



2018



Sustainability Report

Sri Trang Agro-Industry Public Company Limited

The Green Rubber Company



"Passionately We Drive Possibility"

>> STA...The Green Rubber Company >>

Contents

Corporate

- 02 Message from Chairman and Managing Director
- 04 Getting to Know Sri Trang
- 12 Sustainable Social Responsibility Management
- 16 The Practices with Stakeholders
- 20 About This Report
- 23 Membership of Organizations for Economic, Social and Environmental Development

Governance

- 24 Business Overview and Economics Performance
- 25 Corporate Governance
- 26 Anti-Corruption
- 27 Risk Management
- 30 Social and Environmental Innovation

Social

- 32 Human Rights and Employees' Care
- 39 Supply Chain Management
- 42 Participation of Communities and Society Development

Environment

- 48 Environmental Management
- 49 Climate Change and Energy Conservation
- 50 Water Management
- 51 Air Emissions
- 52 Waste Management
- 53 Environmental Performance
- 55 Awards and Achievements of the Year 2018
- 58 GRI Content Index



Message from Chairman and Managing Director



As we are moving forward to our 31st year in operation, STA remains committed to operating as a fully integrated natural rubber company under the sustainable development guidelines.

A notable development in 2018 for STA was the growth of our glove production subsidiary, Sri Trang Gloves (Thailand) Ltd. To prepare our operations for the changing nature of the competition and industry landscape in the Thailand 4.0 era, we have set Smart Sri Trang as our mission. We intend to achieve the efficient utilization of resources by deploying artificial intelligence to improve efficiency, as well as by preparing our personnel to be ready for the expansion of our operations. We also intend to focus on research and development and strive to innovate, as well as implement risk management throughout the supply chain.

The Prime Minister's Export Award in the category of best exporter from the Ministry of Commerce and the Outstanding Industry Award in the category of quality management from the Ministry of Industry

that we received were testament to our excellence in production and commitment to social responsibility.

In 2018, we also came up with 13 sustainable development goals (SDG) that align with our strategy in order to assure our stakeholders of our commitment to social responsibility as the **"The Green Rubber Company"**. We conduct our operations as a fully integrated natural rubber company on the basis of transparency and sustainable development, and provide quality products and services that are safe for consumers and friendly to the environment and the local communities. At the same time, we are committed to the sustainable development of the local communities and the society at large, with an eye toward the sustainable growth of the natural rubber industry.

Dr. Viyavood Sincharoenkul

Chairman and Managing Director of

Sri Trang Agro-Industry Public Company Limited

February 2019



Getting to Know Sri Trang



Mission 2018

Over the last few years, new trends have emerged that have had an enormous influence on how we work. The business intelligence influences our organizations' strategies, operations and investments in a wide variety of ways. We, Sri Trang Group are realizing that our ability to change is a key source of competitive advantage and one of the most critical competencies that we can grow. Building capability of change and improve organizational agility requires positiveness to drive the possibilities structure and intent. Our main objective is to maximize the usage of resources efficiently and effectively.

In 2018, we are ready to embark on the journey by embedding the ability to change and building individual competencies by using a variety of tools of business intelligence. In order to make it happen, every staff has to think smart, act smart and work smart accordingly. Let's go and move towards "SMART SRI TRANG".

Passionately, we drive possibilities
 >> The Green Rubber Company >>



Vision

Passionately, we drive possibilities >> the green rubber company >>

1. We are committed to delivering to our shareholders, having regard to sustainable growth and reasonable, consistent returns to shareholders, the highest level of satisfaction.
2. We are committed to an environmentally sound approach to production, through which we strive to inspire satisfaction and confidence in our customers and suppliers.
3. We are committed to the practices of good corporate governance and to operating with fairness and transparency with a view to improving the living and working conditions of our stakeholders.
4. We are committed to providing our employees with a pleasant work environment, fair compensation and career advancement opportunities.
5. We are committed to minimizing the social and environmental impact of our operations and to the sustainable consumption of natural resources.



Company Name: Sri Trang Agro Industry Public Company Limited
Stock Market Name: STA
Established: April 30, 1987
Headquarter: 10 Soi 10, Phetkasem Road, Hatyai, Songkhla, 90110, Thailand
Tel. 0-7434-4663
Fax. 0-7434-4676, 0-7434-4677, 0-7423-7423
Number of Employees : 14,047 (As 31 December 2018)
Registered Capital : Baht 1,535,999,998.00



Core Values

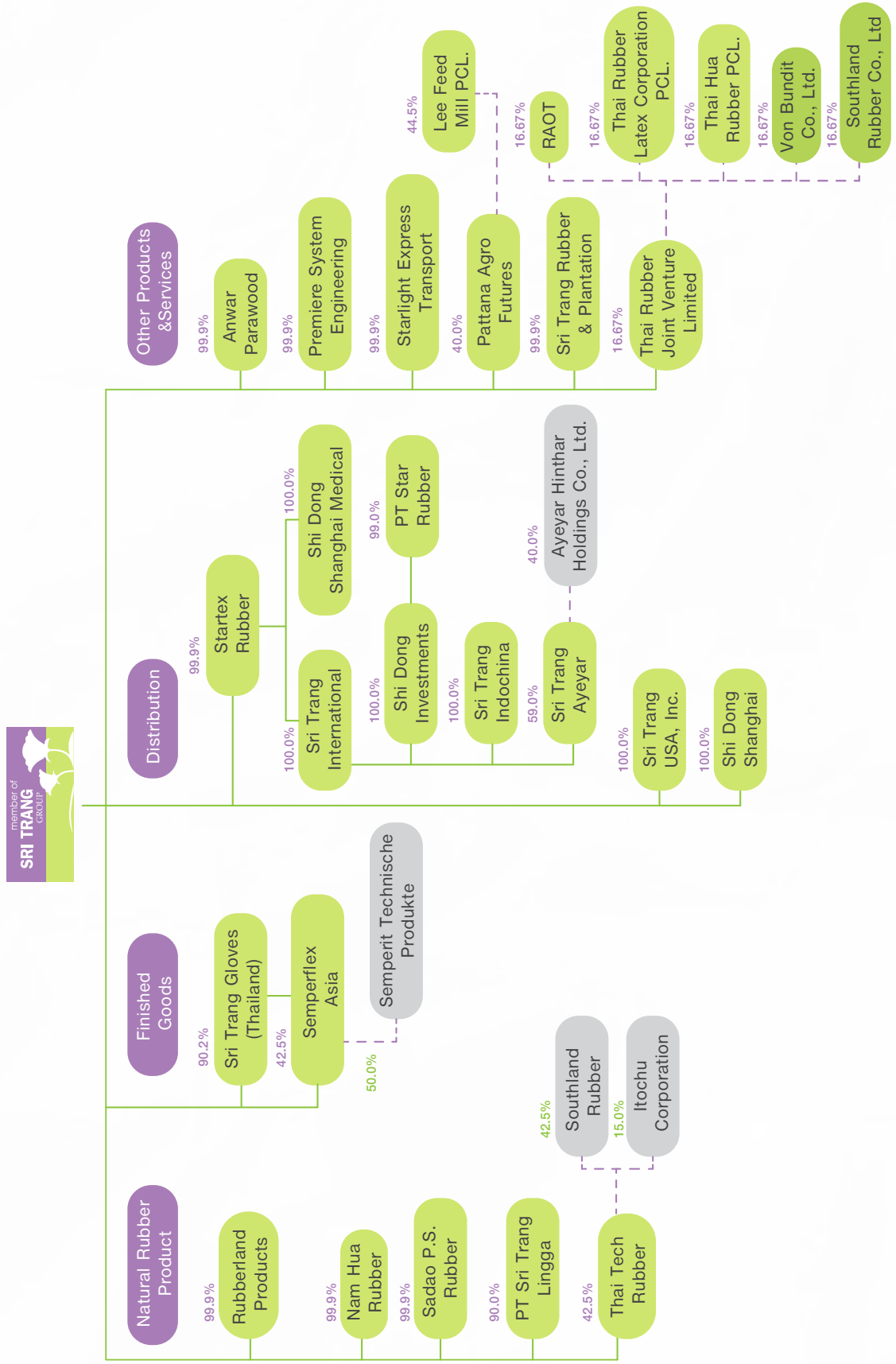
S
Specialist
 We are specialized in our businesses.

T
Teamwork
 We work as a team to defeat every difficulty.

A
Accountability
 We work with honesty and business responsibility.

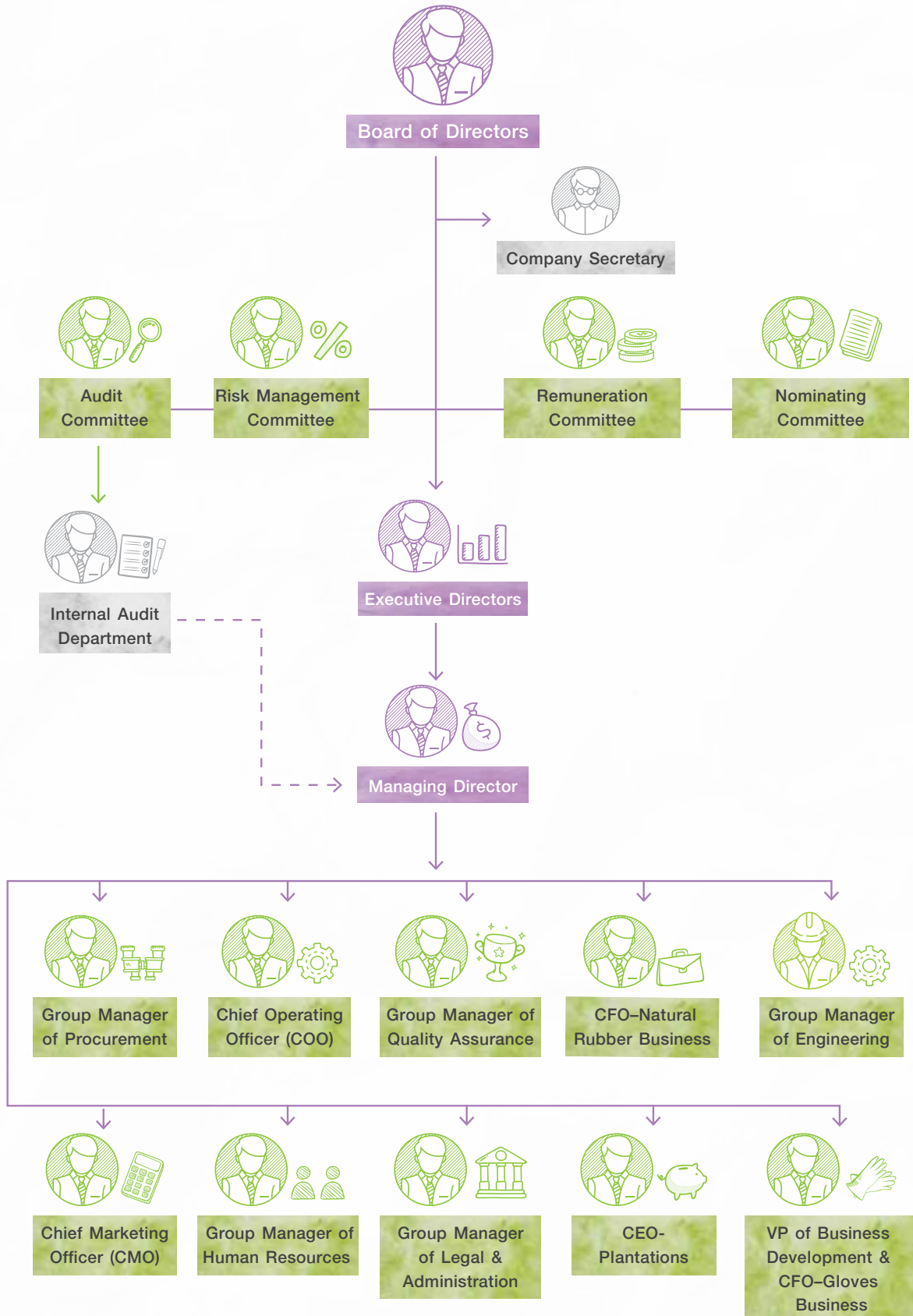
Group Structure

The group structure of the Company as of 31 December 2018 is shown in the diagram below.

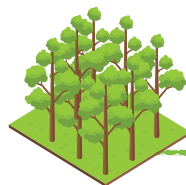
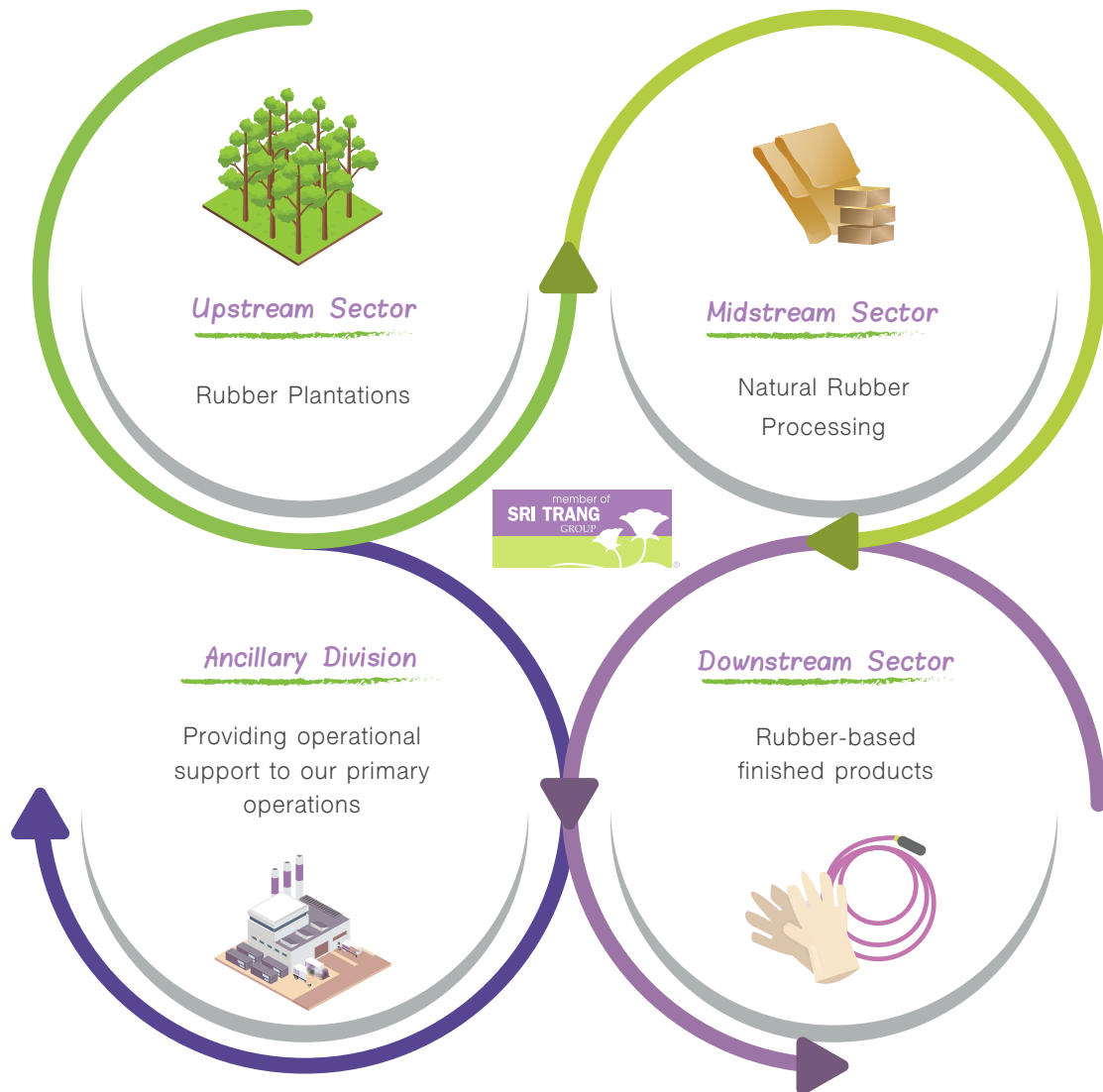


Corporate Structure

as of 31 December 2018



Products and Services



Upstream Sector

Rubber Plantations

As of 31 December 2018, Sri Trang Group had obtained approximately 45,000 rai (7,500 hectares) of land suitable for the cultivation of rubber trees in 19 provinces of Thailand. 89% of the lot had already been planted with rubber trees and a small area had been already started to provide yield since 2015. The majority of our rubber plantations are located in the northern and northeastern regions of Thailand. Our plantations are complementary to our midstream business both in terms of raw material procurement and NR production.



