

## Human Capital

At Talawakelle Tea Estates, our people drive our success, fuel our innovation and embody our purpose. In 2024/25, we focused on building an inclusive culture where every voice is heard, every contribution is valued and every individual has the opportunity to grow.

From reimagining our workforce models to empowering women in leadership, from fostering wellbeing and safety to providing global learning opportunities, this year has been about nurturing our greatest asset-our people.

As we continue to champion diversity, innovation and sustainability, our human capital initiatives are paving the way for a future-ready, resilient workforce.



### Revenue Share Model Transformation

Shifted traditional employment to a revenue-sharing approach, empowering workers as entrepreneurs with ownership and accountability in tea cultivation.



### Empowering Women in Leadership

Strengthened gender equality with new female field supervisors and leadership initiatives, fostering diversity and inclusive decision-making across the estates.



### Commitment to Employee Wellbeing

Enhanced workplace safety, health and wellbeing through comprehensive policies, training and employee support systems across all estates.



### Global Learning and Development

Invested in global learning initiatives for senior managers and robust training programs, enhancing strategic skills and future readiness.

## GRI 3-3 | 13.15.1, 13.16.1, 13.17.1, 13.18.1, 13.19.1

## Management Approach

## Risks

Risk of losing high-performing employees and the inability to attract individuals with the necessary expertise in a competitive market decreased morale, lower performance, and increased turnover if employees feel undervalued or disconnected from the organization's goals.

## Opportunities

Improve workforce resilience by investing upskilling and targeted leadership development initiatives to keep employees motivated and engaged in organisational goals

Strengthen TTE's reputation as an employer of choice by fostering inclusivity and employee wellbeing

## Material Matters

- Occupational Health & Safety
- Healthy Relations & Employee Satisfaction
- Gender Equality & Fair Remunerations
- Hiring & Retention
- Talent Development
- Compensation & Benefits
- Mother & Child Friendly Estates
- Performance & Rewarding

## Management Approach

We believe that our people are the foundation of our success, and we are committed to creating an environment where they can thrive, grow and contribute meaningfully to the organisation's goals. Hence, we have adopted an integrated approach to human capital development guided by four key pillars that work together to shape a resilient and future-ready workforce. We focus on attracting and retaining the right talent based on efficient and ethical hiring practices alongside purpose-driven, yet competitive remuneration structures. At the same time we strive to build a skilled and competent workforce by investing in training and systematically measuring employee performance. Creating a safe and conducive workplace is central to our efforts, as we work to uphold the highest standards of employee well-being and workplace safety, while prioritising employee motivation and satisfaction by promoting a culture of recognition and shared success.

## Governance

## Oversight

- Board of Directors
- Group Management Committee
- Board Remuneration Committee
- Head of HR
- Estate HR Representative

## Compliance

- Wages Board Ordinance
- Shop and Office Act 19 of 1954 and Amendments
- Employees Provident Fund Act
- Employees Trust Fund I
- Payment of Gratuity Act

## Voluntary Best Practices

- ILO Convention Protocols
- UN Global Compact on Human Rights and Child Labour
- UN Women's Empowerment Principles
- Save the Children Sri Lanka
- Child Protection Policy
- Centre for Child Rights - Mother & Child Friendly Seal

## Internal Mandates and Commitments

- DEI Policy
- OHS Policy
- Safety Manual

## Monitoring and Reporting

- Hayleys CUBE" Sustainability Data Management System
- Global Reporting Initiative (GRI)
- GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022
- Sustainability Accounting Standards Board (SASB)
- UN Sustainable Development Goals (SDGs)

## Resource Allocation Highlights

Rs. 3,481 Mn paid as remuneration and benefits to employees

336 new Block Managers appointed under the RSM scheme

1 new female field supervisors appointed

Launch of the Women in Leadership initiative

## Outputs for TTE

- 3.4% employee turnover rate
- 96.6% employee retention
- 99% overall employee satisfaction in the GPTW study
- 4,305 hours on Employee Safety

Stakeholder Outcomes	FY 2024/25	FY 2023/24	Value Enhanced (+)   Preserved (=)   Eroded (-)
New recruits	1,829	565	Enhanced
No. of employees promoted	31	33	Eroded
Total Training hours	25,018	38,555	Eroded
Incidents of Discrimination	ZERO	ZERO	Preserved



- Target 1.2: Reduce at least by half the proportion of men, women, and children of all ages living in poverty in all its dimensions according to national definitions



- Target 3.8: Achieve universal health coverage, including financial risk protection, access to quality essential healthcare services, and access to safe, effective, quality, and affordable essential medicines and vaccines for all.



- Target 4.4: Increase the number of youth and adults who have relevant skills for employment, decent jobs, and entrepreneurship.



- Target 5.1: End all forms of discrimination against all women and girls everywhere.
- Target 5.5: Ensure women's full participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life.



- Target 8.5: Achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities.
- Target 8.6: Substantially reduce the proportion of youth not in employment, education, or training.
- Target 8.7: Take immediate and effective measures to eradicate forced labor, end modern slavery, and human trafficking, and secure the prohibition and elimination of the worst forms of child labor.



- Target 10.3: Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies, and practices and promoting appropriate legislation, policies, and action in this regard.

