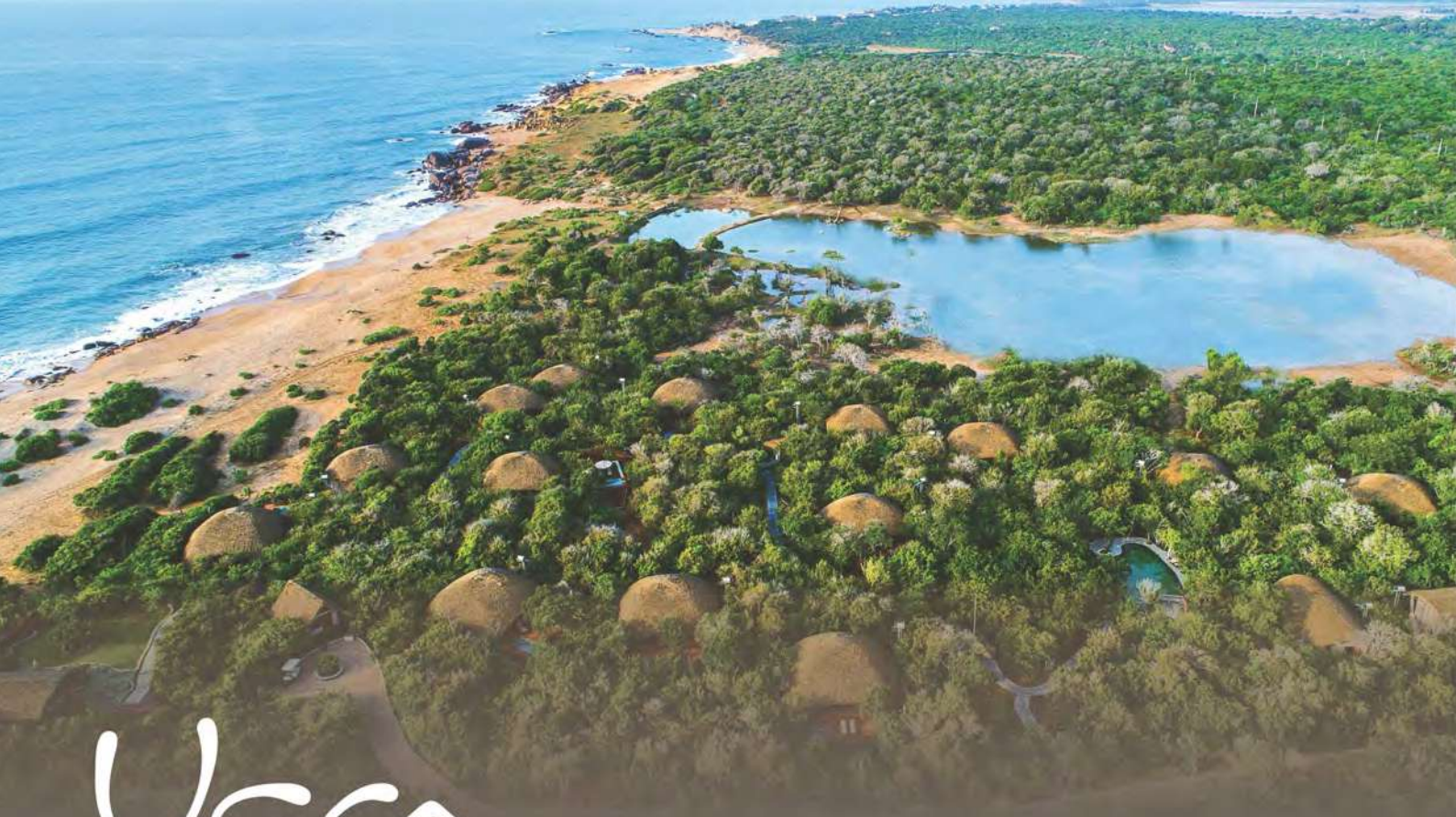

Uga CHENA HUTS

Sustainability Report 2025

1st January to 31st December 2025

Our commitment to preserving nature, empowering communities demonstrating the essence of a responsible business

Issued - February 2026

Uga CHENA HUTS

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This report has been produced to inform our stakeholders about the long-term strategy, goals, initiatives and performance relating to sustainability activities of our hotels. In addition, this report shows the progress made towards our goals and the information and data are presented to the best of our ability and highest accuracy.

1. INTRODUCTION

UGA Resorts were born in the ancient kingdom of Anuradhapura hidden amidst acres of greenery and lush paddy fields surrounded by several irrigation tanks and built around a historic 150 year old mansion, once home to a village chieftain. Form the very beginning of the planning process; sustainability, community, ecosystems, biodiversity and responsible business ethos were a highlight. The very first Uga property opened its doors uplifting the values and the hospitality of Sri Lanka naming 'Ulagalla' in July 2010 as a LEED Silver Certified resort.

Opening its doors in July 2016, Uga Chena Huts reflects the values of Sri Lankan hospitality while setting standards for sustainable luxury in the region. Located on the edge of Yala National Park, the resort was developed with a strong focus on minimizing environmental impact and preserving the surrounding landscape. Sustainability has been central to the property's development, ensuring that luxury hospitality coexists harmoniously with nature and supports ecosystem preservation. Chena Huts was awarded LEED Gold Certification for its sustainable construction achievements.

Can luxury and sustainability truly go hand in hand? At Uga Chena Huts, we believe they can and we demonstrate this through action. Our property is defined by its rich biodiversity, pristine natural environment, and strong relationships with local communities. It is our mission to protect and preserve these invaluable assets for our guests, our neighboring communities, and future generations.

Sustainability is embedded at every level of our operations from eco-sensitive design and construction to daily operational practices. We continuously evaluate and enhance our environmental performance, striving to exceed our sustainability goals. The resort aligns its practices with the guidelines of the Global Sustainable Tourism Council and actively contributes toward achieving the United Nations Sustainable Development Goals (UNSDGs).

This report presents Uga Chena Huts sustainability performance in 2025. It outlines the progress made toward our environmental and social responsibility objectives and highlights our continued commitment to responsible tourism. The report has been prepared in accordance with Travelife and GSTC sustainability standards, GRI reporting guidelines, and incorporates recommendations from external sustainability consultants and auditors.

Through this report, we invite all our stakeholders to actively engage in strengthening our sustainability journey. We value your feedback, ideas, and collaboration as we work together to minimize environmental and social impacts and build a more sustainable future.

This report has been produced to inform our stakeholders about the long-term strategy, goals, initiatives and performance relating to sustainability activities of our hotels. In addition, this report shows the progress made towards our goals and the information and data are presented to the best of our ability and highest accuracy.

MESSAGE FROM THE DEPUTY CHAIRMAN

Priyanjith Weerasooria
Deputy Chairman

At Uga, we recognize that the success of our business is inseparable from our ability to operate and grow sustainably. As one of Sri Lanka's most sought-after hotel companies, we carry a deep responsibility to protect our communities, preserve our environment, and safeguard the natural beauty that makes our island so unique. As a company, and as an industry, we must rise to this challenge to ensure that Sri Lanka remains authentic and beautiful for generations of travelers to come.

The tourism industry in Sri Lanka continued its growth in 2025, steadily recovering from the economic changes and the devastating weather events in November. Throughout this period, Uga remained firmly committed to our sustainability goals. Even in times of uncertainty, our dedication to responsible tourism never wavered.

I am truly inspired by our team and immensely proud of all that we accomplished in 2025. Our collective efforts have strengthened our impact and reinforced our position as a leader in sustainable travel. I am confident that we will continue to lead the way in responsible tourism in Sri Lanka, setting new standards for our industry. I extend my heartfelt thanks to every member of our team and wish you all the very best as we continue this important journey together.

MESSAGE FROM THE DIRECTOR/CEO

Ramli Ghaffoor
Director/CEO

At Uga, our journey has always been guided by a deep respect for place—its landscapes, its heritage, and its people. This year's sustainability report reflects a continued commitment in driving responsible business with enhanced sustainability management.

Over the past year, we have taken measured steps to reduce our environmental footprint, protect the ecosystems that surround us, and support the communities whose traditions and livelihoods enrich the experiences we offer. From mindful resource use and waste reduction to sourcing locally and nurturing community partnerships. We remain committed to measuring our impact with clarity and transparency, recognizing that stewardship is an ongoing responsibility rather than a final achievement.

As we look ahead, we will continue to pursue thoughtful, refined growth—ensuring that our presence enhances, rather than compromises, the integrity of the environments and communities we are privileged to be part of. I extend my sincere gratitude to our guests, colleagues, partners, and local communities for sharing in this journey with us.

MESSAGE FROM THE GENERAL MANAGER

Mahesh Bamunusinghe
General Manager
Uga Chena Huts

At Uga Chena Huts, sustainability is deeply embedded in everything we do. Located on the edge of the Yala wilderness, we recognize our responsibility to protect the natural environment, support the local community, and deliver meaningful experiences for our guests.

Over the past year, we have strengthened our commitment to environmental stewardship and responsible resource management through initiatives focused on energy and water conservation, effective waste management, biodiversity protection, and community engagement. These efforts allow us to minimize our environmental footprint while contributing positively to the communities around us.

The dedication of our team enables us to maintain a careful balance between tourism, nature conservation, and community development. I extend my sincere appreciation to our team members, partners, and guests for their continued support in advancing our sustainability journey."

2. OUR RESORT

Uga Chena Huts offers a distinctive blend of untamed wilderness and refined luxury. Spanning seven acres of pristine coastal forest belongs to the buffer zone of the national park, within the designated tourism development zone by the Department of Wildlife.
Uga Chena Huts is located on Sri Lanka's southeastern coast, adjacent to the Yala National Park and the Indian Ocean. Yala National Park is one -of the largest nature reserves in Sri Lanka covering an area of 978.8km2 with a blend of several ecosystems such as forests, grasslands, lagoons and sandy beaches and home to important and unique wildlife such as Sri Lankan leopards, elephants, sloth bears, crocodiles, as well as hundreds of bird species.

2.1 Accommodation

At Uga Chena Huts, interiors blend with the surrounding wilderness, creating an eco-luxury atmosphere across 18 secluded pool cabins. Clean lines, natural textures, and airy spaces suit the tropical setting.

Each cabin features a private plunge pool, living area, and en-suite bathroom with indoor/outdoor shower. Modern amenities ensure comfort, while design reflects Yala's natural beauty for a serene, immersive stay.

2.2 Food and Beverage

Uga Chena Hut prioritizes a sustainable and authentic dining experience by focusing on fresh and locally-sourced ingredients. Authentic "Basses Restaurant" offers a variety of traditional and international cuisines with broader range of experiences from candle-lit outdoor dinners with forest ambiance and ocean views, bonfires, sun downers mirroring the chena hut setting .

At the main bar, an live-kitchen concept allows guests to enjoy the daily catch while overlooking the ocean. For a more personal touch, the resort organizes private dining experiences. By combining local hospitality with a deep respect for the natural environment and creating a memorable gastronomic journey that celebrates the beauty of Yala and Acknowledgment.

2.3 Activities and Excursions

Uga Chena Huts offers a carefully curated range of immersive wildlife and cultural experiences that reflect the unique character of the Yala region. Guests can embark on guided safari excursions to Yala National Park, where experienced naturalists provide insight into the park's diverse wildlife, including leopards, elephants, and rich birdlife, while adhering to responsible wildlife viewing practices. For those seeking a closer connection with nature, guided bush walks around the property allow guests to explore the surrounding scrub jungle ecosystem and learn about native flora and fauna in a safe and educational setting.

The resort also enhances cultural engagement through interactive Sri Lankan cookery classes, where guests can prepare authentic local dishes using fresh, locally sourced ingredients. As a signature wilderness experience, the "Secret Sundowner" offers guests the opportunity to enjoy refreshments in a secluded natural setting while witnessing the breathtaking Yala sunset.

Culturally, Uga Chena Huts connects guests with the heritage of the deep south through curated village visits and excursions to sacred and historical landmarks such as Kataragama Temple and Kirinda Temple, fostering meaningful community engagement while preserving the region's rich traditions and spiritual heritage.

