

LALAN RUBBERS PVT LTD

# POLICIES

*OF*

**LALAN AGRI DIVISION  
(Amendment VII)**



**The mark of  
responsible forestry**

2024

## **POLICIES OF LALAN RUBBER AGRI DIVISION**

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## POLICY NO 01

### CHEMICAL - RECORD KEEPING POLICY

The policy on the usage of chemicals on our plantations is bound by the procedures & guidelines laid down by the Rubber Research Institute of Sri Lanka (RRSIL) *Table 3.3 Handbook of rubber volume 01 2001 and other relevant advisory circulars issued by RRISL.*

Our company policy is to use chemicals to a minimum level. Environmental friendly substitutes will be used where ever possible. Usage of chemicals will be closely monitored. The store keeper and the FSC clerk in the office will maintain details of usage and balances on daily, monthly and annual basis.

#### Procedure

- ☐ The details of all received, sent out and balances with the trade name of the chemical will be maintained by the Store Keeper in the Group Quantity Stock Book.
- ☐ Empty chemical cans will be disposed thorough a CEA registered waste collector.
- ☐ The details of the number of cans sent out are also mentioned in the GQSB.

The details of the usage of chemicals will be available in the chemical usage record book of which the formats are attached in the annexure – **usage of pesticides**. Annual summaries too will be indicated in the same record book.

Any mis-hap in handling chemicals / fertilizer or oil will be recorded in the CAR form for the use of developing improved systems of handling / purchasing etc.

#### Regulation

Any changes to this policy will be at the sole discretion of the Board of Management of Lalan rubbers Pvt Ltd., in consultation with the authorities concerned.

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Lalan Rubbers Pvt Ltd

### Format – usage of pesticides

Estate : .....

Trade name of the pesticide: .....

Active ingredient: .....

| Division | Field name | Crop | Dates of application | Round of application in the particular field (01/02/03/04) for the field (frequency) | Used extent (ha) | Quantity of the active ingredient used (litres/ kgs) | Reason for use |
|----------|------------|------|----------------------|--------------------------------------------------------------------------------------|------------------|------------------------------------------------------|----------------|
|          |            |      |                      |                                                                                      |                  |                                                      |                |
|          |            |      |                      |                                                                                      |                  |                                                      |                |

| Trade name | Active ingredient | CAS No | Quantity used (Kgs/litres) | Period of use | Frequency | Locations used | Total extent used (Ha) | Reason for use |
|------------|-------------------|--------|----------------------------|---------------|-----------|----------------|------------------------|----------------|
|            |                   |        |                            |               |           |                |                        |                |
|            |                   |        |                            |               |           |                |                        |                |

### Form – usage of fertilizer

| Name of the Fertilizer | Field Treated | Division | Method of application | Date fertilizer use commenced | Date fertilizer use completed | Total quantity of fertilizer used |
|------------------------|---------------|----------|-----------------------|-------------------------------|-------------------------------|-----------------------------------|
|                        |               |          |                       |                               |                               |                                   |

## POLICY NO 02

### HEALTH & SAFETY POLICY OF THE EMPLOYEES

The LRAD is committed to pursuing excellence in everything it does and this includes the management of health and safety as well. We are committed to give health and safety the highest priority in all of our operational activities. We expect our employees, visitors, contractors etc. to share this commitment by complying with our policies and, where appropriate, our procedures and to understand that they too have legal and moral obligations to themselves and to one another.

*“To be acknowledged as a model employer” – Mission statement of LRAD*

#### 1. Policies:

We are dedicated to ensuring the health and safety of all persons who may be affected by our activities by:

- a. Providing, managing and maintaining a work environment, which are, so far as reasonably safe and in which risks to health are controlled.
- b. Providing adequate and appropriate facilities and arrangements for welfare at work.
- c. Providing, managing and maintaining our fields, divisions, estates, groups, dispensaries, crèches, offices and all premises of work so that the employees are reasonably safe and that risks to health are minimized.
- d. Providing, managing and maintaining machinery and equipment so that it is, so far as reasonably safe and those risks to health are controlled.
- e. Ensuring that the use, handling, storage and transport of chemicals, fertilizers and other waste materials are carried out safely and that risks to health are controlled.
- f. Implementing systems of work that are safe and where risks to health are controlled.
- g. Providing the necessary organization, expertise and resource, including communication and consultation, planning, monitoring, inspection and auditing procedures to ensure that there is effective management of health and safety throughout the company.

- h. Ensuring that our staff and any contractors we employ are competent and carry out risk assessments for all the work they control.
- i. Providing the information, instruction, training and supervision at all levels necessary to ensure that our employees & contractors are aware of the risks at their workplace, together with the appropriate measures to be taken to protect against these hazards.
- j. Giving adequate information on relevant risks to any persons whose health and safety might be affected by them.
- k. Monitoring the safety performance of contractors who work for us.
- l. Keeping up to date with best practice in relation to health and safety and complying with all relevant legislation and authoritative guidance such as workman compensation, factories ordinance, employee's trust fund, EPF/ETF act, & payment of gratuity.
- m. Consulting with and involving our employees & contractors in matters relating to their own health and safety.
- n. Where there are no existing company policies or guidance, we expect our employees and contractors to meet the highest relevant standards and to comply with relevant legislation. Where no standards exist, we will work with our employees to develop systems which comply with best practice and eliminate or minimize the risks so far as reasonably-practicable. It is our stated intention to educate our employees in health and safety management by incorporating the basic principles into all appropriate activities. Wherever possible, information on the legislation and standards applicable to their work will also be included.
- o. Every Division must have written arrangements describing how they intend to comply with this Policy Statement, giving details of what, by whom and how health and safety will be managed—locally. We undertake to continually review and develop our safety management systems, with the overarching aim of conducting our activities in a manner which does not affect the health and safety of any employee or contractors, visitors or members of the public, or adversely affect the environment.

## 2. Procedure

All workers should wear and have:

- Applicable PPEs which are relevant to their work.
- Suitable dress taking tropical warm weather into account
- Wear raincoats when working in the rain
- First aid kit
- Mobile phone or equivalent device for emergencies
- Training on safety and health procedure ( each training is valid only for 06 months)

General knowledge on safety

- Proper instructions for emergency situations
- Been informed about the location of nearest hospital
- Mobility to enter hospital

General requirements

- Exhaust pipes should be in good shape and state, to prevent smoke poisoning.
- All Contractors should adhere to their contract agreements and will be terminated if the terms & conditions are violated
- Managers should monitor safety measures frequently.

Accident reports: Accident register is maintained in each estate for this purpose and action is taken as per the Factories ordinance No.45 of 1961 (amended act No-54, 1961) and compensations are met as per the workman compensation ordinance enacted in 1934.

Regulation

Any changes to this policy will be as per the national laws and in consultation with the relevant authorities.

## POLICY NO 03

### COMMON PRACTICES POLICY

Common practices are usual systems of doing things in a plantation or in any of its divisions that had prevailed for a long period of time. It may not be written anywhere as they are the common practices (the way of life/ “walame”) that are embedded in the cultures and sometimes differ from division to division of a plantation. Since introduction of collective agreements to plantation staff and workers, most of such practices prevailed in the past are being recognized practiced and recorded.

One such common practice is open door policy adopted by the management in dealing with grievances/requests of the employees or the community. Any of our employees or a member of the community could communicate with our managers / staff without barriers in order to resolve issues. This practice prevails on all plantations of our company. However, one of the disadvantages with this system is the difficulty in recording all such communications for further evaluation on the management time spent or to verify the type of issues. We have therefore introduced an office log book to record at least some of the major issues for purpose of analysis on an annual basis.

Any changes to this policy will be at the discretion of the Board of Management of Lalan rubbers Pvt Ltd., in consultation with the relevant authorities.

## POLICY NO 04

### **PUBLICLY AVAILABLE INFORMATION POLICY**

It is with great pride that we share information with the public regarding sustainable forestry and the way we do things at LRPL through our websites, posters & information leaflets. This will not only help us to maintain and improve the company image but also will be setting a healthy trend for whoever is interested in going GREEN – environmentally friendly and sustainable forestry & plantation agriculture.

This information will be updated annually or as and when necessary.

The following information is to be made available through our website ([www.lalanrubber.com](http://www.lalanrubber.com)):

- 1: The management policy about sustainable forestry
- 2: Long term goals for forest management
- 3: Owned concessions (Plantation site map)
- 4: Annual harvested volumes (in m3) in total.
- 5: Changes made to the management of the company last year
- 5: Changes made in the list with sensitive sites or management of these sites
- 6: Forthcoming events.
7. Any other information helpful towards image building and customer relations

#### Regulation

Relevant information will be collected, and forwarded for updating the website by the General Manager – Operations.

Any changes to this policy will be at the sole discretion of the Board of Management of Lalan Rubbers Pvt Ltd., in consultation with relevant authorities.

## POLICY NO 05

### CONTRACTS OF CONTRACTORS POLICY

Our contractors are mainly from the plantation or from the neighbouring community. They are very much aware of the changes in the management of the plantation. There could be a tendency for them to follow their own rules and working methods and have no idea about sustainable forestry, FSC or on the company policies. All contractors have to be made fully aware of FSC principles & criteria and in regard to company policies in respect of safety, health, waste management, chemicals / oils, first aid procedures, hunting / wildlife, risk assessments, damages to third parties etc. Therefore a few extra paragraphs have been added to their contract agreement form with effect from October, 2009. Our contractors are not permitted to sub lease the contracts to another party. Should the necessity arise the Field officer will fill up CAR forms under the supervision of the manager & relevant risk assessment will be done by the Manager and such event/information will be evaluated annually to rectify/amend policy.

