



CORPORATE POLICY

DAMSILA RESOURCES (PVT) LTD

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ENVIRONMENTAL POLICY

Damsila Resources (Pvt) Ltd. as a leading mineral resource exploration, mining and processing company operating in Sri Lanka, is aware of its immediate physical and social neighborhood and will protect the flora, fauna, water resources, soil, air and culture of neighboring communities and will do its best to influence our stakeholders in the same business by sharing our knowledge and experience.

We are committed to:

- Pollution prevention to meet all legal and regulatory requirements; Continuous improvement of the environmental management system through waste reduction, energy savings, wastewater reduction and environmental sensitivity in procurement at all operational activities.
- Adopt an environmental plan for mine sites and communicate with all employees, subcontractors and suppliers about the objectives of the environmental program and raise awareness of individual obligations in terms of environmental protection.
- Conduct all mineral exploration and mining activities in a sustainable safe manner according to the guidelines and regulations set forth by the Geological Survey and Mines Bureau, Central Environmental Authority and other legislative bodies in Sri Lanka.
- Ensure all exploration work and mining activities are followed by extensive rehabilitation plans.

ENVIRONMENTAL MANAGEMENT PROCESS

1. The workplace must always comply with the company's environmental policy statement.
2. Disposal of waste in the workplace
 - a. Garbage should be classified and disposed of accordingly
 - b. The site managers shall inform all employees of proper disposal of garbage.
3. Debris generated through mining should be stored in an appropriate manner according to the recommendations of the Regional Mining Engineer of the Geological Survey and Mines Bureau.
4. Areas where mining has been completed or halted for a prolonged period should be contoured based on recommendations of the Geological Survey and Mines Bureau engineers and appropriate measures should be taken to plant vegetation in these areas.
5. Native Plants and Plants that are suitable for mine rehabilitation should be sourced from local nurseries as much as possible.
6. Site manager on a daily basis, should monitor whether garbage disposal and environmental management action plans are carried out.
7. The workplace environmental management activities should be monitored by a member of the DRL Board or a representative on a monthly basis.

LABOR POLICY

Damsila Resources (Pvt) Ltd. (DRL) supports and adheres to the laws and regulations set forth in the Wages Board Ordinance of 1941, Shop and Office Employees Act of 1954, and Factories Ordinance of 1950 of Sri Lanka.

Accordingly, the labor standards and employment relations at DRL will be governed by the following policies and principles: -

- DRL will at all times promote mutual respect and professionalism free from all forms of intimidation, harassment and violence, thus having a positive influence on creativity, satisfaction and motivation whilst empowering and enhancing the performance of our employees.
- DRL will not discriminate in employment, occupation and remuneration against employees on such grounds as race, gender, color, religion, political opinion.
- Forced or compulsory labor will not be practiced.
- Child labor is prohibited.
- Ensure stability in employment.
- Provide safe and hygienic working conditions.
- Offering fair wages and benefits and conditions of employment to employees.
- Eliminate harsh and inhumane treatment of employees.
- Eliminate excessive working hours and overtime work.
- Provide appropriate facilities to employees to carry out their functions promptly and efficiently.
- Formulate effective communication policy within the workplace to promote rapid dissemination and exchange of information relating to various aspects of the undertaking and to the social conditions of the employees.
- Establish appropriate machinery communication between management and employees.
- Establish grievance procedures for the examination of employee grievances.
- Providing advisory services on labor and industrial relations matters to employers and employees and promoting and facilitating effective.

GRIEVANCE HANDLING PROCEDURE

1. Any issues related to a worker shall first be identified by the site manager and categorized as personal / health / employment related issue.
 - a) The site managers shall personally discuss the issue with the aggrieved party. In case the issue is related to a health or personal matter of a female employee, the site manager shall direct the employee to discuss the matter with the General Manager HR and Administration Executive at the Head Office.
 - b) In the case of male employees, the site manager shall provide a solution within three working days. In case the issue cannot be resolved at site manager level, it shall be directed to Director – HR and Administration.
2. If site manager has an issue that needs to be discussed, he shall contact the head office, or the matter should be referred to the Director – HR and Administration.
3. If there is an issue with employee ethics, the manager should immediately address the issue within 24 hours.
4. If a theft or fraud has occurred at the workplace involving an employee
 - a) The manager shall summon the relevant employee / employees within three days of identifying the theft / fraud.
 - b) If the issue is not resolved, the employee / employees shall be granted compulsory leave and the head office will send a representative of the Director of HR and Administration to conduct an inquiry and resolve the issue within three working days.
 - c) However, if the issue cannot be resolved by the board appointed representative, an independent inquiring officer will be appointed to investigate the issue and resolve the matter in 14 working days.
5. The company shall always adhere to the laws and regulations set forth in the Wages Board Ordinance of 1941, Shop and Office Employees Act of 1954, and Factories Ordinance of 1950 of Sri Lanka.

OCCUPATIONAL HEALTH AND SAFETY POLICY

Damsila Resources (Pvt) Ltd. (DRL) is firmly committed to a policy enabling all work activities to be carried out safely, and with all possible measures taken to remove (or at least reduce) risks to the health, safety and welfare of employees, contractors, authorized visitors, and anyone else who may be affected by our operations.