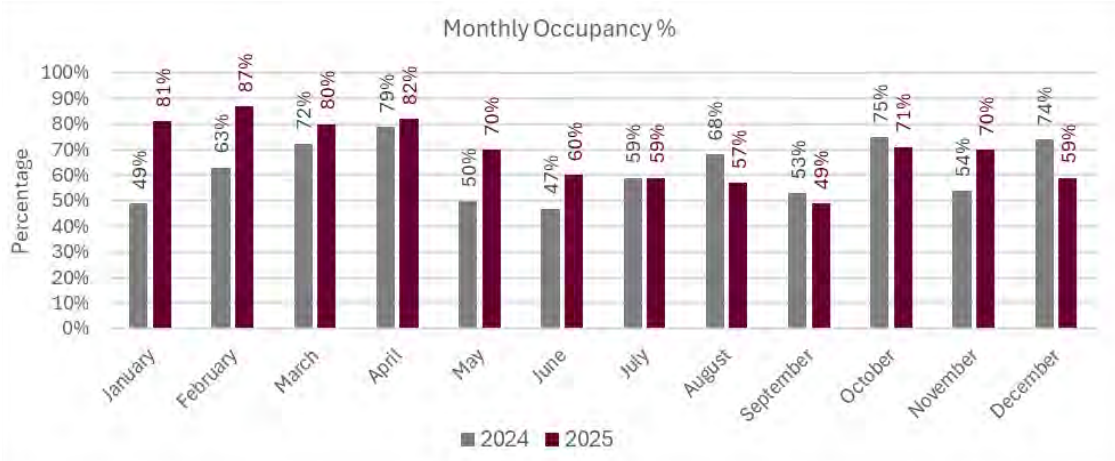
3. MARKET AND BUSINESS PERFORMANCE SUMMARY

3.1 Occupancy Data

The 2025 operational year for Uga Chena Huts Resort was defined by a strategic balance between steady guest service and long-term infrastructure investment, without closing the hotel. The resort recorded a total of 4,518 room nights and 9,462 guest nights over the year. While these figures represent an increase from 2024 levels, the focus remained not only on occupancy growth but also on enhancing operational efficiency, service quality, and sustainability performance.

METRIC	2024	2025
Total Number of Room Nights	4,048	4,518
Total Number of Guest Nights	8,746	9,462

In 2025, the resort recorded positive growth compared to 2024, with total room nights increasing from 4,048 to 4,518 and guest nights rising from 8,746 to 9,462. This improvement reflects stronger demand and enhanced occupancy performance throughout the year. Despite normal seasonal fluctuations, the resort maintained stable guest volumes and operational consistency. Overall, the 2025 performance demonstrates steady progress and provides a solid foundation for improved efficiency and continued growth in 2026.



3.2 Top Performing Nationalities

The analysis of Top Performing Nationalities reveals a diverse international guest profile, with European markets serving as the primary driver of resort occupancy.

British stands as the leading source market, contributing a substantial 22% of total guests, followed by the Australia (8%) and German (7%). Domestic tourism also remains a vital pillar of our business. Simultaneously, the strong 14% contribution from Sri Lankan guests highlights our commitment to fostering domestic tourism and local economic resilience making Jungle Beach remains as a sustainable destination for travelers from across the globe.

3.3 Average nights spent by each guest

This summary details the guest activity and occupancy trends for the 2025 reporting period. Throughout the year, the resort experienced its highest operational volume in January with 966 total occupancy nights and 418 arrival rooms, while the longest average guest stays occurred in August at 2.44 nights per guest, concluding the annual cycle with an average stay duration of 2.1 nights.

At Uga Chena Huts, most guests visit for safaris, so stays are typically short, with the majority staying no more than 2 nights.

Month	Total Occupancy	Arrival rooms	Number of nights spent by each guest
January	966	418	2.31
February	947	451	2.10
March	939	439	2.14
April	955	442	2.16
May	792	390	2.03
June	629	322	1.95
July	782	331	2.36
August	775	318	2.44
September	510	263	1.94
October	763	395	1.93
November	703	376	1.87
December	772	331	2.33

4. SUSTAINABILITY GOVERNANCE

At Uga our business activities release emissions into the air, consume fresh water, generate wastewater and waste. In addition, we use materials that can adversely affect the environment if not handled properly. We aim to minimize our impact on the environment and have developed strategies to improve our environmental performance. This includes making the most efficient use of increasingly depleting scarce resources.

4.1 Operational Standards

Minimizing negative environmental impacts and taking meaningful climate action require a holistic approach while also constantly monitoring practices and performance. Our goal is to decouple business growth from negative environmental impacts wherever possible.

Our approach to environmental management and responsible business operations is founded on our Sustainability Policy, which has been approved by our Executive Board. Aligned with the requirements of the Sri Lankan Government Law, Sri Lanka Tourist Boards standards, Travel life certification criteria, this policy underscores our leaders' responsibility for environmental protection and health and safety.

Internal guidelines, standards and standard operating procedures define how we put the principles of our Sustainability Policy in to practice, structure our environmental protection efforts and implement occupational safety Group wide.

In addition, we have in place a number of internal environmental protection standards such as our Air Emissions Standard, Waste Management Standard, Sustainable Water Management Standards, and Energy Management Standards.

Our annual policy review supports continual process improvement and adherence to our environmental and sustainability objectives in accordance with internal and external best practices and targets. We are committed in sharing our best practices with our staff, guest and other stakeholder and join them with our sustainability practices where possible.

4.2 Roles and Responsibilities

The Deputy chairman, CEO and the Executive Committee of our company is responsible for environmental protection, which also covers climate action, water management, waste management & recycling, air emissions, biodiversity, and safety aspects.

The Head of Sustainability and ESG holds overarching responsibility for managing environmental and social aspects across all Uga properties. This role is responsible for steering Group wide strategy and ensuring all resorts operations align with our environmental and social goals.

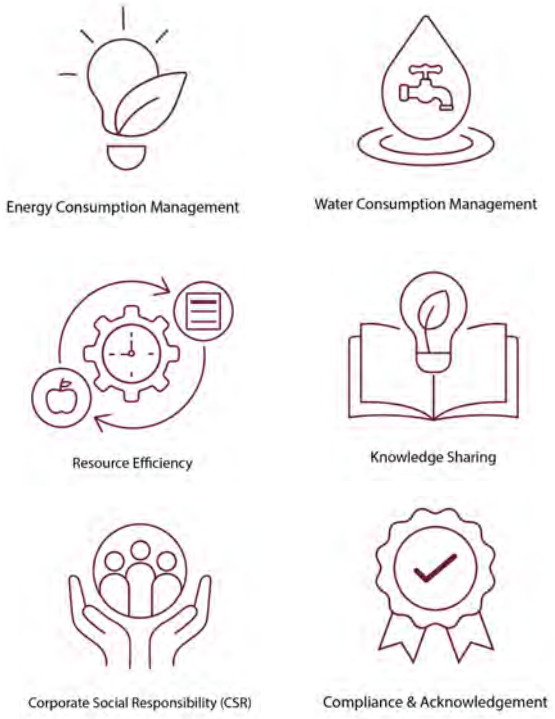
At the operational level, Sustainability & Compliance Executives are stationed at each of our four main resorts. They oversee daily compliance, monitoring, and the implementation of site specific initiatives.

To ensure continuous improvement, each resort maintains a Sustainability Committee chaired by the Resort General Manager. This committee meets monthly to discuss performance, finalize strategic decisions, and coordinate Corporate Social Responsibility (CSR) activities. The committee provide a direct feedback loop between resort level operations and the Head of Sustainability and ESG, ensuring our policies are effectively translated into action.

4.3 Sustainability Objectives

At Uga, we firmly believe we are accountable for our part in protecting the environment, managing our operations in a sustainable manner being accountable for the resource consumption, energy usage, water usage, waste generation and the impact these can have on our environment. Focusing a steady commitment and performance, we implemented 6 objectives for our sustainability operations. Namely;

1. Energy Consumption Management
2. Water Consumption Management
3. Resource Efficiency
4. Corporate Social Responsibilities (CSR)
5. Knowledge Sharing
6. Compliance and Acknowledgment



5. ENVIRONMET

5.1 Energy - *GRI 103*

Energy is a critical resource that powers every aspect of the guest experience at Uga Resorts, from climate control, lighting to water heating and culinary operations. However, we recognize that energy consumption is also our primary source of operational greenhouse gas emitter and a significant driver of our environmental footprint. In alignment with **GRI 103**, we view energy management not merely as an operational cost, but as a core pillar of our commitment to climate action. By prioritizing energy efficiency and transitioning toward renewable sources, we aim to mitigate our contribution to climate change, ensure long-term business resilience, and meet the growing expectations of our guests and stakeholders for responsible, low-carbon hospitality.

5.1.1 Total Energy Consumption Analysis - *GRI 302*

In accordance with **GRI 302: Energy reporting requirements,** the total energy consumption (kWh) is calculated by converting all energy sources used into kilowatt-hours. In 2024, total energy consumption was 1,253,873 kWh, while in 2025 it slightly increased to 1,257,300 kWh, mainly due to increased occupancy.

This represents an increase of 3,427 kWh, equivalent to a 0.27% increase in total energy consumption compared to 2024. The total energy consumption per occupied room night and per guest night is presented in the table below.

METRIC	UNIT	2024	2025	% OF CHANGE
Total Energy Consumption	kWh	1,253,873.23	1,257,300.12	▲ 0.27
Per Room Night Total Energy Consumption	kWh	309.75	278.29	▼ -10.16
Per Guest Night Total Energy Consumption	kWh	143.37	132.88	▼ -7.31

5.1.2 Energy Consumption Analysis - by energy type - *GRI 302-1, GRI 302-3*

Our energy profile consists of grid electricity, diesel, petrol, and liquefied petroleum gas (LPG). All energy sources are converted into kilowatt-hours (kWh) for consolidated reporting under **GRI 302-1: Energy consumption within the organization**.

During the reporting year, an online energy monitoring system was introduced to track consumption across all energy sources in alignment with internationally recognized measurement and reporting standards. This system enhances data accuracy, enables real-time performance tracking, and strengthens internal energy management practices.

In accordance with **GRI 302-3: Energy intensity**, the organization measures energy intensity using the **kWh per Guest Night metric**. This approach ensures that energy performance is assessed independently of occupancy fluctuations and allows for consistent year-on-year comparability. The selected intensity metric reflects the operational nature of the business and supports transparent performance benchmarking.

ENERGY SOURCE	2024	2025	CHANGE
Grid Electricity (kWh)	823,792.00	886,903.00	7.66%
Diesel (kWh)	207,774.13	175,794.96	-15.39%
Gasoline (kWh)	1,028.00	182.00	-82.30%
LPG (kWh)	115,467.69	123,025.81	6.55%
Other (kWh)	28,990.12	28,237.36	-2.60%
Renewable (kWh)	76,821.00	43,157.00	-43.82%
TOTAL RESORT ENERGY SOURCED (kWh)	1,253,872.94	1,257,300.10	0.27%

The energy performance results demonstrate Uga Chena Huts' continued transition toward a leaner energy profile under its Energy Efficiency Strategy. In 2025, the resort recorded a 0.27% increase in total energy consumption compared to 2024, mainly due to higher occupancy levels.

However, in line with **GRI 302-4: Reduction of energy consumption**, this performance reflects controlled energy growth relative to operational demand, demonstrating measurable progress in operational efficiency and structured energy management.

The reduction in energy intensity was driven by a significant decrease in fuel consumption, including a 15.35% drop in diesel for transportation and an 82.30% reduction in gasoline use. These savings resulted from standardized fuel-saving guidelines and efficiency initiatives, such as improved purchase planning, online energy management tracking, and eliminating gasoline use for garden operations.

Although renewable energy generation declined during the reporting period, stronger control of total energy demand supports the resort's decarbonization pathway. Lower base load requirements increase the relative contribution of on-site solar photovoltaic and solar thermal systems, improving renewable energy integration and supporting long-term carbon reduction goals.

5.1.3 Renewable Energy

The integration of both solar PV and solar thermal technologies strengthens the organization's renewable energy portfolio and contributes to improved performance under **GRI 302-1 (Energy consumption within the organization)** and **GRI 302-4 (Reduction of energy consumption)**.

5.1.3.1 Solar Photovoltaic (PV) Systems:

On-site solar panel installations generate direct renewable electricity to support operational energy demand. The electricity is connected with the national grid via a net metering system.
However, due to technical issues, solar energy generation in 2025 decreased by 43.8% compared to 2024.

5.1.3.2 Solar Thermal Systems:

Solar water heating systems are utilized to generate hot water for guest rooms and operational areas. By harnessing solar energy for thermal applications, these systems significantly reduce the electrical load associated with water heating, thereby decreasing overall energy consumption and improving energy intensity performance.

INDICATOR	2024	2025	CHANGE
Total Solar Energy Generation (kWh)	76,821	43,157	↓ -43.82%
Share of Renewable Energy in Total Electricity Usage	9%	5%	↓ -45.06%
Share of Renewable Energy in Total Energy Mix	6%	3%	↓ -43.97%

5.1.4 Electricity Monitoring and Verification *GRI 302-3, GRI 302-4*

At Uga Resorts, accountability in energy management is embedded within our Key Sustainability Performance Indicators (KSPI) system a robust, data-driven framework designed to monitor electricity efficiency across our entire portfolio.

