



*Rubber Plantation*



*Natural Rubber Processing*



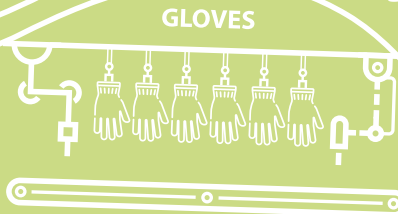
RSS

TSR



LTX

*Finished Products*



GLOVES



HYDRAULIC HOSES

"PASSIONATELY WE DRIVE POSSIBILITY" >> THE GREEN RUBBER COMPANY >>

Sri Trang Agro-Industry Public Company Limited







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# MESSAGE FROM CHAIRMAN (GRI 102-14)



**Dr. Viyavood Sincharoenkul**  
Chairman

## Over 34 years in the natural rubber industry

Over 34 years, we have been through good and challenging times in the industry and we have learned to be agile and quickly adapt to any changing circumstances. In 2021, we had to continue to deal with the COVID-19 pandemic, together with the many disruptions brought about in the workplace as well as in society. Amid these changes, STA was able to achieve a record THB 118,275 million in revenue and a record profit of THB 15,847 million. But we are not complacent. We are well aware how fast things can move and change and we keep our focus on speed, scale and sustainability in every aspect of our operations.

## Speed

In this changing world where things move at a fast pace, speed is embedded in the work ethos of Sri Trang Group, whether it is the speed of deploying new technology to improve production efficiency, the speed of increasing our production capacity in advance of our competitors, the speed of striving to increase our market share through the fighting spirit that is the hallmark of Sri Trang Group, and the speed of developing new projects to support our core operations.

## Scale

Scale is one factor behind our capacity expansion. We are aware that, to be able to compete on the global stage, we need to be of a sufficiently sizable scale. To that end, our strategy throughout the years has always been to continue to increase our production capacity in order to enhance our competitiveness and create economies of scale.





As of now, we have the largest production capacity in the global natural rubber industry, a market share of 10% of global natural rubber consumption and account for 32% of Thailand's natural rubber production output. Our glove business is also Thailand's largest and ranked third in the global glove industry. With this sizeable scale, Sri Trang Group is able to effectively compete on the global stage.

## Sustainability

In today's world, sustainability is key to any business operation and as a "green rubber company," ESG has always been in our focus. On **environment**, we have implemented many projects to reduce greenhouse gas emissions and increase clean energy consumption, such as the installation of solar roof and floating solar panels, which will generate two megawatts in energy for our natural rubber and glove production facilities. On **society**, we focus on the development of "human resources," which are instrumental in driving our operations forward. In accordance with our mission to "stay safe and healthy," we take great care of the health of our employees and have provided COVID-19 vaccines to all. Additionally, in 2021, our "Sri Trang Sharing the Love with Communities" project donated over 4.2 million pieces of medical gloves to various organizations. On **governance**, we are committed to operating with transparency and have received recognitions from various organizations including certification from the Thai Private Sector Collective Action Against Corruption (CAC) for the second consecutive year, "excellent" good governance award for the third consecutive year from the Thai Institute of Directors and inclusion in the sustainability index (SETTHSI) of the Stock Exchange of Thailand.

*STA was able to achieve a record THB 118,275 million in revenue and a record profit of THB 15,847 million. But we are not complacent. We are well aware how fast things can move and change and we keep our focus on speed, scale and sustainability in every aspect of our operations.*

Sri Trang Group believes that our operations will help steer Thailand's natural rubber industry on the path of sustainable growth. I would like to thank our directors, management, employees, shareholders and all business partners who have supported and trusted in Sri Trang Group throughout the years. **The year 2021 was the best in the Company history and I would like to assure everyone that we at Sri Trang Group are determined to keep growing our operations toward new heights.**





# MESSAGE FROM

## THE MANAGING DIRECTOR (GRI 102-14)

Conducting our business while taking account of environmental and social responsibility is the path towards sustainability to which Sri Trang Agro-Industry Public Company Limited (“the Company”) has always adhered, in order to balance business value and value to stakeholders, as well as to grow the rubber business in tandem with the changes taking place globally. To achieve our goal of being a green rubber company, the Company has embraced the “4 GREENS” sustainability strategy, which consists of **1) Green Products; 2) Green Process; 3) Green Procurement; and 4) Green Company.** Sustainability issues have been integrated into all stages of the Company’s operations, from upstream to downstream. In 2021, the Company carried out important sustainability activities as follows:

### Environmental dimension

#### Pursuing the Goal of Being a Low-Carbon Company

It is undeniable that climate change is a global sustainability risk that may affect the Company’s business operations, for example, the production of latex, which is a key raw material, or changes in regulations related to greenhouse gas emissions in various countries. The Company has therefore proactively managed the risks with the goal of becoming a low-carbon company with the focus on reducing greenhouse gas emissions throughout the supply chain through projects to improve energy efficiency in the production process; the increase in the use of renewable energy such as solar energy and the use of more than 90 percent biomass fuel to produce thermal energy. In addition, the Company has begun to evaluate carbon sequestration projects from rubber and wood plantations, which are the Company’s upstream business, to offset greenhouse gas emissions from business operations.

#### BCG Economy Model

In addition to the management of resources and waste from the Company’s production process according to the 3Rs (Reduce, Reuse & Recycle) principle, the Company has also implemented various projects according to the Economic Model for Sustainable Development or BCG Economy Model that uses technology to create value and efficiently manage the utilization of resources to minimize the use of resources and minimize the impact of disposal. For example, the S-Brick project uses boiler ash to make paving bricks, or the Useful Soil project that takes sediment from the cup lump cleaning process to make organic fertilizer for farmers, etc.

### Social dimension

#### Treating employees as family members

The Company places importance on taking care of all employees like family members. During the COVID-19 pandemic, the Company provided vaccinations against COVID-19 to all employees, including families of employees, business partners and stakeholders in the vicinity of the factories, and closely monitored employees’ health to ensure the health and safety of employees and to boost morale. In addition, the Company has embraced the concept of the “Happy Workplace” in organizing various activities that create joy and nurture the livelihoods of all employees, both Thai or foreign, as evident from our employee well-being and engagement scores, which have continued to increase.

#### Respect for human rights in business operations

Respecting the principles of international human rights is a key principle in the Company’s business operations, especially where it concerns forced and slave labor in the supply chain. This year, the Company made improvements in human rights and non-discrimination policies to cover more international human rights practices and has conducted a comprehensive human rights risk assessment as it relates to employees and the local communities as well as established measures to prevent and mitigate impacts.

#### Contributing to the local communities and society

The Company has a policy to promote and support the communities in which the factories are located and build a strong local economy by supporting the purchase of local goods and the hiring of local people as well as creating various projects such as the “Trucking Tires, Creating Smiles” project that encourages rubber farmers and suppliers to transport rubber using a vehicle that conforms to the Company’s regulations so as to prevent the serum from cup lump from spilling or leaking onto the road, causing a nuisance, which the Company has continuously implemented for 6 consecutive years. In addition, the Company also focuses on creating jobs in the local communities through the use of disused materials, such as making furniture from pallets, etc.



## Governance and economic dimension

### Sustainability throughout the supply chain

The Company has established Business Ethics for Business Partners as a guideline on sustainability practices for business partners and has encouraged business partners to operate their businesses by taking account of social responsibility, in the same manner as the Company. This includes setting up a process for selecting and evaluating business partners based on social and environmental criteria to prevent risks and reduce the impact on business operations arising from supply chain management as well as to create mutual sustainable growth together.

Furthermore, the Company has developed the application “SRI TRANG FRIENDS” to promote the fair treatment of all raw material suppliers by providing equal access among all suppliers. This application also changes the conventional way rubber trading by enabling the use of various services on mobile phones such as the easy and quick sale of latex, cup lump, rubber sheets, the access to updated news and knowledge about the rubber industry and communications with rubber experts, etc.

### Innovation and technology for sustainability

The Company has established a research and development team to support and encourage employees to come up with new ways to improve work processes in order to foster into a culture of innovation. In this regard, the Company has focused on development through technology and innovation to improve production processes alongside environmental management as well as improving the quality of products to meet the needs of customers. Moreover, the Company has also implemented projects to increase production efficiency that use automation and robots, projects to increase energy efficiency in the production processes, wastewater treatment system so that water from production is not discharged outside the factory and can be recycled, the installation of a bio-filter system for treatment of odor from rubber baking and the development of protein-free latex.

### Focus on building confidence in ESG

Having integrated sustainability into our operations at all levels from upstream to downstream and with ongoing efforts to improve our sustainability practices, sustainability has become part of our corporate culture and helped



**Mr. Veerasith Sinchareonkul**  
Managing Director

provide the Company's with immunity against business and potential risks. For the coming year, the Company will continue to strive to further improve our sustainability practices to build confidence among all groups of stakeholders through 3 pillars: 1) benchmarking and standardization of sustainability best practices; 2) decarbonization of business operations to support global and Thailand's carbon neutrality and net-zero emission goals; and 3) building collaboration and reputation with stakeholders. Through these undertakings, the Company aims to raise the level of corporate sustainability performance to a global level, reinforcing our vision: **Passionately, we drive possibilities >>The green rubber company>>**



# ABOUT THIS REPORT

Sri Trang Agro-Industry Public Company Limited prepared this sustainability report, the ninth edition, to communicate its sustainability performance in terms of economic, social, and environmental dimensions to stakeholders. The Company disclosed sustainability information using the reporting guidelines by the GRI Sustainability Reporting Standards (GRI Standards). This report has been prepared in accordance with the GRI Standards: Core option (GRI 102-54). Furthermore, the Company analyzed and linked all operations in response to the Sustainable Development Goals (SDGs) and the UN Global Compact to demonstrate its commitment to doing business while taking care of society and the environment and responding to the stakeholders' expectations appropriately.

## Scope of Reporting

This report shows performance on key sustainability issues affecting stakeholders and business operations of Sri Trang Group. It covers the natural rubber business, namely the Ribbed Smoked Sheet (RSS), Concentrate Latex and Technically Specified Rubber (TSR), which are operated in Thailand and the main production base of the Group. The reporting cycle is from January 1 to December 31, 2021 (GRI 102-50).



The Company changed the scope of reporting on sustainability performance data from the previous year. The report covers the sustainability performance of all factories of the Ribbed Smoked Sheet (RSS), Concentrate Latex and Technically Specified Rubber (TSR). This makes its sustainability performance data different from the previous year (GRI 102-49). Additionally, the Company adopted a new GRI Standards reporting guideline for reporting on water management data according to GRI 303 (2018), the safety and occupational health information according to GRI 403 (2018), and the waste management information according to GRI 306 (2020), which distinguishes reporting on these topics

from the previous year. The Company also increased the disclosure of the annual sustainability performance summary, which covers dimensions of Governance, Economy, Environment, and Society and is consistent with the reporting guidelines of the GRI Standards and information for corporate sustainability assessment in the form of a summary table of the operating results at the end of the report (GRI 102-48). In 2021, the company had no significant organizational and supply chain changes. (GRI 102-10)





## Assurance of the Report

This report contains a review of significant contents by the management team of each department (GRI 102-32) to ensure that the reported information is accurate, complete, and comprehensive for responding to all groups of stakeholders. In addition, the Company provided a limited level of assurance on information on greenhouse gas emissions, Scope 1 and Scope 2 in 2021, based on the guidelines of information disclosure according to GRI 305-1 and GRI 305-2 by a third party with expertise in independent certification and assurance to enhance the confidence of the Company's greenhouse gas emissions reporting as detailed on page 130-132 (GRI 102-56).

For more information, please contact (GRI 102-53)  
Department of Corporate Sustainability, Sri Trang Group



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E-mail : sustainability@sritranggroup.com



The company has published this report to shareholders via QR Code and this report and the previous one (GRI 102-11) are downloadable from the company's website [www.sritranggroup.com](http://www.sritranggroup.com) at the sustainability report section.

## Companies within the scope of the report (GRI 102-45)

### Ribbed Smoked Sheet: RSS

| Company   | FY2021 |
|---|--------|
| SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Trang Branch)   | ✓      |
| SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Hat Yai Branch) | ✓      |

### Concentrate Latex :LTX

| Company  | FY2021 |
|--|--------|
| SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Trang Branch)          | ✓      |
| SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Kanchanadit Branch)    | ✓      |
| SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Surattani Branch)      | ✓      |
| SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Chumpon Branch)        | ✓      |
| SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Ubonratchatani Branch) | ✓      |
| NUM HUA RUBBER COMPANY LIMITED   | ✓      |
| RUBBERLAND PRODUCTS COMPANY LIMITED                                    | ✓      |

### Technically Specified Rubber: TSR / Standard Thai Rubber: STR

| Company  | FY2021 |
|--|--------|
| SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Sikao Branch)          | ✓      |
| SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Thongsong Branch)      | ✓      |
| SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Huai Nang Branch)      | ✓      |
| SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Udontani Branch)       | ✓      |
| SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Ubonratchatani Branch) | ✓      |
| SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Phitsanulok Branch)    | ✓      |
| SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Kalasin Branch)        | ✓      |
| SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Sakaew Branch)         | ✓      |
| SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Loei Branch)           | ✓      |
| NUM HUA RUBBER COMPANY LIMITED   | ✓      |
| RUBBERLAND PRODUCTS COMPANY LIMITED (Bungkan Branch)                   | ✓      |
| RUBBERLAND PRODUCTS COMPANY LIMITED (Buriram Branch)                   | ✓      |
| RUBBERLAND PRODUCTS COMPANY LIMITED (Mukdahan Branch)                  | ✓      |
| SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Pattani Branch)        | ✓      |
| SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Narathiwat Branch)     | ✓      |
| SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Chiangrai Branch)      | ✓      |





## Materiality

To facilitate our economic, social, and environmental operations to achieve the corporate sustainability goal and respond to expectations of stakeholders suitably and measurably, Sri Trang Gloves identified, assessed and prioritized material topics affecting business operations and stakeholders in order to find approaches and establish action plans to management those material topics properly.

### Materiality assessment process



#### IDENTIFICATION

The Company collected data on issues that may affect the sustainability of its business operations and impact its stakeholders from internal factors on the basis of the Company's direction and goals on sustainability, strategy, as well as sustainability risks and opportunities for business operations. Also, external factors taken into consideration include such elements as a survey of stakeholders' needs and expectations, global sustainability trends and directions, comparison of key sustainability issues of companies in the same industry and the assessment/ranking on sustainability by various institutions.



#### PRIORITIZATION

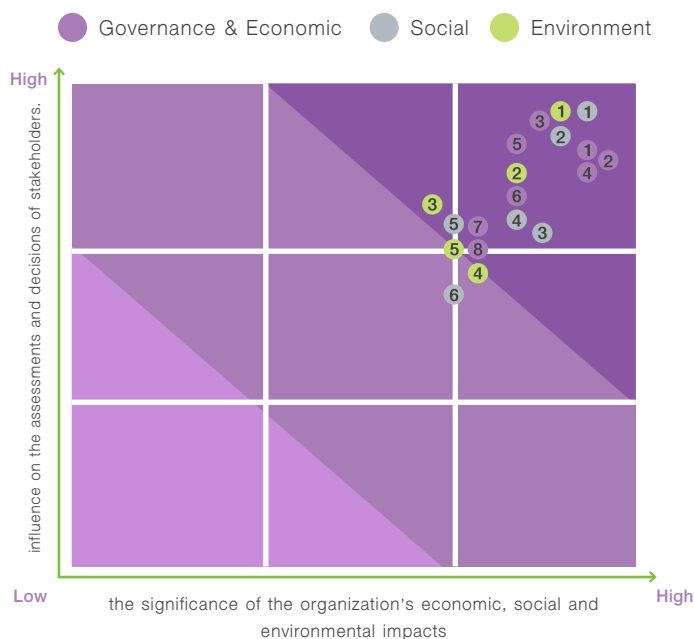
The Company took the compilation of sustainability issues for analysis and prioritization into the Materiality Matrix under the following criteria:

- The horizontal axis shows the importance of sustainability issues to the Company based on consideration of the impact in terms of governance and economics, environment and society, and consideration of issues in the Company's business plan.
- The vertical axis shows the level of importance of stakeholder issues, based on consideration of the impact on the decisions and interests of the stakeholders



#### VALIDATION

Material topics derived from the sustainability issue identification and prioritization were reviewed by a working group which consists of relevant departments. Material topics were then presented to the Corporate Governance and Sustainable Development Committee (GRI 102-31) at the board level for the approval for the materiality. In 2021, there were no changes in the list of material topics from the previous year. However, importance levels of some material topics were adjusted.





## Key Sustainability Issues



### Economic & Corporate Governance

|   | Materiality                                    | Scope    |   | Risk and Opportunity  | GRI topics   | GRI topic-specific disclosure   | Reporting content                             | Page  |
|---|--|----------|---|---|--|---|---|-------|
|   |  | Internal | Stakeholder   |   |  |   |   |       |
| 1 | Good performance and Consistance returns       | STA      | Shareholders  | Building confidence and transparency in business operations through anti-corruption initiatives in all forms and expansion of anti-corruption networks throughout the supply chain.   | 201: Economic Performance (2016)   | 201-1 Direct economic value generated and distributed   | - Economic Performance                        | 36    |
| 2 | Risk management and Business continuity        | STA      | Shareholders, Customers/Consumer, Business partners                                     | Management of business risks and opportunities, including preparing for emerging risks that may affect business operations.   | STA Indicator: Risk management   | STA Indicator - Risk Appetite & KRI   | - Risk management                             | 49    |
| 3 | Anti-corruption                                | STA      | Business partners, Raw material supplier/ Rubber farmers, Customers"                    | Building confidence and transparency in business operations through anti-corruption initiatives in all forms and expansion of anti-corruption networks throughout the supply chain.   | 205: Anti-corruption (2016)  | 205-2 Communication and training about anti-corruption policies and precedures<br>205-3 Confirmed incidents of corruption and actions taken     | - Anti-corruption and Whistleblowing          | 47    |
| 4 | Customer relations                             | STA      | Customers/Consumers   | Retaining the Company's important customers and attracting new customers.   | STA Indicator: Customer satisfaction   | STA Indicator - Percentage of customer satisfaction   | - Responsible for Customers and Consumers     | 87    |
| 5 | Code of conduct and Good corporate governance  | STA      | Customers/Consumer, Raw material supplier/ Rubber farmers Government sector, Community" | Strict compliance with the law and related regulations to reduce legal and social disputes, including building confidence among stakeholders in doing business for continuity of the Company's business operation.  | 307: Environmental compliance (2016)<br>419: Socioeconomic compliance (2016) | "307-1 Non-compliance with environmental laws and regulations<br>419-1 Non-compliance with laws and regulations in the social and economic area | - Good Corporate Governance                   | 38-46 |
| 6 | Supply Chain Management                        | STA      | Raw material supplier/ Rubber farmers, Business partners                                | Development of a framework for suppliers' sustainability and sustainable practices to manage and reduce risks from business partners' operations that may affect the Company as well as promoting the operations of trading partners to achieve sustainable growth together with the Company. | 204: Procurement Practice (2016)   | "204-1 Proportion of spending on local suppliers  | - Supply Chain Management                     | 81-85 |
| 7 | Business partner and Rubber farmer development | STA      | Raw material supplier/ Rubber farmers, Community  | Educating the rubber plantations and suppliers of rubber raw materials to improve the quality of raw materials to meet the needs of the Company as well as promoting social and environmental responsibility for sustainable growth together.   | STA Indicator: Supplier satisfaction score                                   | STA Indicator - Satisfaction score as A grade > 70  | - Business partner development                | 86    |
| 8 | R&D and Innovation                             | STA      | Customers/Consumer, Raw material supplier/ Rubber farmers                               | Improvement of operational processes to reduce time and costs, including developing business innovations to create added value for the product  | 201: Economic Performance (2016)   | 201-1 Direct economic value generated and distributed   | - Innovation and dissemination of Innovations | 56-58 |







|   | Materiality                                 | Scope    |  | Risk and Opportunity   | GRI topics   | GRI topic-specific disclosure  | Reporting content   | Page            |
|---|---|----------|--|--|--|--|---|-----------------|
|   |   | Internal | Stakeholder  |  |  |  |   |                 |
| 1 | Occupational Health and Safety              | STA      | "Business partners/Suppliers, Government sector, Community"  | Mitigation of business risks, prevention of both loss of life and property, including building confidence among stakeholders in business operations in relation to safety and management of emerging diseases.   | 403: Occupational Health and Safety (2018)                                     | 403-9 Work-related injuries<br>403-10 Work-related ill health  | - Occupational Health and Safety<br>- Social performance                | 74-80           |
| 2 | Complaints management                       | STA      | Customers/Consumer, Business partners/Suppliers, Raw material supplier/ Rubber farmers, Government sector, Community | Management of complaints from customers, communities and stakeholders in a timely and efficient manner to build confidence in the handling of complaints.  | STA Indicator: Customer satisfaction related to complaint responses            | STA Indicator - Percentage of customer satisfaction related to complaint responses   | - Whistleblowing  | 48              |
| 3 | Quality of products and services            | STA      | Customers/Consumer   | Placing emphasis on the continuous improvement of the quality and safety of products and services to limit complaints and applying the suggestions of stakeholders in developing products and services to meet the needs of customers/consumers.       | 416: Customer health and safety (2016)<br>STA Indicator: Customer satisfaction | 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services<br>STA Indicator: Percentage of customer satisfaction related to products & services | - Responsible for Customers and Consumers                               | 87              |
| 4 | Development and Employees' care             | STA      | Employee   | Retain potential employees and develop their knowledge and skills to be able to design and improve work processes to reduce operating costs and create opportunities for career growth   | 401: Employment (2016)<br>404: Training and Education (2016)                   | 401-1 New employee hires and employee turnover (2016)<br>404-1 Average hours of training per year per employee   | - Employees' care<br>- Personnel Development Policy and Succession Plan | 63-66,<br>67-72 |
| 5 | Human Rights                                | STA      | Customers/Consumer, Suppliers, Raw material supplier/ Rubber farmers, Community                                      | Thorough and comprehensive examination of human rights risks to prevent any such prospect that may affect the business and reputation of the Company, including providing measures to mitigate human rights risks.                                     | 412: Human Rights Assessment (2016)  | 412-1 Operations that have been subjected to human rights review or impact assessment (2016)   | - Human Rights Operation  | 60-62           |
| 6 | Supporting and Participation with community | STA      | Community  | Providing support and participation in community development to create shared values, as well as generate confidence, friendliness and mutual benefits, including obtaining a social license to operate in sustainable coexistence with the community. | 201: Economic Performance (2016)<br>STA Indicator: Community satisfaction      | 201-1 Direct economic value generated and distributed (2016)<br>STA Indicator - Community satisfaction score   | - Participation in communities and society development                  | 88-94           |





## Environment

|   | Materiality                                 | Scope    |                                      | Risk and Opportunity   | GRI topics                      | GRI topic-specific disclosure   | Reporting content  | Page             |
|---|---|----------|--------------------------------------|--|---------------------------------|---|--|------------------|
|   |   | Internal | Stakeholder                          |  |                                 |   |  |                  |
| 1 | Air Emission                                | STA      | Community, Governance sector         | Managing the air quality emission from the vents to be of better quality than required by law so as to prevent/reduce complaints from stakeholders that may affect business operations, and rendering sustainable co-existence between the Company and the community.                                  | 305: Emissions (2016)           | 305-7 NOx, SOx, and other significant air emissions   | - Air pollution management<br>- Environmental performance                              | 102, 118         |
| 2 | Waste water treatment and Water Consumption | STA      | Community, Governance sector         | Efficiently managing waste and unused materials as required by law, also focusing on waste management in accordance with the 3Rs principle and the BCG Economy Model to create added value to waste and reduce disposal costs.   | 303: Water and Effluents (2018) | 303-3 Water withdrawal<br>303-4 Water discharge<br>303-5 Water consumption  | - Sustainable water management<br>- Wastewater management<br>- Environment performance | 99, 101, 118-120 |
| 3 | Greenhouse Gas Emission                     | STA      | Governance sector, customer/consumer | Reducing greenhouse gas emissions in accordance with the corporate target and the national and global Net Zero Emissions goals, including the management of climate change risks which pose physical impacts as well as legal and regulatory transitions related to the Company's business operations. | 305: Emissions (2016)           | 305-1 Direct (Scope 1) GHG emissions<br>305-2 Energy indirect (Scope 2) GHG emissions<br>305-3 Other indirect (Scope 3) GHG emissions<br>305-4 GHG emission intensity<br>305-5 Reduction of GHG emissions | - Climate change and energy consumption<br>- Environment performance                   | 96, 117          |
| 4 | Energy Consumption                          | STA      | Governance sector                    | Managing water use for maximum efficiency in production so as to reduce the impact and risk from increased water demand, and managing wastewater to have a better quality than the standard required by law to pre-empt possible legal violations and complaints from the community.                   | 302: Energy (2016)              | 302-1 Energy consumption within the organization<br>302-3 Energy intensity<br>302-4 Reduction of energy consumption   | - Climate change and energy consumption<br>- Environment performance                   | 96, 116          |
| 5 | Waste Management                            | STA      | Community, Governance sector         | Managing water use for maximum efficiency in production so as to reduce the impact and risk from increased water demand, and managing wastewater to have a better quality than the standard required by law to pre-empt possible legal violations and complaints from the community.                   | 306: Waste (2020)               | 306-3 Waste generated<br>306-4 Waste diverted from disposal<br>306-5 Waste directed to disposal   | - Management of waste and unused materials<br>- Environment performance                | 103, 120-123     |





# GETTING TO KNOW SRI TRANG



Passionately,  
we drive possibilities  
>> *The green rubber  
company* >>

**Company Name** (GRI 102-1) : Sri Trang Agro Industry Public Company Limited

**Listed Name** : STA

**Established** : April 30, 1987

**Headquarter** (GRI 102-3) : Sri Trang Agro Industry Public Company Limited (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 Employee** (GRI 102-7) : 16,730 (As 31 December 2021)

**Registered Capital** : Baht 1,535,999,998

## Vision

We are committed to delivering to our shareholders, having regard to sustainable growth and reasonable, consistent returns to shareholders, the highest level of satisfaction.

We are committed to an environmentally sound approach to production, through which we strive to inspire satisfaction and confidence in our customers and suppliers.

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.

We are committed to providing our employees with a pleasant work environment, fair compensation, and career advancement opportunities.

We are committed to minimizing the social and environmental impact of our operations and to the sustainable consumption of natural resources.





## Mission and Objective... 2021: A Changing World II

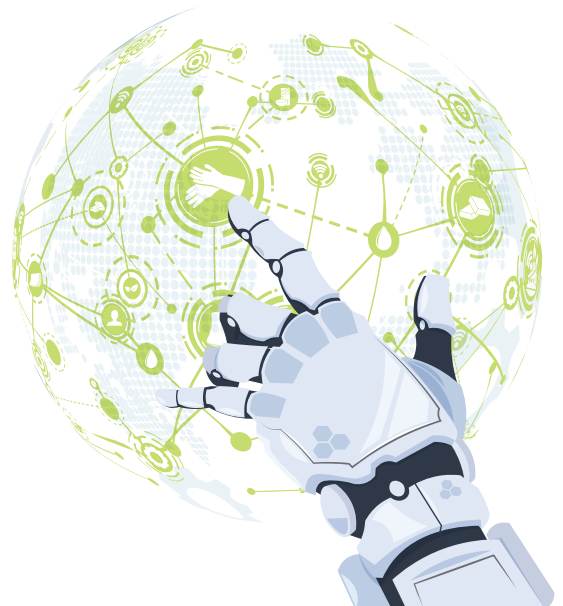
COVID-19 has changed the world. It has caused de-globalization, immobility, shutting down, and locking down of the world economy and the movement of people of the world. The pandemic hits industries and the economy hard and people are suffering and losing jobs at an unprecedented level. Worst still, the young and new graduates will have the least chance to get the jobs. The hardest hit will be more pronounced among those who are 20 to 24 years old. Most companies are in no rush to add in new staff and there is growing anxiety over job prospects among graduating students.

There comes a time when we heed a certain call, people suffering and there are hardships everywhere. We cannot keep on guessing day by day, someone, somewhere, somehow will soon make a change. Instead of waiting for a miracle, we should lend a helping hand and make a difference.

Though technology is always our best friend and we are steadfast in engaging ourselves to better technology for business, we do need to unlock the potential of our new generation. As a successful organization, we could do more for the schools and the students to be part of our business enhancement.

The Government has rolled out New Job Incentive Schemes for new and young graduates. We will support and participate with full force. We hope the new generation to push through, reform, and convert the agricultural base to full industrialization and incorporate AI, robotics, sensors, and digitalization to improve manufacturing.

We believe such a benevolent move is a pivotal part of the Corporate Social Responsibility of a large and successful corporation like Sri Trang Group of Companies.



### Core Values



#### *Specialist*

We are the best in what we do.



#### *Teamwork*

We work with tireless determination together as a team.



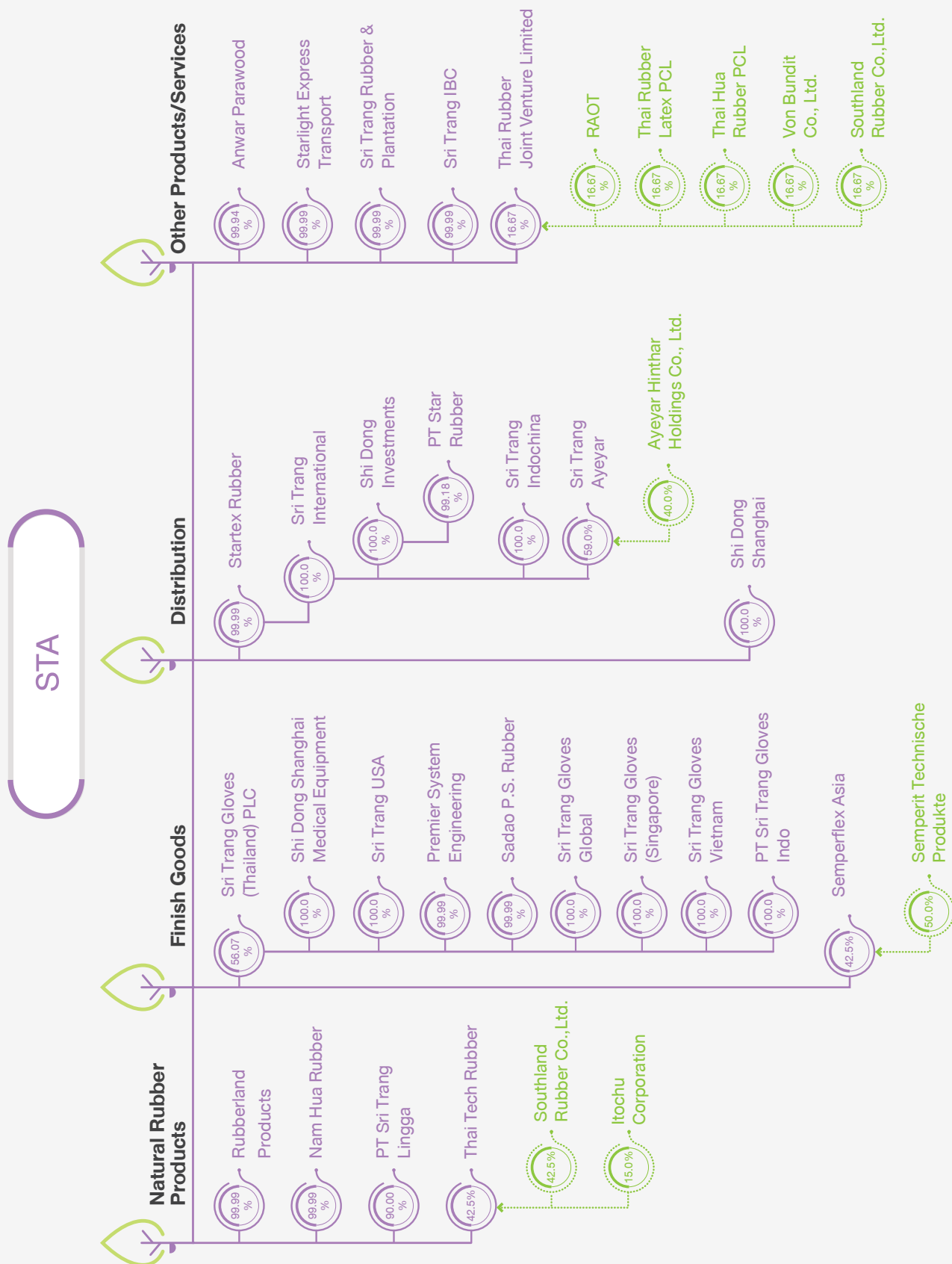
#### *Accountability*

We value honesty and have a strong sense of responsibility.





# GROUP STRUCTURE OF THE COMPANY (GRI 102-5)





# PRODUCTS AND SERVICES (GRI 102-2, 102-9)

The Company operates a fully integrated natural rubber supply chain business in many countries. The business starts from upstream business by engaging in rubber plantation in Thailand, midstream business by processing and distributing natural rubber products, and downstream business to produce and distribute gloves as well as finished goods namely hydraulic hoses.

The Company's operations mainly consist of three businesses which are 1) natural rubber business 2) gloves business and 3) other businesses. Details of each business are as follows;

## 1 Natural Rubber Business

STA is the world's largest fully integrated natural rubber producer and distributor. As of 31 December 2021, Sri Trang Group had a total of 34 production facilities, of which were 30 located in Thailand, 3 in Indonesia, and 1 in Myanmar. Altogether, the facilities provided a total production capacity of 2.81 million tons per annum. In 2021, our capacity utilization rate was at approximately 70 percent of total production capacity and a market share of approximately 10 percent of natural rubber demand around the world as well as having a share of Thailand's natural rubber production at 32 percent, which covers all basic types of natural rubber products, namely Technically Specified Rubber (TSR), Ribbed Smoked Sheet (RSS) and Concentrated latex (LTX) for distribution to tire manufacturers and manufacturers which produces latex gloves both in Thailand and in many countries around the world.