Midstream Sector

Natural Rubber Processing

As of 31 December 2018, Sri Trang Group had a total of 36 production facilities, of which 32 are located in Thailand, three in Indonesia, and one is in Myanmar. Altogether, the facilities provided a total production capacity of approximately 2.86 million tons per annum. In 2018, our utilization rate was at approximately 62% of total production capacity.

Natural rubber processing is the core business of Sri Trang Group, accounting for about 84% of the Group's total revenues in 2018. We produce a complete range of natural rubber products, namely, Technically Specified Rubber (TSR), Ribbed Smoked Sheets (RSS) and Concentrated Latex, to serve demand from all types of customers, including tire manufacturers and glove producers from all over the world.



Technically Specified Rubber (TSR)

Product Types

Produced in Thailand:

- STR
- STR CV
- STR Mixture

Produced in Indonesia:

- SIR
- SIR Mixture

Produced in Myanmar:

- Myanmar Block Rubber

Use

Raw material for the manufacture of automotive tires.



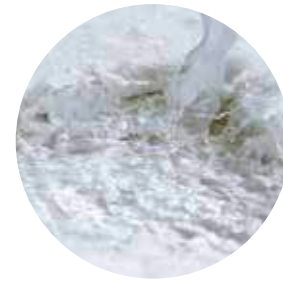
Ribbed Smoked Sheets (RSS)

Product Types

- 5 grades of RSS: RSS1, RSS2, RSS3, RSS4 and RSS5
- ADS (Air-Dried Sheets)
- RSS 1XL

Use

Raw material for the manufacture of automotive tires and automotive parts, belts, pipes and shoes, etc.



Concentrated Latex

Product Types

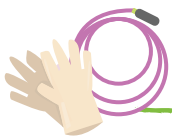
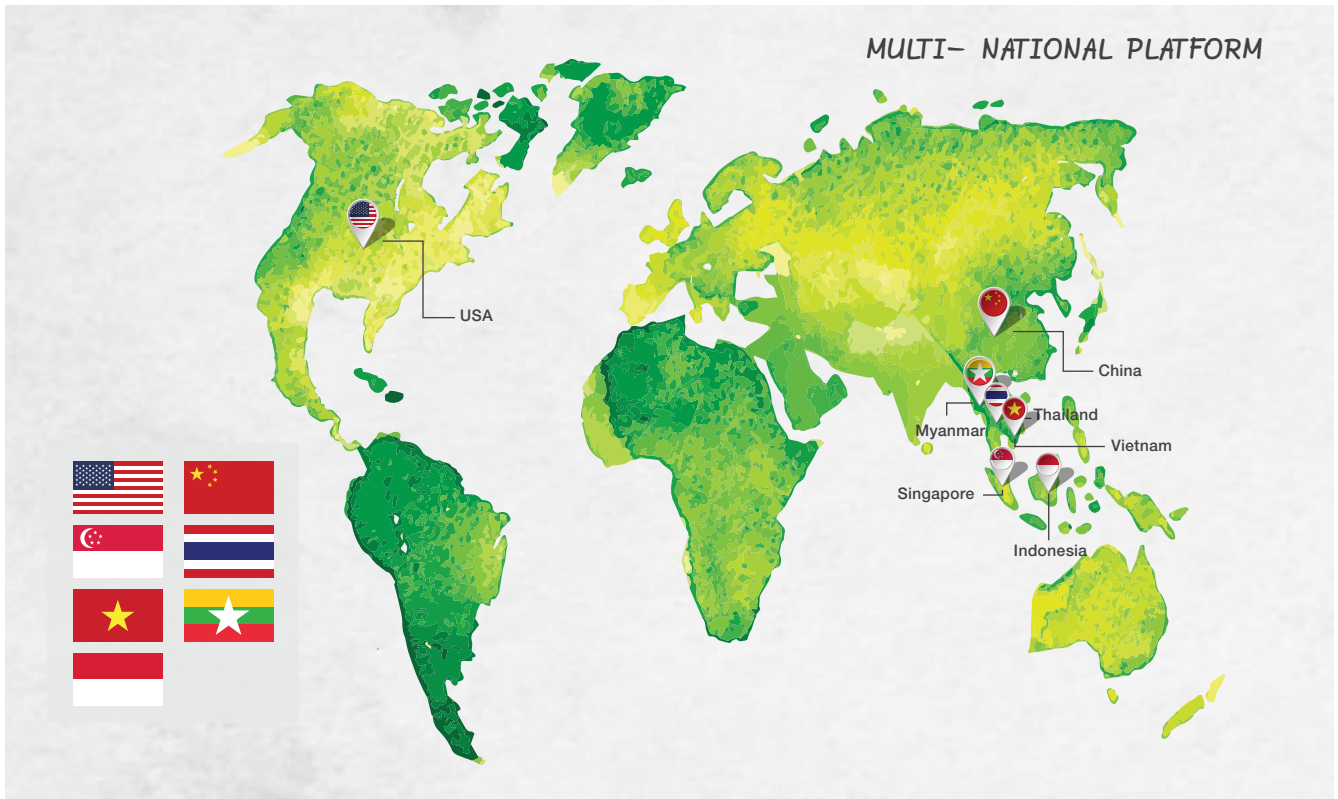
60% Concentrated Latex

- HA – High Ammonia Latex
- MA – Medium Ammonia Latex
- LA – Low Ammonia Latex
- Double Centrifuge Latex

Use

Raw material for the manufacture of examination gloves, condoms, elastic and adhesives, etc.

The raw materials used in the production of TSR, RSS and Concentrated Latex are cup lump, unsmoked rubber sheets and field latex, respectively. Because raw materials account for 90% of our production costs, we have established procurement centres in the vicinity of raw material sources to reduce costs, ensure access to the raw materials and expand our procurement network, as well as to take part in environment protection and engage with the local communities.



Downstream Sector

STA group has two finished products in the downstream namely, examination gloves and high-pressure hydraulic hoses.

Examination Gloves



Sri Trang Gloves (Thailand) Co., Ltd. (STGT) produces a wide variety of medical examination gloves, industrial gloves, and general purpose gloves from both latex and nitrile rubber. The gloves are available powdered or powder-free to suit various uses and user preferences. In addition to supplying products as an OEM (Original Equipment Manufacturer), we also market and distribute our products under our own “Sri Trang Gloves” brand, both in the domestic and overseas markets.

We aim to rank among the world's top 3 producers of examination and industrial gloves.

Our four production facilities in Thailand provide a total production capacity of approximately 17.2 billion pieces of gloves per annum. We are the largest glove producer in Thailand and is widely regarded as one of the world's leading glove producers.

High-pressure Hydraulic Hoses



Semperflex Asia, jointly established by STA and an Austria-based company, is Thailand's largest producer of high-pressure hydraulic hoses, which are widely used in the heavy industry.



Sales and Distribution

Our subsidiaries within this division provide operational support to our primary operations.



Sales and Distribution

We have established four trading and distribution centres for natural rubber and gloves in Singapore, PRC, US and Vietnam, namely Sri Trang International, Sri Trang USA, Shi Dong Shanghai, Shi Dong Shanghai Medical Equipment and Sri Trang Indochina.



Logistics

Starlight Express Transport provides transportation and logistical services in Thailand and also handles export/import customs and documentation.



Parawood Processing

Anvar Parawood produces rubberwood as well as other types of wood, which are assembled into pallets for use within Sri Trang Group.



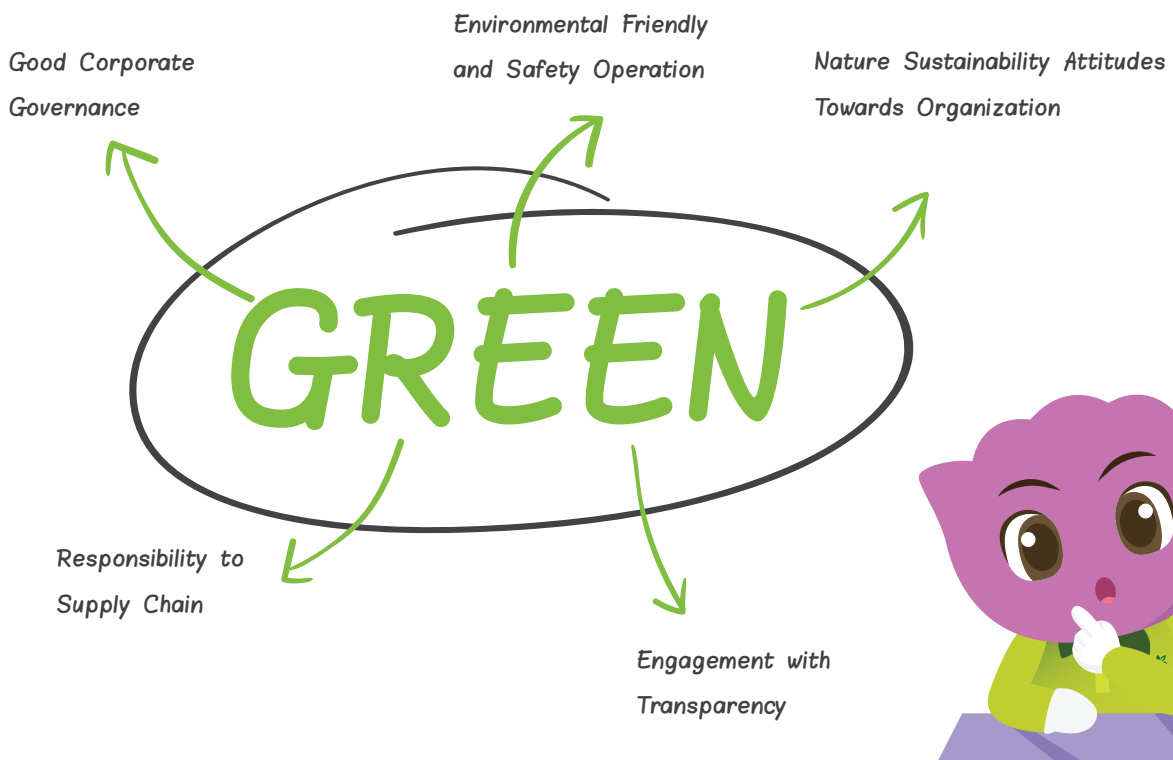
Engineering and Research & Development

Premier System Engineering is our subsidiary providing machinery and equipment maintenance services to all of Sri Trang Group's production facilities and also conducts research and development activities including devising new technologies and customising products to customers' specifications.

Sustainable Social Responsibility

Management

Policy and guideline practices for CSR of Sri Trang Group, our core mission, lays on the 5 meaning of “GREEN” Natural Rubber.



1. Good Corporate Governance

The company is dedicated to good practices of corporate governance focusing on the structure of the Board of Directors, management, and shareholders to create a competitive advantage which will build growth and increase value of shareholders in the long run. In addition, other stakeholders are also taken into consideration. The company adheres to the principles of good corporate governance 2006 suggested by the Stock Exchange of Thailand and Code of Corporate Governance 2012 suggested by Singapore Stock Exchange. Both principles are appropriately applied to our Group's business operation in each circumstance.



2. Responsibility to Supply Chain

Sri Trang Group's core business is to produce primary natural rubber products (Midstream processing). Yet, the Company has extended business line to cover the whole supply chain right start from rubber plantations to the production of finished products. This allows the Company to strictly control the quality of products to respond downstream business who focus on the quality of the product at most. Another main concern of downstream businesses, whether latex examination glove producers or tyre makers, is to ensure the safety for users. Thus, our responsibilities through supply chain management cover;



2.1 Rubber farmers and rubber dealers

Our Group is strived for fair, transparent, clear principles, and accountability procurement of natural rubber which is the main raw materials for our production. We also encourage rubber farmers to produce high quality of rubber without contamination and to properly store the rubber so that the quality of raw materials will meet our factory's standard. Moreover, we support rubber farmers with knowledge to properly operate rubber plantations in order to increase yield which will in turn increase their revenues as well as sustainable quality of life.



2.2 Customer

Our Group is committed to producing high quality products and provide good services to create the highest satisfaction for the customers. We sincerely handle complaints from customers and promptly improve and correct flaws that might be caused from productions and/or services to create the highest effective and efficient production.



3. Environmental Friendly and Safe Operation

As our Group's nature of business is directly related to the natural and environment, we strictly adhere to environmental practices by implementing the effective environmental management systems. We also set up measures to prevent and minimize the environmental impacts caused by different activities from our Group to comply with laws and regulations. Furthermore, we aim to develop and promote more green areas within the factories to retain moisture, increase fresh air, and reduce unfavorable odors from production process. In addition, we reduce the use of chemicals in rubber plantation and production of natural rubber products as well as finished products since it might affect the environment and communities in the long run. Aside from environmental-friendly production and being aware that we are part of community, we stick to practice guidelines to preserve and maintain the ecological and social environment of the surrounding communities which will not only create the livable community but also support companies to smoothly and steadily run the business in the long term.

In terms of health & safety, our Group fully complies with laws, regulations and other related requirements. We provide training, set up adequate and effective health & safety rules and plans in workplace, and create a safe working environment for employees, contractors, and the other related parties.



4. Engagement with Transparency

Our Group is committed to operating business with fairness, transparency, and accountability in all process. We believe that to operate business with fairness and ethic, comply with laws, and respect the rules of society could build confidence of stakeholders and reduce conflict of interest. This will benefit business operation of the company in the long run. We also encourage every level of our employees to work with integrity and adhere to ethic of business. Employees should not exploit benefits that may cause conflict of interest to the Company and its stakeholders and should not improperly indulge on business operation. We also have a policy against all forms of corruptions to establish standards of transparent business operation which will benefit the organization and rubber industry in the long run.



5. Nurture Sustainability Attitudes Towards Organization

The Company believes that effective and sustainable CSR practices is rooted from the awareness of employees in every level from all departments. They need to have a positive attitude to follow the policies and have responsibility to society and other related parties. Our people also volunteer to participate in the community development and of business partners' quality of life improvement. Moreover, they cooperate to change their working behavior and daily lifestyle in accordance with environmental conservation guidelines, to reduce energy consumption costs, and to enhance the effectiveness of organization. The Company promotes and supports staffs to devote to social activity, for example, to volunteer and participate activities of community, alleviate natural disaster victims, appropriately and continuously support any kinds of shortages in the community, and create a benevolent society and social care for each other to remain forever.

From policy and Vision “The green rubber Company” the Company set up 4 GREEN strategy which focuses on four key areas as follow:



1. Green Products

We produce high-quality products that are free of chemical substances that detrimentally affect the health and safety of end-users.



2. Green Process

The production process for every one of our products is based on the concept of sustainability and energy efficiency. Our production facilities do not generate hazardous substances that cause adverse impact on the environment and the neighboring communities.



3. Green Procurement

We source raw materials from ethical suppliers with sustainable practices and strive to guide rubber farmers toward the sustainable management of rubber plantations.



4. Green Company

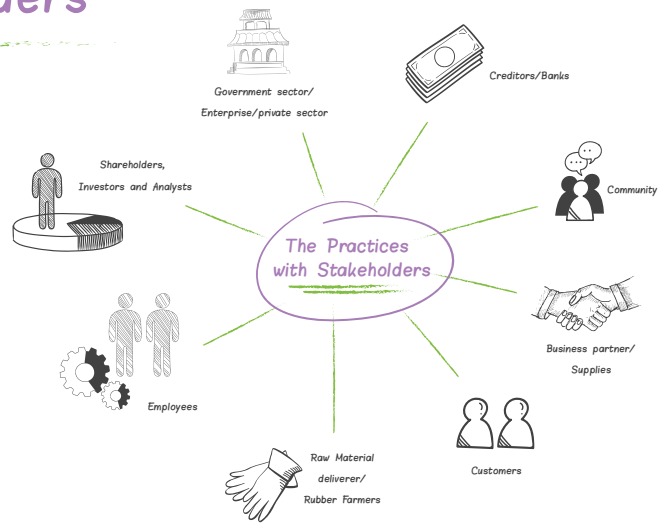
In every aspect of our operations, we are guided by the belief that transparency is key to building trust and achieving long-term success. We also seek to make a positive difference to the local communities and foster long-lasting relationships through various forms of community engagement.


