

The Public Summary of the Management Plan

Revision 11(2023/2024)

The following details are made available in the public summary of Kelani Valley Plantations PLC. Forest Management to enhance the transparency of the company's forestry related activities. That information can be given to the stakeholders on their request. It includes general information, forest details, monitoring results and other important information.

The stakeholders could obtain the management plan & monitoring result from any of our estate offices. Or they could visit to bellow address or could be make the request by email.

Kelani Valley Plantations PLC
400, Deans road, Colombo 10, Sri Lanka

maresh.vithanawasam@kvpl.com

kushani.rajapaksha@kvpl.com

Management objectives

- Comply with all requirements under FSC 10 principles in achieving long term operational objectives of the company.
- Achieve expected profit by in line with budgeted NSA & COP
- Achieve budgeted Rubber latex quantity
- Achieve budgeted Labour out-turn
- Compliance with five-year plans of crop projection, uprooting and re-planting
- Assessing biodiversity by monitoring species diversification
- Implementing environmental safeguards based on Environmental Impact Assessment (EIA)
- Improve socio-economic conditions of the worker force
- Provisions for monitoring rubber growth and dynamics
- Protect natural forest areas and restoration in high conservation value areas

Socioeconomic conditions of local communities

The estate sector in Sri Lanka has a history of almost 150 years. The British started the industry in the 1800s with 'imported' indentured labour from South India. Today's estate population are descendants of this labour that continued to be brought into the country until the 1940s. Sri Lanka's success as a lead exporter of tea in the 1960s and 1970s ensured the continuation of the industry despite manifold changes in the form of nationalisation, re-privatisation and the rise of the smallholder. Although the sector has evolved, it still retains aspects of the enclave structures and conditions that existed at its inception. Isolation and limited mobility has marginalised workers in the tea and rubber estates, and they have not reaped the benefits of development to the same extent as workers in other productive sectors of the economy. Households in the estate sector are among the poorest in the country. However, even though the development discourse frequently emphasises the marginalisation and backwardness of the sector, it must be acknowledged that conditions have improved. Estate structures are less rigid and factors such as trade union activism, state interventions, sector specific development programmes, increased interaction with rural and urban sectors and greater integration with the mainstream economy, have resulted in noticeable micro level improvements. Despite these improvements the estate sector still lags behind in almost every indicator of poverty in Sri Lanka.

Harvesting areas

Sub FMUs of KVPL

| Sub FMU | Rubber Area (Ha) | Forest Area (Ha) | Riverine (Ha) | Massy Land (Ha) | Conservation Area (Ha) | Others (Ha) | Total Extent (Ha) |
|-----------------------------|-------------------------|-------------------------|----------------------|------------------------|-------------------------------|--------------------|--------------------------|
| Panawatte | 696.2 | 43.11 | 0.35 | 1.5 | 44.96 | 228.24 | 1014.36 |
| Dewalakande | 520.28 | 65.35 | 13.53 | 1 | 79.88 | 30.85 | 710.89 |
| Kiriporuwa | 346.69 | 4.27 | 5.23 | 2.21 | 11.71 | 219.69 | 589.8 |
| Lavant | 347.81 | 9.59 | | | 9.59 | 202.21 | 569.2 |
| Ganepalla | 292.69 | 14.55 | | | 14.55 | 168.09 | 489.88 |
| Urumiwela | 356.05 | 6.77 | 5.11 | 1.37 | 13.25 | 327.05 | 709.6 |
| Weoya | 690.21 | 26.37 | 5.5 | 0.64 | 32.51 | 170.88 | 926.11 |
| Kelani | 182.65 | 24.08 | | 1 | 25.08 | 107.01 | 339.82 |
| Ederapola | 410.09 | 10.99 | 4.02 | | 15.01 | 202.96 | 643.07 |
| Kalupahana | 157.55 | 89.34 | 6.4 | 0.5 | 96.24 | 161.77 | 511.8 |
| Halgolla (Rubber + Teak) | 26.32 | 642.26 | | 15.81 | 642.26 | 511.61 | 1,196.00 |
| Total Area | 4026.54 | 936.68 | 40.14 | 24.03 | 985.04 | 2330.36 | 7700.53 |



All the activities related to natural rubber management are conducted according to the Sri Lankan Rubber Research Institute guidelines.

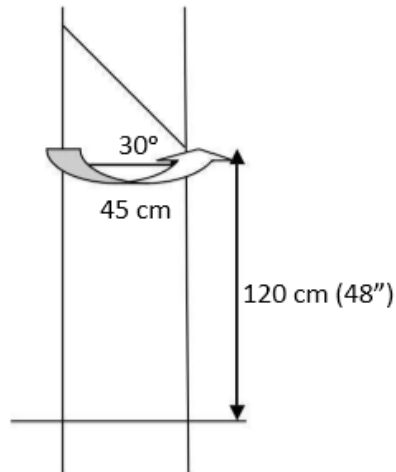
1st tapping of the forest block shall commence when 60% of the trees in the clearing reaches a girth of 50 cm, measured over bark at a height of 120 cm from the highest point of graft union. All rubber trees having a girth lesser than 45 cm is not be tapped at the growth stage mentioned under indicator. The amount of latex harvested is not inflict systematically on the tree health or increase the tree's vulnerability to diseases. Tapping done close as possible to the vascular cambium, but without injuring the delicate cells.

Guidelines for Tapping

- First tapping of the bearing block (after 6th upkeep) shall commence when 60% of the trees in the clearing reaches a girth of 50 cm, measured over bark at a height of 120 cm from the height point of graft union.
- In such a clearing, all trees having a girth not less than can be tapped.

- All rubber trees having a girth lesser than 45 cm shall not be tapped at the growth stage of above particular block.

Marking a tree for tapping



- Tapping panels are to be marked by dividing the trunk into 2 equal halves with vertical grooves
- Tapping is done only in one half (one panel) of the tree.
- Tapping angle should be 30° to the horizontal plain.

Annual Allowable cut

- All the harvest is calculated as per RRI (Rubber Research Institute) recommendations, And the Rubber tree uprooting and replanting is take place on mature with the approvals and recommendation by plantation ministry & RRI. Therefore it has to be with in Annual Allowable Cut limit.