Our contract sheet will include the following minimum details.

- ☐ Details of contractor and contact persons.
- ☐ Job to do and places (blocks).
- ☐ Time frame.
- ☐ Information about FSC & about sustainable forestry.
- ☐ Hunting and wildlife policies.
- ☐ Health & Safety rules and regulations
- ☐ Waste control.
- ☐ Chemicals and oils
- ☐ Damages to the third party
- ☐ Agreed value of the contract.

All contractors and their employees will receive a FSC general information sheet, before the contractor enters into an agreement with the company.

## Penalties

The following penalties will be given if a contractor for non compliance

- ☐ 1<sup>st</sup> Warning; stop activities till everything is properly arranged.
- ☐ 2<sup>nd</sup> warning; financial penalty (to be decided per contract).
- ☐ 3<sup>rd</sup> Warning; black listed. We be debarred from future contracts.

## Regulation

Any changes to this policy will be at the discretion of the Board of Management of Lalan rubbers Pvt Ltd., in consultation with relevant authorities.

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Lalan Rubbers Pvt Ltd

## POLICY NO 06

### DEAD WOOD POLICY

The total land Managed by LRAD could be classified primarily as rubber planted area and non rubber planted area. The non rubber planted area includes the total land area planted & maintained as a protected forest zones. Leaving dead wood in the rubber planted area thicker than size of a normal pencil is prohibited due to spreading of deadly white root disease (*Rigidiporus lignoses*). *The spread of the disease is by root contact with infected root debris of the old stand- p106 Handbook of rubber volume 1(2001).*

However the company policy on dead wood in the non rubber planted area including protected forest zones is as follows:

Dead and decaying wood is recognized for the important contribution it makes in maintaining the biodiversity of woods and forests. A number of rare and endangered species depend on this habitat for their continued existence. The importance of deadwood habitat is reflected in the number of deadwood-reliant species in the Biodiversity Action Plan.

We hereby declare that from now on we set aside a minimum of 1 m<sup>3</sup> of dead wood per hectare in the forest/buffer zones in the non rubber planted area. This may be standing or lying down. In general no large size deadwood will be removed. Large size deadwood can only be removed if it becomes a real threat or an obstruction to forest workers/machinery. Removal of branches is allowed.

Our employees are aware of the dead wood policy of our company.

Any decision regarding changes to the dead wood policy will be in accordance with good forest management practices & will be initiated by the Board of Management of LRAD.

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Lalan Rubbers Pvt Ltd.

## **MONITORING & EVALUATION POLICY**

The main objective of monitoring and evaluation is to learn from our own mistakes and past experiences thus making the management competitive. Our company declares that we continue to believe in monitoring our activities on the short- and long term basis which is a prudent method for achieving our objectives.

### **Procedure**

Environmental assessments will be undertaken in every 5 years (or as recommended by experts) by a team of experts in relevant fields. The assessment will include Flora & Fauna Assessment, Social Impact Assessment and impact assessment on Soil & Water. Relevant stakeholders will be consulted to get their inputs during these assessments.

As for the short term monitoring, the data collected “pre and after” harvesting operations will be monitored at end of the season and if any corrective decisions are arrived at such decisions will be informed to employees.

In case of accidents, major issues, unexpected meetings of any importance, in the forest, or in the sawmill, the company can use Corrective Action Request Forms (CAR forms) . These forms can be used to report any un-expected circumstance.

The company will consult the local communities annually for their opinions on relevant matters. At the end of the year these reports of the meetings will be summarized and conclusions will be drawn. A summary of changes made to the management will be made available to the public.

Please refer Monitoring and Evaluation handbook for further information.

Purpose of general CAR forms:

If there is any accident, problem, unexpected meeting of any importance, in the forest or in the sawmill the company can use Corrective Action Forms (CAR forms). These forms can be used to report any un-expected circumstance.

#### Regulation

Any changes to this policy will be at the sole discretion of the Board of Management of Lalan rubbers Pvt Ltd., in consultation with the authorities concerned

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Lalan Rubbers Pvt Ltd

## POLICY NO 08

### SENSITIVE SITES POLICY

Whilst managing the plantations in an environmentally friendly manner, our company is also specially committed to protect and preserve sensitive sites within our Groups. All sensitive sites are been identified in the sensitive site record book and in the maps. Such records are updated annually and are available in our website as well.

The sensitive sites include, large streams, rivers, buffer zones around such water bodies, protected areas (HCV and conservation areas), archaeological sites (caves), cultural sites (kovils, temples, burial grounds, common wells etc.) and any other special areas of flora or fauna.

| Width of the stream | Width of the buffer zone | Colour of Demarcation |
|---------------------|--------------------------|-----------------------|
| 15ft <              | 66ft                     | One green line        |
| 15ft – 50ft         | 132ft                    | Two green lines       |
| 50ft >              | 198ft                    | Three green lines     |

For the purpose of uniformity throughout the Groups we will be adopting the criteria specified in The Ceylon Government Gazette, No 9912 of 15<sup>th</sup> October, 1948 for identifying buffer zones around water bodies. Such criteria are given in table below and the buffer zone belt will cover both sides of the rivers and streams. Sensitive areas will be demarcated by a live fence as per the colour code given in the following table.

In order to prevent the contamination of water bodies we will maintain buffer zones as a non-chemical zone. However, the recommendations of relevant research institutes will be followed when there are pest outbreaks which are negatively affecting the yields, productivity and economy. The company will be harvesting latex from the rubber trees found in sensitive areas until it is economical to do so. On completion of the economic life span of trees they will be uprooted for replanting. Stringent soil & moisture conservation practices including growing of bamboo trees along river & stream banks, establishment of ground covers, draining & terracing will be adopted in the sensitive areas to arrest any disturbances to the soil.

Monitoring of HCVs will be done regularly to ensure that there is no damage or disturbance to the site. We have employed our Security officers/Field officers/Managers to monitor the HCV and they will report any significant changes within the HCVs and reservation. The buffer zone is 10m from the boundary of the HCV and uprooting of any trees are not allowed in that area. We will maintain the buffer zones as a non-chemical zone. However, the recommendations of relevant research institutes will be followed when there are pest outbreaks which are negatively affecting the yields, productivity and economy.

Spreading of invasive flora and fauna species in these conservation areas, HCVs and streams and stream reservations are controlled through monitoring and removal. Expert advises will also be considered if the spread is beyond the control of Estate management.

Details of new sensitive sites are accepted from interested parties in writing addressed to the Group General Manager of the Group & such information will be added to the sensitive site list through stakeholder consultations. The details of all sites and new additions will appear in the sensitive site map of the Group.

Any changes to the sensitive site policy will be at the discretion of the Board of Management in consultation with the authorities concerned.

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Lalan Rubbers Pvt Ltd

## WASTE MANAGEMENT POLICY

Waste management is the collection, transport, processing, recycling or disposal, and monitoring of waste materials. The term usually relates to waste materials due to human activity, and is generally undertaken to reduce their effect on health, the environment or aesthetics. Waste management is also carried out to recover resources from it. Waste management concerns solid, liquid, gaseous or radioactive substances, which requires different methods and expertise.

The company is against all forms of environmental pollution and degradation due to accumulation of waste, resulting in the depletion of natural resources. Local, regional, and global air pollution; accumulation and distribution of toxic wastes; destruction and depletion of forests, soil, and water; depletion of the ozone layer and emission of "greenhouse" gases threaten the survival of humans and thousands of other living species, the integrity of the earth and its biodiversity, the security of nations, and the heritage of future generations.

*“To look after the aspirations of all stakeholders and whilst being a socially responsible organisation” – Mission statement of LRAD*

Our company declares that no waste therefore is allowed to be left unattended in any form inside our land.

Procedure:

1. All plastics/polythene/iron/rubber (tires) waste are to be removed from forests and send to the Store Keeper for purposes of recycling/reuse.
2. All empty oil or chemical containers are to be brought back to the general stores & sold to buyers with a valid Central Environmental Authority recommendation to handle hazardous materials.
3. Any form of spoilages of oil and chemicals including fertilizer will be minimised by resorting to proper methods and practises.

4. Hand pumps have to be used when transferring chemicals / oils to separate containers for distribution and the process need to be undertaken on thicker gauge polythene ground sheets.
5. Every tractor, lorry and supervisory vehicles operating need to have a waste material disposal bag inside the vehicle together with some twine for tying (& cotton wool for cleaning spoilages) the bags to remove waste material.
6. Old and used oil need to be collected in special cans and sent to a professional disposal company.
7. Cleaning and washing any machinery or vehicles in forest streams or rivers is not permitted.

Waste Management strategies are as follows. (3 R)

1. Reduce waste by improving the processes
2. Re-cycle waste for alternative use (compost, polythene etc.)
3. Re-use

Procedure adopted by the Store Keeper in managing *waste material disposal unit*.

1. Receiving waste materials

- a. GTN – Goods (WM) transfer note will be checked/weighed/measured against the waste material received.
- b. An entry will be made in the waste material disposal record book.
- c. Material will be stored according to the category'
- d. The record will be shown to the Manager in charge of General stores.
- e. A decision will be taken at end month regarding disposal for recycling / fuel etc.

## Managing the Policy

Management and implementation of the policy lies with the following cadres.

