



SRI TRANG NOVATION

SUSTAINABLE ECOSYSTEM

Sustainability Report 2022

Sri Trang Agro-Industry Public Company Limited

CONTENTS



Message From Chairman	2
Message From CEO	4
Getting to Know Sri Trang	8
Sustainable Responsibility Management	16
The Practices with Stakeholders	20
About this Report	24
Membership of Organizations for Economic, Social and Environmental Development	35



GOVERNANCE

Business Overview and Economic Performance	36
Corporate Governance	41
Anti-Corruption and Whistleblowing	51
Risk Management	54
Research, Development and Innovation	64



SOCIAL

Employees' Care and Development	67
Human Rights	74
Occupational Health and Safety	79
Supply Chain Management	85
Responsible for Customers and Consumers	92
Participation to Development Social and Communities	93



ENVIRONMENT

Environmental Policy and Management	108
Climate Change and Energy Management	110
Sustainable Water Management	113
Wastewater Management	115
Air Pollution Management	116
Waste And Unused Material Management	117
Consideration of Ecosystem and Biodiversity	120



AWARDS OF THE YEAR 2022

Economics Social and Environmental Performance	121
GRI Content Index	141
UN Global Compact Principles	148





Dr. Viyavood Sincharoenkul
Chairman

Message from the Chairman

After 2 years of widespread disruption, the Covid-19 pandemic was finally brought under control in 2022 as people around the world started to adjust to a life with Covid-19 as a normal part of it and business activities could again resume.

However, the global economy in 2022 had to contend with the Russia-Ukraine war, which caused an upheaval in energy prices and spurred global inflation. Economic growth was also constrained by the zero-Covid policy of China, a major player in the global economy. High volatility, particularly in commodity prices and currency exchange rates, was the theme of the global economy this past year.

Despite a challenging economic climate, Sri Trang Group still continued its steady growth, both in natural rubber production capacity and sales volume, which increased by 13 percent and 15 percent, respectively.

We understand that technology is key to steering the Group forward as well as taking the

natural rubber industry to another level. We have accordingly employed automation to increase production efficiency and developed applications, “Sri Trang Friends” and “Sri Trang Friends Station,” that provide rubber farmers with increased access and introduce traceability to the Group’s products. The feedback has been overwhelmingly positive and raw material procurement through the applications currently accounts for 100 percent of the total volume.

In 2022, we launched the application “Sri Trang Friends Station” to facilitate the sale and purchase of natural rubber and introduced the “Super Driver” service to accommodate rubber farmers who face logistical constraints in selling raw materials to the Group. We will keep working to improve the applications this year with a view to building a natural rubber ecosystem, driving growth, and setting a new industry standard amid the fast changes of the current digital era.

Sri Trang Group remains committed to being the world’s leading natural rubber company with a sales volume of 1.5 million tons in 2022 and plans to increase production capacity to 3.98 million tons to achieve a sales target of 2 million tons this year. In the glove business, Sri Trang Gloves (Thailand) Plc. (STGT) has been among the leading global producers for over 30 years. Currently, the global glove industry is still going through a transitional period after the height of the Covid-19 era. In response, we are focused on cost efficiency and believe that we will be able to get through this challenging time on the strength of our competitive advantages.

Aside from operational growth, we are equally focused on sustainability, with details of what we have accomplished on the environmental, social, and governance (ESG) issues as follows:



- o **Environmental:** We have implemented initiatives to reduce greenhouse gas emissions including the installation of rooftop and floating solar panels. Additionally, over 28,000 rais of our rubber plantations have received FSC certification.
- o **Social:** We put an emphasis on the benefits and living conditions of employees, provide equal opportunity to disabled people and take an equal and fair approach to human resources.
- o **Governance:** We operate with transparency and have received various accolades as inclusion in the THSI index for 8 consecutive years, membership in the Thai Private Sector Collective Action Against Corruption (CAC), and an excellent corporate governance score from the Thai Institute of Directors (IOD).

Even though the Company had to grapple with many difficulties during the past year, we have been able to overcome the challenges on the strength of our expertise and experience of over 35 years. We will build on the strengths of our operations to ensure that we will continue to grow and take our operations to new heights.

As Chairman of the Board of Directors, I would like to thank all employees for their hard work and dedication as well as all stakeholders who have supported Sri Trang Group throughout the years. I wish for the continued support this year so that Sri Trang Group, alongside Thailand’s natural rubber industry, will continue on a path of long-term, sustainable growth.



Mr. Veerasith Sinchareonkul
Chief Executive Officer

Message from CEO

2022 was the year when the world was recovering from the unfolding of the COVID-19 pandemic. But at the same time, it has also encountered new challenges, such as the energy crisis from the conflict between Russia and Ukraine, continuously high global inflation, as well as China's Zero-Covid policy, which remains uncertain towards recovery. All these various challenges have affected the global economic situation this year such that it remains highly volatile. Moreover, climate change remains one of the world's top risks affecting life and the global economy. Therefore, 2022 was still the year that companies still need to adapt to meet these challenges.

Focusing on sustainability transformation is a key factor for the Sri Trang Group to be able to grow continuously and steadily in the midst of various challenging situations. The Company is still focusing on sustainable business operations by integrating sustainability into every business process throughout the value chain from upstream to downstream, following the 4 Green Sustainability Guidelines (Green Products, Green Process, Green Procurement, Green Company), as well as creating a sustainable culture in the organization in order to be the one who brings sustainable change to the Thai rubber industry. In 2022, the Company carried out significant sustainability operations as follows:

Environmental Dimension

Sustainable Operations

The Company continued to strive to become a low-carbon rubber company by setting a goal to reduce greenhouse gas emissions from the production process per unit of product by implementing energy efficient improvement projects, utilizing EVs in business processes, and increasing the proportion of renewable energy in business operations, both from the use of biomass fuel to produce heat energy and increasing the proportion of electricity generated from solar energy. In 2022, the Mukdahan branch of the rubber stick factory started generating electricity from the 1 MW solar power generation project on floating buoys and planned to expand the solar power generation project to other factories. The Company registered the aforementioned 1 MW solar power generation project, as well as the greenhouse gas capture and emission reduction project in the area of 873.96 rai of the Sri Trang Rubber and Plantation Company Co., Ltd., located in teak plantation, Pua District, Nan Province, which is the upstream business of the Company for the Thailand Voluntary Emission Reduction Program (T-VER) to certify to the amount of GHG reduction or carbon credits from project operations. The Company's various operations above

represent participation in, and support of Thailand's greenhouse gas reduction targets announced at the 26th United Nations Conference on Climate Change (COP 26) in Glasgow, United Kingdom, carbon neutrality goal, as well as Net-Zero Emissions.

In addition, the Company has expanded the scope of the FSC-FM cup lump and FSC-CoC, FSC standard block rubber products, certification to meet the requirements of tire companies in Europe that emphasize the procurement of natural rubber raw materials from suppliers with sustainable rubber plantation management standards.

Social Dimension

Respect Human Rights Principles in All Business Processes

The Company strictly respects and complies with international human rights principles in its business operations. The Company has reviewed the policy on human rights and non-discrimination and has organized training for employees to raise their awareness and understanding of human rights practices related to business operations. Moreover, to ensure that the Company respects human rights in practice, the Company has developed a checklist of business-related human rights risks and has conducted a comprehensive human rights audit in the Company's operating processes to assess human rights risks and provide preventive and mitigation measures.

Contribution to Local Communities and Society

For its contribution to the community and society, the Company has continued through various projects and activities with the objective of developing and solving social problems as well as promoting good relations between the community and the Company. The Company has focused on building a community economy, well-being and developing the community's potential to be strong and self-reliant, as well as building a safe

community. The Company has implemented the “Good Quality Latex Creates Happiness” project to educate rubber farmers on how to make good-quality field latex, which leads to better income for farmers, the “Bun Tuk Yang Tid Rang Srang Roi Yim” project which has been continuously conducted for the sixth consecutive year to campaign for rubber farmers and rubber transporters to transport the rubber in standardized trucks to prevent the serum from cup lump leak into the road during the transportation and projects to promote and support community careers so that the Company can support community products to strengthen the community economy, such as ordering wooden pallets from the community to be used as block rubber packaging, brooms made from plastic bottles and wood vinegar. In addition, in terms of safety, the Company has implemented the “Safety School (STA Safety School)” project to raise awareness and educate people about safety and health, accident prevention and correct practices in various emergencies in school children in the area where the factories are located.

Governance and Economic Dimensions

Creating positive changes throughout the rubber supply chain

Creating sustainability throughout the supply chain is what the Company has emphasized in creating business growth together with the Company’s partners. In addition to the Company establishing a code of conduct for business partners, this year, the Company has announced the Sustainable Natural Rubber Procurement Policy as a sustainability guideline for natural rubber suppliers in order to elevate operations, prevent business risks and impacts as well as build confidence in the operations of business partners. In addition, by working closely with rubber farmers and raw rubber materials suppliers, the Company has developed an ecosystem of the “Sri Trang Friends” application to facilitate rubber farmers and raw rubber materials

sellers trading rubber with the Company with a transparent, fair and verifiable trading system. Rubber farmers and raw rubber materials sellers have equal access to price information, news and up-to-date rubber industry knowledge. This also includes a service to facilitate rubber pick-up and delivery for rubber farmers who have travel distance limitations to sell their raw materials in the form of cup lump rubber to the Company, which has started the service of pick-up and delivery of rubber raw materials in the area of the Loei branch and Ubon Ratchathani branch with rubber farmers paying attention and receiving good feedback from using the service continuously increasing. The development of the ecosystem of the “Sri Trang Friends” application is considered the establishment of change toward digitalization in sustainable rubber supply chain development.

Creating Innovations for Continuous Business Development

The Company has seen the importance of research, development and innovation, which are necessary to increase business opportunities, competitiveness, responding to customer needs and sustainable environmental management. The Company has expanded and continued the project to increase efficiency in the production process by using an automation system. In addition, the Company has also promoted various innovation development projects to improve the work processes and continuously create sustainability for the business.

Confidence in the sustainability of the Sri Trang Group

As a leader in the world’s natural rubber industry, the Company strives to continuously build growth and trust among stakeholders through sustainable business operations in all dimensions. As a result, the Company was selected to be on the



list of the Thailand Sustainability Investment (SET-THSI) for the 8th year of the Stock Exchange of Thailand, was elected as a member of Thai Private Sector Collective Action Against Corruption (CAC) and was assessed on Corporate Governance Report of Thai Listed Companies (CGR) at an “excellent” level for the 4th consecutive year from the Thai Institute of Directors (IOD). The Company received the ASEAN Asset Class PLCs Award from the ASEAN Corporate Governance Scorecard by ASEAN Capital Market Forum (ACMF) and Asian Development Bank (ADB), as well as many other awards in sustainability, social and community responsibility, labor and safety. It is considered a success that comes from the cooperation of everyone in the organization to drive the development of the Company’s operations.