*STA has introduced more technology and automation in the production process to increase production efficiency, reduce energy consumption, and be environmentally friendly. The Company has a long-term goal to maintain a relationship with the existing customer base continually and increase market share to reinforce its leadership in the industry. Natural rubber products are one of the main products that generate revenue for the Company accounting for 60 percent of revenue from sales and services in 2021. The Company produces and sells basic natural rubber products covering all types of rubber, namely Technically Specified Rubber (TSR), Ribbed Smoked Sheet (RSS), and Concentrated Latex (LTX) for distribution to tire manufacturers and manufacturers of latex gloves both in Thailand and abroad.*



“

The raw materials used in the production of TSR, RSS and Concentrated Latex are cup lump, unsmoked rubber sheets and fresh latex, respectively. Because raw materials accounted over 90% of our production costs, we have established procurement centres in the vicinity of raw material sources. Moreover, we have launched the application called **“SRI TRANG FRIENDS”** for buying raw materials from rubber farmers in Thailand. This application helps facilitate and create a new experience for all rubber suppliers to sell rubber anywhere and anytime which considered as a disruptor in rubber trading business for the sustainable rubber industry in Thailand.

”







### Technically Specified Rubber (TSR)

#### Product Type

##### 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 Sheet (RSS)

#### Product Type

- 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 (LTX)

#### Product Type

##### 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.





## 2 Gloves Business

**Sri Trang Gloves (Thailand) Public Company Limited (“STGT”)**, one of Sri Trang Group’s flagship companies, engages in the production and distribution 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.

In 2021, we achieved our installed capacity target of 40.3 billion pieces of gloves per annum. By considering to production capacity, we are widely regarded as Thailand’s largest and the world’s leading glove producers and the World’s top producer of gloves. Our glove product is one of the key products driving the continuous growth of the Group’s revenue and net profit, accounting for about 40% of the Group’s total revenues in 2021.



*STGT is the largest producer of latex gloves in Thailand and the top rubber glove manufacturer in the world. In 2021, we had a market share of 7 percent of the global consumption of rubber gloves. In 2021, we already had a total capacity production of 40.3 billion pieces. We will keep expanding our installed capacity with an intention to achieve an annual production capacity of 48 billion pieces by 2022, 80 billion pieces by 2024, and 100 billion pieces by 2026 to keep up with the steadily growing demand for gloves.*

## 3 Other Businesses

### Rubber Plantation Business

STA operates our rubber plantation systematically and in a full supply chain through our subsidiary, Sri Trang Rubber & Plantation. As of 31 December 2021, Sri Trang Group had obtained approximately 7,200 hectares of land suitable for the cultivation of rubber trees in 19 provinces of Thailand. We planted rubber trees and some lots have been providing yield since 2015. The majority of our rubber plantations are located in the northern and northeastern regions of Thailand. This shall be an advantage for our mid-stream business both for raw material procurement and NR production. We estimate that in 2021, the rubber trees that can be tapped will make up around 49% of the total rubber trees.







## Hemp Business

Sri Trang Rubber & Plantation called “SRP”, a subsidiary of STA, received a license to grow hemp from the Food and Drug Administration in October 2021 on approximately 1 hectare of Pilot Plantation at Thoen District, Lampang province in order to sell hemp seeds, leaves and roots for customers that the Company agreed to enter into a business cooperation agreement.

Additionally, to differentiate the Company’s hemp products and to promote a good image in the long run, the Company has applied the principle of “Digital Traceability” to all hemp products that will be delivered to customers in sequence of creating distinctiveness, differentiation and added value for SRP’s hemp plantations, as well as to maintain strong business relationships with customers in the long term.



## Rubber Wood Processing Business

Through our subsidiary, Anvar Parawood, we also involve in the production and distribution of processed dried rubber wood which are assembled into pallets and other types of pallets for use within Sri Trang Group.

## Production and Sales of Finished Products Business

Semperflex Asia called “SAC”, jointly established by STA and Semperit, is Thailand’s largest producer of high-pressure hydraulic hoses, which are widely used for industrial, mining, and other specific applications, as well as the developer of small hydraulic hoses used in high-technology applications.





## Sales and Distribution

The Company has established a trading and distribution network of natural rubber products and rubber gloves in foreign countries covering 5 main markets, which are Singapore, China, the USA, Indonesia and Vietnam through its subsidiaries and affiliates are Sri Trang International, Shi Dong Shanghai, Shi Dong Shanghai Medical Equipment, Sri Trang Indochina, Sri Trang USA, Sri Trang Gloves Global, Sri Trang Gloves (Singapore), Sri Trang Gloves Vietnam, and PT Sri Trang Gloves Indo.



## Transportation and Logistics

Starlight Express Transport Co., Ltd. is a transportation and logistics service provider for the sale of the Company's natural rubber products within Thailand. Such services include the preparation of the movement of goods onto the ship and the preparation of documents relating to both import and export.



## Maintenance and Research and Development

Premier System Engineering Co., Ltd. is a service provider for the maintenance of machinery and equipment including inventing and developing advanced production processes. In addition, it is also a researcher and develops products to achieve unique quality according to customer needs.





# MULTI-NATIONAL PLATFORM (GRI 102-4)



## USA

- Sri Trang USA



## THAILAND

- Sri Trang Gloves (Thailand) PLC.
- Nam Hua Rubber
- Anvar Parawood
- Premier System Engineering
- Rubberland Products
- Semperflex Asia
- Sadao P.S. Rubber
- Starlight Express Transport
- Startex Rubber
- Thaitech Rubber
- Pattana Agro Futures
- Sri Trang Rubber and Plantation
- Sri Trang IBC
- Thai Rubber Joint Venture Limited



## CHINA

- Shi Dong Shanghai
- Shi Dong Shanghai Medical Equipment



## VIETNAM

- Sri Trang Indochina
- Sri Trang Gloves Vietnam



## MYANMAR

- Sri Trang Ayeyar



## INDONESIA

- PT Sri Trang Lingga
- PT Star Rubber
- PT Sri Trang Gloves Indo

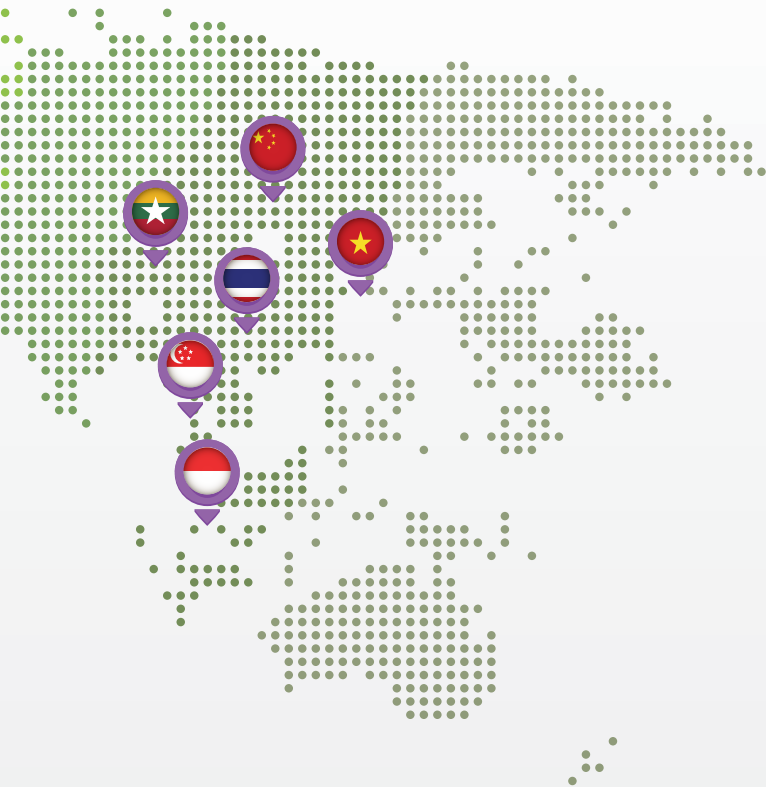


## SINGAPORE

- Sri Trang International
- Shi Dong Investments
- Sri Trang Gloves (Singapore)
- Sri Trang Gloves (Global)







## Gloves Products

40%

of revenues from sales  
of goods and services in 2021

40,300 Million pieces

installed capacity per annum  
as of december 2021

27,304 Million pieces

of gloves sold in 2021



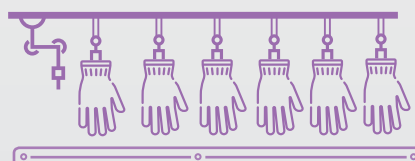
4 Factory locations

in thailand, the world largest  
source of concentrated latex

Exporting to

+ 170

countries worldwide



## Natural Rubber Products



60%

of revenues from sales of  
goods and services in 2021

1.3 Million tons

of natural rubber products  
sold in 2021

2.81 Million tons

per annum in natural  
rubber processing capacity  
as of december 2021

34 Processing facilities

of natural rubbers in Thailand,  
indonesia and Myanmar

10%

market share of  
global natural rubber  
consumption in 2021

32%

of thailand natural rubber  
production volume in 2021





# BUSINESS OVERVIEW (GRI 102-4)

## Natural Rubber Products

As of 31 December 2021, we have a total of 34 processing facilities, 30 processing facilities located in Thailand, 3 processing facilities located in Indonesia, and 1 processing facility located in Myanmar with an estimated total effective engineering capacity of approximately 2.81 million tons of Natural Rubber Products per annum.

## 34 PROCESSING FACILITIES

Capacity : 2.81 mil. tons/annum

TSR  24 processing Facilities

LTX  7 processing Facilities

RSS  3 processing Facilities



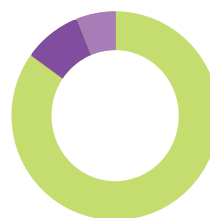
### Sri Trang's Procurement Centers

34 Centers in Thailand


15 Centers in Indonesia and Myanmar




### Portion of Raw Materials Purchased by Type



 Cup Lumps 85%

 Fresh Latex 9%

 Unsmoked Rubber Sheets 6%

In 2021, our capacity utilization rate of natural rubber plants increased to 70%, from 55% in 2020. A sharp increase was mainly due to the recovery of natural rubber consumption from tire manufacturers and the high demand for concentrated latex consumption from rubber glove manufacturers.





## AT SRI TRANG GROUP, WE ARE COMMITTED TO OPERATING AS A GREEN RUBBER COMPANY

which means we are a fully integrated rubber company that conducts business with transparency and fairness to produce quality and environmentally friendly products and that cares about all stakeholders in the supply chain, from upstream to downstream.



# SUSTAINABLE 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:

## Green Products

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

## 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.



## 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.

## 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.



## Economic (Green Company) “Sustainable Growth”



### Topic

- Good Corporate Governance
- Anti-corruption
- Increased production and Expand market share
- Strengthen the customers' and Partners' trust
- Educated rubber farmer to make a good quality raw material
- Create innovation and new technology

### Key success

- CG and AGM score
- Member of The Private Sector Collective Action Coalition Against Corruption (CAC)
- Economic performance
- Customer satisfaction score
- Sri Trang rubber farmer project
- Benefit from Kaizen& QCC activity

## Social (Green Supply) “Create more happiness for internal and external society”



### Topic

- Development and employees' care
- Human Rights and Fair Labor Practices
- Good health, Safety and Good working environment
- Establish responsible process to consumer care
- Engage supplier or partners' for social responsibility
- Social and Community Development

### Key success

- Turnover rate
- Comprehensive human rights risk assessment results.
- Accident rate
- Complaints
- No. of Suppliers who acknowledge anti-corruption policy
- Cost and project to supported and developed community

## Environment (Green factory, Green product) “Focus on the effective environmental management system”



### Topic

- Energy reduction and renewable energy
- Reduce CO<sub>2</sub> emission
- Efficiency resourcement and reuse material
- Oriented towards managing to reduce Impacts of the production
- Planting and increasing the green areas
- R&D environmental friendly products

### Key success

- Energy consumption per product unit
- Carbon dioxide equivalent emissions per unit of product
- Waste to Value project
- Complaints from the community
- Carbon sequestration
- Number of projects/products that are environmentally friendly



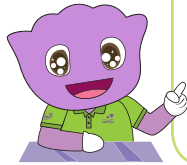


# THE PRACTICES WITH STAKEHOLDERS

The Company recognizes about stakeholders' engagement. Have conducted identify stakeholder groups that are involved in operations throughout the business value chain, analyzed and prioritized by considering the criteria for the level of impact from the Company's operations to the group of stakeholders and the level of influence of stakeholders on business operations (GRI 102-42), as well as conducting a survey of the needs and expectations of all stakeholder groups towards the Company's operations in order to meet the stakeholder expectation appropriately. The company has designated the relevant departments to be responsible and respond to the needs and expectations of the stakeholders in accordance with the company's required guideline and yearly reviews stakeholder's expectations and adjust the properly responses accordingly. In 2021, the Company classified the stakeholders into 8 groups as follows:







#### Frequency of communication/engagement (by color)

Purple : Annual

Green : Quarterly

Black : Monthly/Regularly/Occasionally

| Stakeholders<br>(Disclosure 102-40)  | Communication<br>Channel/Participation<br>(Disclosure 102-43)  | Needs/Expectation<br>(Disclosure 102-44)   | Responses to<br>Expectation<br>(Disclosure 102-43)  | Indicators/<br>result 2021   |
|--|--|--|---|--|
| <b>Shareholders,<br/>investors, analysts,<br/>and media</b><br><br> | <ul style="list-style-type: none"> <li>Shareholders' meetings</li> <li>Q&amp;A by phone and email</li> <li>Annual report and Sustainability Report</li> <li>The Company's website</li> <li>Analyst's Meeting</li> <li>Meeting domestic and foreign investors through various activities such as Opportunity Day, Thailand Focus, Corporate Day and Roadshow</li> </ul> | <ul style="list-style-type: none"> <li>The Company has good performance and continuous growth</li> <li>Consistent dividend payment</li> <li>Shareholders receive accurate, complete, timely and sufficient information for decision making</li> <li>The Company operates with transparency and manage a good internal control system</li> <li>There is no news that will affect the reputation of the company</li> </ul> | <ul style="list-style-type: none"> <li>Operates strategically along with good corporate governance</li> <li>Appropriate dividend policy</li> <li>The Company adheres to the ethics and code of conduct regarding responsibility to shareholders</li> <li>Accurate, timely and sufficient disclosure of information</li> <li>Accurate, up-to-date and user-friendly website</li> </ul> | <ul style="list-style-type: none"> <li>The Company sets a policy for dividend payment at 30% of net profit according to separate financial statements. As for FY2020, the Company paid the dividend at Baht 2.25 per share, accounted for 36% of net profit of separate financial statements. Moreover, the Company also paid the interim dividend during 9M2021 at Baht 3.5 per share.</li> <li>The Company was evaluated to be counted in the Thailand Sustainability Investment (THSI) for 7th consecutive year.</li> <li>The Company joined domestic and international investors meeting with investors, fund managers and media in a total of 48 times.</li> <li>Number of visits through Company website in the part of investor relations, a total of 50,868 times</li> </ul> |









| Stakeholders<br>(Disclosure 102-40)  | Communication<br>Channel/Participation<br>(Disclosure 102-43)   | Needs/Expectation<br>(Disclosure 102-44)  | Responses to<br>Expectation<br>(Disclosure 102-43)   | Indicators/<br>result 2021   |
|--|---|---|--|--|
| <b>Customers /<br/>Consumer</b><br><br> | <ul style="list-style-type: none"> <li>Online communication: phone, e-mail, website, Facebook and Line@</li> <li>Customer Satisfaction Survey</li> <li>Factory visiting</li> <li>Engage activities with customers</li> <li>Customers meeting</li> <li>Trade exposition</li> </ul> | <ul style="list-style-type: none"> <li>Good products &amp; services</li> <li>Fair dealings</li> <li>Keep confidential information of customer</li> <li>Jointly in product development</li> </ul>  | <ul style="list-style-type: none"> <li>Compliance with ethics and Conduct of relation with Customers</li> <li>Implementation of standard system ISO9001, 14001 and ISO 45001, BSCI, FSC™</li> <li>Research and development</li> <li>Improvement of production process to meet customers' requirements</li> </ul>                                     | <ul style="list-style-type: none"> <li>Customer satisfaction score 83.4%</li> <li>10% of market share from global demand for natural rubber</li> <li>Sales volume</li> <li>New customer</li> <li>New products</li> </ul> |
| <b>Employees</b><br><br>              | <ul style="list-style-type: none"> <li>The Company's monthly meeting</li> <li>Kaizen, QCC, 5s, Safety talk, KYT</li> <li>Intranet, email, website, Facebook, Line STA Family</li> <li>Suggestion box</li> <li>Channels for complaints</li> <li>Others activity</li> </ul>         | <ul style="list-style-type: none"> <li>Fair remuneration and good welfare</li> <li>Respect in human rights and non-discrimination</li> <li>Good health, Safety and Good working environment</li> <li>Career stability and opportunities for career advancement</li> <li>Competency development</li> </ul> | <ul style="list-style-type: none"> <li>Ethics and Conduct of responsibilities of employees</li> <li>Human right and non-discrimination policy</li> <li>Implementation of standard system ISO 14001 and ISO 45001, BSCI</li> <li>Whistle Blowing Policy</li> <li>Training plan</li> <li>Internal activity: Happy workplace/ Activity Prize</li> </ul> | <ul style="list-style-type: none"> <li>Zero complaint from employee</li> <li>Turnover rate = 2.93 % less than target = 3%</li> <li>The rate of accidents leading to 3 days of work absence = 0.14%</li> </ul>            |





| Stakeholders<br>(Disclosure 102-40)   | Communication<br>Channel/Participation<br>(Disclosure 102-43)  | Needs/Expectation<br>(Disclosure 102-44)  | Responses to<br>Expectation<br>(Disclosure 102-43)   | Indicators/<br>result 2021  |
|---|--|---|--|---|
| <b>Raw material<br/>supplier/<br/>Rubber farmers</b><br><br> | <ul style="list-style-type: none"> <li>SRI TRANG FRIENDS application</li> <li>Line@ sritranggroup, Facebook, Call center</li> <li>Online communication system : phone, e-mail and website</li> <li>Publication media; brochures, Vinyl</li> <li>Site Visit and evaluating suppliers</li> <li>Engagement activities</li> <li>Participation with Rubber Farmer, Cooperative and Government Sector</li> </ul> | <ul style="list-style-type: none"> <li>Quick and updated information within timeframe</li> <li>Fair agreements</li> <li>Fair &amp; transparent competition in pricing</li> <li>Received trading and rubber knowledge</li> </ul>   | <ul style="list-style-type: none"> <li>Conduct of Relations with Business Partners</li> <li>SRI TRANG FRIENDS application</li> <li>Approve and Re-Approve procedure</li> <li>Raw material purchasing procedure</li> <li>Criteria and specification of raw material received</li> <li>Suppliers' evaluation Work Instruction</li> <li>Anti-corruption policy and practices</li> <li>"Sri Trang Puen Chao Suan" Project</li> <li>"Good quality latex" Project</li> </ul> | <ul style="list-style-type: none"> <li>Increasing raw material supplier</li> <li>Quality raw material within requirement</li> <li>Supplier evaluation A grade 89% (Target &gt;70%)</li> <li>"Good quality latex" Project. Satisfaction score = 95%</li> </ul> |
| <b>Business partners/<br/>Suppliers</b><br><br>            | <ul style="list-style-type: none"> <li>Various channels of communication: phone, email and website</li> <li>Yearly evaluation of business partners</li> <li>Meetings with business partners and suppliers</li> <li>Joint activities</li> </ul>   | <ul style="list-style-type: none"> <li>Standard procurement system that is transparent and verifiable</li> <li>Received correct information of products and services Procurement</li> <li>Received income from appropriate workloads</li> <li>Received payment for goods and services on time</li> <li>Jointly developed product quality</li> </ul> | <ul style="list-style-type: none"> <li>Adherence to purchasing policy</li> <li>Anti-corruption policy and practices</li> <li>Obtaining CAC certification and encouraging partners to join</li> <li>Whistle blowing channel</li> <li>Partner development</li> </ul>   | <ul style="list-style-type: none"> <li>Delivery on time and meet the requirements</li> <li>Supplier evaluation</li> <li>224 of partners who have signed their intention to anti-corruption</li> </ul>   |



| Stakeholders<br>(Disclosure 102-40)   | Communication<br>Channel/Participation<br>(Disclosure 102-43)   | Needs/Expectation<br>(Disclosure 102-44)  | Responses to<br>Expectation<br>(Disclosure 102-43)  | Indicators/<br>result 2021  |
|---|---|---|---|---|
| <b>Community</b><br>   | <ul style="list-style-type: none"> <li>Participate activities with community</li> <li>Community survey</li> <li>Publication signboard</li> </ul>  | <ul style="list-style-type: none"> <li>Participation in community and society</li> <li>Support for community activities</li> <li>Social and environment responsibility</li> <li>Respect in human right and anti-corruption</li> </ul>   | <ul style="list-style-type: none"> <li>Providing Social and community development project</li> <li>Support and jointing for community activities</li> <li>Recruitment local employee</li> <li>Participation in community activities</li> <li>Survey of impact on the community</li> <li>Open house</li> </ul> | <ul style="list-style-type: none"> <li>Supporting to community development 94 projects</li> <li>Supporting community activities amount of 728,585 baht</li> <li>Employees from the community 1,643</li> <li>Community survey results</li> </ul> |
| <b>Government sector / Enterprise / private sector</b><br> | <ul style="list-style-type: none"> <li>Meeting and informing</li> <li>Factory visit</li> <li>Participation in various projects</li> <li>Participation as a working committee on requested by government agencies</li> </ul> | <ul style="list-style-type: none"> <li>Compliance with state laws and regulations</li> <li>No negative impact action with society &amp; environment</li> <li>There is a standardized environmental management system</li> <li>Have good occupational safety and health</li> <li>To cooperate and support various projects of the government sector</li> </ul> | <ul style="list-style-type: none"> <li>Compliance with state laws and regulations</li> <li>Right and fast information</li> <li>Support and Participated in activities</li> <li>Participation as a working committee with government agencies</li> </ul>   | <ul style="list-style-type: none"> <li>Permission to operation continual</li> <li>Obtaining green industry certification</li> <li>Certificate/Awards from government</li> </ul>   |
| <b>Creditors/Banks</b><br>                                 | <ul style="list-style-type: none"> <li>Meeting</li> <li>Phone, e-mail</li> <li>Company website</li> </ul>   | <ul style="list-style-type: none"> <li>Fulfillment of contractual terms and conditions</li> </ul>   | <ul style="list-style-type: none"> <li>Compliance with contractual terms and conditions</li> <li>Accurate and timely response to questions about financial conditions</li> </ul>  | <ul style="list-style-type: none"> <li>Confidence in doing business with the Company</li> </ul>   |





# 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, and has participated in various activities and projects that support the implementation of the guidelines for sustainable development (GRI 102-13).



## 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 Club, The Federation of Thai Industries
- The Federation of Thai Industries Provincial Chapter
- International Rubber Association (IRA)
- Association of Natural Rubber Producing Countries (ANPRC)
- 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
- Department of International Trade Promotion, Ministry of Commerce
- Thai Listed Companies Association
- Collective Action Coalition Against Corruption : CAC
- The committee overseeing research plans aimed at responding National Development Needs (Faculty 1) rubber group National Research Office



## Social

- Unicef Thailand (CRBP)
- CSR club, Thai Listed Company Association
- STEM Education Thailand



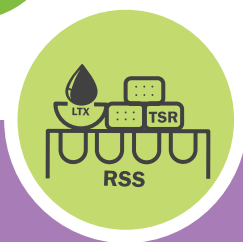
## Environment

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



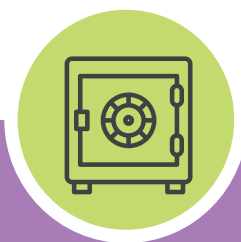


# ECONOMICS PERFORMANCE



Sales Volume of Natural Rubber Products

**1.3** Million Tons



Total assets

**114,527** MB.



Total equities

**65,049** MB.



## FINANCIAL RATIOS

| (UNIT : Baht million)        | FY2017 | FY2018 | FY2019 | FY2020 | FY2021      |
|------------------------------|--------|--------|--------|--------|-------------|
| Gross profit margin (%)      | 4.2    | 9.8    | 8.1    | 28.9   | <b>32.2</b> |
| Net profit margin (%)        | (1.6)  | 2.8    | (0.3)  | 12.6   | <b>13.4</b> |
| Current ratio (times)        | 1.1    | 1.1    | 1.0    | 1.8    | <b>2.2</b>  |
| Debt to equity ratio (times) | 1.6    | 1.2    | 1.3    | 0.7    | <b>0.8</b>  |



## STATEMENT OF COMPREHENSIVE INCOME

| (UNIT : Baht million)   | FY2017  | FY2018 | FY2019 | FY2020 | FY2021         |
|---|---------|--------|--------|--------|----------------|
| Revenue from sale of goods and services                       | 89,387  | 73,136 | 60,286 | 75,479 | <b>118,275</b> |
| Earnings before interest, tax, depreciation, and amortization | 1,611   | 5,758  | 3,274  | 20,505 | <b>32,440</b>  |
| Profit (loss) before tax                                      | (1,398) | 2,406  | (68)   | 17,064 | <b>28,718</b>  |
| Profit (loss) attribute to owners of the Company              | (1,437) | 2,064  | (149)  | 9,531  | <b>15,847</b>  |
| Dividend paid to shareholders                                 | -       | 998    | 538    | 3,456  | <b>5,376*</b>  |

Note: \*Referred to the interim dividend paid based on 9-month financial statement

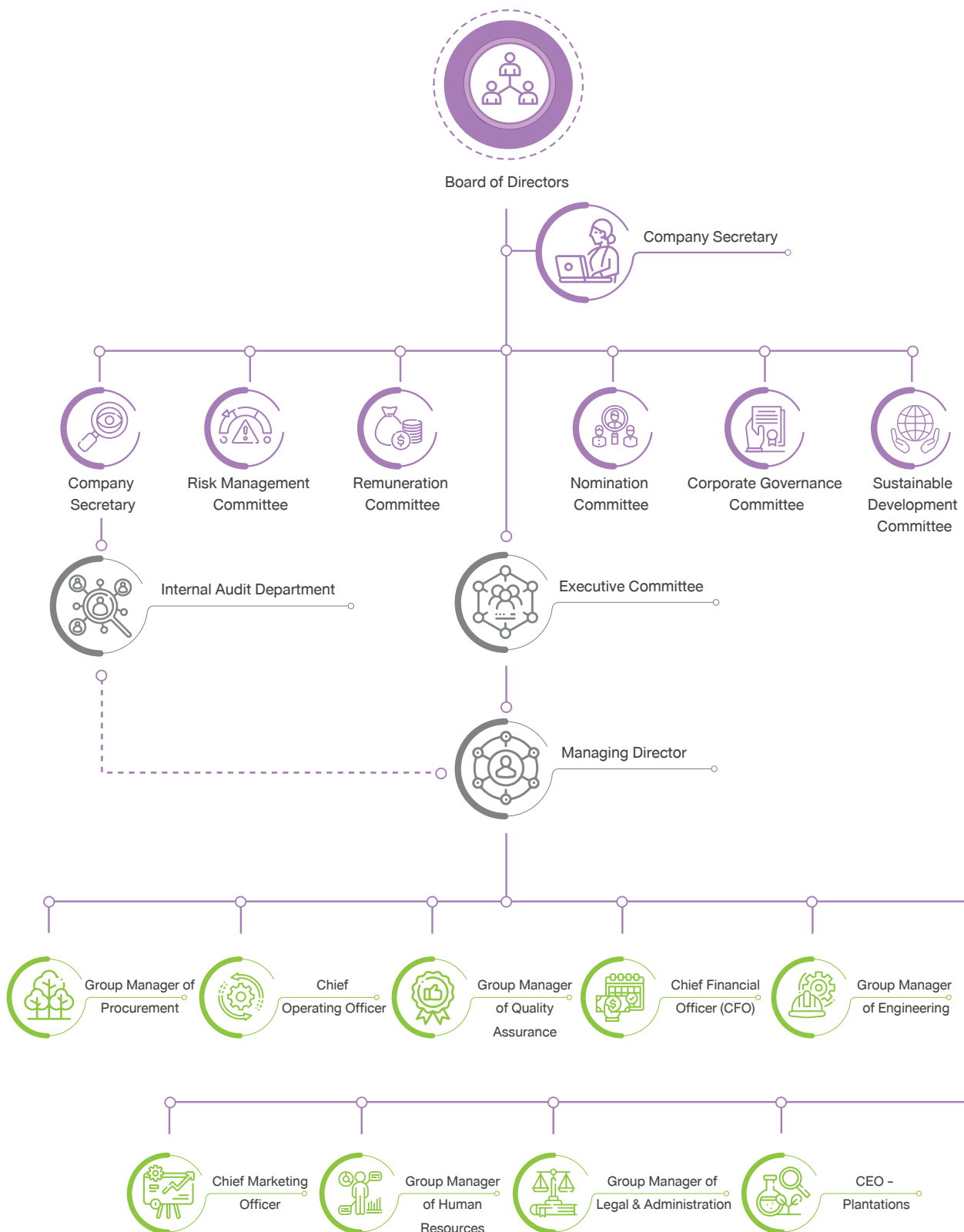




# CORPORATE GOVERNANCE

## Corporate Structure as of 4 February 2022

(GRI 102-18, 102-19, 102-20, 102-22, 102-23)





## Corporate Governance Policy

The Company has established a good corporate governance policy as one of the business policies aiming to improve business operation's efficiency and sustainable growth to build up the confidence of all shareholders, investors, and stakeholders. The Board of Directors of STA has adhered to the principles of good corporate governance outlined in the Corporate Governance Code 2017 (CG Code) issued by the Securities and Exchange Commission. The Company has also continually reviewed the recommendations from the Thai Institute of Directors Association (IOD) to amend and develop the policy to be always practical for the confidence of the Board of Directors of STA's efficient practices.

The Board of Directors of STA has conducted the business operation appropriately and effectively following its objectives by utilizing expertise, diligence, conscientiousness, and due care to protect the interests of the Company and to comply with the laws, objectives, the Articles of Association of STA as well as the resolutions of the Board and shareholders' meeting. The roles and responsibilities of the Board of Directors of STA are all managed with due care, particularly 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, as an organization leader that creates sustainable value for the business.



Excellent level for  
3<sup>rd</sup> consecutive year

SCORE AGM 96

### GOVERNANCE



- **Sustainability Disclosure Award 2021** for Sustainability Disclosure Recognition, for three consecutive years.

- Received an **"Excellent" Corporate Governance Assessment** in the Corporate Governance Survey of Thai Listed Companies Year 2021 for the three consecutive years since 2019 from the Thai Institute of Directors Association (IOD).



- **CSR-DIW Continuous Award 2021** from the Ministry of Industry (Thailand) for eight consecutive years.

- Received an **excellent assessment of the quality of the 2021 Annual General Meeting of Shareholders** (90-99 score range) continuously since 2014 from the Thai Investors Association.

- STA has selected to be one of **the sustainable stocks in Thailand Sustainability Investment (SETTHSI)**, which is a group of stocks with outstanding qualities in the Environmental, Social and Governance for the seven consecutive years, demonstrating the commitment of STA to conduct business sustainably.

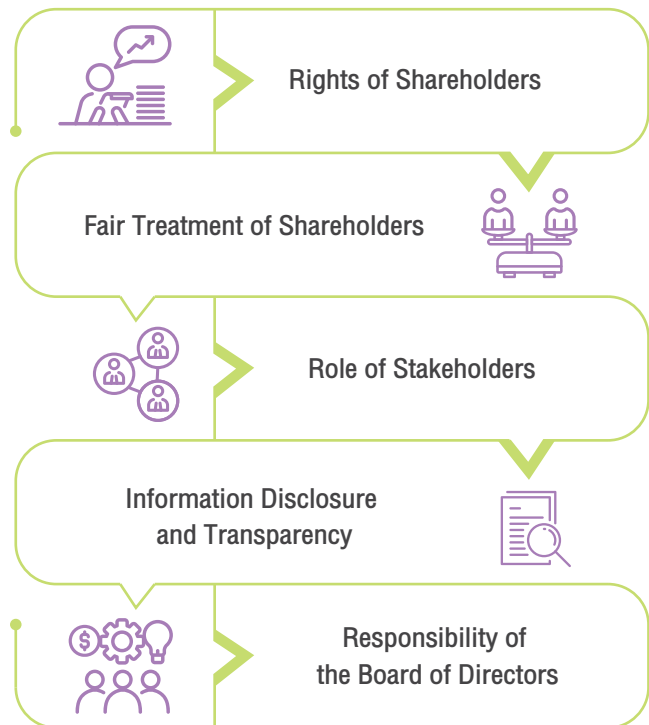
- Certified for renewal of membership of **the Thai Private Sector Collective Action Against Corruption** in March 2021.