# Human Capital

## Workforce Analysis - FY 2024/25

GRI 2-7, 8 | 405-1 | 13.15.2, 13.21.1, 13.21.2, 13.21.3

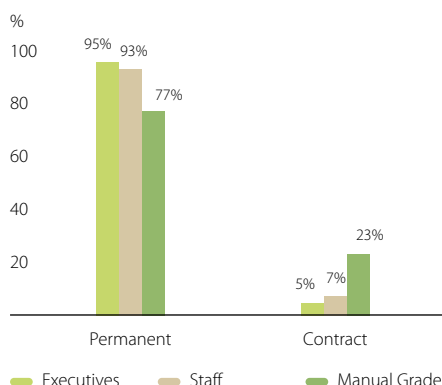
### Cadre Profile – FY 2024/25

Employees	Gender		Provinces			Age			Total
	Male	Female	Western	Southern	Central	< 30 years	30-50 years	>50 years	
Total	2,438	2,809	42	1,296	3,909	554	3,976	717	5,247
Permanent	1,741	2,365	37	777	3,292	447	3,159	500	4,106
Contract	697	444	5	519	617	107	817	217	1,141

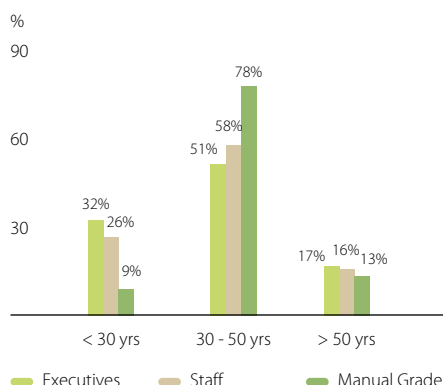
TTE does not engage any non-employee workers whose work is controlled by the organization during the reporting period. Independent service providers and leaf suppliers operate autonomously Under "Revenue Share Model" (RSM), without organizational control, and therefore are excluded from these disclosures.

### Governance Bodies & Employees on Gender & Age as at 31st March 2025

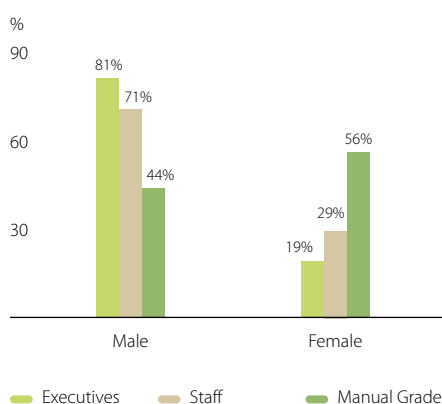
#### Profile of Employee Grade Categories



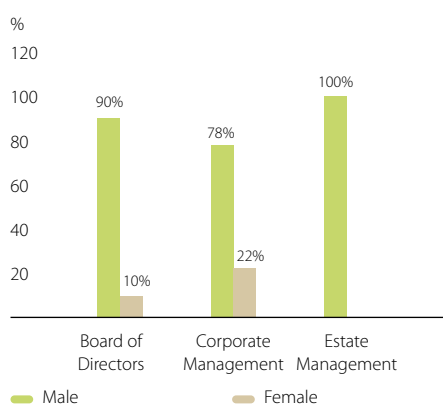
#### Age Profile of Employee Categories



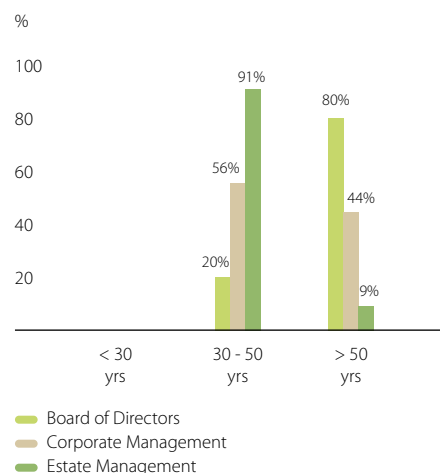
#### Gender Profile of Employee Categories



#### Gender Profile of Governance Bodies



### Age Profile of Governance Bodies



As of 31st March 2025, TTE's total workforce comprised 5,247 employees, of which 4,106 were permanent staff, while 1,141 were employed on a contractual basis. All employees are engaged in full-time roles, with no part-time or casual (non-guaranteed) employment.

75% of the workforce is based across TTE's 16 estates in the Central Province

54% of the estate workforce are women

78% of the total estate workforce are within the productive age group of 30 to 50 years

More than 74% of employees reside on the estates

4,789 employees serve as the manual grade employees

#### TTE PLC Metric

#### Our 2030 Target

#### Contribution

#### Target 5.5

Gender in leadership positions

Improve work place diversity index by 25% in 2030



The company's leadership development initiatives and maternity care programs promote equal opportunities and a gender-sensitive work environment.



## 1. Talent Acquisition and Retention

GRI 202-2, 401-1

### 1.1 Recruitment and Selection

Recruitment at TTE is a well-planned and structured process. Our recruitment policy endorses a merit-based approach to attract the right talent aligned with the organisation's strategic goals, underscoring our commitment to equal opportunity and non-discriminatory employment.

Our multi-tiered approach supported by effective delegation of recruitment responsibilities across different levels of

the organisation enables purpose driven recruitment that correlate to organisational objectives. Under the guidance of the Corporate HR Department, the respective Estate Manager is responsible for recruiting the estate (manual) workforce. Recruitment of estate staff is carried out based on a staffing plan developed in consultation with the Director-Plantations and the Chief Executive Officer. Executive-level recruitments are handled by the corporate HR team, subject to the final approval by the Managing Director.

The scope of the executive recruitment framework was broadened in the current year with the creation of new executive level roles for Digital Marketing and Data Analytics in line with the emphasis on strengthening TTE's digital presence and the renewed focus on data-driven decision-making to improve overall strategic agility.