As the Chief Executive Officer, I would like to express my gratitude to the cooperation of all executives and employees for their hard work, as well as shareholders and all stakeholders who have

always given their trust and support to the Company and sincerely hope to receive full support from all parties in the coming years. The next step for the Company will be to maintain our business strength and leadership in the rubber industry in establishing sustainable growth and prepare for a normalcy that is full of challenges that will occur in the future by continuously expanding production capacity to meet the target coupled with pro-active sustainability operations to create a balance between business value and value for the stakeholders. We will also develop and expand the business and the natural rubber industry in Thailand, be in line with the world’s changes and aim to be a green rubber company according to the Company’s vision.

Getting to Know Sri Trang

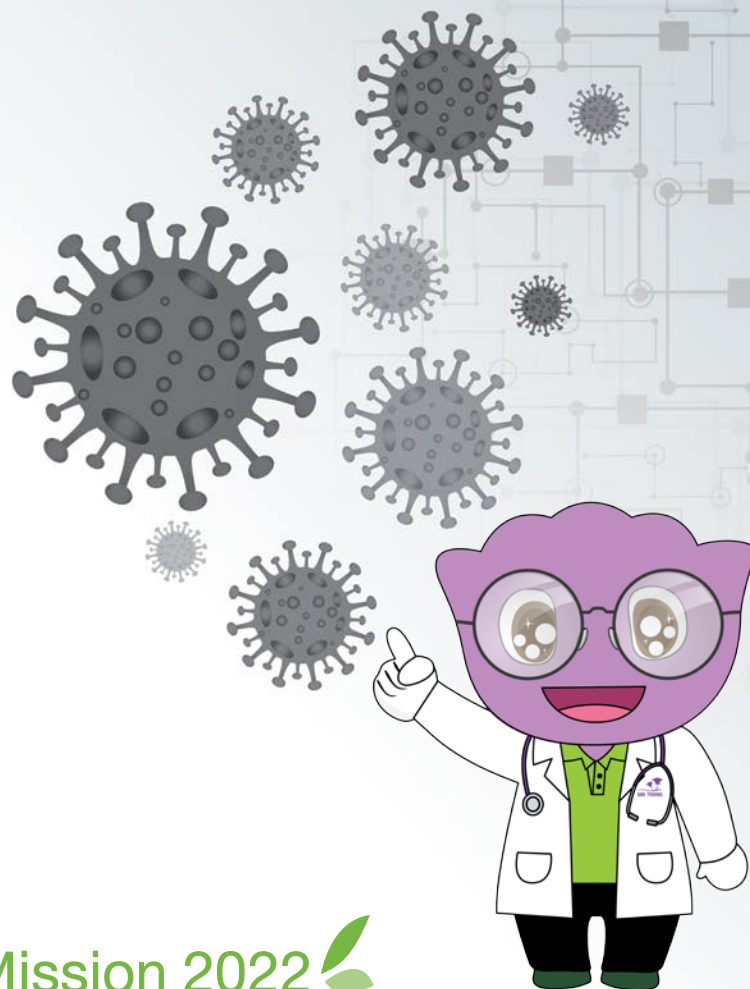
Company Name (Disclosure 2-1)	: Sri Trang Agro Industry Public Company Limited
Listed Name	: STA
Established	: April 30, 1987
Headquarter (Disclosure 2-1)	: 10 Soi 10, Phetkasem Road, Hatyai, Songkhla, 90110 Thailand.
Tel.	: 0-7434-4663
Fax.	: 0-7434-4676, 0-7434-4677, 0-7423-7423
Number of Employee (Disclosure 2-7)	: 15,287 (As 31 December 2022)
Registered Capital	: Baht 1,535,999,998

Vision

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

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





Mission 2022

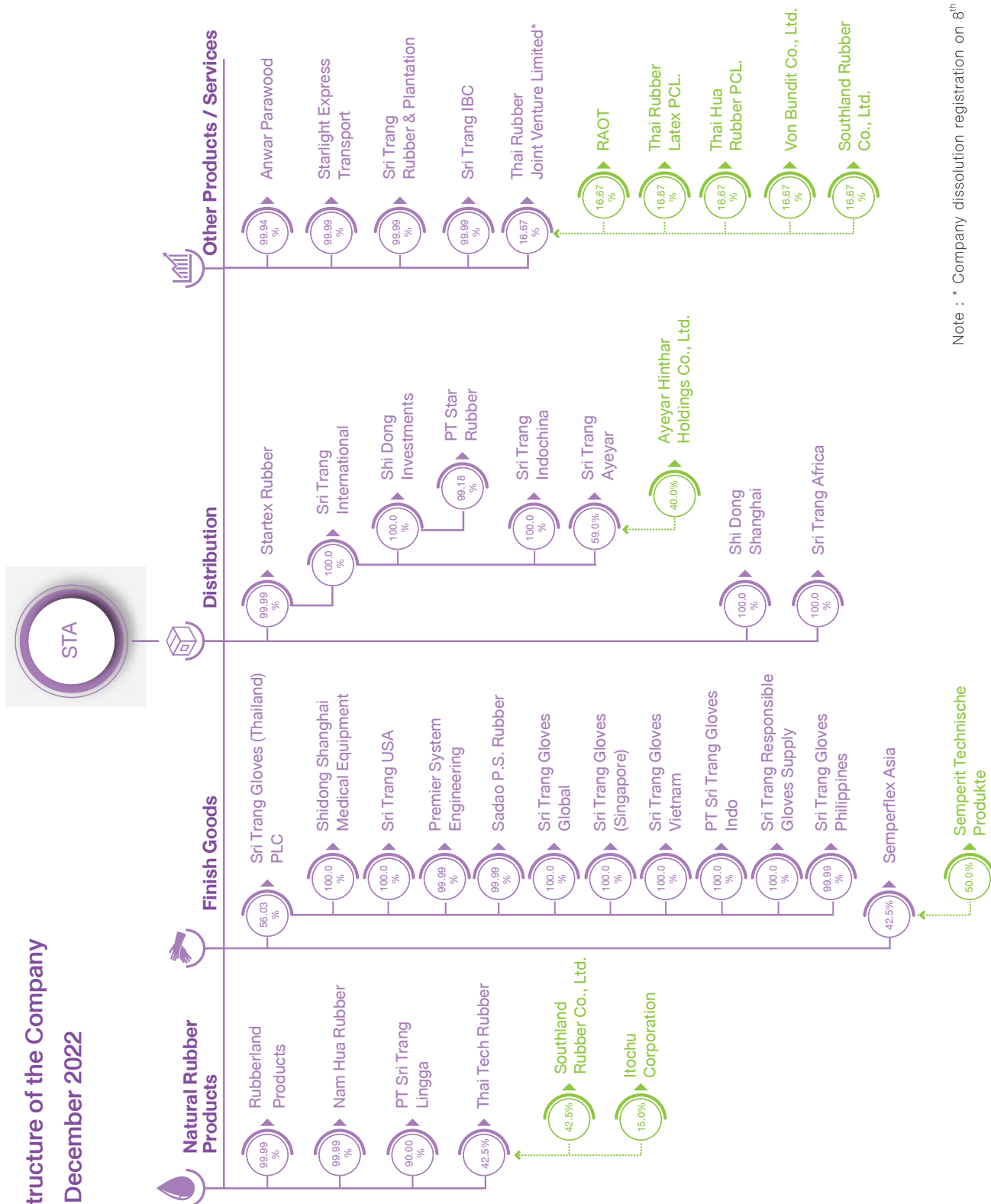
Stay Safe and Healthy

2021 was best ever in the history of Sri Trang Group and it will not be the last.

Covid-19 will still be with us for a while and we are learning how to manage and live with it either through vaccination or adopting to different types of behavior. More than 90% of our people have been vaccinated with 2 doses and we are still starting with 3rd booster dose and the whole exercise should be completed by January 2022. We will do whatever it takes to make our people safe and healthy.

Having able stay healthy and strong, we will use this opportunity to speed up and to scale up our operation and expansion into the next level.

Group Structure of the Company as of 31 December 2022



Note : * Company dissolution registration on 8th March 2022

Products and Services

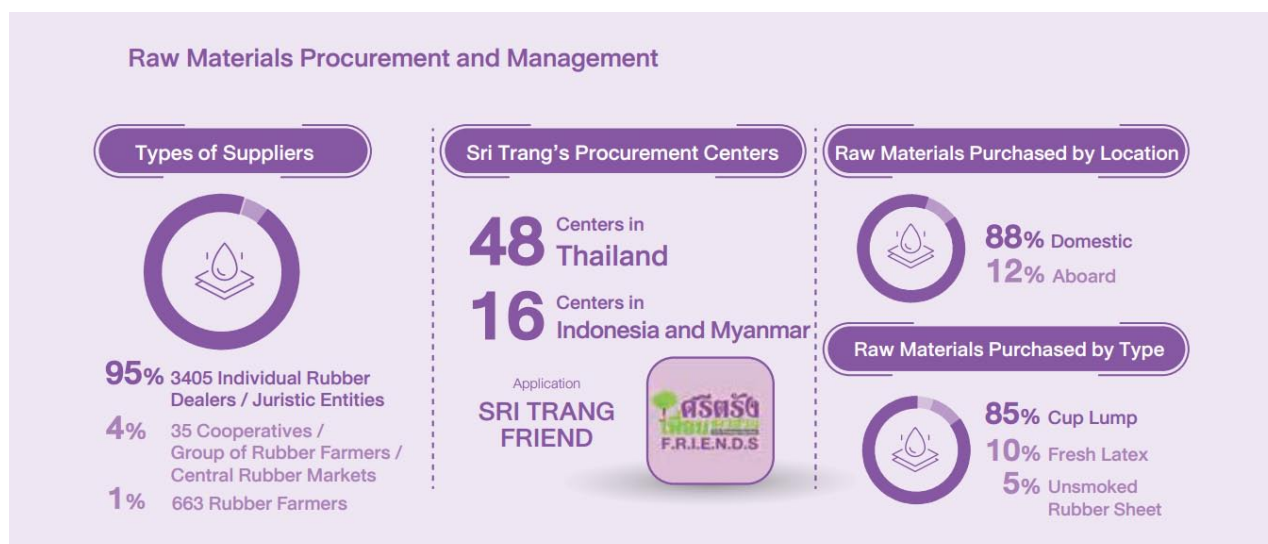
The Company operates a fully integrated natural rubber supply chain business in various countries. The business starts from upstream business by engaging in rubber plantation in Thailand, midstream business by processing and distributing natural rubber products, and downstream business to produce and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

The Company's operations mainly consist of 3 core businesses which are 1) natural rubber business 2) glove business and 3) other businesses. Details of each



1) natural rubber business

STA is the world's largest fully integrated natural rubber producer and distributor. As of 31 December 2022, SriTrang Group had a total of 35 production facilities, of which 31 were in Thailand, 3 were in Indonesia, and 1 was in Myanmar. Altogether, the facilities provided a total production capacity of 3.18 million tons per annum. In 2022, our capacity utilization rate was at approximately 70 percent of total production capacity and a market share of approximately 11 percent of global natural rubber demand, as well as having a share of Thailand's natural rubber production at 33 percent.