Tapping Method

During tapping the original cut is systematically reopened by the removal (excision) of a thin shaving of bark from the sloping cut. The special knife used cuts a shallow channel along which the latex flows to a collecting vessel.

Tappable Tree

A tree with the girth of at least 50 cm, measured at 120cm from the highest point of the stock-scion union is reached

Tappable Clearing

60% of a clearing/smallholding should be of tappable girth before tapping is commenced.

Commencement of Tapping

November/December is an ideal period for commencement of tapping in a new clearing.

Tapping of a new clearing should not be undertaken during the Phytophthora season, i.e May to September each year.

Height of Opening Cut

Tapping cuts should commence at a height of 120 cm from the highest point of the union to the lower end of the tapping cut. Generally, on the base panels tapping is done from high left to low right using a Michie Golledge Knife.

Slope and Direction of Cut

As the latex vessels run at an angle of 2.5 - 7° to the vertical in an anti-clockwise manner, a greater number of latex vessels is cut and a greater yield is obtained when cuts are made at 30° to the horizontal sloping from high left to low right. For upward tapping of higher panels a 45° angle to the horizontal is advocated to prevent wastage of latex.

Marking of Trees

The tapping cut should be marked using a stencil made out of an aluminium sheet for tappers to achieve correct angle and length of cut and also to achieve correct bark consumption.

For marking of guide lines, firstly a vertical line (Neththi Kanu) is drawn on the tree commencing at a height slightly above the height of opening to reach the graft union. On this line the opening height is marked. Subsequently, half circumference of the tree is determined using a measuring tape or a string at two points and marked on the tree.

Another vertical line called 'Poi Kanu' is drawn through these two points from a point above the opening height to the graft union. With the aid of the appropriate stencil placed on the tree at the opening height with its handles parallel to both Neththi and Poi Kanu, lines are drawn for the tapping cut and guidelines with a high left to low right orientation.

The lowest point of the tapping cut (on the vertical line, on the right) is at 120 cm above the graft union.

The lines should be marked superficially using a pointed object such as a mounted needle. These marks should not be more than 1 mm deep as they are only required temporarily as guidelines for tapping.

After the marking of guidelines, the spout and the cup hanger are fixed. Subsequent guide lines are marked every year before commencement of tapping.

Depth of Tapping

The best yields can be obtained by tapping as close as possible to the cambium but without injuring these delicate cells. Tapping to a depth of up to 1 mm from the vascular cambium is therefore considered satisfactory.

Bark Consumption

In calculating the tapping life of rubber trees, a bark consumption of 0.125 cm (1/20") per tapping excision has been used. In general, the maximum number of tapping days that could be achieved in Sri Lanka is ca 320 per annum, therefore 160 days per tree on a V2S d/2 system. Hence, for the V2S d/2 tapping system, the annual bark consumption will be approximately 20 cm (0.125 cm x 160). Similarly for the 1/2S d/3 tapping system the annual bark consumption will be ca 14 cm (0.125 cm x 107).

Time of Tapping

The highest yield of latex is obtained by tapping in the early hours of the morning and late tapping will reduce latex yield due to increased transpiration leading to lower turgor pressure in the latex vessels.

Tapping Task

The number of trees assigned to a tapper to be tapped in a day is referred to as the Tapping Task. The stand/ha, terrain of the land, number of tapping cuts and distance between the block and the weighing point should be considered when fixing the task size. The normal tapping task varies from 275 - 325 trees.

Current Tapping Systems

Certain clones are capable of giving a relatively higher yield/tree/tapping (g/t/t/) than the other recommended clones. From such clones the

potential yield can be obtained by tapping a tree once in three days, i.e. d/3 frequency, whilst the other clones will need a higher frequency of tapping, i.e. d/2 frequency. If high g/t/t clones are tapped at d/2 frequency such clones are unable to sustain high yields and this will also lead to high incidence of Tapping Panel Dryness.

| Tapping System | Clones |
|----------------|---|
| 1/2S d/2 | RRIC 100, RRIC 102, RRIC 117, RRIC 121, RRIC 131, RRIC 133, BPM 24, All RRISL 200 Series Clones, RRIM 717, PB 255, PR 255, PR 305 |
| 1/2S d/3 | PB 28/59, PB 217, PB 235, PB 260, RRIC 130, RRII 105 |

The above tapping systems can be used for tapping of panels BO-1, BO-2 and BI-1, i.e. ca. 18 and 21 years of tapping using 1/2S d/2 and 1/2S d/3 systems respectively.

Intensified Tapping

In order to arrest the yield decline evident in Panel BI -2 and to harvest the maximum crop prior to uprooting of the rubber tree intensified tapping is recommended after the tapping of panel BI - 1.

There are two schemes recommended for intensified tapping and they are common to both d/2 and d/3 clones.

The duration of the intensification period is six years.

| Year | Scheme 1 | Scheme 2 |
|-------|-----------------|---------------------|
| 1,2,3 | 2 x ½S (↑↓).d/3 | ¼S (↑) + ½S (↓) d/2 |
| 4 & 5 | 2 x ½S (↑↓).d/2 | 2 x ½S (↑↓).d/2 |
| 6 | 4 x ½S (↑↓).d/2 | 4 x ½S (↑↓).d/2 |

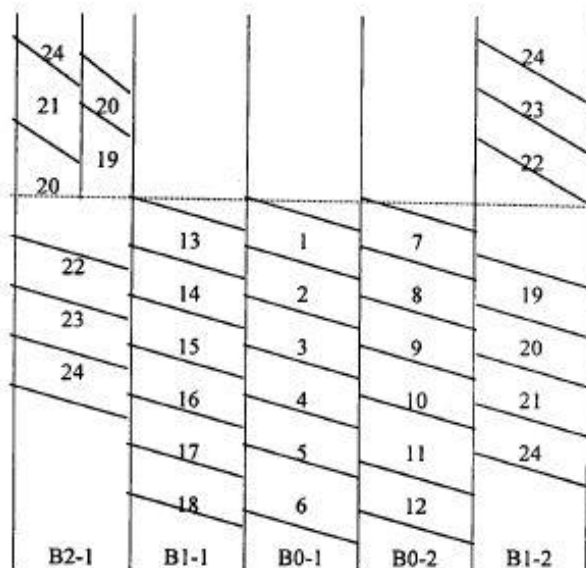
The upward cuts should be at an angle of 45° to the horizontal. Further, when two cuts are introduced they should be at least 52 cm apart to prevent overlap of the drainage area.

