supported the community during times of crisis, providing relief to those affected by natural disasters or economic hardship.

8. Partnerships with Local NGOs

- The hotel collaborates with non-governmental organizations (NGOs) to extend its community engagement efforts. These partnerships often focus on environmental conservation, community development, and education, amplifying the impact of the hotel’s initiatives.

9. Heritance Kandalama School of Hotel Management

Training

Program

The Heritance Kandalama School of Hotel Management offers practical, hands-on training in two core areas:

1. Food and Beverage Services: Trainees receive instruction on how to provide high-quality service in restaurants and banquet settings, including proper etiquette, customer interaction, and beverage management.
2. Kitchen Operations: Aspiring chefs learn essential culinary skills, including food preparation, cooking techniques, kitchen safety, and menu planning, with an emphasis on both local and international cuisines.

Impact

The school trains more than 60 school leavers annually, offering them opportunities to enter the hospitality industry. To date, over 160 local youth have successfully completed the program, with many securing full-time employment at Heritance Kandalama or within the broader Aitken Spence Hotels chain.

Community

Contribution

As part of the hotel’s sustainability projects, the school plays a vital role in enhancing local employment opportunities. By focusing on developing food and beverage and kitchen skills, the program addresses key areas of demand within the hotel and the industry, ensuring that local youth can build rewarding careers without having to leave the region.

Heritage Kandalama Purchasing Policy

We at Heritage Kandalama Hotel are committed to protect and conserve our present and future environment.

As we are an environmentally sensitive organization, all our purchasing will be done in the most environmentally friendly manner. Bulk purchasing will be preferred over supplies in small containers. Priority will be given to supplies in returnable containers. Packaging out of biodegradable materials will be encouraged.

Suppliers should be able to deliver with the least handling and transport. Goods with eco-labels and recycle labels will be preferred over all others. Biodegradable soap and detergents and items with the least amount of chemicals such as phosphates, sulphates, nitrates and boron salts will be purchased.

Local materials and fair-trade products including elements of local art and cultural heritage will be given priority in purchasing.

When selecting suppliers, their environmental commitment and policies will always be considered.

General Manager

Heritage Kandalama

At Heritage Kandalama, we are committed to supporting the local community through sustainable practices, one of which is the purchase of **Gliricidia wood** from nearby villages. This initiative provides direct economic benefits to local farmers, contributing over **2,000,000 LKR annually** to the community. By sourcing Gliricidia, used in our eco-friendly gasification process for boiling water, we not only reduce our carbon footprint but also foster sustainable livelihoods. This partnership exemplifies our dedication to both environmental responsibility and community development, ensuring that our operations create a positive impact beyond the hotel's walls.