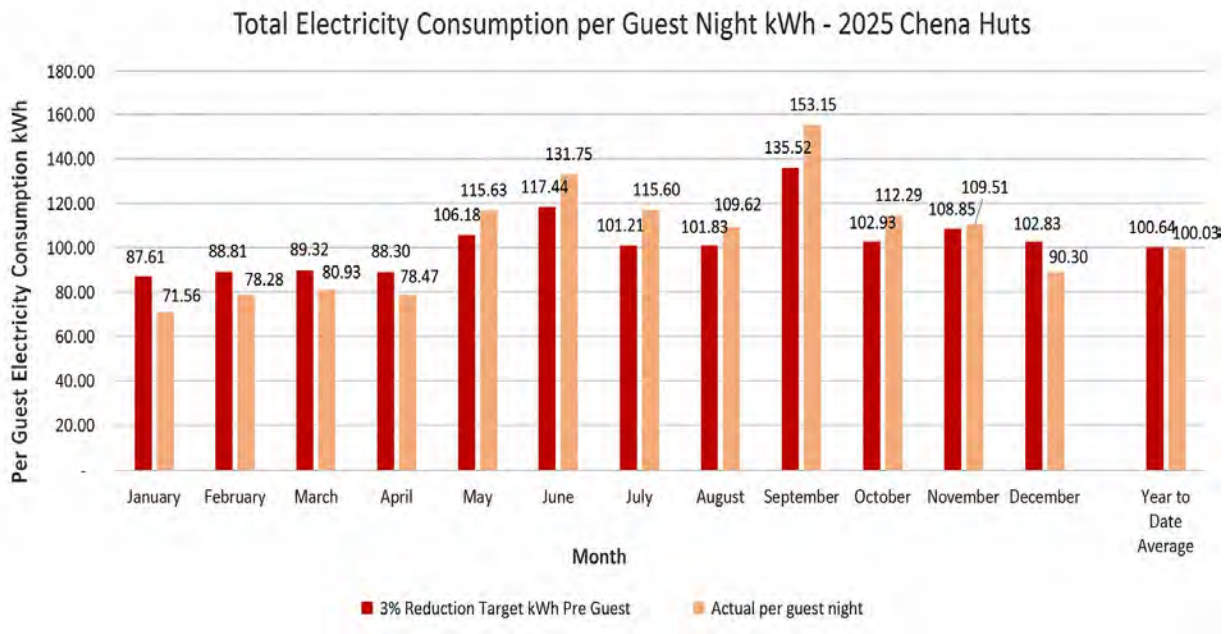
The KSPI system enables us to benchmark our performance against international hospitality standards while identifying targeted opportunities for operational optimization. These indicators are rigorously reviewed during our monthly management audits to evaluate the effectiveness of our energy-saving initiatives and operational controls.

In alignment with **GRI 302-3 (Energy intensity)** and **GRI 302-4 (Reduction of energy consumption)**, Uga Resorts has established **2024 as the base year** for energy performance measurement. Based on this baseline, the organization has set a **3% annual reduction target in electricity consumption for 2025**, measured against normalized operational indicators to ensure comparability across properties.
For the 2025 reporting period, the resort achieved a year to date average of 100.03 kWh per guest night, successfully surpassing our established 3% reduction target of 100.64 kWh.

While average electricity consumption for 2025 generally aligned with reduction targets for most of the year, a noticeable increase in electricity use per guest night from May to November was observed due to ongoing renovation projects within the hotel. This increase is primarily attributed to the operation of additional electrical equipment required for construction, refurbishment of guest rooms, installation of new facilities, and added staff room and laundry equipment.

As a result, energy intensity per guest night temporarily increased, even though overall resort consumption remained controlled. The higher electricity demand during this period reflects the necessary energy inputs to maintain project timelines, safety systems, and essential hotel operations alongside regular guest services.

Despite these transitional challenges, the resort's ability to meet its annual target underscores the fundamental strength of its "Energy saving" strategy.

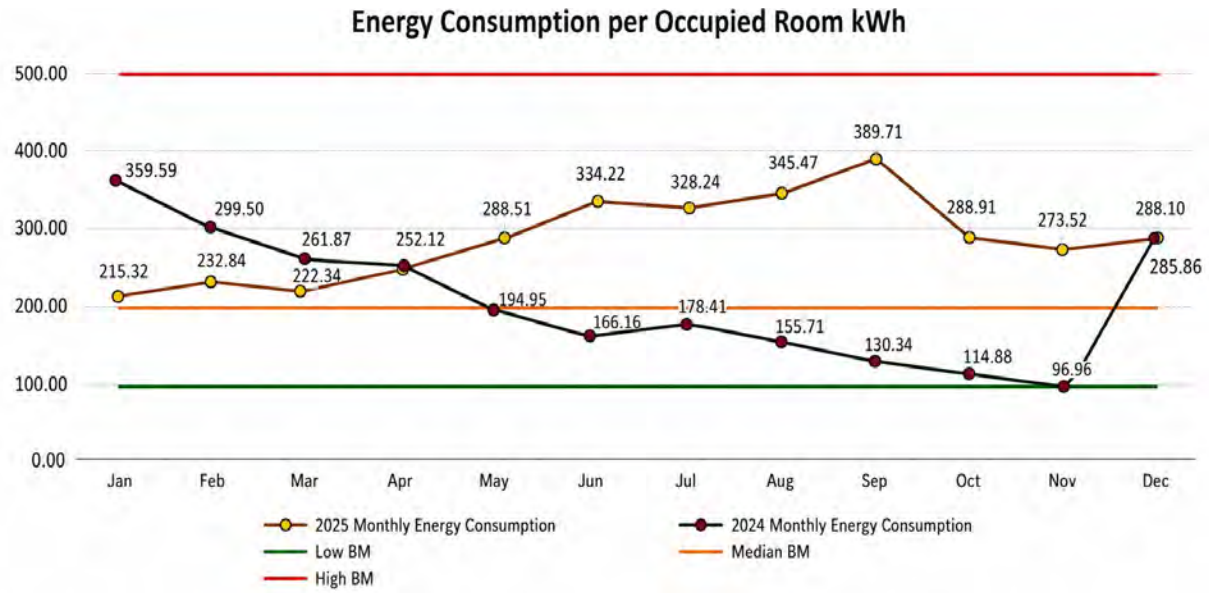


To evaluate energy performance against internationally recognized hospitality benchmarks, Uga Chena Huts utilizes the **Cornell Hotel Sustainability Benchmarking (CHSB) Index**, developed by the Cornell University School of Hotel Administration. The CHSB Index provides comparative energy consumption metrics across global hotel portfolios, enabling standardized performance assessment.

(CHSB) Cornell Hotel SUSTAINABILITY BENCHMARKING INDEX

For the reporting year, Uga Chena Hut's energy intensity performance was positioned between the median and upper benchmark thresholds within the CHSB Index. This placement indicates that the property performs above the global median and aligns with leading energy-efficient hospitality operators.

All reported energy data is consolidated and verified through monthly records maintained within the organization's centralized sustainability management system. Data validation procedures include cross-verification against utility invoices and internal operational logs to ensure accuracy, consistency, and reliability of disclosures.



5.1.5 Energy Mix Comparison - *GRI 302-1*

Following table presents a year-on-year comparison of the organization's energy mix for the 2024 and 2025 reporting periods.

Although the total energy footprint decreased in 2025, the proportional contribution of grid electricity and LPG increased compared to the previous year. This shift indicates a relatively higher dependence on grid-supplied electricity for primary operations during the reporting period.

Conversely, the share of Diesel in the overall energy mix declined in 2025. This reduction is attributable to improved transportation efficiencies, particularly within the resort's purchasing and logistics operations.

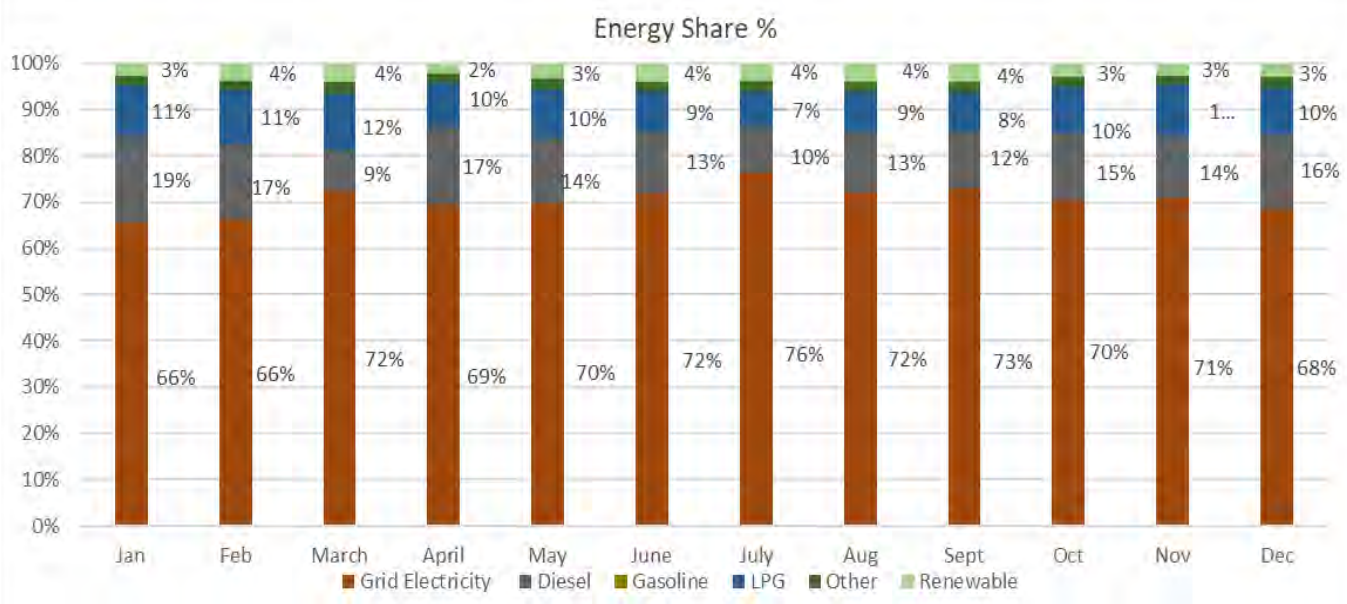
Energy Source	2024%	2025%	Change
Grid Electricity	66	71	▲ 7.58
Diesel	17	14	▼ -17.65
Gasoline	0	0	— 0.00
LPG	9	10	▲ 11.11
Other	2	2	— 0.00
Renewable	6	3	▼ -50.00

The monthly breakdown of Uga Chena Huts Resort's energy composition for 2025 illustrates steady management of its energy mix. Grid electricity remained the dominant source throughout the year, ranging from 66% in January and February to a peak of 76% in July, before moderating to 68% in December. This reflects consistent base-load demand aligned with operational requirements.

Diesel usage was highest in January (19%) and generally declined during mid-year months, fluctuating between 9% and 17%, indicating improved fuel management. LPG consumption remained relatively stable, varying between 7% and 12% across the year, supporting kitchen and service operations.

Renewable energy contributed between 2% and 4% monthly, peaking at 4% in several months. However, due to technical issues with the solar panel system, the targeted 10% contribution from renewable energy could not be achieved.

Overall, the data highlights controlled fluctuations influenced by occupancy and operational activity. Building on this performance, ongoing renovations are expected to enhance efficiency in 2026 through improved systems and energy-optimized infrastructure, further strengthening the resort's sustainable energy profile.



5.2 Water

Water plays a key role in our hotel operations, supporting both our guest and employee needs. It is essential for consumption, hygiene, and food preparation. Additionally water is integral to various guest services, including laundry facilities and the swimming pools. Our landscaping and garden maintenance also require water for irrigation purposes.

5.2.1 Water Sources - *GRI 303-3*

The main source of water for Uga Chena Huts is RO-treated seawater. As the hotel is located in a dry, water-scarce area where grid water is unavailable and trucking water from external sources is costly, seawater desalination is the most practical and sustainable solution due to the resort's proximity to the ocean.

Uga Chena Huts operates an RO plant with a capacity of 30 m³ to ensure a consistent and reliable water supply for operations. Bowser water is purchased only when necessary, such as during RO plant cleaning and maintenance periods. In addition, the on-site water bottling plant is regularly monitored to ensure safe and high-quality drinking water for guests .