In the manual worker category, ongoing efforts to shift workers to the Revenue Share Model (RSM) gathered momentum in the current year, with approximately 97.2% of the total manual grade now hired on contract basis through the RSM.

### Workforce Movement – FY 2024/25



1,829

Recruitment FY 2024/25  
42.6% Recruitment Rate

1,762

Manual Recruitment

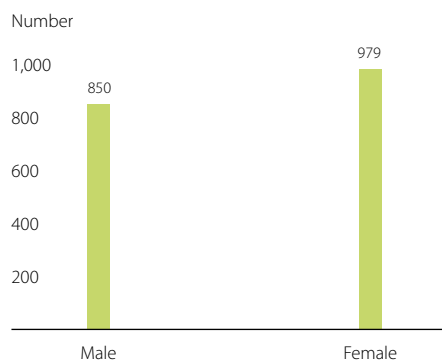
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Staff Recruitment

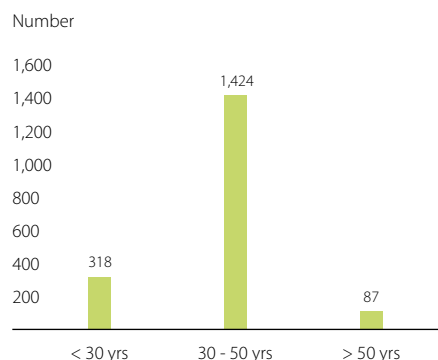
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Executive & Above  
Recruitment

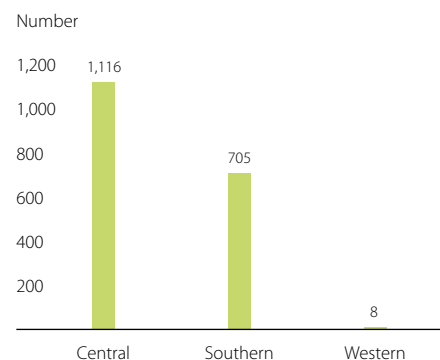
#### Recruitment By Gender



#### Recruitment By Age



#### Recruitment By Region



While no Senior Management personnel were recruited from the local community during the current financial year, 1,110 manual grade employees have been engaged under contract employment.



866

Resignations  
FY 2024/25  
3.4% Average Turnover Rate  
96.6% Retention Rate

92%

Manual Turnover Rate  
794

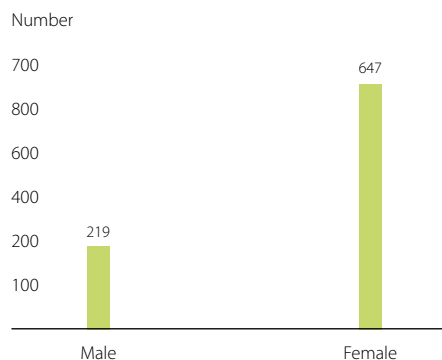
6.5%

Staff Turnover Rate  
56

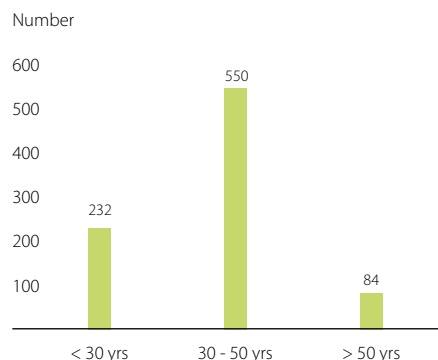
1.5%

Executive & Above  
Turnover Rate  
15

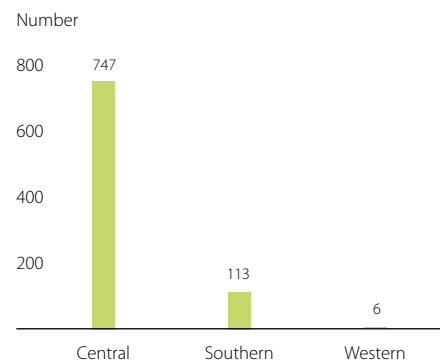
#### Turnover By Gender



#### Turnover By Age



#### Turnover By Region



## Human Capital

The highest turnover was observed within the manual grade category amongst 30-50 years age group.

### Safeguarding Child Rights (Making Sure Children Are Treated Right)

**GRI 408-1 | 13.17.2**

TTE has a zero tolerance approach on child labour underscoring the commitment to align with national labour laws as well as the best practices set out under the International Labour Organization (ILO) Conventions and the United Nations Global Compact (UNGC) Principles. Accordingly, we take proactive measures to guarantee that our recruitment policies and operational practices strictly prohibit the employment of children under the legal working age of 18 years. A special clause pertaining to child protection has been included in the letter of appointment given for every new employee.

Our commitment goes beyond compliance, all TTE's estates has a dedicated focal point to safeguard child rights. A key responsibility of the Child Protection Focal Point is to raise awareness among our estate communities about the importance of education and encourage parents to ensure their children remain in school. Rigorous audits are also conducted regularly across our estates to identify any potential risks and for child-labour. As part of our overall approach, TTE is working work closely with the Save the Children Fund and the Centre for Child Rights and Business to implement standard child protection procedures across all levels of our operations.

At the same time, we expect our bought-leaf suppliers and other business partners to commit to our standards for the prevention of child labour. We provide training and conduct ongoing discussions with our suppliers and business partners to emphasise the importance of eliminating child labour within the supply chain.

In the year under review, no incidents of child labour were reported across TTE's operations, among bought leaf suppliers or any other business partners.