Management – Creating awareness, dissemination knowledge and the regulation of the policy

Field staff – Intelligent implementation of the policy

Office staff – FSC clerk need to assist Manager by providing relevant timely information

Noncompliance of the policy will reprimand employees from qualifying from annual bonuses depending the severity of the violation which will be decided by the Board of Management.

The policy is applicable to all contractors of the Group and they have to comply with the requirements of the policy for which they need to read and understand the contents before signing all contract agreements. Violation of the policy is at the risk of losing the contract without due payments.

The details of the policy will be made available through our website.

Any changes to this policy will be at the discretion of the Board of Management of Lalan rubbers Pvt Ltd., in consultation with the relevant authorities.

## POLICY NO 10

### **WILDLIFE POLICY**

Our company declares its total commitment to follow & abide by the statutory laws and regulations of wildlife.

Hunting is totally prohibited in our land. All “red list “species will be protected.

Anybody who will violate this policy will be brought to the notice of the state security officials through the estate security techs and bound to be charged in a court of law under the wild life protection act of Sri Lanka.

All such violations to this policy will be recorded in a special record book (by the FSC clerk) in the office called – violations of wildlife policy. (Refer format WL – 01 below)

All Contractors have to read, understand, and agree to the special clauses incorporated in the contract agreements in order to be abided by the wildlife policy by placing their signature in the contract agreement before accepting the award of contract. They will need to read and understand the red list as well.

The estate security Techs are fully authorised to investigate and take prompt action against whoever is violating this policy in accordance with prevailing law.

All employees and members of the community can make representations to the Group General Manager/Manager of the Group, in case of violations of this policy.

All employees of our company will be informed about the wildlife policy through various training programs.

The details of the policy will also be made available through our website.

Any changes to this policy will be at the sole discretion of the Board of Management of Lalan rubbers Pvt Ltd., & in consultation with the relevant authorities.

**Format – WL 01**

| <b>DETAILS OF VIOLATION OF WILD LIFE POLICY</b> |                     |                                       |                      |                           |               |
|-------------------------------------------------|---------------------|---------------------------------------|----------------------|---------------------------|---------------|
| Date                                            | Name of the accused | Description of the violation in brief | Police complaint No. | Name of the security tech | Final outcome |
|                                                 |                     |                                       |                      |                           |               |
|                                                 |                     |                                       |                      |                           |               |

## POLICY NO 11

### PROTECTED FOREST POLICY

A **protected forest** is a specific term to denote forests with some amount of legal, and / or constitutional protection besides being a generic term to denote forests where the habitat and resident species are legally accorded protection. All the natural jungle within the estate is referred to as protected forest and conserved. Protected forest will not include the extent under productive forest meant to be harvesting (latex, scrap, tea, coconuts, Oil Palm, minor crops and commercial forestry).

Protected forest is more or less a naturalized forest areas and company is maintaining minimum of 10% protected forest from the total extent in the scope in line with the FSC standard. The total extent of the protected forest of our company as at December 2024 is 895.81 Hectares & the details are appended below. The protected forest areas are shown in the estate GIS maps. The protected forests also serve as catchment areas. Any special flora & fauna found in such areas will be listed and assessed with the guidance of experts.

Extent of protected forest as at 2024/25

| <b>Name of the Group</b> | <b>Total extent of protected forest</b> |
|--------------------------|-----------------------------------------|
| Mahaoya Group            | 232.57 Hectares                         |
| Pitiakanda Group         | 165.15 Hectares                         |
| Sapumalkanda Group       | 120.28 Hectares                         |
| Udabage Group            | 86.10 Hectares                          |
| Miyanawita Group         | 291.71 Hectares                         |
| <b>Grand Total</b>       | <b>895.81 Hectares</b>                  |

#### Protection procedure:

Firefighting (emergency) committees are employed in each estate and they are usually extra vigilant during the drought period and no great fire damages have been recorded in the known history of our plantations. However regular awareness will be undertaken for field staff and watchers on how to prevent fire and actions to be taken in case of fire. As the dry season approaches the customary practice is to establish fire gaps to prevent the spread of fire specially in such HCVs identified in Pitiakande Group.

Watchers are employed to carry out regular surveillance visits and illegal or any harmful activities such as hunting, trapping, fishing and illicit cutting of trees are reported to the management. Monitoring is carried out periodically in specific conservation areas identified.

Any changes to this policy are at the discretion of the Board of Management of Lalan Rubber Agri Division and will be done in consultation with the relevant authorities.

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Lalan Rubbers Pvt Ltd

## POLICY NO 12

### **LATEX TRACKING POLICY**

Our company manage five groups of estates and Rubber trees are planted as the major crop which use for latex harvesting in the mature stage. Systems of managing our plantations are being changed to accommodate requirements of FSC certification from now onwards.

All records pertaining to harvesting/tapping, weighing of latex, and handing over latex to the company bowzers to transport to our centrifuged plants are recorded and are being undertaken under close supervision.

Our company does not buy outside latex and we transport our latex in our own bowzers. We do not use our bowzers to transport outside latex under any circumstances. Should there be a requirement we will use separate vehicles to transport outside latex.

We maintain latex dispatch notes with every bowser with details such as date/time of dispatch, volumes of latex loaded, bowser identification and connected transport details.

Any changes to this policy will be at the discretion of the Board of Management of Lalan rubbers Pvt Ltd., in consultation with the relevant authorities.

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Lalan Rubbers Pvt Ltd

## POLICY NO 13

### WOOD TRACKING POLICY

The five Groups comprised of 15 estates managed by our company is 8,733.76Ha in extent and the systems adopted in managing the estates are in conformity to the requirements of FSC. Line gardens and Oil Palm areas are excluded from the scope.

We maintain records from harvesting up to the delivery of wood to our factories and all the operational processes are closely monitored & recorded.

Following details are maintained in order to meet the above goals.

- The records kept at the gates should have two columns indicating different variety: ***Company logs*** and ***Outside logs***. All summaries or totals made from these records should be able to show quantities/varieties separately.
- Same details should be available for verification on a daily and month-end stock verifications.
- Arrangements are made for “visual separation” of the wood in the timber yard and in timber sheds.
- Machine feeding books are in place and should have separate columns for Company and outside logs.
- Totals per machine will be summarized on monthly and yearly basis. Conversion rates / waste amount will be calculated by comparing the machine figures with incoming block/log volumes.
- Conversion rates between harvesting volumes and final products should be calculated for both varieties separately.

Following details are maintained.

Wood species, Volume, Log or Block numbers, Weather FSC or non FSC, Date, Vehicle & transport Details

Any changes to this policy will be at the discretion of the Board of Management of Lalan rubbers Pvt Ltd., in consultation with the relevant authorities.

## POLICY NO 14

### **TRADE UNION & SOCIAL ISSUES**

We recognize trade unions as important stakeholders of our company. The company respect and comply with all labour laws of the country.

We also recognize the right of the workers upheld by our constitution & judiciary for freedom of association, right to organize & right for collective bargaining. Therefore all employees are free to join TUs at their will and we are open for discussion with them with the view to resolve any grievances amicably & with minimum delay. The common focus is the development of the company through happy and contended workforce.

We will maintain following details with regard to meetings with TUs.

- Date of meeting
- Persons met
- Name of the TU.
- Purpose of the meeting.
- Outcome of the meeting.
- Changes made in the management as a result of the meeting.

In case of a major issue a CAR form will be filled & filed for yearend verification and further corrective action which includes changes in management if required.

#### **Stakeholder communication. Neighbours & other stakeholders.**

We have identified our neighbours and other relevant stakeholders as partners of our progress and they have been informed of FSC and our sustainable forest management in general. All these stakeholders are on a list, with contact details.

Similar to the procedure with communities we will organise a meeting once a year with our neighbours and/or other relevant stakeholders to address the relevant issues & recorded for the purpose of analysis and make necessary changes to the management.

Any changes to this policy will be at the sole discretion of the Board of Management of Lalan rubbers Pvt Ltd., in consultation with the relevant authorities.

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Lalan Rubbers Pvt Ltd

## POLICY NO 15

### **ILLEGAL ISSUES & GUARDING THE FOREST POLICY**

Forests within our land along with our cultivated crops and other assets are our responsibility to safeguard from any threat from wilful or natural means. (This includes forest fires, illicit felling, landslides etc.) Securities of these assets including commercial & non-commercial forests is the direct responsibility of the estate manager in charge, while the Group General Manager is in overall charge of the entire Group of estates under his purview.

Each division within the estate will have a permanent security tech (ST) to watch over the entire land area of the division while there will be one more ST to secure the new planting/ Bungalows/Factories etc. as the case may be.

The estate managers will assist in coordinating these activities in order to ensure safety/protection of all assets (Life & property), NTFP, flora, fauna in the forest & establish law and order on the property.

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#### The procedure

- The Security Techs have been informed about the FSC and the contents of the Forest Policy.
- The Security Techs are responsible for guarding the forest including commercial & non-commercial forest.
- The ST will get instructions direct from the Estate Manager.
- The Security Techs will maintain their regular field rounds on a daily basis and any special/urgent matters will be brought to the notice of the Manager. This includes, any incident of violating of the forest policy, illegal hunting, any form of destruction or forest fires.
- The Security Tech will speak with workers, neighbors etc. in collecting / gathering intelligence regarding illegal activities. The Security Techs are not allowed to use fire arms unless special permissions are obtained through relevant authorities.