## Principles of Good Corporate Governance

STA has established and reviewed principles for good corporate governance following the Principle of Good Corporate Governance for Listed Companies as prescribed by the SET. The Principle of Good Corporate Governance is conducted by OECD Principles of Corporate Governance, consists of (1) Rights of Shareholders, (2) Fair Treatment of Shareholders, (3) Role of Stakeholders, (4) Information Disclosure and Transparency (5) Responsibility of the Board of Directors. The details of the five principles of good corporate governance areas that are appropriate for the current business environment and sustainable value creation for business are as follows:



## Board of Directors' Independence from the Management

STA separates the roles and responsibilities of the Board of Directors and the Management for ensuring the balance of power and authority. The Board of Directors is responsible for establishing policies and overseeing their consistency with the Company's primary business objectives and goals. The Management, on the other hand, is charged with administering day-to-day operations according to established policies with ethical business conduct, transparency, efficiency, and effectiveness, and reporting to the Board of Directors periodically as deemed appropriate.

In addition, to comply with the principles of good corporate governance, the Board of Directors has established a policy to determine the number of listed companies in which the Company's directors and the president will serve as a director to effectively perform their duties in the position of Directors. The Company's directors and managing director are required to hold positions no more than 5 listed companies. In 2021, there is no director will hold positions in more than 5 other listed companies as specified by the policy.





## The Board of Directors of STA structure (GRI 102-22)

As of 4 February 2022, the Board of Directors of STA consists of 13 directors which are 8 Executive Directors and 5 Non-Executive Directors, all of whom are independent. The proportion of Independent Directors is 38% of total directors and the proportion of Non-Executive Directors is 62% (Details of sub-committees are disclosed in 56-1 One Report 2021)

Board of Directors have a resolution to appoint The Corporate Governance Committee and the Sustainable Development Committee are as follows:

### Corporate Governance Committee (GRI 102-26)

As of 4 February 2022, the Corporate Governance Committee consists of 3 directors as follows:

| No. | Name                        | Position                                       |
|-----|-----------------------------|--|
| 1   | Ms. Anusra Chittmittrapap   | Chairman of the Corporate Governance Committee |
| 2   | Mr. Thanatip Upatising      | Corporate Governance Committee Member          |
| 3   | Mr. Veerasith Sinchareonkul | Corporate Governance Committee Member          |

Mrs. Pacharin Anuwongwattanachai is a Secretary of Corporate Governance Committee.

### Scope of Duties and Responsibilities of the Corporate Governance Committee

1. Determine the scope and policy of corporate governance in a manner consistent with international best practice and propose to the Board of Directors for approval.
2. Propose guidelines on corporate governance to the Board of Directors as well as provide advice and recommendations to the Board of Directors on matters of corporate governance.
3. Provide recommendations on requirements related to business ethics, good practices for directors, executives and employees as well as overseeing the principles of good corporate governance and sustainable development effective in practice to be continuity and suitable for business.
4. Provide advice, encourage and support the Company's operations in accordance with the principles of good corporate governance code of conduct and other policies related to the good corporate governance of the Company completely and efficiently.
5. Encourage and support the Company to communicate with Directors, executives, employees at all levels and related parties in aware of and understand the policies and guidelines regarding good corporate governance principles code of conduct social responsibility and other policies related to the company as well as supervise the implementation of such policies and guidelines.
6. Consider reviewing the policies and guidelines on corporate governance for continuous efficiency and effectiveness as well as to ensure that information is disclosed in the form of a report as appropriate.



## Sustainable Development Committee

The Sustainable Development Committee consists of 3 directors as follows:

| No. | Name                         | Position                                 |
|-----|------------------------------|--|
| 1   | Mr. Veerasith Sinchareonkul  | Chairman of the Sustainability Committee |
| 2   | Mr. Vitchaphol Sincharoenkul | Sustainability Committee Member          |
| 3   | Mr. Chalernpop Khanjan       | Sustainability Committee Member          |

### Scope of Duties and Responsibilities of the Sustainable Development Committee

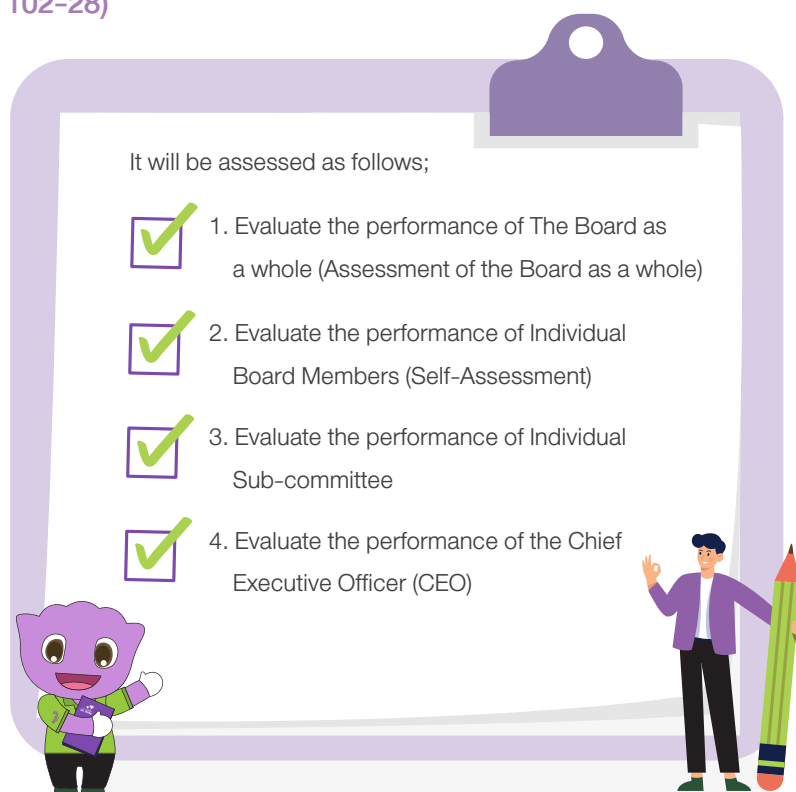
1. Formulating directions, policies, strategies, goals and work plans for sustainable development covering environmental dimensions, social and governance & economic of the company to be presented to the Board of Directors.
2. Support and drive cooperation in sustainability operations throughout the organization by providing advice and promoting the integration of sustainability performance into business strategies risk assessment and corporate plans for both short-term and long-term to achieve the organization's sustainability goals.
3. Review and recommend the Company's sustainability practices in line with best practices and international standards to be up-to-date at all times as well as propose to the Board of Directors for consideration, improvement and development.
4. Consider and approve the organization's annual sustainability issues in accordance with the needs and expectations of the stakeholders, external context, direction and goals of the organization as well as propose to the Board of Directors for approval and assign the management to respond and follow up.
5. Follow up and summarize the sustainability performance of the organization and report progress to the Board of Directors at least once a year.
6. Oversee the disclosure of company sustainability information through the Company's annual report and annual sustainability report.
7. Consider the appointment of a sustainability working group as it deems appropriate.





## Assessment of the Board of Directors, Sub-Committees, and CEO (GRI 102-28)

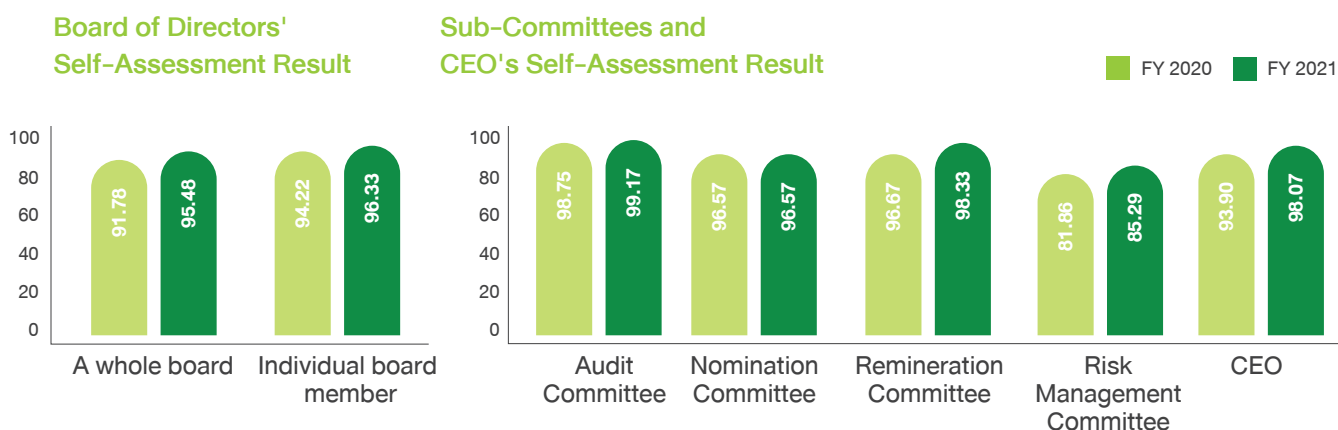
STA has conducted the Directors' self-assessment where the assessment form is following good corporate governance, so that the assessment results can be further used to develop the performance of the directors. Four types of assessment forms are; the Company has assessed the performance of the Board of Directors and Sub-committees as well as assessment of the Chairman and presents the results to the Board of Directors' meeting annually at least once a year so that the Company's Directors have known and used it to improve and develop to be more effective. The assessment of the Board of Directors can be divided into two types, namely the assessment of the Board as a whole and self-assessment.



## Processes and criteria for evaluating the performance of directors

The Company Secretary is responsible for delivering assessment forms to all directors to evaluate the performance of their position as the Board of Directors and sub-committees. Then, the Company Secretary has to follow up the past year assessment forms to prepare a summary of those assessment results following the criteria and report them to the Board of Directors for further consideration.

In 2021, the Board of Directors, Sub-committees, and the CEO's assessment results can be summarized as follows:





## Policy and Criteria for Remuneration of Directors and Executives

(GRI 102-35, 102-36)

### The Remuneration of Directors Policy

The Board of Directors defined the director remuneration policy. The remuneration and meeting allowance is specified to the Chairman of the Board of Directors, Executive Directors, Non-Executive Directors, the Chairman of Audit Committee, and Audit Committee Members. In this regard, the Remuneration Committee must propose a framework and criteria of remuneration for the Directors to the Board of Directors' meeting to agree with before proposing to the Shareholders' meeting to approve. Remuneration is considered based on the Company's performance, the director's responsibility, and compared with the other listed companies in SET that have similar market capitalization and other listed companies in the same industry. This shall support the remuneration structure to be appropriate for the perseverance, responsibilities, and experiences of Directors that shall lead the Company to be achieved in both short-term and long-term goals. In addition, the remuneration will be disclosed in the Company's annual report.

### The Remuneration of Management Policy

The CEO, as a representative of the Board of Directors, shall consider the management remuneration policy. Such remuneration will be appropriately considered based on the remuneration structure of the Company compared to remuneration information surveyed by recognized institutes, organizations, and entities as well as the inflation rate and net profits of the Company together, including performance and consistency with the duties and responsibilities assigned.

### Total Remuneration of Executive Directors and Executives of the Company

#### (1) Monetary Compensation

| Year | Details                      | Number of persons | Amount (Million Baht) |
|------|------------------------------|-------------------|-----------------------|
| 2021 | Salary and additional income | 12                | 201.6                 |

In 2021, the accumulated monetary remuneration of STA was at Baht 4,356.5 million, with the remuneration of senior executive directors as a percentage of the Company's remuneration, which was 4.6%.

For the fiscal year ending 31 December 2021, STA paid the remuneration to the Directors and Executive Officers, totaling 12 persons, in the amount of Baht 201.6 million, including Directors and Executive Officers. Such remuneration was in the form of salary, bonus and other compensation comprising benefits in kind and compensation that has already been paid, which includes any deferred compensation accrued for the financial year in question and payable at a later date including bonus or profit-sharing scheme or any other profit-linked agreements or arrangements.





## Developing of Directors, Executives (GRI 102-27)

The Board of Directors emphasizes the development of knowledge and ability to perform their duties as Directors. All the Company's directors have already passed the training courses on the directors' duties and responsibilities from the Thai Institute of Directors Association (IOD). In 2021, the Company has facilitated Directors and Executives to attend various training and seminars to increase their knowledge in their work operations as follows:

| Name of Directors/<br>Executives | Position                                      | Course  | Organizer  | Date                  |
|----------------------------------|---|---|--|-----------------------|
| Mr. Veerasith<br>Sinchareonkul   | Director/<br>Managing<br>Director             | Environmental, Social and<br>Governance (ESG)   | Thaipat Institute  | 5 May 2021            |
| Mr. Vitchaphol<br>Sincharoenkul  | Director                                      | KRUNGSRI EXCLUSIVE 2021<br>Mid-Year Outlook Series:<br>ESG: The Future of<br>Sustainability Investments | Bank of Ayudhya<br>(PCL)   | 29 June 2021          |
| Mr. Thanatip Upatising           | Independent<br>Director                       | Director Certification Program<br>301/2021  | The Thai Institute of<br>Directors<br>Association (IOD)                      | June –<br>August 2021 |
| Mr. Patrawut Panitkul            | Director/ Chief<br>Financial<br>Officer (CFO) | In-depth audit evidence and<br>interesting issue  | Accounting Coach<br>(Thailand) Company<br>Limited                            | 6-8 January<br>2021   |
|                                  |   | COVID 19 Implications for<br>Financial Reporting and Audit  | Thai Listed<br>Companies<br>Association                                      | 19 May 2021           |
|                                  |   | What's trending in the capital<br>market  |  | 19 August 2021        |
|                                  |   | ESG Integration in<br>Sustainable Investing   |  | 21 September<br>2021  |
|                                  |   | TFRSs For PAEs 2021<br>Update and TFRSs For<br>NPAEs Adjustment   | Federation of<br>Accounting<br>Professions under the<br>Royal Patronage of   | 27 November<br>2021   |
|                                  |   | Information System Design<br>for Decision Making  | his Majesty the King   | 17 December<br>2021   |
| Mr. Chalernpop<br>Khanjan        | Director                                      | Corporate CSR operations<br>during the Covid-19 crisis  | Puey Ungphakorn<br>School of<br>Development Studies,<br>Thammasat university | 10 May 2021           |





## Monitoring to Ensure Compliance with Corporate Governance Policies and Practices



### Conflict of Interest (GRI 102-25)

The Board of Directors of STA has established a policy for preventing any conflict of interest on the basis that any decision-making on business transactions must be made only for the best interest of STA, and that any act which may cause a conflict of interest should be avoided. It is required that a person involved in or having a conflict of interest in any agenda item to be discussed in a meeting shall report the relationship or conflict of interest in such agenda item to STA, as well as abstain from voting and shall have no authority to approve such transaction. For any transactions that are related to any director of the Company, that particular director does not have the right to vote on such transactions. The Board also has established a policy that prohibits management and staff from utilizing inside information for personal use.

In 2021, the Company has communicated its conflict of interest policy to directors, executives, and employees via email and disseminating through the Company's intranet system, including organizing training for employees to create correct knowledge and understanding through a hundred courses "STA with good corporate governance" which there are 95% of total employees participated in this training.

### Conflict of Interest Report Preparation

The Board of Directors is provided the disclosures to prevent conflicts of interest and activities that may cause conflicts of interest, illegal and inappropriate activities. The Directors, Executives, and the permanent employees must prepare their report of the lists of the suspect which may be themselves or their relatives who related in their family that was suspected to have any conflict of interest annually. In 2021, there were not find any significant conflict of interest among Directors, Executives, and permanent employees.

The policy on the prevention of conflict of interest disclosed on the Company's website ([www.sritranggroup.com/en/cg/important-policies](http://www.sritranggroup.com/en/cg/important-policies)).





## Code of Conduct (GRI 102-16)

In the review of Corporate Governance policy, the Board of Directors has defined the review on an annual basis. The policy is subject to annual review, revision, and approval by the Board and acts as a guideline for STA's directors, executives, and employees to comply to promote STA's business efficiency, management excellence, ethical business conduct, transparency, and accountability, with the ultimate goal of continuous improvement and elevation of STA's corporate governance system efficiency, instilling confidence among all stakeholder groups. STA's Code of Conduct is as follows;



(Please find more details on the Company's website [www.sritranggroup.com/th/cg/principles-ethics](http://www.sritranggroup.com/th/cg/principles-ethics))

## Significant Changes and Developments in Corporate Governance Policy, Guidelines, and Governance System in 2021

The Board of Directors realizes the importance of STA's good corporate governance and enhances its corporate governance standards to meet the 2017 Corporate Governance Code of the Securities and Exchange Commission. The Board of Directors uses the CG Code as a guideline to develop, improve and determine new policies to comply with our business and current situation and to support our business operations sustainable growth and to be recognized by both national and international.

The Company annually reviews the existing policies and practices to keep them up-to-date. In 2021, the Company has reviewed and improved (1) Good Corporate Governance policy (2) Information Technology policy (3) Anti-Corruption policy and practices (4) Tax policy (5) Human Rights and Non-

Discrimination policy (6) Risk Management policy. Moreover, in 2021, the Board of Directors has considered and approved the new policies namely (1) Human Resource Development Policy and Succession Plan to mitigate the risk of lacking of key persons and to help support the development and following up those who are suitable for important positions concretely (2) Research and Development policy to create innovation, new technologies, and the application of innovations and new technologies which is suitable for the Company's business operation; moreover, the development to the stage of patent registration as appropriated, and (3) Personal Data Protection Act (PDPA) policy.

Please find more details on the Company's website ([www.sritranggroup.com/th/cg/important-policies](http://www.sritranggroup.com/th/cg/important-policies)).





# ANTI-CORRUPTION AND WHISTLEBLOWING



The Board of Directors has paid attention to anti-corruption and has established an anti-corruption policy to create guidelines for practices that are transparent, verifiable, and to create an organizational culture to prevent corruption. STA was certified to join the Thai Private Sector Collective Action Against Corruption program and was certified as a member on August 21, 2018 and the Company has prepared an self assessment to develop an anti-corruption system, revised version 4.0 to renew membership of the Private Sector Collective Action against Corruption (CAC), the company received Certification of renewal in March 2021.

In 2021, the Company has promoted good corporate governance, business ethics, and anti-corruption as follows:

- STA has communicated the anti-corruption policy to directors, executives and employees via email and disseminating through the Company's intranet system, organizing training for employees to create correct knowledge and understanding through the "STA's Good Corporate Governance" course, as

well as conducting a post-training test. There are 95% of total employees participated in this training and passed the knowledge test. (GRI 205-2, 412-2)

- STA has reviewed the anti-corruption policy to provide guidelines complying with CAC requirements such as facilitation payment guidelines, guidelines on hiring government officials, etc. The Company has communicated the anti-corruption policies to Executives, employees at all levels, including business partners, customers, and all stakeholders. In addition, the Company requires that the anti-corruption policy be reviewed annually to make such policy complete and cover the risks that may arise from corruption in the Company's business operations. (GRI 205-1)
- STA has announced that the Company will not accept any gifts during the New Year festival and on other occasions through the website [www.sriranggroup.com](http://www.sriranggroup.com) to express the intention and notify all groups of stakeholders, including business partners, customers, including affiliates, and outsiders.



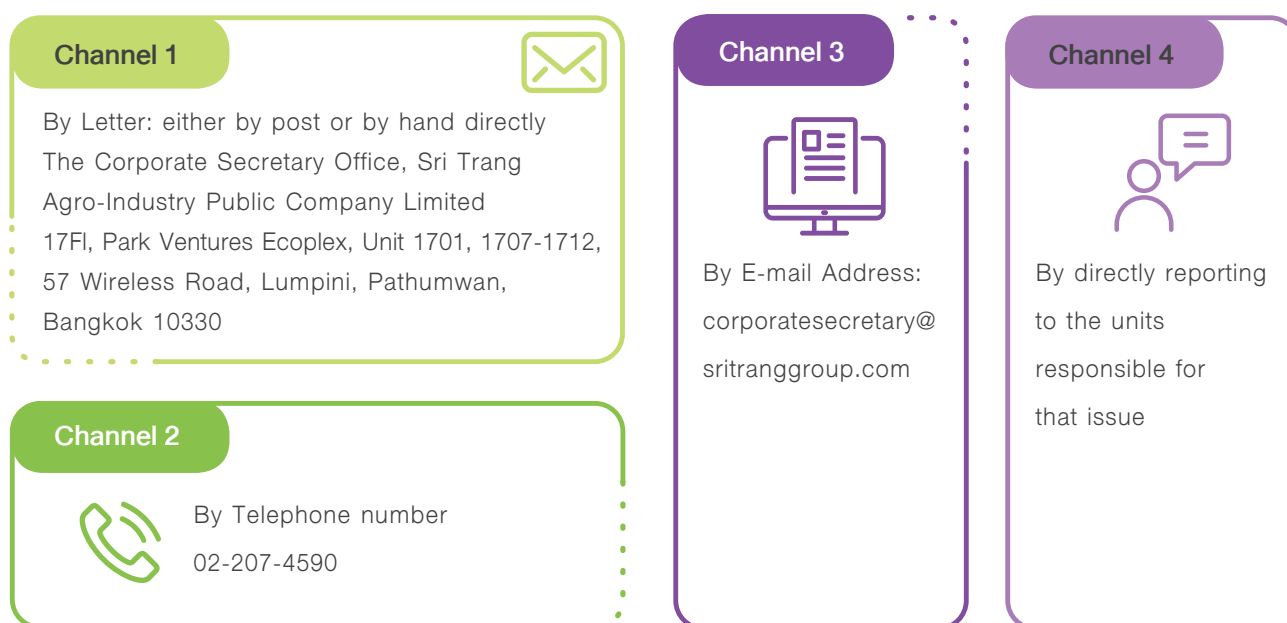


## Whistleblowing

STA has committed to conducting our business properly, transparently, fairly and auditably in compliance with good corporate governance. The Company also expects all groups of stakeholders can report some events which may conflict with such Good Corporate Governances to have the correct next. In addition, the Company has established channels for receiving complaints from all groups of stakeholders about improper or inappropriate conducts which may cause damage to the Company as well as established measures to protect complainants who act in good faith.

### Channels

The Whistleblower Policy of STA can be reached through these following channels;



These whistleblowing channels are informed to our employees via internal training sessions and email, as well as are published on STA's website for external stakeholders to be acknowledge also.

In 2021, The summary of complaints through these channels are as follows;

| Types of Complaints                              | Number of Complaints |
|--|----------------------|
| Services / Products                              | 9                    |
| Human Rights                                     | -                    |
| Malpractice and/ or Unfair Performance of Duties | 8                    |
| Others   | 6                    |

In handling complaints, the relevant departments must complete the resolution within the specified period and all types of complaints must be responded to in time to show the awareness and seriousness of the Company's management.

The policy on the whistleblowing disclosed on the Company's website ([www.sritranggroup.com/en/cg/important-policies](http://www.sritranggroup.com/en/cg/important-policies)).





# RISK MANAGEMENT (GRI 102-15)

Due to the complexity and a rapidly changing business environment currently, these may affect the ability to achieve the goal to drive the organization for sustainable successes. Risk management is an important process that helps a company to handle business uncertainty systematically, to create business potential, to increase business opportunities, and to support the achievement of short-term and long-term organization's goals as well as to build confidence and credibility to stakeholders.

## Risk Management Policy

STA group highly concerns the importance of risk management as we define risk management policy:

1. Risk management is responsibility of all employee in any levels and be concerned with operating in own department.
2. To promote risk management to be the management tool that any employee will understand and adopt the use of risk management to make the good corporate image, support good corporate governance, and create trust for the stakeholders.
3. To support an information technology for risk management process in STA group. Every employee can access the risk information and top managers can use information to support management effectively.
4. The Company promotes and encourages risk management to be a corporate culture by making everyone aware of the importance of risk management
5. All level of employees have a duty to comply with the risk management system and process as prescribed by the Risk Management Committee
6. Risk Management Committee and executives have to monitor and measure the operations to appropriately manage the risks of the organization.





## Risk Management Structure (GRI 102-29, 102-30)

The Company has a risk management structure consisting of the Risk Management Committee (RMC), responsible for determining the policy and framework as a guideline for practice among SRI TRANG's group including supervision and support for risk management in various aspects in order to succeed at the overall organization and project levels. In addition, the RMC also sets up a Risk Working Group (RWG), consisting of executives from several departments, which is responsible for following-up risk management operations regularly to comply with the policy, objectives, acceptable risk levels, and the risk management framework approved by the Risk Management Committee. Moreover, the RWG's

responsibility is to promote and cultivate employees at all levels to understand the importance of risk management and to be able to bring risk management concepts in practices to create as a corporate culture. (List of Risk Management Committee, the authority and report of the Risk Management Committee will be disclosed in 56-1 One Report 2021).

In addition, to increase management flexibility and align with business operation in various environments, the Company has been established risk management at the level of business groups/lines or specific committees, for example;

### Regulatory Affairs Committee

is responsible for controlling, managing, communicating, and considering providing the information to government entities to be effective and to be in the same direction without any conflicts and to comply with laws and regulations.

### Working Team for Complying with Personal Data Protection Act

is responsible for ensuring work plans, guidelines, and practices for complying with the Personal Data Protection Act.

### The COVID-19 Pandemic Emergency Response Team

is responsible for defining measures, preventing the epidemic situation to be secured and highly effective.

### The Communication Team for COVID-19

acts as a coordinating center to communicate within the organization along with external entities both government sector and communities during the COVID-19 situation in order to create highly effective communication.






## Risk Management Guidelines (GRI 102-11, 102-29)

The Company has implemented a risk management system in accordance with international standards, COSO (The Committee of Sponsoring Organizations of the Treadway Commission) or ERM COSO (2017) to be applied along with several standards involved in the business and the Company has used risk management tools such as; risk assessment and prioritization using a Risk Map, monitoring of risk management through Mitigation Plan and Key Risk Indicator (KRI). To manage the risks of the organization appropriately and efficiently. The Company has pay attention to manage four key risk factors namely strategic risks, operational risks, financial risks, and compliance risks as well as other emerging risks which has been considered by the Risk Management Committee and presented to the Board of Directors (more details about the risk factors can find in the report 56-1- one report year 2021).

### Sustainable Key Risk Factors Associated with Sustainability (GRI 102-15)



Year 2021, the Company has analyzed Business environment, both internal and external factors including economic, social, environmental, technology, industry trends, competitors and other related important to the Company's current and future business operations that may result in the operations not achieving the objectives and goals of the Company which can be summarized as follows:

#### 1. Economic Risk

| Risk factors and Impact   | Mitigating actions  |
|---|---|
| <p>Natural Rubber Price Volatility prices (supply and demand of natural rubber, Prices of crude oil, energy and oil-based chemicals, Currency fluctuations and speculative) and Discrepancy between the growth in demand for natural rubber and expectations</p> <p> <b>Impact</b></p> <p>Increased production costs ,decreased sales volume and profits</p> | <ul style="list-style-type: none"> <li>• Managing the raw material acquisition process in terms of quantity and price through weekly meetings and closely monitoring economic conditions.</li> <li>• Consideration of the possibility of entering into futures contracts with key raw materials.</li> <li>• Use of hedging tools</li> <li>• Use of financial derivatives</li> <li>• Reduce the proportion of foreign currency in subsidiaries with high exchange rate volatility.</li> <li>• Production of various products</li> <li>• Variety customer base</li> </ul> |








| Risk factors and Impact  | Mitigating actions  |
|--|---|
| <p>Supply chain management or the risk of relying on key trading partners in procuring raw materials and providing other services to the Company in insufficient raw materials or late receipt of raw materials event.</p> <div data-bbox="172 544 373 638">  <p><b>Impact</b></p> </div> <p>Raw material is not enough or the delay delivery causes production disruption</p>  | <ul style="list-style-type: none"> <li>Establishing a network of raw material procurement and setting up production factories located in key strategic locations in the southern, northern and northeastern regions of Thailand. as well as in Indonesia and Myanmar</li> <li>Production planning and stock of raw materials sufficient for production by setting risk indicators for stock of key raw materials and closely monitoring</li> <li>Provide additional alternative sources based on different locations to distribute orders in case of unexpected events such as natural disasters, political turmoil, etc.</li> <li>Creating a database for the list of major raw material distributors in the industrial market</li> <li>Raw material suppliers assessment</li> <li>Supplier code of conduct</li> </ul>   |
| <p>The Company's information technology system is down. Cyber threats such as computer viruses and electronic theft</p> <div data-bbox="162 1305 363 1400">  <p><b>Impact</b></p> </div> <ul style="list-style-type: none"> <li>Intellectual data or proprietary information of the Company loss</li> <li>Loss of income because the Company unable to sell products or provide customer service</li> <li>Customers and business partners lack trust in information security.</li> <li>Increased costs from legal operating expenses</li> </ul> | <ul style="list-style-type: none"> <li>Complete hardware and software asset registration for planning, management and maintenance.</li> <li>Create a Service Level Agreement with the system developer and the Network Operator.</li> <li>Make computer networks available to avoid system failures by backing up the network and the server so that the system can work continuously and back up important data.</li> <li>Install a system to prevent and detect unauthorized persons from invading/de-destroying the network and set strict security control measures such as computer security systems (Firewall, Anti-Virus) Inspect permissions for a specified period of time</li> <li>Alternate Site consideration and Disaster Recovery</li> <li>Disaster Recovery Plan : DRP simulation and including rehearsing emergency plans according to the BCM system, Sri Trang Gloves (Thailand) Public Company Limited (due to using the system together)</li> </ul> |






## 2. Social risk

| Risk factors and Impact  | Mitigating actions   |
|--|--|
| <p>Accident/Emergency incident or Workplace illness</p> <div data-bbox="153 443 357 539">  <p><b>Impact</b></p> </div> <p>May cause business interruption and affect the confidence of stakeholders in business operations.</p> | <ul style="list-style-type: none"> <li>• Cooperate with business partners successful in terms of safety, to give advice, to exchange knowledge and develop together.</li> <li>• Apply to join the project of an outstanding model establishment in safety, occupational health and working environment provincial and national level</li> <li>• Implementation of the ISO 45001 Occupational Health and Safety Standards System into management</li> <li>• Employee health checks based on risk factors and annual health check-up programs</li> <li>• Preparation and response to emergencies. Install emergency stop devices. Set up an incident suppression team. Practice annual emergency response plans such as fire, chemical spills, etc.</li> <li>• Cultivating and building a culture of safety at work such as BBS activities (Behavior Base Safety)</li> <li>• Join the Vision Zero Program (Creating a Strong Preventative Safety Culture can eliminate various causes that cause accidents hazards and prevention of occupational diseases)</li> </ul> |
| <p>Labor shortage in production</p> <div data-bbox="153 1552 357 1648">  <p><b>Impact</b></p> </div> <p>May affect to discontinuity or interruptions in the production process</p>  | <ul style="list-style-type: none"> <li>• Human resource management, such as recruiting local workers or transfer employees between branches</li> <li>• Implementing automation systems in production</li> <li>• Surveys and provide welfare compared to the same industry group.</li> <li>• MOU for foreign worker</li> </ul>  |
| <p>Products that do not conform to standards</p> <div data-bbox="153 1928 357 2024">  <p><b>Impact</b></p> </div> <p>Customer complaints will affect sales volume</p>   | <ul style="list-style-type: none"> <li>• Implement ISO9001</li> <li>• Internationally accredited laboratory</li> <li>• Standard certification for product quality and safety</li> </ul>  |







### 3. Environmental Risk

| Risk factors and Impact   | Mitigating actions   |
|---|--|
| <p>Environmental management including the use of resources, pollution treatment, environmental complaint or non-compliance with environmental regulations.</p> <div data-bbox="172 448 371 539">  <b>Impact</b> </div> <p>Affect the reputation of the company and incurring additional costs from reimbursement /penalties or the cessation or termination of the business.</p> | <ul style="list-style-type: none"> <li>• Strictly and continuously operates in accordance with the ISO 14001 Environmental Management System.</li> <li>• Compliance with the law Environmental Rules and Regulations by established measures for risk management such as the preparation of an operating manual for systematic supervision and management, including complying with laws/regulations both domestically and internationally</li> <li>• Supervise by using the internal audit mechanism of the ISO14001 environmental management system.</li> <li>• There is a working group to monitor changes in laws and regulations related to the Company and Compliance Audit</li> <li>• Resource Management and Pollution Control by focusing on environmentally friendly production such as using 100%biomass, reducing energy consumption, established efficient pollution treatment system and systematic waste management in accordance with the Circular Economy guidelines.</li> <li>• Annual monitoring and maintenance of the water and air pollution treatment system.</li> <li>• Research and development to improve the system to be more efficient both the organization itself and with external agencies.</li> <li>• Visiting communities to explore the potential impacts of the Company's operations according to the annual plan.</li> </ul> |
| <p>Water resource management due to high demand in the production process.</p> <div data-bbox="172 1727 371 1818">  <b>Impact</b> </div> <p>Water shortage may affect the production and cause conflicts with the community</p>  | <ul style="list-style-type: none"> <li>• Excavation of reservoirs and control of reserve water supply.</li> <li>• Set targets to reduce water consumption and set up water reduction projects in the production process that does not affect product quality.</li> <li>• Preparation measures in case of drought events.</li> <li>• Efficient wastewater treatment system to enable water reuse without affecting product quality.</li> <li>• Set up project to fill shallow groundwater.</li> </ul>   |





#### 4. Emerging risk

| Risk factors and Impact  | Mitigating actions   |
|--|--|
| <p>Risk from Climate change, standard regulations and sustainability goals</p> <p> <b>Impact</b></p> <ul style="list-style-type: none"> <li>• Sudden climate change or natural disasters may affect production, such as a shortage of raw materials, flooding resulting in business interruption</li> <li>• Rigorous regulation or carbon taxation affects costs and may lose business opportunities</li> </ul> | <ul style="list-style-type: none"> <li>• Business Continuity Plan: BCP</li> <li>• Taking out risk insurance</li> <li>• Established policy and frameworks to support investments in low-carbon projects to elevate the Company's GHG reduction initiatives;</li> <li>• Established carbon footprint project to identify significant origins and take measures to reduce the Company's GHG, such as energy management and productivity enhancement</li> <li>• Promoted the use of renewable energy</li> <li>• Joined as a Membership of Thailand Carbon Neutral Network (TCNN), established by Thailand Greenhouse Gas Management Organization (Public Organization)</li> <li>• Monitoring performance, review strategies for reducing greenhouse gas emissions and improve operations in accordance with policies, rules, regulations continually</li> <li>• Participated in the project of the Greenhouse Gas Management Organization. (Public Organization) TGO such as T-VER, LESS.</li> </ul> |
| <p>Serious emerging infectious diseases such as Coronavirus 2019 (COVID-19)</p> <p> <b>Impact</b></p> <ul style="list-style-type: none"> <li>• Infected staff may result in a slowdown or cessation of the Company's business operation and</li> <li>• May be affected by purchasing, procurement of raw materials and deliver products to its customers</li> </ul>   | <ul style="list-style-type: none"> <li>• Emergency response and communication teams to manage incidents.</li> <li>• Announcement of measures to control and prevent disease outbreaks within the organization.</li> <li>• Prepare a communicable disease emergency action plan carry out measures and closely coordinate with relevant government agencies</li> <li>• Raw material management planning, safety stock</li> <li>• Online communication both with partners and customers</li> <li>• Coordinating in the organization by using video conferencing and other conferencing systems such as Microsoft Team, Google Meeting and Zoom, etc.</li> <li>• Logistics Management</li> </ul>  |





# BUSINESS INNOVATION

Nowaday the innovation is that helps to develop business competitiveness and create sustainability for the organization. The Company has established a research and development team and use quality activities to support and encourage employees to develop themselves, invention of new knowledge to improve work and can solve problems that arise until becoming a culture to create innovation for the organization.