### Employment Practices

**GRI 13.20.1**

At TTE, we uphold ethical, inclusive, and transparent employment practices. Our Ethical Recruitment Policy, applicable across all estates and factories, prohibits recruitment fees and the withholding of identity documents, and ensures contracts are issued in a language

understood by workers. As we do not engage third-party recruitment agencies, all recruitment is managed directly by TTE, ensuring full adherence to our internal standards. Non-compliance is addressed through formal grievance mechanisms, including our "We Care 360" platform.

We ensure fair and timely compensation, free from unjustified deductions, and provide in-kind benefits such as housing, childcare, and community services. While we do not use piece-rate systems, all significant sites disclose the proportion of in-kind remuneration through internal reporting.

To uphold labor rights across our value chain, we assess suppliers for compliance with national and international labor standards. We monitor risks such as informal or disguised employment and ensure workers are engaged through legally recognized contracts wherever applicable.

TTE's workforce practices reinforce safe, equitable, and rights-based employment supporting our broader commitment to decent work and sustainable livelihoods in Sri Lanka's plantation sector.

### 1.2 Remuneration and Benefits

**GRI 202-1, 401-2**

At TTE, we are committed to ensuring that all employees receive fair and competitive remuneration and benefits in full compliance with applicable labour laws and industry norms.

For manual grade employees, wages are determined in line with the minimum wage regulations under the Wages Board Ordinance. With nearly 98% of our estate workforce unionised across five worker categories, collective bargaining outlines conditions for annual increments and incentives. The collective bargaining agreement is formally

reviewed and updated at the time of renewal every three years.

Meanwhile, the management may extend discretionary allowances to supplement daily wages, based on the type and complexity of work undertaken. Salaries of estate staff are also set under the collective agreement.

TTE ensures compliance with all statutory benefit obligations, including contributions of 12% to the Employees' Provident Fund (EPF) and 3% to the Employees' Trust Fund (ETF), calculated on employees' basic salaries. Employees are also entitled to gratuity, as prescribed under the Gratuity Act, upon completion of the required period of continuous service.

On 10th September 2024, the minimum daily wage for plantation workers in Sri Lanka was raised to Rs.1,350/-. This wage increase will be in effect for three years. The new wage structure includes a basic salary of Rs.1,350/- plus an additional Rs.50/- based on productivity, representing a crucial step toward improving the livelihoods of plantation workers. The new wage structure was agreed upon after negotiations between the Regional Plantation Companies (RPCs), trade unions and the Wages Board.

Meanwhile an annual increment was granted on all estate staff salaries in keeping with the terms of the collective bargaining agreement.

For executives and above, salaries and benefits are set by the Human Resources and Remuneration Committee, based on factors such as job description, qualifications, experience, and performance, while ensuring alignment with industry benchmarks. Increments for executive grades are based on performance outcomes determined through the annual performance review process outlined below.

Rs. Mn	2024/25	2023/24	% Change
Remuneration	2,320.4	2,253.3	3.0
Performance incentives	968.6	1,022.3	(5.2)
Welfare and benefits	192.0	174.5	10.0
Total remuneration and benefits	3481.0	3,450.2	1.0
<b>Defined Contribution and Benefits</b>			
Employee Provident Fund - 15%	180.6	151.5	19.2
Employee Trust Fund - 3%	45.1	37.9	19.0
Gratuity provision	179.0	202.4	(11.6)
Gratuity payments	160.7	196.1	(18.0)

Benefits - Permanent and Full-time Employees	Estate				Corporate Office		
	Manager	Executive	Staff	Manual	Manager	Executive	Staff
Housing with electricity and water							
Living quarters with electricity and water							
Line rooms with electricity and water							
Employee medical insurance - OPD, spectacles and hospitalisation							
Immediate family medical insurance - OPD, spectacles and hospitalisation							
Free prescription drugs							
Medical facilities and free medical clinics							
Maternity benefits and child care facilities							
Mid-day-meal nutrition programme							
Milk and wheat flour for children							
Scholarships for children							
Death donations							

### Maternity Leave

GRI 401-3

In line with Sri Lanka's labour laws, all female employees are entitled to avail maternity leave. They are also allowed to avail the feeding entitlement of one hour. Currently, there is no scheme for paternal leave. However, all employees are given their statutory leave of 14 annual and seven days of casual along with 21 medical leave.

Maternal Leave Facets	Number
Total female employees	2,839
Maternity leave availed	39
Returned to work after maternity leave	13
Resignations after maternity leave	2
Currently on maternity leave	26
Retained after 12-months of return from maternity leave	71
Return to work rate (%): 33	
Retention rate after 12 months of return to work (%): 71%	

## 2. Building a Skilled and Competent Workforce

GRI 404-3

### 2.1 Performance Management

The performance management process at TTE is designed as a strategic tool to assess, guide, and enhance employee performance at all levels, to ensure every employee from estate workers to corporate executives contributes meaningfully to the Company's overall success. The performance management process also creates a strong platform to potential candidates for promotions, increments and other recognition and rewards schemes.



## Managing Performance of all Employee Categories

### Executives

The performance of Executives is evaluated annually through a structured mechanism based on the Balanced Scorecard Methodology where employee performance is measured against predetermined targets at both individual and collective levels. Performance tracking and monitoring is facilitated through our cloud-based Human Resource Information System (HRIS). The annual performance review is conducted between each executive and their immediate supervisor, providing a transparent and interactive platform to discuss performance outcomes, identify training and development needs, and support career planning. These insights form the basis for decisions related to promotions, salary increments, and performance-based rewards. Exceptional performers are earmarked for further development through individual development plans that combine specialised training in leadership and management alongside coaching and mentoring by members of the senior management to prepare selected employees to take up higher career responsibilities.