The Guideline and Frame work to support the 4 GREEN strategy and UN SDGs Goal

Dimension	Topic	Key success
<p>Economic</p>  <p>(Green Company) “Sustainable Growth”</p> 	<ul style="list-style-type: none"> • Good Corporate Governance • Anti-corruption • Increased production and Expand market share • Strengthen the customers' and Partners' trust • Focused on quality of products to satisfy customers • Educated rubber farmer/supplier to make a good quality raw material • Create innovation and new technology 	<ul style="list-style-type: none"> • CG score • AGM assessment • Member of The Private Sector Collective Action Coalition Against Corruption (CAC) • Economic Performance • Customer Satisfaction • Sri Trang Puan cho saun project (Rubber farmer project) • R&D/Innovation Project • Benefit from Kaizen&QCC activity
<p>Social</p>  <p>(Green Supply) “Create more happiness for internal and external society”</p> 	<ul style="list-style-type: none"> • Development and employees' care • Human Rights and Fair Labor Practices • Establish responsible process to consumer care • Create system to engage Supplier or partners' for social responsibility • Social and Community Development 	<ul style="list-style-type: none"> • Turnover rate • Accident rate • Consumer compliant • No. of Suppliers who pay intention to anti-corruption • Sri Trang volunteers' project • Budget to support and develop Social and community
<p>Environment</p>  <p>(Green factory, Green product) “Focus on the effective environmental management system”</p> 	<ul style="list-style-type: none"> • Energy reduction and renewable energy • Reduce CO₂ emission • Efficiency resourcement and reuse material • Oriented towards managing to reduce Impacts of the production • Develop and share innovation of environmental responsibility • Planting and increasing the green areas • Research and development environmental friendly products 	<ul style="list-style-type: none"> • Energy Conservation Project • Waste to value Project • Water and waste water management • Air quality management • % of rubber transportation vehicle that pass “the Bun Tuk Yang Tid Rang Srang Roi Yim” project • Test kit on sulfate content in raw material



The Practices with Stakeholders




The Company recognizes about stakeholders' engagement. Have conducted surveys, analyzed and prioritized in order to meet the stakeholder expectation appropriately by determination the responsible departments obligations, operations in accordance with the company's required guideline and periodically reviews stakeholder's expectations and adjust the responses accordingly. In 2018, the company classified the stakeholders into 8 groups as follows:



Stakeholders (Disclosure 102-40)	Communication Channel/Participation (Disclosure 102-43)	Needs/Expectation (Disclosure 102-44)	Responses to Expectation (Disclosure 102-43)	Indicators/ result 2018
<p style="text-align: center;">Shareholders, Investors and Analysts</p> 	<ul style="list-style-type: none"> - Shareholders' meetings - Q&A by phone and email - Annual report and Sustainability Report - Company's website - Analyst's Meeting - Meeting domestic and foreign investors through various activities such as Opportunity Day, Thailand Focus, Corporate Day and Roadshow 	<ul style="list-style-type: none"> - The Company has good performance and continuous growth - Consistent dividend payment - Shareholders receive accurate, complete, timely and sufficient information for decision making - The Company operates with transparency and manage a good internal control system - There is no news that will affect the reputation of the company 	<ul style="list-style-type: none"> - Operates strategically along with good corporate governance - Appropriate dividend policy - The Company adheres to the ethics and code of conduct regarding responsibility to shareholders - Accurate, timely and sufficient disclosure of information - Accurate, up-to-date and user-friendly website 	<ul style="list-style-type: none"> - Dividend yield - The company has been evaluated to be listed on the Thailand Sustainability Investment for 4th consecutive year and was selected in the list of 45 stocks in the SETTHSI index - The company participated in investors meeting, media, Fund Manager and Stock Exchange of Thailand Both domestic and international, total 63 times - Number of visits Company website In the part of investor relations, a total of 390,693 times

Stakeholders (Disclosure 102–40)	Communication Channel/Participation (Disclosure 102–43)	Needs/Expectation (Disclosure 102–44)	Responses to Expectation (Disclosure 102–43)	Indicators/ result 2018
<p>Employees</p> 	<ul style="list-style-type: none"> - The Company's monthly Meeting - Kaizen, QCC, 5s, Safety talk, KYT - Suggestion box - Channels for complaints - Communication system: intranet, website email, Facebook, Line STA Family, Sri Trang News Journal - Others activity 	<ul style="list-style-type: none"> - Fair remuneration and good welfare - Respect in human rights and non-discrimination - Good health, Safety and Good working environment - Career stability and opportunities for career advancement - Competency development 	<ul style="list-style-type: none"> - Ethics and Conduct of responsibilities of employees - Human right and non-discrimination policy - Implementation of standard system ISO 14001 and OHSAS 18001, BSCI - Whistle Blowing Policy - Training and personnel development plan - Internal activity: Happy workplace/ Activity Prize, Outstanding occupational health and safety areas 	<ul style="list-style-type: none"> - Employee Engagement Survey - Zero complaint - Turnover rate - Accident rate up to 3 day off work
<p>Raw material supplier/ Rubber farmers</p> 	<ul style="list-style-type: none"> - Online communication system: phone, e-mail and website - Publication media; brochures, Vinyl - Site Visit and evaluating suppliers - Engagement activities 	<ul style="list-style-type: none"> - Quick and updated information within timeframe - Fair agreements - Fair & transparent competition in pricing - Received trading and rubber knowledge 	<ul style="list-style-type: none"> - Conduct of Relations with Business Partners - Raw material purchasing procedure - Anti-corruption policy and practices - "Sri Trang Puen Chao Suan" Project 	<ul style="list-style-type: none"> - Quality raw material within requirement - Supplier evaluation

Stakeholders (Disclosure 102-40)	Communication Channel/Participation (Disclosure 102-43)	Needs/Expectation (Disclosure 102-44)	Responses to Expectation (Disclosure 102-43)	Indicators/ result 2018
<p>Customers</p> 	<ul style="list-style-type: none"> - Online communication: phone, e-mail, website, Facebook and Line - Customer Satisfaction Survey - Factory visiting - Engage activities with customers - Customers meeting - Trade exposition 	<ul style="list-style-type: none"> - Good products & services - Fair dealings - Keep confidential information of customer - Jointly in product development 	<ul style="list-style-type: none"> - Compliance with ethics and Conduct of relation with Customer - Implementation of standard system ISO9001, 14001 and OHSAS 18001 - Research and development - Improvement of production process to meet customers' requirements 	<ul style="list-style-type: none"> - Customer satisfaction - Market share - Sales volume
<p>Business partners/ Supplier</p> 	<ul style="list-style-type: none"> - Various channels of communication: phone, email and website - Yearly evaluation of business partners - Meetings with business partners and suppliers - Joint activities 	<ul style="list-style-type: none"> - Standard procurement system that is transparent and verifiable - Received correct information of products and services Procurement - Received income from appropriate workloads - Received payment for goods and services on time 	<ul style="list-style-type: none"> - Adherence to purchasing policy - Joint partner development - Anti-corruption policy - Obtaining CAC certification and encouraging partners to join - Whistle blowing channel 	<ul style="list-style-type: none"> - Delivery on time and meet the requirements - Supplier evaluation - Number of partners who have sign their intention to anti-corruption

Stakeholders (Disclosure 102-40)	Communication Channel/Participation (Disclosure 102-43)	Needs/Expectation (Disclosure 102-44)	Responses to Expectation (Disclosure 102-43)	Indicators/ result 2018
<p>Community</p> 	<ul style="list-style-type: none"> - Participate activities with community - Community survey - Publication signboard 	<ul style="list-style-type: none"> - Participation in community and society - Support for community activities - No negative impact to community&society - Social and environment responsibility - Respect in human right and anti-corruption 	<ul style="list-style-type: none"> - Providing Social and community development project - Support for public activities - Recruitment local employee - Joining community activity - Open house - Anti-Corruption policy 	<ul style="list-style-type: none"> - Supporting to community development 556 projects. - Supporting community activities amount of 2,523,711 baht - Employees from the community 1,929 people - Community survey results
<p>Creditors/Banks</p> 	<ul style="list-style-type: none"> - Meeting - Phone, e-mail - Company website 	<ul style="list-style-type: none"> - Fulfillment of contractual terms and conditions 	<ul style="list-style-type: none"> - Compliance with contractual terms and conditions - Accurate and timely response to questions about financial conditions 	<ul style="list-style-type: none"> - Confidence in doing business with the Company
<p>Government sector/ Enterprise/ private sector</p> 	<ul style="list-style-type: none"> - Meeting and informing - Factory visit - Participation in various projects - Participation as a working committee on requested by government agencies 	<ul style="list-style-type: none"> - Compliance with state laws and regulations - No negative impact action with society& environment - Provided environmental and safety management system - Support government project 	<ul style="list-style-type: none"> - Compliance with state laws and regulations - Right and fast information - Support and Participated in activities - Participation as a working committee with government agencies 	<ul style="list-style-type: none"> - Permission to operation continual - Obtaining green industry certification

About This Report

The Company has prepared this sustainability report to communicate the direction and show economic society and Environment performance corresponding to sustainable development guidelines to stakeholders annually since 2556. This year is the 6th year of the report preparation which prepare based on 8 principles of social responsibility of the Stock Exchange of Thailand and guidelines for reporting according to GRI Standard's indicators as follows:

Universal Standards including the Company information, Corporate governance, Corporate strategy, Risk, Material aspects and Stakeholder analysis.

Topic-specific Standards the specific information covering economic, social and environmental issues.

In addition, the Company also analyzes linked the operation respond to Sustainable Development Goals (SDGs) to demonstrate a commitment to conduct business together with social and environmental care as well as responding to the expectations of stakeholders appropriately.

Scope of this report showing results of operations on important issues that affect the sustainable business operations of the Sri Trang Group covering the business of the company in the overview of the Natural Rubber and Glove products which has the main production base in Thailand , the reporting period from 1 January - 31 December 2018.

Key Sustainability Issues

In order to ensure that the economic, social and environmental aspects of the Company's operations are in alignment with the guidelines for sustainable development and respond to the stakeholders' expectations appropriately and measurably, the Company, through various departments, has compiled, assessed and prioritized the issues affecting the business operations. In this way, the Company can formulate an appropriate management plan by applying the principles of the GRI Standard as follows:



**For questions or recommendations,
please contact**

Sustainability Development Office

17th Floor, Park Venture Ecoplex Unit 1701

57 Wireless Road, Lumpini, Pathumwan, Bangkok,
10330, Thailand

Phone: (66) 0-2207-4500 ext. 3811, 3810

Fax: (66) 0-2108-2241-44

E-mail : sustainability@sritranggroup.com

The company has disclosed to shareholders via QR Code and can download this report and the report year 2017 from the Company Website www.sritranggroup.com

Materiality



1. Identification

The Company collects important information on both internal and external factors based on a survey of the needs or expectations of each group of stakeholders and an analysis of the effects of our internal operations and the changing external contexts, including the sustainability trends which affect the Company's operations.



2. Prioritization

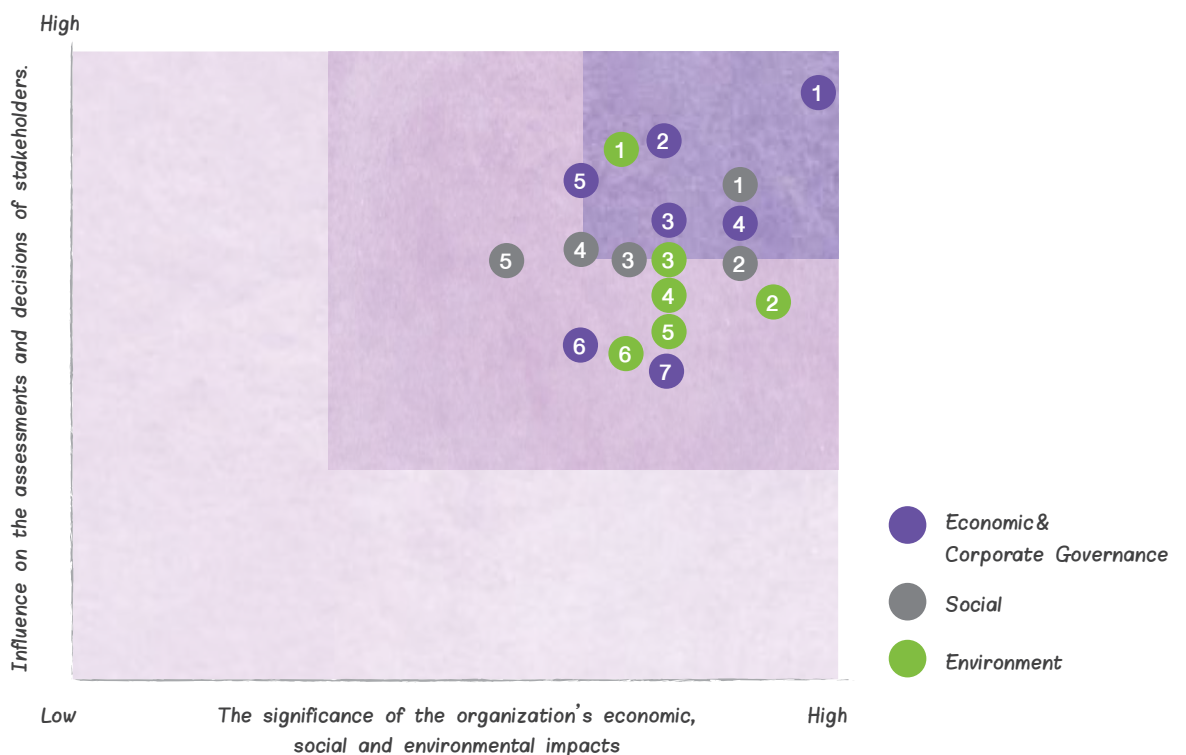
The Company gathers the key issues and prioritizes them by using the Materiality Matrix as a ranking tool as follows:

- The horizontal axis represents the significance of the organization's economic, social and environmental impacts, ranked from the least important to the most important.
- The vertical axis represents the influence on the assessments and decisions of stakeholder, ranked from the least important to the most important.

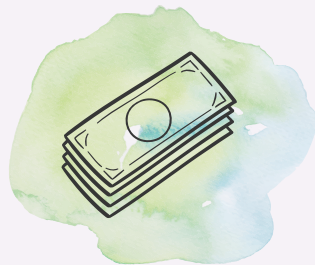


3. Validation

The important issues received from the analysis and ranking were verified by the working group and presented to the Board of Directors for approval for disclosure in the Sustainability Report 2018. The issues are as follows:



Key Sustainability Issues



Economic

Key sustainability	Report topic	Page
1. Good performance	1. Business overview and economic performance	24
2. Good corporate governance	2. Corporate governance	25
3. Risk management and business continuation plan	3. Risk management	27
4. Customer relations	4. Responsibility to customers and consumers	41
5. Good and transparent procurement	5. Procurement and suppliers practices	39
6. Supplier/rubber farmer development	6. Supplier development	40
7. Research and development and innovation	7. Employee Development and Creating Innovation	36



Social

1. Health and safety in the workplace	1. Occupational health and safety	37
2. Employee development and care	2. Human rights and employees' care	32
3. Treatment of complaints	3. Whistleblower policy	26
4. Community support and engagement	4. Participation in community and social development	42
5. Quality of products and services	5. Responsibility to customers and consumers	41



Environmental

1. Air quality management	1. Air Emissions	51
2. Energy consumption	2. Climate change and energy conservation	49
3. Environmental impact	3. Environmental management	48
4. Water consumption and wastewater treatment	4. Water management	50
5. Waste and non-used materials	5. Waste Management	52
6. CO ₂ Emission	6. Climate change and energy conservation	49

Membership of Organizations for Economic, Social and Environmental Development

The Company has become members of various public and private organizations that contribute to the economic, social and environmental development of the natural rubber industry as well as participation in various activities and projects to support the implementation according to the guidelines for sustainable development.