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 for over 90 percent of the production costs, STA has established procurement centers in the vicinity of raw material sources. Moreover, we have launched applications called “**SRI TRANG FRIENDS**” and “**SRI TRANG FRIENDS STATION**” for purchasing rawmaterials 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 is considered a disruptor in rubber trading business for the sustainable rubber industry in Thailand

Natural Rubber Product



TSR (Technically Specified Rubber)

Product Type

Product in Thailand

- STR
- STR CV
- STR Mixture

Product in Indonesia

- SIR
- SIR Mixture

Product in Myanmar

- Myanmar Block Rubber

Use

Raw material for the manufacture of automotive tires.



RSS (Ribbed Smoked Sheet)

Product Type

- 5 grades of RSS: RSS1, RSS2, RSS3, RSS4 and RSS5
- RSS 1XL

Use

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



Concentrated Latex (LTX)

Product Type

60% Concentrated Lates

- 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, adhesives, and 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 of medical examination gloves, industrial gloves, and general-purpose gloves from both latex and nitrile rubber. The gloves are available in various types, namely powdered, powder-free, and nitrile gloves. 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 domestically and internationally.



In 2022, we achieved our annualized installed capacity of 52.5 billion pieces of gloves per annum. In terms of production capacity, we are widely regarded as Thailand’s largest and the World’s leading glove producers. Our glove product is one of the key products contributing to the Company’s revenue, which accounts for 21 percent of the Group’s total revenues in 2022.

STGT is Thailand’s largest producer of latex gloves and 1 of the top 5 global rubber glove manufacturers. In 2022, we had a market share of 7.2 percent of the global consumption of rubber gloves. STGT has continuously expanded its annualized installed capacity, from 40.3 billion pieces per year in 2021 to 52.5 billion pieces per year in 2022, and has targeted to reach 56 billion pieces per year in 2024, to meet the growing demand for rubber gloves in the global market.

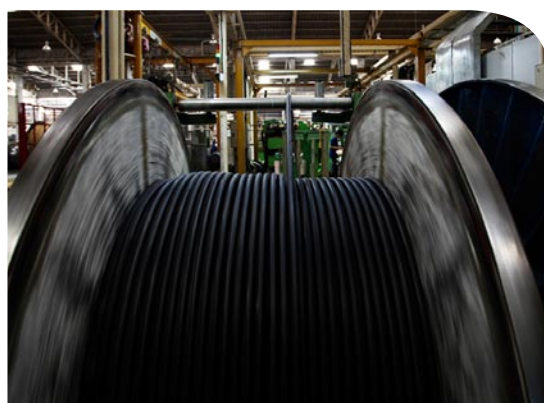


3) Other Businesses

Rubber and other economic crops plantation business STA operates rubber and other economic crops plantation systematically and completely through our subsidiary, Sri Trang Rubber & Plantation (“SRP”). As of 31 December 2022, Sri Trang Group had an area of approximately 7,500 hectares for rubber and other economic crops businesses in 19 provinces of Thailand. The rubber trees planted have been providing yield since 2015. Most of the plantation areas located in the northern and northeastern regions of Thailand. This has been an advantage for our mid-stream business both for raw material procurement and NR production. In 2022, we estimated that 64 percent of the rubber trees planted are able to be tapped.

Production and selling of finished products business

The production and selling of finished products business is conducted through Semperflex Asia (“SAC”), a joint venture invested by STA and Semperit. SAC is established to manufacture and sell high-pressure hydraulic hose products of various types, including high-quality hydraulic hoses used in the industry, mining, and specialized applications, as well as various small hoses for use with modern high-pressure hydraulic systems.



Sales and Distribution

The Company has established a trading and distribution network of natural rubber products and rubber gloves in foreign countries covering 8 major markets, namely Singapore, China, the United States of America, Indonesia, Vietnam, the Philippines, and Cote d’Ivoire through its subsidiaries and affiliates are Sri Trang International, Shi Dong Shanghai, Shidong Shanghai Medical Equipment, Sri Trang Indochina (Vietnam), Sri Trang USA, Sri Trang Gloves (Singapore), Sri Trang Gloves Vietnam, and PT Sri Trang Gloves Indo, Sri Trang Gloves Vietnam, Sri Trang Responsible Gloves Supply, and Sri Trang Gloves Philippines.



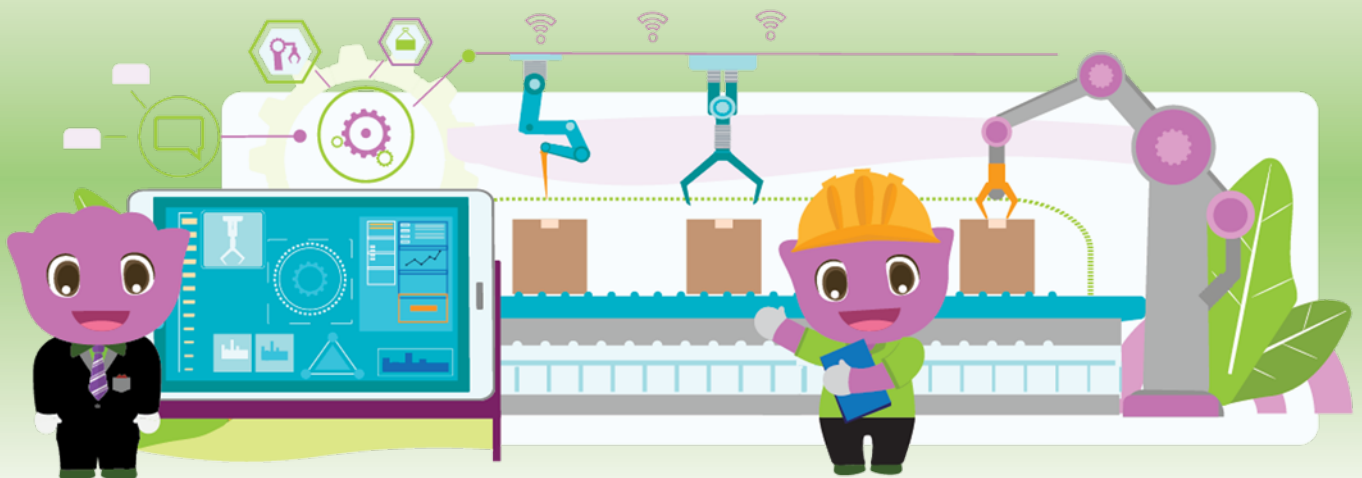
Transportation and Logistics

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 moving goods onto a ship and the preparation of various import and export related documents.



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 also researches and develops unique qualification products to meet customers' needs.



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.

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. In addition, the Company promotes and supports staffs to devote to social activity, for example, to volunteer and participate activities of community, alleviate natural disaster victims, appropriately and continuously support any kinds of shortages in the community, and create a benevolent society and social care for each other to remain forever.

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

1. Green Products

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

2. Green Process

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

3. Green Procurement

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

4. Green Company

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



The Company has established operational guidelines in each area to support the Company's 4 GREEN strategy and the United Nations Sustainable Development Goals (UN SDGs) as follows:

Dimension	Topic	Key success
Economic (Green Company) "Sustainable Growth" 	<ul style="list-style-type: none"> • Good Corporate Governance • Anti-corruption • Increased production and Expand market share • Build a good relationship and producing quality products according to customer needs • Partnership development/Supplier/Outsource in responsible business conduct • Educated rubber farmer to make a good quality raw material • Create innovation and new technology 	<ul style="list-style-type: none"> • CG and AGM score • Member of The Private Sector Collective Action Coalition Against Corruption (CAC) • Economic performance • Customer satisfaction score • The number of suppliers who signed the Supplier Code of Conducts acknowledgment • Satisfaction score of Sri Trang rubber farmer project • Number of new innovations
Social (Green Supply) "Create more happiness for internal and external society" 	<ul style="list-style-type: none"> • Development and employees' care • Human Rights and Fair Labor Practices • Good health, Safety and Good working environment • Complaints management • Engage supplier or partners' for social responsibility • Social and Community Development 	<ul style="list-style-type: none"> • Employee engagement result • Issues or incidents of human rights risk • Fatal accident rate • Occupational diseases • Number of unresolved complaints • Number of partners who have signed their intention to anti-corruption • Number of project/budget support to community activities
Environment (Green factory, Green product) "Focus on the effective environmental management system" 	<ul style="list-style-type: none"> • Environmental Management System To reduce the environmental impact caused by business operations • Energy reduction and renewable energy • Reduce Greenhouse gases emission • Water management and wastewater treatment • Efficiency resource and reuse material • Conservation of forest resources, increase green area and taking into account the ecosystem and biodiversity • R&D environmental friendly products 	<ul style="list-style-type: none"> • Complaints from the community • Volume of energy consumption per product unit (Energy intensity) • Volume of Carbon dioxide equivalent emissions per product unit (Greenhouse gases emissions intensity) • Groundwater resources recharge project • Waste to Value project • Volume of carbon storage (T-VER, LESS) • Number of project/product that are environmentally friendly

The Practices with Stakeholders

The Company recognizes the importance of stakeholder engagement. It has identified 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 (Disclosure 2-29), 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 expectations of stakeholders correctly, appropriately and to the point. 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 2022, the Company classified the stakeholders into 8 groups, sorted by priority as follows:



Stakeholders	Communication channel/Participation	Needs/Expectation	Responses to expectation	Indicators/result 2022
Customers/Consumer	<ul style="list-style-type: none"> - Online communication: phone, e-mail, website, Facebook and Line@ - Annual customer satisfaction survey - Factory visiting - Engage activities with customers - Customers meeting - Trade exposition 	<ul style="list-style-type: none"> - Obtain quality products and services on time - Comply with Fair dealings - Keep confidential information of customer - Jointly in product development 	<ul style="list-style-type: none"> - Compliance with ethics and conduct of relation with Customers - Implementation of standard system ISO9001, 14001 and ISO 45001, BSCI, FSCTM - Research and development - Improvement of production process to meet customers' requirements 	<ul style="list-style-type: none"> - Customer satisfaction score 87% - 11% of market share from global demand for natural rubber - Increased sales volume - New customer - 1 New product is FSC_TSR