Tapping Panel Dryness

Normal yielding rubber trees will yield very little or no latex with the onset of tapping panel dryness. This change in the yielding potential of the tree can be gradual or sudden. Generally, high g/t/t clones are more susceptible to this syndrome. Over exploitation of trees, use of excessive yield stimulants, curtailing of fertilizer use whilst harvesting and tapping of wet panels favour incidence of dryness.

Panel Position

The position of the tapping panel during each year of the 24 years tapping cycle



| Year | Tapping Systems |
|-------|---|
| 1-18* | $1/2S \text{ d}/2$ |
| 19-21 | $1/4S(\uparrow) + 1/2S(\downarrow) \text{ d}/2$ |
| 22-23 | $1/4S(\uparrow) + 1/2S(\downarrow) \text{ d}/2$ |
| 24 | $4 \times 1/2S(\uparrow\downarrow) \text{ d}/2$ |

(*1-24 if $1/2 S \text{ d}/3$ system is adopted)

Minimizing of Crop Losses Due to Interference of Rain on Tapping

- Tapping of panels made wet by rain is not recommended as it leads to panel diseases and interrupting flow of latex leading to wastage.
- Each year around 100 days of tapping are lost due to wet panels. Further, on about 50 days of the year tapping is commenced only ca. 10 am to 12 noons, after the panels dry up, i.e. late tapping.
- Also sudden showers occurring between tapping and latex collection result in latex getting washed away prior to collection. In a year ca. 10 - 15 such washouts are reported.
- No tapping, late tapping and washouts lead to about 30 - 35% loss of potential crop each year. This affects the income levels of land owners, tappers and factory workers.
- Hence, to avoid interferences from rain, rain guards have been introduced from 2020 for A and B.

Grooming

Mosses grow on the bark of some rubber trees and are capable of retaining moisture.

The moisture is released slowly and as a result a longer time is taken for the panel to dry even after the rains have ceased.

If the mosses found surrounding the tapping cut are removed it will help to dry up the panels quickly. Removing the mosses from an area 60 cm above the tapping cut and about 30 cm on either side and below the cut will be sufficient for this purpose.

This process, i.e. grooming, should be undertaken annually, before the onset of monsoons, on trees where mosses are found. This helps by increasing tapping days and converting late tapping days into normal tapping days.

Recovery Tapping

Ideally a rubber tree should be tapped every other day or once in three days depending on the clone.

This will make it possible to sustain the potential tapper and land productivity levels throughout the tapping cycle.

Anyhow, to recover the tapping days lost due to interference by rain, recovery tapping, i.e. an additional tapping in between two recommended tappings, is recommended.

Recovery tapping leads to daily tapping and it negatively affects the growth and yield of trees.

Hence for all clones recovery tapping is not recommended during the first three years of tapping.

In clearings where recovery tapping is recommended, i.e. from the 4th year of tapping, only 2 or 6 such tappings are recommended per week or per month respectively.

Also, if uninterrupted tapping is possible for a period in excess of a month recovery tapping during such periods will not enhance yields.

Rotation Tapping

In addition to the normal tapping gang another tapping gang is employed for tapping.

If an additional 25% of tappers are used in the second tapping gang, each tapping block will get an additional tapping once in about 8 days.

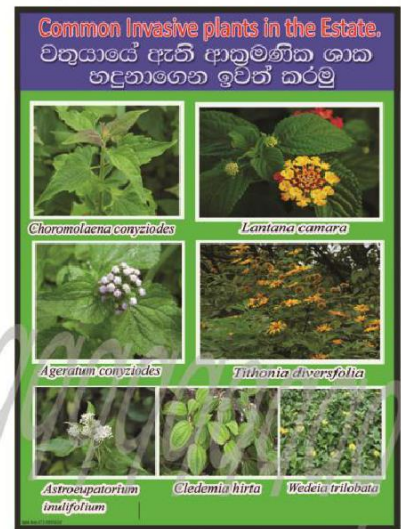
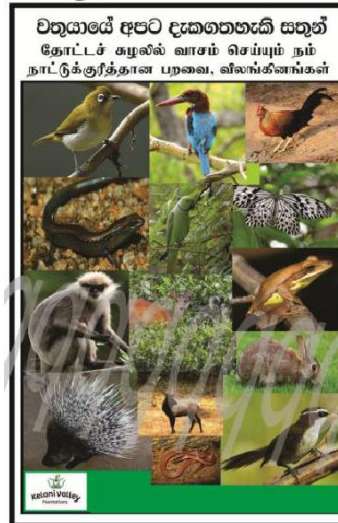
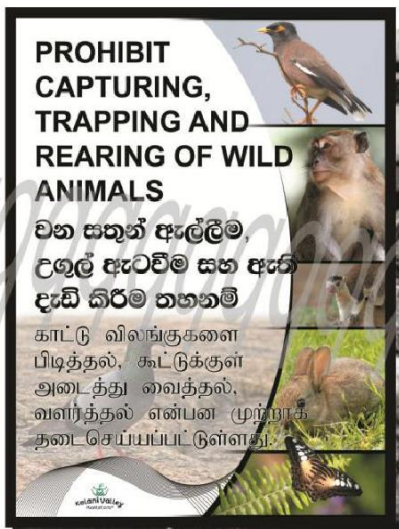
This system may not be practical at present due to the scarcity of skilled tappers. Further, this method also results in daily tapping of a tree to some extent.

Sub FMU assess environmental impacts before the commencement of site disturbing operations,

And Sub FMU do environmental impacts assessment (EIA) annually including potential impacts of management infrastructure, workers' activities and logging camps, and impacts related to the extraction of forest products such as equipment and transport network. The environmental impact assessments completed and documented before or during management planning in order to include its results in the planning process. The procedures of the sub FMU clearly identify the actions has taken to mitigate or reduce the environmental impacts identified during the assessment in the document.

- Hunting, capturing, extracting and trafficking wild animal in the estate is complete prohibited.
- Field officers should maintain wild life siting record.
- An inventory of wildlife and wildlife habitats should be established and e inventory should be updated once a year according to wildlife siting records.