The Company has focused on the development to increase productivity in our production processes, to improve product quality in order to meet customer needs, and to enhance environmental performance for sustainable development which leads to the increase in the Company's opportunities and competitiveness. In addition, the Company has a research and development policy with the aim to develop R&D projects covering three aspects as follows:

## Innovation Development Projects in 2021

### 39 PROJECTS

To enhance STA competitiveness  
(to increase productivity and reduce cost)

### 3 PROJECTS

To encourage the sustainable and environmentally-friendly operation

### 5 PROJECTS

To create business opportunities and support new businesses



47 TOTAL PROJECTS



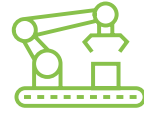
BAHT 43.4 MILLION  
TOTAL R&D EXPENSES



## Performance Results

### Project related to automation systems for TSR (Technically Specified Rubber), RSS (Ribbed Smoked Sheet), and Concentrated Latex Factories

The Company has promoted and invested in research, innovation, and technology development covering Automation and Smart system to increase production efficiency, to reduce production costs and to make ourself more competitive in the industry. Automation and robotic systems have been developed to replace labor-intensive jobs and promote higher safety of the production process.



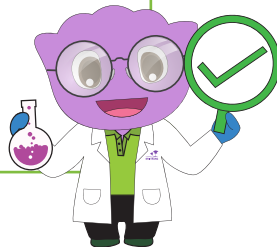
### Solar power system installation project at the TSR (Technically Specified Rubber) factory and a rubber glove factory

The Company has approved the investment budget for the installation of solar power generation systems to be installed solar floating in an area of approx. 6,000 square meters with a maximum production capacity of approx. 1 megawatt on the TSR (Technically Specified Rubber) factory in Mukdahan branch to meet the goal of increasing renewable and clean energy use, as well as reducing greenhouse gas emissions into the atmosphere.



### Project to develop a latex-free from allergenic proteins

The Research and Development Department of the Company has seen a business opportunity to develop an allergenic protein-free latex that can be produced at an industrial level under a reasonable cost to support the use of various industry. The research has been tested by world-class institutes for protein content in latex from LEAP Testing Service Donald Guthrie Foundation, Akron Rubber Development Laboratory, and Icosagen.



To provide a good atmosphere for innovation and the development of our R&D projects, the Company also rent some area in Southern Thailand Science Park, in Prince of Songkla University, as this science park provides full equipment for R&D activities. This helps create and transform the conceptual idea to concrete projects effectively which benefits Thailand's rubber industry in the long-run.



SRI TRANG Group has realized the development of intellectual property; therefore, the Company has encouraged patent registration with the Department of Intellectual Property. In 2021, the Company received a patent namely "System and Method for Quality Determination of Cup Lump by Near Infrared Spectroscopy." In addition, the Company has registered material trademarks such as the Sri Trang logo and Green Rubber logo both domestically and internationally for natural rubber products such as TSR, RSS, and Concentrated Latex.





## Innovation dissemination



**Kaizen type:** cost reduction

**Subject:** Line Mixture Screw Spreader

**STA-PL Company**

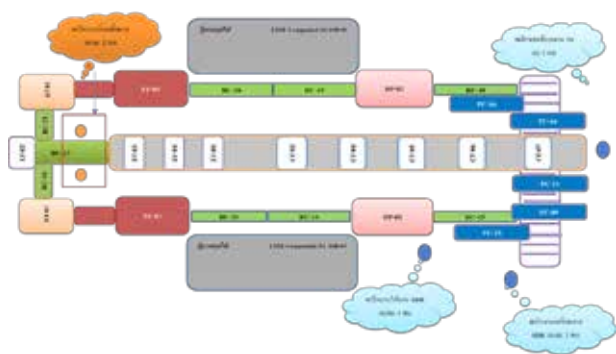


### Member

|                         |                               |                     |
|-------------------------|-------------------------------|---------------------|
| 1. Mr.Piroj Rubphomrat  | Engineering Manager           | Experienced 8 Years |
| 2. Mr.Sanchai Kankhong  | Production Supervisor         | Experienced 7 Years |
| 3. Mr.Wichamai Thonthon | Engineering Boiler Supervisor | Experienced 8 Years |

### Problem

There are 2 cooling chain channels, so need to uses 2 people to spread the mixture because it comes out of the PZ-01 quite quickly, if using a single employee to spread the mixture will not be thorough, due to uneven characteristics and unstable weight.



### Correction

Install screws in the area between the cooling basket compartments. By designing the blades of the screw on both sides to rotate away from the center of the shaft to bring the mixture to both sides.



Before



After



### Conclusion

|                     |  |
|---------------------|--|
| <b>Cost</b>         | Reduce labor costs 600,000 baht/year.  |
| <b>Productivity</b> | no need staff, increasing Productivity from 2HC/shift to 0 HC/shift.   |
| <b>Safety</b>       | <ol style="list-style-type: none"> <li>1. Prevent the rubber spreading tool from getting stuck into the cooling chain (a lots of wires and plugs).</li> <li>2. Employees are avoid risk from working in noisy, smoke and high heat positions.</li> </ol> |
| <b>Environment</b>  | Reduce the amount of electricity from eliminating the use of 4 fans and 4 light bulbs.   |
| <b>Morale</b>       | Reduce turn over due to employees just monitoring the how the machine worked.  |





# SOCIAL PERFORMANCE

## Human Rights and Employees' Care

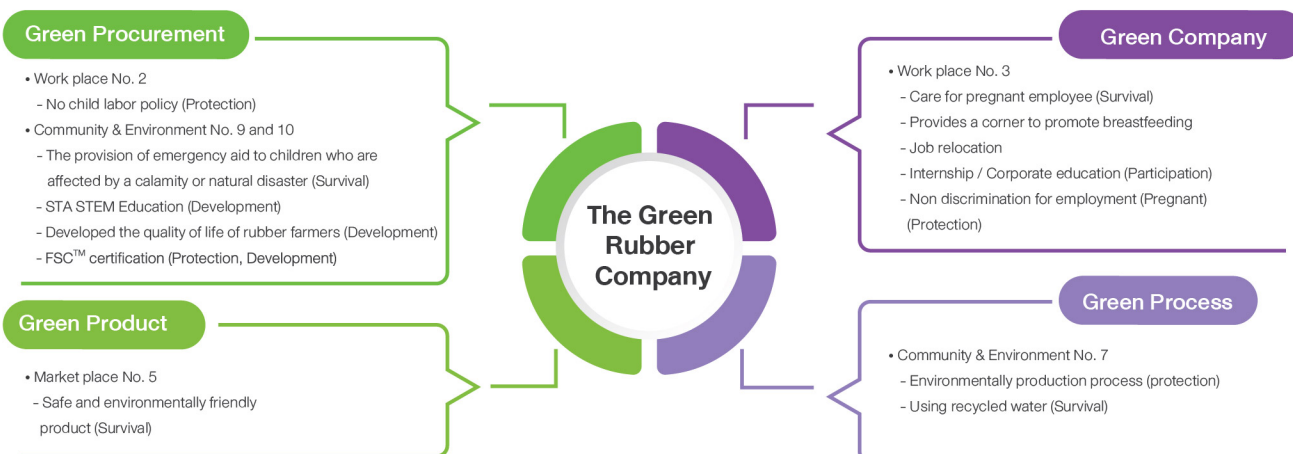
The Company shows its awareness of human rights and equality by announcing a policy on human rights and non-discrimination and setting guidelines for fair treatment to employees at all levels under the framework of ethics and business code of conduct. The Company also applies the code of conduct of the BSCI standard for the ultimate benefits of employees, customers, communities, and the surrounding society. In addition, the Company places importance on the promotion of employment for underprivileged and disabled people and education for children and youths in the areas where we do business to support the United Nations Sustainable Development Goals of eliminating poverty, fostering quality education, and decent employment, and reducing social inequality.

The Company employs people with disabilities in communities under Section 33 of the Promotion and Development of the Quality of Life of Persons with Disabilities Act B.E. 2550 (2007) and in cooperation with government agencies and local administration organizations to provide suitable jobs for them to work in those agencies. Moreover, the Company builds facilities for disabled employees, such as ramps, toilets, and car parks, including organizing activities to develop capabilities and create happiness for disabled employees regularly.

The Company hires people with disabilities as follows:

|                                   | FY2019 | FY2020 | FY2021 |
|-----------------------------------|--------|--------|--------|
| Total disable employees (Persons) | 48     | 46     | 46     |
| Inside (Persons)                  | 41     | 39     | 40     |
| Outside (Persons)                 | 7      | 7      | 6      |
| Wages Payable (Million Baht)      | 6.5    | 6.2    | 6.3    |

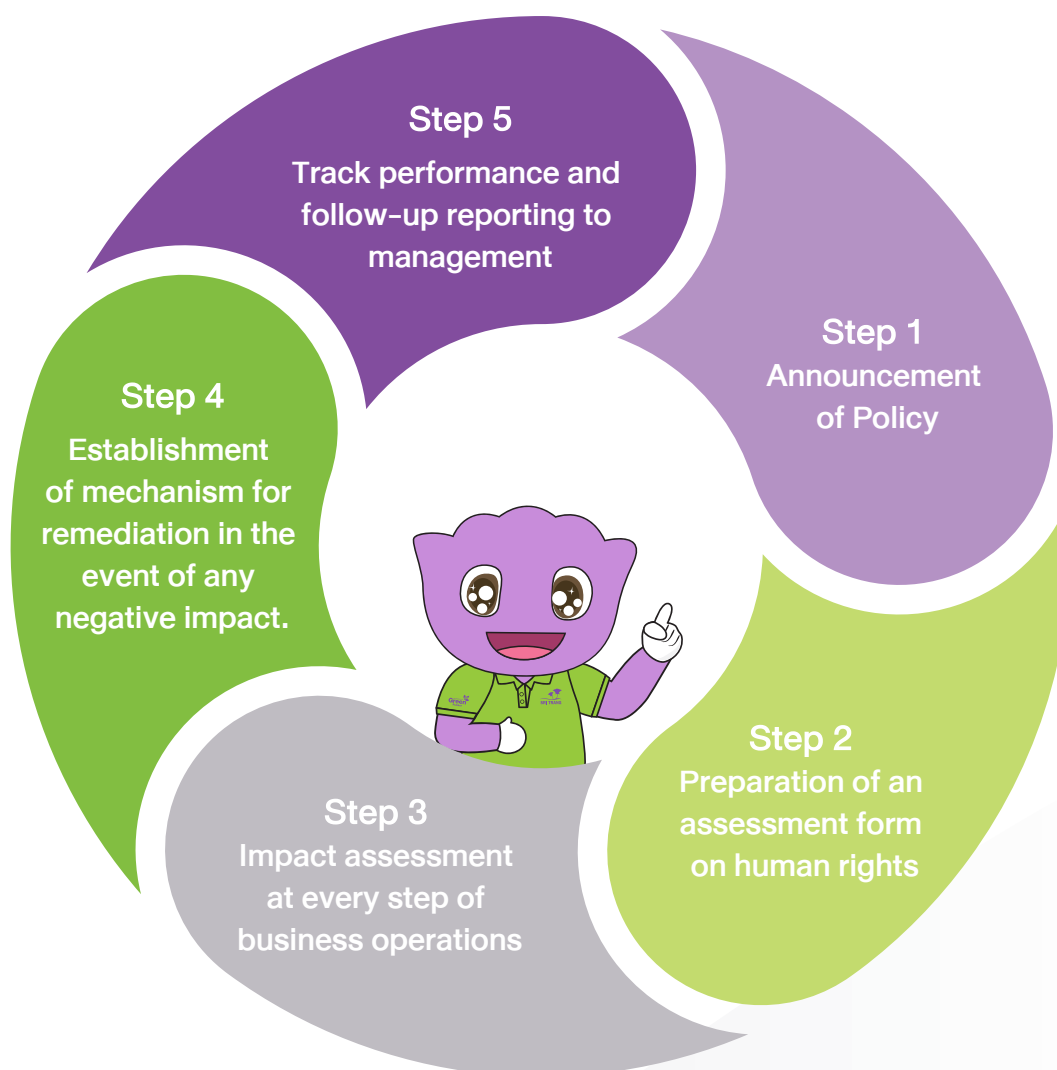
Since 2015, the Company has been one of the 30 organizations that have declared their intention to support child-friendly business operations under the 10 Principles of Child Rights and Business Practices (CRBP) developed by UNICEF, the UN Global Compact, and Save the Children by integrating them with the social responsibility policy and strategies of the organization as follows:





## Human Rights Operation

The Company has a policy on human rights and non-discrimination based on compliance with the UN Global Compact, Universal Declaration of Human Rights (UDHR), the United Nations Guiding Principles on Business and Human Rights (UNGPs) as the guidelines and framework to induce confidence in operating a business that respects human rights. In this matter, Guidelines for the Board of Directors, executives and employees at all levels have been prescribed.





## Major operations in 2021 (GRI 412-1)

The Company conducted human rights assessments in 2 main areas, namely the major human rights risks to employees and important human rights risks to communities and society in the area surrounding the location of the factory. Comprehensive human rights assessments are planned for the coming years.

Although the examination of the two human rights issues mentioned above found that there was no identified risk issue because there had never been an incident that had a significant impact. Nevertheless, the Company attaches great importance to issues of safety, health and hygiene (in the context of the COVID-19 pandemic) and protection of personal information. Therefore, there are measures to prevent and mitigate possible impacts from business operations as follows:

### Protection of personal information



The Company has established a Committees and working group in compliance with the Personal Data Protection Act B.E. 2019 to create understanding among the operators in the preparation process of the Company and companies in the corporate group, including establishing a privacy policy, processes regarding consent, support for the exercising of rights of the owner of the data, preparation of required documents, as well as the formulation of measures to maintain the security of information, etc.

The working group has coordinated with the department manager or representatives of agencies assigned to collect information and study the processes related to the protection of personal information of the Company and the corporate group, conducting inquiries and interviews with representatives from each department in collaboration with external legal advisors to prepare gap assessment reports and to review and update documents and contracts related to the business operations of the Company and the corporate group to comply with the Personal Data Protection Act B.E. 2019.

### Occupational Health



The Company's management of human rights covers emerging epidemics, especially in the case of the Covid-19 crisis, whereby the Company has set up a working group, central communications team to formulate policies and management guidelines in the pandemic situation for the entire corporate group. All companies in the corporate group have set up emergency teams to analyze the situation, draft an emergency plan and provide necessary protective equipment such as masks, alcohol gel, including adjusting work hours appropriately for employees, contractors, and establishing additional measures to ensure safety at work. By operating strictly in accordance with preventive measures against COVID-19, in addition to promoting educating and awareness of responsibility for the health and safety of oneself, colleagues as well as their family.





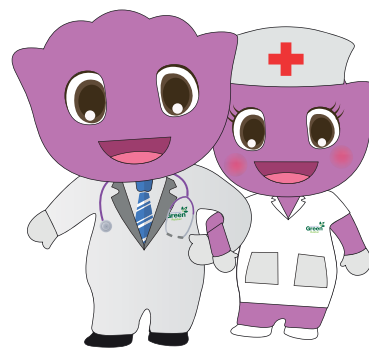
The Company takes human rights of employees and communities around the area where the factory is located into careful account, details of which are as follows:

### Human Rights of workers and employees

- Sufficient distribution of masks to all employees to wear to work every day during the situation of the Covid-19 pandemic.
- Making the workplace safe for everyone by spraying disinfectant and regularly wiping the surfaces and devices with rubbing alcohol.
- A temperature screening point is set up before entering the workplace, and additional hand washing stations and alcohol gel dispensers positioned around the area.
- Workplace and cafeterias are organized according to social distancing principles.
- Providing alternative Covid-19 vaccines for all employees.
- Conducting annual health examinations according to risk factors as well as random ATK testing of employees to ensure confidence in a safe workplace environment.

### Human Rights of the community and society around the area where the factory is located

- Glove distribution project whereby rubber gloves were donated to the provincial public health officers and public health service units where the factory is located.
- Field visit to survey the impact of the Company's operations.



### Negotiation

The Company provides opportunities for communication between executives and employees in negotiating employee benefits with the Company through the welfare committees which comprise representatives elected by the employees of each of the companies in the corporate group. The Company also provides channels for complaints and suggestions via mail and electronic mail to the Secretary of each company.

### Measures for receiving complaints and whistleblowing

The Company provides communication channels with employees and stakeholders on human rights issues, including channels for receiving reports or complaints about human rights violations that may arise from the Company's operations as well as providing measures to protect complainants and maintain confidentiality, measures to monitor impacts and remediation measures, based on fairness and human rights principles.

#### The channels for receiving complaints and whistleblowing are as follows:

- Notification through supervisors, factory manager or human resources department (at Corporate Headquarters)
- Via electronic mail to the secretary of the company.
- By calling the direct phone number of the company.

From regular consultative meetings between management and the Welfare Committee of the companies in the corporate group, which represents employees, there were no major labor dispute and no human rights complaints. Moreover, there has not been any issue regarding significant violation of societal legal or regulatory requirements and there no cases of alleged negative impact on social issues in the past 3 years.





# Recruitment

The Company recruits employees with consideration to human rights and non-discrimination in any form, whether due to gender, age, religion, nationality, race, class or disability. The Company has a policy of recruiting from internal personnel through the process of job modification or transfer of work lines in order to foster advancement and growth among employees. For outsourcing, the Company recruits personnel according to the specific job duties for each position, along with measure of EQ or emotional intelligence in order to get employees who are good and competent, suitable for the job position whereby the necessary recruitment details are specified in full through various channels such as the Company's website, various job search websites, open admission to universities and recruitment in provincial job fairs so that interested parties can choose to apply for the desired position equally.



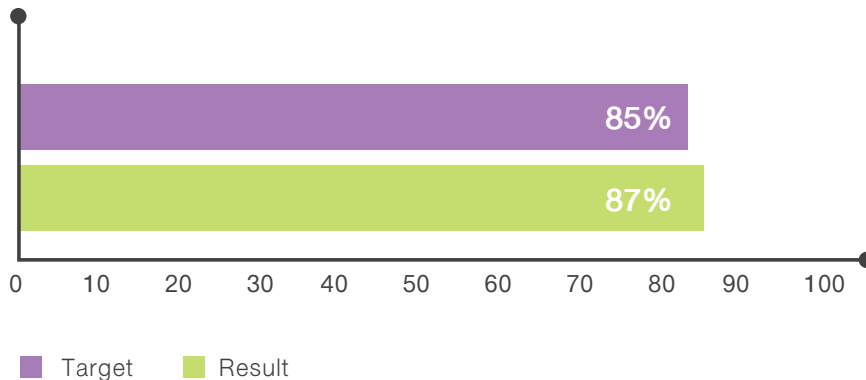
# Employees' Care

Employees are an important resource to drive operations and lead the organization to success. As a result, the Company prioritizes the development of a good human resource management system, beginning with recruiting new employees, administering standardized compensation, setting goals and development plans for employees' potential to promote their progress and career growth and stability, as well as emphasizing the importance of employee safety and health, and granting employees the freedom and respect to be representatives, grouping, and negotiating to perform various activities in the company within an appropriate framework 100%. (GRI 102-41)

In addition to statutory returns, such as social security funds and compensation funds, the company's employees will receive remuneration in the form of overtime, extra money for shift workers, hard shift workers, vacation pay, annual bonuses, and basic welfare for employees to have a good quality of life; for example, employee uniforms, house rent subsidies, housing welfare, off-site work allowance, health and accident insurance, provident funds, retirement money, disaster relief for employees, Happy Workplace activity, and field trips. (GRI 401-2)

The Company has conducted a survey on employee engagement result as below;

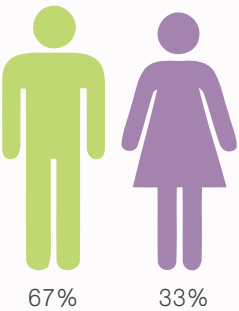
## Employee Engagement



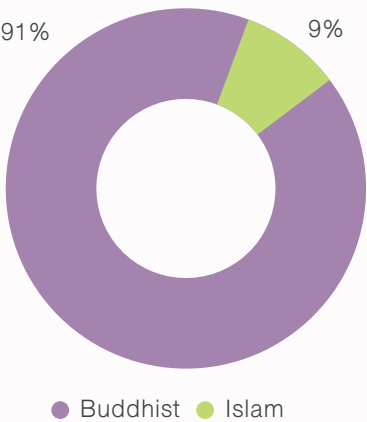


As of 31 December 2021, the Company had 16,730 employees which can be categorized as follows (GRI 405-1)

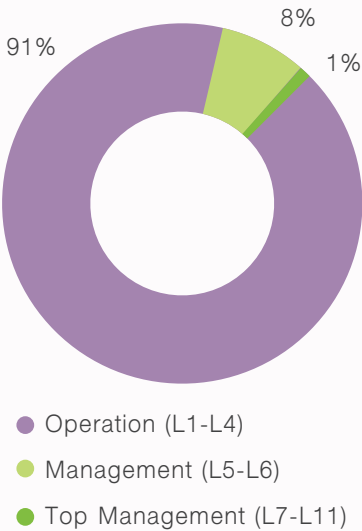
By Sex



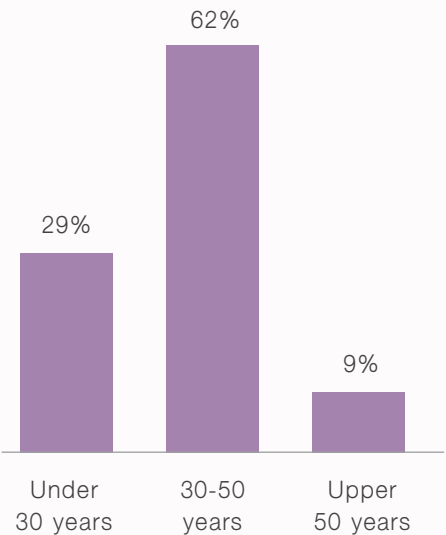
By Religion



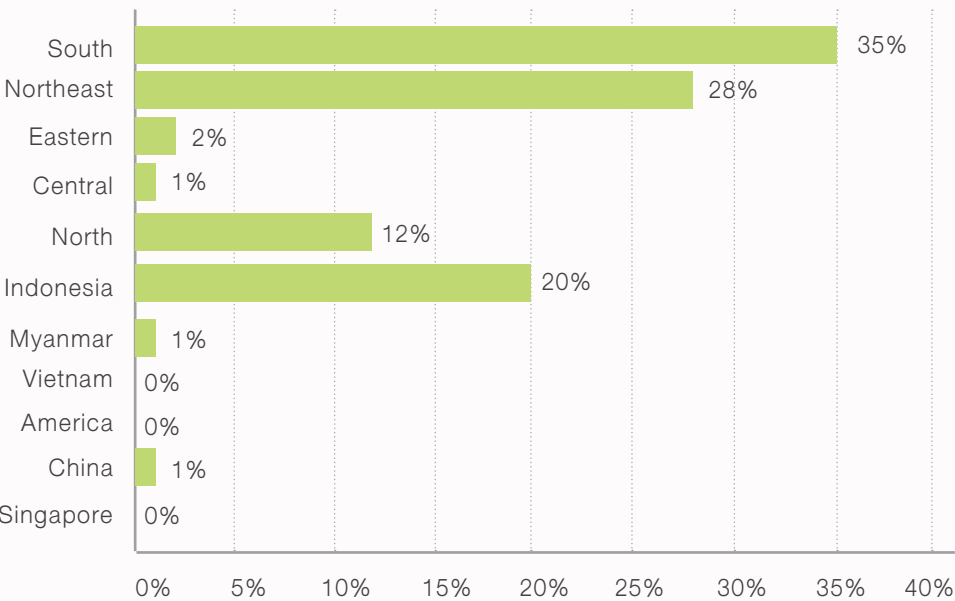
By Level



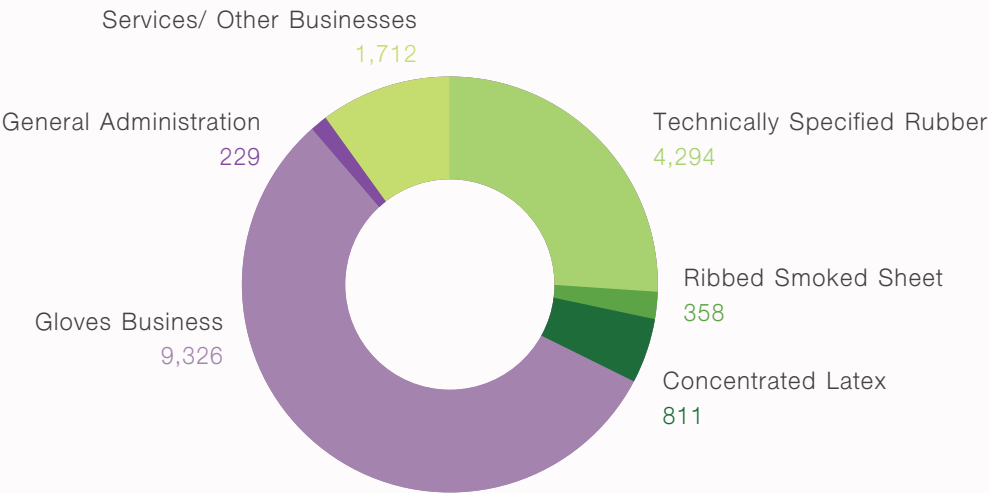
By Age



By Area

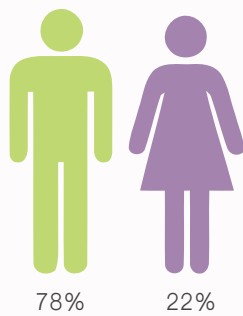


By Business Line

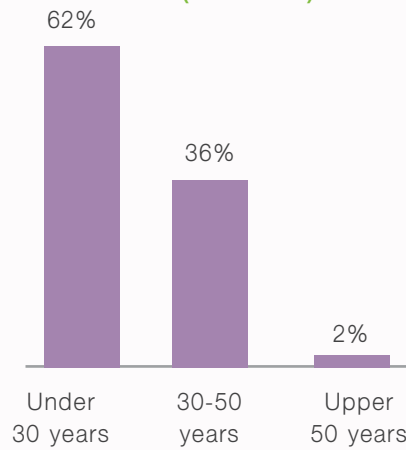




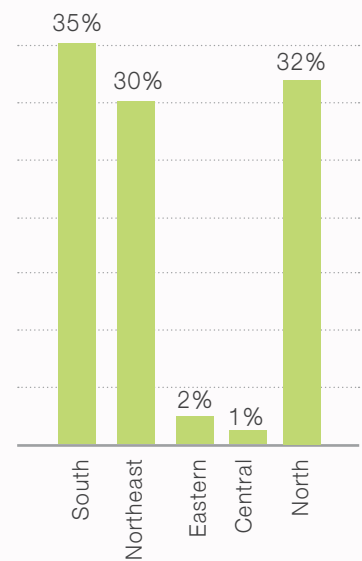
New Employee by sex  
(GRI 401-1)



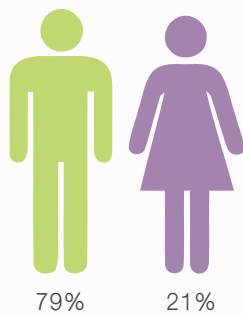
New Employee by age  
(GRI 401-1)



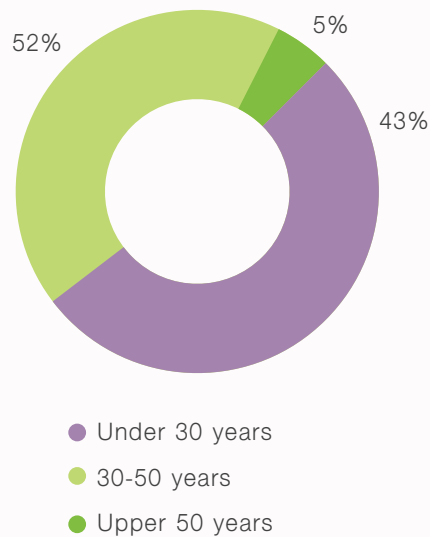
New Employee by Area (GRI 401-1)



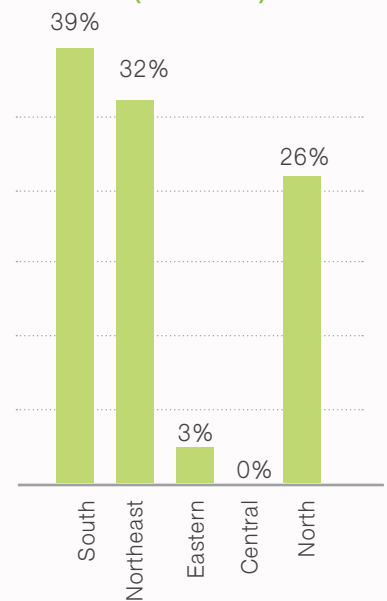
Employee Termination  
by Sex (GRI 401-1)



Employee Termination by Age  
(GRI 401-1)



Employee Termination by Area  
(GRI 401-1)



Turnover rate (GRI 401-1)

2.93%



Return after maternity leave (GRI 401-3)

94%





## 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. Including the external environment to review and improve the remuneration criteria accordingly. In addition, there is continual review and development in order to be able to manage compensation in accordance with the trends and needs of the new generation of employees. There is no gender difference in employee compensation and promotion.



| GRI 405-2 | Average compensation ratio of female employees to male employees( By level) | Female | Male |
|-----------|---|--------|------|
|           | Top Management (L7-L11)   | 0.7    | 1.0  |
|           | Management (L5-L6)  | 1.0    | 1.0  |
|           | Operation (L1-L4)   | 1.0    | 1.0  |

The Company implemented the PMS: Performance Management System management system by establish the PMS working group to consider and the guideline to consideration and set up the Key Performance Indicator in each business unit. In order to set the goals of each department to be consistent and the same guidelines throughout the organization. In 2021, 100% of employees will be assessed annually based on KPIs of each unit (GRI 404-3).



The company has a dedicated unit in charge of compensation management that works together with productivity to increase production potential by using labor efficiently coupled with appropriate compensation to employees.

Our focus through productivity management is to eliminate loss, waste and inefficiency in process, furthermore the strengths of our productivity management which can differentiate to other companies are:

1. Benchmarking / Best practice concept – we apply the good point where we have many plants in the same business, then we can compare the operation and find out the best solution or new improvement all the time. Especially, the challenging target influence our plants must improve and reach to the higher performance continuously.
2. Multi-skilling - the company enhance the capability of people by training several skills or knowledge on different fields. Our staffs who are responsible more than two jobs and can rotate or substitute other missing function, in consequence they will be promoted and earn more income from various skills. For example, data center project.
3. New / upgraded technologies – the company set up budget to invest in R&D projects and focus on new technology also the upgrade of existing technologies every year. Particularly, we research and develop in automation system or robot to replace number people or reduce workload of people. The most important is these technologies will substitute hard or dangerous work, it is able to contribute quality of life of our workers become healthier.





# EMPLOYEE DEVELOPMENT

## Personnel Development Policy and Succession Plan

### Sri Trang Agro-Industry Public Company Limited

Since the beginning of a business venture, Sri Trang Group (the “Company”) has always recognized the instrumentality of its personnel/employees who are indispensable for a sustainable business success. Being mindful of that, the Company has put into effect a personnel development policy and a succession plan (collectively the “Plan and Policy”) to be implemented by the Human Resource Department. The Plan and Policy will play an instrumental role in skill development, common and specific knowledge building, and social and environmental awareness raising as follows.