- The Management and the STs will work closely with the officers of Forest Department & government officials relevant to these aspects.
- The security techs will make relevant entries in their Security log books that are available in every division and the log books will be available for the Manager at his visits for further action.
- All entries made to Police/Grama Niladari/Forest department and the outcome will be recorded in the Security Log Book of the Division.
- A CAR form will be used for all such incidents which will be filled by the Manager and kept in the monitoring file for evaluation annually.
- The Security Techs will be continuously trained for this purpose. The training will include handling of situations like, illegal harvesting, illegal hunting, destruction of company property (encroachment of land), handling forest fires, gathering intelligence etc.
- ST will also (where relevant) provide security to other assets of the estate.

#### **Limits of authority of the Security Techs**

**The Security Techs will operate within the prevailing legal system. They will work in harmony with the rest of the workforce and the neighboring community.**

Any changes to this policy will be at the discretion of the Board of Management of Lalan rubbers Pvt Ltd., in consultation with the relevant authorities.

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Lalan Rubbers Pvt Ltd

## POLICY NO 16

### **NON TIMBER FOREST PRODUCTS (NTFP) POLICY**

We have six products under the category of NTFP in our concessions. They are latex, scrap, coconuts, minor crops Tea & Gliricidia. All NTFPs are harvested in a sustainable manner in accordance with the guidelines issued by the relevant research institutes. Separate management plan for NTFP is included in the FMP.

Non Timber Forest Products (NTFPs) are commercially exploited in our forest. However new products may be found out in the future (see Mid-Term plan for current situation). In case of a new product we will write a NTFP management plan which will guarantee the sustainable use of NTFP. Such a NTFP management plan will contain the following:

- ☐ What is exploited?
- ☐ Reason for harvesting (private, commercial).
- ☐ Maximum quantities extracted:
- ☐ Background study/research of this maximum figure.

Any changes to this policy will be at the sole discretion of the Board of Management of Lalan rubbers Pvt Ltd., in consultation with the relevant authorities.

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Lalan Rubbers Pvt Ltd

## **POLICY NO.17**

### **DIVERSIFICATION POLICY**

Our company will endeavor to utilise all arable land that is not used for the growing of Rubber by diversifying into the most appropriate viable commercial crops to enhance land productivity.

We will review the land use plan annually to identify the most suitable crops in order to maximise the use of this primary resource. Also the company is concerned about a well-designed soil amelioration plan and implements it with the objective of improving soils to facilitate higher land productivity for the crops grown. This includes improving soil structure, fertility, and biological activity as well.

This will help us to achieve economic, ecological and social stability. We select species for planting based on their overall suitability for the site and their appropriateness to the management objectives.

With a view to enhance the conservation of biological diversity, native species are preferred over exotic species in the establishment of plantations and the restoration of degraded ecosystems. Exotic species, which shall be used only when their performance is greater than that of native species while monitoring, adverse ecological impacts if any.

We will consult the relevant research institutes before embarking in the planting of new crops if any and will not plant on a large scale until local trials and / or experience have shown that they are ecologically well-adapted to the site, and are not invasive, and do not have significant negative ecological impacts on the ecosystems.

We are aware that the plantations established in areas converted from natural forest after November 1994 normally do not qualify for certification. As a policy we do not convert natural forest to plantations and natural forest areas have not been converted to plantations since 1994.

Any changes to this policy will be at the discretion of the Board of Management of Lalan Rubbers Pvt Ltd., in consultation with the relevant authorities.

## POLICY NO 18

### **PLANTING, FELLING & POST FELLING SITE MANAGEMENT**

LRAD is a Plantation Management Company, which strives towards success whilst protecting the precious environment. Thereby we are utilizing our land resources effectively and efficiently to establish plantation crops while preventing and mitigating any negative impacts to the environment. In the process, the company endeavors to utilize the maximum of the available land resources for cultivation. And we glad to announce by planting Rubber trees we are contributing to increase the forest cover in the world. All in all, LRAD is focused on the development of planet, people and profit.

Considering economic & environmental implications we have taken a policy decision for not to plant plantation crops in lands, which will not qualify for doing so as per the guidelines of the relevant Crop Research Institutes of the country. In case such land is already cultivated by the previous management we would undertake future operations such as felling, soil & moisture conservation according to the recommendations of relevant Crop Research Institute. Such land will eventually be diversified into forestry.

In land suitable for cultivation of rubber crop, all cultivation related management and operational activities will be undertaken as per the Planting Calendar and Agricultural Policy Manual, developed by the company taking into account the recommendations of the Rubber Research Institute of Sri Lanka. In doing so we are highly committed to protect the land through stringent soil and moisture conservation practices.

Lalan Agri Division has all the land area it manages been mapped using GIS technology. In addition to GIS topography maps the fields undertaken for uprooting and planting are being surveyed by a licensed surveyor using conventional surveying method using theodolites.

Both topography maps and survey plans are useful at the planning stage of the clearing before and after uprooting.

**Before the tapped out rubber is uprooted:**

Drawing of an initial plan before the trees are uprooted is useful to mark the road network mainly for the purpose of timber extraction, identification and demarcation of catchment areas on the hill tops, mark the buffer zones and to get an understanding of the slopes of the land. It is important that the surveyor himself is marking the road network in consultation with the manager of the estate and ensure that the road is developed to an acceptable gradient with side drains etc. Conserving the catchment areas of the mountain tops will be useful when preserving the ground water that will be useful when there are prolonged droughts. If the hilltops are planted with old rubber or timber then minimum of 4 trees (square shaped) are to be left out without uprooting/cutting at ground level and if the hill top is covered with shrub jungles the shrub should not be disturbed. The area of the catchment has to be decided by the manager. The boundary of the catchment area on hill top has to be secured with a fish netted fence in order to protect the young plants from pests and other animals that may live in the catchment area (habitat).

This is the most suitable time to mark sensitive sites such as: natural springs (please refer Table 01), streams, HCVF (caves, religious places of worship etc.) areas and buffer zones. The natural hedges grow alongside of the river and streams (minimum of 5 meters width from the mouth of the river) should not be disturbed. This too should be marked in the survey plan. It will be advisable to use a topography map as well of the same land for better understanding and planning.

**After the tapped out rubber wood, roots and debris are removed from the land:**

The purpose of this final survey is to determine pure plantable land area. The government reservations and locations suitable for rainwater harvesting will have to be marked on the plan so that the management can make a decision to retain water through small scale ponds in consultation with National Building Research Officials. (NBRO). Further a few contour drains and contour lines for pegging to dig planting holes too will be marked. This will improve maximum utilization of land in an effective manner.

In addition to above we will also undertake project level Environmental Impact Assessments prior to commencing of the felling of uneconomical rubber fields.

The policy is applicable to all uprooting contractors of the Group and they have to comply with the requirements of the policy. The details of the policy will be made available through our website

## **GUIDELINES FOR PLANTING, FELLING & POST FELLING SITE MANAGEMENT.**

1. Identify all sensitive areas in and around the above sites that could be affected due to impacts of field activities undertaken during the season.

Examples for sensitive areas could be:

- Areas identified as high conservation value (HCV) areas
- Streams, rivers
- Buffer zones
- Natural springs
- Water sheds

2. After identifying of sensitive areas action must be initiated to mark these in a copy of the respective topographic map/ survey map of the field.
3. Prior to the said field activities, effective conservation measures should be taken to protect such sensitive areas. Proposed conservation measures are as follows

| <b>Sensitive Site</b>           | <b>Proposed conservation measures</b>                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>Person responsible</b>            |
|---------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|
| High Conservation Value Forests | HCV areas which are identified as per the HCV tool kit should be protected from any kind of damage due to uprooting. A buffer zone of 10m should be kept around HCVF areas (Muwankande Cinchona Block and Nugahena Forest) and uprooting of trees are not allowed in the buffer zone. Regular monitoring should be conducted during pre-work to identify whether there are any negative impacts ( such as drying of natural springs and , contamination of streams, soil | GGM/ Manager in charge of the Estate |

|                  |                                                                                                                                                                                                                                                                                                                  |                                      |
|------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|
|                  | erosion etc.) due to the site disturbing activities.                                                                                                                                                                                                                                                             |                                      |
| Streams & Rivers | Grow a dense vegetation of bamboo, Kumbuk trees (Please refer Policy No. 08 Sensitive Sites Policy) along the river, stream bank to prevent from siltation. Ensure that these plants are well grown or resupplied before the uprooting takes place.                                                              | GGM/ Manager in charge of the Estate |
| Natural Springs  | A buffer zone of 10m radius around the spring should be established. Rubber trees inside the buffer zone should not be removed. Bamboo and Kumbuk trees should be planted inside the buffer zone and ensure that these trees are well grown or resupplied to prevent from drying up the spring due to uprooting. | GGM/ Manager in charge of the Estate |
| Water sheds      | If there is a spring or stream, the watershed should be identified prior to the uprooting. Uprooting of trees in the watershed is not allowed.                                                                                                                                                                   | GGM/ Manager in charge of the Estate |

**Table 01**

4. Prior to the uprooting “Pre Harvesting Form” should be correctly filled by the Manager taking all the potential damages into consideration.
5. Uprooting of trees is not allowed during heavy rains.
6. Slope % should be measured/ calculated prior to starting the pre work activities.
7. Excavator should not be used for pre work in the areas where the slope gradient is above 45%. Such areas should be uprooted using the winch or monkey grubber.
8. After surveying the field, a topographic map should be provided to the uprooting contractor indicating excavation routes and extraction routes correctly and monitor the work undertaken.