Stakeholders	Communication channel/Participation	Needs/Expectation	Responses to expectation	Indicators/result 2022
Employees	<ul style="list-style-type: none"> - The Company's monthly meeting - Kaizen, QCC, 5s, Safety talk, KYT - Intranet, email, website, Facebook, Line STA Family - Suggestion box - Channels for complaints - Employee activities 	<ul style="list-style-type: none"> - Fair remuneration and good welfare - Respect in Human Rights and Non-Discrimination - Safety and good working environment - Promoting good health - Career stability and opportunities for career advancement - Competency development 	<ul style="list-style-type: none"> - Compliance with ethics and conduct of responsibilities of employees - Compliance with Human Right and Non-Discrimination Policy - Whistle Blowing Policy - Implementation of standard system ISO 14001, ISO 45001 and BSCI - Provide annual health check-ups and health and accident insurance - Establish personnel training and development plans - Internal activity: Happy workplace/ Activity Prize 	<ul style="list-style-type: none"> - Zero complaint from employee - Turnover rate = 3.28% - The lost time accident rate of employees= 1.57%.
Creditors/Banks	<ul style="list-style-type: none"> - Meeting - Phone, e-mail - Company website 	<ul style="list-style-type: none"> - Comply with the contractual terms and conditions 	<ul style="list-style-type: none"> - Compliance with contractual terms and conditions - Accurate and timely response to questions about financial conditions 	<ul style="list-style-type: none"> - Confidence in doing business with the Company
Business partners/ Suppliers	<ul style="list-style-type: none"> - Online communication, telephone, email, website - Annual visit and audit of suppliers - Meetings with business partners and suppliers - Joint activities 	<ul style="list-style-type: none"> - Standard procurement system that is transparent and verifiable - Received correct information of products and services - Procurement - Received income from appropriate workloads - Received payment for goods and services on time - Jointly developed product quality 	<ul style="list-style-type: none"> - Compliance with purchasing policy - Announce and operate according to the anti-corruption policy. - Obtaining CAC certification and encouraging partners to join - Provide complaint channels in case of procurement that is not transparent and/or unfair - Partner development 	<ul style="list-style-type: none"> - Delivery on time and meet the requirements - The results of the annual supplier assessment - 1,222 of partners who have signed their intention to anti-corruption

Stakeholders	Communication channel/Participation	Needs/Expectation	Responses to expectation	Indicators/result 2022
Raw material supplier/ Rubber farmers	<ul style="list-style-type: none"> - SRI TRANG FRIENDS application - Line@srtranggroup, Facebook, Call center - Phone, e-mail, website - Publication media; brochures, Vinyl - Site Visit and evaluating suppliers - Engagement activities - Participation with Rubber Farmer, Cooperative and Government Sector 	<ul style="list-style-type: none"> - Quick and updated information within timeframe - Comply with fair agreements - Free trade and competitive prices with transparency and fairness - Obtain accurate knowledge of the quality of raw materials and rubber 	<ul style="list-style-type: none"> - Compliance with ethics and conduct of relations with business partners - Develop SRI TRANG FRIENDS application to provide news information and used as a tool to offer trading of raw materials easily accessible and equal. - Developed a Smart Receive system for receiving raw materials for fast and reliable quality inspection. - Anti-corruption policy and practices - Sri Trang Puen Chao Suan Project 	<ul style="list-style-type: none"> - Increasing raw material supplier more than 740 suppliers - Quality raw material within requirement - Supplier evaluation A grade 79% (Target >70%) - "Good quality latex" Project. Satisfaction score = 99.1% - Rubber trucks that meet the standard in according with Bun Tuk Yang Tid Rang Srang Roi Yim project average 99.30%
Community	<ul style="list-style-type: none"> - Participate activities with community - Community survey - Publication signboard 	<ul style="list-style-type: none"> - Participation in community and society - Support for community activities - Social and environment responsibility - Respect in human right and anti-corruption 	<ul style="list-style-type: none"> - Providing Social and community development project - Support and jointing for community activities - Recruitment local employee - Environmental management to protect the impact on the community - Open house 	<ul style="list-style-type: none"> - Supporting to community development 606 projects - Supporting community activities amount of 3.35 million baht - Employees from the community 2,036 person - Community survey results
Government sector / Enterprise / Private sector	<ul style="list-style-type: none"> - Meeting and informing - Factory visit - Participation in various projects - Participation as a working committee on requested by government agencies 	<ul style="list-style-type: none"> - Compliance with state laws and regulations - There is a standardized environmental management system that no negative impact action with society & environment - Have good occupational safety and health - To cooperate and support various projects of the government sector 	<ul style="list-style-type: none"> - Compliance with state laws and regulations - Provide accurate and fast information - Support and Participated in activities of Government sector - Participation as a working committee with government agencies 	<ul style="list-style-type: none"> - Permission to operation continual - Obtaining green industry certification - Certificate/Awards from government

Stakeholders	Communication channel/Participation	Needs/Expectation	Responses to expectation	Indicators/result 2022
Shareholders, investors, analysts	<ul style="list-style-type: none"> - Shareholders' annual general meeting - Q&A by phone and e-mail - Annual report and Sustainability Report - The Company's website - Analyst Meeting - Meeting domestic and foreign investors through various activities such as Opportunity Day, Thailand Focus and Roadshow 	<ul style="list-style-type: none"> - The Company has good performance and continuous growth - Consistent dividend payment - Shareholders receive accurate, complete, timely, and sufficient information for decision making - The Company operates with transparency, good governance and a good internal control system - There is no news that will affect the reputation of the company 	<ul style="list-style-type: none"> - Operates strategically along with good corporate governance - Appropriate dividend policy - The Company adheres to the ethics and code of conduct regarding responsibility to shareholders - Accurate, timely, and sufficient disclosure of information - Accurate, up-to-date, and user-friendly website 	<ul style="list-style-type: none"> - The Company sets a policy for dividend payment at 30 percent of net profit, but not more than the retained earnings in the Company's separate financial statements. As for FY2022, the Company announced total dividend payment of 2.00* baht per share, accounted for 64 percent of net profit. - The Company was selected to be one in Thailand Sustainability Investment list (THSI) for 8th consecutive year. - The Company attended meetings with domestic and international investors, fund managers and media in total of 24 times in 2022. - Number of visits through investor relations section in Company website in 2022 was a total of 26,041 times.

* The Board of Directors resolved to approve the interim dividend payment of 1.00 baht per share from the Company's operating result for the six-month period ended 30 September 2022. Moreover, On 17 February 2023, the Board of Directors resolved to approve the second dividend payment from 2022 operating result at the rate of 2.00 baht per share. However, the right to receive such dividend is still not definite as it subjects to the approval of the 2023 Annual General Meeting of Shareholders which will be held on 10 April 2023.

About this Report



Sri Trang Agro-Industry Public Company Limited prepares a sustainability report annually to report its annual sustainability performance covering the Company's dimensions of governance and the economy, society and environment to its stakeholders. The Company prepared the 2022 Sustainability Report, the 10th edition, using the reporting guidelines according to the GRI Standards 2021 and has linked operations that respond to the Sustainable Development Goal (SDGs) and the UN Global Compact to demonstrate our commitment to conducting business along with social and environmental stewardship as well as appropriately responding to the expectations of all groups of stakeholders.

Sustainability 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, 2022. (Disclosure 2-3)

The Company reviewed last year's Scope 1 and Scope 2 greenhouse gas emissions reports and reported other biogenic greenhouse gas emissions from the use of biomass fuel, including GHG emissions Scope 1 as required for calculating and reporting the organization's carbon footprint by Thailand Greenhouse Gas Management Organization (Public Organization) 8th edition (6th revision, July 2022) and revised the electricity consumption data for the calculation of greenhouse gas emissions Scope 2 to be complete and more accurate. In addition, the Company reviewed the scope of collection and reporting of general waste data apart from the waste from the production process. Therefore, the disadvantages reported were different from the previous year. The Company also reviewed the methods for calculating and reporting safety data by changing from the calculation of 1 million working hours to 200,000 working hours to suit the number of employees and contractors in the factories. As a result, the reported information is different from the previous year (Disclosure 2-4).



Assurance of the Report (Disclosure 2-5)

Reporting on materiality sustainability issue in this report is approved by the Sustainable Development Committee and the contents of the key issues are reviewed by each department's management (Disclosure 2-14) in order to ensure that the reported information is accurate, complete and covers its response to the materiality sustainability issues and all groups of stakeholders. In addition, the management has agreed that the Company implements independent assurance of sustainability disclosures in accordance with GRI Standards 2021 in a limited level of assurance by a third party whose works are accepted to enhance the confidence of the Company's sustainability reporting and disclosure, which covers information on environmental and social operations including:

Information on environmental operations

1. Energy consumption within the organization
2. Water withdrawal
3. Water discharge
4. Water consumption
5. Greenhouse gas emissions Scope 1
6. Greenhouse gas emissions Scope 2
7. Greenhouse gas emissions intensity
8. Nitrogen oxides, sulfur oxides and other significant air emissions
9. Waste generated
10. Waste diverted from disposal
11. Waste directed to disposal

Information on social operations

12. Work-related injuries
13. Work-related ill health
14. Ratio of basic salary and remuneration of women to men

Details of external assurance can be found on page 151 of the 2022 Sustainability Report.

**For more information,
please contact (Disclosure 2-3)**

**Department of Corporate Sustainability,
Sri Trang Group**

Park Ventures Ecoplex Building,
Room No. 1701, 17th Floor, No. 57,
Wireless Road, Lumpini Subdistrict,
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Telephone: (66) 0-2207-4500 ต่อ 3811
Fax: (66) 0-2108-2241-44
E-mail: sustainability@sritranggroup.com

Sustainability Report 2022
and previous Sustainability Report
are downloadable
from the company's website at the
sustainability report section.
(<https://www.sritranggroup.com/en/sustainability/report>)