Economic

- Thai Rubber Association
- Thai Latex Association
- Thai Rubber Glove Manufacturers Association, TRGMA
- Thai Hevea Wood Association
- The Federation of Thai Industries
- Wood Processing Industry Group , The Federation of Thai Industries
- The Federation of Thai Industries Provincial Chapter
- International Rubber Association (IRA)
- Association of Natural Rubber Producing Countries (ANRPC)
- The Natural Rubber Policy Committee , Ministry of Agriculture and Cooperatives
- International Rubber Consortium Limited (IRCO) established by the Government of Royal Kingdom of Thailand, Government of Republic of Indonesia and Government of Malaysia
- SGX Rubber committee member, Singapore
- Rubber Trade Association member of Singapore
- Thai AEO Importer & Exporter Association
- The Federation of Thai Industries Songkhla Chapter
- Department of International Trade Promotion, Ministry of Commerce
- Thai Listed Companies Association
- Collective Action Coalition Against Corruption: CAC



Social

- Unicef Thailand (CRBP)
- CSR club, Thai Listed Company Association
- Songkhla Provincial Development and Human Security Office, Department of Empowerment of Persons with Disabilities
- STEM Education Thailand

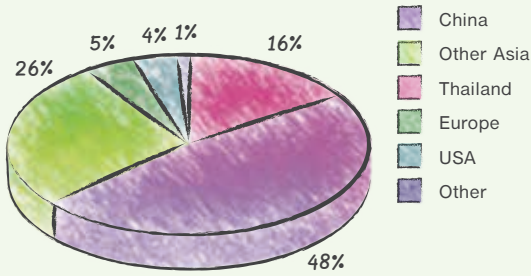


Environment

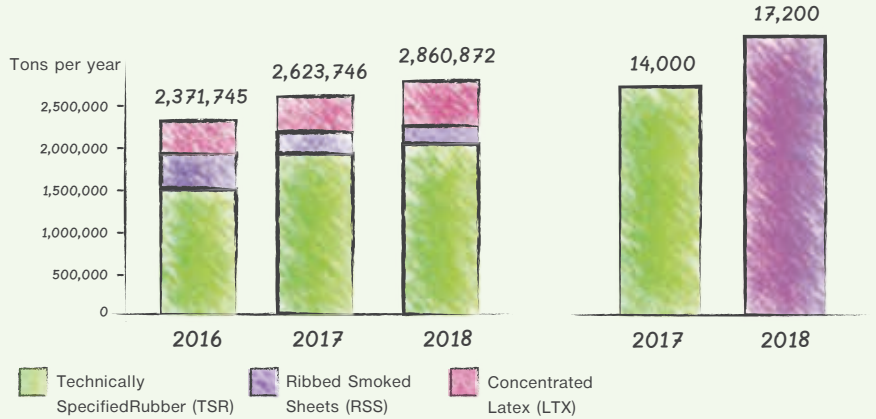
- Water Institute for Sustainability, The Federation of Thai Industries)
- SNRI Member of Sustainable Natural Rubber Initiative (SNR-i)

Business Overview and Economics Performance

Sales volume by geography

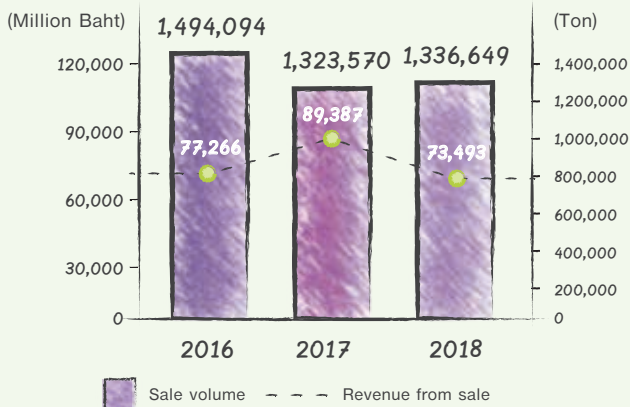
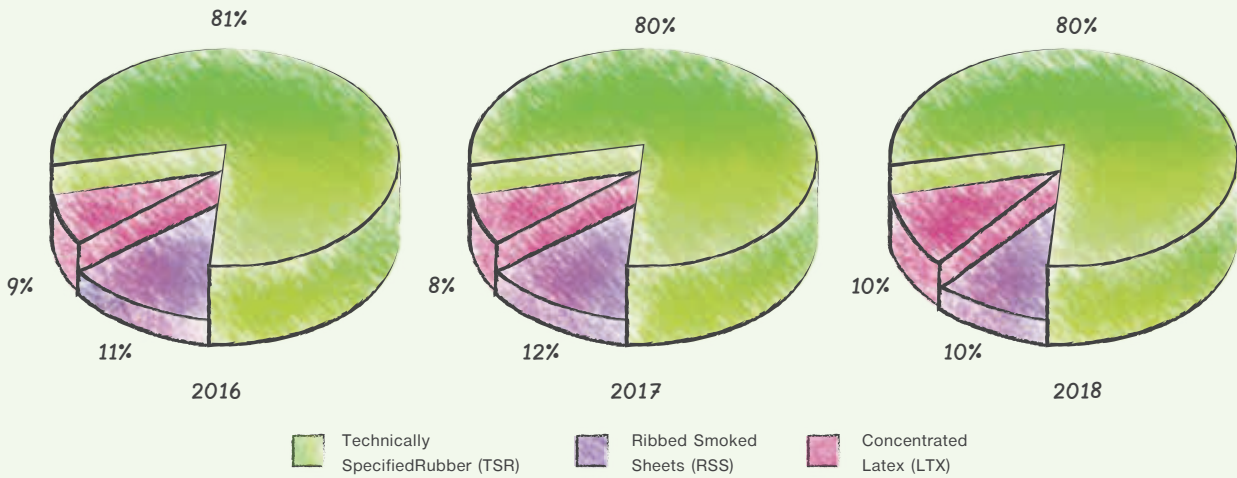


Production Capacity of Natural Rubber

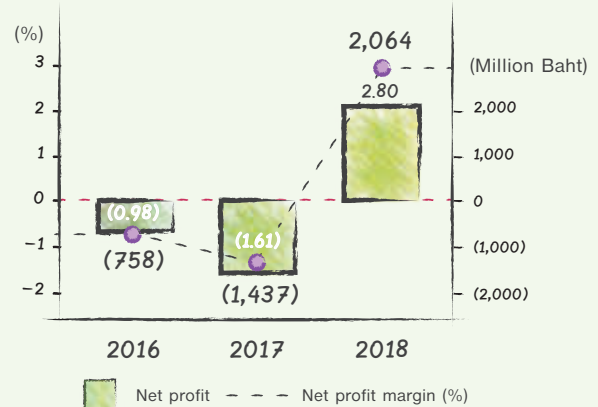


Gloves' Production Capacity

Production Ratio by Product Category



Income



Income Net Profit

Corporate Governance

The Board of Directors of STA has conducted the business operations appropriately and effectively in accordance with its objectives by utilising expertise, diligence, and due care to protect the interests of the Company and to comply with the laws, objectives, and the Articles of Association of STA. The Board of Directors of STA has also followed the Principles of Good Corporate Governance for Directors of Listed Companies and the Principles of Good Corporate Governance for Listed Companies 2017. The roles and responsibilities of the Board of Directors of STA are all managed with due care, in particular in the process of decision making. Careful consideration is given using reasonable judgment based on honesty, transparency, ethics, and the concern of stakeholders as well as all aspects of the best interests of shareholders.

Good Corporate Governance

STA has used the self-assessment form for the SET's Code of Best Practices as a guideline and adapted the Corporate Governance Code for Listed Companies 2017 (CG Code 2017) in the Company's implementation of the principles of good corporate governance. STA believes that this would provide benefits to the Company in the long run and help the Company to operate with ethics and responsibility toward stakeholders as well as minimize environmental impact and adapt to the changing circumstances, which would lead to the long-term, sustainable value creation.

In 2017, STA recognized the roles and responsibilities of the Board of Directors, Management and major shareholders as leaders in implementing good corporate governance. In this regard, the Company Secretary presented to the Board of Directors the 8 principles and 37 guidelines of the 2017 CG Code during the Meeting 5/2017, held on 11 August 2017, so that the Board of Directors could acknowledge and understand the roles and benefits of the CG Code in helping the Company achieve long-term sustainability.

STA has considered the Corporate Governance Code for listed companies 2017 to be a guideline for the Company's Good Corporate Governance and also follow the SET's Code of Best Practices these shall affect the good performance with long-term perspective.

In 2018, the Board of Directors acknowledged the 8 principles of the CG Code, which the Company Secretary presented to the Board of Directors during the Meeting 6/2018 on July 16, 2018.

Anti-Corruption

The CAC Council resolved to certify STA as a member of Thailand's Private Sector Collective Action Coalition against Corruption (CAC) on August 21, 2018. STA has continuously implemented measures in accordance with the certification process of the CAC, including corruption risk assessment measures, corruption risk management and monitoring measures, anti-corruption monitoring and evaluation measures. STA has provided training to educate employees about STA's anti-corruption policy and measures to ensure that STA's operations are conducted with transparency and fairness, with the goal of combating all forms of corruption, and in accordance with the law, corporate ethics and the principles of corporate governance.



In addition, the Company has published the anti-corruption policy and roles in part of corporate governance at www.sriranggroup.com

The Whistleblower Policy

The Company has committed to conduct auditable business properly, transparency, fairly in compliance with Good Corporate Governance and has issued this Whistleblower Policy regarding invalid or inappropriate action which may cause the damage to the Company including protective measures for claimer who is in good faith. The Company has established a channel of communication for all groups of stakeholder are able to report are able to complaint when they encounter, observe or suspect wrong-doing or violations of policies, rules, regulations, laws, good corporate governance, code of business conduct, or any other disciplines of Sri Trang Group that may cause the damage to the Company's property and reputation.

The Company has established a channel of communication for shareholders or any stakeholders to directly report to the directors. The Audit Committee assigned to receive these complaint reports will investigate and report to the Board of Directors. The Whistleblower Policy of Sri Trang Group can be reached through these following channels;

Channels



Channels 1: By Letter: either by post or by hand directly The Corporate Secretary Office Sri Trang Agro-industry Public Co.,Ltd. 17Fl, Park Ventures Ecoplex, Unit 1701, 1707-171257 Wireless Road, Lumpini, Pathumwan, Bangkok 10330



Channels 2: By Telephone number 02-207-4590



Channels 3: By E-mail Address: corporatesecretary@sriranggroup.com



Channels 4: By directly report to the units responsible for that issue.

For The good corporate governance can find more details in the Annual Report, 2018.

Risk Management



Due to the complexity and fast changing of business environment currently, these may affect the ability to achieve the goal of driving the organization to sustainable success. Risk management is an important process that helps in systematic planning to handle business uncertainty.

The company uses risk management in accordance with the international standards “ERM” to apply at all levels of the organization (Disclosure 102-11) as a tool to support the strategy, management and create a risk management plan for every investment project to achieve the overall business objectives and in accordance with the guidelines for sustainable business development with the environment and society by communicating and encouraging all employees at all levels to realize the responsibility of risk management together to create a corporate culture.

In the year 2018, the company has a plan to implement the Business Continuity Management (BCM) system to apply crisis preparedness and continue to manage business efficiency according to international standards as well as build confidence with stakeholders that the company will be able to cope and respond to crisis events and deliver products continuously.

Risk management structure

Director, executives and employees in the organization are involved in risk management. Risk Management Committee (RMC) consisting of senior executives from the business group, work groups and various departments are responsible for monitoring the performance and developing the risk management system for the entire organization to have an effective risk management system to ensure that appropriate actions are taken to manage risk.

Vision of Risk Management

Sri Trang Group is an organization with risk management throughout the organization through the Enterprise Risk Management: ERM risk assessment process to support management and add value to the organization.

Objective of Risk Management

1. Usage of risk management for the whole organization and define risk management as the decision part, strategy, work planning and operation of STA.
2. Guideline for managing the exists risk to acceptable level by considering the effective measures to reduce the chances and /or affect from risk that would be occurred in order to reach the objective in organization and units level.
3. For the top managers and risk management committee get the importance risk information, trends and overview in order to be able to effectively control risks of STA group.
4. For all departments to identify, assess, and manage importance risks regularly and aware of the risk level that acceptable and real runs with the appropriate capital.
5. In order to communicate and transfer the knowledge of risk management to employees regularly and develop them to have understanding, awareness their risks thru risk management under the responsibility together.

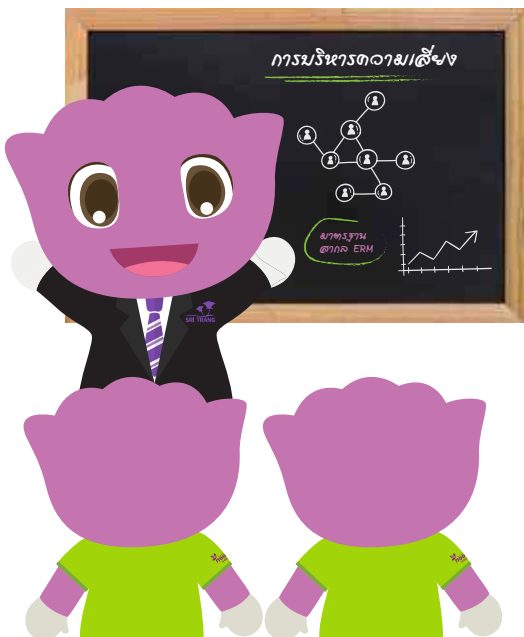
Risk Management Policy

STA group highly concerns the importance of risk management as we define risk management policy to manage STA and its affiliated companies as follow:

1. Appointed risk management as the responsibility of employees at all levels that must be aware of the exist risks in their work and organization and focus on various risk management that managed under internal control in a systematic and adequate level.
2. Promote and support usage of risk management as an important tool for management of STA and its affiliated companies that personnel at all levels must have understanding, cooperation and use risk management to create a good image, support good corporate governance, excellent management and create reliance for shareholders or stakeholders of STA.
3. Promote and develop usage of modern information technology systems in the risk management process of STA and its affiliated companies. And encouraging personnel at all levels to access information sources of risk management information thoroughly as well as establishing a risk management reporting system for the Risk Management Committee to be effective.

The Risk Management Committee systematically carries out the risk of the organization. According to the ERM (Enterprise Risk Management) standard risk management framework covering 4 main risk factors including:

1. Strategic Risk
2. Operational Risk
3. Financial Risk
4. Compliance Risk



Risk Management Performance

Evaluation from the risk that be considered the importance trend in the future include Economics, Social, Environment and Business' goal. The Company has defined the measure of risk management to create a trusting in managing as follows:

Topic	Impact	Management
1. Economic		
<ul style="list-style-type: none"> Natural Rubber Price Volatility prices (supply and demand of natural rubber, Prices of crude oil, energy and oil-based chemicals, Currency fluctuations and speculative) Discrepancy between the growth in demand for natural rubber and expectations 	<ul style="list-style-type: none"> Increased production costs Decreased sales volume and profits 	<ul style="list-style-type: none"> Raw material sourcing management Use of hedging tools Use of financial derivatives Production of various products Both in the natural rubber products and rubber glove products Variety customer base
<ul style="list-style-type: none"> Supply chain management 	<ul style="list-style-type: none"> Raw material is not enough or the delay delivery causes production disruption 	<ul style="list-style-type: none"> Creation of procurement network Visiting suppliers Category sales group
2. Social		
<ul style="list-style-type: none"> Accident or emergency Workplace illness 	<ul style="list-style-type: none"> Employees health & safety Stakeholder trust 	<ul style="list-style-type: none"> Occupational health & Safety plan Emergency plan
<ul style="list-style-type: none"> shortage of labor 	<ul style="list-style-type: none"> Production Disruption and/or Production Stoppage 	<ul style="list-style-type: none"> Business continuity plan
<ul style="list-style-type: none"> Laws and regulations 	<ul style="list-style-type: none"> The imposition of fines or loss of business opportunities 	<ul style="list-style-type: none"> Closely monitoring any changes in the relevant laws and regulations Analysis and monitoring units
<ul style="list-style-type: none"> Products that do not conform to standards 	<ul style="list-style-type: none"> Consumer safety 	<ul style="list-style-type: none"> Internationally accredited laboratory Quality assurance
3. Environmental		
<ul style="list-style-type: none"> The environmental issues 	<ul style="list-style-type: none"> Negatively affect the Company's reputation and result in fines or cessation or termination of the Company's operations. 	<ul style="list-style-type: none"> Managed environmental risks through ISO 14001 Compliance with regulations and laws
<ul style="list-style-type: none"> Climate change 	<ul style="list-style-type: none"> Disruption caused by natural disasters 	<ul style="list-style-type: none"> Energy conservation Business continuity plan
<ul style="list-style-type: none"> Air quality management 	<ul style="list-style-type: none"> Impact on nearby communities may cause complaints 	<ul style="list-style-type: none"> Consistent Monitoring Research and development to improve the system
<ul style="list-style-type: none"> Laws and regulations 	<ul style="list-style-type: none"> The imposition of fines or loss of business opportunities 	<ul style="list-style-type: none"> Closely monitoring any changes in the relevant laws and regulations Analysis and monitoring units

For more information please see in Annual report (www.sritranggroup.com Investor Relations page > Publications > Annual Report 2018)

Social and Environmental Innovation

“S3E Green Energy, Renewable Energy with Napier Grass” With the intention to sustainable development in energy, environment and community .The Company has initiated the “S3E Green Energy Renewable Energy Project” by arranging a project to grow Napier grass in the factory and involved the villager to participate in management ,the pilot start from Sri Trang Agro-Industry public Company Limited ,Kalasin Branch which found that it can create sustainability as follows;



Boiler system used to produce heat to dry the STR will use palm shell and woodchips as the main fuel. Therefore, the company has the idea of using Napier grass as a mixed alternative energy.