Water Source	2024 (m³)	2025 (m³)	Change %
Surface Water (Sea Water)	8,658.42	1,225.73	▲ 29.65
Groundwater	-	-	-
Drinking water (From Local Suppliers)	149.31	110.53	▼ -25.97
Rain water & other Sources	-	-	-
Reused Water	-	-	-
Total	21,601.31	20,211.31	▼ -6.43

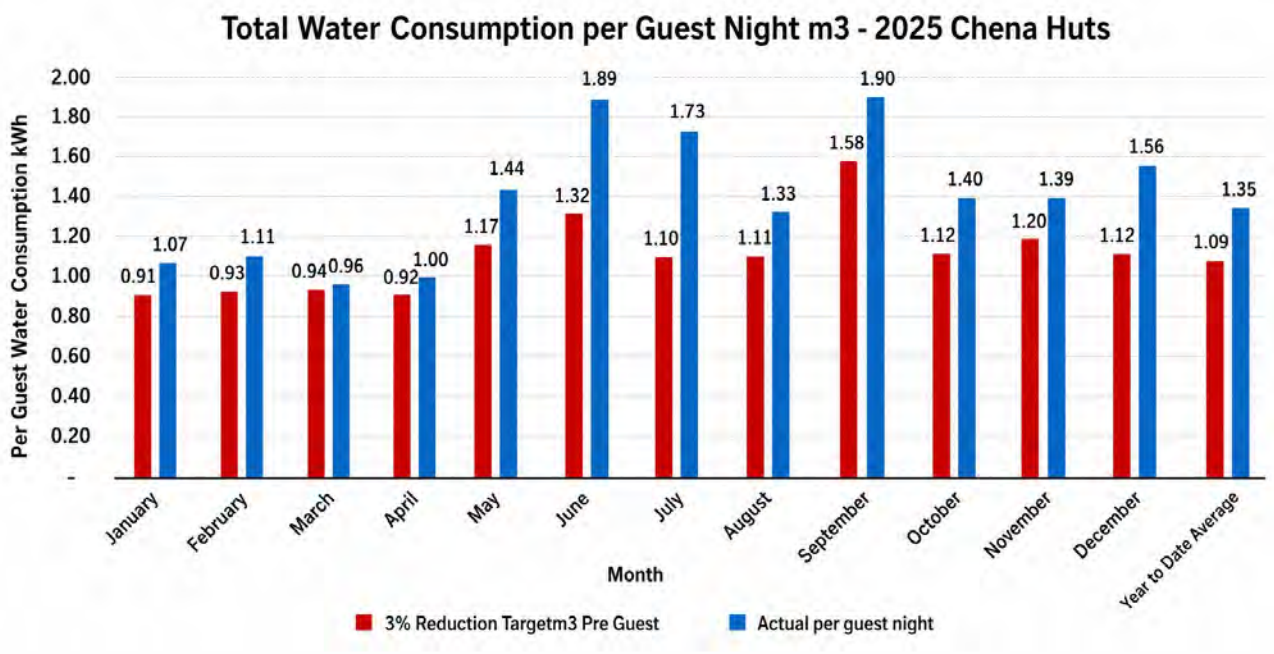
The total water consumption decreased by 6% in 2025 compared with the previous year. The table below presents water consumption intensity metrics, calculated on a per occupied room night and per guest night basis, to provide a normalized comparison of performance:

	2024	2025	Change %
Total Water Consumption	21,601.31	20,211.31	-6.43
Per Room Night Total Water Consumption	3.71	3.48	-6.14
Per Guest Night Total Water Consumption	1.79	1.72	-3.99

5.2.2 Water Consumption Monitoring and Verification - *GRI 303-3, GRI 303-5*

Total water consumption, along with section-wise usage, is systematically measured and recorded through the KSPI platform. This integrated system enables us to benchmark performance against internal standards and international hospitality benchmarks, while identifying targeted opportunities for operational optimization and efficiency improvements.

Uga Resorts has designated 2024 as the base year for measuring water consumption performance. Based on this baseline, the organization has established a 3% annual reduction target for 2025. Progress is assessed using normalized operational indicators to ensure accurate comparability across properties and alignment with the requirements of Global Reporting Initiative (GRI) Standard **303: Water and Effluents 2018, particularly GRI 303-3 (Water Withdrawal) and GRI 303-5 (Water Consumption).**



For the 2025 reporting period, the resort did not achieve the year-to-date average water consumption target of 1.35 m³ per guest night and therefore did not meet the 3% reduction target of 1.09 m³ per guest night. The increase in water consumption was primarily driven by the expansion of the staff cadre, including project workers engaged for hotel renovations and the addition of three new staff rooms. Additional water usage was also attributed to the resort pond cleaning project undertaken during the year.

As a result, from May to December the resort recorded a considerable increase in per-guest water consumption, compared to the lower usage levels observed from January to April when renovation activities were minimal and staff numbers were lower. Higher water intensity was particularly noted in June and September, reflecting peak renovation and operational demands.

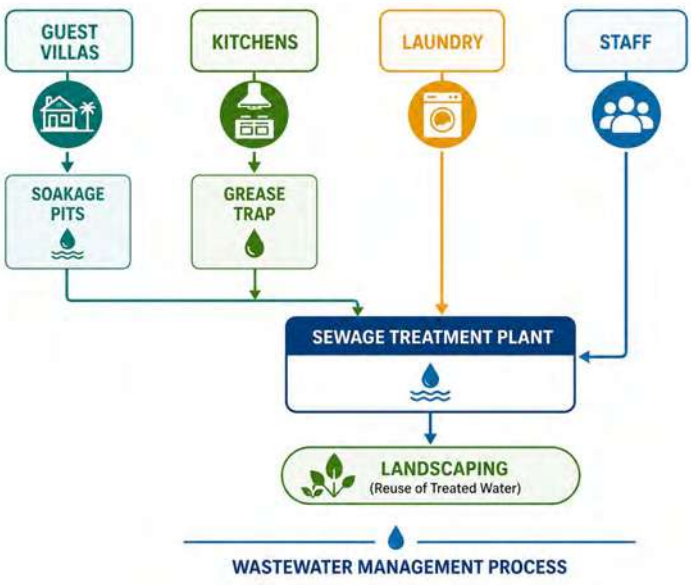
However, according to the Cornell Hotel Sustainability Benchmark (CHSB), Uga Chena Huts' overall water intensity performance for the year was positioned between the median and upper benchmark thresholds within the CHSB Index. This placement indicates that, despite temporary increases, the property continues to perform above the global median and remains aligned with leading water-efficient hospitality operators.

5.2.3 Wastewater Management - GRI 303-4

Wastewater generated from resort operations is treated on-site using an in-house aerobic Sewage Treatment Plant (STP) with a design capacity of 50 m³ per day. The STP treats wastewater generated from staff accommodation facilities, including both blackwater and greywater, as well as effluent from kitchen and laundry operations.

Final treated effluent from the treatment plant is directed for landscaping purposes in accordance with internal environmental management procedures.

Wastewater generated from guest villas is systematically collected and channeled to the Sewage Treatment Plant (STP), ensuring proper treatment and environmentally responsible discharge.



At present, the total volume of wastewater generated and treated is not directly measured, as dedicated wastewater flow meters have not yet been installed. Consequently, discharge volumes are not quantified but are operationally managed within the treatment plant's design capacity of 50 m³ per day.

To enhance data accuracy, transparency, and environmental performance monitoring, the resort has planned the installation of wastewater check meters during 2026. This initiative will enable systematic measurement of wastewater generation and treated effluent volumes, supporting improved reporting under **GRI 303: Water and Effluents** and strengthening overall water stewardship practices.

The treated effluent is regularly monitored to ensure compliance with applicable environment regulations and discharge standards. Key water quality parameters monitored include Biochemical Oxygen Demand (BOD), Chemical Oxygen Demand (COD) and residual chlorine.

This systematic monitoring approach enables effective control of effluent quality and ensures that treated

5.3 Waste Management

Waste generated from our operations comprises both non-hazardous and hazardous waste streams. These arise from routine resort activities, including accommodation services, food and beverage operations, maintenance activities, and administrative functions.

Our waste management approach is guided by the waste hierarchy, prioritizing prevention, reduction, reuse, and responsible disposal. Emphasis is placed on minimizing waste generation at source, improving segregation practices, and promoting continuous monitoring to enhance overall waste performance.

Our waste management framework includes the following key objectives;

1. Separation of the waste at the origin
2. Prevention of the waste generation
3. Responsible waste recycling
4. Waste Recovery from landfills
5. Aim zero waste culture
6. Waste data and annual waste audit

5.3.1 Waste Generation and Composition - GRI 306-3: Waste Generated

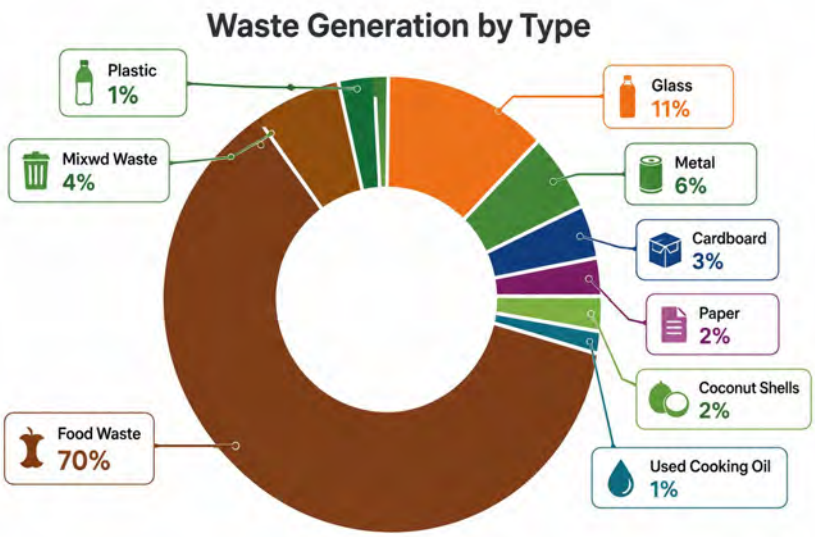
METRIC	2024 (kg)	2025 (kg)	CHANGE %
Total Waste Generation	37,400.00	52,184.00	39.53%
Per Room Night Waste Generation	9.24	11.55	25.01%
Per Guest Night Waste Generation	4.28	5.52	28.97%

In 2025, a total of 52,184 kg of waste was generated, equal to 11.55 kg per occupied guest night and 5.52 kg per guest. This represents a 39% increase compared to 2024, mainly due to higher guest nights, expansion of staff accommodation, and large volumes of scrap waste from renovation and cleaning activities. Improved data accuracy was achieved through stronger monitoring systems, the presence of a sustainability staff member, and the introduction of the KSPI data monitoring system.

Out of the total waste generated, food waste accounted for 70% and mixed waste accounted for 4%.

Form the remaining 26% accounted for recyclable waste. Within the recyclable waste stream, glass, coconut shells, and cardboard accounted for the largest proportion by weight.

Food waste represents the most significant waste stream and remains a key focus area for reduction initiatives, improved segregation practices, and enhanced resource recovery efforts.



5.3.2 Waste Disposal - GRI 306-4: Waste Diverted from Disposal, GRI 306-5: Waste Directed to Disposal

From the total waste generated, 67% of the waste was reused (externally), and 21% of was waste was recyclable.

All recyclable waste was handed over to registered recyclable waste collectors, ensuring responsible downstream processing and compliance with applicable waste management regulations.

Despite establishing a sustainability KPI to maintain landfill waste at or below 20% of total waste generated, the target was successfully achieved during the reporting year, with only 12% of total waste sent to landfill.

All food waste was diverted to the Pradeshiya Sabha composting unit, while only mixed and non-compostable waste was disposed of at landfill sites.

The resort remains strongly committed to reducing landfill waste through improved waste tracking, strengthened data management processes, and continued monitoring even after waste is removed from the property.

6. EMPLOYEES

6.1 Career with us

At Uga Chena Huts, we believe our people are at the heart of our success. Joining our team is a significant milestone in one's career, as Uga offers a unique opportunity to experience and deliver the true essence of the authentic hospitality for which Sri Lanka is renowned.

We provide rare opportunities for team members to engage with luxury service standards that are seamlessly connected to local traditions, arts, culture, authentic cuisine, and responsible business practices.

Uga is not just a workplace it is a holistic environment that brings together profession, teamwork, genuine hospitality, and continuous career development.

6.2 Hiring Process - *GRI 401-1*

We are committed to responsible employment practices, secure jobs, inclusivity, and empowering the communities around us.