### Staff

The performance of estate staff is reviewed annually by the estate manager and subsequently validated by the Chief Executive Officer and Director Plantations. High performing staff are rewarded with special increments (in addition to the standard increment linked to the collective bargaining agreement) and granted promotions to higher grades as appropriate.



Estate staff awards



## Human Capital



Monthly recognition of best tea harvesters

### Manual Workers

Productivity of manual workers is evaluated on a daily basis against predefined minimum standards for green leaf plucking with employees who exceed these daily targets incentivised accordingly. To ensure accuracy and transparency, a digital weighing system is used, enabling fair and reliable measurement of individual output. Supporting this effort is the Future Navigator, a dedicated mobile application that enables estate management to track each plucker's performance in real time.

Performance of all categories of permanent employees are reviewed every year.

### Promotions Granted

Employee Category	2024/25		2023/24		2022/23	
	Men	Women	Men	Women	Men	Women
Executive	13	2	18	4	19	3
Staff	7	3	10	1	4	2

### Enhancing Earning Capacity of Employees through the Revolutionary Revenue Share Model (RSM)

Our Revenue Share Model (RSM) was introduced in 2001 and it represents a transformative shift from the conventional attendance-based wage system for our estate workers. Based on the principle of entrepreneurship, the RSM scheme allocated designated plots of land within our estates to individual workers who assume the role of "block managers" responsible for the cultivation and harvesting of tea and are directly accountable for their output. We also provide technical assistance, training, and continuous advisory services. Meanwhile, participating Block Managers are integrated into our bought-leaf supplier network via a buy-back guarantee.

TTE's Deniyaya estate is now fully operated through the RSM scheme, which has inspired all other estates to begin adopting the RSM with a view to gradually phasing out the attendance-based traditional wage system in due course.

#### Revenue Share Model Key Performance Indicators FY 2024/25

**All (16)**  
Participating Estates

**2:3**  
Block Managers Male to Female Ratio

**4.19 Mn Kgs**  
Bought-Leaf Supply

**336**  
New Block Managers



**10.24 Mn Kgs**  
Green Leaf Production

**1,507**  
Total Block Managers

**14.43 Mn Kgs**  
Total Green leaf Production

### 2.2 Training and Development

**GRI 404-1, 2**

At TTE, we are deeply committed to employee training. For optimal results, we work according to a pre-approved training plan and budget to provide targeted training using a combination of internal and external resources to deliver targeted training to employees across the organisation. Internally, members of our senior management team, including our Managing Director, frequently conduct motivational sessions and knowledge-sharing forums to inspire and guide employees. We also maintain a network of external training partnerships encompassing both public and private institutions.

#### Training Indicators FY 2024/25

	Person Head Count Trained		Avg. Training Hours	
	Male	Female	Male	Female
Manual	3,697	7,550	1.97	1.43
Staff	552	984	3.34	3.77
Executive & above	256	52	4.40	4.06



# 25,018

Total Training Hours FY 2024/25

# 13,091

Total Trained FY 2024/25

# 1.91 hrs

Average Training Hours Per Employee  
FY 2024/25

# Rs. 11 Mn

Training Investment FY 2024/25

# Rs. 843.70

Training Investment Per Employee  
FY 2024/25

In keeping with our structured and performance-driven approach, training needs for staff and executives are identified through the annual performance appraisal process. To further support ongoing learning, we encourage executive employees to undertake continuous professional development for which we offer scholarships, study loans, and course fee reimbursements for recognised professional and vocational qualifications.

Training for our estate workforce is coordinated through regional cluster HR units and estate-level HR teams, in consultation with the Corporate HR Department and consists mainly of motivational and productivity improvement related activities.

Beyond this, we also empower our estate workforce with the tools for long term personal and professional growth by delivering special programmes focused on critical areas such as occupational health and safety, nutrition and food security, gender and social awareness, and financial literacy.

## Pathways to Leadership - "EmpowerU" Initiative

Providing Youth within the estate community, TTE has launched the "EmpowerU" project, which offers comprehensive training in tea cultivation, factory operations, office administration and supervisory skills through a blend of theoretical and practical sessions. This initiative aims to empower estate youth in the agricultural sector while establishing a sustainable framework for developing skilled individuals. Key objectives include increasing employment opportunities, enhancing management practices within tea estates and creating a robust support network for ongoing mentorship and learning. By investing in the skills and capabilities of young people, the "EmpowerU" project seeks to foster long-term growth and sustainability in the tea industry.





## Human Capital

### Engagement of International Gender Expert to Strengthen Equity Initiatives

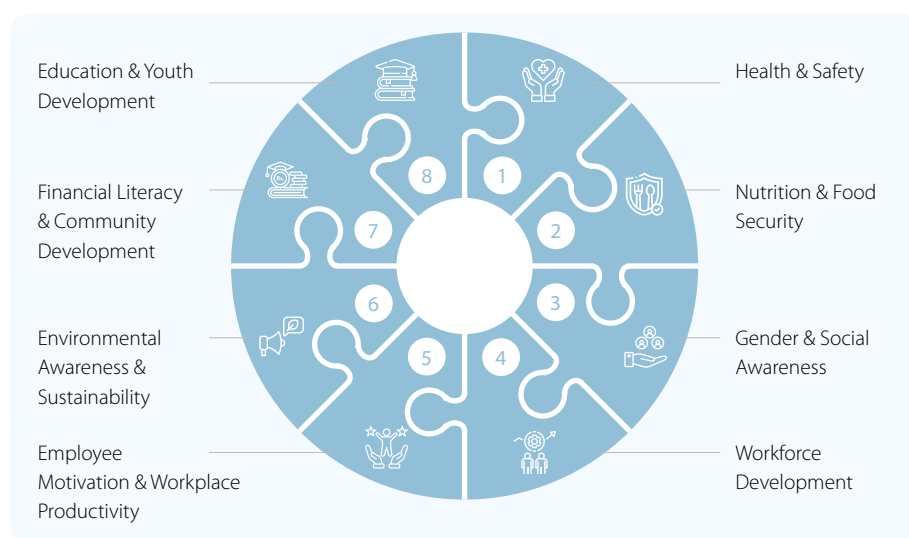
An international volunteer with expertise in gender equality from WUSC has been assigned to support our initiatives by contributing global knowledge and best practices in the field.