- Napier grass, aged 6 months or more, is used as an alternative energy in conjunction with woodchip.
- The ratio of using renewable energy at 5-10% per month (depending on the amount of grass)



The Company uses recycled and the clean water from storage pond in the factory for the production and the odor treatment system which tends to increase due to the develop efficiency of the odor treatment system and production. So using the remaining water from the process of odor treatment and excess sediment from the wastewater treatment system to watering the Napier grass during the dry season will help to reduce the management of excess water and sediment from the wastewater treatment system. In addition to preparing a storage pond to collect rainwater and increasing green space in the factory.

- Use the recycled water to watering the napier grass 200 ml in every 2 weeks
- Remove excess sediment from the wastewater treatment system to be a fertilizer 100 ml per week
- Napier Grass that are 60-90 days old, up to 2.50-3.00 m, can be wind-proof, help slow down the wind speed as well as reducing the concentration of odor before entering the village



In addition to the height of the grass can help to prevent odor also to be the career, increase income and reduce the cost of food of animals for the community which leading to building a strong community according to the principles of sufficiency economy.

- Providing knowledge and methods for planting Napier grass and bring to be an animal food.
- Villagers come to hire mowing and chopping for use in production to gain revenue about 1,800 baht per day
- Open to the villagers to registered and take care the grass in the plot to feed an animals (about 2 times a month)

Performance

27 villagers nearby 5 kilometers of the factory giving positive feedback. The attitude of the villagers towards the waste water of the factory changed. They are not afraid of the treated wastewater of the factory and also ask for the water from factory to watering grass in their area.



Human Rights and Employees' Care

The Company respects and promotes human rights and equality and has announced human rights and non-discrimination policy. The Company subscribes to the fair treatment of all employees in accordance with code of conducts and business.

The Company also respects and promotes the 10 principles of children's rights, which encompass practices in the workplace, the marketplace and in the community and the environment. The Company has applied the relevant principles such as.

- The gainful employment of minors, as well as parents and guardians. The Company provides a child care corner for employees with infants to promote breastfeeding.
- The provision of emergency aid to children who are affected by a calamity or natural disaster.
- The promotion of the roles of the public and the community in the protection of children's rights, through such projects as STA STEM Education, building playground, library and food for children in the community for they were receive equal rights.

In addition, the company also emphasizes the promotion of the employment of disadvantaged workers and disabled people. In 2018, the company employed 105 disabled people, in organization 55 and outside 50 persons which are cooperation with the Songkhla Provincial development and Human Security Office and Hat Yai Hospital in the provision of disabled peoples for employment in appropriate government agencies such as hospitals, sub district administrative organizations covering Songkhla Province, Nakhon Sri Thammarat, Narathiwat ,Surat Thani as well as sending staff to visit to create morale and follow up the development of disabled employees regularly in line with the corporate social responsibility policy and the SDGs 10 goal, enabling disabled people have career, have better quality of life for create a society of happiness together.



Visiting disabled employees

	2016	2017	2018
Disabled Employee (persons)	90	98	105
Wages Payable (Baht)	9,538,202	9,549,864	10,365,100

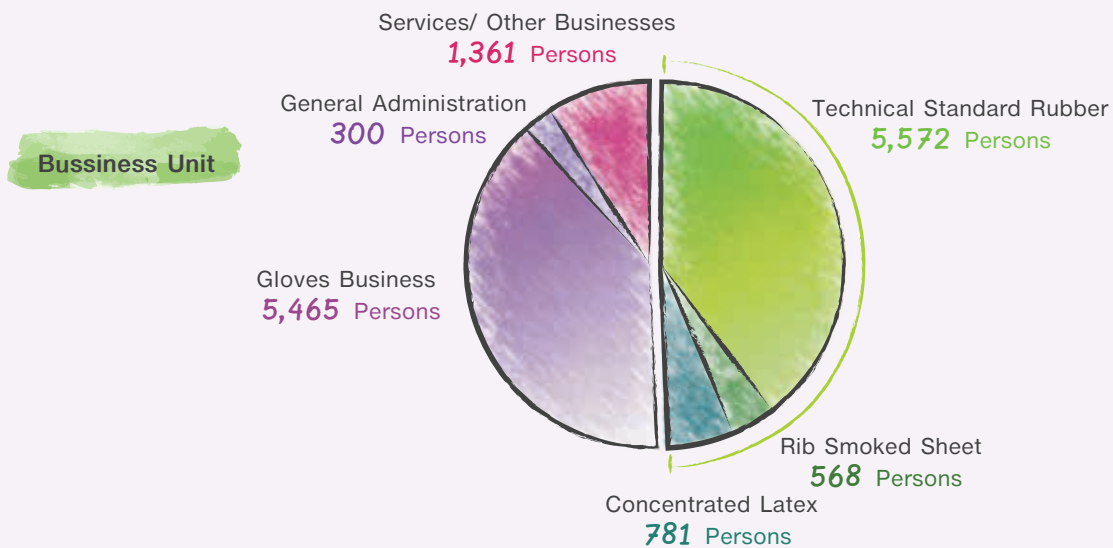
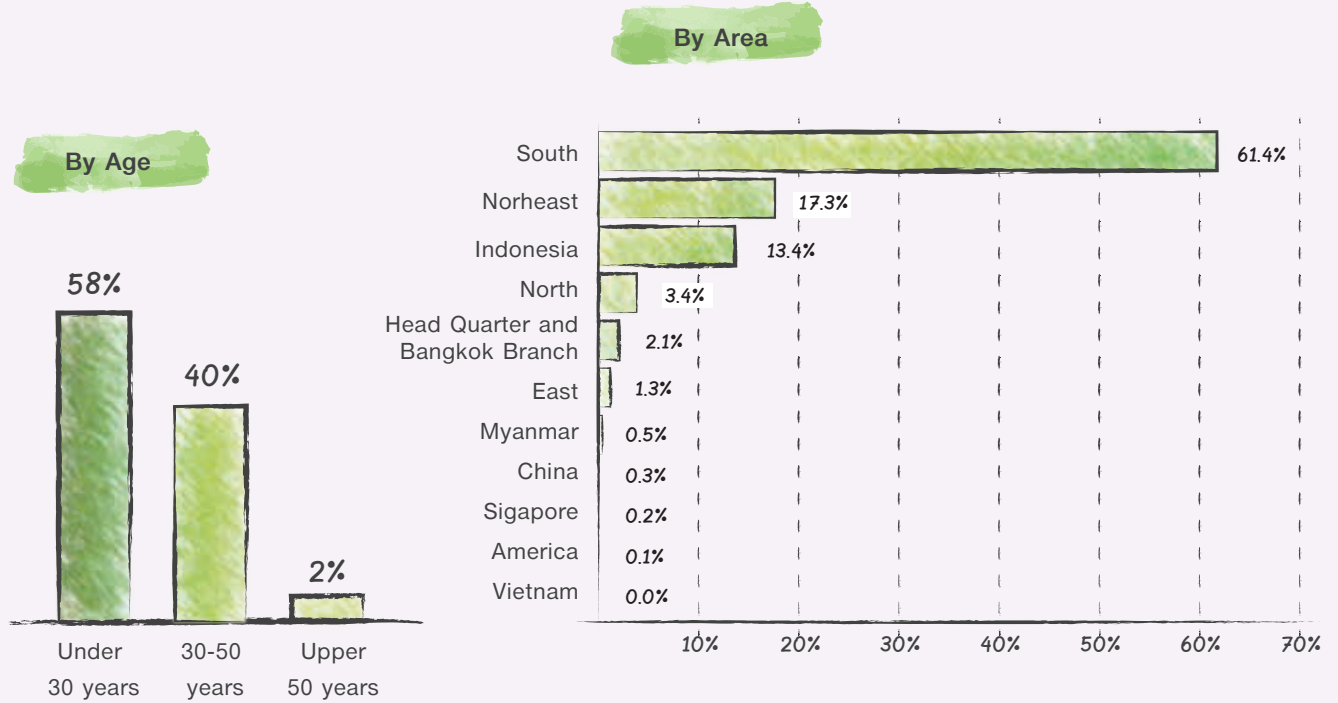
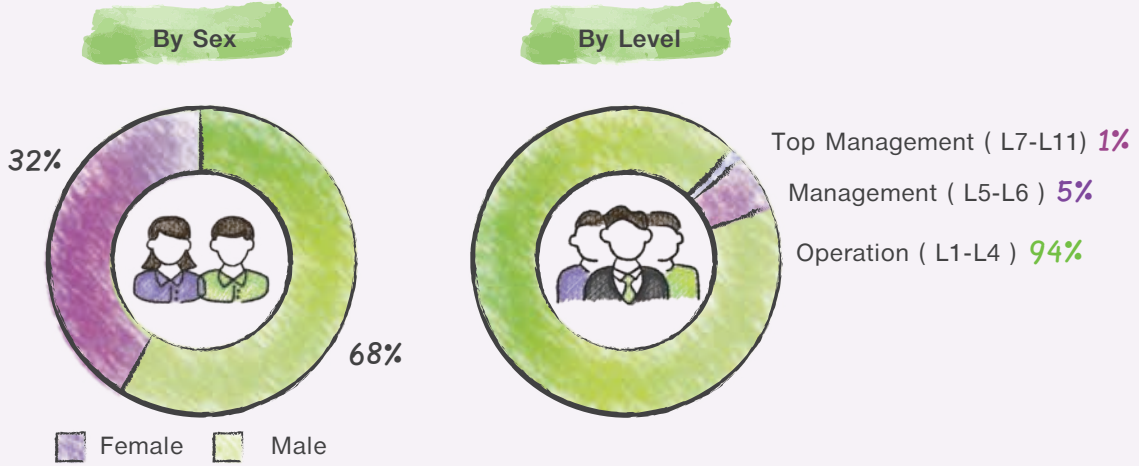


Employees' Care

The Company's employees are instrumental in driving the Company toward long-term success. The Company therefore gives priority to human resources management, from employee recruitment, fair compensation, training programs to develop skills and opportunities for career advancement, as well as the health and safety of all employees.

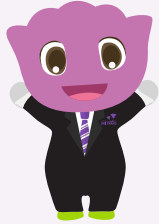
Aside from legal entitlements such as provident fund and workman's compensation fund, the Company's employees are remunerated in the form of overtime payment, extra payment for employees who perform a hard shift and yearly bonus. The employees are also entitled to benefits such as uniform, rent subsidy, accommodation, per diem, health insurance and accident insurance, emergency aid, education and training programs, etc.

As of 31 December 2018, the Company had 14,047 employees which can be categorized as follows:



% of employees that were promoted

Natural Rubber **6%**
 Finished Product **4%**

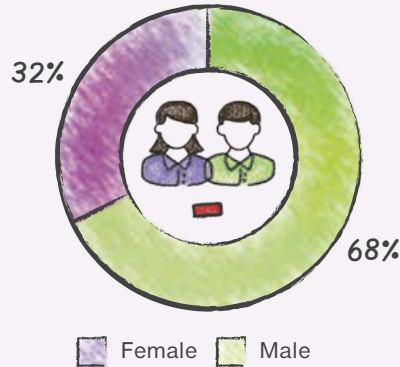


Turnover

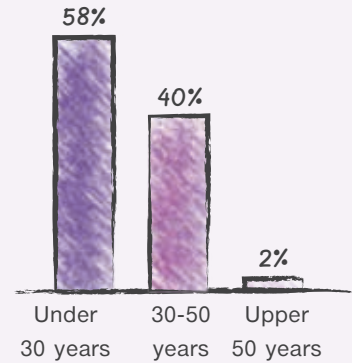
Natural Rubber **3.4%**
 Finished Product **0.7%**



Employee termination by sex



Employee Termination by Age

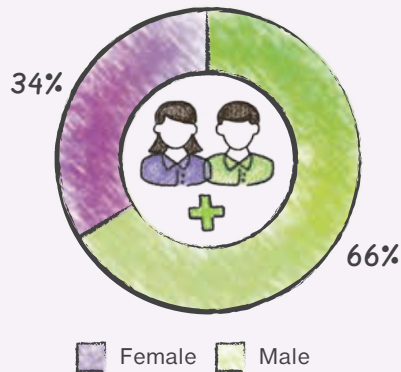


Maternity leave Return after maternity leave

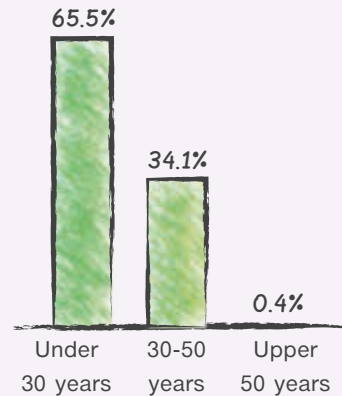
82%



New Employee



New Employee



Recruitment

The Company has recruiting staff both from internal personnel by promoted or relocating work units to advance and grow up. In terms of external recruitment, the Company recruitment according to the job Description for each position combined with emotional intelligence in order to get employees who are suitable for the position, being smart and good. The Company specifying the necessary details for recruitment information through various channels such as the company website, jobs websites, job recruitment in the provincial so that interested people can be to apply in equally.

Employee's Remuneration

The Company determines the remuneration of employees at the appropriate rate according to the professional position. And are equal to men - women. The Company also is exploring for compensation and benefits comparable to similar industries for appropriate remuneration.

The Company implemented the PMS: Performance Management System management system by establishing a work management system. The Company establish the PMS working group to considered and the guideline of evaluate .Set up the Key Performance Indicator in each business unit In order to set the goals of each agency to be consistent and the same way throughout the organization, such as setting goals, operating profit and loss performance, main units and support units and customer satisfaction etc., the part of the performance management system used for consideration Employee rewards and bonuses.

Trainings and Employee Developments

Employee Development Policy

STA recognizes that human resources are our most valuable asset. We have accordingly developed a well-rounded employee development program that provides training to develop various skills and knowledge, as well as seeks to instill environmental awareness. Our Employee Development Center is responsible for providing all our employees with suitable training programs to help them develop and enhance the skills relevant to their lines of work.

Following are the employee development programs organized by our Employee Development Center:

1. In-house training in the fundamentals of the employee's respective lines of work, for example, production, services, technology and management.
2. Various development activities, such as 5 S, Quality Control Circle (QCC), Kaizen, One Point Lesson (OPL), that seek to develop and improve the skills employees can utilize in their daily work assignments, for example, the use of new technologies and how to simplify work processes.

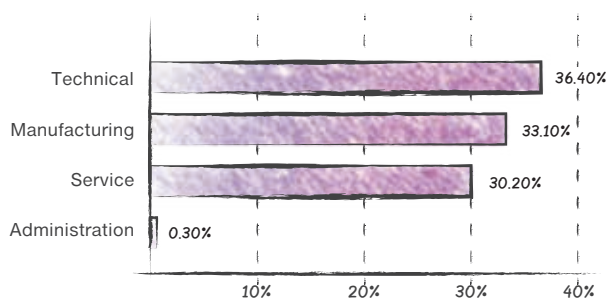
3. STA Culture is a program that seeks to instill in new recruits the core values of STA, as well as to forge a bond between new recruits and STA employees who work in different positions or in different locations.

4. Through STA Share & Learn, STA selects our employees who are proficient in their respective lines of work to impart their knowledge to and share their experiences with other employees at various organized events such as Sri Trang Smart Trainer, STA Talks and Sri Trang Conversations.

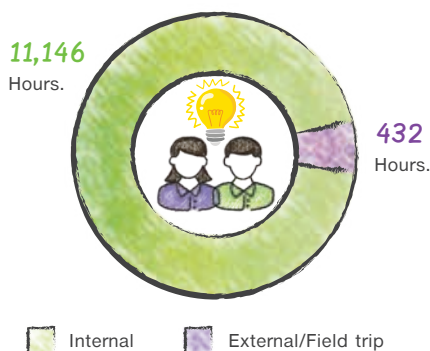
5. Employees of STA are regularly taken on field trips, both in Thailand and overseas, as well as field trips to learn about the operations within Sri Trang Group, so that they can acquire new knowledge and be exposed to new experience that may be useful in their respective lines of work.

STA has established "Sri Trang Champion" for our employees to showcase their skills and accomplishments with their colleagues, so that they will be inspired that they too can achieve what they set their mind as well.