#### 1. Personnel Development Plan

The Company undertakes to initiate the career development plan and the individual development plan tailored made to suit each employee’s job responsibility, in addition to work skill enhancement programs embodying topics such as leadership, risk management, anti-corruption in a workplace, and the Green Rubber Industry. To realize this ambitious goal, the Company has steadfastly made use of advanced information technology to facilitate the employee learning and training through a variety of platforms including online training, video learning, self-learning, on-the-Job training, and constantly adopted new technologies for personnel development.

#### 2. Succession Plan for a Group Manager Level and above

The succession plan for pivotal positions is a key to personnel preparedness and career path planning for the management-level employees. It also plays a vital role for the prevention of critical job and key position shortages which might affect the organization in the future.

##### Successor Selection Criteria

##### 1. Job performance appraisal

This criterion is based on the selected employees’ job performance in the past and present.

##### 2. Potential appraisal

This criterion is largely based on relevant qualities including leadership competency, attitude, and behavior to determine whether they are in alignment with the Company’s core value, all of which are crucial for their new positions in the future.

The employees who meet the successor selection criteria will be considered as ‘High Potential Talent’ to be properly groomed for elevation to the leadership role in the future. The employees who are on the successor list will be given priority when the Company considers the candidates to fill the vacant management position when the occasion arises. Only if in the absence of qualified successor in the successor list will the Company consider outside candidates. The successor list will be reviewed and updated by the Company every two years.

##### Periodic Review

The Company will review and, if necessary, revise the Plan and Policy to ensure it is sufficiently in alignment with its business direction at least every two years.





## Successor Development Guideline

### 1. Selection

The Company has set about and continually improved the management successor selection criteria to ensure due placement of the fully-qualified candidates to succeed the management-level incumbents who are on the verge of retirement, or to assume the management-level positions required in conjunction with the Company's factory/business expansion plans. The successors will be identified in alignment with the Company's strategic plans with emphasis on production capacity expansion and the use of more machines in manufacturing operations. Consequently, the successor development plan is focusing on those in Production and Engineering Departments, and, for the back office, Quality and Accounting Departments. The selection will be undertaken by a head of a relevant department or group in collaboration with the HR Department representative, taken into consideration the successors' performance review evaluation as well as their work and learning potentials.

### 2. Curriculum, Training Method, Evaluation

#### 2.1 Curriculum

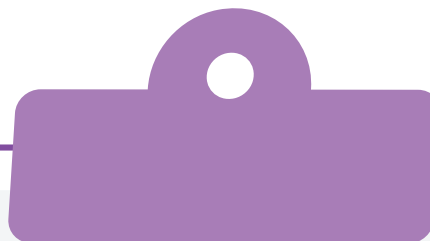
The curriculum for the successors comprises 15 modules\*, covering all work dimensions as follows:

- Module 1 Productivity improvement concept
- Module 2 Quality management
- Module 3 Process capacity and statistical control
- Module 4 Production planning and control
- Module 5 Logistics and supply chain management
- Module 6 Maintenance management
- Module 7 Safety management
- Module 8 Marketing concept
- Module 9 Corporate social responsibility strategy management
- Module 10 Engineering economy
- Module 11 Modern financial management & strategies
- Module 12 Enterprise risk management
- Module 13 HRM for Non-HR manager
- Module 14 Change management
- Module 15 Strategic management

*\* Each module is subject to be adjusted in alignment with the situations and strategies adopted by the Company, and customized to accommodate the successors.*







## **2.2 Training Methods**

Both online and offline training methods for each module are made available at the successors' disposal including Microsoft Teams-based, 6-hour online training sessions, scheduled to be held every Saturday (180 hours in total), to be conducted by professors from Faculty of Engineering, Prince of Songkla University, and offline training such as onsite training, project management, and executive meetings, and so on.

## **2.3 Evaluation**

Regular tests and workshops are mandated after finishing two modules of training in order to test and ensure the successors are incentivized to study training materials in earnest while following up on their progress and achievement on the assigned project management on a continuous basis.

## **3. Potential Evaluation**

Competency evaluation of the successors comprises (1) core competency, (2) functional competency, and (3) technical competency, to ensure the successors are well-prepared, in terms of knowledge, skill, and attitude, to step up to the plate when an opportunity arises.

### **3.1 Core Competency**

- (A) Specialist
- (B) Teamwork
- (C) Accountability

### **3.2 Functional Competency**

- (A) Business Knowledge
- (B) Production Technique and Process
- (C) Cost Management
- (D) Productivity Management
- (E) Decision Making / Problem Solving
- (F) Systematic Thinking

### **3.3 Technical/Professional Competency**

- (A) Change Management
- (B) Leadership
- (C) Team Management
- (D) Human Resource Management
- (E) Risk Management
- (F) Vision & Strategic Management
- (G) Complexity Management







## Employee Development Practical Guideline

Sri Trang Agro-Industry Public Company Limited (the “Company”) highly values the development of the employees always considered as its most valuable assets. The areas of continuous development encompass knowledge, aptitudes, and skills required for fulfilling their tasks both in the present and future, such as production, engineering and technologies in a modern way in accordance with applicable laws and regulations. Furthermore, the trainings also focus on raising awareness and fostering good-practice behaviors adopted in the green rubber industry including reduction of paper used in the training process. Moreover, to adjust to a COVID 19-stricken environment, the trainings have been conducted on various platforms (to avoid physical contact) including online training VDO and self-service learning.

Human Resource Department (Training Division) of Sri Trang Group is tasked with development of the Company’s employees to achieve business excellency and sustainability for the Company as well as bringing out more talented and decent individuals to the society.

### Training Guideline

#### 1. Basic Training

##### **Training Contents**

- Core job responsibilities
- Working papers in accordance with the quality system standard

##### **Method**

- @Core online Inhouse training
- @Core online self-learning (complemented by online testing for the evaluation purpose)
- On-the-job training

#### 2. Statutory Training

##### **Topic**

- Awareness raising on safe behaviors while in a workplace
- Safety laws and regulations applicable to, for example, working in confined space, crane operation, and forklift driving.

#### 3. Successor Training

##### **Focused group**

Designated successors in crucial job positions

##### **Objective**

To prepare the designated successors for their elevated job positions

#### 4. Skill Development Training

**Focused skills** (in line with the Company’s policy, vision, and business interest)

- Work/profession
- Leadership
- Management
- Technology (especially in response to the COVID 19-stricken environment)
- Etc.





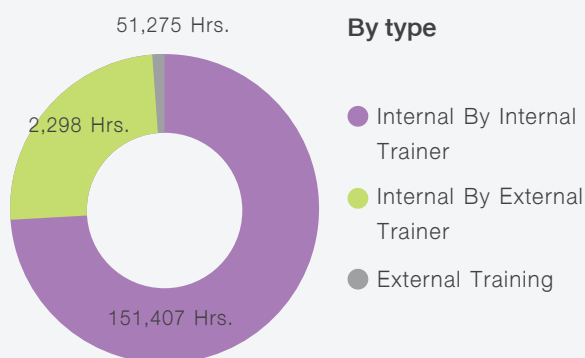
5. STA Share & Learn Program : Through a variety of Company-sponsored activities, a qualified employee is encouraged to make the most of their potential by assuming the role of an in-house instructor to share his/her specialty and exchange experience (with their co-workers) in a variety of fields such as a quality system, safety and environment system, crane, and forklift.
6. Activity Development : A number of Company-sponsored activities to develop the employees' knowledge and aptitude is introduced including the 5S, Quality Control Circle (QCC), Kaizen, and One Point Lesson (OPL) to encourage the employees to take on more responsibility in continuous development and improvement of the work system on various issues ranged from cost-saving in manufacturing process, streamlining work process to achieve simplicity and convenience, attainable through acquired working knowledge and skills as well as technology.
7. STA Culture and STA Core Value : STA Culture is to promote the work attitude and ways of work in accordance with STA Core Value for the new-generation employees, and to build good relationship among co-workers who are from different places or cultures.
8. Outside Learning : The employees are furnished with opportunities to visit other companies in Sri Trang Group (domestically and abroad) to gain experience and exchange ideas with such other companies, and apply the acquired input to improve their work performance.
9. Activity Prize and STA Champion : The Company provides a stage and platform for the employees to showcase their ability by offering incentive rewards called "Activity Prize" and "STA Champion" to the participating employees who will not only be proud of their achievement but the prized achievement may also be further developed and used to improve work efficiency. Furthermore, such achievement will continue to motivate the employees to maintain and even elevate their work standard in the future.



### Training hours average per man per year (GRI 404-1)

**Target : 35 | Actual : 38**

| Training course by category | Hours   |
|-----------------------------|---------|
| Administration              | 5,805   |
| Manufacturing               | 12,440  |
| On the job Training         | 115,700 |
| Service                     | 11,349  |
| Technical                   | 59,687  |



Total training cost **1.96 MB.**





## Employee development and Creating Innovation



The Company believes that creating a platform to showcase success in the organization to allow employees to participate in the performance of their talents bring pride and the exchange with each other will be a shortcut to expand the results within the organization.

The Company has activity department, Kaizen and the Quality Control Circle (QCC) activities have been used to drive employee improvement and promote new innovations.

In 2021, Performance as below;

### Natural Rubber

| Activity | Subject | Save Cost (MB) |
|----------|---------|----------------|
| OPL      | 125     | -              |
| Kaizen   | 691     | 17.5           |
| QCC      | 96      | 5.0            |

### Quality Control Cycle Activity (QCC)



**Subject:** Increase 100% Compliance Personal Training

**Scope for factory in Songkhla province (STA-HD, RBL-LTX, NHR-LTX, NHR-STR)**



**Member**



Ms. Jiraporn Norsakul



Ms. Nucharee Kaewpijit



Mr. Teerawong Sivamoke





## Problem

1. When we have training course, our factory register training incomplete and inconsistent compliance or law in each position
2. Old HR program (Piswin) cannot record training profile and certificate, staff storing paper documents has the potential to be damaged or lost.
3. HR and SA don't keep training profile and certificate. Employees forgot their profile then we have change HR or SA then we lost. Don't have database or information.
4. HR in each factory don't have authorize to access file compliance in office 365 then HR cannot help SA to check training profile.

## Correction

1. HR Training Center check employee profile in compliance file and combine training for all factory in once time. Responsible for organizing training for each course related to the integrated law and in accordance with government regulations
2. HR record training profile and certificate in @Core (HR Program on cloud).



3. HR Training Center ask management to approve authorize for HR factory to access compliance file for work in training function. After management approve we set authorize and use.



## Summary

**Quality** : Complete training according to the law, not illegal, no CARS from the audit, including update the information in the compliance file and storing the certificate in the @Core system can be done immediately.

**Productivity/Delivery** : Integrated training can reduce working time more than 100%, such as the Safety Officer Supervisory level, The Safety officer in management level, Basic Fire, Crane control etc., result in reduce the usage of resources in organization.

**Save Cost** : 662,378 Baht/Year

**Environment** : Reduce travelling, can training course comply to the ministerial regulations and sharing file in office365 reduce paper and other resource.





# OCCUPATIONAL HEALTH AND SAFETY



Occupational health and safety are important issues in the Company's business operations. Improper safety management can result in disruption of the production process, which may affect the operation of stakeholders throughout the supply chain. As a result, the Company has established a safety and occupational health policy that requires all employees and contractors to have a duty of care for the safety of themselves and their colleagues, including compliance with the law, in order to manage risks that may affect stakeholders and the organization, particularly employees, contractors/trade partners, and surrounding communities. The Company has adopted the ISO 45001 Occupational Health and Safety Management System for the management (GRI 403-1) by setting objectives, goals, and management plans, regularly reviewing and tracking operating results. The Company also sets up a Committee on Safety, Occupational Health, and Work Environment (OSH&E Committee) to perform supervisory duties and continually improve safety, occupational health, and work environment implementations. In addition, the committee is responsible for setting occupational health and safety goals of the natural rubber group and preparing a plan

to apply for certification of ISO 45001 Occupational Health and Safety Management Standard for the block rubber factory at Sikao branch and concentrated latex factory at Hat Yai branch.

Furthermore, the Company holds quarterly meetings on occupational health and safety in the natural rubber group and reports results to the Audit Committee. In this regard, the Company received an award for an outstanding model establishment in safety, occupational health, and working environment from the Department of Labor Protection and Welfare and has been certified as a disease-free, safe, physically and mentally healthy establishment by the Department of Health continuously in many branch factories. It confirms that we have efficient occupational health and safety management. In 2021, the company carried out the following operations.



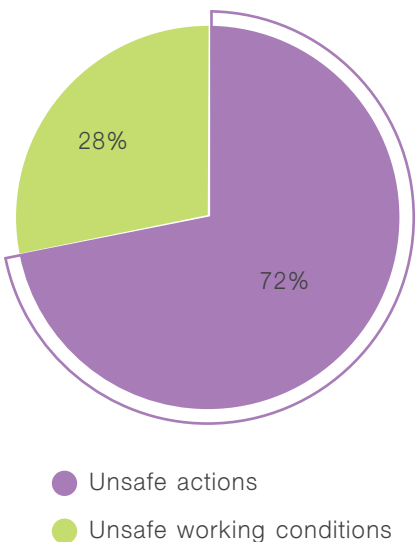


# Hazard Identification Process, Risk Assessment, and Incident Investigations (GRI 403-2)

To proactively manage and prevent accidents and reduce risks that may cause serious accidents, including occupational diseases. The Company has carried out work-related hazard identification and assessment of occupational health and safety risks by covering both activities performed by employees and contractors. In identifying hazards, duties, nature of work, location, activities, and potential hazards are taken into account, including social factors, work design, past incidents, and changing work processes in order to prepare a risk control and prevention plan. The risk assessment and review are required at least once a year

The Company has also established procedures for dealing with physical or property incidents, including occupational diseases. Employees have to analyze hazards or abnormal events in the work process, investigate the root cause of the incident, and then define measures to effectively correct and prevent a recurrence, including continually improving safety management. Moreover, the Company organizes a monthly meeting of the safety working group of every branch factory to promote the creation of a safety culture in the Group and also has a notification system in the conglomerates to be informed when an accident occurs at any branch to prepare prevention of recurrence.

In 2021, the results of the safety risk assessment revealed that risks of high-consequence work-related injuries include chemical accidents, machines (belts, rollers), and fire. The working group has developed measures to control and reduce the risks by providing protective guards to prevent the rotating part of the machine, installing the safety switch system, training on the use of safety at work manual, and organizing a 'Behavior Base Safety (BBS)' activity. From the report on the results of the safety implementation in the natural rubber group, it found that accidents occurring to the body are caused by unsafe actions at 72% and unsafe working conditions at 28%, with details as follows:



**The top five unsafe actions** are working methods, negligence, non-compliance with the safety regulations, lack of skills/new employees, and not wearing personal protective equipment.








**Unsafe conditions** include environments (noise, smell, dust), damaged equipment or machinery, machines without protective guards, slippery, rough, and dilapidated floors.

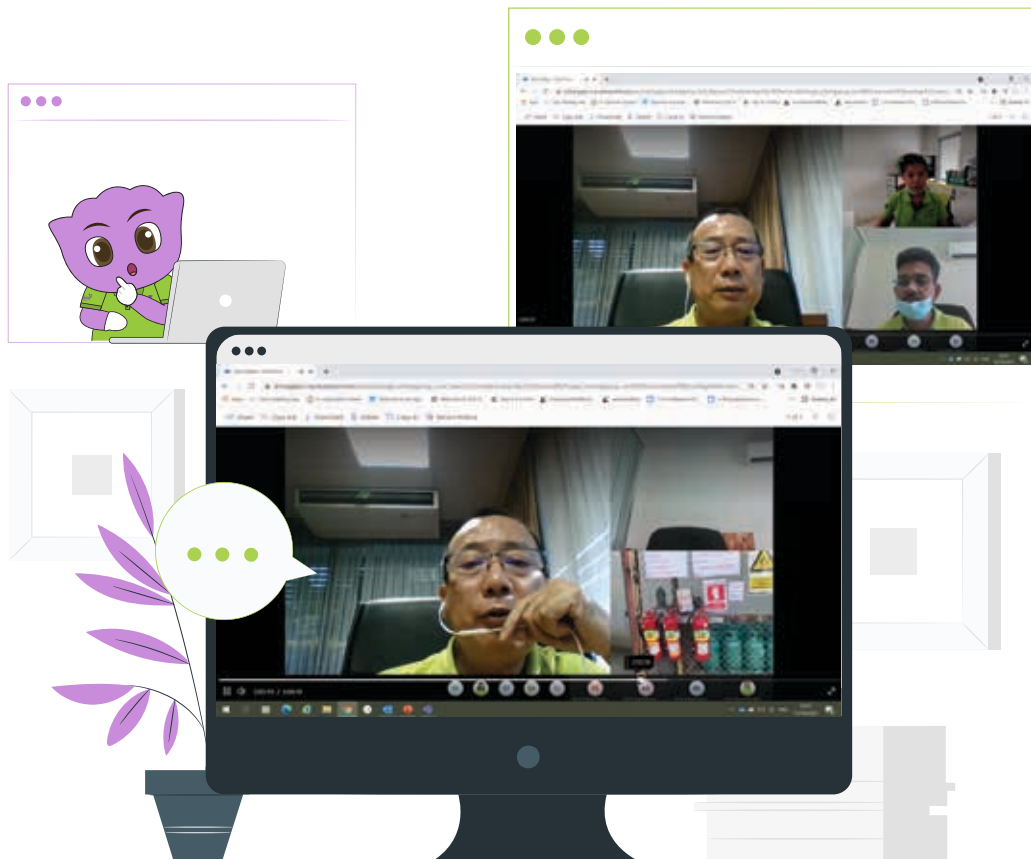




In addition to the issue of bodily accidents, fire is an incident that results in the loss of very high-value property. To raise safety and proactive prevention awareness regarding fire suppression in the factory, the Safety Center team has assessed the accident and fire preventive measures according to the manual of the Institute for the Promotion of Occupational Safety, Health, and Work Environment (public organization), which consists of five topics:

-  Fire prevention and suppression
-  Electrical system
-  Boiler/boiler using liquid as a heat medium
-  Chemical safety
-  General safety related to fire

From the evaluation results of all three product groups, more than 80 percent passed the assessment criteria, and the assessor team prepared a tracking plan for corrections and recommendations.





## Health and Occupational Health Services (GRI 403-3)

Apart from the importance of safety at work, the Company is aware of the care and prevention of health hazards of employees and those who work in the Company's area, which may have an environment that may cause health hazards. The Company has adopted a proactive occupational health process. It provides occupational medicine doctors to assess the health risks of employees and those who work by covering operations in all areas that lead to plan appropriate control and risk reduction measures. It also entails regular monitoring and measuring of various working conditions, such as light, sound, heat, dust, and chemicals. In the event that the measurement results do not meet the specified safety standards, the Company will take corrective and preventive measures to design and improve the work area to have a better environment and systematically monitor to make such measurements pass the specified standards.



The Company provides a hospital room for health services to employees and contractors working in the area. It also provides health checks for new employees before starting their work or a change in positions, an annual health check-up of employees, and health check-up according to risk factors by occupational medicine doctors, including providing safety officers acting for supervision, suggestions, and consultation to employees and contractors on issues related to occupational health and safety.

## Participation in Consulting and Communicating Information Related to Occupational Health and Safety (GRI 403-4)

The Company has appointed the Safety, Occupational Health and Environment Committee, a working group established by law in the workplace. The responsibilities of this committee are to promote employees' participation in safety and occupational health operations and risk management. It is the participation of representatives from the management team and employees to work together in management and establish a safe and good working environment, including a continuous and consistent improvement and development of the occupational health and safety management system. The employee representative working group consists of employees at the operational level. The employees' representatives consist of operational staff elected from different lines to communicate with employees from all lines and levels. The working group is required to hold a meeting at least once a month to exchange information, provide feedback, and follow up on the progress of safety operations to improve operations continually and consistently.



The employee representative working group consists of employees at the operational level. The employees' representatives consist of operational staff elected from different lines to communicate with employees from all lines and levels. The working group is required to hold a meeting at least once a month to exchange information, provide feedback, and follow up on the progress of safety operations to improve operations continually and consistently.

The Company has also organized safety promotion activities and had communication with employees at all levels, for example, scanning the QR Code "BBS Observation Card" to report risk behaviors or safety behaviors, answering monthly safety questions, 5S activities, KAIZEN, QCC, and Safety Talk. Although there has been the COVID-19 epidemic situation and no activities could be organized in the work area, the Company organized a safety culture building activity for the second year running online at every factory branch. It aims to raise awareness and emphasize safety at work for all employees, which helps continually promote a safety culture inside the organization.





## Occupational Health and Safety Training for Employees (GRI 403-5)

The Company provides occupational health and safety training to all employees and contractors before the start of work or job change by considering the necessary training courses according to work characteristics, work risks, and consistency with the law, such as the course for safety officers at the supervisor level, basic firefighting training, first aid, proper and safe forklift and hand lift driving, safety training in the use of chemicals, electrical safety, and safety training for working in confined spaces. It also includes the formation of an emergency response team and annual training on emergency practical guidelines, such as fire suppression, fire evacuation, chemical spill suppression, and so on, in order to improve skills, knowledge, and understanding of what could be dangerous and lead to an accident. Employees and contractors have been trained on methods for preventing and controlling hazards while working and raising awareness of mindful work to perform their duties safely. The Company will survey the need for training and prepare an annual training plan, including follow-up to have training according to the specified plan. The Company provides competent speakers according to various training courses, both outside and inside the organization, training evaluations as well as a systematic training record of all employees.

## Employee Health Promotion (GRI 403-6)

Since employees are an important resource of an organization, employee healthcare is an important issue for consideration by the organization. In addition to the training programs according to the action plan of the Occupational Health and Safety Department, the Company has encouraged employees to have access to medical services and arranged activities to promote health and hygiene as well as creating a healthcare culture in the organization to provide employees with a good quality of life as follows:



Health and accident insurance for employees



Annual employee health check



Health check according to risk factors according to an occupational medicine doctor's advice



Preliminary medical examination service at the company's hospital room free of charge



Vaccination against COVID-19 for employees and their families



Sports events within the Company

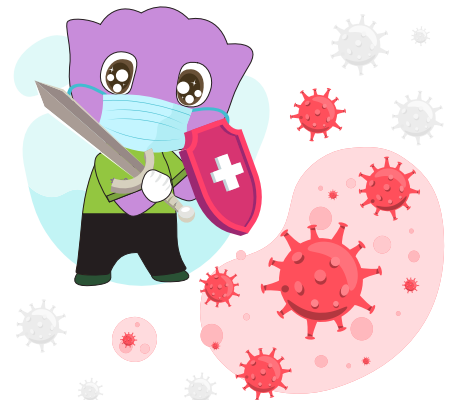
Participation in government projects promoting health and safety, such as

- Disease-free, safe, happy workplace project
- Annual Outstanding Model Workplace on Safety, Occupational Health and Work Environment at a provincial level and national level
- Standards for the prevention and resolution of drug problems in the workplace





In this regard, during the epidemic of the COVID-19 virus, the Company has set up a screening measure for employees and contractors coming to work. It includes a body temperature measurement, completing health and travel history questionnaires, and requiring masks to be worn at all times while working as well as sufficiently preparing equipment and alcohol gel for hand cleaning, including spraying disinfectant, social distancing, arranging seats for dining, and holding online meetings. The Company has run campaigns and public relations to raise awareness about prevention and action under various circumstances to employees and visitors to prevent the spread of COVID-19 in the workplace.



We also organized programs and services to promote a medical check-up for employees over the age of 35, including a regular campaign to promote good hygiene for employees through various communication channels, such as public relations boards, voice calls, internet mail, and Line Application.

## Prevention and Mitigation of Occupational Health and Safety Impacts Directly Linked to Business Relationships (GRI 403-7)

The Company envisages the negative impacts of occupational health and safety risks on business operations that may be caused by the actions of trade partners or contractors. The Company has required safety supervision for working in the company's areas, an annual contractor training, a safety agreement with contractors, and checking the availability of various equipment before issuing work permits. The Company has also established a Supplier Code of Conduct and guidelines for suppliers to foster to operate business sustainably and follow the Company's operating guidelines. The guidelines are as follows:

- Arrange a safe and hygienic working environment and control the risks of accidents and potential health effects caused by the operations and provide health service and appropriate medical assistance.
- Provide regular occupational health and safety training.

- Provide appropriate personal protective equipment.
- Assess and prepare readiness for potential emergencies, including the restoration.

Furthermore, the Company also considers critical crises, such as fire, floods, epidemics, attacks on information systems, and raw material shortages. The Company has prepared a business continuity plan to operate the business continuously.





## Performance Results

The Company has monitored and measured the performance of safety management through the following indicators (GRI 403-9, 403-10)

|   | FY2019     | FY2020     | FY2021     |
|---|------------|------------|------------|
| <b>Worked Hours.</b>  | 11,013,192 | 10,770,016 | 11,045,449 |
| <b>Lost-Time Injury Frequency Rate : LTIFR (case /1,000,000 worked hours)</b>                     |            |            |            |
| • Employee  | 7.35       | 5.57       | 6.79       |
| • Supplier  | 0          | 0          | 0          |
| <b>Injury Severity Rate : ISR (day / 1,000,000 worked hours)</b>                                  |            |            |            |
| • Employee  | 40.32      | 53.57      | 48.16      |
| • Supplier  | 0          | 0          | 0          |
| <b>Total Recordable Injury Frequency Rate : TRIFR (case /1,000,000 worked hours)</b>              |            |            |            |
| • Employee  | 2.03       | 2.10       | 3.75       |
| • Supplier  | 0          | 0          | 0          |
| <b>High-Consequence Work-related Injuries Rate*(case /1,000,000 worked hours)</b>                 |            |            |            |
| • Employee  | 7.35       | 2.69       | 3.17       |
| • Supplier  | 0          | 0          | 0          |
| <b>Fatality as a result of Work-Related Injury (Person)</b>                                       |            |            |            |
| • Employee  | 1          | 1          | 0          |
| • Supplier  | 0          | 0          | 0          |
| <b>The accidents leading to time off work for more than 3 days (case /1,000,000 worked hours)</b> | 0.15       | 0.16       | 0.14       |
| Occupational Illness Frequency Rate:<br>OIFR (case /1,000,000 worked hours)                       | 0          | 0          | 0          |

*\*High-consequence work-related injuries rate (Accidents due to work that unable to restore the body to the state it was in before the accident within 6 months after the accident.)*





# SUPPLY CHAIN MANAGEMENT

Supply chain management is one of the Company's key business strategies for sustainable business operations. Therefore, the Company focuses on management from selecting potential partners, evaluating, tracking, and promoting business partners to place the importance on doing business with environmental and social responsibility for collective sustainable growth. During the COVID-19 epidemic, the Company has improved the management system in many aspects, such as managing the supply chain in a virtual online format with partners and having meetings to have close consultation with partners to build cooperation in finding ways to prevent the spread of COVID-19 in the workplace, continuously delivering raw materials to the Company's production operations as well as delivering products to customers on time according to the requirements.

## General Purchasing

The Company has set the purchasing policy of Sri Trang Group to conform with the social responsibility policy and strictly adheres to the business code of conduct regarding trading partners and competitors to prevent monopoly, unfair competition and corruption, and to generate new sellers by establishing working guidelines for the organization and selecting running the business with partners who are socially responsible, such as green procurement, buy energy-saving equipment, have a non-child labor force, no forced labor or slave labor, no violation of human rights, fair employment, and common care of the environment as well as promoting knowledge and understanding for partners to be socially responsible. In the systems of ISO 14001, ISO 45001, and BSCI Code of Conduct, there is a supplier assessment covering social and environmental aspects while working in the Company's area and annual evaluations.

In 2021, the Company prepared a Business Partner Code of Conduct and Guidelines to promote business partners to conduct business in a sustainable manner and in accordance with the Company's business practices. The Company refers to the charter and standards recognized internationally, such as the International Labor Organization (ILO) and the United Nations World Agreement (UN Global Compact), as the principles in preparing the said code of conduct and guidelines, in addition to the requirements, regulations, relevant laws, and the Company's business code of conduct.





The practical guidelines for business partners are divided into four areas as follows:



### 1. Business Ethics

Conducting business with accuracy, integrity, transparency, and fairness; not taking any action that takes advantage of unfair competition; not engaging in any form of corruption, including all forms of bribery; timely delivery of products or services according to requirements; proper use of personal information; not disclosing confidential customer information; and risk management on economy, society, and the environment.



### 2. Implementations on Labor and Human Rights

No child labor, slave labor, or forced labor; treating workers fairly without discrimination, including labor protections, paying compensation according to the rights and benefits employees are entitled to receive correctly and fairly, and respecting the right of freedom of association and participation in negotiations.



### 3. Safety and Occupational Health

Emphasizing safety and working environments for employees and those who work in the Company's area by providing a safe and hygienic working environment, reducing and controlling the risk of accidents and potential health impacts that may arise from the operation, providing complete and appropriate personal protective equipment, and being prepared for emergencies.



### 4. Environmental Protection

Complying with environmental regulations and laws, as well as various commitments, promoting the efficient use of natural resources, selecting sustainable materials, supplying sustainable energy sources, applying the 3Rs principles and the circular economy to waste management, being aware of factors affecting ecosystem diversity, and promoting the prevention of global warming problems and participating in climate change mitigation. (The full version of the Business Partner Code of Conduct and Guidelines is available at [www.sritranggroup.com/good](http://www.sritranggroup.com/good) corporate governance/important policy.)





Regarding the assessment of risks that may arise from trading partners, the Company groups key partners that may affect the organization's operations to enable proper management. The Company categorizes main trading partners from the following criteria:



1. Be trading partners with high trading volume (divided by business partners).



2. Be trading partners distributing raw materials and products and providing key services to the Company's business operating processes.



3. Be trading partners with a small number of partners in the future.

From the criteria, suppliers are divided into two main groups: raw materials and subcontract workgroups. In selecting trading partners, the Company will assess and choose them by using the assessment criteria that cover social standards, such as labor, safety, environment, and business continuity management. For the key partners, the Company, together with the Department of Quality, will have an annual site visit to do the supplier assessment in terms of social and environmental issues, along with sending an assessment form covering issues of labor, safety, and environment, to the suppliers to do self-assessment at least once every 2 years.

For transparency in the procurement system, the Company has an internal audit system and an assessment of risks likely arising from corruption. If non-transparency or corruption is found, the Company will proceed with disciplinary action against that employee under the Company's regulations, and that trading partner or supplier will be blacklisted.



In 2021, **224 trading partners** signed the agreement to demonstrate their intent for anti-corruption.

The Company generated income for communities and localities as follows:

| Topic   | FY2021     |
|---|------------|
| Purchasing local products and services (MB)                 | <b>656</b> |
| Proportion of local purchasing of products and services (%) | <b>14</b>  |





## Procurement of Natural Rubber Raw Materials

The purchase of natural rubber, which is the main raw material in the Company's production process, must comply with the supply chain responsibility policy from upstream to downstream under the principles of fair trade, transparency, clarity, and verifiability. The Company encourages farmers to produce good quality rubber, free from impurities, and keep the rubber properly to obtain quality rubber needed by the factory, including encouraging them to have knowledge and understanding of the natural rubber business following academic principles. This increases productivity for farmers, increases income, and improves the quality of life and livelihood sustainably. In addition, the Company has established a traceability system for the source of raw materials; for example, a concentrated latex manufacturing group, tracing, product identification, and latex status display. The QR Code system is for fresh latex deliverers, and the Bar Code is for product identification. The STR manufacturer group can be traced back to the source of raw materials used for production according to the ISO 9001 quality management system. The Company is currently in the process of preparing a policy for sustainable rubber procurement that will be best practice in line with the green procurement strategy.

Since 2019, the Company has been certified from upstream to downstream business comprising FSC™-FM (Forest Management Certification), a sustainable forest management standard in the rubber plantation business; and FSC™-COC (Chain-of-Custody Certification), a standard for product chain management in the rubber plantation business; latex collection point; concentrated latex business; and medical rubber gloves business. The implementation of such a system is to certify that the latex products stamped with the FSC™ mark come from rubber plantations with sustainable plantation management by internationally accepted principles.

### Forest Management Certification in the rubber plantation business and Chain-of-Custody Certification (FSC™-COC)



## Important Development

The Company has developed a trading system for raw materials by using an application called "Sri Trang Friends." This application will revolutionize the Thai rubber industry for all rubber farmers to facilitate rubber trade through easy access, equality, and fairness to all rubber raw material sellers. In 2021, the Company completed the Sri Trang Friends application, intending to make it the ultimate tool for improving quality in all aspects of rubber farmers' lives, creating a friendly connection between rubber raw material suppliers and rubber transporters, and responding to all needs sustainably through mobile services such as selling fresh latex, cup lump, and rubber sheets quickly and easily, and keeping up with in-depth updates on the rubber industry. It is regarded as the first application, which is **"One App, all Services for Rubber Farmer Friends."**





# SELLING RUBBER



## Sri Trang F.R.I.E.N.D.S Application

**“One App, all Services for Rubber Farmer Friends.”**

**Easy to use, sell rubber, knowledgeable about rubber in one app**



**“Checking price, forward, rubber information”**

- Mr. Chaiyos -  
rubber farmer friend

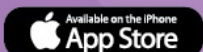


**“Convenient, quick approved, check rubber news”**

- Acting Lieutenant Saowanee -  
rubber farmer friend



Download



**“Trade anywhere, Trade immediately”**

- Mr. Akarak -  
rubber farmer friend



**Sri Trang Agro-Industry Public Company Limited**  
www.sritranggroup.com

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Website



## Partner Development

The Company prioritizes education, potential development, and upgrading trading partners' production and service capabilities to meet standards, as well as encouraging social responsibility, clarification, and oversight of suppliers' respect for human rights, fair treatment of their workers, and social and environmental responsibility. To carry out these implementations, the Company provides communication, annual contractor training, study visits, partner meetings, and an annual supplier assessment to provide advice, collaborate to solve problems, improve the quality of raw materials and deliver them according to the Company's needs, and monitor and evaluate trading partners for the long-term development of joint business operations.