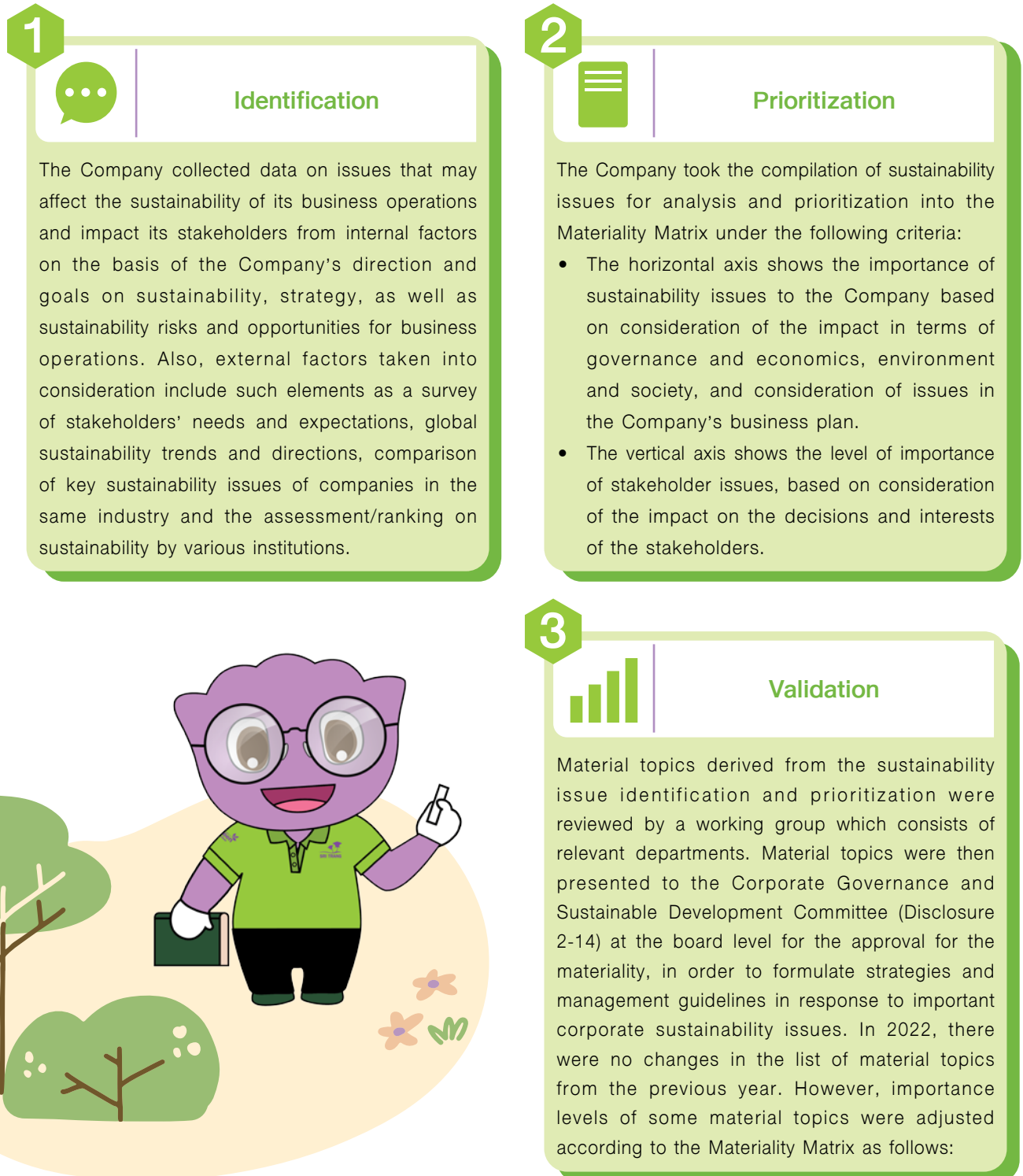
Companies within the scope of the Sustainability Report 2022 (Disclosure 2-2)

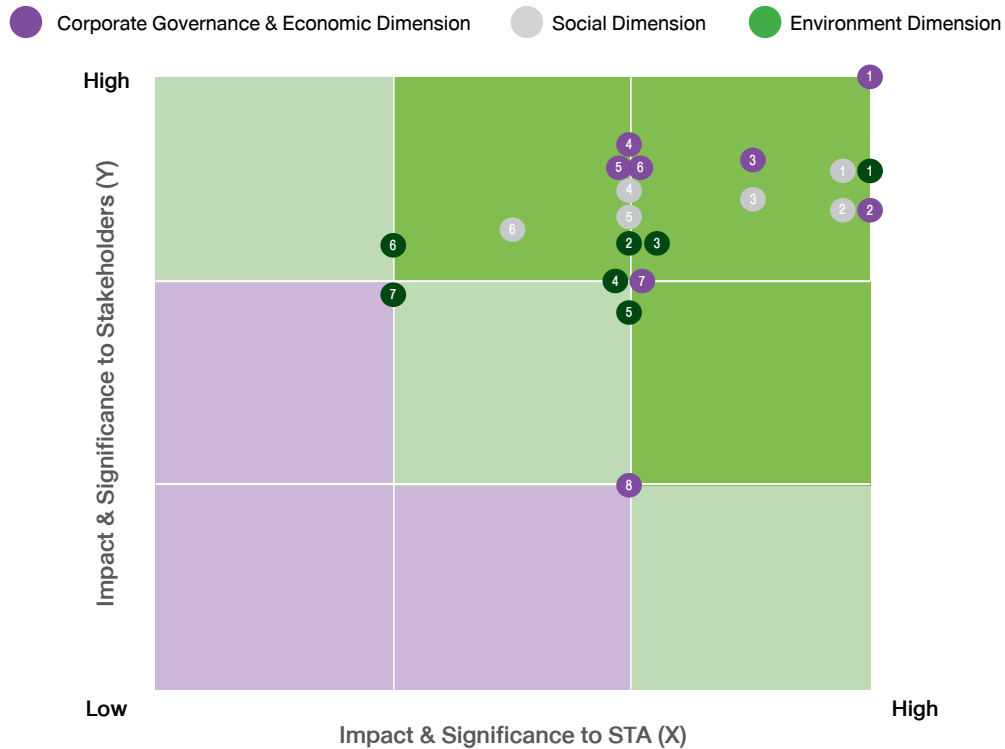
STA Business	STA No.	STA Factory	Factory Name	GRI 302-1 (2016)	GRI 303-3 (2018)	GRI 303-4 (2018)	GRI 303-5 (2018)	GRI 305-1 (2016)	GRI 305-2 (2016)	GRI 305-4 (2016)	GRI 305-7 (2016)	GRI 306-3 (2020)	GRI 306-4 (2020)	GRI 306-5 (2020)	GRI 403-9 (2018)	GRI 403-10 (2018)	GRI 405-2 (2016)
				Energy consumption within the organization	Water withdrawal	Water discharge	Water consumption	Direct (Scope 1) GHG emissions	Energy indirect (Scope 2) GHG emissions	GHG emission intensity	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Waste generated	Waste diverted from disposal	Waste directed to disposal	Work-related injuries	Work-related ill health	Ratio of basic salary and remuneration of women to men
Latex (LTX)	1	STA-TG	SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Trang Branch)	/	/	/	/	/	/	/	/	/	/	/	/	/	/
	2	STA-KD	SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Kanchanadit Branch)	/	/	/	/	/	/	/	/	/	/	/	/	/	/
	3	STA-SR	SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Surattani Branch)	/	/	/	/	/	/	/	/	/	/	/	/	/	/
	4	STA-CP	SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Chumpon Branch)	/	/	/	/	/	/	/	/	/	/	/	/	/	/
	5	STA-UB	SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Ubonratchatani Branch)	/	/	/	/	/	/	/	/	/	/	/	/	/	/
	6	NHR	NUM HUA RUBBER COMPANY LIMITED	/	/	/	/	/	/	/	/	/	/	/	/	/	/
	7	RBL-HY	RUBBERLAND PRODUCTS COMPANY LIMITED	/	/	/	/	/	/	/	/	/	/	/	/	/	/
	8	RBL-BK	RUBBERLAND PRODUCTS COMPANY LIMITED (Bungkan Branch)	/	/	/	/	/	/	/	/	/	/	/	/	/	/
Ribbed Smoked Sheet (RSS)	9	STA-TG	SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Trang Branch)	/	/	/	/	/	/	/	/	/	/	/	/	/	/
	10	STA-HD	SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Hat Yai Branch)	/	/	/	/	/	/	/	/	/	/	/	/	/	/
Technically Specified Rubber (TSR)/Standard Thai Rubber (STR)	11	STA-SK	SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Sikao Branch)	/	/	/	/	/	/	/	/	/	/	/	/	/	/
	12	STA-TS	SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Thongsong Branch)	/	/	/	/	/	/	/	/	/	/	/	/	/	/
	13	STA-HN	SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Hua Nang Branch)	/	/	/	/	/	/	/	/	/	/	/	/	/	/
	14	STA-UD	SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Udontani Branch)	/	/	/	/	/	/	/	/	/	/	/	/	/	/
	15	STA-UB	SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Ubonratchatani Branch)	/	/	/	/	/	/	/	/	/	/	/	/	/	/
	16	STA-PL	SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Phitsanulok Branch)	/	/	/	/	/	/	/	/	/	/	/	/	/	/
	17	STA-KS	SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Kalasin Branch)	/	/	/	/	/	/	/	/	/	/	/	/	/	/
	18	STA-SG	SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Sakaew Branch)	/	/	/	/	/	/	/	/	/	/	/	/	/	/
	19	STA-LI	SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Loei Branch)	/	/	/	/	/	/	/	/	/	/	/	/	/	/
	20	NHR	NUM HUA RUBBER COMPANY LIMITED	/	/	/	/	/	/	/	/	/	/	/	/	/	/
	21	RBL-BK	RUBBERLAND PRODUCTS COMPANY LIMITED (Bungkan Branch)	/	/	/	/	/	/	/	/	/	/	/	/	/	/
	22	RBL-BR	RUBBERLAND PRODUCTS COMPANY LIMITED (Buriram Branch)	/	/	/	/	/	/	/	/	/	/	/	/	/	/
	23	RBL-MD	RUBBERLAND PRODUCTS COMPANY LIMITED (Mukdahan Branch)	/	/	/	/	/	/	/	/	/	/	/	/	/	/
	24	STA-SN	SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Sakon Nakhon Branch)	/	/	/	/	/	/	/	/	/	/	/	/	/	/
Blanket (BK)	25	STA-PT	SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Pattani Branch)	/	/	/	/	/	/	/	/	/	/	/	/	/	/
	26	STA-NW	SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (Narathiwat Branch)	/	/	/	/	/	/	/	/	/	/	/	/	/	/
	27	STA-CR	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 (Disclosure 3-1)





21 Materiality topics (Disclosure 3-2)



Dimension	Materiality	Scope		Risk and Opportunity	GRI topics	GRI topic disclosures	Reporting content	Page
		Internal	Stakeholder					
Corporate Governance & Economic	Good performance with consistent returns	STA	Shareholders	Continuously building business growth/ operating results and the stability of the Company's operations, as well as providing satisfactory returns to shareholders and distributing income to stakeholders appropriately.	GRI 201: Economic Performance (2016)	Disclosure 201-1 Direct economic value generated and distributed	- Economic Performance	39-40
	Supply chain management	STA	Raw material supplier/ Rubber farmers, Business partners, Customer	Develop a framework and sustainable practice for our business partners and raw material supplier/ rubber farmers to manage and reduce risks from business partners' operations that may affect the Company as well as promoting the operations of business partners to achieve sustainable growth together with the Company.	GRI 204: Procurement Practice (2016)	Disclosure 204-1 Proportion of spending on local suppliers	- Supply Chain Management	85-91
	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.	GRI 2: General Disclosure (2021)	Disclosure 2-27 Compliance with laws and regulations	- Good Corporate Governance	41-50
	Business partner development/Supplier/ Outsources	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: Natural rubber transportation standard	STA Indicator - Satisfaction score as A grade > 70 STA Indicator - Percentage of natural rubber transportation vehicles passing the Company's standard	- Business Partner Development - Participation to Development Social and Communities	88, 90-91 93-107