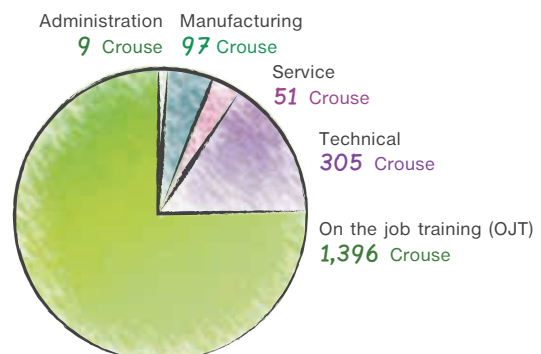
The proportion of training by category



Training hours average per man per year
3.7



The proportion of training by type



The number of courses by type

Performance of development activities 2018

Activity	Employees' participation	Target (subject per year)	Results
OPL	100%	2	Total 6,859 subjects
Kaizen	98%	2	Saving 176 million baht
QCC	100%	1	Saving 49.1 million baht

Employee development and Creating Innovation

The Company encourage employee to create innovation by kaizen and Kaizen Quality Control Circle (QCC) activities. Not only determined to KPI but also set the contest to award and promote employee. For example in 2018, the winner as below;

Subject: Change system to mount stronger

Employee name : Mr.Thavon Kongchareon

Department : General Engineer

Before

Due to the current production line 3/2, use the DPS glove removal machine which has the characteristics of turning back and forth. To pull out the gloves from the FM, the a strong rotation result in



- The key lock between the shaft and the roller is loose, rocking and cannot be used.
- Requires to a half roller replacement with a new axle shaft.
- In the year 2018, there were 4 sets out of order which were expected to increase to 12 until the end of the year.
- the Price is 26,550 baht / piece

Result

- can reduce the cost of buying a replacement roller 298,600 baht / year
- Can reduce the danger caused by damaged Half Roller both person and machine parts in the production line
- The Half Roller series can operate at full efficiency and reduce machine stop time due to damaged Half Roller
- Reducing the occurrence of waste from the damaged fan by 12 sets per year
- Employees are more confident in work because the gloves do not come out of the DPS

Improvement

- Turning the thread on the roller shaft
- Nut lathe
- Assembly







Occupational Health and Safety

The Company always adheres to the regulations concerning occupational health and safety, paying extra attention to the health and safety of all employees as the Company realizes that every employee is the most important resource for the Company and is one of the main contributors to the organization. To fulfill the obligation of making sure that all employees are healthy and safe, the Company has provided the employees with health insurance, regular medical checkups, safe working, atmospheres along with a frequent inspection of the environment within working areas, risk assessments, emergency plan and preparation for emergency preparedness.

The Company has continuously and consistently improved the safety, health and environment in the workplace. By defining the objectives, Target and action plans. Management review and annual performance audits. Occupational health and safety policies are necessary to be aware of and strictly taken into an action in order to create quality living by the following practices;

- Compliance with state laws and regulations concerning safety, occupational health and working environment
- Improvement, prevention and development for any risky tasks that may cause injuries or harms to employees and other people
- Improve and develop a continuous and consistent management system for safety, occupational health and working environment by internal audit for qualities' system
- Providing resources by means of personnel, time and budget
- Proper and sufficient communication and training for safety, occupational health and working environment for employees

*In term of safety management system,
the Company have monitoring with indicators as follow;*

		2019
	Injury Frequency Rate (IFR)	0.52
	Injury Severity Rate (ISR)	40.9
	Total Recordable Injury Rate (TRIR)	14.55
	*Illness and death on duty	...0...

*Employee and contractor



Health and Safety Promotion

In addition to staff orientation and training as provided by the Occupational Health and Safety Program, the Company has organized activities to create a culture of safety and health for employees.

- SAFETY TALK & KYT
- Exercise by the principles of ergonomics
- SET WEEK / Safety data board / Occupational Health and Safety exhibition
- SAFETY BOX
- Contesting safe areas / Outstanding Occupational Safety and Health Committee
- Organizing sport events within the company
- Participation in various government projects, such as the disease-free, workplace safe, happy mind and body, Thailand Labor Management Excellence Award, Outstanding prototype of safety, occupational health and working environment.



SAFETY TALK & KYT



Fire drill



Health check



Ergonomics



Fire drill



Health check



Supply Chain Management

Procurement and supplier practices

The Company has established the purchasing policy of the Sri Trang Group in accordance with the social responsibility policy and comply with the business code of conduct on partners and competitors strictly to anti-monopoly, unfair competition, prevent corruption and develop new vendors, by defining practices of the organization and selection to do business with social responsible partners such as green procurement, purchase energy-saving equipment, no child labor or forced labor, non-discrimination, fair employment and participation in environmental preservation. Including promoting knowledge for partners to be responsible for society. Bringing the Supplier Assessment Form in the BSCI code of conduct system that covers both social and environmental aspects applied to annual assessment of major suppliers.

In assessing the risks that may arise from business partners, the Company has evaluated the order of value with the suppliers in order to know the important customers that affect the operations of the organization which will be managed appropriately.

In terms of transparency in the procurement system, the Company set up internal audit and risk assessment that may be potential to fraud and corruption. In the

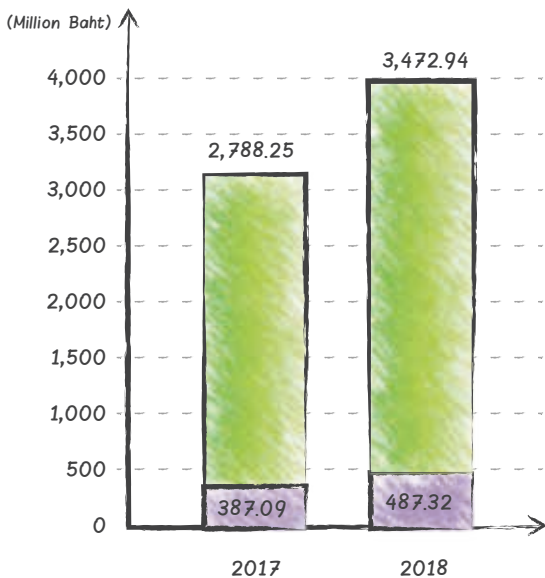
case of finding that there is no transparency or fraud will take disciplinary action against employees according to the company's regulations and have a blacklist system with such suppliers In terms of transparency in the procurement system, the Company set up internal audit and risk assessment that may be potential to fraud and corruption. In the case of finding that there is no transparency or fraud will take disciplinary action against employees according to the company's regulations and have a blacklist system with such suppliers

In 2018, there were partners who signed to show the intention of anti-corruption in the amount of 40 persons

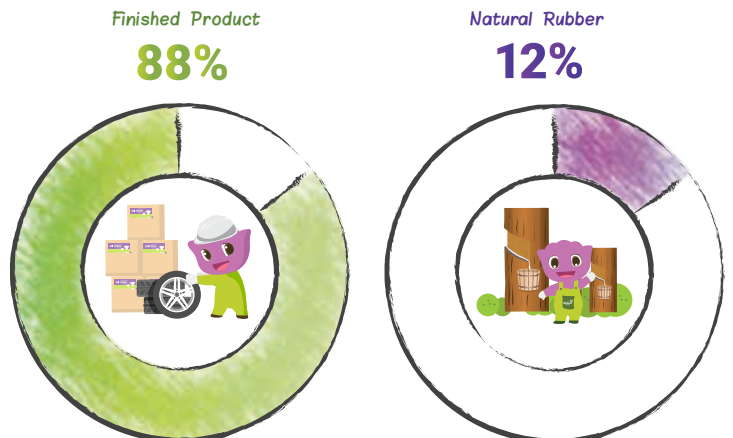


In 2018, the Company is involved in creating local economies as below;

Purchasing local products and services



Proportion of local purchasing of products and services



Rubber Procurement

In the procurement raw material, the Company provides “free trading” with rubber farmers or suppliers. The procurement department has established a standard procurement. Have procedures to accepting new suppliers and clearly method to evaluate suppliers that can be traced back. Therefore, rubber farmers and anyone can become to the supplier according to the standards procedure. The procurement department has also set up an annual plan to visit and give advice to inquire and acknowledge the expectations of the supplier or rubber farmers. In order to the supplier receive presently information, result in procurement department being able to plan the management of rubber raw materials appropriately.

As for the purchasing price of raw materials, the Company has always referred to market prices quoted at SICOM, which is a very liquid marketplace for RSS and TSR actively driven by players worldwide.

Rubber farmers or interested parties can call to inquire procurement department each branch directly or calling 02-2074500 press 3. Contact the procurement department

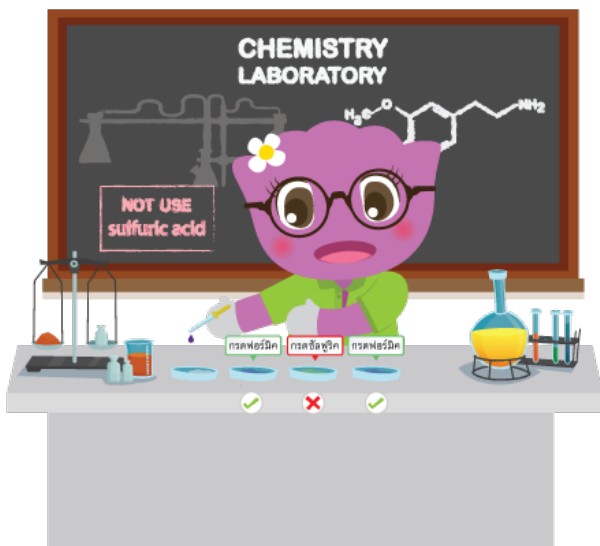
Supplier Development



From the idea of Green Supply, focus the sourcing of clean raw materials, and giving importance to creating sustainability for partners and communities, especially those of raw material suppliers.

The Company believes that by providing knowledge and understanding for suppliers and rubber farmers on how to efficiently carry out a rubber business would create sustainable income and good quality of life. The Company, then, has made regular visits to suppliers and rubber farmers. Upon every visit, the Company could promote more knowledge of quality rubber and inquire about the satisfaction of the suppliers towards the Company.

The Company has come up a project of Sri Trang farmer's friend to educate and promote rubber suppliers and farmers to improve the quality of cup lump by campaigning for the use of formic acid and taking care of social and environmental responsibility through the “Bantookyang Tidrang Sangroyyim” project.



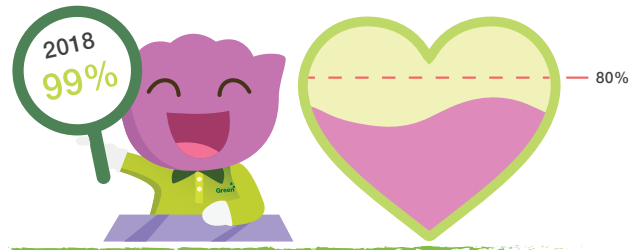
Responsibility to Customers and Consumers

The sales and marketing department of the Company has been abiding by the Company’s business ethics concerning customer relations, with an aim to create the best satisfaction and confidence with the customers in receiving the best quality products and services, with the right prices. The department also provides complete and correct information about every product, on-time delivery, product guarantees as well as sufficient communications channels for customers to make complaints about the Company’s products and services. Moreover, The Company is responsible for keeping customers’ confidential information private and secured, organized visiting trips to the Company’s factories for customers to create better understandings about the Company’s operations and products. The Company thrives to strengthen the relationships with the clients, by organising annual meet up, while also establishing an evaluation system for customers to obtain feedbacks of their satisfaction towards the Company.



In the case of medical gloves, the company has provided education to consumers through Facebook Sri Trang Gloves Thailand, Line@ and educate customers and consumers in the medical, Food and others exhibition that are held annually.

For group of natural rubber, the customer’s satisfaction target is Grade A and B are more than 80%, the result year 2018 is 99%



Scan QR Code



Scan QR Code



Sri Trang Gloves (Thailand) Company Limited (STGT), a subsidiary of the Sri Trang Group, had an exhibition at the MEDICA 2018 Düsseldorf International Medical Device Exhibition and the World Medical Conference On November 12-15, 2018, at the Düsseldorf Exhibition Center, Dusseldorf Germany.

Participation of Communities and Society Development



The Company believes that sustainable business operation should include the community and society development to grow together. Apart from the surrounding communities that we are located in, we also contribute to the development of communities and societies in all parts of the country. Not only to promote the economy, the development of the quality of life of people in the community is another important mission. The Company has proceeded through various activities and projects which initiated by ourselves and to meet the expectations of stakeholders. There are in 7 part as follows;

Children and youth

The project to support school development and improvement the playground, library building, provides sports equipment, necessary consumer goods to schools that are lacking in the area where the factory is located. Includes activities such as organizing the National Children's Day, as well as the involvement activities according to the ability of employees, such as:

- Playground, "Sri Trang Sri Bann Sri Muang, to early childhood learning resources", Sa Kaeo and Trang Province.
- STA: STEM STUDENT in Sri Trang Community Learning resources, 2018 at Trang, Narathiwat, Buengkan, Sakon Nakhon, Buriram, Songkhla and Ubon Ratchathani province.
- The "Library for all" cooperate with The Stock Exchange of Thailand Foundation to improve libraries Ban Kok Phet Burirum province.

Sports

The Company believes that support and participation in sports is another thing that will help improve society. By providing support for budget, sports equipment and participating in sport events of communities and various agencies. Including support the National Disabled Sports Competition which the employees of the Company join the competition.

Career development and well-being

In addition to employ people in the community to work with the Company, another important thing is supporting and promoting career for people in the community based on the needs and abilities of the community to create better living as follows.

- **Good Water Community Relations Project**
In the north and northeast's factory we constructed ponds to reserve water for using in the production and released fish to the pond as also indicators of water quality. When fish growing, the company will arrange activities for villagers that have a fish selling career and others to catch the fish to food and sold.
- **Organic vegetable project**
Sri Trang Gloves (Thailand) Co., Ltd. the organic farming Ban Lobmum community to grow organic vegetables, herbs, mushrooms and herbal drink. To create a career for the community following to the sufficiency economy approach of the King Rama IX, with periodic visits to the community's performance and the purchase of community herbal drink for use in various activities.
- **Lunch program for children**
The company gives importance to having good and sufficient food for children and youth in the community. Therefore, this activity has been done such as giving catfish and fish food to the school. Promoting to grow vegetable ,mushrooms for children and teachers to participate in caring production for lunch and can also be sold as income for the school as well.

Healthcare

The Company takes into account the health and safety of people in the community and society. Therefore, Sri Trang Gloves (Thailand) Company Limited to share caring through the support of medical rubber gloves for the community and various agencies for use to prevention of safe exposure, such as blood donation center, Thai Red Cross Society, District Health Promotion Hospital, University, Ruamkatanyu foundation, Soi dog and Rakmaw for stray cats Foundation .In addition to the health of the user Supporting gloves for stray cat and dog sterilization activities or rabies vaccination camp counting that the company have participated to help solve social problems in another way as well.

Helping disaster victims and disadvantaged people

The Company help and relief to disaster victims or disadvantage people in society both in the country and abroad which contribute through the participation of employees, donate Survival bags, Sri Trang drinking water and medical gloves. By the Company ourselves and through customers or company partners.

Culture and local traditions

In order to preserve the local culture and good traditions, the Company provides support to local cultural traditions every location we operates both in all regions all religions, such as long tail boat races, local fire works, food offering to the monk and set up a almshouse during practice the dharma of the northeastern province ,supporting to co-host the Kathin ceremony, merit-making activities, and activity in the year of Ramadan etc.

stray cat and dog sterilization activities



rabies vaccination camp



Memesco delivered Sri Trang Gloves to Laos Government for help the flood victim.



Share caring through the support of medical rubber gloves for blood donation center



activity in the year of Ramadan

RAKMAW FRIENDSHIP DAY



Development Wat Koksak



supporting to co-host the Kathin ceremony



Environment and surroundings

By CSR policy (Environmental friendly). Not only to implement an environmental management system, the company also gives importance to the conservation and take care the environment of the community and society through projects and participation in environmental activities with various agencies as follows.

Aquatic life Conservation

The Company takes into account the ecological restoration and food chain by collaborating with government agencies to organize activities releasing aquatic species into rivers, canals and seas to help restore ecosystems Food chain and maintain the abundance of nature

Green area

The Company is committed to maintaining the environment and enhancing the space to absorb carbon dioxide which is the causes of global warming. The Company set up a tree planting activity both within the company and joint with government agencies every year.

Sri Trang Volunteer

The Company promote employees to have a public mind by improve and develop nearby communities activities such as community roads, temple, and schools to improve and rebuild good environmental in the areas as well as to grow the unity among employees. Moreover, the participation showed the Company's sincerity to live sustainably with surrounding communities

Bantookyang Tidrang Sangroyyim project

Is a project showing the intention of the company which is ready to create a smile for the community to be livable and free from accidents by campaigning the rubber farmers or truck owner to transport with standard to prevent the serum from the cup lump leaking onto the road. By preparing truck standards and giving stickers to trucks that have passed the standards since 2017.

The performance in 2018, it was found that all 9 pilot companies there are vehicles transport meet the standards average 93.39 percent, its' mean that the supplier has cooperated and has helped this project to be able to successfully.