## Development of Raw Material Suppliers and Rubber Farmers

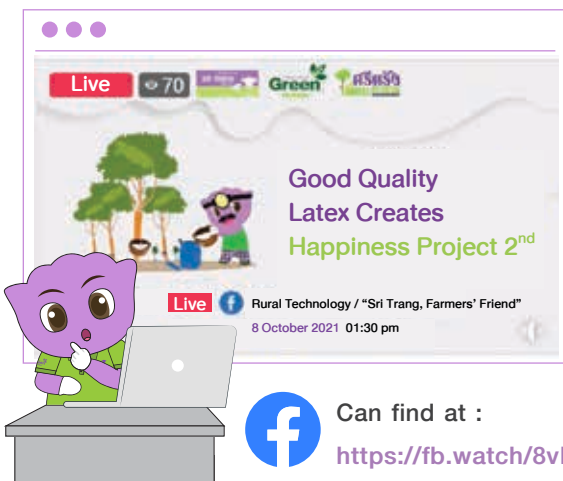
From the concept Green Procurement, mainly clean materials, and focusing on creating sustainability for partners and communities jointly doing business, particularly suppliers of rubber raw materials and rubber farmers, the Company encourages rubber raw material suppliers, cooperatives, and rubber farmers to conduct business together with social responsibility. The Company promotes knowledge and understanding of doing sustainable rubber business with an emphasis on imparting knowledge of quality rubber production and reducing environmental and social impacts that will help generate income and good quality of life through activities under the project **"Sri Trang, Farmers' Friend,"** such as **"Good Quality Latex Creates Happiness,"** **"Buntookyang Tidrang Sangroyyim"** and **"Campaign to Reduce the Misuse of Coagulant Agent"** in the northeast region. The Department of Raw Material Procurement and the Department of Quality Control will visit the suppliers yearly and teach them how to detect sulfate in cup lump and communicate the characteristics of rubber wanted and unwanted by the factory, including the impact of poor-quality rubber or unwanted by the factory.



**Formic Acid**



**Sulfuric Acid**



Can find at :  
<https://fb.watch/8vDzntFGMm/>

### Buntookyang Tidrang Sangroyyim





# RESPONSIBLE FOR 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 as well as being aware of the expectations and needs of customers to bring further improvements which throughout the past business operations, In the past the Company There have been no significant product complaints from customers (GRI 417-2, 417-3, 418-1). In addition, nowadays customers from various countries have recently focused on ESG issues and provided ESG assessment, which in the past the Company has supported and cooperated in filling out the assessment with accurate, transparent, verifiable data and ready to improve the development of ESG every year.

The Company still has to communicate and answer the self-assessment of social responsibility and sustainability to customers continuously every year. In 2021, there are 10 customers. In addition, in December Sustainability Department has presented sustainable supply chain management of natural rubber approach which consistent with international standards to customers who audited the Bueng Kan branch.

## Customer Satisfaction Assessment

The Company conducts a survey and assessment of customer satisfaction annually, the results of which are evaluated to further develop the Company's products and services to better meet the needs of customers as much as possible. The Company's satisfaction assessment survey covers the accuracy and completeness of document, delivery, product quality, the response to complaints as well as the speed of replying to customers. The satisfaction survey will be delivered to the customer by the marketing department, analyzed and evaluation by the Quality Department then send the results to relevant department to improvement.



**Targer**  
**A+B>80%**





# PARTICIPATION TO DEVELOPMENT SOCIAL AND COMMUNITIES

The Company emphasises the importance of participating in the development of the community and society together with the growth of the business operation. This is achieved through various activities and projects initiated by the Company to meet the expectations of stakeholders as follows:



## Children and youths

The Company takes part in supporting education and helping develop and reconstruct schools and playgrounds. The Company also organises various events, including National Children's Day events and other participatory projects based on the employees' capabilities to provide sports equipment and essential consumer goods for underprivileged schools where the Company is located. Some of the 2021 project details are as follows:

- STA STEM STUDENT Project: This was the 5th year for integrated education management to make Sri Trang a learning centre for the community. This project enhanced outdoor learning for elementary students using laboratory method in different subjects, including Science, Engineering, Technology, and Mathematics.

**In 2021, the Company implemented the project at Huynang school, Trang province with 27 students participating.**



Goal 80 %



Received Score 89 %





- Children Scholarship Project is a project to promote learning, support and help students with good learning performance. The company offers scholarships to students in schools around the factory.

In 2021, the company awarded scholarships to 93 students in 6 schools amounting to 46,500 baht.



*Broom from plastics bottles*



*Dishwashing liquid*



*Herbal chili paste*

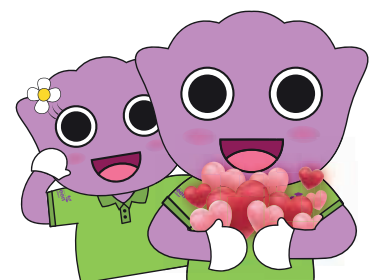
## Career Development and Livelihood

In addition to creating jobs by hiring people from the community to work in the factory, the company attaches importance to promoting and creating careers for people from the community by taking into account the needs and capabilities of the community to provide better living conditions as follows:

### Female Power Project

Under the Sri Trang, Sri Ban Sri Muang project, create sustainability for the community by adding career channels to make income is a co-project with the surrounding communities where the factory is located. The objective is to create skills for women in the community through training and knowledge from community sages and/or specialists. This will help empower and create value for women to take on an additional career, increase income, be able to support oneself and family or set up another career group in the community through community discussion's

In 2021, the Company implemented 4 projects, 3 products (Broom from plastics bottles, dishwashing liquid, herbal chili paste). The participants 72 persons.





## Projects to promote and support community occupation

The company has established a policy to promote and support the occupation of the community where the factory is located. To create a good economy for the community. By promoting the purchase of products such as drinking water, broom, wood smoke liquid, New year baskets souvenirs of important events and service support such as custom wooden pallets Contracting jobs

**In 2021 can generate income for community over 8,190,646 baht.**



Wooden pallet from Community

## “Good quality latex to create happiness” project

The company has announced its intention for rubber partners made good quality fresh latex, covers collection and purchase points, assembled with transport vehicles that meet the standards of the Department of Land Transport. To raise standards Thai rubber and jointly create good quality latex leading to good income sustainably, this project result to reduce defect of latex quality, the Company has operated in 7 concentrate latex factories both in the South and Northeast.

**There are included online participants 158 persons from government agencies 3 persons, rubber partners 73 persons, community representatives 52 persons**



## Healthcare

The Company takes into account the health and safety of people in the community and society. Therefore, 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 Provincial Hospital, District Health Promotion Hospital, Community, Government agency and others foundation every year.

In 2021 due to the COVID-19 epidemic, Sri Trang Group also continue establish sharing love to community 2nd has donated gloves to the hospital and 4.2 million pieces covers 77 provinces, total 2.94 million baht.







## Helping Disaster Victims and Disadvantaged

The Company provides assistance to disaster victims or disadvantaged people in society. Both domestically and internationally by the participation of employees, subsidized funds, survival bags, drinking water and medical gloves, In 2021 as follow;

### Helping those who suffer

The pandemic of the Covid-19 virus, the Company provides financial assistance donate a survival bag, Sri Trang drinking water, medical gloves, COVID-19 protective equipment covering nearby factory area in the amount of 421,732 baht.

### Helping flood victims

Pattani and Narathiwat Provinces by giving Sri Trang drinking water, survival bags and essential items totaling 53,190 baht.

### Activities to take care of vulnerable groups

the Company, Narathiwat branch and Thung Song branch donation to support amount of 10,440 baht to orphans and disabled children

### The project “Sharing and visit the chronic patient”

Sri Trang Agro-Industry Public Company Limited, Trang Branch, in collaboration with the Company Starlight Express Transport Co., Ltd. initiated the project to provide essential items to needy patients for home treatment and have a representative to joined with village health officials and volunteers visit the patient's every 3 months to encourage them to have better symptoms. In this regard, the Company has expanded the project to others, namely Chiang Rai Branch, Sakon Nakhon Branch, Hat Yai Branch, Narathiwat Branch, Phitsanulok Branch and Sikao Branch.

In 2021, there was visit 109 patients can help reduce costs to needy patients in the amount of 45,424 baht.





## Culture and Local Traditions

The Company has provided support to local culture and traditions in every community where the Company's operation in order to preserve the local culture and traditions.



*Build living weirs, develop rivers and canals*



*Construction Ban Wang Ping Community dam*

## Environment and Surroundings

### Weir activities

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.

In 2021, Rubberland Products Co., Ltd. Mukdahan Branch has a project to build living weirs, develop rivers and canals, and build 5 weirs for aquatic feed at Lam Huai Tad, 3 weirs and Huai Kom 2 weirs.

Rubberland Products Company Limited, Sri Trang Agro-Industry Public Company Limited, Hat Yai Branch and Songkhla Eco-Industry Network Group Contribute to the construction Ban Wang Ping Community dam.

### Green Area

The Company gives importance to conserving the natural environment and reducing global warming. By increasing green areas to help absorb carbon dioxide and building weir to restore balance to the forest through activities for planting trees both internal and external by collaborating with government agencies every year.

**In 2021 the Company has been planted 15,019 plants.**



*Adjust, grow, share, happiness of labor day to cheer up the volunteer spirit*



*Planting Thong Urai to offer as a merit to Her Majesty Queen Sirikit Her Majesty the Queen The Queen Mother on the auspicious occasion of his 89<sup>th</sup> birthday.*





## Sri Trang Volunteer

To strengthen unity and raise awareness of public mind for employees to improve the environment of both the nearby and faraway communities, such as villages, temples and schools to create a good environment. Including demonstrating the sincerity in sustainable operation with the community such as volunteer activities, cleaning road for community, fixing roads, improve electricity, utilities, landscape of schools, community and temples under the Sri Trang Project, Sri Ban Sri Muang.

In 2021, there were 13 projects with 205 employees and a total of 1,031 voluntary hours.



Renovate the landscape of Ban Non Sawang Temple, Bang Sai Yai Sub district



Voluntary clean the roads for the community



Repair electrical and water systems for Ban Sam Kha community

## Bantookyang Tidrang Sangroyyim Project

The project “Bun-Took-Yang Tid-Rang Srang-Roi-Yim” to encourage suppliers, rubber farmers, and truck owners to deliver rubber to the Company's factories with good practice. This helps prevent the serum from the cup lump leaking onto roads during driving to the Company's factories. By preparing the truck tire cup lump standard which has continued for 6th year. In 2021, more stringent measures have been added a work manual is created determined measures to check every vehicle that comes to deliver rubber cuplumb within the company and has developed additional measures online inspection to reduce exposure, which could help prevent the current spread of COVID-19. Operate the entire product group of TSR products, 17 factories across the country.

In 2021 results, The factories in the Northeast, the East and the North **have rubber trucks that meet the standard average 99.29%** and the Company has organized an online seminar to promote awareness of community and environment care by educating and review of standard operations for fellow rubber farmers, communities and all relevant sectors.



Standard Truck



Online Training



## Useful soil project : Sludge processing to organic fertilizer for the communities

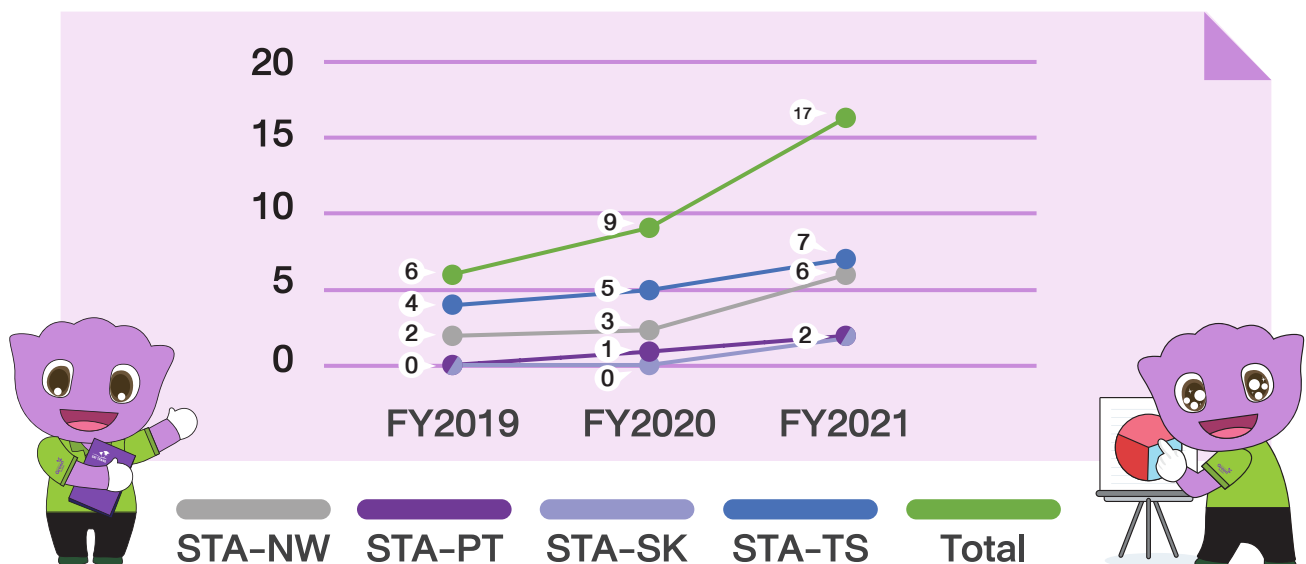
The Company has operated projects for the 4th consecutive year to add value of sediment from wastewater treatment systems and process soil sludge into organic fertilizers. It is the development of sustainable agriculture which can reduce costs by manufacturing fertilizers are used by the community. The sludge used for fertilizer production has been analyzed for no contamination of dangerous heavy metals

In 2021, there are 4 branches in operation: Narathiwat, Pattani, Thung song and Sikao Branch able to reduce the management of the Company's sediment to landfill by 3,539 tons and generate income for the community 97,838 baht.



The Thung song community's making sediment to soil-ready to plant.

## Number of farmers/communities who join project in FY2019-FY2021



More various activities can be find from the Company website [www.sritranggroup.com](http://www.sritranggroup.com) in part of sustainability (Sustainability Activities)





# ENVIRONMENTAL PERFORMANCE

## Environmental Policy and Management

The Company realizes and places importance on environmental stewardship alongside business expansion and, therefore, has defined environmental policies and operating guidelines in line with its vision and social responsibility policies, including raising awareness among employees to create a green culture in caring for the environment both inside and outside the organization through various activities and projects which are driven by the environmental working group of its factories with a central management representative to supervise and report the factory's environmental performance to the Company's directors.

In order to be in line with the strategic direction of the organization under the policy of quality, safety, occupational health, environmental and energy conservation: **"Committed to being the leader in the green rubber industry"**, the Company is focused on the following:



The Company has continuously adopted the ISO 14001 system standard for environmental management and has set the goal for the newly built block rubber factory to be ISO14001 certified within 1 year following its ISO 9001 certification.



In 2021, the Company has 15 factories that have been certified under ISO 14001 environmental management system.

Due to the expansion of cities and communities, the Company has continuously conducted surveys on the impacts on communities within a radius of 5 kilometers surrounding the Company's operations. In summary, the results according to the annual survey plan in 2021 are as follows:

| Level of impact surveyed | Unit | Disturbing odor | Air quality |
|--------------------------|------|-----------------|-------------|
| Medium impact            | %    | 3               | 0           |
| Low impact               | %    | 12              | 2           |
| No impact                | %    | 85              | 98          |



The average level of satisfaction regarding the improvement of the Company's operations was at the level of very satisfied, accounting for 92 percent.

## CLIMATE CHANGE AND ENERGY CONSUMPTION

The Company has always regarded the management of climate change issues as important, being mindful of the risks and impacts thereof on business continuity that may affect the production and quality of latex, as well as the risk of flooding and drought and the impacts of regulatory measures introduced by countries involved in international trade to reduce greenhouse gas emissions **to achieve the goal of controlling global temperature rise to no more than 1.5 degrees Celsius.**



The Company has focused on reducing greenhouse gas emissions from the production process by setting the goal of becoming a low carbon company through improvement of energy efficiency using renewable energy in business processes and carbon offset. The Company has established an energy conservation committee and appointed responsible persons for energy management at the plant to carry out projects to improve efficiency and conservation in the production process and formulate various energy-saving measures such as changing to energy-saving equipment and the use of biomass fuel for boilers, etc.






In addition to the aforementioned energy projects, the Company has also expanded its greenhouse gas emissions accounting requirements in accordance with its carbon footprint calculation and reporting requirements of the Thailand Greenhouse Gas Management Organization whereby Rubberland Products Company Limited, Buriram Branch has been certified and registered its organizational carbon footprint in 2020. Similarly, the Company plans to extend certification and registration of organizational carbon footprint to cover greenhouse gas emissions of the STR/TSR, RSS and LTX factories to be of the same standard so as to be able to formalize the plan to reduce greenhouse gas emissions according to the goals set by the Company. Moreover, the information on the Company's Scope 1 and Scope 2 greenhouse gas emissions in the year 2021 has been verified by LRQA (Thailand) Co., Ltd., a third party with expertise and qualifications to independently verify greenhouse gas data to assure the Company's 2021 GHG emissions disclosure based on GRI Standards reporting guidelines.




The Company has also encouraged employees to be mindful of and focus on reducing energy consumption and greenhouse gas emissions in daily life, such as using cloth bags instead of plastic bags, reducing paper use, discontinuing the use of foam boxes, riding bicycles in the factory instead of using a car, promoting waste sorting by type to support reuse and reduction of waste sent for disposal, as well as increasing green areas within the organization and participating in reforestation activities and building weirs with communities and government agencies in order to help reduce and absorb greenhouse gases.

### Energy management strategy to increase energy efficiency and reduce greenhouse gas emissions

- Regularly check the integrity of equipment and machines to achieve maximum energy efficiency;
- Improve and modify the equipment and parts of machinery to enhance energy-saving
- Study and develop innovations in renewable and alternative energy for use within the Company.





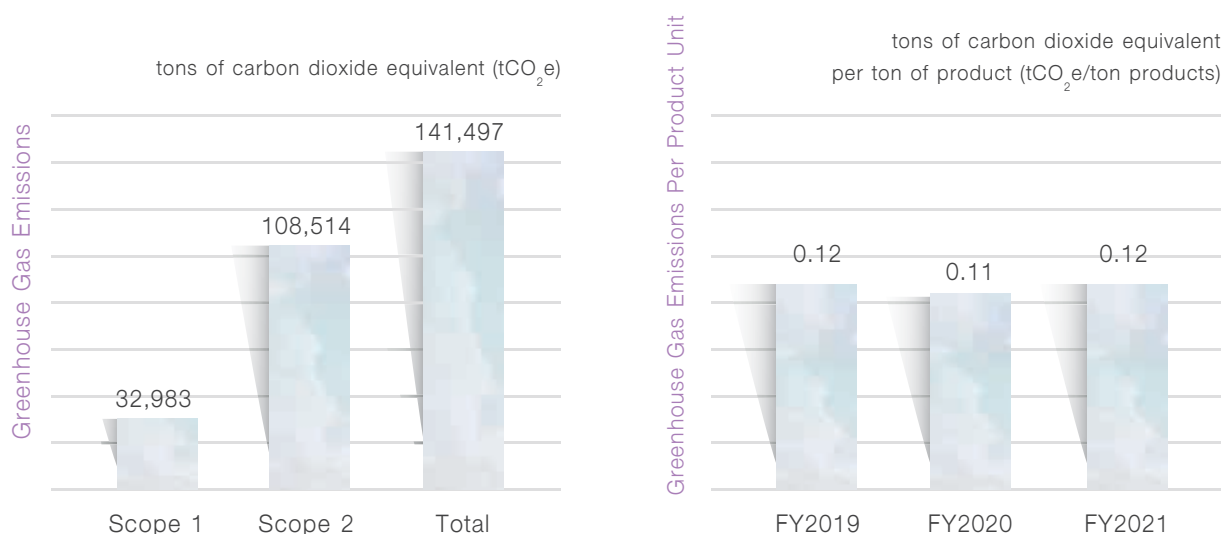
**Goals (GRI 302-5)**

- To reduce greenhouse gas emissions per product unit by 10% compared to base year 20 by 2024;
- To reduce electricity consumption per product unit by 7% compared to base year 2019 by 2024.



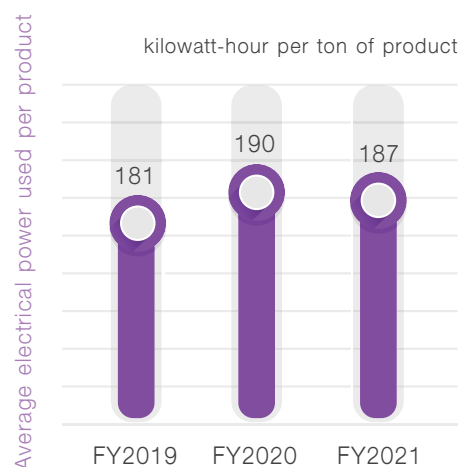
## Performance in 2021

### Scope 1 and Scope 2 greenhouse gas emissions (GRI 305-1, 305-2, 305-4)



Note: In 2021, the Company's data on greenhouse gas emissions, Scope 1 and Scope 2 were reviewed and revised with new data preparation based on the carbon footprint calculation methodology of the Thailand Greenhouse Gas Management Organization.

### Electricity consumption of the Natural Rubber Group (GRI 302-3, 302-5)



### Energy Conservation Projects in 2021 (GRI 302-4)

**Project** Reduce the use of electricity from the hydro-powered rotary **Sikao branch**

**Cost reduction** 92,170 THB/Year

| Amount of electricity (kilowatt-hour) |                   |           |
|---------------------------------------|-------------------|-----------|
| Before improvement                    | After improvement | Reduction |
| 27,930                                | 0                 | 27,930    |

\*The Natural Rubber Group consists of RSS, LTX and STR products

Able to reduce greenhouse gas emissions by 13.9 tCO<sub>2</sub>-eq



### Future operation

The Company is in the process of installing a solar floating power generation system with a maximum capacity of 1 megawatt in the area of the STR plant at Mukdahan Branch in order to increase the proportion of renewable energy in the production process and reduce emissions with plans to start generating electricity in 2022.





# SUSTAINABLE WATER MANAGEMENT (GRI 303-1)

The risks associated with water have currently become more severe due to the changing climate and increasing demand for water from population growth and industrial development. The Company is aware of the risks associated with water that may impact the STR, RSS and LTX businesses, such as quantity and quality-related water risks, water-related regulatory changes and pricing structure, including water-related stakeholder conflicts. Awareness of such risks is directed towards formulating appropriate prevention and mitigation measures. In addition, the Company has analyzed the situation of water sufficiency in all factory areas of the Company using the World Resources Institute (WRI) Aqueduct Water Risk Atlas, and found that most of the Company's factories are not located in areas where there may be risk of water shortage or water-stressed areas, except the STR plant at Kalasin Branch and the Sa Kaeo Branch which are located in such areas. However, the Company's water management strategy in the production process is to optimize the use of water by focusing on the **3Rs (Reduce, Reuse, & Recycle)** principle and has set a goal of reusing water and reducing freshwater intake from various sources in line with the Sustainable Development Goal 6 (SDG 6) and Thailand's 20-year water resource management master plan.

## 3Rs (Reduce, Reuse & Recycle)



The Company mainly uses groundwater and surface water from ponds dug for water storage which passes through water treatment systems to improve water quality for use in production, and also some water that has passed through the wastewater treatment system is recycled and reused. The Company uses tap water only in the STR plant, Udon Thani Branch and some parts of the concentrated latex plant, Chumphon Branch. Most of the water is used in the rubber washing activities in various production processes. The wastewater from these processes will flow into the Company's wastewater treatment system and reused in the next production process. The Company has established guidelines for water management operations for maximum benefits to have water for continuous use without affecting the environment as well as to prevent risks related to water conflicts with communities as follows:





## Sustainable water management guidelines;



Provide adequate water supply of suitable quality for the production process



Consider the quality and quantity of water used so as to not affect the communities surrounding the factory.



Set goals for increasing efficient use of water every year based on the 3Rs principle.



Develop an optimal efficient soft water production system in order to reduce the use of groundwater.



Create surface water sources and replenish groundwater to help prevent flooding or drought in the areas surrounding the plant.



Promote invention and improvement to reduce water consumption in each process with Kaizen and QCC activities.



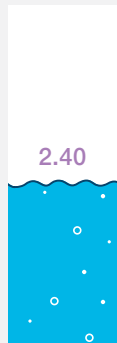
Join and build partnerships with external agencies to maintain water resources.



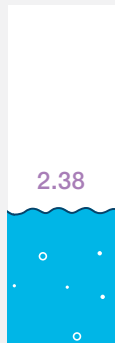
\*Unit: cubic meters per ton of product



FY 2019



FY 2020



FY 2021

### GOALS



- To achieve 100% reusable water supply at the Company's STR plant.
- Reduce the amount of water drawn from various water sources (surface water, ground water, tap water) by 40% compared to the base year 2019 by 2024.

Amount of water drawn from various water sources (surface water, ground water, tap water) (GRI 303-3)



## Performance

In addition to water management in the production process, the Company has also created cooperation with external agencies to jointly conserve water resources. The company has carried out a shallow underground water filling industry project organized by the Groundwater Development Fund, Department of Groundwater Resources and the Water and Environment for Sustainability Institute, Federation of Thai Industries to replenish groundwater and alleviate flooding and drought problems, as well as to prevent conflicts with stakeholders. Moreover, the Company has promoted cooperation with trading partners to conserve water resources and undertake water management using the 3Rs principle through the Business Partner Code of Conduct and the Company's Code of Conduct to expand the prevention of water-related risks and impacts to the Company's supply chain.





# WASTE WATER MANAGEMENT

The Company has a standard wastewater treatment system whereby the effluent that is discharged outside every factory of the Company must pass the standard for control of sewage from factories as required by law. This is considered a minimum wastewater quality standard (GRI 303-2). Additionally, for the latex factory at Trang Branch, a BOD (Biochemical Oxygen Demand) online system was installed which measures the amount of oxygen required by microorganisms to decompose organic substances in wastewater and sends real-time BOD measurements to the Department of Industrial Works, to ensure that the wastewater discharged to public water bodies meets the legally-required quality standards.

The Company has developed and improved technology for treating wastewater to achieve optimal efficiency in reducing environmental impacts, especially at the block rubber factory that can recycle the water after the treatment process and reuse it in all production without having to discharge water outside the factory. This helps to reduce the use of fresh water from water sources and reduce the impact of effluents. The Company has established strategies for managing the wastewater of the factories as follows:

- Always check and control the wastewater treatment system to be in good working order and fully effective.
- Develop an optimal efficient wastewater treatment system and the ability to reuse as much water as possible.
- Apply technology and innovation as part of the inspection and control of the wastewater treatment system.



## GOAL

Reusing 100% of the treated water.



## Performance

- Establish emergency pond to manage serum water from rubber cups before entering the wastewater treatment system.
- Use recycled water in various activities.





# AIR POLLUTION MANAGEMENT

The Company focuses on management of air quality resulting from the production process which may generate air pollution and possibly affect employees and surrounding communities in proximity to the factories. The Company therefore has developed a management plan to control air quality both inside and outside the factories and the surrounding vicinity, as well as undertaking regular monitoring of air quality to ensure compliance with the relevant laws.

The Company has installed appropriate air pollution treatment systems to suit each type of production process especially at the STR factory which may affect nearby communities. The Company's air quality management measures are the following:

- Odor caused by decomposing organic matter from rubber cup lump: Wood vinegar and organic matter is used to spray at regular intervals.
- Odor from rubber drying and mixture production: Wet scrubber, Deodorizer and Bio-Filter treatment systems are installed.

- Boiler emission quality: Install a multi-cyclone system and a wet scrubber system to treat the exhaust and small dust particles (PM10 and PM2.5) before being released into the atmosphere.

The Company has tried to manage and reduce impacts from the source but the weather and wind direction are important factors that may cause some impact to nearby communities. Therefore, the Company has increased measures to manage its activities and production processes to mitigate the impacts both within the factory and to nearby communities as follows:

- Prescribe good practices to reduce odor from the factories' production activities.
- Study and develop more efficient technology to treat the smell from the rubber block drying process.
- Determine how to measure or forecast the impact that will occur on the communities surrounding the factory.
- Require an assessment of odor-causing risk factors to mitigate possible impacts.



## GOALS

- Able to treat and eliminate odors arising from rubber drying and rubber compound production so that the community is not affected.
- Able to anticipate the impacts that may occur to the community from the operation of the business.
- Able to reduce the risk factors that cause the undesirable odors.



## Performance

- Project for odor treatment from STR drying process using Bio-Filters.
- Transform the Company's storage facility for rubber cup lump raw material into a closed system.
- Spraying of deodorizing biological agent on cup lump in storage.
- Installation of wind measuring instruments for analysis and follow-up.





# MANAGEMENT OF WASTE AND UNUSED MATERIALS (GRI 306-1, 306-2)

The Company recognizes the importance of managing waste and unused materials with a focus on making the best use of waste, including adding value thereof by using technology which, in addition to reducing environmental impacts, also helps to reduce the cost of waste disposal arising from the Company's operations, both directly and indirectly, as well as enabling material to be further used in other areas.

The Company has different waste generated in the production process according to the type of factory, most of which are sludge from wastewater treatment systems, ash from the boiler, used bamboo from hanged rubber sheets and used engine oil from maintenance. The Company has applied the 3Rs (Reduce Reuse Recycle) principle as a guideline for managing waste and unused materials in the factory by focusing on recycling or reuse as a replacement in other agencies to reduce the need for disposal.

In addition, the Company has also continuously carried out various waste management projects consistent with the guidelines of the new economic model or BCG Economy Model, for example, the S-Brick Project, sustainable and eco-friendly bricks, using ash from boilers in the production process to produce floor bricks for use in the factories and

surrounding communities; or the Good and Useful Soil project which uses sediment from the wastewater treatment system to produce organic fertilizer for farmers, etc. The Company has also raised awareness among employees about the problem of non-recyclable waste, proper sorting of waste and encouraged employees to reduce waste materials in their daily lives. Moreover, the Company has promoted sustainability among trading partners in the supply chain through Business Ethics for Partners to encourage more efficient use of resources, choosing sustainable materials and implementing waste management according to the 3Rs principle to reduce waste and achieve sustainable waste management.

The Company has guidelines for the management of waste and unused materials as follows:

- Maximize the use of raw materials and existing materials by developing and creating added-value for materials used, from production to delivery to consumers.
- Focus on sorting and reusing.
- Improve processes to help minimize the amount of waste generated.
- Add value by finding useful application for waste or by-products.



## Performance

- Management of unused materials, whereby they are sorted and put in storage for further reuse (Waste to Value, STA Champion).
- Project to reduce and cease using Styrofoam food packaging and single-use plastic bags within the Company.
- Inventions using recycled materials contest project.
- S-Brick Project., sustainable and ecofriendly bricks.
- Good and Useful Soil Project.







### S-Brick Project, Sustainable and ecofriendly bricks

In 2021, the amount of ash used in this project totaled 58,761 kg, reducing costs by THB 322,364.



### Good and Useful Soil Project

In 2021, the amount of sediment used is 3,539 tons, reducing costs by THB 97,838.





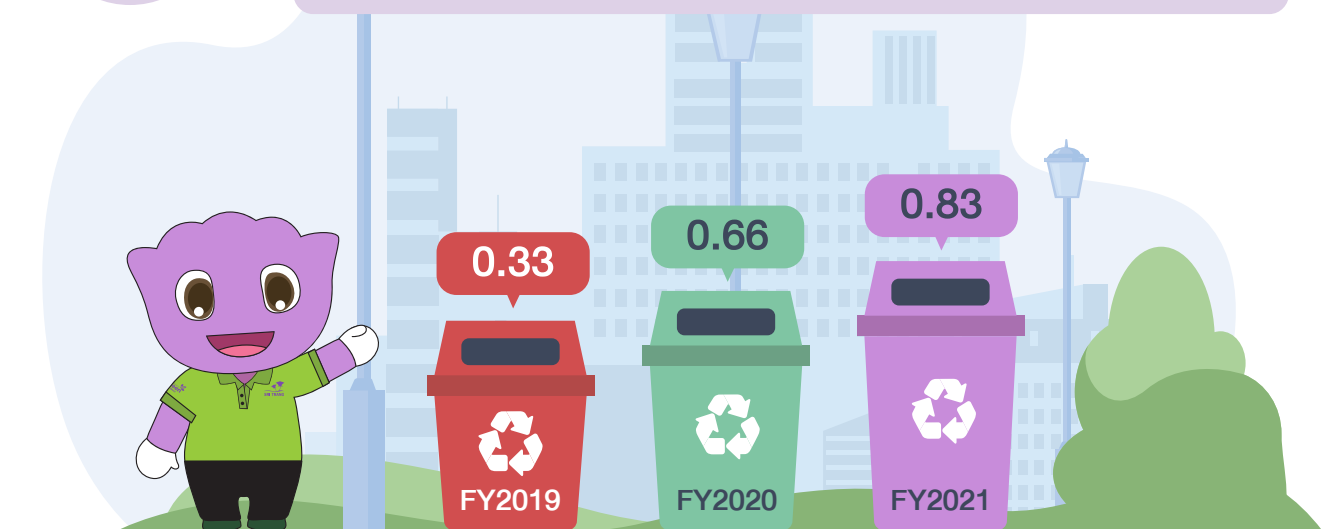
## Amount of waste and unused materials from production process

(Unit : Kg per ton of product)



### GOAL

Reducing the amount of waste and unused materials per production unit by 10% compared to the base year 2020 by 2024.