In the alternative the company may develop the routes before offering uprooting to the contractor.

9. Suitable soil conservation measures should be applied to mitigate soil erosion. Such as draining, platform cutting and terracing.
10. Trees should not be extracted downhill and extraction routes should be used
11. Cover crops should be established immediately after the uprooting preventing the exposure of soil.
12. Water quality and flow of the stream which flows through or downhill of the field should be monitored for short term impacts during the pre-work activities.

| Parameter     | Procedure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Person responsible |
|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|
| Water Quality | <p>Equipment required:</p> <p>100ml measuring cylinder – which should be calibrated in millimeters as well.</p> <p>Frequency :</p> <p>Every 15 days From the commencement of the uprooting to completion of replanting.</p> <p>Procedure:</p> <ol style="list-style-type: none"> <li>1. A water sample should be drawn from each up stream (US), mid stream(MS) and down stream (DS)to a 100ml measuring cylinder.</li> <li>2. Observe the colour of the water for turbidity (No turbidity, slightly turbid, medium turbid, very turbid) and record for US, MS &amp; DS. And compare the MS &amp; DS data against the US.</li> </ol> | Manager/ GGM       |

|            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |              |
|------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|
|            | <p>3. Allow the water samples to be settled and record the height of the sediment in millimeters. And compare the MS &amp; DS data against the US.</p> <p>4. Must take corrective actions to prevent soil erosion if there is a significant difference in records to indicate soil erosion</p>                                                                                                                                                                                                                                                                                                                                                                                                                   |              |
| Water flow | <p>Frequency: Every month from a year prior to commence the uprooting.</p> <p>Procedure:</p> <ol style="list-style-type: none"> <li>1. Choose a stable rock in the stream with appropriate height and mark the water level for each month one year prior to the uprooting work commence.</li> <li>2. Once completed the marking for all the months you can use it as a guideline to monitor water flow during the pre work period.</li> <li>3. If there is a significant change of the flow compared to the same month of the previous year you have to find out the specific reason for the change.</li> <li>4. Must take corrective actions to prevent soil erosion caused due to field activities.</li> </ol> | Manager/ GGM |

**Table 02**

13. Planted Bamboo and Kumbuk trees along buffer zones should not be damaged due to field activities.
14. “After harvesting form” should be correctly completed by the Manager once the pre work is completed.

15. Regular awareness and training should be provided to field staff about this policy and procedures.

Any changes to this policy will be at the sole discretion of the Board of Management of Lalan Rubbers (Pvt) Ltd in consultation with the relevant authorities.

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Lalan Rubbers (Pvt) Ltd

## POLICY NO 19

### MANAGEMENT OF MANUFACTURING FACILITIES

Our company oversees the management of various manufacturing facilities, namely the Crepe Rubber Factory in Sapumalkande Group, two Cinnamon Leaf Oil extraction plants in Woodend Estate and Sapumalkande Estate and the latest addition is the Cinnamon Processing Center in Densworth Estate. In alignment with our commitment to upholding FSC™ chain of custody standards, we are currently implementing adjustments to our management systems to meet these stringent requirements.

All operational activities, including the receiving of raw materials, manufacturing processes, waste handling, and dispatching, are accurately documented. Stringent supervision is maintained throughout these processes to ensure adherence to FSC standards.

Notably, our company exclusively relies on in-house sourced raw materials, eliminating the risk of inadvertent mixing with non-FSC materials. This intentional sourcing strategy reinforces our commitment to maintaining the integrity of FSC certified products.

Ensuring the safety and well-being of our factory employees is paramount. Every employee is equipped with the necessary Personal Protective Equipment (PPE), and strict adherence to the usage of provided safety equipment is enforced. In the event of accidents, each incident is recorded, and treatment and compensation are promptly provided. We remain dedicated to minimizing accidents through proactive measures and preventing the recurrence of similar incidents.

As an additional safety measure, all manufacturing units are equipped with fire extinguishers, and our employees undergo comprehensive training to proficiently operate them in case of emergencies. Regular training sessions are conducted, and records are maintained to ensure our workforce remains well-prepared for any unforeseen situations.

Our commitment to continuous improvement means that any alterations to this policy will be made at the discretion of the Board of Management of Lalan Rubbers Pvt Ltd., in consultation with relevant authorities. We remain steadfast in our dedication to maintaining the highest standards of safety, quality, and environmental responsibility in our manufacturing facilities.

Any changes to this policy are at the discretion of the Board of Management of Lalan Agri Division and will be done in consultation with the relevant authorities.

## POLICY NO 20

### **SELLING OF FSC™ (FSC-C101709) CERTIFIED PRODUCTS AND CHAIN OF CUSTODY PROCEDURE POLICY**

Conformity to stringent international quality standards for its plantations has been an important factor in the company's success in this field. Lalan Rubbers Pvt Ltd was awarded the Forest Stewardship Council™ (FSC-C101709) certification in year 2010. This key industry recognition enables LAD to market certain products under FSC. The products are,

1. Natural Rubber latex
2. Rubber crepe
3. Rubber wood
4. Other timber species which are in the scope
5. Coconuts (nuts and wood)
6. Tea
7. Cinnamon based products

This policy is formed to standardize the Chain of Custody procedure and documentation when selling FSC certified products to outside buyers.

#### ***Chain of Custody Procedure***

| <b>Step</b> | <b>Action</b>                                       | <b>Person responsible</b> | <b>Documentation</b>                                                                                                                          |
|-------------|-----------------------------------------------------|---------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|
| 01          | Written request from buyer to purchase FSC products | Buyer and Heads of Groups | An official letter addressed to the Head of the Group by the buyer                                                                            |
| 02          | Mutually agree for the premium with buyer           | -do-                      | -do-                                                                                                                                          |
| 03          | Approval request for the contract and sale          | Heads of Groups           | An official letter addressed to GM-EM by the Head of the Group. The letter should be copied to Director – Finance and Deputy General Manager. |
| 04          | Approval from GM -EM for the contract and sale      | GM -EM                    | An official letter addressed to the Head of the Group. The letter should be copied Director – Finance and                                     |

|    |                                                                                                                          |                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|----|--------------------------------------------------------------------------------------------------------------------------|-------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|    |                                                                                                                          |                               | Deputy General Manager.                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 05 | Signing a separate contract agreement with the buyer or separate PO from buyer requesting FSC certified product and qty. | Buyer and Heads of Groups     | Contract document – No. LRAD/FSC/UC/01 (With FSC 100% claim and registration code) or PO from the buyer. The details of tree no.s along with Girth and Height details should be maintained separately for FSC timber sales.(Format 04). LRAD/FSC/UR/TR/01.                                                                                                                                                                                               |
| 06 | Monetary Transaction                                                                                                     | Buyer and Heads of the Groups | A receipt should be issued to the buyer at the point of transaction. The receipt (All the copies) should bear the stamp with FSC registration code and FSC 100% claim.                                                                                                                                                                                                                                                                                   |
| 07 | Dispatching of goods to the buyer                                                                                        | Heads of the Groups           | <p>A dispatch note should be issued to the buyer with each dispatch from the Group, That document should bear stamp with FSC registration code and FSC 100% claim. Dispatch Note book should contain An Original Copy, Head Office Copy, Group Copy and Book Copy, See the attached sample format no. 01. (LRAD/FSC/DN/TR/01)</p> <p>Internal records should be maintained in a separate book for each product with dispatch details. See format No.</p> |

|    |                                                                                                  |                   |                                                                                                                                                                                                                                                                                                                  |
|----|--------------------------------------------------------------------------------------------------|-------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|    |                                                                                                  |                   | 03<br>(LRAD/FSC/DR/TR/01)                                                                                                                                                                                                                                                                                        |
| 08 | Issuance of a letter to the buyer after dispatching of all the goods(At the end of the contract) | Head of the Group | A letter to be issued to the buyer at the end of the contract for all the dispatches with relevant dispatch note no.s . This document should have the details of FSC registration code and FSC 100% claim. See Format no. 02. The letter should be copied to GM-EM, Director – Finance & Deputy General Manager. |

#### Documentation

All the pertaining documents for the sale must be made available for FSC auditors in a separate file. Dispatch note formats, certification letter formats may change depending on the product category.

#### Regulation

Any changes to this policy will be at the sole discretion of the Board of Management of Lalan Rubbers Pvt Ltd., in consultation with the authorities concerned.