Community waste water management project



Bantookyang Tidrang Sangroyyim project



Aquatic life Conservation



Useful soil project :

Sludge processing to an organic fertilizer to the community Activity of processing sludge into organic fertilizer to the community to allow farmers or those interested to have knowledge in the production and use of organic fertilizers effectively, reduce the use of chemical fertilizers, able to be self-reliant in developing sustainable agriculture, reduce expenses by producing fertilizer for use in the community. The Company has organized a pilot project to test the production of fertilizers by cooperation with agricultural specialists in plant protection service group Pattani Provincial Agriculture extension Office. The sludge used for fertilizer production has been analyzed and found that there is no contamination of harmful heavy metals.

Community waste water management project

Sri Trang Gloves (Thailand) Co., Ltd. has created a project to transfer knowledge about guidelines for managing wastewater generated by the community to the students of the Municipal School 1, Phatong Sub-district and Wat Thung Lung school. To encourage youth and people in the community to have knowledge, understanding and awareness of the importance to save environment especially the U-Tapao Canal which is the main river of Songkhla Province.

More various activities can be find from the company website www.sritranggroup.com in part of sustainability (Sustainability Activities)



Useful soil project: sludge processing to an organic fertilizer to the community

Planting tree to increase Green area

Sri Trang Volunteer

Environmental Management

In the year 2018, the Company continued to focus on climate change and the use of resources for conservation every year. Such important issues have defined environmental issues and guidelines for policy formulation. Managing and developing various environmental aspects through the use of environmental tools such as water footprint as a guideline for water resources management, 3Rs project to reduce waste to landfill energy-saving equipment and maintenance of machinery to use electrical energy efficiently and reduce greenhouse gas emissions.

The management has established the S3E project which includes Environmental sustainability (Sustainable Environment) Sustainable energy Sustainable living with communities and government agencies (Sustainable engagement) and promote the development of environmental innovation in monitoring the efficiency of Environmental pollution treatment. The invention of technology to treat odors from the production process to achieve sustainability within the organization and strive to be the leader of the green rubber company.

However, in order for the environmental management to meet international standards, the Company has adopted the ISO 14001 environmental management standard system to be used in operations. Which has set environmental policies and operational guidelines to be in line with the vision and social responsibility policy including cultivating awareness among employees to create a green culture to participate in environmental preservation both inside and outside the organization through activities and projects With an environmental working group and a central management representative who supervises the system and reports the performance to the directors.

Mr. Chalernpop Khanjan
Director



In our business, we buy a cup lump as a raw material which is physically contained 40% of water and we have to release water out to use pure rubber in the production. How to manage with wastewater from raw material in additional 100% recycle in the production? The S3E is established base on environmental concern to create sustainability in our company.

On the way to Kalasin branch factory and I saw there are Napier grass along the road. Which is the grass that the farmer plant for sale as food to feed animals therefore formed a concept we therefore began to study the Napier grass used as food for feeding animals with high protein and we also found that Napier grass can be used as energy. The team has to study and experiment Start experimenting at the Kalasin branch factory in 2017 and get the project name. "Green Energy Renewable Energy with Napier and proceed to the present in order to create sustainability in all 3 aspects of the environment, energy, and community, and we will continue to strive to strengthen develop more sustainability S3E".

ISO
14001:2015 **11** companies



the target of
14 companies
certified by 2019

In 2018,
The Company has certified
Environmental management system

Climate Change and Energy Conservation

Global warming from climate change is no longer a far-reaching issue and causes everyone on the planet to focus and collaborate to reduce greenhouse gas emissions. The Company has continuously conducted energy management and started assessing greenhouse gas emissions Scope 1 and Scope 2 as a guideline for management to reduce the impact divided into energy management.

Energy strategy

- Maintenance machinery equipment to maintain working conditions for maximum efficiency
- Continuously study and develop energy innovations
- Study alternative energy and alternative energy to be used within the company

Energy goal setting





- Reduce electricity consumption by 5%

Performance

- Electric power separated by products

The proportion of the reduction

- The proportion of the reduction of 2.73% rubber sheets, concentrated latex decreased by 3.7%, STR increased by 1.67% and gloves decreased by 1.44%. Increase environmental management processes such as wastewater treatment systems and air treatment systems resulting in increased electricity usage, especially the STR factory which will consider to reduce energy use or find alternative energy sources in conjunction with current energy

Product	Unit	2016	2017	2018
 RSS	(kwh/ton)	10.68	11.03	10.73
 Latex	(kwh/ton)	95.31	95.85	92.32
 STR	(kwh/ton)	197.02	218.44	222.09
 Gloves	(kwh/Mpcs)	10,520.32	10,447.90	10,297.54

What we do

Energy saving project at Ubon Ratchathani branch

“The project to reduce electricity consumption by reducing the production process”

- Study the impact of quality together with the quality assurance team and the research and development team
- Experimental real operation at Ubon Ratchathani branch to expand to other branches
- Electricity consumption before renovation 36 kW-hour/ton after renovation 21 kW-hour/ton, representing 41.66%

Climate change

Start to access a list of greenhouse gas emissions from Scope 1 and Scope 2 as a guideline for the company to be able to formulate strategies for business operations that are environmentally friendly. Helps to reduce the effects of climate change by defining strategies in the same direction as energy management.

In 2018, the Company emitted 0.614 million tons of greenhouse gas emissions, CO₂ and set a goal of reducing greenhouse gas emissions



Water Management

The Company has supported the development and improvement of water treatment technology to achieve maximum efficiency in reusing water in the production process. Without having to rely on raw water sources which are limited The Company continues to improve in evaluating water usage through the creation of a water footprint at the Sikao factory in Trang Province and getting advise from the Institute of Water and Environment for Sustainability and the Federation of Thai Industries (FTI) in the factory, almost every branch of the Company has recycled water in the production process 100% except latex factory in Trang Branch and Hat Yai Branch and Surat Thani Branch, which have taken some water into the factory cleaning process. The Company foresees the importance of using water resources with the following

Strategy

- Developing a wastewater treatment system to be able to bring water back into production processes and other activities in the company
- Bring technology and innovation to be a part in monitoring and controlling wastewater treatment systems
- Prepare water footprint and evaluate groundwater resource use

Target

- Use 100% recycled water in the production process
- Accounting for the use of groundwater



What we do

The project to improve the primary wastewater treatment system with anaerobic method at the Mukdahhan branch factory

- Using anaerobic treatment before continue treatment at Activated Sludge
- The anaerobic treatment unit can reduce 50% of BOD form 12,000 mg/l to 6,000 mg/l

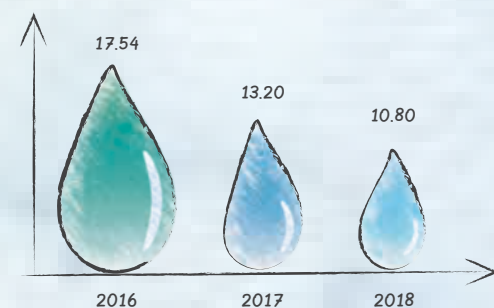


Anaerobic wastewater treatment

Groundwater accounting project of Sri Trang Group

- To record the average water usage in Sri Trang group and use the information to be a guideline for groundwater management
- Groundwater is used for the consumption of employees in the STR factory and used in the production process for the latex factory which has the total amount of groundwater use at 1,630,554 cubic meters in 2018
- The target is set to reducing groundwater usage by 5% per year

Water usage per product cu.m/ton



Water Footprint Results at Sikao Branch

Air Emissions

The Company is aware that the natural rubber industry creates 2 sources of odor from the STR process and the decomposition of organic materials from the raw materials in the factory. Which may affect nearby communities which depends on the weather in each period. This is very importance to the management of activities and production processes, to prevent any effect to internal factory and nearby communities. By defining strategies as follows

Strategy

- Establish good practices to reduce odor effects from factory activities
- Study the technology of odor treatment from the STR process
- Determine how to measure or predict the impact that will occur in the surrounding communities
- Maintain air pollution treatment performance at boiler

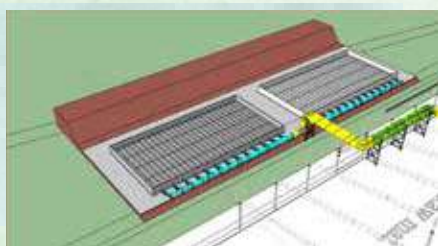
Target

- To treat and reduce odors that occur from STR process without affecting the community
- To predict the impact that may occur to the community from factory activities
- Pollution measurement results from Boiler Chimneys are 100% compliance

What we do

The odor treatment project from the process of baking rubber using bio-filter at the branch factory.

- Study the cause of the odor from the rubber drying process by using biological and chemical examination principles
- Selecting to use biotechnology along with environmental engineering principles in designing odor treatment systems
- The efficiency of bio-filter is more than 95%



Biological filter system (Bio-Filter)

Mr. Jaru Chaisuankeaw

Technical Engineer
Division Manager



Due to the fast growing technology factor Causing the current environmental impact to change rapidly Therefore requires sufficient and accurate information In order to display analytical results and make timely decisions, we now have a model that can store data in real time and in the future will be expanded to other branches. Next, install a system that can control and learn. Under the information recorded (by 2019)

Project for installation of wind direction and weather measurements at the Kalasin branch factory

- Study the technology for checking the smell system results from the production process through cooperation from the National Electronics and Computer Technology Center (NECTEC)
- Determine inspection methods to anticipate the odor effects that will occur to the community by installing wind and weather directions
- Able to check the wind direction and current weather conditions (Real time)
- Take the results from the wind direction to manage in factory. Both adjusting the production plan together with increasing the efficiency of the treatment.
- Able to predict the impact in time and reduce the impact on the community



The picture shows the wind direction and distribution in the area

The results of air quality measurement from boiler stack of all factory are compliance with the standard 100%. In addition to the Company take importance on the effect of particulate matter PM2.5, therefore improving the efficiency of dust filter by installing the wet scrubber in all factory.

Waste Management

The ban of Single-use plastic product is becoming more and more important with varying degrees of enforcement. Many organizations are looking for alternative material to replace plastic product and provide awareness training to employees on impact from plastic product. The activities are created under 3R principle (Reduce Reuse Recycle) to be the driver of activities within the factory by defining the following strategies.

Strategy

- Procurement of alternative plastic (recycled) for packaging products
- Promote 3R activities within the company to waste management

Target

- Reduce waste to 5% of landfill
- To find alternative plastic materials to wrap products (Packaging)

What we do

Waste to value project

- Wooden crates containing synthetic rubber (SBR) to be used as raw materials for the production of the company's compound rubber or damaged pallets to make shelves Place shoes, tables, chairs, cabinets books for internal use and donated to schools in the community.
- The waste glove formulas (ceramic product) can be destroyed to a small pieces and use as a cement mixture in casting poles, pouring the floor and packing bags into a big bag for use in flooding.
- Projects to use materials such as Nylon tape making bag Scrap from the maintenance of robotics, Plastic bottles made of trash , Wooden crates for table use, Used oil tank and come to make the chair set.

The project to reduce the amount of solid waste in the factory to reduce waste to landfill at Sikao branch.

- Set policies for employees to use food carrier or boxes.
- Collect food waste for feeding fish within the community.
- Promote the recycling of waste by passing through the garbage market project and invite a recycle company come to collect and buy every week.
- Can reduce the amount of garbage that is brought to landfill from the original 8,000 kilograms per month to 1,500 kilograms per month which is 82% reduction.

Mr. Amka Boonpong
Farmer



I heard the program from community leader that the company has a project to distribute Napier grass to feed animals before having this project he must be brought to the cows to feed the fields so that the cows eat grass in the fields. However in the summer season, less natural grass then he has to buy the grass with a cost of 100 baht per 1 cow per day and he has 2 cows equal to 200 baht per day. But after receiving the grass from the company. I did not pay this part and save money after getting the grass to the cow the cow is happy caused by nutrients in the grass completely make every cow healthy.

Thank you to the company with this project. Is a good project for the community People in the community can reduce costs without having to buy grass to raise cattle. And not having to take the cows to feed in the grass fields.

Thank you very much

The project uses recycled plastic grades to wrap products.

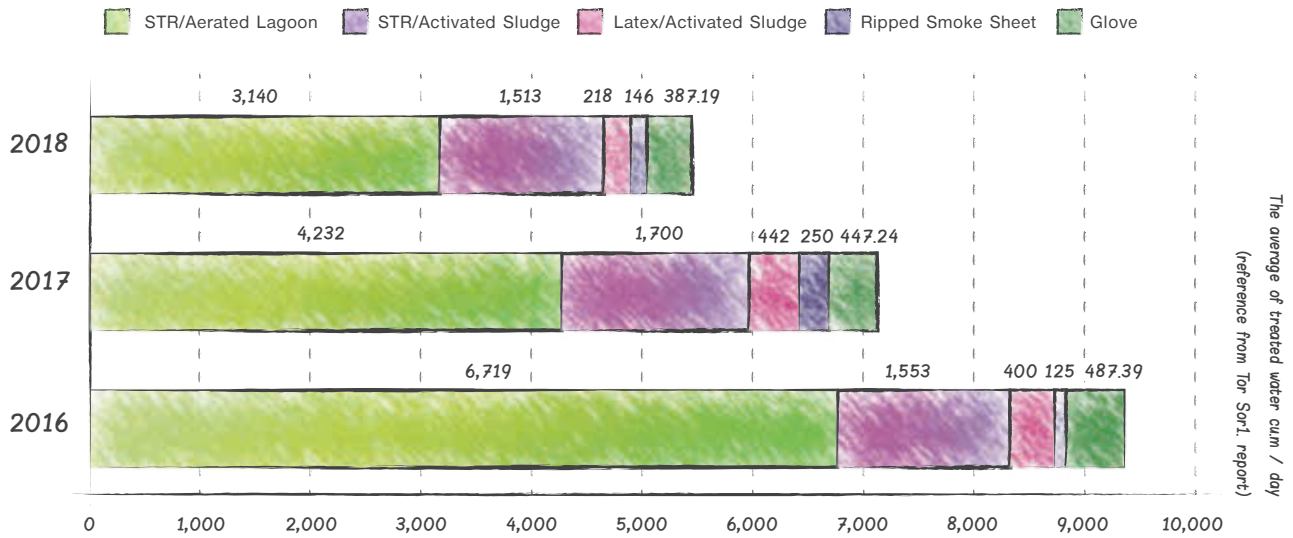
- Study together between the logistics department and the quality control team about the impact on products that will be delivered to customers in the event of using recycled grade plastic
- Use recycled plastic grade in the STR which can reduce 135 tons of new plastic production per year

The project to remove excess sludge from the wastewater treatment system to be Napier grass fertilizer. At Kalasin branch

- Check the properties of excess sediment from the waste water treatment system and found N P K in the proper quantity
- Use excess sediment to be a fertilizer in Napier grass amount 360 tons per month

Environmental Performance

The amount of water usage



(The information form meter of water usage)

Quality of treated water

Branch	2016				2017				2018			
	BOD Standard	COD Standard	SS Standard	pH Standard	BOD Standard	COD Standard	SS Standard	pH Standard	BOD Standard	COD Standard	SS Standard	pH Standard
	<20 ppm	< 120 ppm	< 60 ppm	5.5 – 9	<20 ppm	< 120 ppm	< 60 ppm	5.5 – 9	<20 ppm	< 120 ppm	< 60 ppm	5.5 – 9
Natural Product												
Thungsong	27.5	113.5	46.5	7.5	20.0	69.0	25.0	7.2	49.0	156.0	84.0	7.7
Sikao	17.6	71.3	23.5	7.6	23.0	57.0	16.0	7.6	32.2	73.8	20.5	7.4
Trang	10.0	43.0	19.0	8.1	8.5	25.3	10.3	7.7	4.0	30.0	14.0	8.0
Hatyai	0.47	3.3	0.3	7.2	3.00	12.0	4.5	8.0	2.3	22.0	6.3	7.7
Buengkan	7.0	105.0	39.0	7.1	16.0	58.0	19.0	7.1	12.8	53.7	15.7	6.7
Buriram	10.4	87.0	18.8	7.2	6.8	49.0	8.3	7.6	15.2	55.5	22.5	7.6
Mukdahan	21.0	86.7	33.8	7.0	2.8	45.0	5.0	7.5	19.1	110.5	89.3	7.3
Udonthani	4.4	76.0	13.0	7.4	3.4	51.0	10.0	7.3	6.9	44.0	8.0	7.7
Ubonratchani	7.4	61.0	15.0	7.6	7.5	83.5	32.1	7.31	18.0	108.4	49.0	7.9
Pitsanulok	3.9	61.8	10.2	7.1	11.0	78.0	14.0	7.3	2.0	80.0	3.0	7.2
Glove												
Hat yai	4.9	98.7	17.4	8.4	6.17	99.8	8	8.5	5.95	90.8	8.9	8.7
Surattani	5.8	84.5	24.0	8.3	5.4	76.3	23.1	8.1	7.9	104.3	22.7	8.1