Dimension	Materiality	Scope		Risk and Opportunity	GRI topics	GRI topic disclosures	Reporting content	Page
		Internal	Stakeholder					
Corporate Governance & Economic	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.	GRI 205: Anti-corruption (2016)	Disclosure 205-2 Communication and training about anti-corruption policies and precedures Disclosure 205-3 Confirmed incidents of corruption and actions taken	- Anti-corruption and Whistleblowing	51-53
	Customer relations	STA	Customers/ Consumers	Retaining important customers and expanding the new customer base in order to create good relationships and satisfaction with customers as well as promoting continuous business growth.	STA Indicator: Customer satisfaction score	STA Indicator - Percentage of customer satisfaction	- Responsible for Customers and Consumers	92
	Risk management & business continuity	STA	Shareholders, Customers/ Consumers,	Management of business risks and opportunities, including preparing for emerging risks that may affect business operations.	STA Indicator: Risk management	STA Indicator - Risk management measures	- Risk Management	54-63
	R&D and Innovation	STA	Business partners Customers, Raw material supplier/ Rubber farmers	Improvement of operational processes to reduce time and costs, including the creation of innovation, new products and services to increase competitiveness in the market.	GRI 201: Economic Performance (2016)	Disclosure 201-1 Direct economic value generated and distributed	- R&D and Innovation	64-66

Dimension	Materiality	Scope		Risk and Opportunity	GRI topics	GRI topic disclosures	Reporting content	Page
		Internal	Stakeholder					
Social	Occupational Health and Safety	STA	Employee, Business partners, Government sector, Community	Prevent and mitigate impacts on occupational health and safety at work both prevent loss of life and/or property, including complaints from stakeholders and build confidence to stakeholders in safety management.	GRI 403: Occupational Health and Safety (2018)	Disclosure 403-9 Work-related injuries Disclosure 403-10 Work-related ill health	- Occupational Health and Safety - Social Performance	79-84 132-133
	Human Rights and Non-discrimination	STA	Employee, Customers/Consumer, Suppliers, Raw material supplier/Rubber farmers, Community	Announcing Human Rights and Non-Discrimination Policy, and Human Rights Due Diligence (HRDD) in business processes to prevent impacts that may affect the business operations and reputation of the Company, including providing methods to prevent and mitigate human rights risks.	GRI 2: General Disclosure (2021) GRI 405: Diversity and Equal Opportunity (2016) GRI 406: Non-discrimination (2016)	Disclosure 2-30 Collective bargaining agreements Disclosure 405-2 Ratio of basic salary and remuneration of women to men Disclosure 406-1 Incidents of discrimination and corrective actions taken	- Human Rights Operation - Employee Care and Development	74-78 67-73
	Quality and safety of products	STA	Customers/Consumer	Placing emphasis on the continuous improvement of the quality and safety of products and services to prevent complaints about products and services and create utmost satisfaction for customers/consumers as well as applying the suggestions of stakeholders in developing products and services to meet the needs of customers/consumers.	GRI 416: Customer health and safety (2016) STA Indicator: Customer satisfaction	Disclosure 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services STA Indicator: Percentage of customer satisfaction related to products & services	- Responsible for Customers and Consumers	92

Dimension	Materiality	Scope		Risk and Opportunity	GRI topics	GRI topic disclosures	Reporting content	Page
		Internal	Stakeholder					
Social	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 or generating more income for the company, as well as attracting new talented employees to join the company.	GRI 401: Employment (2016) GRI 404: Training and Education (2016) STA Indicator: Employee engagement	Disclosure 401-1 New employee hires and employee turnover Disclosure 404-1 Average hours of training per year per employee STA Indicator- Percentage of employee engagement score	- Employee Care and Development - Social Performance	67-73 128-131
	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 and preventing complaints from the community.	GRI 201: Economic Performance (2016) STA Indicator: Community engagement	Disclosure 201-1 Direct economic value generated and distributed STA Indicator - Community engagement score	- Participation to Development - Social and Communities	93-107
	Complaints management	STA	Customers, 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 - Social Performance	52 141

Dimension	Materiality	Scope		Risk and Opportunity	GRI topics	GRI topic disclosures	Reporting content	Page
		Internal	Stakeholder					
Environmental	Environmental management system	STA	Employee, Community, Governance sector	Establish stakeholder confidence through the implementation of a standardized environmental management system and the continual enhancement of environmental performance, thereby promoting eco-friendly production processes.	STA Indicator: Factories certified with ISO 14001 Environmental Management System	STA Indicator - Numbers of factories certified with ISO 14001 Environmental Management System	- Environmental Management System	108-110
	Water & effluent 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 prevent violations of the law and complaints from the community.	GRI 303: Water and Effluents (2018)	Disclosure 303-3 Water withdrawal Disclosure 303-4 Water discharge Disclosure 303-5 Water consumption	- Sustainable Water Management - Wastewater Management - Environment Performance	113-115 115-116 136-137
	Air quality management	STA	Community, Governance sector	Managing the air quality emission from the vents to be of better quality than required by law and managing odors from raw materials that may affect the air quality around the factory so as to prevent/reduce complaints from the community.	GRI 305: Emissions (2016)	Disclosure 305-7 NOx, SOx, and other significant air emissions	- Air Pollution Management - Environment Performance	116-117 135
	Energy management and Renewable energy consumption	STA	Governance sector	Managing energy use for maximum efficiency, while also reducing energy consumption and promoting the use of renewable energy to reduce energy costs and reduce greenhouse gas emissions.	GRI 302: Energy (2016)	Disclosure 302-1 Energy consumption within the organization Disclosure 302-3 Energy Intensity	- Climate Change and Energy Management - Environment Performance	110-113 134

Dimension	Materiality	Scope		Risk and Opportunity	GRI topics	GRI topic disclosures	Reporting content	Page
		Internal	Stakeholder					
Environmental	Greenhouse gas emissions reduction	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 risks and impacts of climate change on business operations and increase competitiveness in the market.	GRI 305: Emissions (2016)	Disclosure 305-1 Direct (Scope 1) GHG emissions Disclosure 305-2 Energy indirect (Scope 2) GHG emissions Disclosure 305-4 GHG emission intensity	- Climate Change and Energy Management - Environment Performance	110-113 135
	Waste management	STA	Community, Governance sector	Managing waste and unused materials appropriately 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.	GRI 306: Waste (2020)	Disclosure 306-3 Waste generated Disclosure 306-4 Waste diverted from disposal Disclosure 306-5 Waste directed to disposal	- Waste and Unused Materials Management - Environment Performance	117-119 138-140
	Ecosystems and Biodiversity	STA	Governance/Private sector, Community	Conserve and protect ecosystems and biodiversity by managing biomass fuel for maximum benefits, and do not accept wood from conserved forests or any kinds of illegal wood to be used as biomass fuel to reduce the impact of non-compliance.	GRI 304: Biodiversity (2016)	Disclosure 304-3 Habitats protected or restored	- Consideration of Ecosystem and Biodiversity	120

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. (disclosure 2-28)



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)



Social

- UNICEF Thailand (CRBP)
- CSR club, Thai Listed Company Association



Environment

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

Business Overview and Economic Performance

The Leader of Sustainable Integrated Green Rubber Company

Sri Trang Agro-Industry Public Company Limited (STA) was established in 1987.

With commitment and dedication, STA has expanded the business and grown to become the world's leading fully integrated green rubber company as it is today.



Up stream

Our approximately



7,500 hectares of rubber plantations and other economic crops in **19** provinces of Thailand

Mid stream

With the industry's largest production capacity and focus on cutting-edge technology in the production process, we are secure in our position as a leading player in the nature rubber industry.



35 processing facilities for TSR, RSS and LTX located in Thailand, Indonesia and Myanmar



3.18 million tons in annual production capacity at the end of 2022, the largest in the industry



79% of total revenue in 2022



1.5 tons in sales volume in 202



11% of global NR consumption in market share in 2022



33% of Thailand's production output in 2022

Down stream

With the use of cutting-edge technology and automation in the production of latex and nitrile gloves for medical and industrial uses, a secure access to the prime source of natural rubber latex, and a production capacity that ranks among the third largest in the industry, we are confident of our long-term competitiveness in the industry.



6 Factory Locations in Thailand in 4 provinces, namely Songkhla, Suratthani, Trand and Chumphon



52,500 Billion pieces in annual production capacity at the end of 2022



21% of revenues from sales of goods and services in 2022



28,813 Billion pieces of gloves sold at the end of 2022



7.2% Market share of rubber glove consumption

Sale and Distribution

Our sales offices locate in 8 strategic locations, namely



Natural Rubber Products

As of 31 December 2022, we have a total of 35 production facilities, in 31 in Thailand, 3 in Indonesia and 1 Myanmar with an estimated total installed capacity of approximately 3.18 million tons of Natural Rubber Products per annum.

35 Processing Facilities

With Install Capacity
3.18 Million Tons per Annum

TSR



24 Processing Facilities

LTX



8 Processing Facilities

RSS



3 Processing Facilities

In 2022, the utilization rate of natural rubber production capacity was at 70 percent, which remained unchanged compared to the previous year since the Company has been continuously expanding its production capacity, from 2.81 million tons at the end of 2021 to 3.18 million tons at the end of 2022. Thus, the utilization rate remains unchanged even though the production volume has increased by more than 8 percent.