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Lalan Rubbers Pvt Ltd

| <div>FSC™ (FSC-C101709)</div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <div>LALAN RUBBERS (PVT) LTD</div> <div>PITIAKANDÉ GROUP</div> <div>MAWATHAGAMA</div> <div>TREE DISPATCH NOTE</div> | <div>FSC 100%</div> <div>Reg. # CU-FM/COC-828688</div> |           |           |              |                                     |                                     |                             |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |       |  |  |  |  |  |  |  |  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|-----------|-----------|--------------|-------------------------------------|-------------------------------------|-----------------------------|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|-------|--|--|--|--|--|--|--|--|
| <div>LRAD/FSC/DN/TR/01</div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                     |                                                        |           |           |              |                                     |                                     |                             |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |       |  |  |  |  |  |  |  |  |
| <div>NO:</div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                     |                                                        |           |           |              |                                     |                                     |                             |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |       |  |  |  |  |  |  |  |  |
| <div>Dispatched Date: ..... Vehicle No: .....</div> <div>Date of Contract Agreement: .....</div> <div>Name of the Customer/Company: .....</div> <div>Address: .....</div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                     |                                                        |           |           |              |                                     |                                     |                             |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |       |  |  |  |  |  |  |  |  |
| <table><tr><th>Common Name of Tree</th><th>Estate</th><th>Division</th><th>Field No.</th><th>Block</th><th>No. of Trees</th><th>Approximate volume of Trees (Cu ft)</th></tr><tr><td>Eg: Rubber/Teak/Lunumidella</td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>Total</td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table> | Common Name of Tree                                                                                                 | Estate                                                 | Division  | Field No. | Block        | No. of Trees                        | Approximate volume of Trees (Cu ft) | Eg: Rubber/Teak/Lunumidella |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | Total |  |  |  |  |  |  |  |  |
| Common Name of Tree                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Estate                                                                                                              | Division                                               | Field No. | Block     | No. of Trees | Approximate volume of Trees (Cu ft) |                                     |                             |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |       |  |  |  |  |  |  |  |  |
| Eg: Rubber/Teak/Lunumidella                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                     |                                                        |           |           |              |                                     |                                     |                             |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |       |  |  |  |  |  |  |  |  |
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| Total                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                     |                                                        |           |           |              |                                     |                                     |                             |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |       |  |  |  |  |  |  |  |  |
| <div>.....</div> <div>Dispatched By</div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <div>.....</div> <div>Received By</div>                                                                             |                                                        |           |           |              |                                     |                                     |                             |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |       |  |  |  |  |  |  |  |  |

## LETTERHEAD OF THE GROUP

Date: .....

TO WHOM IT MAY CONCERN

**SUPPLY OF FSC™ (FSC-C101709) CERTIFIED RUBBER TREES**

This is to confirm that ..... Cubic Feet of FSC 100% certified (No.of trees) Rubber trees were uprooted by (Buyers' Name & Address) as per the Rubber trees uprooting contract dated .....on the following dates from (Group, Address) which is an FSC certified area. Uprooting details are as follows.

| <i>Dispatched Date</i> | <i>Dispatch Note. No</i> | <i>No. of Trees</i> | <i>Approximate Volume (Cu ft)</i> |
|------------------------|--------------------------|---------------------|-----------------------------------|
|                        |                          |                     |                                   |
|                        |                          |                     |                                   |
|                        |                          |                     |                                   |
|                        |                          |                     |                                   |
|                        |                          |                     |                                   |
| Total                  |                          |                     |                                   |

This certificate has been issued by us at the request of (Name of the Buyer) after reviewing our records.

We confirm that our FSC Certificate code is CU-FM/COC-828688.

Yours faithfully  
LALAN RUBBERS (PVT) LTD

Head of the Group

CC: Director – Finance , GM/EM, DGM

**FSC 100%****Reg. # CU-FM/COC-828688****DISPATCH SUMMARY OF FSC™ (FSC-C101709) CERTIFIED PRODUCTS****TREE DISPATCH RECORD BOOK**

Name of the Buyer: .....

Field No. : .....

Address : .....

Extent : .....

Date of contract agreement: .....

Block No.: .....

Estate:.....

No. Of Trees : .....

Division : .....

| Date of Dispatch | Dispatch Note No. | No. Of Trees | Dispatched Vol (Cu ft) | Dispatched Vol to date (Cu ft) | Vehicle No. | Loaded by | Checked By (Manager) |
|------------------|-------------------|--------------|------------------------|--------------------------------|-------------|-----------|----------------------|
|                  |                   |              |                        |                                |             |           |                      |
|                  |                   |              |                        |                                |             |           |                      |
|                  |                   |              |                        |                                |             |           |                      |
|                  |                   |              |                        |                                |             |           |                      |

**UPROOTING SUMMARY OF FSC™ (FSC-C101709) CERTIFIED TREES****TREE UPROOTING RECORD BOOK**

Name of the Buyer: .....

Division : .....

Address : .....

Field No. : .....

Date of contract agreement: .....

Extent : .....

Estate:.....

Block No.: .....

| No. | Date of Dispatch | Tree No. | Girth (ft) | Height (ft) | Volume (cu ft) | Prepared by | Checked By (Manager) |
|-----|------------------|----------|------------|-------------|----------------|-------------|----------------------|
|     |                  |          |            |             |                |             |                      |
|     |                  |          |            |             |                |             |                      |
|     |                  |          |            |             |                |             |                      |
|     |                  |          |            |             |                |             |                      |

## POLICY NO 21

### CONTROLLING OF RODENTS IN OIL PALM FIELDS

The company is in the process of converting its less productive Rubber lands into Oil Palm which will improve the productivity of the land. OP has a tendency to attract rodents. The damage they can cause is substantial thus result in huge economic loss to the company. Controlling rodents therefore is of high importance in order to ensure desired growth rates of the plants.

The only viable solution we found is to use rat baits to kill the rodents. Rat baits do consist of active ingredients that are highly restricted by the FSC list of highly hazardous pesticides. The available rodenticide is as follows.

| Trade name of the Rodenticide | Active ingredient                 |
|-------------------------------|-----------------------------------|
| Klerat                        | Brodifacoum                       |
| Mortein Rat Kill              | Bromadiolone/ Denatonium benzoate |

The area planted with OP is now under partial certification. However, whilst using rat baits the company is continuing to experiment on alternative methods to control rodents. The coconut research institute has been approached for assistance. Barn Owls and rat traps are the other methods that are being tested.

The application of rat baits will be undertaken, under maximum supervision from purchasing to the field application. The process chart of which is as follows

| No. | Activity                               | Responsibility                   | Remarks                                                         |
|-----|----------------------------------------|----------------------------------|-----------------------------------------------------------------|
| 01  | Assess the requirement of rodenticides | Head of the Group                | Assess the demand based on balance stock and usage              |
| 02  | External order from Head of the Group  | Head of the Group/ GM-EM         | Get the approval of GM – EM                                     |
| 03  | Ordering of goods                      | Ms. Onesha Colombage/ Director – | Use a separate stock book for each Group for rodenticide orders |

|    |                                                                                       |                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|----|---------------------------------------------------------------------------------------|---------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|    |                                                                                       | Administration/ Head of the Group                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 05 | Delivering goods to a central stores                                                  | Head of the Group/<br>Supplier/ Centrals stores store keeper (CSSK) | Central stores to be located at Mahaoya Groups. Separate lockable storage box to be maintained to store rodenticides and only authorized personnel will have the access. Pair of gloves should be made available for users.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 06 | Issuing of goods to Groups                                                            | Head of the Group/<br>CSSK/ Group Store Keeper                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 07 | Issuing of goods to estates/divisions                                                 | Head of the Group/ Group Store Keeper/ Field Officer                | Use a separate stock book to monitor rodenticide issues                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 07 | Identify OP planted areas and apply rodenticides                                      | Head of the Group                                                   | <ul style="list-style-type: none"> <li>• Use the baits as recommended by the supplier</li> <li>• Replace baits if eaten by rodents.</li> <li>• Use polythene cover to place baits to protect from rain (We can try a bait station so that it is protected from other animals as well).</li> <li>• Monitor closely when applying rodenticides within buffer zones.</li> <li>• Keep water containers available in the field so that Rats won't enter water bodies after consuming baits. Please ensure these water containers are refilled regularly to ensure mosquitoes are not breeding.</li> <li>• Bury the carcasses of died rodents in area distant from water sources and people.</li> <li>• Use other alternative methods to control rodents in order to minimize the usage of rodenticides (Eg: barn owls, traps, chicken mesh etc)</li> </ul> |
| 08 | Collect empty rodenticide containers to a separate place and return to the suppliers. | Head of the Group                                                   | Please ensure that these empty containers are not using for any purpose except storing of rodenticides.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

|    |                                                                     |                   |  |
|----|---------------------------------------------------------------------|-------------------|--|
| 09 | Provide training for the workers on the application of rodenticides | Head of the Group |  |
|----|---------------------------------------------------------------------|-------------------|--|

Any changes to this policy will be at the sole discretion of the Board of Management of Lalan Rubbers (Pvt) Ltd in consultation with the relevant authorities.

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Lalan Rubbers (Pvt) Ltd

## POLICY NO.22

### FOREST MANAGEMENT

Forest is defined as lands spanning more than 0.5 hectares with trees taller than 5 meters and a canopy cover of more than 10% of the land. In the case of the land which is subjected to clear felling as a part of commercial forest management practices, if the trees conform to the above criteria, at the site, such a cultivation is considered a forest.

For the purpose of the forest management policy of Lalan Agri Division ( LAD ), the species identified for forestry as at June, 2020 are timber, palms, ancillary crops, and different categories of non-timber forest products (NTFP) such as latex, nuts, bamboo, rattan, bee honey, medicinal plants, oils and resin extracts. However, the introduction of commercial timber varieties which are considered as invasive species but still recommended by Forest Department and State Timber Cooperation (Eg : Alstonia which is a class II timber as per the classification of State Timber Cooperation in 2019) to be cultivated as a commercial forest species. However, the company will ensure such varieties are managed with maximum supervision and monitoring to ensure that those are not spreading to conservation areas.

The Policy addresses the need to maintain healthy forest ecosystems, which are essential for working towards sustainable forestry. LAD is FSC™ certified & as such the Policy caters to address the needs of *responsible forest management* & to the compliance to FSC standards as well. FSC compliance audits are undertaken by accredited third party auditors annually.