Remark: Wastewater quality standards are in accordance with Notification of the Ministry of Industry Re: Establishment of factory effluent control standards 2017

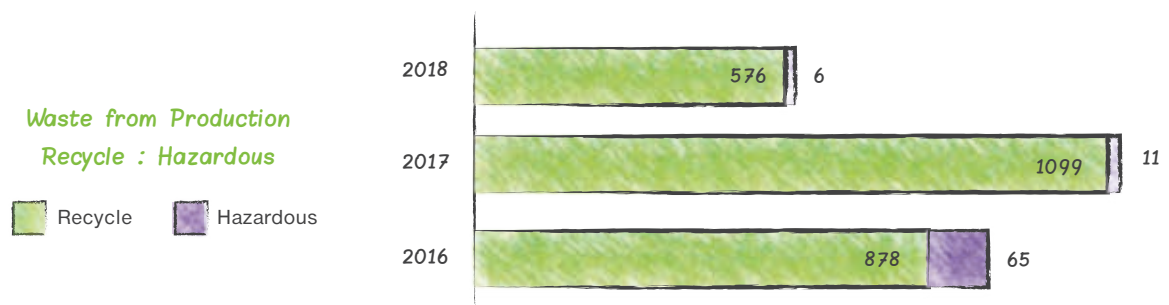
Air Quality

Branch	2016				2017				2018			
	TSP Standard	SO ₂ Standard	NO ₂ Standard	CO Standard	TSP Standard	SO ₂ Standard	NO ₂ Standard	CO Standard	TSP Standard	SO ₂ Standard	NO ₂ Standard	CO Standard
	< 320 mg/m3	<60 ppm	<200 ppm	<690 ppm	< 320 mg/m3	<60 ppm	<200 ppm	<690 ppm	< 320 mg/m3	<60 ppm	<200 ppm	<690 ppm
Thungsong	7.7	2.5	1.0	4.0	16.5	2.0	1.0	21.2	14.0	2.7	8.3	25.0
Sikao	76.1	25.5	35.6	400.3	52.6	24.2	40.2	542.5	16.5	30.6	68.7	142.9
Buengkan	30.0	20.0	82.0	168.0	160.1	40.0	130.0	62.0	25.2	40.0	82.0	2.0
Buriram	91.6	5.0	3.0	304.0	151.7	28.1	118.2	151.7	21.6	28.1	41.6	169.2
Mukdahan	285.0	11.0	3.7	219.0	72.4	8.0	3.0	14.0	11.9	21.7	81.5	6.0
Udonthani	33.0	2.1	20.8	260.6	62.5	24.9	62.2	383.3	79.5	36.3	28.4	161.5
Ubonratchani	143.9	6.4	3.2	170.4	80.6	N/A	N/A	N/A	85.3	22.1	22.2	486.5
Pitsanulok	37.6	7.5	10.5	65.8	28.1	6.1	81.7	168.1	71.1	28.1	171.6	54.1

Remark: Air quality standards follow Notification of the Ministry of Industry Re: Determination of the amount of impurities in the air emitted from the factory, 2006

Production waste

Branch	Recycle waste (Metal scrap)			Recycle waste (Plastic scrap)			Hazardous waste (Used oil)		
	ton			ton			ton		
	2016	2017	2018	2016	2017	2018	2016	2017	2018
Natural Product									
Thungsong	22.23	69.21	188.11	12.31	8.49	11.58	0.60	1.20	1.40
Sikao	33.91	236.89	103.09	-	0.76	3.48	2.10	3.25	45.60
Beungkan	6.91	8.78	34.69	-	-	6.21	1.40	2.20	0.00
Trang	-	40.25	15.88	0.36	2.891	4.698	-	1.80	1.20
Mukdahan	-	1.8	19.45	-	-	-	-	0.65	0.45
Buriram	3.8	5.42	13.5	-	-	-	-	-	-
Glove									
Hatyai	82.93	149.23	220.41	24.58	221.70	11.19	1.20	-	16.40
Surat thani	224.88	305.57	220.326	164.187	48.436	25.687	0.48	1.52	0
Total	374.66	817.456	815.456	201.437	282.277	62.845	5.78	10.62	65.01



Awards and Achievements of the Year 2018



SET Sustainability Award 2018 & Thailand Sustainability Investment (THSI)

Sri Trang Agro-Industry Public Company Limited received the SET Sustainability Award 2018 (Rising Star) and Thailand Sustainability Investment (THSI) for the 4th consecutive year from the Stock Exchange of Thailand.

Best Exporter 2018

Sri Trang Gloves (Thailand) Company Limited was awarded the Prime Minister's Export Award 2018 in the category of Best Exporter.



Outstanding Industry Award for the year 2018

Sri Trang Gloves (Thailand) Company Limited received the Outstanding Industry Award for the year 2018 in the category of Quality Management from the Ministry of Industry. The awards were given to organizations with the initiative and the contribution to the development of Thailand's industries.



Quality Award 2018 from the Food and Drug Administration for the 7th consecutive year

Sri Trang Gloves (Thailand) Company Limited received the Quality Award 2018 from the Food and Drug Administration for the 7th consecutive year. The award is given to an organization that produces quality products that are safe for consumers and operates with social responsibility.

The Sustainability Report of the Year 2018

Sri Trang Agro-Industry Public Company Limited was awarded the Sustainability Report of the Year 2018 in the category of Recognition.

Certified AEO Importer/Exporter

Sri Trang-Agro Industry Plc. was certified AEO Importer/ Exporter from the Thai Customs Department.

The Innovative Organization Award

Sri Trang Agro-Industry Public Company Limited received the Innovative Organization Award for participating in the “Project to Promote Innovation,” jointly organized by the National Innovation Agency (Public Organization), the Stock Exchange of Thailand, and the College of Management, Mahidol University.

Collective Action Coalition Against Corruption

Sri Trang Agro-Industry Public Company Limited was certified as member of the Private Sector's Collective Action Coalition Against Corruption (CAC).

AMCHAM'S CSR Excellence (ACE) Award 2018

Sri Trang Agro-Industry Public Company Limited was awarded the AMCHAM'S CSR Excellence (ACE) Award 2018 from the American Chamber of Commerce of Thailand.

The Promotion of the Disabled Person of the Year 2018

Sri Trang Gloves (Thailand) Company Limited was awarded the Outstanding Organization for the Promotion of the Disabled Person of the Year 2018 from the Ministry of Social Development and Human Security.

The evaluation criteria for disease-free, safe, happy workplace

Sri Trang Agro-Industry Public Company Limited, Sa Kaeo Branch, passed the evaluation criteria for disease-free, safe, happy workplace, graded good by the Sa Kaeo Provincial Public Health Office in collaboration with the Sa Kaeo Labor Protection and Welfare Office.

Outstanding Labor Relations and Welfare Award

Rubberland Products Company Limited, Bueng Kan Branch, received the Outstanding Labor Relations and Welfare Award for the year 2018 for the 4th consecutive year.

Outstanding Enterprise Award in Welfare and Labor Relations

Sri Trang Agro-Industry Public Company Limited, Udonthani Branch, received the Outstanding Enterprise Award in Welfare and Labor Relations for the year 2018 at the national level.



CSR-DIW Continuous Award 2018

- Sri Trang Agro-Industry Public Company Limited, Hat Yai Branch, Sikao Branch, Thung Song Branch, Phitsanulok Branch, Chumphon Branch
- Rubberland Products Company Limited and Rubberland Products Company Limited, Bueng Kan Branch, Buriram Branch
- Nam Hua Rubber Company Limited
- Sadao PS Rubber Company Limited
- Sri Trang Gloves (Thailand) Company Limited, Hat Yai Branch

Green Industry 2018

The Company is committed to being a green industry. for balanced and sustainable development, the Company that has been certified as follows

- **Green Industry Level 1, 5 factories:**
Sri Trang Agro-Industry Public Company Limited, Kalasin Branch, Sa Kaeo Branch, Loei Branch, Pattani Branch and Narathiwat Branch
- **Green Industry Level 2, 2 factories:**
Sri Trang Agro-Industry Public Company Limited, Huai Nang Branch and Anwar Parawood Company Limited



- **Green industry, level 3, 18 factories:**
 - o Sri Trang Agro Industry Public Company Limited, Hat Yai Branch, Trang Branch, Sikao Branch, Thung Song Branch, Udon Thani Branch, Chumphon Branch, Surat Thani Branch, Kanchanadit Branch, Ubon Ratchathani Branch And Phitsanulok branch
 - o Rubberland Products Company Limited, Bueng Kan Branch, Buriram Branch, Mukdahan Branch
 - o Nam Hua Rubber Company Limited
 - o Sadao PS Rubber Company Limited
 - o Sri Trang Gloves (Thailand) Company Limited., Hat Yai Branch
 - o Sri Trang Gloves (Thailand) Company Limited., Surat Thani Branch
- Sri Trang Agro-Industry Public Company Limited, Surat Thani Branch, received certification under the criteria for the development of waste utilization from the Department of Industrial Works.
- Sri Trang Agro-Industry Public Company Limited, Sikao Branch, was certified under the Water Footprint certification from the Institute of Water and Environment for Sustainability, the Federation of Thai Industries.

GRI Content Index

General Standard Disclosures

GRI Standard Title	Disclosure Number	Disclosure Title	Page	SDGs
GRI 101: Foundation 2016 General Disclosures				
GRI 102 General Disclosures	Organizational Profile			
	102-1	Name of the organization	4	
	102-2	Activities, brands, products, and services	8-11	
	102-3	Location of headquarters	4	
	102-4	Location of operations	8-11	
	102-5	Ownership and legal form	6	
	102-6	Markets served	10-11	
	102-7	Scale of the organization	4	
	102-8	Information on employees and other workers	33	SDGs 8 Employment
	102-9	Supply chain	39	
	102-10	Significant changes to the organization and its supply chain	2	
	102-11	Precautionary Principle or approach	27	
	102-12	External initiatives	30-31,42-47	
102-13	Membership of associations	23		
Strategy				
102-14	Statement from senior decision-maker	2,4		
102-15	Key impacts, risks, and opportunities	22,27-29		
Ethics and Integrity				
102-16	Values, principles, standards, and norms of behavior	5,25-26		
102-17	Mechanisms for advice and concerns about ethics	12-14,25-26	SDGs 16-Ethics and lawful behavior	
Governance				
102-18	Governance structure	7		
102-19	Delegating authority	25-26		
102-20	Executive-level responsibility for economic, environmental, and social topics	7		
102-22	Composition of the highest governance body and its committees	7	SDG16-Inclusive decision making	
102-25	Conflicts of interest	Annual Report		
102-27	Collective knowledge of highest governance body	25		
102-29	Identifying and managing economic, environmental, and social impacts	22,27-29, 40,46	SDG 11-Sustainable transportation, SDG12 Air quality	
102-32	Highest governance body's role in sustainability reporting	21		
102-35	Remuneration policies	34		
102-36	Process for determining remuneration	34		

GRI Standard Title	Disclosure Number	Disclosure Title	Page	SDGs
GRI 102	Stakeholder Engagement			
General Disclosures	102-40	List of stakeholder groups	16-19	
	102-42	Identifying and selecting stakeholders	16	
	102-43	Approach to stakeholder engagement	16-19	
	102-44	Key topics and concerns raised	16-19	
	Reporting Practice			
	102-46	Defining report content and topic Boundaries	20-22	
	102-47	List of material topics	22	
	102-48	Restatements of information	20	
	102-49	Changes in reporting	20	
	102-50	Reporting period	20	
	102-51	Date of most recent report	20	
	102-52	Reporting cycle	20	
	102-53	Contact point for questions regarding the report	20	
	102-54	Claims of reporting in accordance with the GRI Standards	20	
	102-55	GRI content index	58-62	
Material Topics				
GRI 200 Economic Standard Series				
GRI 103	Economic			
Management Approach	103-1	Explanation of the material topic and its Boundary	-	
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
GRI 201	201-1	Direct economic value generated and distributed	24,32,36,39	SDG1-Non discrimination, SDG8-Economic Inclusive Employment,SDG9 -Innovation, SDG10-Diversity and equal opportunity
GRI 103	Procurement			
Management Approach	103-1	Explanation of the material topic and its Boundary	39-40	
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
GRI 204	204-1	Proportion of spending on local suppliers	39	SDG12- Procurement practices
GRI 103	Anti-corruption			
Management Approach	103-1	Explanation of the material topic and its Boundary	26	
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
GRI 205	205-1	Operations assessed for risks related to corruption	26	SDG16- Anti-corruption
	205-2	Communication and training about anti-corruption policies and procedures	26	SDG16- Anti-corruption

GRI Standard Title	Disclosure Number	Disclosure Title	Page	SDGs
Material Topics				
GRI 300 Environmental Standard Series				
Energy				
GRI 103 Management Approach	103-1	Explanation of the material topic and its Boundary	49	
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
GRI 302 Energy	302-1	Energy consumption within the organization	49	SDG7-Energy efficiency, Renewable Energy, SDG9-Reserch and development SDG12-Sustainable sourcing, SDG13-Energy efficiency
	302-3	Energy intensity	49	
	302-4	Reduction of energy consumption	49	
	302-5	Reductions in energy requirements of products and services	49	
Water				
GRI 103 Management Approach	103-1	Explanation of the material topic and its Boundary	50	
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
GRI 303 Water	303-1	Water withdrawal by source	50	SDG6
	303-3	Water recycled and reused	50	SDG6
Emission				
GRI 103 Management Approach	103-1	Explanation of the material topic and its Boundary	51	
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
GRI 305 Emissions	305-1	Direct (Scope 1) GHG emissions	49	SDG3-Air quality,
	305-2	Energy indirect (Scope 2) GHG emissions	49	SDG13-GHG's emission
	305-4	GHG emissions intensity	49	
Effluents and Waste				
GRI 103 Management Approach	103-1	Explanation of the material topic and its Boundary	52	
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
GRI 306 Effluents and Waste	306-1	Water discharge by quality and destination	53	SDG12-Material recycling
	306-2	Waste by type and disposal method	54	
Supplier Environmental Assessment				
GRI 308 Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	-	SDG12-Procurement practices
	308-2	Negative environmental impacts in the supply chain and actions taken	40,46	SDG11-Sustainable transportation

GRI Standard Title	Disclosure Number	Disclosure Title	Page	SDGs
Material Topics				
GRI 400 Social Standard Series				
GRI 103 Management Approach	103-1	Explanation of the material topic and its Boundary	32-38	
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
Employment				
GRI 401 Employment	401-1	New employee hires and employee turnover	33	SDG8-Employment
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	32	
	401-3	Parental leave	34	
Occupational Health and Safety				
GRI 103 Management Approach	103-1	Explanation of the material topic and its Boundary	38	
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
GRI 403 Occupational Health and Safety	403-1	Workers representation in formal joint management– worker health and safety committees	37-38	
	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	37	SDG3-Occupatoinal health and safety
Training and Education				
GRI 103 Management Approach	103-1	Explanation of the material topic and its Boundary	35	
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
GRI 404 Training and Education	404-1	Average hours of training per year per employee	35	SDG4-Availability of a skilled workforce
	404-2	Programs for upgrading employee skills and transition assistance programs	35	SDG8-Employment training and education, Availability of a skilled workforce, SDG9
	404-3	Percentage of employees receiving regular performance and career development reviews	36	
Supplier Social Assessment				
GRI 103 Management Approach	103-1	Explanation of the material topic and its Boundary	39	
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
GRI 414 Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	-	
	414-2	Negative social impacts in the supply chain and actions taken	-	

GRI Standard Title	Disclosure Number	Disclosure Title	Page	SDGs
Local Communities				
GRI 103 Management Approach	103-1	Explanation of the material topic and its Boundary	42-47	
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
GRI 413 Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	42-47	
	413-2	Operations with significant actual and potential negative impacts on local communities	46	
GRI 418 Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	41	
GRI 419 Socioeconomic Compliance	419-1	Non-compliance with laws and regulations in the social and economic area	-	



SRI TRANG GROUP
Green
Rubber



Sri Trang Agro-Industry Public Company Limited

10 Soi 10, Phetkasem Road, Hatyai, Songkhla, 90110, Thailand
Tel : 0-7434-4663 Fax. : 0-7434-4676, 0-7434-4677, 0-7423-7423

Website : www.sritranggroup.com