Posters & awareness boards



The sub FMU carried out a survey in order to identify, map and protect representative samples of existing ecosystems. The conservation zones identified by the sub FMU include representative samples of existing ecosystems.

Protection of biodiversity and RTE species

The biodiversity survey conducted by experts has identified the biological values and the presence of RTE species and their habitats. PPL ensures to protect them by using specific management actions with the participation of FMU workers and relevant stakeholders.

Conservation zones have been identified and marked on maps, and where necessary, on the ground.

The sub FMU have systems in place in order to ensure that all measures are taken against illegal or unauthorized hunting, fishing, trapping or collection within the sub FMU.

Biodiversity Assessment

Comprehensive biodiversity assessment will be carried out by the assistance of experts most probably from Government University and other recognized authorities. This assessment will be done within 10 sub FMUs which are belongs to scope of FSC certification. Under this assessment, identification of flora, faunal species and their habitats present basically in permanent sampling plots (PSPs) e.g. Conservation areas of the each estate will be monitored. Based on national flora, faunal species list native, exotic & RTE species will be marked. A Frequency of above assessment will be once in 06 years.

Rare, Threatened and Endangered Species

Through the assessment all Rare, Threatened and Endangered Species will be identified

Make plantation wildlife friendly through planting native plants native plants provide food and shelter for native wildlife.

Use of herbicides and pesticides close to conservation area is prohibited. Harassing wildlife is cruel and is illegal and prohibited and Wildlife habitat will to be protected.

Fauna and Flora Red List species

All flora and fauna species present in 10 Sub FMUs will be identified by multidisciplinary university expert team and information is going to include in the inventory called "Biodiversity Assessment Report". This project was carried out for all ten estates namely; Panawatte, Kiriporuwa, Weoya, Dewalakande, Urumiwela, Ganepalla, Ederapolla, Kalupahana, Lavant and Kelani. Estate managers have this inventory covering all 10 estates. Scientific name, common name and their conservation status are mentioned in this Biodiversity Assessment. Every manager has "The 2012 Red List of Threaten Fauna and Flora of Sri Lanka" in soft copy form. Critically Endangered, Endangered, Vulnerable flora and fauna species can be identified them by above two records to Estate Community.

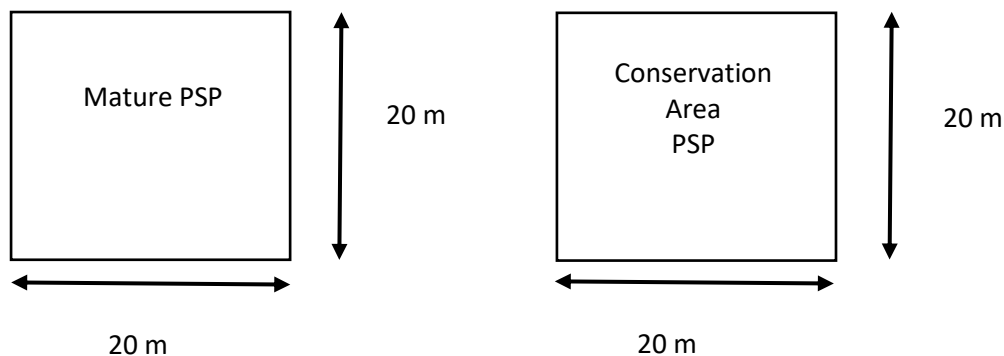
All available ecosystems are marked in the estate & divisional maps. And necessary permanent sampling plots (PSP) are established in order to monitor. All PSPs also marked in the maps.

Sampling Designs

Permanent sampling plots (PSPs) have been demarcated and identified those areas in the estate maps. This girth measuring is required to carry out annual basis. Biodiversity assessment should be carried out by an expert or team of experts once in 06 years. Assessment report will be kept in the estate office for reference.

Layout of sample

20 m X 20 m are the dimensions of the PSP. PSPs are demarcated by white concrete posts which has yellow band on top.



Data Collection

Data is collected annually by field officers under executive supervision from above PSPs.

Techniques adopted in rubber timber uprooting

Uprooting is carried out along the contour lines.

- Three categories are identified as per the slope of land.
 1. Gradient $0 - 45^\circ =$ Low
 2. Gradient $45^\circ - 60^\circ =$ Moderate
 3. Gradient $60^\circ \leq$ High
- Before Uprooting
 - Sketched Topography Map with all necessary information is prepared

The site map is contain information on topography, slope as per the gradient, slope categories, water sources, and existing estate roads and planned skidding routes.

This map is generated through a professional land surveying or using GPS mapping technology or Manual mapping. And all necessary resources is marked by the surveying professional or sub FMU executive staff.

- Environment impact Assessment (EIA) is conducted
- Copy of map & conducted copy of EIA is given to contractor. The agreement will be signed with contractor in order to give instruction to follow standard uprooting procedures to minimize environment disturbance on Soil, Water & biodiversity.
- According to the slope categories method of uprooting is carried out by the contractor.

If it is low (Gradient 0 – 45°) - Heavy machinery model no. 60 excavators is used.

If it is moderate (Gradient 45° – 60°) - Either model no. 30 excavator or monkey grubber are used. If the slope classification is high (Gradient 60° <) - then monkey grubber should be used for uprooting or trees can be removed manually

If the Site contain any water ways (Seasonal & Permanent) – 10 meters from water in both site has to be marked and trees has to be removed manually or using monkey grubber.

- Any Fauna or Flora habitats is not disturbed during the uprooting process
- As per EIA corrective actions is taken at the field in order to ensure least disturbance to environment on Soil, Water & biodiversity while uprooting and just after uprooting.
- Skidding routes is established along the contour lines.

For holloing for replanting

If it is low (Gradient 0 – 45°) - model no. 30 excavator is used.

If it is moderate (Gradient 45° – 60°) - model no. 30 excavator is used.
If the slope classification is high (Gradient 60° <) – manually done.
If the Site contain any water ways (Seasonal & Permanent) – 10 meters from water in both site manually done.