We prioritise local recruitment to enhance livelihoods and reduce commuting-related carbon emissions, while ensuring equal opportunities and promoting gender equality. Our recruitment processes are fair and transparent, with all employment entered into voluntarily and with respect for personal dignity.

We provide written contracts, fair wages in line with national labour laws, reasonable working hours, adequate rest, and safe working conditions. Female employees are supported through non-discriminatory practices and necessary workplace protections.

Through continuous training and development initiatives, we invest in our people, enabling them to grow professionally while contributing to the long-term success of our organisation.

6.3 Employee Benefits - *GRI 401 Employment - 2016*

Uga Chena Huts is committed to providing fair, inclusive and competitive employee benefits that support the well-being, safety and professional development of our workforce. The following benefits are provided to the employees as per labor rules and organizational policies:

6.4 Corporate Culture

Our corporate culture is built on respect, integrity, and shared responsibility. We foster a workplace that values teamwork, accountability, and continuous improvement, recognising that our people are central to delivering exceptional guest experiences while upholding our sustainability commitments.

We promote an inclusive and supportive environment where employees are encouraged to share ideas, develop their skills, and take ownership of their roles. Open communication and cross-department collaboration are key to maintaining transparency and mutual respect.

Our culture is guided by Uga's Sustainability Value System — the 3Ws: Water, Wildlife, and Women which drives responsible environmental practices, community engagement, and value-based decision-making, ensuring alignment between our people and our long -term sustainability goals.

6.5 Labour Practices and Standards

Uga Chena Huts only engages employees who have voluntarily offered their services, and all employees were recruited through ethical means and within the legal age. None of the employee is required to pay any fee for recruitment, surrender any personal or identity documents, or be subject to any coercion, threat, intimidation, or any form of duress to work.

The terms and conditions of the contract of employment, including the scope of work, remuneration, working hours, and notice period, is communicated to the employees in writing before the commencement of duties. An employee can leave their jobs in accordance with the terms and conditions of the contract of employment and the applicable labour law at anytime.

Knowledge of labour rights and organisational policies is disseminated through employee orientation and employee communication structures. Employees are encouraged to express grievances and/or concerns through established structures without fear of retaliation. During the reporting period, there were no grievances reported. The organisation requires suppliers and service providers to adhere to relevant labour laws and ethical practices, such as the prohibition of forced or compulsory labour and legal age.

6.6 Human Rights

Respect for human rights is a fundamental value embedded in our business practices and core principles. We are committed to fostering an environment where human rights are effectively upheld and where every individual is treated with dignity, fairness, and respect.

Our Human Rights Policy applies to all employees, contractors, and relevant stakeholders. It promotes a workplace free from discrimination, sexual harassment, and unethical labour practices, while ensuring full compliance with national labour laws, recognised international human rights standards, and the principles outlined in the Global Reporting Initiative (GRI) Standards.

6.6.1 Non-discrimination – *GRI 406 Non-Discrimination 2016*

Uga Chena Huts follows a zero-tolerance policy towards any kind of discrimination in the work environment. Equal opportunity in every aspect related to employment is provided. Employment is purely based on merit and skill shown without any consideration of race, creed, color, sex, age, marital status, pregnancy, etc., but only based on the skill required for the respective job.

Emphasis is also laid on the protection of the rights of female employees. There is no need for pregnancy tests for recruitment or continued service. No employee is dismissed on the basis of pregnancy or confinement alone. Necessary care is taken to protect pregnant female employees from detrimental or dangerous work to ensure continued health, safety, and well-being.

Internal training and awareness is provided to the employees to express their grievances regarding any form of discrimination, harassment, and human rights abuse without fear of retaliation or any other form of victimization. All grievances are always handled confidentially.

During the reporting period, no substantiated incidents of discrimination were reported across Uga Chena Huts operations.

6.7 Diversity, equity & inclusion – *GRI 405 Diversity and Equal Opportunity 2016*

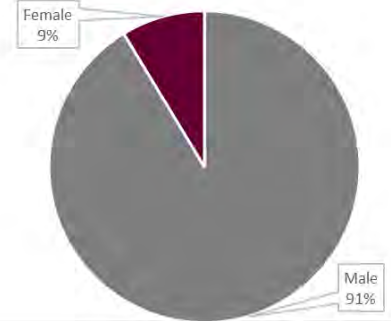
Our core people strategy and sustainability initiatives focus on diversity, equity, and inclusion. We provide an environment of diversity, equality of opportunity, and fairness in our treatment of all employees regardless of their gender, age, and level of ability.

The diversity of our workforce is tracked on a representative basis, with data provided for the purposes of inclusive decision-making.

6.7.1 Gender Distribution - *GRI 401-1*

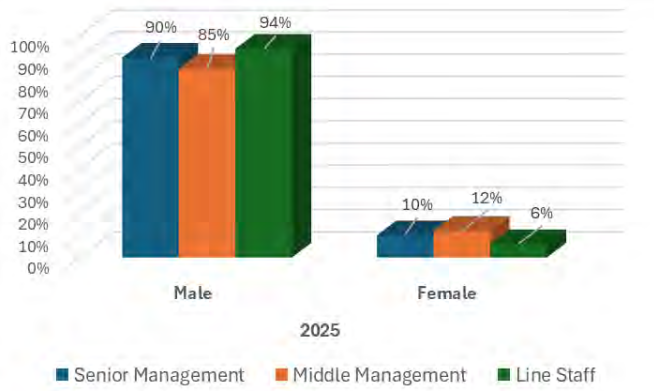
Current gender distribution shows a male dominated work force. Given the location of the resort, there is a tendency of more male employees over female employees.

In order to increase female representation, there are set KPI targets.



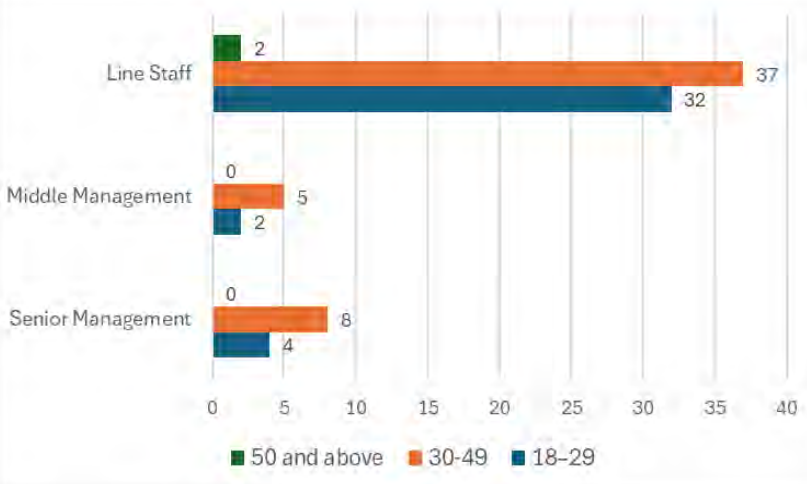
6.7.2 Gender by Employment Categories

10% female representation is available in the senior management level and the largest female representation is shown in the Middle management level.

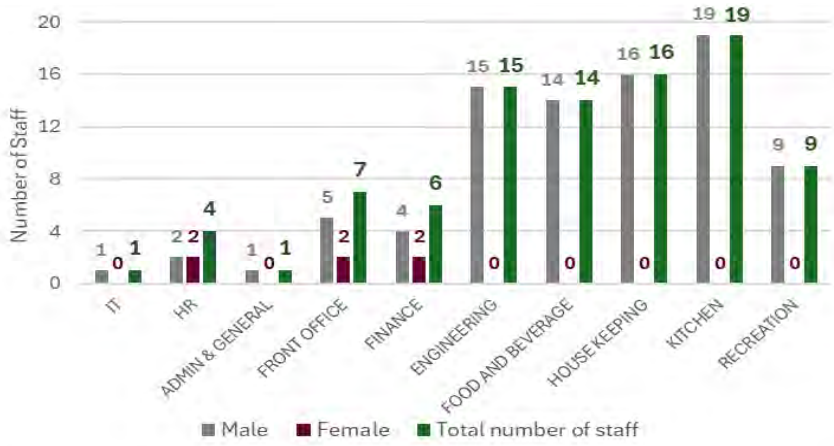


6.7.3 Age Group Distribution *GRI 401-1*

Age group 30-49 is the largest potion of every operational level. 8 staff members in the Senior Management level, 5 staff members in the Middle Management level and 37 staff members in the line level staff.



6.7.4 Employee Distribution by Department



Engineering, F&B, Housekeeping and Kitchen departments are having more than 15 staff members in each department consist only male staff.

6 female staff members present in HR, Front office and Finance departments.

6.7.5 Employees with disabilities

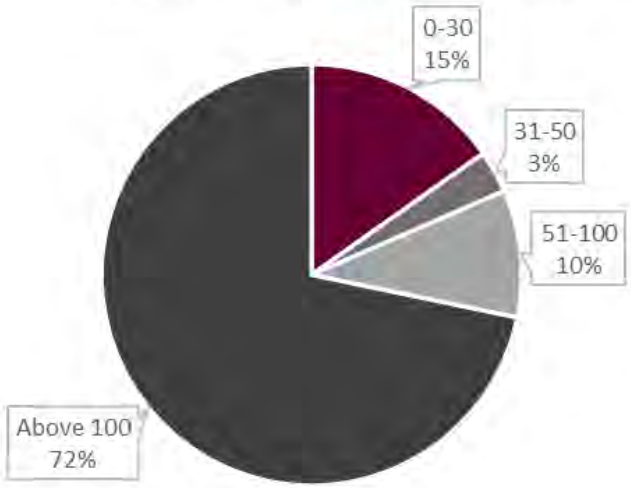
Uga Chena Huts promotes inclusive employment practices and provides equal opportunities for persons with disabilities, in line with role suitability and workplace safety requirements. In 2025, the organization did not receive any employment applications from persons with disabilities. Nevertheless, the permanent staff cadre includes an employee with a hearing impairment, reflecting the organiza-

6.8 Employment Disclosures - *GRI 401: Employment 2016*

6.8.1 Local Employment & Distance from Residence - *GRI 401-1*

Chena Huts employees 100% local staff. We have emphasized the importance of recruiting more staff members with a 30km radius from the resort location to enhance direct economical benefits to the local communities around us.

Due to the resort location, competency gaps, and operational needs, recruitment of more local staff is a challenge and employees with 30km radius stands at 15% low. We are in the process of increasing this to a minimum ratio of 20% in the future.



6.8.2 Employee by Contract Type - *GRI 102-8*

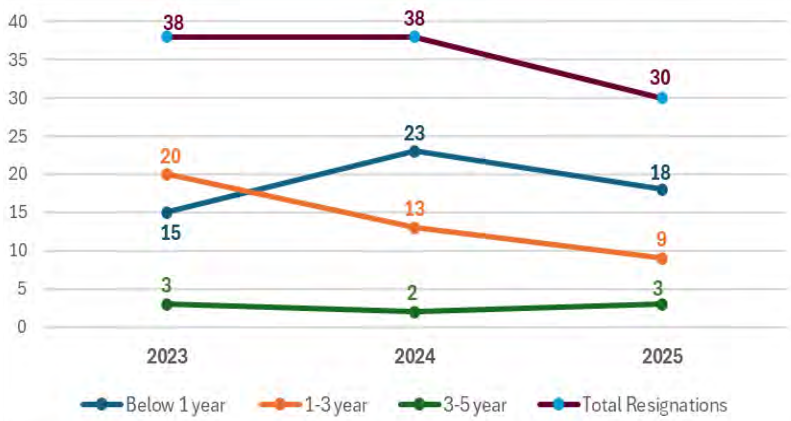
The workforce comprises permanent, contract, trainee, part-time employees, and externally sourced service providers, supporting operational flexibility while upholding fair employment practices. Externally sourced service providers from the local community are engaged for resort renovations and equipment repairs. The organization also offers trainee and internship opportunities to support skills development, and during 2025, a total of 06 trainees were provided with such opportunities.

Employee Contract Type	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year Average
Permanent	0	0	0	0	0	0	0	0	0	0	0	0	0
Contract - Budgeted	83	83	83	89	89	89	89	91	91	90	91	90	88
Contract - Actual	**79**	**84**	**83**	**84**	**84**	**86**	**87**	**90**	**86**	**87**	**92**	**92**	**86**
Trainee - Budgeted	0	0	0	2	2	1	1	2	2	1	3	2	1
Trainee - Actual	**2**	**2**	**2**	**2**	**2**	**1**	**1**	**2**	**2**	**1**	**3**	**2**	**2**
Part-time	0	0	0	0	0	0	0	0	0	0	0	0	0
Externally Sourced	8	8	8	8	10	10	10	10	10	10	10	10	9
Total Staff on-site	89	86	85	86	86	87	88	92	88	88	95	94	89

6.8.3 Employee Resignations - *GRI 401-1*

The staff resignation analysis for 2025 indicates that the majority of resignations occurred among employees with less than one year of service, followed by employees within the 1–3 year service category.

