

# HEALTH AND SAFETY



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## POLICY ON HEALTH AND SAFETY

Through practices which are on par with international standards, we strive to provide a feeling of safety to our employees, customers and visitors who are involved in any business or transaction with the John Keells Group.

From an Occupational Health and Safety (OHS) perspective, the John Keells Group in its quest to be a 'sustainable' organisation, began the initiative to be a more OHS friendly organisation by dividing the group companies under seven major categories:

- Transportation
- Office / IT
- Property / Construction
- Warehousing
- Hotels
- Retail
- Factory

Now into the third year, the Group is maturing in the process of being 'sustainable' and drastic improvements were witnessed throughout all business units towards monitoring and eliminating hazards in the working environment. Numerous awareness programmes were conducted ensuring that employees adhere to adopted safe practices at the workplace, thereby making the John Keells Group a safe place to work.

This was also evident in the recently concluded employee survey conducted for the entire John Keells Group by 'Great Place To Work' where the Group was considered a 'Safe Place to Work' by a majority of the work force. The overall safety of the work place and the procedures and practices in place to this regard, received one of the highest ratings by the staff during this survey.

This year, goals and targets in respect to Occupational Health & Safety were set at the beginning of the financial year by all business units and in order to ensure that all sustainability initiatives flowed through the entire group, sector representatives were appointed to be in charge of each of their respective sectors with regard to all pillars of sustainability including Occupational Health & Safety.

In addition to the programmes conducted by the respective business units, the Group Occupational Health & Safety Task Force, keeping in mind its objective of obtaining the OHSAS certification for all Group companies other than those operating in an office and IT environment, organised a training programme for the sector and business unit representatives on how to carry out a gap analysis to determine the current position and arrive at the improvements required to obtain the OHSAS certification. This programme was conducted by a lead auditor of one of the leading OHSAS certification audit firms in the country.

The following group companies possess the OHSAS certification:

- Cinnamon Grand Colombo
- Chaaya Village Habarana
- Chaaya Citadel Kandy
- Bentota Beach Hotel
- Chaaya Lagoon Hakuraa Huraa (Maldives)
- Chaaya Island Dhonveli (Maldives)
- Chaaya Reef Ellaidhoo (Maldives)
- John Keells Logistics (Pvt.) Limited

Currently group companies are in the process of formulating sub policies at sector / business unit level keeping in line with the John Keells Group policy document.

All group companies reported on information pertaining to the last financial year ending 31st March 2011 with regard to Occupational Health & Safety.

Outsourced employees have not been included in this assessment. However, the organisation will be including outsourced employees engaged in operations within its group companies, in assessments to be conducted in the future.

## HEALTH AND SAFETY

During the period of assessment, one occupational fatality was recorded in the John Keells Group from Union Assurance Limited as a result of a road side accident. No occupational diseases were recorded from any of the group companies.

**Injury Rate** is defined under the GRI guidelines as the frequency of injuries relative to the total time worked by the total workforce in the reporting period. During the period, a total of 180 staff were affected by occupational injuries of which 5 staff were based in the Republic of Maldives.

	2009/10	2010/11
No. of Staff affected by Occupational Injuries	238	180
Total Number of Man days in the period	3,896,375	4,082,890

**Lost Day Rate** is defined under the GRI guidelines as the impact of occupational accidents and diseases as reflected in time off work by the affected workers. The calculation 'Lost days' commence from the day after the injury takes place and such calculation entails calendar days. To this extent, minor occupational injuries/diseases that occur causing an employee to be unable to report to work for less than one day have been excluded.

The Total Man Days Lost for the group for the reporting period was 2,403 of which 244 were from the group companies based in Maldives.



The table below depicts the percentage of the Man Days Lost in respect of the Total Man days in the period.