Economic Performance

Revenue from sale of goods and services

110,657 million baht



Total assets

117,084 million baht

Total equities

69,186 million baht

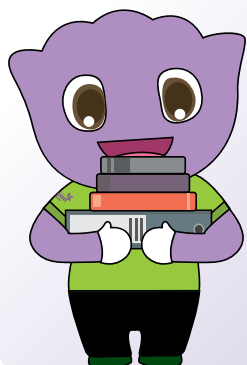


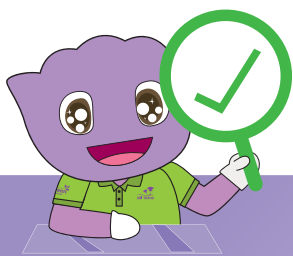
Statement of Comprehensive Income

(Unit : million baht)	Y2018	Y2019	Y2020	Y2021	Y2022
Revenue from sales of goods and services	73,136	60,286	75,479	118,275	110,657
Earnings before interest, tax, depreciation, and amortization	5,758	3,274	20,505	32,440	10,391
Profit (loss) before tax	2,406	(68)	17,064	28,718	6,167
Profit (loss) attribute to owners of the Company	2,064	(149)	9,531	15,847	4,795

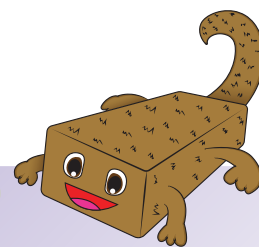
Statement of Financial Position

(Unit : million baht)	Y2018	Y2019	Y2020	Y2021	Y2022
Total assets	58,414	58,331	93,117	114,527	117,084
Total liabilities	32,003	32,842	39,720	49,479	47,897
Total equities	26,411	25,488	53,397	65,049	69,186





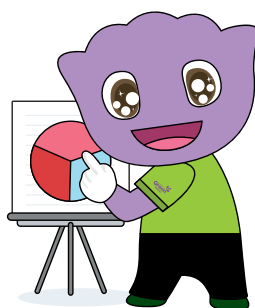
Financial Ratios



(Unit : million baht)	Y2018	Y2019	Y2020	Y2021	Y2022
Gross profit margin (%)	9.8	8.1	28.9	32.2	14.3
Net profit margin (%)	2.8	(0.3)	12.6	13.4	4.3
Current ratio (times)	1.1	1.0	1.8	2.2	4.1
Debt to equity ratio (times)	1.2	1.3	0.7	0.8	0.7

Sales Voume of Natural Rubber Products

1.5 million tons

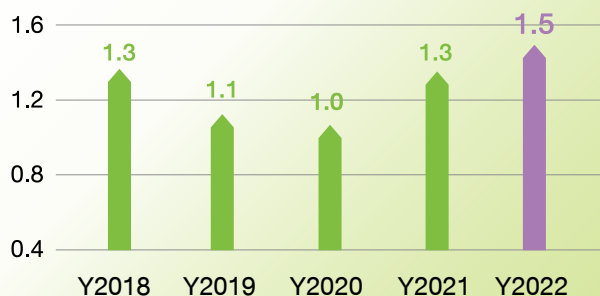


Sales Voume of Gloves

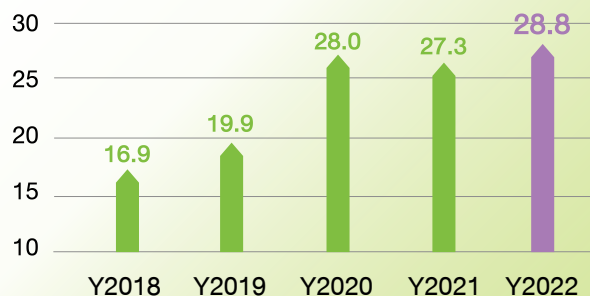
28,813 million pieces



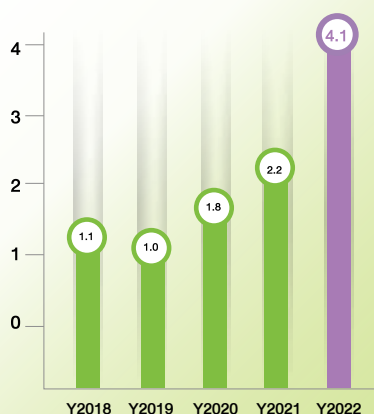
Sales Volume of Natural Rubber Products (Million Tons)



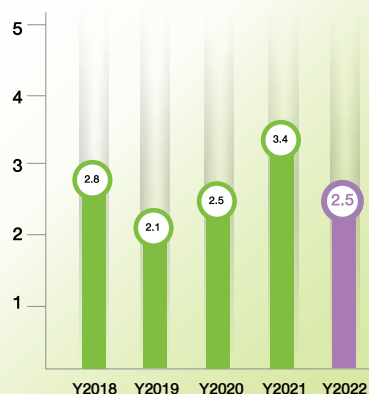
Sales Volume of Gloves (Billion Pieces)



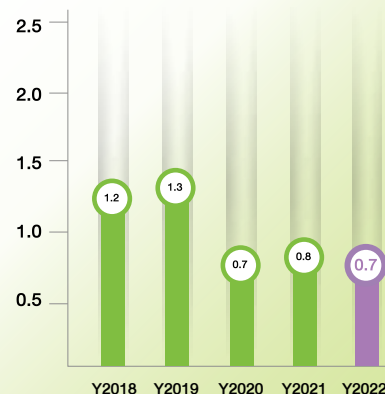
Current Ratio (Times)



Fixed Asset Turnover (Times)



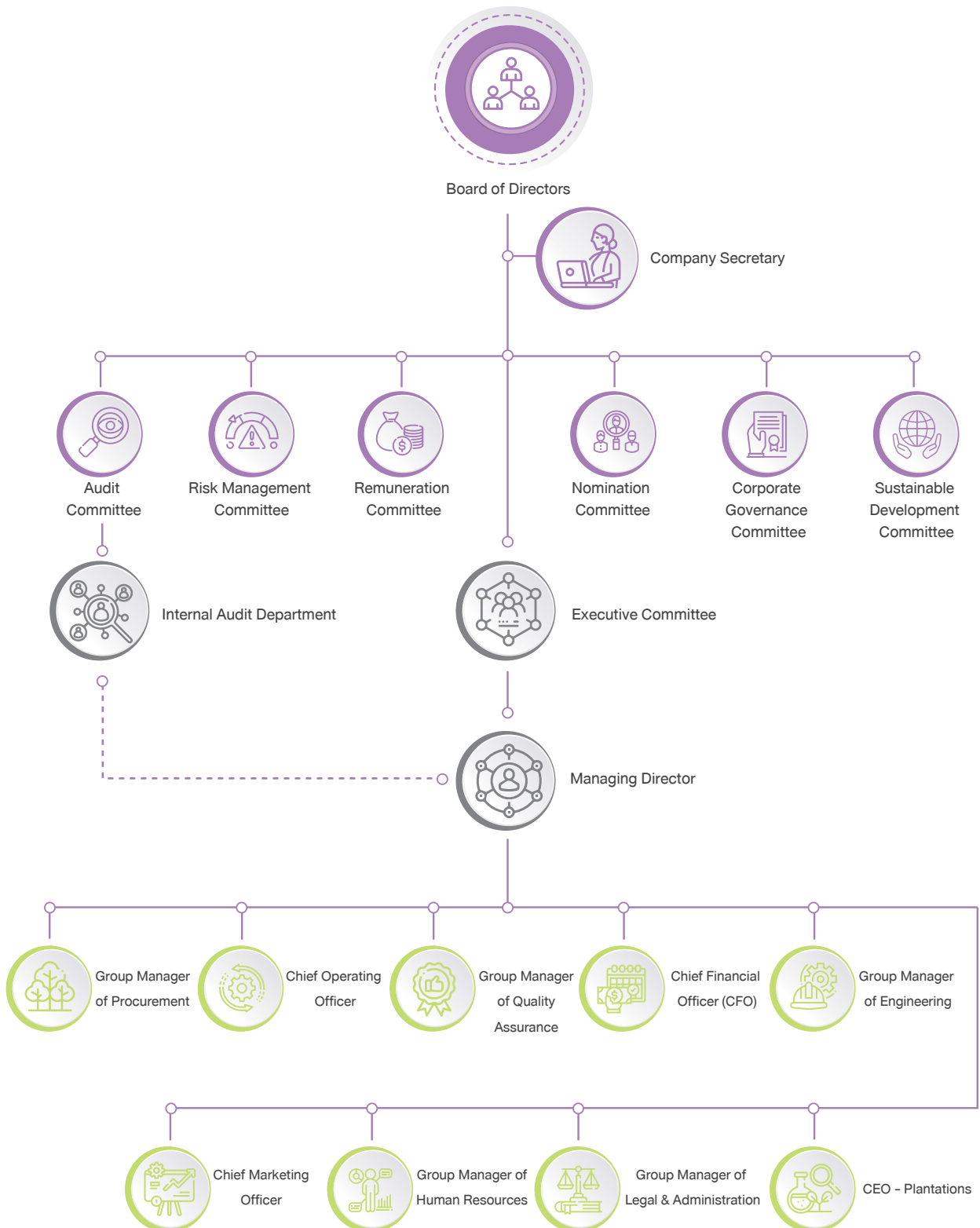
Debt to Equity (Times)



Corporate Governance Structure

Corporate Structure

As of 1 January 2023



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 policy and regulations are reviewed on an annual basis.

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.

The Board of Directors has specified to monitoring the compliance on the policy and the communication to all employees through the internal intranet system (STA Family) and to the public on the Company's website under the topic of good corporate governance.

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:



1. Rights of Shareholders

- (1) Right to Receive Profit Sharing in the Form of Dividend
- (2) Right to Attend the Shareholders' Meeting
- (3) Right to Vote on Agenda Items in the Shareholders' Meeting
- (4) Equal Right to Express Opinions and Make Inquiries in the Shareholders' Meeting

2. Fair Treatment of Shareholders

STA has the policies of fair and equitable treatment to all groups of shareholders including institutional investors, foreign investors, and retail shareholders.

STA has established a channel of communication for minority shareholders to directly access information on various issues e.g. the activities of the Board of Directors, supervision and monitoring of the operation, and auditing through the email address of the independent directors. Furthermore, minority shareholders may directly seek information from the Company Secretary of STA and the Investor Relations Office as following details:

- The Audit Committee, E-mail Address: auditcommittee@sritranggroup.com
- Company Secretary, E-mail Address: corporatesecretary@sritranggroup.com
Tel. +66 2207 4590 - Investor Relations, E-mail Address: ir@sritranggroup.com
Telephone no. +66 2207 4500 Ext. 1402 and 1404

3. Role of Stakeholders

STA fully realises that the growth and development of STA has resulted from the full support given by all interested parties. STA places importance on the rights of all stakeholders, both internal stakeholders such as personnel, staff members, and the Executives of STA and the subsidiaries and external stakeholders such as commercial partners ranging from the suppliers of raw materials to various groups of customers of finished products, financial institutions, government agencies that provide close cooperation, and finally, the shareholders of STA. In this regard, STA realises its responsibilities towards the abovementioned stakeholders.

The followings are details of policies in connection with stakeholders:

Shareholders:

STA is committed to be the representative of its shareholders in conducting its business operation in a transparent manner and having a reliable accounting and finance system that brings the highest satisfaction to shareholders by continuous considering the long-term, sustainable growth of STA and an adequate return.

Employees:

STA treats its employees equally and fairly by providing a good and safe working environment and adequate remuneration. Moreover, STA supports its employees in terms of providing the opportunity to develop knowledge, skills, and experiences for career improvement.

Customers:

STA is committed to creating customer satisfaction by producing quality products and delivering the products on a timely basis and maintaining a good sustainable relationship. A guideline for customer relations practice is included in the Code of Business Conduct under Conduct of Relations to the Customers.

Business Partners:

STA has the procurement policy to screen business partners and purchases goods and services from such business partners pursuant to commercial conditions.

The Company always complies with the agreements entered with its business partners and strictly follows the laws and regulations. In addition, the Company establishes good business ethics aiming to encourage our business partners to run their business along with our ethics and practices, and this will be the opportunity both for the Company and business partners to contribute to social and environmental development to create sustainable growth together.