When compared with previous years (2023 and 2024), the overall number of resignations in 2025 shows a slight reduction, indicating improved workforce stability. The trend suggests that employee retention strengthens as tenure increases, reflecting growing organizational commitment and engagement among longer-serving employees.

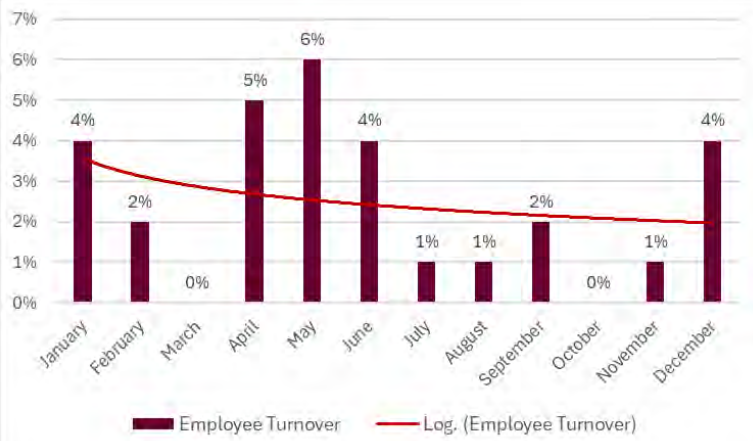


The Company continues to focus on strengthening onboarding processes, engagement initiatives, and career development opportunities to improve early-stage employee retention and enhance long-term workforce stability.

6.8.4 Staff Turnover - *GRI 401-1*

In 2025, the organization maintained an average workforce of approximately 86 employees against a planned headcount range of 83–91 employees. Recruitment activity remained steady throughout the year, with 43 new hires recorded to address operational needs and workforce adjustments.

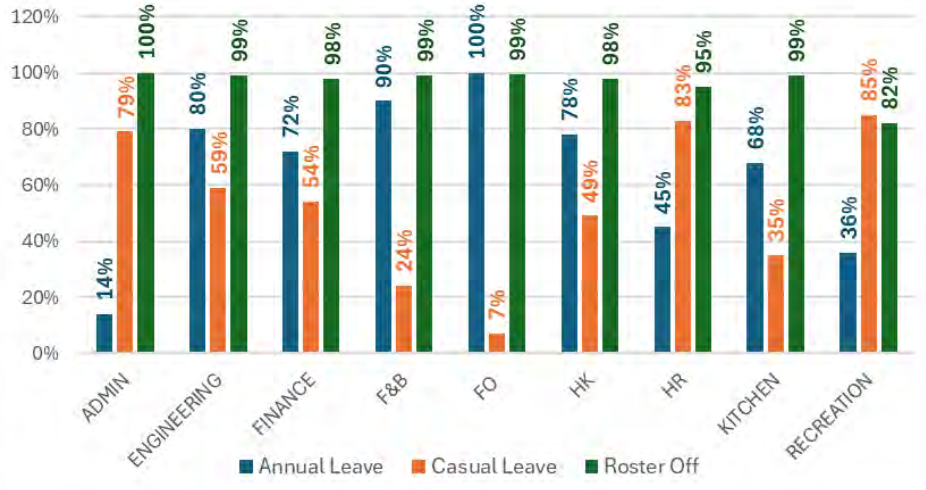
A total of 26 separations occurred during the reporting period, resulting in an annual turnover rate of 30.2%. Monthly turnover levels remained moderate and operationally manageable, with fluctuations aligned to staffing requirements. Overall, workforce planning, recruitment, and retention practices supported business continuity while maintaining staffing levels close to budgeted projections.

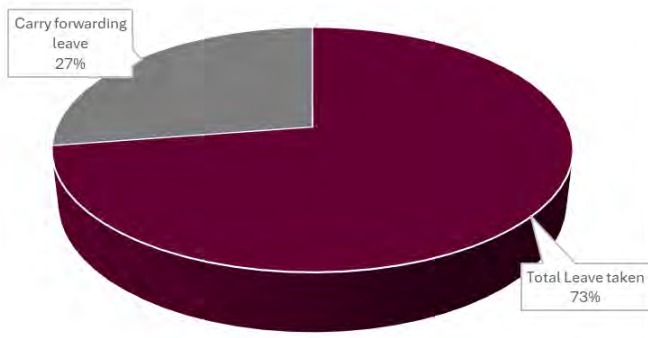


6.8.5 Employee Leave utilization summary - *GRI 401-2*

The Company provides annual leave, casual leave, and roster off entitlements in line with internal policies and applicable labour regulations to support employee well-being and work–life balance.

During the reporting year, most of employees utilized their entitled leave and roster off in a structured manner, ensuring adequate rest while maintaining operational continuity. . No maternity leave or no-pay leave was recorded during the reporting period.





During the reporting year, employees utilized 73% of their total entitled leave, including annual leave, casual leave, and roster off, reflecting the Company's commitment to supporting work–life balance and employee wellbeing. The remaining leave balance will be carried forward to March 2026 in line with company policy, after which any unutilized leave will be enchased in accordance with established HR procedures.

6.8.6 Overtime Payment

During peak occupancy times, overtime working is handled in accordance with Sri Lankan labor laws, and all eligible employees are paid for their overtime worked in accordance with the laws and company policies. Overtime work is also closely monitored to avoid overworking and to ensure employee health and safety and governed as per the overtime policy and the standard operation procedure.

Month	Occupancy %	Number of Staff paid overtime	Total number of Extra Hours Worked	Total Payment LKR
January	81.00	-	-	-
February	87.00	-	-	-
March	80.00	-	-	-
April	82.00	-	-	-
May	70.00	27	558	126,385.08
June	60.00	-	-	-
July	59.00	-	-	-
August	57.00	46	1,115.5	257,322.64
September	49.00	45	585.5	119,440.38
October	71.00	36	534.5	131,829.39
November	70.00	33	826.5	196,870.58
December	59.00	43	1,110.5	259,941.21

6.9 Child Labour

At Uga Resorts, we maintain a zero-tolerance policy toward child labor. We believe that every child deserves a childhood free from exploitation, and we recognize our duty to protect these rights across our operations and supply chains.

Our policy is guided by the UN Convention on the Rights of the Child and the ILO Conventions, specifically ensuring that we:

- **Prohibit Employment under 18:** We strictly refrain from hiring any person under the age of 18 for any level of operations, exceeding many local minimum age requirements to ensure a clear safeguard.
- **Strict Verification Protocols:** Our recruitment policy requires rigorous age verification during the onboarding process. To ensure no candidate under the age of 18 is recruited, we require mandatory copies of the Birth Certificate and National Identity Card (NIC) for all prospective employees for their personal files.
- **Advocate through the Value Chain:** We prioritize suppliers who mirror our commitment to child protection and fair labor.

To ensure our policy is more than just words, we have integrated the following "due diligence" measures into our operations.

ACTION AREA	ENGAGEMENT & IMPLEMENTATION
RISK ASSESSMENT	We conduct regular audits of our business activities to identify potential adverse impacts on human rights. This includes monitoring high-risk departments (like seasonal housekeeping or projects) where labor gaps might occur.
SUPPLIER SCREENING	As part of our sustainable procurement, we screen regional suppliers for their labor practices. Contracts include clauses that mandate compliance with child labor laws.
EMPLOYEE TRAINING	All staff receive specific training on the "Human rights and Child protection". This includes how to identify and report potential child protection issues involving guests, local communities, or the supply chain.
GRIEVANCE MECHANISMS	We maintain transparent communication channels. Employees and stakeholders can report concerns regarding child welfare or labor violations without fear of retaliation.

7. TRAINING AND DEVELOPMENT

The hotel recognizes that employee training and development are critical to delivering exceptional guest experiences, operational excellence, and long-term business sustainability. Our learning and development framework is designed to enhance technical competencies, service quality, leadership capabilities, and employee engagement across all levels of the organization.

Training needs are identified through annual performance appraisals, guest feedback, operational audits, regulatory requirements, and departmental training needs assessments. A blended learning approach is adopted, combining classroom training, on-the-job coaching, and external professional training programs.

7.1 Types of Training - *GRI 404-2: Programmes for Upgrading Employee Skills & Transition Assistance*

All the training programs conducted for the staff members are categorized into two main categories. Subject Specific training handled by the relevant Heads of the Departments (HODs) and the industry professionals and consultants and generic training programmes conducted by the L&D Manager, Sustainability Executive and external professionals.

Key focus areas include guest service excellence, hospitality skills, food safety and hygiene, culinary skills, front office operations, housekeeping standards, leadership development, health and safety, sustainability awareness, and information technology skills. In addition, all newly hired employees complete two days' introductory training sessions called Uga Promise.

7.2 Training Time Analysis - *GRI 404-1: Average Hours of Training Per Employee*

Month	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Year Total average staff
Total Number of Employees in the Resort	79	82	82	78	82	86	88	88	86	86	88	92	85
Total Training Hours	48.1	31	32.3	414	105.9	51.5	59.8	50.5	74	74.5	57	42	1040.48
Average training hours per employee = (Total number of training hours provided to employees /Total number of employees)	**0.61**	**0.38**	**0.39**	**5.31**	**1.29**	**0.60**	**0.68**	**0.57**	**0.86**	**0.87**	**0.65**	**0.46**	**12.24**

During the reporting year 2025, Chena Huts provided an average of **12.24** training hours per employee, demonstrating the Company's commitment to continuous learning and employee skill development.

7.3 Sustainability Related Training *- GRI 404-2: Programmes for Upgrading Employee Skills & Transition Assistance*

Sustainability-related training programs are conducted for all employees to enhance awareness and strengthen sustainability knowledge across the organization. Following key topics were delivered in 2025; additional training sessions on HACCP, Water saving, and Energy saving will be introduced to further reinforce food safety standards and responsible resource management practices. These training programs are delivered through a combination of classroom-based learning and practical sessions, where required, to ensure effective understanding and application of sustainability principles in daily operations.

The training in Waste Management, Plastic and Plastic waste and Human rights at workplace not provided to the employees in 2024 and these trainings are rolled out in 2025. The number of employees training attendance of 2025 is comparatively lower than 2024, as the trained employees resigned, and employees who did not yet complete the assigned trainings.

Training Topic	No. of Staff attended (%)	
	2024	2025
Introduction to Sustainability	74%	80%
Waste Management	-	51%
Plastic and Plastic waste	-	25%
Chemical Handling	-	50%
Human rights at workplace	-	45%

7.4 COMPLIANCE TRAINING *- GRI 404-2: PROGRAMMES FOR UPGRADING EMPLOYEE SKILLS & TRANSITION ASSISTANCE, GRI 403-5: WORKER TRAINING IN OCCUPATIONAL HEALTH & SAFETY*

Fire safety, emergency preparedness, and first aid training are integral components of the hotel's occupational health and safety framework and regulatory compliance. These programs are designed to enhance employee awareness, strengthen emergency response capabilities, and ensure safe handling of hazardous materials.

Training Topic	No of staffs attended	No of staff attended from total staffs count (%)	Training Hours per employee	Average Training Hours per Employee	Expenses (LKR)
Fire Safety Training with Practical	29	32	3	0.10	204,000.00
Fire Warden Training with Practical	29	32	2.5	0.09	
Basic First Aid training with Practical	29	32	6.75	0.23	113,000.00
Chemical handling and Safety Training	46	50	7	0.15	Free

Comprehensive fire safety, fire warden, and basic first aid training programs, including practical simulation sessions, are conducted annually by certified external trainers to ensure high standards of competency and emergency readiness.

While all employees receive fire safety and first aid training, specialized fire warden training with practical exercises is provided to members of the designated fire safety team to strengthen emergency coordination and response capabilities. All external training costs are fully paid by Uga Chena Hut, and employee participation takes place during paid working hours, reflecting the organization's strong commitment to employee safety, well-being, and continuous professional development.

The chemical handling and safety training conducted to the employees directly handle the chemical including housekeeping, stewarding and maintenance department.

8. HEALTH & SAFETY

The hotel is committed to providing a safe, healthy, and secure working environment for employees, contractors and a safe experience for guests and visitors. Our Occupational Health & Safety (OHS) management framework is designed to proactively identify, assess, and mitigate workplace risks, ensuring compliance with legal requirements, industry best practices, and international safety standards.