Conservation Area Protection Plan



- Should be marked in Estate Map
- PSP conservation plot should be fixed (20 m * 20m)
- PSP conservation area check list should be maintained to monitor Flora species annually.
- Wildlife sighting records should be maintained
- Install buffer zones and keep free from spraying chemicals
- Further native species planting and monitoring should be done
- Relevant display board should be installed
- Illegal timber harvesting, hunting and trapping is prohibited

HCV Conservation Area Action Plan



1. Earth slip Area

- Map –
 - Sketch Map/ Survey Plan
 - Google Map - Global Forest Watch
- NBRO Report
- Highly concern about NBRO recommendation
- Correspondence with relevant authorities
- Correspondence between Director Plantations, Estates and Field officers
- Form a committees and committee meeting minutes
- Land slid area conservation programme

| Activities | Time Frame | Responsibility |
|-------------------|-------------------|-----------------------|
| | | |
| | | |
| | | |

2. Forest Area

- Biodiversity assessment reports
 - Google Map - Global Forest Watch
- Sketch Map/ Survey Plan
- Wild life sighting records
 - Deputy Manager Sustainability inspection report
 - Assistant Manager monthly inspection report
 - Field officer inspection report

- Rainfall Data
- Native plants planting programme
- Install buffer zones and keep free from spraying chemicals
- Forest department inspection and recommendations
- Other specialists recommendations

4. Extremely Rare Plant Species (*Cotyleloeium lewisianum*) Yakahalu dun

- Biodiversity assessment reports
- Wild life sighting records
- Map
- Watcher pass book

FSC Commitment Policy



FSC COMMITMENT POLICY

As a socially and environmentally responsible plantation company, Kelani Valley Plantation PLC is ensured the Long-term commitment to adhere to the FSC Principles and Criteria in the Management Unit, and to related FSC Policies and Standards.

1. Compliance with laws
2. Workers rights and employment conditions
3. Indigenous peoples rights
4. Community relations
5. Benefits from the forest
6. Environmental values and impacts
7. Management planning
8. Monitoring and assessment
9. High conservation values
10. Implementation of management activities

Date 31/08/2022

A handwritten signature in blue ink, appearing to read "Rajadurai", written over a horizontal dotted line.

Roshni Rajadurai
Managing Director
Kelani Valley Plantations PLC

Note: This policy would imposed until and otherwise it is amended

Environmental Policy



ENVIRONMENTAL POLICY

Kelani Valley Plantations PLC is committed to conserving the environment for future generations by aligning its plantations, in compliance with legal & voluntary international environmental management systems requirements.

To this end, we adopt sustainable, environmentally friendly processes with the participation of all our employees & creating a framework to continually improve the system.

*Our vision is to achieve the status of
"Ethical Tea & Rubber Producer of the World"*

Date 07.05.2019

A handwritten signature in black ink, appearing to read "Rajesh", is written over a horizontal dotted line.

Managing Director
Kelani Valley Plantations PLC

Note: This policy would imposed until and otherwise it is amended

Ecosystem and Biodiversity Conservation Policy



ECOSYSTEM & BIODIVERSITY CONSERVATION POLICY

The Vision : To create an environment where people and biodiversity co-exist to each other's mutual benefit.

The Mission : Protecting Natural and Semi-Natural ecosystems and their biodiversity in estates and managing them in a sustainable manner.

This is achieved by

- Identification of all existing ecosystems and protecting and restoring them, through a companywide conservation and rehabilitation programme.
- Integrating good agricultural practices with conservation programmes in order to prevent damage to the system from crop management operations.
- Inventorying all fauna and flora existing within our plantations & mapping natural and semi natural ecosystems.
- Creating awareness within the plantation community regarding the importance of Ecosystem & Biodiversity Conservation and initiating participatory conservation programmes.
- Promoting research, education, communication and responsible visitor service by engaging with all stake holders of the value chain.

Date 07.05.2019


Managing Director
Kelani Valley Plantations PLC

Note: This policy would imposed until and otherwise it is amended

Gender Equality Policy



COMMITMENT TO GENDER EQUALITY

Kelani Valley Plantations PLC is committed to ensure the equal rights, responsibilities, and opportunities of all women and men for the below criteria.

- Interests, needs, and priorities of both women and men are taken into consideration.
- Recognizing the diversity in recruitment and advancement processes to ensure quality between women and men.
- Equal pay for equal work.
- Recognition and rewards that are unbiased and based on contribution and performance.
- Genuine access to various positions and levels of leadership by removing gender-based barriers.

Date 25/01/2022


Roshan Rajadurai
Managing Director
Kelani Valley Plantations PLC

*Note: This policy would imposed until and otherwise it is amended
This is for internal communication only.*

Occupational Health & Safety Policy



Occupational Health and Safety Policy Statement

Our vision is to be the most ethical tea and rubber producer of the world and occupational health and safety is a major component in our drive towards this vision. Our overall objective on occupational health and safety is to provide and maintain a safe and healthy environment for our employees, associates, service providers and customers.

Occupational health and safety is a responsibility we all share. Therefore, I expect every employee, associate, service provider and customer to assume this responsibility and conform to the company's occupational health and safety regulations.

This is achieved by

- Providing a safe place of work / safe systems of work with effective control of the occupational health and safety risks to employees, associates, service providers and our customers, in so far as it is practicable to do so.
- Adhering to all relevant national occupational health and safety legislation and requirements, subscribed to by the company.
- Providing and communicating appropriate information, instructions and training, thus ensuring that all employees are aware of their health and safety obligations.
- Periodically setting reviewing policy, objectives and targets for operational performance and risk assessment and audit programs to ensure continual improvement.

Date 07.05.2019.

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Managing Director
Kelani Valley Plantations PLC

Note. This policy would imposed until and otherwise it is amended

Social Policy



Social Policy

Child Labor – KVPL will not engage in or support any labor below the age limit of 18 years. Further, all recruitment is carried out within the framework of legal age proofing documents.

Forced and Compulsory Labor - KVPL will not engage in or support the use of forced and compulsory labor. All employment opportunities are freely given and employees are free to leave in accordance with established procedures.

Health & Safety - KVPL creates a healthy and safe working environment for all personnel associated with the company & provides adequate safeguards, where ever necessary, to minimize accidents & injuries occurring in the course of work.