### Performance

| Natural Rubber Group Environmental Expenditure Account                                | FY2021     |
|---|------------|
| <b>Expenses for pollution control equipment</b>                                       | (Unit: MB) |
| • Wastewater treatment cost (cost of wastewater treatment system)                     | 86.90      |
| • Air pollution treatment cost (electricity and water bill)                           | 48.79      |
| • Waste disposal  | 4.26       |
| <b>Environmental protection costs</b>   |            |
| • Expenses for implementing environmental management systems, including cert ISO14001 | 0.10       |
| • Environmental audit costs   | 2.97       |
| • Cost of improvement of the odor treatment system                                    | 18.07      |
| • Cost of improvement of the wastewater treatment system                              | 31.87      |





# AWARDS OF THE YEAR 2021



## Thailand Sustainability Investment (THSI)

or the list of “Sustainable Stocks” for the 7<sup>th</sup> consecutive year from the Stock Exchange of Thailand. This award reinforces its status as a listed company with sustainable business operation focusing on the environment, social responsibility, and management in accordance with the principles of corporate governance (Environmental, Social and Governance or ESG).

## Sustainability Disclosure Award 2021 in the category of honorary awards for Recognition for the 3<sup>rd</sup> consecutive year.

The Company has joined as one of the Sustainability Disclosure Community (SDC) established by Thaipat Institute to encourage listed companies and SDC business members to realize and attach importance to dissemination of operating information that covers economic, social, and environmental aspects or ESG other than financial information. This shows the sustainability of the business that will benefit stakeholders of the business and jointly respond to the Sustainable Development Goals (SDGs) Goal No. 12.6.







## Outstanding Organization Supporting the Disabled Affairs for 2021 from the Ministry of Social Development and Human Security

- Sri Trang Agro-Industry Public Company Limited was awarded the 3<sup>th</sup> consecutive year
- Rubberland Products Company Limited was awarded the 2<sup>th</sup> consecutive year

## Best Public Company Agro and Good Industry – Money and Banking Award 2021

The Company received award from the event “Money & Banking Awards 2021” by Mr. Arkhom Termpittayapaisith, Minister of Finance, who presided over the event. This event aims to raise listed companies with excellent performance in the year

and support the success that generates incentives to develop the potential to be ready for strong regional and global competition for the benefit of the financial economy, investment of the country, and society as a whole.

## CSR-DIW Continuous Award

- Sri Trang Agro-Industry Public Company Limited : Hat Yai Branch, Sikao Branch, Thung song Branch, Phitsanulok Branch, Kanchanadit Branch, Trang Branch, Chumpon Branch
- Rubberland Products Company Limited : Hat Yai Branch, Bueng Kan Branch, Buriram Branch, Mukdahan Branch
- Nam Hua Rubber Company Limited





## Occupational Health and Safety Certificate

- ✔ Disease-free, Safe, Happy Life : Sri Trang Agro-Industry Public Company Limited Trang Branch
- ✔ Outstanding Role Model Establishment in Safety, Occupational Health and Working Environment of the Year 2021 at the provincial level
  - Sri Trang Agro-Industry Public Company Limited : Phitsanulok Branch, Thung Song Branch, Sakon Nakorn Branch
  - Rubberland Products Company Limited Bueng Kan Branch, Hat Yai Branch
- ✔ Outstanding Establishment in Labor Relations and Labor Welfare of the Year 2021 at the national level
  - Sri Trang Agro-Industry Public Company Limited, Narathiwat Branch, Thung Song Branch, Kalasin Branch, Sakon Nakorn Branch
  - Rubberland Products Company Limited Bueng Kan Branch, Mukdahan Branch
- ✔ TO Be Number One Club Project in Outstanding Establishment in the northeastern region and at the national level : Rubberland Products Company Limited Bueng Kan Branch
- ✔ Honorary Award for Good Labour Practice – GLP of the Year 2021
  - Sri Trang Agro-Industry Public Company Limited Narathiwat Branch, Thung Song Branch, Kalasin Branch, Udon Thani Branch
  - Rubberland Products Company Limited Hat Yai Branch
- ✔ Award for Healthy Working Day Promotion with a 10 Package Guideline with a Very Good result at the district level : Sri Trang Agro-Industry Public Company Limited, Narathiwat Branch
- ✔ Labor Skill Standards of Workers in Vocational Profession in the Category of Mechanics, Maintenance Technician, Level 1 : Sri Trang Agro-Industry Public Company Limited, Kalasin Branch

## Environmental

- ✔ The ecological industrial factory 2021
  - Gold Plus Award : Rubberland Products Company Limited, Hat Yai Branch
  - Gold Award : Nam Hua Rubber Company Limited
- ✔ Environmental Management System for Industrial (EMS-DIW) level 2 : Sri Trang Agro Industry Public Company Limited, Loei Branch
- ✔ Establishments passed the Environmental Governance Assessment : Rubberland Products Company Limited, Hat Yai Branch

## Green Industry

- ✔ The Company is committed to be a green industry... for balanced and sustainable development. The Company has been certified as follows:
  - Green Industry Level 2, 3 factories : Sri Trang Agro-Industry Public Company Limited, Pattani Branch, Narathiwat Branch and Sakon Nakorn Branch
  - Green Industry Level 3, 18 factories:
    - 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, Phitsanulok branch, Sakaew Branch, Kalasin Branch, Huai Nang Branch and Loei Branch
    - Rubberland Products Company Limited, Hat Yai Branch, Bueng Kan Branch, Buriram Branch, Mukdahan Branch
    - Nam Hua Rubber Company Limited
- ✔ Green Industry level 4 (Green Culture) : Sri Trang Agro Industry Public Company Limited, Hat Yai Branch







## *PERFORMANCE SUMMARY*

Performance Summary of Sri Trang in 2021  
Economics, Social and Environmental







## Economics Performance

### Finance

| GRI Standard | Topic   | Unit | STA    |        |         |
|--------------|---|------|--------|--------|---------|
|              |   |      | FY2019 | FY2020 | FY2021  |
| GRI 201-3    | Revenue from sales and services   | MB   | 60,286 | 75,479 | 118,275 |
|              | Profit for the year   | MB   | (149)  | 9,531  | 15,847  |
|              | Dividends paid to shareholders  | MB   | 538    | 3,456  | 5,376   |
|              | Wages and Compensation for Employees  | MB   | 18,730 | 17,240 | 19,470  |
|              | Interest and finance charges to borrowers   | MB   | 7,634  | 5,600  | 6,152   |
|              | Taxes paid to the government and local government agencies such as corporate income tax, Local maintenance tax, school tax, etc.,       | MB   | 37     | 29     | 2       |
|              | Expenses for support and implementing projects for social and community development   | MB   | 12     | 10     | 2       |
| GRI 201-1    | Compensation expenses that the organization pays to the Social Security Fund, Provident funds and retirement arrangements for employees | MB   | 52     | 35     | 33      |
| GRI 201-4    | Tax benefits and others received from government and local authorities from the Promotion of Investment and Development (BOI)           | MB   | 15     | 52     | 114     |
| GRI 202-2    | Percentage of executives from manager level and above who come from local people (5 km radius or within province)                       | %    | 49     | 50     | 47      |







## Supply Chain

| GRI Standard | Type of Suppliers            | Numbers | Share of Total Procurement Spent (%) |
|--------------|------------------------------|---------|--------------------------------------|
| GRI 102-9    | Tier 1 Suppliers             | 2,045   | 100                                  |
|              | Critical Tier 1 Suppliers    | 630     | 79                                   |
|              | Critical Non-tier 1 Supplier | -       | -                                    |

| GRI Standard | Topic  | Unit | FY2018 | FY2019 | FY2020 | FY2021 |
|--------------|--|------|--------|--------|--------|--------|
| GRI 204-1    | Spending on products and services from local partners and contractors.                             | MB   | 495    | 341    | 329    | 656    |
|              | Total procurement costs  | MB   | 1,862  | 1,255  | 1,234  | 4,543  |
|              | Spending on products and services from local partners and contractors vs. total procurement spend. | %    | 27     | 27     | 27     | 14     |



## Customer Relationship

| GRI Standard                  | Topic   | Unit | FY2018 | FY2019 | FY2020 | FY2021 |
|-------------------------------|---|------|--------|--------|--------|--------|
| GRI 102-43, GRI 102-44 (2016) | customer satisfaction   | %    | 99     | 98     | 86     | 83     |
| GRI 416-2 (2016)              | The number of matters or products that affect the health and safety of customers. | Case | 0      | 0      | 0      | 0      |
| GRI 417-3 (2016)              | Number of complaints about marketing communications                               | Case | 0      | 0      | 0      | 0      |
| GRI 419-1 (2016)              | Number of non-compliance with the law   | Case | 0      | 0      | 0      | 0      |





## Social Performance



### Personnel

| GRI Standard    | Topic                   | FY2018 |     | FY2019 |     | FY2020 |     | FY2021 |     |
|-----------------|-------------------------|--------|-----|--------|-----|--------|-----|--------|-----|
|                 |                         | Person | %   | Person | %   | Person | %   | Person | %   |
| GRI 102-8,405-1 | BY Sex                  |        |     |        |     |        |     |        |     |
|                 | Male                    | 4,072  | 66  | 4,006  | 67  | 3,706  | 68  | 3,437  | 67  |
|                 | Female                  | 2,108  | 34  | 1,939  | 33  | 1,710  | 32  | 1,731  | 33  |
|                 | Total                   | 6,180  | 100 | 5,945  | 100 | 5,416  | 100 | 5,168  | 100 |
| GRI 102-8,405-1 | By Religion             | 6,180  |     | 5,945  |     | 5,416  |     | 5,168  |     |
|                 | Buddhist                | 5,636  | 91  | 5,437  | 91  | 4,942  | 91  | 4,700  | 91  |
|                 | Christ                  | 12     | 0   | 11     | 0   | 9      | 0   | 25     | 0   |
|                 | Islam                   | 529    | 9   | 496    | 8   | 462    | 9   | 443    | 9   |
|                 | Other                   | 3      | 0   | 1      | 0   | 3      | 0   |        | 0   |
| GRI 102-8,405-1 | BY Level                | 6,180  |     | 5,945  |     | 5,416  |     | 5,168  |     |
|                 | Top Management (L7-L11) | 85     | 1   | 80     | 1   | 83     | 2   | 76     | 1   |
|                 | Male                    | 55     | 1   | 54     | 1   | 56     | 1   | 50     | 1   |
|                 | Female                  | 30     | 0   | 26     | 0   | 27     | 0   | 26     | 1   |
|                 | Management (L5-L6)      | 479    | 8   | 441    | 7   | 419    | 8   | 393    | 8   |
|                 | Male                    | 277    | 4   | 255    | 4   | 235    | 4   | 213    | 4   |
|                 | Female                  | 202    | 3   | 186    | 3   | 184    | 3   | 180    | 3   |
|                 | Operation (L1-L4)       | 5,616  | 91  | 5,424  | 91  | 4,914  | 91  | 4,699  | 91  |
|                 | Male                    | 3,740  | 61  | 3,697  | 62  | 3,415  | 63  | 3,174  | 61  |
|                 | Female                  | 1,876  | 30  | 1,727  | 29  | 1,499  | 28  | 1,525  | 30  |
| GRI 102-8,405-1 | BY Age                  | 6,180  |     | 5,945  |     | 5,416  |     | 5,168  |     |
|                 | Under 30 years          | 2,102  | 34  | 1,821  | 31  | 1,513  | 28  | 1,527  | 29  |
|                 | Male                    | 1,489  | 24  | 1,339  | 23  | 1,151  | 21  | 1,118  | 21  |
|                 | Female                  | 613    | 10  | 482    | 8   | 362    | 7   | 409    | 8   |
|                 | 30-50 years             | 3,751  | 61  | 3,665  | 62  | 3,475  | 64  | 3,183  | 62  |
|                 | Male                    | 2,377  | 38  | 2,373  | 40  | 2,274  | 42  | 2,015  | 39  |
|                 | Female                  | 1,374  | 22  | 1,292  | 22  | 1,201  | 22  | 1,168  | 23  |
|                 | Upper 50 years          | 327    | 5   | 459    | 8   | 428    | 8   | 458    | 9   |
|                 | Male                    | 206    | 3   | 294    | 5   | 281    | 5   | 304    | 6   |
|                 | Female                  | 121    | 2   | 165    | 3   | 147    | 3   | 154    | 3   |





| GRI Standard    | Topic               | FY2018 |     | FY2019 |     | FY2020 |      | FY2021 |      |
|-----------------|---------------------|--------|-----|--------|-----|--------|------|--------|------|
|                 |                     | Person | %   | Person | %   | Person | %    | Person | %    |
| GRI 102-8,405-1 | By Area             |        |     |        |     |        |      |        |      |
|                 | Thailand            | 6,180  | 75  | 5,945  | 77  | 5,416  | 78   | 5,168  | 78   |
|                 | South               | 3,515  | 43  | 3,193  | 42  | 2,960  | 43   | 2,332  | 35   |
|                 | Northeast           | 2,165  | 26  | 1,906  | 25  | 1,690  | 24   | 1,852  | 28   |
|                 | Eastern             | 186    | 2   | 159    | 2   | 153    | 2    | 151    | 2    |
|                 | Central             | 134    | 2   | 72     | 1   | 67     | 1    | 66     | 1    |
|                 | North               | 180    | 2   | 615    | 8   | 546    | 8    | 767    | 12   |
|                 | Indonesia           | 1,876  | 23  | 1,559  | 20  | 1,368  | 20   | 1,306  | 20   |
|                 | Myanmar             | 73     | 1   | 77     | 1   | 76     | 1    | 75     | 1    |
|                 | Vietnam             | 3      | 0   | 3      | 0   | 3      | 0    | 6      | 0    |
|                 | America             | 11     | 0   | 11     | 0   | 11     | 0    | 12     | 0    |
|                 | China               | 47     | 1   | 58     | 1   | 50     | 1    | 60     | 1    |
|                 | Singapore           | 22     | 0   | 22     | 0   | 22     | 0    | 25     | 0    |
|                 | Total               | 8,212  | 100 | 7,675  | 100 | 6,946  | 100  | 6,652  | 100  |
| GRI 401-1       | New Employee by sex |        |     |        |     |        |      |        |      |
|                 | Male                | 1,876  | 78  | 1,238  | 81  | 1,190  | 87   | 1,765  | 78   |
|                 | Female              | 541    | 22  | 285    | 19  | 180    | 13   | 493    | 22   |
|                 | Total               | 2,417  | 100 | 1,523  | 100 | 1,370  | 100  | 2,258  | 100  |
|                 | New Employee by age |        |     |        |     |        |      |        |      |
|                 | Under 30 years      | 1,531  | 63  | 936    | 61  | 844    | 62   | 1,391  | 62   |
|                 | 30-50 years         | 875    | 36  | 575    | 38  | 509    | 37   | 820    | 36   |
|                 | Upper 50 years      | 11     | 1   | 12     | 1   | 17     | 1    | 47     | 2    |
|                 | Total               | 2,417  | 100 | 1,523  | 100 | 1,370  | 100  | 2,258  | 100  |
| GRI 401-1       | By Area             |        |     |        |     |        |      |        |      |
|                 | Thailand            | 2,417  |     | 1,523  |     | 1,370  |      | 2,258  |      |
|                 | South               | 1,142  | 47  | 579    | 38  | 665    | 48.5 | 783    | 34.7 |
|                 | Northeast           | 1,051  | 43  | 657    | 43  | 471    | 34.4 | 685    | 30.3 |
|                 | Eastern             | 116    | 5   | 113    | 7   | 70     | 5.1  | 54     | 2.4  |
|                 | Central             | 38     | 2   | 12     | 1   | 5      | 0.4  | 11     | 0.5  |
|                 | North               | 70     | 3   | 162    | 11  | 159    | 11.6 | 725    | 32.1 |



| GRI Standard | Topic   | FY2018 |     | FY2019 |     | FY2020 |     | FY2021 |     |
|--------------|---|--------|-----|--------|-----|--------|-----|--------|-----|
|              |   | Person | %   | Person | %   | Person | %   | Person | %   |
| GRI 401-1    | Employee Termination by Sex                                   |        |     |        |     |        |     |        |     |
|              | Male  | 1,101  | 76  | 1,550  | 74  | 1,331  | 81  | 1,430  | 79  |
|              | Female  | 343    | 24  | 551    | 26  | 310    | 19  | 389    | 21  |
|              | Total   | 1,444  | 100 | 2,101  | 100 | 1,641  | 100 | 1,819  | 100 |
|              | Employee Termination by Age                                   |        |     |        |     |        |     |        |     |
|              | Under 30 years  | 860    | 60  | 1,053  | 50  | 844    | 51  | 948    | 52  |
|              | 30-50 years   | 558    | 39  | 930    | 44  | 693    | 42  | 782    | 43  |
|              | Upper 50 years  | 26     | 2   | 118    | 6   | 104    | 6   | 89     | 5   |
|              | Total   | 1,444  | 100 | 2,101  | 100 | 1,641  | 100 | 1,819  | 100 |
|              | Employee Termination by Area                                  |        |     |        |     |        |     |        |     |
|              | Thailand  | 1,444  | 100 | 2,101  | 100 | 1,641  | 100 | 1,819  | 100 |
|              | South   | 748    | 52  | 894    | 43  | 755    | 46  | 701    | 39  |
|              | Northeast   | 566    | 39  | 917    | 44  | 685    | 42  | 586    | 32  |
|              | Eastern   | 78     | 5   | 147    | 7   | 76     | 5   | 56     | 3   |
|              | Central   | 37     | 3   | 21     | 1   | 5      | 0   | 7      | 0   |
|              | North   | 15     | 1   | 122    | 6   | 120    | 7   | 469    | 26  |
| GRI 401-1    | Turnover rate<br>Target < 3%                                  | 1.95   |     | 2.95   |     | 2.52   |     | 2.93   |     |
| GRI 401-3    | Maternity leave   |        |     |        |     |        |     |        |     |
|              | Male  | -      | 0   | -      | 0   | -      | 0   |        | 0   |
|              | Female  | 81     | 100 | 74     | 100 | 63     | 100 | 69     | 100 |
|              | Total   | 81     | 100 | 74     | 100 | 63     | 100 | 69     | 100 |
|              | Return after maternity leave                                  |        |     |        |     |        |     |        |     |
|              | Male  | -      | 0   | -      | 0   | -      | 0   |        | 0   |
|              | Female  | 54     | 100 | 67     | 100 | 53     | 100 | 65     | 100 |
|              | Total   | 54     | 100 | 67     | 100 | 53     | 100 | 65     | 100 |
| GRI 102-41   | Employees who are subject to collective bargaining agreements |        |     |        |     |        |     |        |     |





## Training

| GRI Standard | Topic  | Unit        | FY2020 | FY2021  |
|--------------|--|-------------|--------|---------|
| GRI 404-1    | Training hours average per man per year Target |             | 6      | 35      |
|              | Total hours                                    | Hrs.        | 79,242 | 204,980 |
|              | Total  | Hrs./Person | 14.34  | 38.46   |
|              | By sex   |             |        |         |
|              | Male   | Hrs.        | 49,585 | 134,923 |
|              | Female   | Hrs.        | 29,786 | 70,057  |
|              | Total  | Hrs.        | 79,371 | 204,980 |
|              | By level                                       |             | -      | -       |
|              | Top Management (L7-L11)                        | Hrs.        | 3,124  | 7,115   |
|              | Male   | Hrs.        | 1,935  | 5,413   |
|              | Female   | Hrs.        | 1,188  | 1,701   |
|              | Management (L5-L6)                             | Hrs.        | 17,337 | 44,933  |
|              | Male   | Hrs.        | 8,631  | 24,965  |
|              | Female   | Hrs.        | 8,706  | 19,969  |
|              | Operation (L1-L4)                              | Hrs.        | 58,910 | 152,932 |
|              | Male   | Hrs.        | 39,019 | 104,546 |
|              | Female   | Hrs.        | 19,892 | 48,387  |
|              | By skill                                       |             | 79,242 | 199,175 |
|              | Administration                                 | Hrs.        | 893    | 5,805   |
|              | Manufacturing                                  | Hrs.        | 11,282 | 12,440  |
|              | On the job training                            | Hrs.        | 958    | 115,700 |
|              | Service  | Hrs.        | 11,789 | 11,349  |
|              | Technical                                      | Hrs.        | 54,321 | 59,687  |







## Environmental Performance

### Materials

| GRI Standard     | Topic                                      | Unit   | STA       |           |           |
|------------------|--|--------|-----------|-----------|-----------|
|                  |  |        | FY2019    | FY2020    | FY2021    |
| GRI 301-1 (2016) | Materials used by weight or volume         | Tons   | 797,279   | 812,893   | 1,104,533 |
|                  | Renewable materials                        | Tons   | 789,715   | 800,943   | 1,093,057 |
|                  | Cuplump                                    | Tons   | 598,221   | 629,002   | 903,905   |
|                  | Fresh latex                                | Tons   | 111,241   | 119,756   | 129,244   |
|                  | Unsmoked Sheet /Ribbed smoked sheet        | Tons   | 80,253    | 52,185    | 59,908    |
|                  | Non-renewable materials                    | Tons   | 7,564     | 11,950    | 11,476    |
|                  | Styrene Butadiene Rubber (SBR)             | Tons   | 5,201     | 9,262     | 8,613     |
|                  | Ammonia                                    | Tons   | 2,363     | 2,688     | 2,863     |
|                  | Packaging                                  |        |           |           |           |
|                  | Plastic                                    | Tons   | 1,752     | 1,949     | 2,779     |
| GRI 301-1 (2016) | Recycled input materials used              |        |           |           |           |
|                  | Plastic                                    | Tons   | 580       | 779       | 1,137     |
| GRI 302-1 (2016) | Energy consumption within the organization |        |           |           |           |
|                  | Total energy consumption                   | GJ     | 1,454,573 | 1,619,079 | 2,168,934 |
|                  | Non-renewable energy consumption           | GJ     | 736,272   | 862,691   | 1,093,609 |
|                  | Diesel                                     | GJ     | 63,982    | 74,974    | 106,737   |
|                  | LPG  | GJ     | 99,102    | 157,658   | 203,993   |
|                  | Purchased electricity                      | GJ     | 573,188   | 630,059   | 782,879   |
|                  | Steam and heat                             | GJ     | 718,301   | 756,388   | 1,075,324 |
|                  | Renewable energy consumption               | GJ     | 718,301   | 756,388   | 1,075,324 |
|                  | Biomass (woodchips)                        | GJ     | 718,301   | 756,388   | 1,075,324 |
|                  | Solar power                                | GJ     | -         | -         | -         |
| GRI 302-3 (2016) | Energy consumption intensity               | GJ/Ton | 1.68      | 1.91      | 1.86      |





## GHG Emissions

| GRI Standard     | Topic   | Unit  | STA     |         |           |
|------------------|---|---|---------|---------|-----------|
|                  |   |   | FY2019  | FY2020  | FY2021    |
| GRI 305-1 (2016) | Direct (Scope 1) GHG emissions                | tCO2-eq   | -       | 15,129  | 32,983    |
|                  | - CO <sub>2</sub>                             | tCO2-eq   | -       | 11,100  | 15,314    |
|                  | - CH <sub>4</sub>                             | tCO2-eq   | -       | 3,945   | 17,349    |
|                  | - N <sub>2</sub> O                            | tCO2-eq   | -       | 84      | 119       |
|                  | - HCFCs                                       | tCO2-eq   | -       | -       | 201       |
|                  | - Biogenic CO <sub>2</sub>                    | tCO2-eq   | -       | 1,923   | 2,102     |
| GRI 305-2 (2016) | Energy indirect (Scope 2) GHG emissions       | tCO2-eq   | -       | 81,556  | 108,514   |
|                  | - CO <sub>2</sub>                             | tCO2-eq   | -       | 81,556  | 108,514   |
|                  | Total scope 1 & 2 GHG emissions               | tCO2-eq   | -       | 96,685  | 141,497   |
| GRI 305-4 (2016) | Total production                              | Tons  | 848,943 | 868,355 | 1,164,473 |
|                  | GHG emissions intensity                       | tCO2-eq   | 0.12    | 0.11    | 0.12      |
| GRI 305-5 (2016) | GHG emissions reduction                       | tCO2-eq   | -       | -       | -         |
| GRI 305-6        | Emissions of ozone-depleting substances (ODS) | (ton CFC-11e)<br>(trichlorofluoromethane)<br>equivalent | -       | -       | -         |
|                  | 1. HCFC22                                     | Ton   | -       | -       | 0.11      |
|                  | 2. Ozone-depleting substances                 | ton CFC-11e   | -       | -       | -         |

Note :

1. The calculation of GHG emissions and used emissions factors followed the 2006 IPCC Guidelines and Thailand Greenhouse Gas Management Organization (Public Organization) (TGO). Global Warming Potential (GWP) used in the calculation referred to the IPCC Fifth Assessment Report 2015 (AR5).
2. Emission factor used for the calculation of indirect (scope 2) GHG emissions from purchased electricity followed the value set by TGO
3. The calculation of GHG emissions intensity included direct (scope 1) GHG emissions and indirect (scope 2) GHG emissions.
4. 2021 GHG emissions data was verified by LRQA (Thailand) Limited which is a third party verifier.
5. The Company has reviewed and re-calculated the data of 2020 GHG emissions by using the same calculation methods as 2021 GHG emission calculation.



## Air Pollutions

| GRI Standard     | Topic   | Unit              | STA    |        |        |
|------------------|---|-------------------|--------|--------|--------|
|                  |   |                   | FY2019 | FY2020 | FY2021 |
| GRI 305-7 (2016) | NO <sub>x</sub> (from combustion)                   | Tons              | 106.6  | 107.2  | 22.4   |
|                  | NO <sub>x</sub> intensity                           | (Tons/Ton)        | -      | -      | -      |
|                  | SO <sub>2</sub> (from combustion)                   | ppm               | 24     | 59     | 22     |
|                  | SO <sub>2</sub> intensity                           | (Tons/Ton)        | -      | -      | -      |
|                  | Total Suspended Particulate (TSP) (from combustion) | mg/m <sup>3</sup> | 380    | 106    | 13     |
|                  | TSP intensity (from combustion)                     | (Tons/Ton)        | -      | -      | -      |

## Water Withdrawal

| GRI Standard     | Topic   | Unit                 | STA    |        |        |
|------------------|---|----------------------|--------|--------|--------|
|                  |   |                      | FY2019 | FY2020 | FY2021 |
| GRI 303-3 (2018) | Water withdrawal by sources & by total dissolved solids                             | million cubic meters | 2      | 2      | 2      |
|                  | Water withdrawal from freshwater sources ( $\leq$ 1,000 mg/L Total Dissolve Solids) | million cubic meters | 2      | 2      | 2      |
|                  | - Surface water/river water   | million cubic meters | 1      | 1      | 0      |
|                  | - Groundwater   | million cubic meters | 1      | 2      | 1      |
|                  | - Water from raw materials  | million cubic meters | -      | -      | -      |
|                  | - Tap water   | million cubic meters | 0      | 0      | 0      |
|                  | Water withdrawal from other water sources ( $>$ 1,000 mg/L Total Dissolve Solids)   | million cubic meters | -      | -      | -      |
|                  | - Surface water/river water   | million cubic meters | -      | -      | -      |
|                  | - Groundwater   | million cubic meters | -      | -      | -      |
|                  | - Water from raw materials  | million cubic meters | -      | -      | -      |
|                  | - Tap water   | million cubic meters | -      | -      | -      |
|                  | Total water withdrawal from all areas with water stress                             | million cubic meters | -      | -      | -      |





| GRI Standard     | Topic  | Unit                 | STA    |        |        |
|------------------|--|----------------------|--------|--------|--------|
|                  |  |                      | FY2019 | FY2020 | FY2021 |
| GRI 303-3 (2018) | <b>Water withdrawal from freshwater sources (<math>\leq</math> 1,000 mg/L Total Dissolve Solids) in the areas with water stress</b>  | million cubic meters | -      | -      | -      |
|                  | - Surface water/river water  | million cubic meters | -      | -      | -      |
|                  | - Groundwater  | million cubic meters | -      | -      | -      |
|                  | - Water from raw materials   | million cubic meters | -      | -      | -      |
|                  | - Tap water  | million cubic meters | -      | -      | -      |
|                  | <b>Water withdrawal from other water sources (<math>&gt;</math> 1,000 mg/L Total Dissolve Solids) in the areas with water stress</b> | million cubic meters | -      | -      | -      |
|                  | - Surface water/river water  | million cubic meters | -      | -      | -      |
|                  | - Groundwater  | million cubic meters | -      | -      | -      |
|                  | - Water from raw materials   | million cubic meters | -      | -      | -      |
|                  | - Tap water  | million cubic meters | -      | -      | -      |
|                  | <b>Total water withdrawal</b>  | million cubic meters | 2      | 2      | 2      |
|                  | - Surface water/river water  | million cubic meters | 1      | 1      | 0      |
|                  | - Groundwater  | million cubic meters | 1      | 2      | 1      |
|                  | - Water from raw materials   | million cubic meters | -      | -      | -      |
|                  | - Tap water  | million cubic meters | 0      | 0      | 0      |

## Water Discharge

| GRI Standard     | Topic  | Unit                 | STA    |        |        |
|------------------|--|----------------------|--------|--------|--------|
|                  |  |                      | FY2019 | FY2020 | FY2021 |
| GRI 303-4 (2018) | <b>Water discharge by destination and by total dissolved solid</b> | million cubic meters | -      | -      | -      |
|                  | <b>Water discharged to canals</b>                                  | million cubic meters | -      | -      | -      |
|                  | - Freshwater ( $\leq$ 1,000 mg/L Total Dissolve Solids)            | million cubic meters | -      | -      | -      |
|                  | - Other water ( $>$ 1,000 mg/L Total Dissolve Solids)              | million cubic meters | -      | -      | -      |
|                  | <b>Water discharged to cannals in water stress areas</b>           | million cubic meters | -      | -      | -      |
|                  | - Freshwater ( $\leq$ 1,000 mg/L Total Dissolve Solids)            | million cubic meters | -      | -      | -      |
|                  | - Other water ( $>$ 1,000 mg/L Total Dissolve Solids)              | million cubic meters | -      | -      | -      |



## Water & Effluent Management

| GRI Standard     | Topic   | Unit                 | STA    |        |        |
|------------------|---|----------------------|--------|--------|--------|
|                  |   |                      | FY2019 | FY2020 | FY2021 |
| GRI 303-3 (2018) | Total water recycled & reused                                     | million cubic meters | -      | -      | -      |
|                  | Percentage of water recycled and reused to total water withdrawal | %                    | -      | -      | -      |
|                  | <b>Water discharge quality</b>                                    |                      |        |        |        |
|                  | - BOD   | mg/L                 | 6.8    | 9.2    | 5.1    |
|                  | - COD   | mg/L                 | 46.7   | 60.8   | 41.8   |
|                  | - SS  | mg/L                 | 12.9   | 17.5   | 8.9    |
|                  | - pH  | -                    | 7.6    | 7.7    | 7.4    |
|                  | - TDS   | mg/L                 | 509.4  | 572.8  | 880.7  |
|                  | - Oil&Grease  | mg/L                 | 1      | 1.4    | 1.5    |

## Water Consumption

| GRI Standard     | Topic  | Unit                 | STA    |        |        |
|------------------|--|----------------------|--------|--------|--------|
|                  |  |                      | FY2019 | FY2020 | FY2021 |
| GRI 303-5 (2018) | Water consumption  | million cubic meters | 2.3    | 1.9    | 1.9    |
|                  | Water consumption in water stress areas                              | million cubic meters | -      | -      | -      |
|                  | Change in water storage in tank between Jan 1 and Dec 31 of the year | million cubic meters | -      | -      | -      |

Note :

1. Aqueduct Water Risk Atlas of World Resources Institute (WRI) was used as a credible tool for assessing areas with water stress.