Health and safety risks are assessed through regular workplace inspections, hazard identification processes, safety audits, and employee consultations. Preventive controls include safety policies, standard operating procedures, training programs, emergency preparedness plans, and continuous monitoring mechanisms.

The hotel maintains a dedicated Health & Safety Committee comprising management and employee representatives to oversee safety performance, review incidents, and recommend corrective actions.

Guest-related incident reports are managed and recorded by Front Office Executive staff, while employee-related incident reports are maintained by the respective Department Heads and formally filed by the Human Resources Department. All reported incidents are promptly reviewed, and corrective measures are implemented at the earliest opportunity. Root cause assessments are conducted to prevent recurrence and to ensure the continued health and safety of both guests and employees.

8.1 OCCUPATIONAL HEALTH & SAFETY MANAGEMENT SYSTEM *- GRI 403-1*

The hotel operates an Occupational Health & Safety management system aligned with national regulations and international hospitality industry standards. The system includes hazard identification, risk assessments, incident reporting procedures, emergency preparedness plans, fire safety systems, and continuous improvement mechanisms.

To ensure a safe working environment, the hotel provides appropriate Personal Protective Equipment (PPE) to employees based on job roles and risk exposure, including gloves, safety shoes, masks, goggles, aprons, and other necessary protective gear.

8.2 EMPLOYEE HEALTH & WELLBEING
GRI 403-6: WORKER HEALTH PROMOTION

The hotel is committed to promoting the physical, mental, and emotional well-being of employees, recognizing that a healthy workforce is essential for service excellence, productivity, and long-term organizational sustainability. A holistic approach is adopted to enhance employee health through preventive healthcare, wellness initiatives, mental well-being programs, and healthy workplace practices.

To promote physical fitness and relaxation, the hotel provides comprehensive recreational and wellness facilities for employees. A fully equipped gym facilities is available to encourage regular exercise and healthy living. For relaxation and mental rejuvenation, television entertainment, dedicated outdoor gaming area has been established, offering facilities for carrom and chess.

The hotel also promotes healthy lifestyle practices through the provision of nutritious and balanced meals at staff dining facilities. Ergonomic assessments are conducted for operational and administrative workstations, and periodic monitoring is carried out for employees exposed to occupational health risks such as heat, noise,

Recognizing the importance of outdoor physical activity and team spirit, dedicated time is allocated in the evenings for sports activities, including volleyball, cricket, and badminton.

These activities promote physical fitness, teamwork, stress reduction, and interpersonal relationships, while also fostering a sense of camaraderie and belonging among employees. Participation in sports and recreational activities is encouraged across all departments, contributing to an active and engaged workforce.

8.3 WORK RELATED INJURIES - *GRI 403-9*

During the last reporting year, work-related injuries were not formally reported or filed within an official incident recording system. However, the hotel maintained effective occupational health and safety management systems throughout the period. Preventive health and safety measures were consistently implemented to minimize workplace risks.

Regular employee training programs were conducted to enhance awareness of safe work practices, emergency response procedures, and hazard identification. Guest safety protocols and routine safety inspections were also properly maintained. As a result of these preventive measures, no major accidents or serious injuries were observed during the period.

From January 2026 onwards, the hotel has established and implemented a formal incident recording and reporting system in line with GRI 403-9 requirements. Since then, all work-related injuries, regardless of severity, are being properly recorded, monitored, and reviewed to ensure transparency, regulatory compliance, and continuous improvement in occupational health and safety performance.

9. CORPORATE SOCIAL RESPONSIBILITY (CSR)

We firmly believe in creating meaningful and lasting impact through our business operations. Building strong connections with the communities in which we operate, prioritizing the well-being of our colleagues, and fostering awareness and responsible action are fundamental to our success. These efforts ultimately enhance the experience we deliver to our guests.

Sustainability serves as the bridge between our business practices and the broader world. It guides us in maintaining harmony in our interactions with the environment and society, while ensuring long-term economic viability.

Our Corporate Social Responsibility initiatives are carried out through the Uga Foundation, which leads and oversees our community and environmental programs. Guided by the unique characteristics of our resort locations, our CSR strategy focuses on three core pillars: **Water, Wildlife, and Women (3Ws)**.

Water – Addressing water scarcity and promoting responsible water management in the regions where we operate.

Wildlife – Protecting biodiversity and supporting conservation efforts to preserve natural ecosystems.

Women – Empowering women within local communities through education, opportunity, and sustainable livelihood initiatives.

Given the environmental sensitivities of our locations, particularly the challenges of water scarcity and the importance of wildlife and biodiversity, our efforts are purpose-driven and location-specific. Through these three pillars, we strive to create sustainable value for our communities, our environment, and future generations. In addition, we refer to the UN Sustainability Development Goals and try to maintain maximum participation the applicable UNSDGs to us.

9.1 SUSTAINABILITY FUND

To strengthen governance, accountability, and long-term impact of our Corporate Social Responsibility (CSR) initiatives, we formalized a structured funding mechanism dedicated exclusively to CSR activities.

Effective October 2024, a separate and ring-fenced account was established to ensure transparency in the allocation, management, and monitoring of CSR funds. This mechanism enables systematic budgeting, clear fund segregation from operational finances, and enhanced oversight of expenditures related to our CSR pillars.

The establishment of this dedicated funding structure reinforces our commitment to sound governance practices, financial transparency, and measurable social and environmental impact.

USD 1.5 worth of Sri Lankan rupees was allocated monthly basis at the prevailing exchange rate and transferred to the dedicated CSR account on the revenue room nights for each month.

YEAR	FUNDS ALLOCATED BASED ON THE REVENUE ROOM NIGHTS	DONATIONS RECEIVED BY THE GUESTS	TOTAL FUND GENERATION
2024	Rs. 817,769.62	-	Rs. 817,769.62
2025	Rs. 1,675,515.62	-	Rs. 1,675,515.62

9.3 CSR PROJECTS 2025

9.3.1 UPLIFTING LOCAL EDUCATION

DATE	08th February 2025
LOCATION	Our Lady of Sorrows Church Daham School, Hambantota
BENEFICIARIES	School Children
FUNDS	N/A

Distribution of 42 packs of educational materials to 42 students and 50 lunch packs to students and teachers of Children of Our Lady of Sorrows Church Daham School, Hambantota, as part of the hotel's community support initiative.

9.3.2 THE "GREEN GATEWAY" TREE PLANTING PROGRAMME

DATE	03rd March 2025
LOCATION	Yala National Park Entrance
BENEFICIARIES	Wildlife, Local Communities, Hotel Staff
FUNDS	LKR 160,862.00

In commemoration of World Wildlife Day on 3rd March, the hotel organized the "Green Gateway" tree planting project. Fifteen root balls of Kohomba (*Azadirachta indica*), a tree species native to the dry zone of Sri Lanka, were planted along the main entrance pathway of Yala National Park with the active participation of hotel staff.

9.3.3 EARTH HOUR 2025 CELEBRATIONS

DATE	22nd March 2025
LOCATION	Uga Chena Hut
BENEFICIARIES	Guest and Staff
FUNDS	Rs. 50,000

On March 22, 2025, from 7:30 PM to 8:30 PM, Uga Chena Huts joined the world in celebrating Global Earth Hour. In honor of this movement, lights in non-operational areas and staff accommodations were switched off, the iconic 60+ logo was illuminated, and guests were captivated by a Sri Lankan traditional dance performance. The evening concluded with a serene candlelight dinner and Earth Hour pledge, creating an unforgettable experience while embracing sustainability.

9.3.4 WE ARE WITH YOU – A FUTURE FOR EVERY CHILD

DATE	31st March 2025
LOCATION	SOS Child Village Monaragala
BENEFICIARIES	8 girls at SOS Village, Monaragala
FUNDS	LKR 240,000

08 girls of monaragala SOS Village is provided with LKR 2,500 dedicated to each child. The funds transferred directly to the village via a standing order, ensuring consistent and uninterrupted support for their education, healthcare, clothing, and other basic needs.

Payments issued twice a year, in April and September.

9.3.5 ECOGUARD BINS LAUNCH

DATE	05th June 2025
LOCATION	Main Hotel entrance (Cinamon Gate) and Tissamhara temple park
BENEFICIARIES	Communities and the environment around of yala area
FUNDS	Rs. 49,500.00

In celebration of World Environment Day on June 5th, Uga Chena Huts launched the "Eco Guard Bin Installation" project under this year's global theme, "Beat Plastic Pollution."

As part of the initiative, two metal bins were installed at key locations one at the Cinnamon Gate entrance and another near the Tissamaharama Temple to encourage responsible waste disposal and help reduce plastic pollution in the area. A staff awareness session also was held to promote reduced plastic use and sustainable practices

9.3.6 SRISAMUDRAMAHA WIHARAYA TEMPLE RENOVATION PROJECT

DATE	30th August 2025
LOCATION	Srisamudramaha Wiharaya Temple
BENEFICIARIES	resident monks and devotees of Sri
FUNDS	Rs. 151,000.00

Uga Chena Huts completed a community support project at Srisamudramaha Viharaya by upgrading the electricity system to 3-phase, repainting and cleaning the temple hall, and providing materials for organized alms dining.

The initiative, supported by 17 staff members, enhanced temple facilities while strengthening community ties and supporting cultural preservation

9.3.7 EVERY CHILD SHINES – WORLD CHILDREN'S DAY PROJECT

DATE	01st October 2025
LOCATION	Sithsewana Thanamalwila Differently-Abled Children's Home children
BENEFICIARIES	Differently-Abled Children's at the Orphanage
FUNDS	Rs. 180,000.54

We organized a meaningful almsgiving ceremony and donated school supplies along with essential items in celebration of World Children's Day. This initiative was designed to support 67 differently abled children by contributing to their educational needs and overall well-being. The event brought joy and encouragement to the children while strengthening our commitment to inclusivity, compassion, and empowering them in their journey of learning and personal growth.

9.3.8 BEACH CLEANING PROGRAMMES

DATE	4 sessions were conducted during the year
LOCATION	Uga Chena Hut Hotel
BENEFICIARIES	hotel guests, wildlife, and the environment
FUNDS	N/A

Several beach cleaning programme was conducted with the participation of 60 hotel staff members.

This initiative is carried out once every three months to maintain cleanliness in the hotel premises and surrounding beach area.

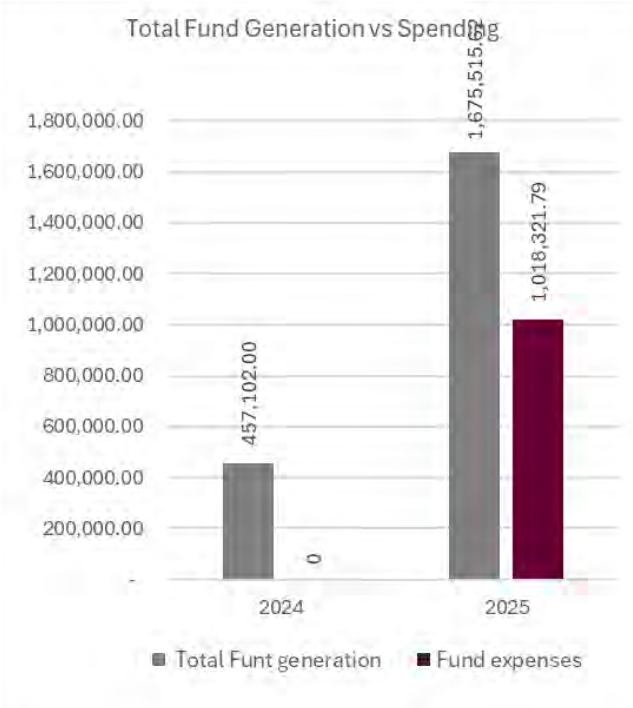
During all four programmes, nearly 100 kg of waste was collected in total.