	2009/10	2010/11
Total Man Days Lost (TMDL)	1,023.5	2,403.0
Total number of Man days in the period	3,896,375	4,082,890
TMDL as a % of Total Man days in the period	0.0263%	0.0588%

**An Absentee** is defined as an employee absent from work because of incapacity of any kind, not just as the result of work-related injury or disease.

In other words an absentee day would constitute a day lost by a worker due to occupational causes and non occupational causes as well.

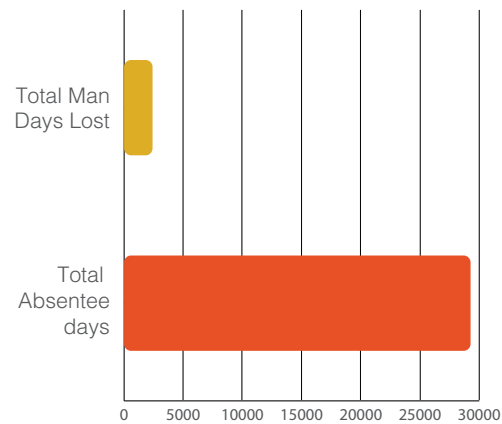
**Absentee Rate** refers to a measure of actual absentee days lost as defined above, expressed as a percentage of total days scheduled to be worked by the workforce for the same period. Here the group took these days as the total number of days in the period for purpose of calculation.

The table below depicts the percentage of the Absentee Days in respect of the Total Man days in the period.

	2009/10	2010/11
Total Absentee Days (TAD)	22,259.0	29,267.5
Total number of Man days in the period	3,896,375	4,082,890
TAD as a % of Total Man days in the period	0.5713%	0.7168%

The graph below depicts the contribution of the Total Man Days Lost due to Occupational Injuries and Diseases to the Total Absentee Days of staff in the group.

Man Days Lost vs Absentee Days



Throughout the course of the last financial year, the dengue epidemic struck Sri Lanka on two occasions and Colombo was one of the worst affected districts in both instances. This contributed to the marked increase in absentee days over the past year. Further, incessant and heavy rainfall also accounted for severe flooding in one instance throughout the island. With many households being affected and roads made impassable, the absentee days in most of the group companies heightened as against to the last financial year.

During the year in concern most of the group companies conducted awareness programmes relating to HIV / AIDS for their employees and some even for the community.

The John Keells Hotels Group continuing with the HIV/AIDS workplace policy which was inaugurated on the 1st of December 2009, conducted various activities to educate the employees and community at large. The Cinnamon Lodge team during the past year covered over 9,000 personnel through the HIV/AIDS programs carried out.

One of the highlights this year was that two sessions were conducted at the L.T.T.E rehabilitation centre in Welikanda covering nearly 1,500 personnel.

Tea Small Holder Factories PLC during the period in concern covered around 1,400 personnel through various programs carried out by the individual factories. The Broadlands tea factory and the Kurupanawa tea factory conducted an eye and health clinic for approximately 800 personnel and the Hingalgoda tea factory conducted a medical camp for around 450 personnel.

A significant aspect in both scenarios was that a large number of staff also volunteered and assisted in carrying out the programs to those in the community.

None of the group companies / sectors reported workers involved in activities that would expose them to a high risk of specific diseases. Further to this, it is the group mandate that precautionary measures be implemented in any such areas identified as high risk.

As mentioned previously, the Group is currently in the process of formulating the second level OHS policies. The final goal is for all group companies (other than the IT/office industry groups) to obtain the OHSAS certification by the end of the up coming financial year. In this regard the John Keells Group will be exploring the option of obtaining third party expertise to assist in the implementation of the OHSAS certification in the various companies. Drawing internal personnel in companies already OHSAS certified, to assist companies still to obtain the certification will also be an avenue that will draw focus.

Further, the importance of conducting basic OHS awareness and prevention programs for staff, their families and the surrounding community where possible will also be communicated to all companies and they will be encouraged to conduct same and continue the positive trend seen in this regard within all the group companies.