Freedom of Association & Right to Collective Bargaining- KVPL respects and recognizes its employees' rights to freedom of association and collective bargaining. Any employee has the right to become a member of any trade union of their choice.

Wages & Benefits – KVPL pays wages agreed by collective bargaining & promotes all legally mandated benefits according to laws of Sri Lanka. In addition to their compensation for regular hours of work, employees are compensated for overtime hours as required by law.

Discrimination – KVPL does not engage in or support discrimination in hiring, remuneration, promotion, termination or retirement based on race, color, gender, age, religion, social class, political tendencies, nationality, syndicate memberships, sexual orientation and civil status.

Harassment or Abuse – KVPL respects employees' dignity & does not engage in or support any kind of harassment or abuse or mistreatment for any reason.

Date 04/08/2020


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Managing Director
Kelani Valley Plantations PLC

Note: This policy would imposed until and otherwise it is amended

Hayleys Group Policies:

https://drive.google.com/drive/folders/1MxBY4-ODiioJAsLTkCAUhNQfIjI4S-7p?usp=share_link

DISPUTE RESOLUTION PROCEDURE

Dispute Identification

- Normally estates are having different kind of disputes.
 - Eg. Loss of Assets.
 - Loss of Soil (Soil erosion).
 - Violation of statutory or customary law.
 - Loss or damage to property.
 - Occupational disease or injury.
 - Legal and customary right violations of local community.



Collecting data & Information

- The data collecting responsibilities taken by Estate Watchers, Field Officers, Welfare Officers Asst. Managers, and Managers.
- Data collect through grievances mechanism. (verbal communication, letters, labor days records, police complains, court orders, GN, AGA, accident books, media)



Assess the Dispute/Calculate loss or Damage.

Small Disputes

Big Dispute

- Assessment Committee members
- * Relevant Government Authorities

Manager
Asst. Manager
Administrative Officer

Eg. Gramaniladari,
A.G.A.
Manager
Asst. Manager
Administrative Officer
Govi niyamaka
(If Agriculture compensation)
Insurance company
(Occupational injury, property, asset, vehicle)



Steps taken to resolve the dispute



Outcome of the dispute



*Sometimes management should be decided to stop the work on disputed areas according to the substantial magnitude, durations, involving significant number of interest.

*If the dispute under the court. Management would attend the timely manner and act as the court decision/judgments.

Decide the Compensation

*Fair compensation is much essential.



Director/CEO or MD Approval



Payment

*If the estate are having unresolved disputes, Estate management must give the reasons they are not resolved and how they will be resolved.

Keep all the relevant documents for the evidence.

HCV monitoring KVPL

| | 2019 | | | | | | 2020 | | | | | |
|---|--------------------------|--------|------------|-----------|-----------|-----------|--------------------------------|--------|------------|-----------|-----------|-----------|
| | Dewalakande | Lavant | Ederapolla | | | | Dewalakande | Lavant | Ederapolla | | | |
| Earth slip Area | | | 1 | 2 | 3 | 4 | | | 1 | 2 | 3 | 4 |
| Sketch Map/ Survey Plan | | | Available | Available | Available | | | | Available | Available | Available | |
| Google Map - Global Forest Watch | | | Available | Available | Available | | | | Available | Available | Available | |
| NBRO Report | | | Available | Available | Available | | | | Available | Available | Available | |
| Highly concern about NBRO recommendation | | | Available | Available | Available | | | | Available | Available | Available | |
| Correspondence with relevant authorities | | | Available | Available | Available | | | | Available | Available | Available | |
| Correspondence between Director Plantations, Estates and Field officers | | | Available | Available | Available | | | | Available | Available | Available | |
| Form a committees and committee meeting minutes | | | Available | Available | Available | | | | Updated | Updated | Updated | |
| Land slid area conservation programme | | | Available | Available | Available | | | | Updated | Updated | Updated | |
| | | | | | | | | | | | | |
| Forest Area | | | | | | | | | | | | |
| Biodiversity assessment reports | Conducted on 2019/8/13 | Done | | | | Available | Assessment done on November 27 | No | | | | Available |
| Sketch Map/ Survey Plan | Both documents available | Done | | | | Available | Updated and available | No | | | | Available |

HCV monitoring KVPL

| | 2021 | | | | | |
|---|--------------------------|--------------------------------|------------|-----------|-----------|-----------|
| | Dewalakande | Lavant | Ederapolla | | | |
| Earth slip Area | | | 1 | 2 | 3 | 4 |
| Sketch Map/ Survey Plan | | | Available | Available | Available | |
| Google Map - Global Forest Watch | | | Available | Available | Available | |
| NBRO Report | | | Available | Available | Available | |
| Highly concern about NBRO recommendation | | | Available | Available | Available | |
| Correspondence with relevant authorities | | | Available | Available | Available | |
| Correspondence between Director Plantations, Estates and Field officers | | | Available | Available | Available | |
| Form a committees and committee meeting minutes | | | Updated | Updated | Updated | |
| Land slid area conservation programme | | | Updated | Updated | Updated | |
| | | | | | | |
| Forest Area | | | | | | |
| Biodiversity assessment reports | Conducted | Assesement done on November 27 | | | | Available |
| Sketch Map/ Survey Plan | Both documents available | Updated and available | | | | Available |
| Google Map - Global Forest Watch | Available | Map available | | | | Available |

| | | | | | | |
|--|--------------------------------|----------------------------------|--|--|--|---|
| Wild life sighting records | Maintained throughout the year | Maintained throughout the year | | | | Available |
| Deputy Manager Sustainability inspection report | | Document available | | | | Available |
| Assistant Manager monthly inspection report | Report Done | Done | | | | Available |
| Field officer inspection report | Available | Available | | | | Available |
| Rainfall Data | Updated | Updated | | | | Available |
| Native plants planting programme | | Buffer zone demarcated & updated | | | | Available |
| Install buffer zones and keep free from spraying chemicals | Completed | got delayed due to Covid 19 | | | | Maintained |
| Forest department inspection and recommendations | Available | got delayed due to Covid 20 | | | | Due to the Covid-19 situation Forest Department Inspection not done |
| Other specialists recommendations | | | | | | Requested |