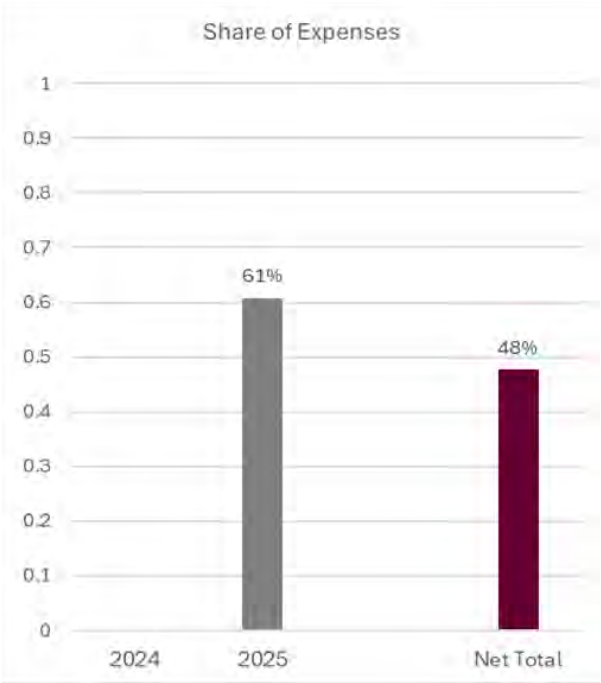
9.4 CSR PROJECT SUMMARY

DATE	PROJECT NAME	EXPENSES
2025.02.08	Distribution of 42 Packs of Educational Materials - Children of Our Lady of Sorrows Church Daham School	Rs. 124,159.25
2025.02.09	Sponsorship for SLTDA Beach Cleaning Campaign	Rs. 10,000.00
2025.03.03	The "Green Gateway" Tree Planting Programme - Yala National park Entrance	Rs. 160,862.00
2025.03.22	Earth Hour Celebration	Rs. 50,000.00
2025.03.31	"We Are With You"– A Future for Every Child Project - Sponsorship for 8 girls at SOS Village, Monaragala	Rs. 240,000.00
2025.06.05	EcoGuard Bin Installation Initiative for World Environment Day	Rs. 49,500.00
2025.08.30	Srisamudramaha Wiharaya Temple Renovation Project	Rs. 151,000.00
2025.09.26	Sponsorship and participation for Beach Cleaning Programme organized by MEPA	Rs. 12,800.00
2025.10.01	"World Children's Day Project at Sithsewana Thanamalwila Differently-Abled Children's Home	Rs. 180,000.54
All Year	Alms Offering Programme – Conducted Four Times in 2025 (On the 5th of the Selected Months)	Rs. 40,000.00
All Year	beach cleaning programmes - 4 sessions were conducted during the year	N/A
	Total Expenses	**Rs. 1,018,321.79**

9.5 SUSTAINABILITY FUND FINANCE REPORT

Year	Resort Contribution	Waste Sales Revenue	Guest Donations	Other	Total
2024	**Rs. 457,102.00**				**Rs.457,102 .00**
	100%	0%	0%	0%	
2025	**Rs. 1,675,515.62**				**Rs.2,386,410.00**
	100%	0%	0%	0%	





10. COMPLIANCE MANAGEMENT

The hotel maintains a structured Compliance Management Process to ensure adherence to applicable laws, regulations, internal policies, brand standards, and sustainability commitments. Compliance responsibilities are assigned to the management and department heads; covering key areas such as , environmental management, food safety and hygiene (HACCP), labor practices, guest safety occupational health and safety.

Compliance is monitored through regular internal audits, inspections, and comments received from other stakeholders. Identified gaps are addressed through corrective action plans and follow-up evaluations to ensure continuous improvement. To strengthen compliance verification, water quality parameter testing and food and microbiological testing are conducted by accredited third-party laboratories, ensuring adherence to health, safety, and regulatory standards.

10.1 INTERNAL AUDIT SUMMARY

A structured internal audit process covering sustainability, compliance, and quality assurance is implemented to assess the effectiveness of operational controls, risk management practices, and compliance systems. Audits are conducted monthly across key operational, financial, safety, hygiene, and environmental functions.

Sustainability and compliance audits are led by the Sustainability Manager, while quality assurance audits are conducted by the Learning and Development Manager at the resort level and officials visiting from the head office. Audit findings and recommendations are reviewed by senior management, and corrective actions are implemented within defined timelines, supported by follow-up audits to ensure effective closure of gaps and continuous improvement of organizational performance.

AUDIT CATEGORY	2024		2025	
	NUMBER OF AUDITS	% OF SHARE	NUMBER OF AUDITS	% OF SHARE
Sustainability & Compliance - by Sus. Executive	5	50%	7	53%
Sustainability & Compliance - by Head of Sustainability & ESG	2	50%	2	53%
Number of Audits on Quality assurance	4	29%	4	24%
Third party organizations including Travellife, Travel Agents and SLTDA	3	21%	4	24%
TOTAL AUDITS	14	-	17	-

10.2 SUMMARY OF COMPLIANCE REPORTS

The hotel conducts regular drinking water quality testing and Legionella laboratory analysis through accredited third-party laboratories. Water samples are periodically tested to verify compliance with national health regulations and applicable safety standards.

DRINKING WATER

Parameters	Total No of sample tested		No of Sample in standard parameters		% of Samples in standard parameters	
	2024	2025	2024	2025	2024	2025
Aerobic Plate Count	13	59	13	55	100	93.22
Total Coliforms	13	60	13	56	100	93.33
E. coli	14	60	14	60	100	100.00
Color	14	48	14	48	100	100.00
pH	14	51	14	48	100	94.12
Total Dissolved Solids (TDS)	14	30	14	27	100	90.00
Turbidity	14	28	14	28	100	100.00
Total Alkalinity (as CaCO3)	14	17	14	17	100	100.00
Total Hardness (as CaCO3)	14	17	14	17	100	100.00
Free Residual Chlorine	14	28	14	25	100	89.29
Free Ammonia (as NH3)	14	17	14	17	100	100.00
Chloride (as Cl-)	-	17	-	17		100.00
Fluoride (as Fluorine)	14	-	14	-	100	
Nitrate (as NO3-)	14	17	14	17	100	100.00
Nitrite (as $NO2^-$)	14	17	14	17	100	100.00
Sulphate (as SO42-)	-	17	0	17		100.00
Arsenic (As)	-	6	0	6		100.00
Calcium (Ca)	-	6	0	6		100.00
Cadmium (Cd)	-	4	0	4		100.00
Copper (Cu)	14	6	14	6	100	100.00
Iron (Fe)	-	15	-	15		100.00
Lead (Pb)	-	4	-	4		100.00
Total Phosphates (PO43-)	-	17	-	17		100.00
Magnesium (Mg)	-	5	-	5		100.00

LEGIONELLA SP. TEST

Parameter	Total No of sample tested		No of Sample in standard parameters		% of Samples in standard parameters	
	2024	2025	2024	2025	2024	2025
Legionella spp.	3	9	3	9	100	100

WASTEWATER WATER

Parameter	Total No of sample tested		No of Sample in standard parameters		% of Samples in standard parameters	
	2024	2025	2024	2025	2024	2025
pH	7	7	7	7	100.00	100.00
Total Suspended Solids (TSS)	7	7	6	7	85.71	100.00
Total Dissolved Solids (TDS)	3	8	3	8	100.00	100.00
Oil & Grease	7	7	7	6	100.00	85.71
Biochemical Oxygen Demand (BOD)	7	7	7	6	100.00	85.71
Chemical Oxygen Demand (COD)	7	7	6	6	85.71	85.71
Free Residual Chlorine (as Cl^-)	3	6	3	6	100.00	100.00

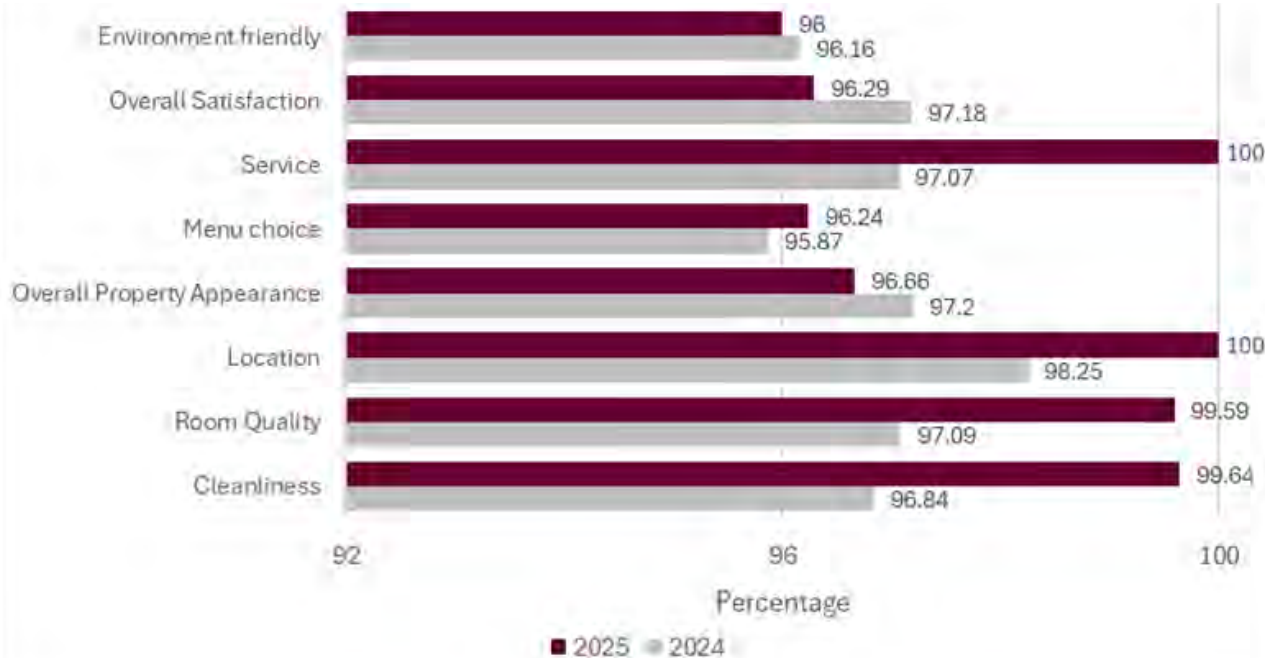
SWIMMING POOL WATER

Parameter	Total No of sample tested		No of Sample in standard parameters		% of Samples in standard parameters	
	2024	2025	2024	2025	2024	2025
pH	3	10	3	5	100	50
Total Dissolved Solids (TDS)	3	10	3	10	100	100
Turbidity	3	10	3	10	100	100
Total Hardness (as $CaCO_3$)	3	10	3	10	100	100
Free Residual Chlorine	3	10	3	7	100	70
Aerobic Plate Count	3	10	3	10	100	100
Total Coliforms	3	10	3	10	100	100
E. coli	3	10	3	10	100	100

11. GUEST FEEDBACK SUMMARY

The hotel places strong emphasis on guest feedback as a key driver of service excellence, quality improvement, and customer satisfaction. A structured guest feedback management system is in place to capture, analyze, and respond to guest comments, complaints, and suggestions across multiple channels, including in-house feedback forms, digital surveys, online review platforms, social media, and direct guest interactions.

All guest feedback is systematically recorded, reviewed by department heads, and addressed promptly. Corrective actions are implemented to resolve concerns, while positive feedback is shared across teams to recognize performance excellence and reinforce best practices. Key trends and recurring themes are analyzed to identify improvement opportunities and enhance overall guest experience.



During 2024 and 2025, Uga Chena Hut achieved guest satisfaction ratings exceeding 95% across key performance indicators, including environmental friendliness, overall satisfaction, service quality, menu selection, overall property appearance, location, room quality, and cleanliness. These results reflect the hotel's strong commitment to service excellence, environmental responsibility, and maintaining high operational standards in line with guest expectations and sustainability objectives.

12. CERTIFICATIONS, AWARDS AND OTHER ACHIEVEMENTS

We are Travelife Gold Certified. Recognized by the Global Sustainability Tourism Council for meeting standards in biodiversity, human rights, emissions, fair labor, child safety and animal welfare.

Uga Chena Huts was ranked #1 on Tripadvisor and recognised as a top-tier, all-inclusive luxury resort in the Tripadvisor Travelers' Choice Awards 2025. This recognition highlights the resort's exceptional service standards and its unique, nature-integrated guest experience, reaffirming its position as one of Sri Lanka's leading luxury wildlife resorts.

Uga Chena Huts received the **HICAP Sustainability Hotel Award 2025** under the **Sustainable ನ್ಯ Design category** from Hotel Investment Conference Asia Pacific.

This prestigious award recognises excellence in environmentally responsible architecture and innovative sustainable design practices within the hospitality industry. The recognition reflects the resort's strong commitment to eco-sensitive development, efficient resource management, and the seamless integration of luxury hospitality with the surrounding natural environment.

The achievement further reinforces the property's dedication to advancing sustainable tourism while preserving the ecological integrity of its unique coastal setting.

We highly appreciate your comments, concerns and suggestions to improve our sustainability performance that will benefit Por operations, all stakeholders and the environment we operate.

Please rech out to us through the following contact information

Dilshan David
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hos@ugaresorts.com

The annual Sustainability Performance Report is a publication of the Sustainability & ESG Department of Uga Resorts.

Uga CHENA HUTS

Uga Chena Huts | Tala-Palatupana, Wildlife tourism Zone, Yala, Thissamaharama, 82000, Sri Lanka