### TTE Shines at Hayleys Symposium 2024

At the Hayleys Plantations Management Symposium 2024, TTE stood out as a leader in innovation and sustainability. Five TTE estates ranked among the Top 10 Best Presentations, highlighting the company's progressive approach to modern plantation management.

Showcasing initiatives under the theme "Intellectual Intervention & Innovation in Plantations towards Sustainability," TTE impressed with models focused on environmental stewardship, operational efficiency and community impact.



### Senior Leadership Enhances Strategic Capabilities Through International Executive Training in Japan and Thailand

#### Management Development Programme: Experience Japanese Management in Thailand

Five Senior Managers participated in this specialized training program held in Thailand from 23rd -29th March 2025, aimed at enhancing managerial competencies through insights into Japanese management principles and practices.



#### Program on Transforming to Circular Economy Business Model (CEB)

Two Senior Managers participated in the international training program on Transforming to Circular Economy Business Model (CEB), conducted at the AOTS Kansai Kenshu Center in Osaka, Japan, from 5th - 18th February 2025. The program focused on sustainable business transformation through circular economy principles.



### 3. Safe and Conducive Workplace

GRI 406-1 | 13.15.4

#### 3.1 Diversity, Equality and Inclusion (DEI)

Equity and Inclusion (DEI) is deeply embedded across TTE's operations through a formal DEI policy that articulates our stance against discrimination in any form. Guided by this policy, we strive to create a workplace where all individuals are treated equally, regardless of gender, background, religious beliefs or any other status protected by law. A key step in promoting workplace equality is the commitment to maintaining a 1:1 ratio in the basic salary offered to men and women in entry-level positions. We further strive to ensure there is no pay gap across similar roles throughout the organisational hierarchy.

Beyond equitable pay, we also prioritise equal opportunities for personal and professional growth, with all employees having access to training and career development opportunities designed to support their progression at every stage of their employment journey.

We also place special emphasis on training our managers to stand against discrimination by respecting the dignity and rights of every individual. These commitments are extended to our supply chain partners as well.

In the year under review, no incidents of discrimination were reported across TTE's operations, among bought leaf suppliers or any other business partners.

### "HerLead" Project: A Milestone in Gender-Inclusive Leadership in the Tea Sector

The introduction of female supervisors under the HerLead project has been widely acknowledged as a pivotal achievement in advancing gender-inclusive leadership within the tea sector. These appointments underscore the project's dedication to empowering women in supervisory roles and fostering a more equitable and representative workforce. The efforts were prominently recognized at various events organized in celebration of International Women's Day, highlighting the significant contributions of women in leadership.



### "Women in Leadership" (WIL) Programme

"Empowering Women in Leadership: Promoting Gender Equality in the Sri Lankan Tea Sector"

With the support of The Republic of Tea, the Ethical Tea Partnership–Sri Lanka (ETP) has collaborated with Talawakelle Tea Estates PLC (TTE) to implement the Women in Leadership (WIL) initiative, with a primary focus on advancing gender equality within the tea industry. Led by TTE, the project is designed to empower women to assume leadership roles and foster a more inclusive workplace culture.

The initiative delivers comprehensive leadership training to a diverse group of participants, including women such as tea harvesters, team leaders, field supervisors, and factory workers; men including estate managers, assistant managers, and field workers; as well as youth. A key objective of the program is to engage male leaders as active advocates for gender equality. Through this inclusive and participatory approach, the WIL project aims to drive meaningful transformation within the tea sector and strengthen the presence of women in leadership.





## Human Capital

### Ensuring Dignity of Work in the Sri Lankan Tea Sector

In Sri Lanka's 150-year-old tea industry, increasing women's participation and leadership is essential—not only to uphold human rights, but also to drive meaningful transformation for individuals, communities and the industry, while promoting dignity of work across the sector.



Sharing insights on current trends in Sri Lanka's tea industry and addressing key sustainability challenges at the Ethical Tea Partnership's inaugural forum in Sri Lanka.

### Gender Parity Dashboard FY 2024/25

	2024/25	2023/24
Remuneration	1:1 Ratio of basic salary between men and women	1:1 Ratio of basic salary between men and women
Sexual Harassment	ZERO Incidents reported	ZERO Incidents reported
Training Opportunities	1.33:1 Training hours per person (M:F)	1.21:1 Training hours per person (M:F)
Career Development Opportunities	5 females promoted	5 females promoted
	6:3 Gender Ratio (senior management)	6:2 Gender Ratio (senior management)

#### Ratio of Basic Salary between Men and Women

GRI 405-2 | 13.15.3

Our remuneration and benefits framework aligns with relevant labour laws and industry best practices, taking into account each employee's job role, qualifications, experience, and performance. We are committed to gender equality, ensuring that female employees receive the same entry-level basic salary as their male counterparts, maintaining a 1:1 ratio across all staff categories. Overall, there is no significant difference in the basic salary or wage scale between genders.