HCV monitoring KVPL

| | 2022 | | | | | |
|---|-------------|-------------------------------|------------|-----------|-----------|-----------|
| | Dewalakande | Lavant | Ederapolla | | | |
| Earth slip Area | | | 1 | 2 | 3 | 4 |
| Sketch Map/ Survey Plan | | Not applicable | Available | Available | Available | |
| Google Map - Global Forest Watch | | Not applicable | Available | Available | Available | |
| NBRO Report | | Not applicable | Available | Available | Available | |
| Highly concern about NBRO recommendation | | Not applicable | Available | Available | Available | |
| Correspondence with relevant authorities | | Not applicable | Available | Available | Available | |
| Correspondence between Director Plantations, Estates and Field officers | | Not applicable | Available | Available | Available | |
| Form a committees and committee meeting minutes | | Not applicable | Updated | Updated | Updated | |
| Land slid area conservation programme | | Not applicable | Updated | Updated | Updated | |
| | | | | | | |
| Forest Area | | | | | | |
| Biodiversity assessment reports | Available | Asesement done on November 27 | | | | Available |

| | | | | | | |
|--|-------------|----------------------------------|--|--|--|------------|
| Sketch Map/ Survey Plan | Available | Updated and available | | | | Available |
| Google Map - Global Forest Watch | Available | Map available | | | | Available |
| Wild life sighting records | Available | Maintained throughout the year | | | | Available |
| Deputy Manager Sustainability inspection report | Available | Document available | | | | Available |
| Assistant Manager monthly inspection report | Report done | Done | | | | Available |
| Field officer inspection report | Available | Available | | | | Available |
| Rainfall Data | Updated | Updated | | | | Available |
| Native plants planting programme | Done | Buffer zone demarcated & updated | | | | Available |
| Install buffer zones and keep free from spraying chemicals | Completed | No | | | | Maintained |
| Forest department inspection and recommendations | Available | No | | | | |
| Other specialists recommendations | | | | | | |

HCV monitoring KVPL

| | 2023 | | | | | | Halgolla |
|---|------------------------------------|---|------------|-----------|-----------|-----------|---|
| | Dewalakande | Lavant | Ederapolla | | | | |
| Earth slip Area | | | 1 | 2 | 3 | 4 | |
| Sketch Map/ Survey Plan | | | Available | Available | Available | | |
| Google Map - Global Forest Watch | | | Available | Available | Available | | |
| NBRO Report | | | Available | Available | Available | | |
| Highly concern about NBRO recommendation | | | Available | Available | Available | | |
| Correspondence with relevant authorities | | | Available | Available | Available | | |
| Correspondence between Director Plantations, Estates and Field officers | | | Available | Available | Available | | |
| Form a committees and committee meeting minutes | | | Updated | Updated | Updated | | |
| Land slid area conservation programme | | | Updated | Updated | Updated | | |
| | | | | | | | |
| Forest Area | | | | | | | |
| Biodiversity assessment reports | Available (Due for new BDA report) | Survey has been already conducted for the 2nd round BDA | | | | | Survey has been already conducted for the 2nd round BDA |
| Sketch Map/ Survey Plan | Available | Updated and available | | | | Available | |

| | | | | | | | |
|---|---|--|--|--|--|--|--|
| Google Map - Global Forest Watch | Available | Map available | | | | Available | |
| Wild life sighting records | Available | Maintained throughout the year | | | | Available | |
| Senior Manager Sustainability inspection report | Available | Document available | | | | Available | |
| Assistant Manager monthly inspection report | Available | Done | | | | Available | |
| Field officer inspection report | Available | Available | | | | Available | |
| Rainfall Data | Available | Updated | | | | Available | |
| Native plants planting programme | 100 Native trees planted on October 24th - celebration of Climate Action Date | Celebration of world Environment Day 5th of June- 100 Kumbuk trees have been planted | | | | International Day of Forest has been celebrated and 400 Mee and Kumbuk trees have been planted | |
| Install buffer zones and keep free from spraying chemicals | Available | Available | | | | Maintained | |
| Forest department inspection and recommendations | Forest Department officer of Kitulgala already been visited | Forest Department officer of Kitulgala already been visited | | | | Forest Department officer of Kitulgala already been visited | |
| Other specialists recommendations | | | | | | | |
| Extremely Rare Plant Species (<i>Cotyleloeium lewisianum</i>) Yakahalu dun | | | | | | | |

| | | | | | | | |
|---------------------------------|--|--|--|--|--|--|---|
| Biodiversity assessment reports | | | | | | | BDA Reports are available done in 2009, 2013, 2019 & 2023 |
| Wild life sighting records | | | | | | | Available |
| Map | | | | | | | Available |
| Watcher pass book | | | | | | | Available |

Monitoring in 8.2.1 is sufficient to identify and describe the environmental impacts of management activities.

| | Activity | Criterion | Monitoring Frequency | Record |
|---|--|-----------|---------------------------------------|--|
| a | The results of regeneration activities | 10.1 | according to the replanting programme | replanting programme |
| b | The use of ecologically well adapted species for regeneration | 10.2 | Yearly | RRISL recommended clone list |
| c | Invasiveness or other adverse impacts associated with any alien species within and outside the Management Unit | 10.3 | Daily/yearly | Invasive species control plan, training, awareness |
| d | The use of genetically modified organisms to confirm that they are not being used | 10.4 | N/A | N/A |
| e | The results of silvicultural activities | 10.5 | Yearly | records of commercial timber species planting |
| f | Adverse impacts to environmental values from fertilizers | 10.6 | Throughout the year | Fertilizer application records |
| g | Adverse impacts from the use of pesticides | 10.7 | Throughout the year | Chemical used records |
| h | Adverse impacts from the use of biological control agents | 10.8 | N/A | N/A |
| i | The impacts from natural hazards | 10.9 | Throughout the year | NBRO reports & their recommendations |

| | | | | |
|---|---|-------|---------------------------|--|
| j | The impacts of infrastructural development, transport activities and silviculture to rare and threatened species, habitats, ecosystems, landscape values, water and soils | 10.10 | Before start the activity | Site specific EIA |
| k | The impacts of harvesting and extraction of timber on non-timber forest products, environmental values, merchantable wood waste and other products and services | 10.11 | When the work going on | Timber harvest good management practice recommendations |
| l | Environmentally appropriate disposal of waste material | 10.12 | Throughout the year | Records of chemical cane disposal, waste selling records |