INDUSTRIAL SAFETY AND FIRST AID

- Information, instruction, training and supervision that is reasonably necessary to ensure that each employee is safe from injury and risks to health will be provided.
- Practicable steps will be ensured to prevent any person falling into mine shafts, pits, vessels, structures, sumps or pits which contain dangerous liquids either by covering or fencing them.
- Employees engaged in mining, processing and machinery operation work will be provided with suitable personal protective equipment such as gloves, shoes, boots, goggles, ear protectors, respirators etc., as necessary.
- All employees will wear personal protective equipment and clothing where necessary.
- Hoists, lifts, cranes, and other lifting machines will be protected and also be tested by a competent person at least once in every 12 months.
- All practicable steps will be taken to remove any fumes which may be present and to prevent ingress of fumes, before employees are employed in confined spaces such as tanks, vats, pits, pipes etc. persons entering should be provided with suitable breathing apparatus belts and ropes.
- In stacking material in stores areas, pathways free of obstruction will conform to the requirements of the Ceylon electricity board.
- Electrical wiring and fittings will be maintained properly and should conform to the requirements of the Ceylon electricity board.
- A plan for the evacuation of employees in an emergency such as fire or an explosion to be prepared and practiced so that all persons employed are familiar with the routine to be followed in such situation.
- Designated areas will be allocated as assembly points for an emergency.
- Explosives used in mining will be stored in a designated area and handled by only trained personnel with protective equipment.
- All employees must comply with safe work practices, with the intent of avoiding injury to themselves and others and damage to plant and equipment
- All employees must take reasonable care of the health and safety of themselves and others.
- All employees must report all known or observed hazards to their supervisor or manager.
- All accidents and incidents on the job, no matter how trivial should be reported and recorded in the accident register.
- A well-equipped first-aid room (sick room) with trained first-aid attendant (member of the staff) and adequate facilities will be provided.
- First aid training will be provided annually to all employees and two personnel will be provided training for emergency medical treatment for injury.
- First aid register should be maintained, and stock should be updated regularly.

- All employees will comply with any direction given by management for health and safety.
- Workmen's compensation, at present rates shall be paid to a employee in respect of an injury caused due to an accident arising out of and in the course of employment or disease which is of an occupational origin either by the company or through an insurance policy through an insurance organization.

INDUSTRIAL HYGIENE & EMPLOYEES' WELFARE

- Reasonable temperature will be maintained in each work area so that employees could work in comfort. Suitable steps will be taken to maintain the circulation of fresh air in each work area and facilities will be provided to remove all fumes, dust and other impurities injurious to health that may be generated in the course of any process or work carried out in the mine sites or factories.
- In the case of mine site or factory sufficient and suitable lighting will be provided in every part of the mine site /factory in which persons are working or passing.
- Sufficient number of sanitary conveniences with accessible water taps will be provided and maintained for male and female employees separately on the ratio of one per every 25 employees.
- An adequate supply of drinking water for the use of the employees will be provided.
- Washing facilities to be provided separately for males and females.
- A meal room with sufficient number of tables and seating accommodation to accommodate at least: 1/3 of the workforce at a time will be provided.
- Meal room should always be kept clean.
- Changing rooms will be provided separately for male and female employees.
- Suitable facilities for resting will be provided and maintained for the use of all employees.

COMMUNICATIONS POLICY

Damsila Resources (Pvt) Ltd. (DRL) promotes a culture of teamwork in which all employees work together to achieve common goals through open and honest communication at different levels of the organizational hierarchy. We promote the exchange of new ideas and successes, ask for information about gaps, and encourage open rhetoric to seek recommendations for continuous improvement. Therefore, our communications policy entails the following:

- DRL has an open-door communication policy. Any employee can directly approach higher management either in person or via any other communication means (letter, text, telephone, etc.) to discuss matters of interest to the Company or matters of personal nature that may affect the ability for the employee to properly discharge his/her duties at DRL.
- Suggestions / employee issues can also be raised by employees anonymously by using the suggestion boxes provided.
- DRL management will communicate to the employees as appropriate, information on matters of interest to the employees relating to the operation and future aspects of the enterprise and to the present and future situation of the employees so far as disclosure of the information will not cause damage to the parties.

In particular, the management should give information regarding -

- General conditions of employment, including engagement, transfer and termination of employment;
- Job descriptions and the place of particular jobs within the structure of the undertaking.
- Possibilities of training and prospects of advancement within the undertaking;
- General working conditions;
- Occupational safety and health regulations and instructions for the prevention of accidents and occupational diseases;
- Procedures for the examination of grievances as well as the rules and practices governing their operation and the conditions for having recourse to them;
- Personnel welfare services (medical care, health, canteens, housing, leisure, savings and banking facilities, etc.);
- Social security or social assistance schemes in the undertaking;
- The details about the grievance procedure established within the enterprise;
- The general situation of the undertaking and prospects or plans for its future development;
- The explanation of decisions which are likely to affect directly or indirectly the situation of the employees in the enterprise;
- Methods of consultation and discussion and of co-operation between the management and its representatives on the one hand and the employees on the other.