#### Living income and living wage

GRI 13.21.1, 13.21.2, 13.21.3

TTE is committed to fair compensation and economic dignity for all employees, aligning our wage structures with recognized living wage standards. In accordance with the Wages Board Ordinance, we guarantee a minimum daily wage of Rs. 1,350 for estate workers, supplemented by variable allowances based on job complexity and performance.

To enhance earnings, we offer initiatives such as the Revenue Share Model (RSM), which enables flexible work schedules and performance-based earnings. Incentive-based schemes like the

"Monthly Best Harvester" award and optimized plucking schedules further promote income growth and job satisfaction. The appointment of female supervisors reinforces our commitment to gender equity and inclusive leadership.

We apply the Anker methodology, aligned with Rainforest Alliance standards, to define and monitor living wages based on local living costs and household needs. Our annually updated wage matrix helps identify and close wage gaps. This process is supported through stakeholder collaboration with trade unions, NGOs, employer associations, and government agencies.

To monitor ongoing progress, we utilize the IDH Living Wage Roadmap system in conjunction with Rainforest Alliance-recommended monitoring tools to ensure robust tracking of wage commitments across all divisions.

Living income considerations are integrated into our sourcing, pricing, and remuneration strategies. Product pricing reflects the full cost of sustainable tea production, including fair compensation for workers.

We also monitor supplier wage practices through third-party certifications and internal audits to uphold living wage principles across the supply chain.

### 3.2 Human Rights

GRI 2-30 | 409-1 | 13.16.2

Talawakelle Tea Estates PLC (TTE) upholds a strong commitment to human rights and ethical labour practices, with particular emphasis on preventing forced or compulsory labour. We respect every employee's right to freely choose their employment without coercion, threats, or intimidation. All terms of employment, including resignation and termination procedures, are clearly communicated, ensuring alignment with national labour laws and ethical standards.

TTE does not operate in any country or region with identified high risks of freedom of association violations. Nonetheless, we proactively engage with unions and uphold formal collective agreements, which ensure transparent communication and consensus on significant operational decisions—such as amalgamations or sub-leasing of divisions.

We have also implemented a comprehensive Occupational Health and Safety (OHS) framework, aligned with our collective agreements and OHS Policy. Safety protocols are made accessible to all workers through translations in Sinhala and Tamil, and regular training is conducted to promote safe working environments.

An open-door policy and structured grievance redressal system—aligned with Rainforest Alliance guidelines—empower workers to raise and resolve issues at estate, cluster, or corporate HR levels. Monthly Labour Days further facilitate worker-management dialogue, reinforcing transparency and trust.

There were no reported grievances, lawsuits, or non-monetary fines related to labour or human rights violations during the reporting period.

We do not compel any employee to work against their will, and no cases of forced or compulsory labor were reported within our operations or supply chain during the reporting period. This is further verified annually through independent audits conducted under the Rainforest Alliance certification programme, which assesses compliance with human rights and ethical labor standards.

### 3.3 Employee Relations

**GRI** 2-25,26,30 | 402-1, 407-1 | 13.18.2,13.21.1,13.21.2,13.21.3

As a large organisation with 5,200+ employees, we place a strong emphasis on open communication to earn trust and respect of our employees. We encourage managers at all levels to build strong relationships with their teams through regular meetings and team briefings. The performance appraisal process also serves as a platform for open discussion between employees and their respective superiors.

Further, with over 77 % of our workforce represented by collective bargaining agreements, monthly meetings with union representatives are deemed an essential part of our employee relations framework. We fully recognize and support our employees' freedom of association and the right to collective bargaining. Nearly 98% of our estate workforce is unionized, spanning five distinct worker categories. Wages for manual workers are determined in accordance with the Wages Board Ordinance, guaranteeing a minimum daily wage of Rs. 1,000. Collective bargaining plays a vital role in negotiating incentives and annual increments, reinforcing our commitment to fair compensation and workers' rights.

Meanwhile, employees are informed of operational changes within 4 weeks prior to implementation. Executives are informed via email, while notice boards are used to communicate operational changes to estate staff and manual workers. Union representatives are also informed of operational changes at the monthly meetings.

We encourage employees to proactively report their grievances. Our open-door policy empowers all employees to come forward with their concerns. The 'Chat with HR' platform is a

dedicated mechanism for all corporate office employees to openly express their concerns, grievances, and ideas with the HR team.

Employees can also access our formal grievance handling and resolution process which has been developed in line with the Rainforest Alliance certification. Monthly labour days also provide an ideal platform for workers to engage with the management and resolve their concerns. All grievances are treated seriously and investigated promptly by the relevant authorities. Depending on the nature of the grievance, it may be escalated to the regional cluster units or to the corporate HR team for guidance on resolving the issue.

Additionally, our whistleblower policy actively encourages all employees to report any breaches of their rights or misconduct of superiors/subordinates while ensuring utmost confidentiality.

### 3.5 Occupational Health and Safety

**GRI** 403-1, 2, 3, 4, 5, 7, 8, 9, 10 | 13.19.2, 13.19.3, 13.19.4, 13.19.5, 13.19.6, 13.19.8, 13.19.9, 13.19.10, 13.19.11

The health and safety of our employees is of paramount importance. As a plantation Company, we are acutely aware of the occupational risks associated with our field and factory operations and have made a firm commitment to safeguard every individual within our premises, including employees, contractors, and visitors. Our efforts are supported by a comprehensive OHS policy and Safety Manual developed in compliance with all national (OHS) regulations set out under the Factories Ordinance No. 45 of 1942 and Amendments thereto and global best practices for preventive safety measures, safety risk assessments, hazard identification procedures and incident investigation protocols.