The Policy consider two categories of forestry such as conservation and commercial forestry. ‘Conservation forestry’ describes relevant agricultural practices involved in protection of mountain tops, prevent soil erosion on steep lands, arrest potential landslides, conserving water springs, protecting stream buffer zones that are vital to soil conservation, increase biodiversity, moisture conservation and maintaining appropriate soil temperatures. When determining suitable species for the purpose of conservation, the company policy is to identify the native and endemic tree varieties that demonstrate high level of adaptation to the climate and grows vigorously in relevant locations. Extent under conservation forestry as of May 2020 is 646.18

Ha in all five Groups which amounts to 7.4% of the total land managed by the company (8,733.76 hectares). This policy caters to the need of maintaining a minimum of 5% of the total land managed under conservation forests.

The short-term objective of commercial forestry is to acquire minimum of Rs 20 Mn revenue per annum. However, once the harvesting of trees under current FMP 2018 – 22 is completed, there will be a significant drop of revenue from timber sales due to the lack of mature tree availability. Considering the long-term revenue goals the annual revenue target should be a minimum of Rs 50 million. In order to achieve the revenue goal, the company has to plant minimum of 12 hectares under commercial forestry annually. This amounts to managing 200 hectares of commercial forestry within next 15 years and annually. The species maturing harvestable girth fast (shorter crop rotation) and non-timber forest products are considered for maximising profits and to conserve environment & biodiversity.

In commercial forestry the company is keen to plant in small blocks of *multipurpose tree species* that are grown to provide more than one significant function such as soil conservation, provide shade, fuelwood, timber, fibre, fodder, food or medicine. Block planting is also aimed at increasing biodiversity and providing habitats for the faunal species well distributed amongst the fields of the commercial crops.

However, the possibility of planting along field / divisional boundaries as live fences is also encouraged. As an example, Arecanut can be planted along boundaries as live fences with the objective of getting revenue from nuts and value-added products. Such an arrangement will not require separate blocks of land. More revenue could be generated from timber through pre commercial thinning and sawn timber.

Both categories of forestry have non timber forest values and aesthetic values. Aesthetic values refer to the scenic beauty of forests.

The Policy considers installing adequate safety measures such as protecting the forest ecosystem from external threats such as fires, pests, wind and illegal activities such as thieving.

The Policy recognizes three *critical activities* such as **renewal** through replanting, **protection** from natural and manmade threats and **scheduling the harvest**. These aspects are widely discussed in the **regulation** of the policy. Reference is also made to the five year Forest Management Plan (FMP) of the company which is prepared under the guidelines provided by the Director of Plantation Management and Monitoring division of the Ministry and approved by the Conservator General of Forests of Forest Department. The FMP of the company is considered as an extension of the Policy.

All managers involved in forest management activities are trained annually to refresh and update their competencies on sustainable forest management. A suitable **management structure** is in operation to ensure effective execution of forest management strategies. Relevant & timely **technological improvements** are to be made to strengthen related processes.

The policy also ensures compliance to environmental laws. In order to meet the compliance to environmental laws the company obtains services of state universities / experts in the field to undertake biodiversity assessments, to monitor soil & water quality and social impact assessments on company forestry once in every 5 years. These documents are made available in the company websites for the view of the public. ([www.lalanrubber.com](http://www.lalanrubber.com))

Any changes to this policy will be at the sole discretion of the Board of Management of Lalan Rubbers (Pvt) Ltd.

## **POLICY NO.23**

### **PREVENTION AND MANAGEMENT OF COVID 19 PANDEMIC**

The pandemic has no medical treatments up to the time of developing the policy. However, prevention from getting infected from the virus is possible and proven. Therefore, the policy aims to achieve a status of zero casualties from the pandemic and thereby to reduce economic losses to the employees and to the organization thus maintaining a win-win situation.

The policy establishes essential guidelines employees should follow during the coronavirus outbreak and temporary alterations to the existing procedure relating sick leave and work from home arrangement (which is applicable only to office employees).

The company will always treat your private health and personal data with high confidentiality and sensitivity. Simultaneously the management expects strict compliance by the employees to the procedure established by the Government which is communicated frequently. Therefore, the company policy developed with regard to coronavirus (COVID-19) is subject to changes with the introduction of additional/new governmental guidelines. The set of guidelines given herein is based on the government gazette 2197 – 25, dated 15<sup>th</sup> October,2020 and issued by the Minister of Health and the guidelines issued by the Plantations Human Development Trust (Annexure: Covid 19/ 2020/ 01) .

#### **Strategies:**

The management has identified three strategies under prevention, and they are, Avoidance, Contact tracing and Immunity building. A broad dialogue on new normal work culture has been initiated already, and the management will communicate them to you as and when necessary. A methodology in Identifying infected and arranging for treatment are explained in addition to the procedure in treating post recovery patients for compliance. The company will arrange training and monitoring of the activities to ensure effective implementation of the policy.

## Scope

This coronavirus policy applies to all our employees and to any visitors who may come in physical contact with our employees. The policy coverage as an overview is as follows.

| Wearing Face Masks  |                | Social Distancing  |           |                         | Hand washing practice                                  |                                                 |
|---------------------|----------------|--------------------|-----------|-------------------------|--------------------------------------------------------|-------------------------------------------------|
| Departments covered | Colombo office | Plantation offices | Factories | Field / Plant Nurseries | Dispensaries/ Creches / medical and welfare facilities | Transport, Stores & support services / visitors |
| Prevention          | ✓              | ✓                  | ✓         | ✓                       | ✓                                                      | ✓                                               |
| Treatment           | ✓              | ✓                  | ✓         | ✓                       | ✓                                                      | ✓                                               |
| Post-recovery       | ✓              | ✓                  | ✓         | ✓                       | ✓                                                      | ✓                                               |

## Prevention

Here, we outline the required actions employees should take to protect themselves and any visitors from a potential coronavirus infection. Wearing masks when at work and following health guidelines given in the government gazette of 15<sup>th</sup> October 2020 (2197/25) are compulsory. The document indicating the best practices recommended by Director Health of PHDT must be adopted in addition to Government directives.

A logbook (Covid Register) should be maintained at the Head Office, Group Offices and at Estate Offices to record the details of visitors as per the format below. Separate CR book must be maintained to record the details of the contract workers who report for work daily to the estate.

| Date | Time of the visit | Name | NIC No. | Contact no's | Name of the contacting employee | Do you have fever, cough, sore throat, cold? |
|------|-------------------|------|---------|--------------|---------------------------------|----------------------------------------------|
|      |                   |      |         |              |                                 |                                              |
|      |                   |      |         |              |                                 |                                              |

The management will nominate competent persons to record the details as above.

The body temperature should be checked using an infra-red thermometer. If someone has fever (temperature higher than 37.0 °C/ 98.6 °F) or if someone is suspected to be infected with Coronavirus, that person should not be allowed to be in contact with other employees. The details of such persons should be informed to the officer nominated by the management of the Group or Head office.

The contact numbers of the Grama Niladhari (GN), PHI and the nearest police station will be displayed in office and divisional office notice boards. In a situation where Covid related symptoms are identified an employee should first inform the immediate superior / designated officer, and then contact either the GN, PHI or the police and follow the instructions given without rushing to hospitals using different modes of transport.

Work from home / Sick leave arrangements: (Monthly paid employees only)

- If you have Covid related symptoms, such as dry cough/sneezing/fever, inability to taste food and to identify smells, request sick leave or work from home. Please contact your immediate supervisor and make your request following the normal procedure in writing.
- Such employee should inform the relevant PHI immediately and report for work only after serving 14-day quarantine period. A certificate from the PHI to the effect having completed the quarantine period successfully is compulsory.
- Suppose you have recently returned from areas with a high number of COVID-19 cases (based on government announcements), the company may advise you to work from

home for 14 calendar days and return to the office only with the certificate from the PHI.

- If you have been in close contact with someone infected with COVID-19, with high chances of being infected yourself, request work from home. Inform the PHI immediately and report for work only with the quarantine certificate from the PHI.
- If a member of your household / place of lodging is indicating Covid 19 symptoms, you are expected to inform your immediate supervisor and decide to self-quarantine. Here-again You will be permitted to return to work after 14 calendar days of quarantine & after obtaining a quarantine certificate from the PHI.
- In situations where employees are under self-quarantine or working from home the employee concerned and his / her supervisor are required to agree on modalities undertaking work and the work content/ outputs.

## **Treatment**

- The first step is the detection of suspected Covid patients. Every resource possible must be employed to detect such persons from the residential community on estates or from the workforce. The medical, welfare and identified health volunteers must be assigned for the task.
- If you get COVID symptoms (cold, dry cough, sore throat, breathing difficulty, loss of appetite / smell and fever) kindly inform your supervisor and seek medical assistance as prescribed by the ministry of health without rushing to the hospital.
- It is essential to keep the PHI and the Police in the area informed if anyone within the company premises is found to be infected with corona virus.
- The place and the mode of treatment will be decided by the Government medical authorities.

## **Post recovery**

- If you have a positive COVID-19 diagnosis, you can return to the office *only after* you have fully recovered, with the PHI's certificate confirming your recovery.
- If you have been directed for self-quarantine, you can return for work after obtaining the quarantine certificate from the PHI.

**Notifications:**

- Details of all cases must be reported to the Executive nominated by the company, who will in turn educate the CEO to take immediate required action.