## Waste Management

| GRI Standard     | Topic  | Unit        | STA          |              |              |
|------------------|--|-------------|--------------|--------------|--------------|
|                  |  |             | FY2019       | FY2020       | FY2021       |
| GRI 306-3 (2020) | <b>Total weight of waste generated</b>   | <b>Tons</b> | <b>4,129</b> | <b>4,708</b> | <b>8,417</b> |
|                  | - Hazardous waste generated  | Tons        | 39           | 71           | 73           |
|                  | - Non-hazardous waste generated  | Tons        | 4,091        | 4,637        | 8,344        |
| GRI 306-4 (2020) | <b>Total weight of waste diverted from disposal by reuse, recycling or other recovery</b>      | <b>Tons</b> | <b>2,561</b> | <b>3,535</b> | <b>6,642</b> |
|                  | <b>Total hazardous waste diverted from disposal by reuse, recycling or other recovery</b>      | <b>Tons</b> | <b>36</b>    | <b>68</b>    | <b>65</b>    |
|                  | - Preparation for reuse  | Tons        | -            | 0            | 0            |
|                  | Onsite preparation for reuse   | Tons        | -            | 0            | 0            |
|                  | Offsite preparation for reuse  | Tons        | -            | -            | -            |
|                  | - Recycling  | Tons        | 0            | 0            | 0            |
|                  | Onsite preparation for reuse   | Tons        | -            | 0            | 0            |
|                  | Offsite preparation for reuse  | Tons        | 0            | 0            | -            |
|                  | - Energy recovery (Other recovery operations)  | Tons        | 36           | 68           | 65           |
|                  | Onsite preparation for reuse   | Tons        | -            | -            | -            |
|                  | Offsite preparation for reuse  | Tons        | 36           | 68           | 65           |
|                  | <b>Total non-hazardous waste diverted from disposal by reuse, recycling or other recovery)</b> | <b>Tons</b> | <b>2,525</b> | <b>3,467</b> | <b>6,576</b> |
|                  | - Preparation for reuse  | Tons        | -            | -            | -            |
|                  | Onsite preparation for reuse   | Tons        | -            | -            | -            |
|                  | Offsite preparation for reuse  | Tons        | -            | -            | -            |
|                  | - Recycling  | Tons        | 338          | 932          | 1,408        |
|                  | Onsite recycling   | Tons        | 9            | 0            | 49           |
|                  | Offsite recycling  | Tons        | 329          | 931          | 1,359        |



| GRI Standard     | Topic   | Unit        | STA       |           |            |
|------------------|---|-------------|-----------|-----------|------------|
|                  |   |             | FY2019    | FY2020    | FY2021     |
| GRI 306-4 (2020) | - Energy recovery (Other recovery operations)         | Tons        | 2,187     | 2,535     | 5,169      |
|                  | Other onsite recovery                                 | Tons        | 2,185     | 2,530     | 5,166      |
|                  | Other offsite recovery                                | Tons        | 2         | 5         | 3          |
| GRI 306-5 (2020) | <b>Total weight of waste directed to disposal</b>     | <b>Tons</b> | <b>27</b> | <b>99</b> | <b>149</b> |
|                  | <b>Total hazardous waste directed to disposal</b>     | <b>Tons</b> | <b>2</b>  | <b>8</b>  | <b>8</b>   |
|                  | - Incineration with energy recovery                   | Tons        | -         | -         | -          |
|                  | Onsite incineration with energy recovery              | Tons        | -         | -         | -          |
|                  | Offsite incineration with energy recovery             | Tons        | -         | -         | -          |
|                  | - Incineration without energy recovery                | Tons        | 2         | 5         | 3          |
|                  | Onsite incineration without energy recovery           | Tons        | -         | -         | -          |
|                  | Offsite incineration without energy recovery          | Tons        | 2         | 5         | 3          |
|                  | - Landfilling   | Tons        | 0         | 2         | 5          |
|                  | Onsite landfilling                                    | Tons        | -         | -         | -          |
|                  | Offsite landfilling                                   | Tons        | 0         | 2         | 5          |
|                  | - Other disposal operations                           | Tons        | -         | -         | -          |
|                  | Other onsite disposal operations                      | Tons        | -         | -         | -          |
|                  | Other offsite disposal operations                     | Tons        | -         | -         | -          |
|                  | <b>Total non-hazardous waste directed to disposal</b> | <b>Tons</b> | <b>25</b> | <b>91</b> | <b>142</b> |
|                  | - Incineration with energy recovery                   | Tons        | -         | -         | 57         |
|                  | Onsite incineration with energy recovery              | Tons        | -         | -         | -          |
|                  | Offsite incineration with energy recovery             | Tons        | -         | -         | 57         |





| GRI Standard     | Topic  | Unit | STA    |        |        |
|------------------|--|------|--------|--------|--------|
|                  |  |      | FY2019 | FY2020 | FY2021 |
| GRI 306-5 (2020) | - Incineration without energy recovery       | Tons | -      | -      | -      |
|                  | Onsite incineration without energy recovery  | Tons | -      | -      | -      |
|                  | Offsite incineration without energy recovery | Tons | -      | -      | -      |
|                  | - Landfilling                                | Tons | 25     | 91     | 84     |
|                  | Onsite landfilling                           | Tons | -      | -      | -      |
|                  | Offsite landfilling                          | Tons | 25     | 91     | 84     |
|                  | - Other disposal operations                  | Tons | -      | -      | -      |
|                  | Other onsite disposal operations             | Tons | -      | -      | -      |
|                  | Other offsite disposal operations            | Tons | -      | -      | -      |

## Oil & Chemical Spills

| GRI Standard     | Topic   | Unit           | STA    |        |        |
|------------------|---|----------------|--------|--------|--------|
|                  |   |                | FY2019 | FY2020 | FY2021 |
| GRI 306-3 (2016) | Numbers of incidents related to the significant spills of chemical, oil, effluent and waste ( <i>affecting impacts on environment, communities, and natural resources</i> ) | Cases          | 0      | 0      | 0      |
|                  | Quantity of oil, chemical, and hazardous substances spills  | m <sup>3</sup> | 0      | 0      | 0      |



## Environmental Compliance

| GRI Standard     | Topic  | Unit  | STA    |        |        |
|------------------|--|-------|--------|--------|--------|
|                  |  |       | FY2019 | FY2020 | FY2021 |
| GRI 307-1 (2016) | Numbers of cases associated with non-compliance with environmental laws and regulations        | Cases | 1      | 1      | 2      |
|                  | Monetary value of fines associated with non-compliance with environmental laws and regulations | Baht  | 30,000 | 30,000 | 67,500 |

## Supplier Environmental Assessment

| GRI Standard     | Topic  | Unit   | STA    |        |        |
|------------------|--|--------|--------|--------|--------|
|                  |  |        | FY2019 | FY2020 | FY2021 |
| GRI 308-1 (2016) | Percentage of new suppliers that were screened using environmental criteria  | %      | 100    | 100    | 100    |
| GRI 308-2 (2016) | Number of suppliers assessed for environmental impacts   | Person | 1,124  | 1,155  | 1,223  |
|                  | Number of suppliers identified as having significant actual and potential negative environmental impacts                       | Person | 0      | 0      | 0      |
|                  | Percentage of suppliers with negative environmental impacts with which improvement were agreed                                 | %      | 0      | 0      | 0      |
|                  | Percentage of suppliers with negative environmental impacts with which relationships were terminated as a result of assessment | %      | 0      | 0      | 0      |







# LRQA Independent Assurance Statement

## Relating to Sri Trang Agro-Industry Public Company Limited 's Sustainability Report for the calendar year 2021

This Assurance Statement has been prepared for Sri Trang Agro-Industry Public Company Limited in accordance with our contract but is intended for the readers of this Report.

### Terms of engagement

LRQA (Thailand) Limited was commissioned by Sri Trang Agro-Industry Public Company Limited (STA) to provide independent assurance on its sustainability report ("the report") against the AccountAbility's AA1000AS v3 assurance criteria to a moderate level of assurance for the GRI specific standard disclosures listed below and materiality level of the professional judgement of the verifier is applied, where the scope was a Type 2 engagement.

Our assurance engagement covered STA's operations and activities in Thailand only and specifically the following requirements:

- Evaluating the reliability of data and information for only the selected environmental indicators listed below:
  - GRI 305-1: Direct GHG emissions (Scope 1)<sup>2</sup>
  - GRI 305-2: Energy indirect GHG emissions (Scope 2)

Our assurance engagement excluded the data and information of STA's operations and activities outside Thailand, as well as suppliers, contractors and any third parties mentioned in the report.

LRQA's responsibility is only to STA. LRQA disclaims any liability or responsibility to others as explained in the end footnote. STAs' responsibility is for collecting, aggregating, analysing and presenting all the data and information within the report and for maintaining effective internal controls over the systems from which the report is derived. Ultimately, the report has been approved by, and remains the responsibility of STA.

### LRQA's Opinion

Based on LRQA's approach nothing has come to our attention that would cause us to believe that Sri Trang Agro-Industry Public Company Limited has not, in all material respects:

- Met the requirements above
- Disclosed reliable performance data and information as no errors or omissions were detected

The opinion expressed is formed on the basis of a moderate level of assurance and at the materiality of the professional judgement of the verifier.

**Note:** The extent of evidence-gathering for a moderate level of assurance engagement is less than for a moderate level of assurance engagement. Moderate assurance engagements focus on aggregated data rather than physically checking source data at sites. Consequently, the level of assurance obtained in a moderate assurance engagement is substantially lower than the assurance that would have been obtained had a moderate assurance engagement been performed.

### LRQA's approach

LRQA's assurance engagements are carried out using AA1000AS v3. The following tasks though were undertaken as part of the evidence gathering process for this assurance engagement:

- Auditing STA's data management systems to confirm that there were no significant errors, material mis-statements in the report. We did this by reviewing the effectiveness of data handling procedures, instructions, and systems, including those for internal verification. We also spoke with those key people responsible for compiling the data and drafting the report.
- Sampling of evidence during remote verification for eight sites to confirm to sample performance data and information for only the selected indicators to confirm its reliability.

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<sup>1</sup> <https://www.globalreporting.org>

<sup>2</sup> GHG quantification is subject to inherent uncertainty.





- Remote verification at STA's sites included;
  - Sri Trang Agro-Industry Public Company Limited (Kanchanadit Branch)
  - Sri Trang Agro-Industry Public Company Limited (Trang Branch)
  - Sri Trang Agro-Industry Public Company Limited (Ubon Ratchathani Branch)
  - Sri Trang Agro-Industry Public Company Limited (Loei Branch)
  - Rubberland Products Company Limited (Mukdahan Branch)
  - Sri Trang Agro-Industry Public Company Limited (Trang Branch)
  - Rubberland Products Company Limited (Buriram Branch)
  - Sri Trang Agro-Industry Public Company Limited (Sikao Branch)

### Observations

Further observations and findings, made during the assurance engagement, is:

- Reliability: Data management systems are properly defined for the selected environmental indicators. However, we believe that STA's future reports should extend the boundary of GHGs emission disclosure to all fugitive emissions e.g., N<sub>2</sub>O from wastewater treatment process.

### LRQA's standards, competence and independence

LRQA ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.

This verification is the only works undertaken by LRQA for Sri Trang Agro-Industry Public Company Limited and as such does not compromise our independence or impartiality.

*Kamiga S.*

LRQA Lead Verifier  
Kamiga Sukkeaw

Dated: 28 February 2022

On behalf of LRQA (Thailand) Limited  
22nd Floor, Sirinrat Building, 3388/78 Rama IV Road  
Klongton, Klongtoey, Bangkok 10110 Thailand

LRQA reference: BGK00000761

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**Table 1. Summary of Sri Trang Agro-Industry Public Company Limited, GHG Assertion 2021**

| Scope of CO2 emissions   | CY 2021<br>01 Jan - 31 Dec 2021 |
|--|---------------------------------|
| GRI 305-1: Direct GHG emissions (Scope 1).   | 32,983                          |
| Biogenic emissions.  | 2,102                           |
| GRI 305-2: Energy indirect GHG emissions (Scope 2).  | 108,514                         |
| Notes: <ul style="list-style-type: none"> <li>• Data is presented in tonnes of CO<sub>2</sub> equivalent.</li> <li>• CY2020 is an organization selected base year</li> </ul> |                                 |

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## General Standard Disclosures

| GRI Standard  | Disclosure                    | Page  | Omission                          | External Assurance | SDGs      |
|---|-------------------------------|---|-----------------------------------|--------------------|-----------|
| <b>GRI 101: Foundation 2016</b><br><b>General Disclosures</b> |                               |   |                                   |                    |           |
| <b>GRI 102: General Disclosures 2016</b>                      | <b>Organizational Profile</b> |   |                                   |                    |           |
|   | 102-1                         | Name of the organization  | 14                                |                    |           |
|   | 102-2                         | Activities, brands, products, and services                                    | 17                                |                    |           |
|   | 102-3                         | Location of headquarters  | 14                                |                    |           |
|   | 102-4                         | Location of operations  | 22-24                             |                    |           |
|   | 102-5                         | Ownership and legal form  | 16                                |                    |           |
|   | 102-6                         | Markets served  | 21                                |                    |           |
|   | 102-7                         | Scale of the organization   | 14                                |                    |           |
|   | 102-8                         | Information on employees and other workers                                    | 112-113                           |                    | SDG 8, 10 |
|   | 102-9                         | Supply chain  | 17-21                             |                    |           |
|   | 102-10                        | Significant changes to the organization and its supply chain                  | 8                                 |                    |           |
|   | 102-11                        | Precautionary Principle or approach   | 51                                |                    |           |
|   | 102-12                        | External initiatives  | 46, 59, 60, 95-99                 |                    |           |
|   | 102-13                        | Membership of associations  | 35                                |                    |           |
|   | <b>Strategy</b>               |   |                                   |                    |           |
|   | 102-14                        | Statement from senior decision-maker  | 4-7                               |                    |           |
|   | 102-15                        | Key impacts, risks, and opportunities   | 51                                |                    |           |
|   | <b>Ethics and Integrity</b>   |   |                                   |                    |           |
|   | 102-16                        | Values, principles, standards, and norms of behavior                          | 46                                |                    | SDG 16    |
|   | 102-17                        | Mechanisms for advice and concerns about ethics                               | 46-48                             |                    | SDG 16    |
|   | <b>Governance</b>             |   |                                   |                    |           |
|   | 102-18                        | Governance structure  | 37                                |                    |           |
|   | 102-19                        | Delegating authority  | 37                                |                    |           |
|   | 102-20                        | Executive-level responsibility for economic, environmental, and social topics | 37                                |                    |           |
|   | 102-22                        | Composition of the highest governance body and its committees                 | 37, 40-41                         |                    | SDG 5, 16 |
|   | 102-23                        | Chair of the highest governance body  | 37                                |                    | SDG 16    |
|   | 102-24                        | Nominating and selecting the highest governance body                          | 56-1<br>One Report 2021, page 144 |                    | SDG 5, 16 |





| GRI Standard                                    | Disclosure             |  | Page                          | Omission | External Assurance | SDGs   |
|---|------------------------|--|-------------------------------|----------|--------------------|--------|
| GRI 101: Foundation 2016<br>General Disclosures |                        |  |                               |          |                    |        |
| GRI 102: General Disclosures 2016               | Governance             |  |                               |          |                    |        |
|   | 102-25                 | Conflicts of interest  | 45                            |          |                    | SDG 16 |
|   | 102-26                 | Role of highest governance body in setting purpose, values, and strategy | 40                            |          |                    |        |
|   | 102-27                 | Collective knowledge of highest governance body                          | 44                            |          |                    | SDG 4  |
|   | 102-28                 | Evaluating the highest governance body's performance                     | 42                            |          |                    |        |
|   | 102-29                 | Identifying and managing economic, environmental, and social impacts     | 50-55                         |          |                    | SDG 16 |
|   | 102-30                 | Effectiveness of risk management processes                               | 50                            |          |                    |        |
|   | 102-31                 | Review of economic, environmental, and social topics                     | 56-1 One Report 2021, page 64 |          |                    |        |
|   | 102-32                 | Highest governance body's role in sustainability reporting               | 9, 10                         |          |                    |        |
|   | 102-33                 | Communicating critical concerns  | 49                            |          |                    |        |
|   | 102-34                 | Nature and total number of critical concerns                             | 49-55                         |          |                    |        |
|   | 102-35                 | Remuneration policies  | 43                            |          |                    |        |
|   | 102-36                 | Process for determining remuneration                                     | 43                            |          |                    |        |
|   | Stakeholder Engagement |  |                               |          |                    |        |
|   | 102-40                 | List of stakeholder groups   | 30, 31-34                     |          |                    |        |
|   | 102-41                 | Collective bargaining agreements   | 63                            |          |                    | SDG 8  |
|   | 102-42                 | Identifying and selecting stakeholders                                   | 30                            |          |                    |        |
|   | 102-43                 | Approach to stakeholder engagement                                       | 31-34                         |          |                    |        |
|   | 102-44                 | Key topics and concerns raised   | 31-34                         |          |                    |        |
|   | Reporting Practice     |  |                               |          |                    |        |
|   | 102-45                 | Entities included in the consolidated financial statements               | 9                             |          |                    |        |
|   | 102-46                 | Defining report content and topic Boundaries                             | 11-13                         |          |                    |        |
|   | 102-47                 | List of material topics  | 11-13                         |          |                    |        |
|   | 102-48                 | Restatements of information  | 8                             |          |                    |        |
|   | 102-49                 | Changes in reporting   | 8                             |          |                    |        |
|   | 102-50                 | Reporting period   | 8                             |          |                    |        |
|   | 102-51                 | Date of most recent report   | 8                             |          |                    |        |
|   | 102-52                 | Reporting cycle  | 8                             |          |                    |        |
|   | 102-53                 | Contact point for questions regarding the report                         | 9                             |          |                    |        |
|   | 102-54                 | Claims of reporting in accordance with the GRI Standards                 | 8                             |          |                    |        |
|   | 102-55                 | GRI content index  | 133-139                       |          |                    |        |
|   | 102-56                 | External assurance   | 130-132                       |          |                    |        |



| GRI Standard                          | Disclosure            |  | Page                | Omission | External Assurance | SDGs           |
|---------------------------------------|-----------------------|--|---------------------|----------|--------------------|----------------|
| Material Topics                       |                       |  |                     |          |                    |                |
| GRI 200 Economic Standard Series      |                       |  |                     |          |                    |                |
| GRI 103: Management Approach 2016     | Economic Performance  |  |                     |          |                    |                |
|                                       | 103-1                 | Explanation of the material topic and its Boundary                       | 10-11, 30-34        |          |                    |                |
|                                       | 103-2                 | The management approach and its components                               |                     |          |                    |                |
|                                       | 103-3                 | Evaluation of the management approach                                    |                     |          |                    |                |
| GRI 201: Economic Performance 2016    | 201-1                 | Direct economic value generated and distributed                          | 36, 110             |          |                    | SDG 2, 5, 8, 9 |
| Risk Management                       | STA Indicator         | KRI does not exceed risk thresholds                                      | 51                  |          |                    |                |
| GRI 103: Management Approach 2016     | Procurement Practices |  |                     |          |                    |                |
|                                       | 103-1                 | Explanation of the material topic and its Boundary                       | 10-11, 33, 81-86    |          |                    |                |
|                                       | 103-2                 | The management approach and its components                               | 81-86               |          |                    |                |
|                                       | 103-3                 | Evaluation of the management approach                                    | 81-86               |          |                    |                |
| GRI 204: Procurement Practices 2016   | 204-1                 | Proportion of spending on local suppliers                                | 83, 111             |          |                    | SDG 5, 8       |
| GRI 103: Management Approach 2016     | Anti-corruption       |  |                     |          |                    |                |
|                                       | 103-1                 | Explanation of the material topic and its Boundary                       | 10-11, 33-34, 47-48 |          |                    |                |
|                                       | 103-2                 | The management approach and its components                               | 47-48               |          |                    |                |
|                                       | 103-3                 | Evaluation of the management approach                                    | 47-48               |          |                    |                |
| GRI 205: Anti-corruption 2016         | 205-1                 | Operations assessed for risks related to corruption                      | 47                  |          |                    | SDG 16         |
|                                       | 205-2                 | Communication and training about anti-corruption policies and procedures | 47                  |          |                    | SDG 16         |
| Material Topics                       |                       |  |                     |          |                    |                |
| GRI 300 Environmental Standard Series |                       |  |                     |          |                    |                |
| GRI 103: Management Approach 2016     | Materials             |  |                     |          |                    |                |
|                                       | 103-1                 | Explanation of the material topic and its Boundary                       | 10, 13, 26, 33, 84  |          |                    |                |
|                                       | 103-2                 | The management approach and its components                               | 84-86               |          |                    |                |
|                                       | 103-3                 | Evaluation of the management approach                                    | 84-86               |          |                    |                |
| GRI 301: Materials 2016               | 301-1                 | Materials used by weight or volume                                       | 116                 |          |                    | SDG 8, 12      |
|                                       | 301-2                 | Recycled input materials used  | 116                 |          |                    | SDG 8, 12      |
|                                       | 301-3                 | Reclaimed products and their packaging materials                         | 116                 |          |                    | SDG 8, 12      |
| GRI 103: Management Approach 2016     | Energy                |  |                     |          |                    |                |
|                                       | 103-1                 | Explanation of the material topic and its Boundary                       | 10, 13, 34, 96      |          |                    |                |
|                                       | 103-2                 | The management approach and its components                               | 96-98               |          |                    |                |
|                                       | 103-3                 | Evaluation of the management approach                                    | 96-98               |          |                    |                |



| GRI Standard   | Disclosure          |  | Page                | Omission   | External Assurance | SDGs                  |
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| Material Topics<br>GRI 300 Environmental Standard Series |                     |  |                     |  |                    |                       |
| GRI 302: Energy 2016                                     | Energy              |  |                     |  |                    |                       |
|  | 302-1               | Energy consumption within the organization                 | 117                 |  |                    | SDG 7, 8, 12, 13      |
|  | 302-3               | Energy intensity   | 98, 117             |  |                    | SDG 7, 8, 12, 13      |
|  | 302-4               | Reduction of energy consumption                            | 98, 117             |  |                    | SDG 7, 8, 12, 13      |
|  | 302-5               | Reductions in energy requirements of products and services | 97-98               |  |                    | SDG 7, 8, 12, 13      |
| GRI 103: Management Approach 2016                        | Water and Effluents |  |                     |  |                    |                       |
|  | 103-1               | Explanation of the material topic and its Boundary         | 10, 13, 34, 99, 101 |  |                    |                       |
|  | 103-2               | The management approach and its components                 | 99-101              |  |                    |                       |
|  | 103-3               | Evaluation of the management approach                      | 99-101              |  |                    |                       |
| GRI 303: Water and Effluents 2018                        | 303-1               | Interactions with water as a shared resource               | 99, 101             |  |                    | SDG 6, 12             |
|  | 303-2               | Management of water discharge-related impacts              | 99, 101             |  |                    | SDG 6                 |
|  | 303-3               | Water withdrawal by source                                 | 100, 120-121        |  |                    | SDG 6                 |
|  | 303-4               | Water discharge  | 122                 |  |                    | SDG 6                 |
|  | 303-5               | Water consumption  | 123                 |  |                    | SDG 6                 |
| GRI 103: Management Approach 2016                        | Emissions           |  |                     |  |                    |                       |
|  | 103-1               | Explanation of the material topic and its Boundary         | 10, 13, 34, 96, 102 |  |                    |                       |
|  | 103-2               | The management approach and its components                 | 96-98, 102          |  |                    |                       |
|  | 103-3               | Evaluation of the management approach                      | 96-98, 102          |  |                    |                       |
| GRI 305: Emissions 2016                                  | 305-1               | Direct (Scope 1) GHG emissions                             | 98, 118             | N2O emission from the Company's wastewater treatment process is not included in the direct (scope 1) GHG emissions since the information is unavailable. However, the data will be available for the report in 2022. | Yes                | SDG 3, 12, 13, 14, 15 |
|  | 305-2               | Energy indirect (Scope 2) GHG emissions                    | 98, 118             |  | Yes                | SDG 3, 12, 13, 14, 15 |



| GRI Standard   | Disclosure                        |   | Page               | Omission | External Assurance | SDGs                |
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| Material Topics<br>GRI 300 Environmental Standard Series |                                   |   |                    |          |                    |                     |
| GRI 305: Emissions 2016                                  | Emissions                         |   |                    |          |                    |                     |
|  | 305-4                             | GHG emissions intensity   | 98, 119            |          |                    | SDG 13, 14, 15      |
|  | 305-5                             | Reduction of GHG emissions  | 98, 119            |          |                    | SDG 13, 14, 15      |
|  | 305-7                             | Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions | 119-120            |          |                    | SDG 3, 12, 14, 15   |
| GRI 103: Management Approach 2016                        | Waste                             |   |                    |          |                    |                     |
|  | 103-1                             | Explanation of the material topic and its Boundary                              | 10, 13, 34, 103    |          |                    |                     |
|  | 103-2                             | The management approach and its components                                      | 103-105            |          |                    |                     |
|  | 103-3                             | Evaluation of the management approach   | 103-105            |          |                    |                     |
| GRI 306: Waste 2020                                      | 306-1                             | Waste generation and significant waste-related impacts                          | 103                |          |                    | SDG 3, 6, 11, 12    |
|  | 306-2                             | Management of significant waste-related impacts                                 | 103                |          |                    | SDG 3, 6, 8, 11, 12 |
|  | 306-3                             | Waste generated   | 123                |          |                    | SDG 3, 11, 12       |
|  | 306-4                             | Waste diverted from disposal  | 123-124            |          |                    | SDG 3, 11, 12       |
|  | 306-5                             | Waste directed to disposal  | 124-125            |          |                    | SDG 3, 11, 12       |
| GRI 103: Management Approach 2016                        | Environmental Compliance          |   |                    |          |                    |                     |
|  | 103-1                             | Explanation of the material topic and its Boundary                              | 10, 13, 34, 95-105 |          |                    |                     |
|  | 103-2                             | The management approach and its components                                      | 95-105             |          |                    |                     |
|  | 103-3                             | Evaluation of the management approach   | 95-105             |          |                    |                     |
| GRI 307: Environmental Compliance 2016                   | Environmental Compliance          |   |                    |          |                    |                     |
|  | 307-1                             | Non-compliance with environmental laws and regulations                          | 127                |          |                    | SDG 16              |
| GRI 103: Management Approach 2016                        | Supplier Environmental Assessment |   |                    |          |                    |                     |
|  | 103-1                             | Explanation of the material topic and its Boundary                              | 10-11, 33-34, 81   |          |                    |                     |
|  | 103-2                             | The management approach and its components                                      | 81-83              |          |                    |                     |
|  | 103-3                             | Evaluation of the management approach   | 81-83              |          |                    |                     |
| GRI 308: Supplier Environmental Assessment 2016          | 308-1                             | New suppliers that were screened using environmental criteria                   | 127                |          |                    |                     |
|  | 308-2                             | Negative environmental impacts in the supply chain and actions taken            | 127                |          |                    |                     |





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| Material Topics<br>GRI 400 Social Standard Series |                                |  |                    |          |                    |                 |
| GRI 103:<br>Management Approach 2016              | Employement                    |  |                    |          |                    |                 |
|   | 103-1                          | Explanation of the material topic and its Boundary   | 10, 12, 32, 63     |          |                    |                 |
|   | 103-2                          | The management approach and its components   | 63                 |          |                    |                 |
|   | 103-3                          | Evaluation of the management approach  | 65                 |          |                    |                 |
| GRI 401:<br>Employment 2016                       | 401-1                          | New employee hires and employee turnover   | 65, 113-114        |          |                    | SDG 5, 8, 10    |
|   | 401-2                          | Benefits provided to full-time employees that are not provided to temporary or part-time employees | 63                 |          |                    | SDG 3, 5, 8     |
|   | 401-3                          | Parental leave   | 65, 114            |          |                    | SDG 5, 8        |
| GRI 103:<br>Management Approach 2016              | Occupational Health and Safety |  |                    |          |                    |                 |
|   | 103-1                          | Explanation of the material topic and its Boundary   | 10, 12, 32, 34, 74 |          |                    |                 |
|   | 103-2                          | The management approach and its components   | 74-79              |          |                    |                 |
|   | 103-3                          | Evaluation of the management approach  | 80                 |          |                    |                 |
| GRI 403:<br>Occupational Health and Safety 2018   | 403-1                          | Occupational health and safety management system   | 74                 |          |                    | SDG 8           |
|   | 403-2                          | Hazard identification, risk assessment, and incident investigation                                 | 75-76              |          |                    | SDG 3, 8        |
|   | 403-3                          | Occupational health services   | 77                 |          |                    | SDG 3, 8        |
|   | 403-4                          | Worker participation, consultation, and communication on   | 77                 |          |                    | SDG 8, 16       |
|   | 403-5                          | Worker training on occupational health and safety  | 78                 |          |                    | SDG 8           |
|   | 403-6                          | Promotion of worker health   | 78-79              |          |                    | SDG 3           |
|   | 403-7                          | Prevention and mitigation of occupational health and safety  | 79                 |          |                    | SDG 8           |
|   | 403-8                          | Workers covered by an occupational health and safety management system                             | 74-80              |          |                    | SDG 8           |
|   | 403-9                          | Work-related injuries  | 80                 |          |                    | SDG 3, 8, 16    |
|   | 403-10                         | Work-related ill health  | 80                 |          |                    | SDG 3, 8, 16    |
| GRI 103:<br>Management Approach 2016              | Training and Education         |  |                    |          |                    |                 |
|   | 103-1                          | Explanation of the material topic and its Boundary   | 10, 12, 32, 67     |          |                    |                 |
|   | 103-2                          | The management approach and its components   | 67-73              |          |                    |                 |
|   | 103-3                          | Evaluation of the management approach  | 67-73              |          |                    |                 |
| GRI 404:<br>Training and Education 2016           | 404-1                          | Average hours of training per year per employee  | 71, 115            |          |                    | SDG 4, 5, 8, 10 |
|   | 404-2                          | Programs for upgrading employee skills and transition assistance programs                          | 68-71              |          |                    | SDG 8           |
|   | 404-3                          | Percentage of employees receiving regular performance and career development reviews               | 66                 |          |                    | SDG 5, 8, 10    |



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| Material Topics<br>GRI 400 Social Standard Series |                                 |   |                |          |                    |              |
| GRI 103: Management Approach 2016                 | Diversity and Equal Opportunity |   |                |          |                    |              |
|   | 103-1                           | Explanation of the material topic and its Boundary  | 10, 12, 32, 63 |          |                    |              |
|   | 103-2                           | The management approach and its components  | 63, 66         |          |                    |              |
|   | 103-3                           | Evaluation of the management approach   | 63-66          |          |                    |              |
| GRI 405: Diversity and Equal Opportunity 2016     | 405-1                           | Diversity of governance bodies and employees  | 64, 112-113    |          |                    | SDG 5, 8     |
|   | 405-2                           | Ratio of basic salary and remuneration of women to men  | 66             |          |                    | SDG 5, 8, 10 |
| GRI 103: Management Approach 2016                 | Human Rights Assessment         |   |                |          |                    |              |
|   | 103-1                           | Explanation of the material topic and its Boundary  | 10, 12, 34, 59 |          |                    |              |
|   | 103-2                           | The management approach and its components  | 60-62          |          |                    |              |
|   | 103-3                           | Evaluation of the management approach   | 48, 61-62      |          |                    |              |
| GRI 412: Human Right Assessment 2016              | 412-1                           | Operations that have been subject to human rights reviews or impact assessments               | 61             |          |                    |              |
|   | 412-2                           | Employee training on human rights policies or procedures                                      | 47             |          |                    |              |
| GRI 103: Management Approach 2016                 | Local Communities               |   |                |          |                    |              |
|   | 103-1                           | Explanation of the material topic and its Boundary  | 10, 12, 34, 88 |          |                    |              |
|   | 103-2                           | The management approach and its components  | 88-94          |          |                    |              |
|   | 103-3                           | Evaluation of the management approach   | 88-94          |          |                    |              |
| GRI 413: Local Communities 2016                   | 413-1                           | Operations with local community engagement, impact assessments, and development programs      | 88-94          |          |                    |              |
|   | 413-2                           | Operations with significant actual and potential negative impacts on local communities        | 88-94          |          |                    | SDG 1, 2     |
| Community Engagement                              | STA Indicator                   | Community engagement score  | 88             |          |                    |              |
| GRI 103: Management Approach 2016                 | Customer Health and Safety      |   |                |          |                    |              |
|   | 103-1                           | Explanation of the material topic and its Boundary  | 10, 12, 32, 87 |          |                    |              |
|   | 103-2                           | The management approach and its components  | 87             |          |                    |              |
|   | 103-3                           | Evaluation of the management approach   | 87             |          |                    |              |
| GRI 416: Customer Health and Safety 2016          | 416-2                           | Incidents of non-compliance concerning the health and safety impacts of products and services | 111            |          |                    | SDG 16       |
| Customer Satisfaction                             | STA Indicator                   | Percentage of customer satisfaction related to products & services                            | 87, 111        |          |                    |              |





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| Material Topics<br>GRI 400 Social Standard Series |                          |  |                |          |                    |        |
| GRI 103: Management Approach 2016                 | Marketing and Labeling   |  |                |          |                    |        |
|   | 103-1                    | Explanation of the material topic and its Boundary   | 10, 12, 32, 87 |          |                    |        |
|   | 103-2                    | The management approach and its components   | 87             |          |                    |        |
|   | 103-3                    | Evaluation of the management approach  | 87             |          |                    |        |
| GRI 417: Marketing and Labeling 2016              | 417-2                    | Incidents of non-compliance concerning product and service information and labeling          | 87             |          |                    | SDG 16 |
|   | 417-3                    | Incidents of non-compliance concerning   | 87             |          |                    | SDG 16 |
| Customer Satisfaction                             | STA Indicator            | Percentage of customer satisfaction  | 87, 111        |          |                    |        |
| GRI 103: Management Approach 2016                 | Customer Privacy         |  |                |          |                    |        |
|   | 103-1                    | Explanation of the material topic and its Boundary   | 10, 12, 32, 87 |          |                    |        |
|   | 103-2                    | The management approach and its components   | 87             |          |                    |        |
|   | 103-3                    | Evaluation of the management approach  | 87             |          |                    |        |
| GRI 418: Customer Privacy 2016                    | 418-1                    | Substantiated complaints concerning breaches of customer privacy and losses of customer data | 87             |          |                    | SDG 16 |
| GRI 103: Management Approach 2016                 | Socioeconomic Compliance |  |                |          |                    |        |
|   | 103-1                    | Explanation of the material topic and its Boundary   | 10, 12, 34, 87 |          |                    |        |
|   | 103-2                    | The management approach and its components   | 87             |          |                    |        |
|   | 103-3                    | Evaluation of the management approach  | 87             |          |                    |        |
| GRI 419: Socio-economic Compliance 2016           | 419-1                    | Non-compliance with laws and regulations in the social and economic area                     | 111            |          |                    | SDG 16 |





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