Monitoring in 8.2.1 is sufficient to identify and describe social impacts of management activities.

| | Activity | Criterion | Monitoring Frequency | Record |
|---|--|-------------|--|--|
| a | Evidence of illegal or unauthorized activities | 1.4 | Daily | Police entry book, court case register |
| b | Compliance with applicable laws, local laws, ratified international conventions and obligatory codes of practice | 1.5 | Daily- applicable low updation , EPL every three years, RDD-yearly | RDD certificate of registrations factory & KVPL, Factory EPL,updated list of applicable lows |
| c | Resolution of disputes and grievances | 1.6,2.6,4.6 | Daily | Police entry book, court case register,labour day book, other relevant letters,labour register, evidence of payments compensations. |
| d | Programs and activities regarding workers rights | 2.1 | Daily | Assess & address committee monitoring records, worker register,relavant letters of complains, terminations records, Maternity payments books, pay rolls, pay slips |
| e | Gender equality, sexual harassment and gender discrimination | 2.2 | Daily | Gender committee records, attendance sheets gender column |
| f | Programs and activities regarding occupational health and safety | 2.3 | Yearly/Daily | OHS committee meetings,OHS risk assesment,OHS plan, First aid program, machinery service and maintenance |

| | | | | |
|---|--|-----------------|---|---|
| | | | | certificates, accident books, workman compensations, fire drills |
| g | Payment of wages | 2.4 | Monthly | Pay rolls & pay slips |
| h | Workers' training | 2.5 | Yearly | Training plan & evidence according to the Annexure B |
| i | Where pesticides are used, the health of workers exposed to pesticides | 2.5,10.7 | Yearly | Chemical handlers training & medical checkups |
| j | The identification of Indigenous Peoples and local communities and their legal and customary rights | 3.1,4.1 | Yearly | Only local communities identified through the stakeholders meetings |
| k | Full implementation of the terms in binding agreements | 3.2,4.2 | According to the project | Initial agreement is made & act accordingly (If projects available) |
| l | Indigenous Peoples and community relations | 3.2,3.3,4.2 | Yearly/Situational | Stakeholders consultations & community relation activities according to the situation |
| m | Protection of sites of special cultural, ecological, economic, religious or spiritual significance to Indigenous Peoples and local communities | 3.5,4.7 | Not identified up to now | If identified, management would be act according to the conservation plan |
| n | The persistence of associated values of significance to Indigenous Peoples | 3.1,3.5 | N/A | N/A |
| o | The use of traditional knowledge and intellectual property | 3.6,4.8 | There are no any intellectual knowledge to use since we are based on RRIS recommendations | There are no any intellectual knowledge to use since we are based on RRIS recommendations |
| p | Local economic and social development | 4.2,4.3,4.4,4.5 | Throughout the year | Information about staffs, contractors and vendors. CSR works, special social projects, community relation programme, SIA. |
| q | The production of diversified benefits and/or products | 5.1 | Yearly | Diversified crop & income records |
| r | The maintenance and/or enhancement of ecosystem services | 5.1 | Throughout the year | maintain ecosystem services according to the conservation plan |

| | | | | |
|---|---|-----|---------------------|--|
| s | Activities to maintain or enhance ecosystem services | 5.1 | Throughout the year | maintain ecosystem services according to the conservation plan |
| t | Actual compared to projected annual harvests of timber and non-timber forest products | 5.2 | Daily/monthly | Yield books , crop records & replanting programme. |
| u | The use of local processing, local services and local value-added manufacturing | 5.4 | Throughout the year | Information about local venders |
| v | Long term economic viability | 5.5 | Yearly | Long term economic viability plan |
| w | High Conservation Values 5 and 6 identified | 9.1 | HCV 5 & 6 N/A | HCV 5 & 6 N/A |

Monitoring procedures in 8.2.2 are sufficient to identify and describe changes in environmental conditions

| | Activity | Criterion | Monitoring Frequency | Record |
|---|--|-----------|---|--|
| a | The maintenance and/or enhancement of ecosystem services (when The Organization uses FSC ecosystem services claims) | 5.2 | N/A | N/A |
| b | Environmental values and ecosystem functions including carbon sequestration and storage | 6.1 | BDA(every 6 years),EIA(before the uprooting) pre/post harvest (throughout the uprooting work) | Biodiversity assessment (every 6 years), wildlife siting records, Uprooting EIA, pre/post harvest check lists |
| | Including the effectiveness of actions identified and implemented to prevent, mitigate and repair negative impacts to environmental values | 6.3 | Monthly | Soil erosion sticks records (monthly), water flow level(monthly),turbidity (monthly), uprooting contractor training (before the uprooting works) |
| c | Rare and threatened species, and the effectiveness of actions implemented to protect them and their habitats | 6.4 | Throughout the year | BDA,native species planting programme,records & actions related to the Hunting, fishing, trapping and collection of rare or threatened species, |

| | | | | |
|---|--|-----|---------------------|--|
| d | Representative sample areas and the effectiveness of actions implemented to conserve and/or restore them | 6.5 | Throughout the year | PSP monitoring(yearly), native tree planting programme (yearly), conservation are restoration plan implementations. |
| e | Naturally occurring native species and biological diversity and the effectiveness of actions implemented to conserve and/or restore them | 6.6 | Throughout the year | PSP monitoring(yearly), native tree planting programme (yearly), conservation are restoration plan implementations, no hunting training and awareness. |
| f | Water courses, water bodies, water quantity and water quality and the effectiveness of actions implemented to conserve and/or restore them | 6.7 | Throughout the year | Drinking water tests (yearly), aquatic ecosystem restoration plan implementations. |
| g | Landscape values and the effectiveness of actions implemented to maintain and/or restore them | 6.8 | Throughout the year | According to the BDA recommendations |
| h | Conversion of natural forest to plantations or conversion to nonforest | 6.9 | Throughout the year | No any conversion record |
| i | The status of plantations established after 1994 | 6.1 | Throughout the year | No any conversion record |
| j | High Conservation Values 1 to 4 identified and the effectiveness of actions implemented to maintain and/or enhance them. | 9.1 | Throughout the year | HCV area conservation plan & monitoring plan |