*This policy is meant to provide general guidelines and should be used as a reference.*

Any changes to this policy will be at the sole discretion of the Board of Management of Lalan Rubbers Pvt Ltd., in consultation with the authorities concerned.

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Lalan Rubbers Pvt Ltd

## MANAGEMENT OF CIRCULAR LEAF SPOT DISEASE

Rubber plantations of Sri Lanka and many other countries are currently suffering from a severe leaf fall disease condition caused by a mixed fungal attack – *Colletotrichum* spp. and *Pestalotioides* spp. Circular leaf spot disease (Earlier known as *Pestalotiopsis* or PESTA disease) is a fungal leaf disease affecting both Immature and mature rubber cultivations. The causative agent is a fungus and it affects leaves irrespective of the stage of maturity and clone. The disease is not seasonal and high rainfall is a predisposing factor for the occurrence of the disease. Severely affected leaves could defoliate resulting in lower latex yields and vegetative growth during the mature stage and retarded growth rate during immature stage of the cultivations. However, negative impact on both growth and yield is reported only if the defoliation is more than 25%.

The management of the disease is undertaken as per the guidelines of Rubber Research Institute of Sri Lanka.

### ***Agricultural practices***

It is believed that high growth vigor builds up resistance to PLD. Hence good agricultural practices including timely weed management and use of chemical fertilizer is critical to improve tree health of both immature and mature rubber stock.

Further, in revenue rubber areas harvesting will be suspended if dry rubber content of latex harvested would drop below 280g/liter during three consecutive tappings due to incidence of PLD. Harvesting will be recommenced after a rest period of one month and will continue only if recovered.

### ***Chemical control***

For both immature and mature rubber cultivations the recommendations of the Rubber Research Institute of Sri Lanka for the chemical control of the disease will be adopted.

*This policy is meant to provide general guidelines and should be used as a reference.*

Any changes to this policy will be at the sole discretion of the Board of Management of Lalan Rubbers Pvt Ltd., in consultation with the authorities concerned.

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Lalan Rubbers Pvt Ltd

## **POLICY NO.25**

### **USE OF GENETICALLY MODIFIED ORGANISMS AND INTEGRATED PEST MANAGEMENT**

Good Agricultural Practices and industry best practices adapted in the plantations managed by Lalan Agri Division in order to increase tree and land productivity whilst protecting environment. The company will make every effort to minimize the use of pesticides and chemical fertilizers in its agricultural operations. Guidelines issued by relevant crop research institutes, authorities will be adopted in case of pest attacks and diseases.

Further, LAD has no intention to use Genetically Modified Organisms (GMOs) in the estates managed for agriculture, forestry or any other purpose.

However, Integrated Pest Management (IPM) practices will be adopted as a safe and sustainable practice on management of pests whenever possible. Guidelines issued by relevant crop research institutes or authorities will be followed in practicing IPM.

Any changes to this policy will be at the sole discretion of the Board of Management of Lalan Rubbers (Pvt) Ltd.

## **POLICY NO.26**

### **USE OF FSC™ (FSC-C101709) TRADEMARKS**

FSC™ trademark is important as a promotional tool and for product labeling. This policy sets the guidelines as to how the FSC trademarks are used in the activities of Lalan Agri Division.

The policy is developed keeping in line with the standard of “FSC trademarks by Certificate Holders (FSC-STD-50-001 V2-1 EN)” and the company’s FSC Chain of Custody and Trademark manual.

The Forest Stewardship Council™ (FSC-C101709) owns the following registered trademarks:

FSC text trademarks;

1. The name ‘Forest Stewardship Council’ (Should be used as Forest Stewardship Council™)
2. The initials ‘FSC’ (Should be used as FSC™)

FSC logo trademarks;

1. The FSC logo (Can be downloaded from the FSC trademark portal)
2. The ‘Forests For All Forever’ – full mark (Can be downloaded from the FSC trademark portal)
3. The ‘Forests For All Forever’ – logo with text mark (Can be downloaded from the FSC trademark portal)

In order to use any of these FSC trademarks, the organization shall have a valid FSC trademark license agreement and hold a valid certificate.

Whenever we are using FSC text trademarks for promotional purposes it is required to indicate the appropriate symbol and the license code number at the first instance where we are indicating text trademarks. [E.g.: FSC™ (FSC-C101709), Forest Stewardship Council™ (FSC-C101709)]. For on product label uses it is required use appropriate trademark which is available in the FSC trademark portal and marketing toolkit.

The company policy is to submit all intended uses of any kind of FSC trademarks to the certification body (Control Union Certifications B. V) for approval.

The products which are intended to be labelled with the FSC on-product label or promoted as FSC certified shall be included in the organization’s certificate scope and shall meet the eligibility requirements for labelling, as stipulated by the respective FSC standard.

FSC label artwork provided by the trademark portal ([trademarkportal.fsc.org](http://trademarkportal.fsc.org)), or otherwise issued and approved by the certification body or FSC, shall be used. Authority of accessing the trademark portal and downloading the relevant logo trademarks is Director – Finance.

Procedure in obtaining approval for the use of FSC text and logo trademarks is appended below

| No. | Activity                                                                                                                      | Responsibility                                                                    | Remarks                                                              |
|-----|-------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|----------------------------------------------------------------------|
| 01  | Obtaining the FSC logo trademarks from FSC trademark portal if required.                                                      | Director - Finance                                                                | <a href="http://trademarkportal.fsc.org">trademarkportal.fsc.org</a> |
| 02  | Designing of the relevant document/ poster/ advertisement/ or any other material where we intend using the FSC trademark (s). | Heads of Groups,<br>Senior Manager – Forestry Sustainability and Special Projects |                                                                      |
| 03  | Emailing the artwork to Deputy General Manager                                                                                | Head of Groups                                                                    |                                                                      |
| 04  | Checking the artwork for compliance with FSC trademark standard.                                                              | Senior Manager – Forestry Sustainability and Special Projects                     |                                                                      |
| 05  | Obtaining written approval from the certification body (Control Union Inspections Pvt Ltd) for the use of the FSC trademarks. | Deputy General Manager                                                            |                                                                      |

Any changes to this policy will be at the sole discretion of the Board of Management of Lalan Rubbers (Pvt) Ltd.

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Lalan Rubbers (Pvt) Ltd

## **POLICY NO.27**

### **BRIBERY AND CORRUPTION PREVENTION POLICY**

The FSC Interim National Standard of Sri Lanka (FSC-STD-LKA-01-2021 EN) requires the company to formulate a policy that meets or exceeds related legislation and it is implemented including a commitment not to offer or receive bribes of any description as per the criterion no 1.7 and the indicators under the same criterion.

The Bribery Act of 1954 and amendments thereafter deal with acts of bribery and corruption in Sri Lanka. Commission to Investigate Allegations of Bribery or Corruption (CIABOC) is the responsible institution handling of bribery and corruption in the country. A complaint can be lodged with the CIABOC in the prescribed manner or via the hotline 1954, in connection with any form of bribery or corruption.

Lalan Rubbers Pvt Ltd (Agri Division) is committed to ensuring bribery and corruption does not take place in the organization and adopts an open door policy where any employee can directly approach the management if they have any complaints of bribery, corruption or coercion. In addition the Agri Division adopts a transparent culture where there is no room for bribe, corruption and coercion.

#### **Procedure**

Awareness on bribery, corruption and coercion is given by means of emails, posters and meetings of all stakeholders (including employees) concerned. They can inform the Director – Finance in writing of any instances of bribery, corruption or coercion within the organization with supporting evidences. The Director Finance will initiate an independent inquiry and appropriate action will be taken if an employee is found guilty of being involved in any act of bribery, corruption or coercion.

Any changes to this policy will be at the sole discretion of the Management of Lalan Rubbers Pvt Ltd (Agri Division) in consultation with the authorities concerned.

## **POLICY NO.28**

### **POLICY ON CORE LABOUR REQUIREMENTS**

Lalan Rubbers Pvt Ltd (Agri Division) does not employ child labour in any kind of work. As per the Employment of women, young persons and children (amendment) Act, no. 2 of 2021, any person under the age of 16 years is considered a child.

Further, as per the above Act, a person who has attained the age of 16 years but under the age of 18 years is identified as a young person. The Agri Division will ensure that such young persons are not employed in heavy or hazardous work.

The company will always make sure that forced and compulsory labour is eliminated. Employment relationships are always voluntary and based on mutual consent without threats of a penalty. Our Plantation Executives always ensure that forced/ compulsory labour practices are not followed at any level of employment, including physical and sexual violence, bonded labour, retention of identity documents, withholding of wages /including payment of employment fees and or payment of deposit to commence employment, restriction of mobility/movement, and threats of denunciation to the Authorities.

The Division's employment practices are always non-discriminatory where males, females, employees from different races and religions get equal opportunities.

Lalan Agri Division respects the freedom of association and collective bargaining. Workers have the freedom to establish or join worker organizations of their own choosing. The Division respects the full freedom of workers' organizations to draw up their constitutions and rules. We respect the rights of workers to engage in lawful activities related to forming, joining or assisting a workers' organization, or to refrain from doing the same, and will not discriminate or punish workers for exercising these rights. The organization negotiates with lawfully established workers' organizations and/ or duly selected representatives in good faith and with the best efforts to reach a collective bargaining agreement. Collective bargaining agreements are implemented where they exist.

Any changes to this policy will be at the sole discretion of the Management of Lalan Rubbers Pvt Ltd (Agri Division) in consultation with the authorities concerned.