A dedicated OHS Committee at each estate provides oversight for the proper implementation of the procedures encapsulated in the Safety Manual. The Committee, which comprises a cross functional team from each estate and factory, and includes union representatives, is also responsible for identifying workplace hazards, resolving issues, and updating safety protocols. As well as for investigating incidents/near-misses and reporting to the Managing Director and the senior leadership team on a monthly basis, thereby creating a feedback loop to facilitate continuous improvement of safety infrastructure and protocols. Awareness on Occupational Health Safety conducted for estate management and factory staff and workers by the District Factory Inspecting Engineer.



First aid training for staff

#### Health and Safety Committee Estate Level 10-15 Members Monthly/Quarterly Meetings

Led by the Estate  
Manager

70 % Manual

55 % Staff

69 % Executive

#### Key Responsibilities

- Implement, communicate and extend training on health and safety standards and measures to all estate-level employees
- Review accident/incident investigation reports and take corrective action on findings
- Support new measures introduced to enhance and upgrade health and safety standards across the estate
- Provide support to carryout health and safety risk assessments, annual audit and plans.
- Monitor workplace injuries and implement corrective action to minimise the risk of future incidents



## Human Capital

- Health and Safety
- Training Initiatives FY2024/25
  - Safety Handling of Chemicals & Spraying
  - Hazard Identification
  - First Aid
  - Fire Fighting & Fire Drills
  - Use of PPEs

# 4,213

Estate Employees Trained  
FY 2024/25

# 4,305

Training Hours  
FY 2024/25

# 1.02 hrs

Average Training Hours  
Per Estate Employee  
FY 2024/25

Estate Work Related Injury Indicators  
FY 2024/25

# 9.1 Mn Hours

Number of Hours Worked  
Estate Workforce

# 56

Injuries  
FY 2024/25

# 6.1

Injury Rate  
FY 2024/25

# 62

Lost work days  
FY 2024/25

There was no any work-related ill health was reported and no permanent/partial disability, occupational diseases or work-related fatalities, during the reporting year

### 4. Employee Motivation and Satisfaction

GRI 403-6 | 13.19.7

#### 4.1 Employee Wellbeing

To complement our strong focus on OHS, we have adopted a holistic approach to safeguard employee wellbeing. Workman's compensation insurance safeguards the financial wellbeing of our estate and factory workers in the event of injury or illness from the workplace. In addition, we have partnered with Janashakthi Insurance to offer our manual workers a special medical insurance scheme for their routine healthcare needs.

Moreover our robust employee wellbeing programme focuses on holistic welfare, emphasising both physical and mental wellbeing of our employees and the communities living within our estates. The multifaceted programme includes regular health camps, mobile medical clinics, and awareness sessions on key health topics including maternal care, child nutrition, sanitation, and disease prevention. In collaboration with regional health authorities and NGOs, we frequently organise special clinics that provide screenings for chronic illnesses such as diabetes, hypertension, and vision impairment.

#### 4.2 Rewards and Recognition

##### Great Place to Work

TTE was proudly awarded the Great Place to Work® certification following a comprehensive evaluation of its workplace culture and employee satisfaction. The assessment considered critical indicators such as employee turnover, productivity, participation, and engagement. TTE achieved an outstanding 99% employee satisfaction score, reflecting a deeply engaged, motivated and content workforce.

- Among 15 Best Workplaces for Women in Sri Lanka for 2024



##### South Asian Business Excellence Award 2024

- Best Use of CSR Practices in Community Development - WINNER
- Best Use of CSR Practices in Women & Children Empowerment -WINNER
- Best Place to Work (Work, Health & Safety) - WINNER



##### TTE PLC Metric

Total Training hours & investment

##### Our 2030 Target

Improve the capacity building investment and beneficiaries by 50% by 2030



##### Contribution

We invested Rs. 11 Mn in FY 2024/25 for leadership development and training across estates, ensuring inclusive access to education and career growth.

##### SDG Target 4.3



### Championing Excellence in Tea Harvesting : Best Tea Harvester Contest

In a remarkable tribute to the skill and dedication of Sri Lanka's tea harvesters, TTE successfully conducted the third edition of its Best Tea Harvester Competition in March 2025, at the Dimbula Cricket Club Grounds in Nanu Oya, drawing enthusiastic participation and support from plantation communities.

A total of 16 female tea pluckers, each a winner of their respective estate-level competitions, competed in the grand finale. The competition emphasized not only harvesting speed but also the critical importance of precision in maintaining the high-quality standards of Ceylon tea. Expert evaluators from the Tea Research Institute assessed each participant on both yield and leaf quality.

Ms. Anthony Iresha Rajaletchumi from Great Western Estate emerged as the overall champion, demonstrating exceptional skill by harvesting 6.2 kilograms of tea in just 15 minutes. In recognition of her outstanding performance, she was awarded a cash prize of Rs. 500,000 along with additional accolades.

This annual event continues to celebrate the invaluable contributions of tea harvesters while promoting excellence and pride in the profession.



#### Short Term

- Introduce a digital wellness app or platform that provides employees with resources like mental health support, stress management, fitness tracking & nutrition guidance to enhance employee wellbeing, reduce absenteeism & boost morale.

#### Medium Term

- Create an internal mobility program that allows employees to explore different roles or functions within the company for skill enhancement.

#### Long Term

- Set up a leadership development program tailored to future challenges in tea plantation management & sustainability.