Competitors:

STA promotes and supports the policy of fair and free competition. STA will not take any actions that infringe or violate any laws related to commercial competition or that could cause harm reputation of its competitors.

Creditors:

STA complies with the conditions of loan agreements and provides accurate, transparent, and accountability information to creditors. Moreover, STA strictly adheres to the compliance with the prescribed conditions of the contract from creditors.

Government Agencies and Related Organizations:

STA strictly complies with various laws and regulations e.g. laws pertaining to the environment, safety, labour, tax management and accounting, as well as the government notifications relating to the business operations of STA.

Society and Environment:

STA is aware of and concerned about the safety, environment, and the quality of life of the people, and the importance of natural resources conservation, the promotion of energy sufficiency, the alternative use of natural resources to minimize the impact on society, the environment and people's quality of life to the greatest possible extent. As such, STA supports activities in the neighborhood community of the factories by providing the most efficient management of safety and environment

4. Information Disclosure and Transparency:**5. Responsibility of the Board of Directors**

The Board of Directors of STA has the duty to understand and realize the responsibility under the principles of a good corporate governance leader company which consists of (1) Goals Determination, (2) Strategies and Policies Determination and Resource Allocation for Objective and Goals Achievement, (3) Monitor, Evaluating and Performance Reporting. The Board of Directors of STA oversees the business operation and the mission of STA to be following the approval given by shareholders, applicable laws, objectives, the Articles of Association of STA, and resolutions of the Board of Directors meeting and the shareholders meeting. The Board of Directors of STA must ensure that the Executives Directors perform their duties and exercise good business judgment in making business decisions and perform its duty with responsibility, due care, and loyalty in the best interests of the Company.

Nomination and Appointment of Directors

Nomination Committee has set directors selection criteria for the candidates to possess qualifications in accordance with the law and the specified criteria, which included experience, knowledge and ability that will be beneficial to the Company, with no limitation in gender, race, ethnicity, nationality, or place of origin, as well as considering diversity and expertise as a whole by setting a target that at least 2 of the Directors must be female. The Company has prepared a Board Skill Matrix for consideration that the candidate's qualification is consistent with business operations and select persons to be nominated as Directors, Independent Directors, or the Audit Committee members to propose to the Board of Directors and the shareholders' meeting to consider the election in accordance with the Company's Articles of Association.

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

Director Development

The Company encourages and facilitates Directors to receive training or seminars in courses that are beneficial to their duties too be used as a guideline for continuous operational development.

Conflict of Interest

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 2022, 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 online training for employees to create correct knowledge and understanding through a hundred courses "Have a good day with STA Culture" which there are 99 percent 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 2022, there were not find any significant conflict of interest among Directors, Executives, and permanent employees. The policy on the prevention of conflict of interest is disclosed on the Company's website (www.sriranggroup.com/en/cg/important-policies).



Code of Conduct

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;

- Responsibility to shareholders
- Relationship with customers
- Relationship with suppliers / competitors
- Responsibility to employees
- Responsibility to social and environment

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

Due to a human rights awareness following the law applicable, the Board of Directors has established various policies such as policy on human rights and non-discrimination, anti-corruption policy and practices, and conflict of interest policy, insider information policy, as well as policies and practices concerning the non-infringement of intellectual property, which are published on the Company's website.

The Board of Directors of STA

The Board of Directors of STA structure

As of 31 December 2022, the Board of Directors of STA consists of 12 directors which are 8 Executive Directors and 4 Non-Executive Directors, all of whom are independent. The proportion of Independent Directors to total Directors is 33.33 percent and the proportion of Non-Executive Directors to total Directors is 33.33 percent, with details as follows:

Name	Position	Executive Director	Non-Executive Director	Independent Director
1. Mr. Viyavood Sincharoenkul*	Chairman/ Chairman of the Executive Committee	✓		
2. Ms. Anusra Chittmittrapap	Vice Chairman/ Independent Director/ Chairman of the Audit Committee/ Chairman of the Corporate Governance Committee / Chairman of the Remuneration Committee		✓	✓
3. Mr. Veerasith Sinchareonkul	Director / Managing Director/ Chairman of the Risk Management Committee/ Chairman of the Sustainability Development Committee/ Member of the Corporate Governance Committee	✓		
4. Mr. Chaiyos Sincharoenkul	Director / Executive Director	✓		
5. Mr. Kitichai Sincharoenkul	Director/ Executive Director/ Member of the Nomination Committee	✓		
6. Mr. Paul Sumade Lee	Director / Executive Director	✓		
7. Mr. Vitchaphol Sincharoenkul	Director / Executive Director/ Member of the Sustainability Development Committee	✓		
8. Mr. Patrawut Panitkul	Director / Executive Director/ Member of the Risk Management Committee	✓		
9. Mr. Chalernpop Khanjan	Director / Executive Director/ Member of the Risk Management Committee/ Member of the Sustainability Development Committee	✓		
10. Gen Thanasorn Pongarna	Independent Director/ Member of the Audit Committee/ Chairman of the Nomination Committee/ Member of the Remuneration Committee		✓	✓
11. Mr. Thanatip Upatising	Independent Director/ Member of the Corporate Governance Committee		✓	✓
12. Ms. Nongram Laohaareedilok	Independent Director/ Member of the Audit Committee/ Member of the Nomination Committee/ Member of the Remuneration Committee		✓	✓
Total Number of Directors		8 persons	4 persons	4 persons

Mrs. Pacharin Anuwongwattanachai is the Company Secretary.

- The Board of Directors' Meeting No. 1/2022, held on 4 February 2022, has resolved the appointment of Sub-Committee, as follows:

The Corporate Governance Committee

- Ms. Anusra Chittmittrapap Chairman of the Corporate Governance Committee
- Mr. Thanatip Upattising Member of the Corporate Governance Committee
- Mr. Veerasith Sinchareonkul Member of the Corporate Governance Committee

The Sustainable Development Committee

- Mr. Veerasith Sinchareonkul Chairman of the Sustainable Development Committee
- Mr. Vitchaphol Sincharoenkul Member of the Sustainable Development Committee
- Mr. Chalernpop Khanjan Member of the Sustainable Development Committee

The Audit Committee

- Ms. Anusra Chittmittrapap Chairman of the Audit Committee
- Gen Thanasorn Pongarna Member of the Audit Committee
- Ms. Nongram Laohaareedilok Member of the Audit Committee Member

The Nomination Committee

- Gen Thanasorn Pongarna Chairman of the Nomination Committee
- Ms. Nongram Laohaareedilok Member of the Nomination Committee
- Mr. Kitichai Sincharoenkul Member of the Nomination Committee

The Remuneration Committee

- Ms. Anusra Chittmittrapap Chairman of the Remuneration Committee
- Gen Thanasorn Pongarna Member of the Remuneration Committee
- Ms. Nongram Laohaareedilok Member of the Remuneration Committee

The composition of the Board takes into consideration the nature and scope of the Group's operations to allow constructive discussion on the board diversity in terms of knowledge, skills, experiences, ages, and genders of Directors in order to establish the Committee that can perform their duties effectively.

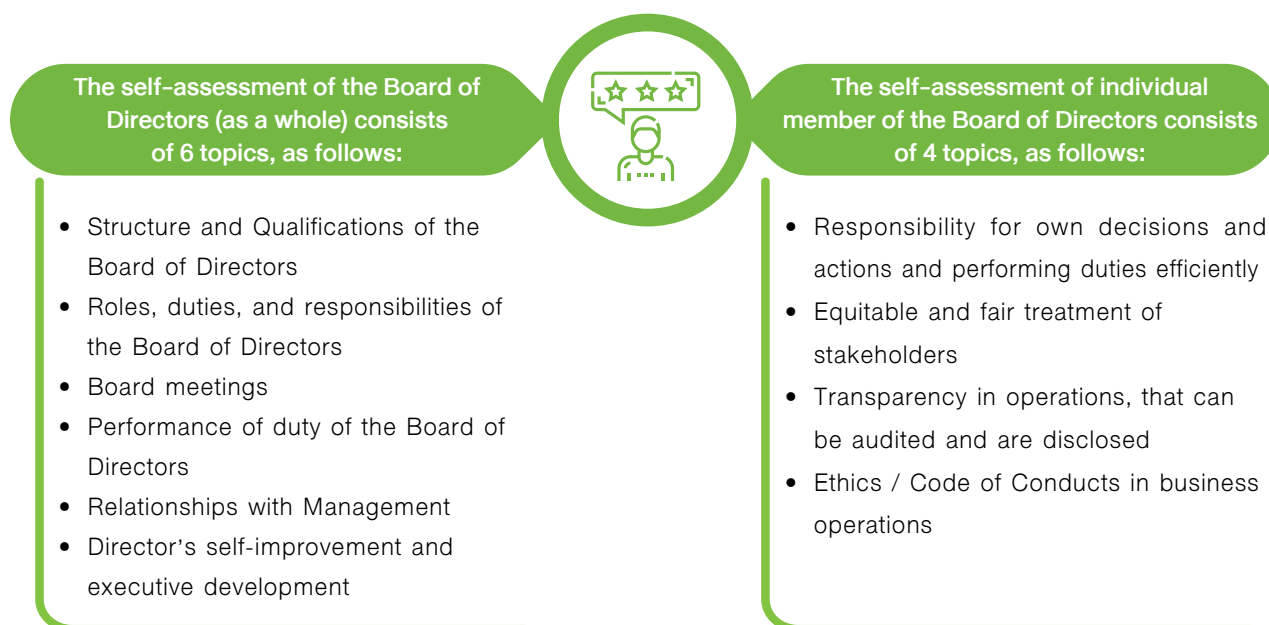
Assessment of the Board of Directors, Sub-Committees, and CEO

The Company arranges for the performance assessment of the Board of Directors both as a whole and individually, as well as the Sub-Committees and the President, then present the results at the Board of Directors' meeting annually. The assessments are to be used as a framework for auditing whether the Board of Directors has performed their duties completely, appropriately, within their scope of duties, and in accordance with good corporate governance principles. The committees that are subjected to the performance assessment are as follows:

- The Board of Directors (as a whole)
- The Board of Directors (individual)
- The Audit Committee
- The Nomination Committee
- The Remuneration Committee
- The Risk Management Committee
- The Corporate Governance Committee
- The Sustainable Development Committee
- Managing Director (CEO)

Guidelines

The performance assessment of the Board of Directors is based on an assessment form prepared in accordance with the guidelines of the Stock Exchange of Thailand and adapted to suit the characteristics and structure of the Board of Directors. The result of the assessment is an important part for the improvement of the Board of Directors' duties and operations to be more efficient and effective in the future.



The performance assessment of the CEO consists of 10 topics, as follows:

- Leadership
- Strategy Formulation
- Strategy Implementation
- Financial planning and results
- Relationships with the Board of Directors
- Relationships with external stakeholders
- Management and Relationships with personnel
- Succession
- Knowledge regarding products and services
- Personal qualifications

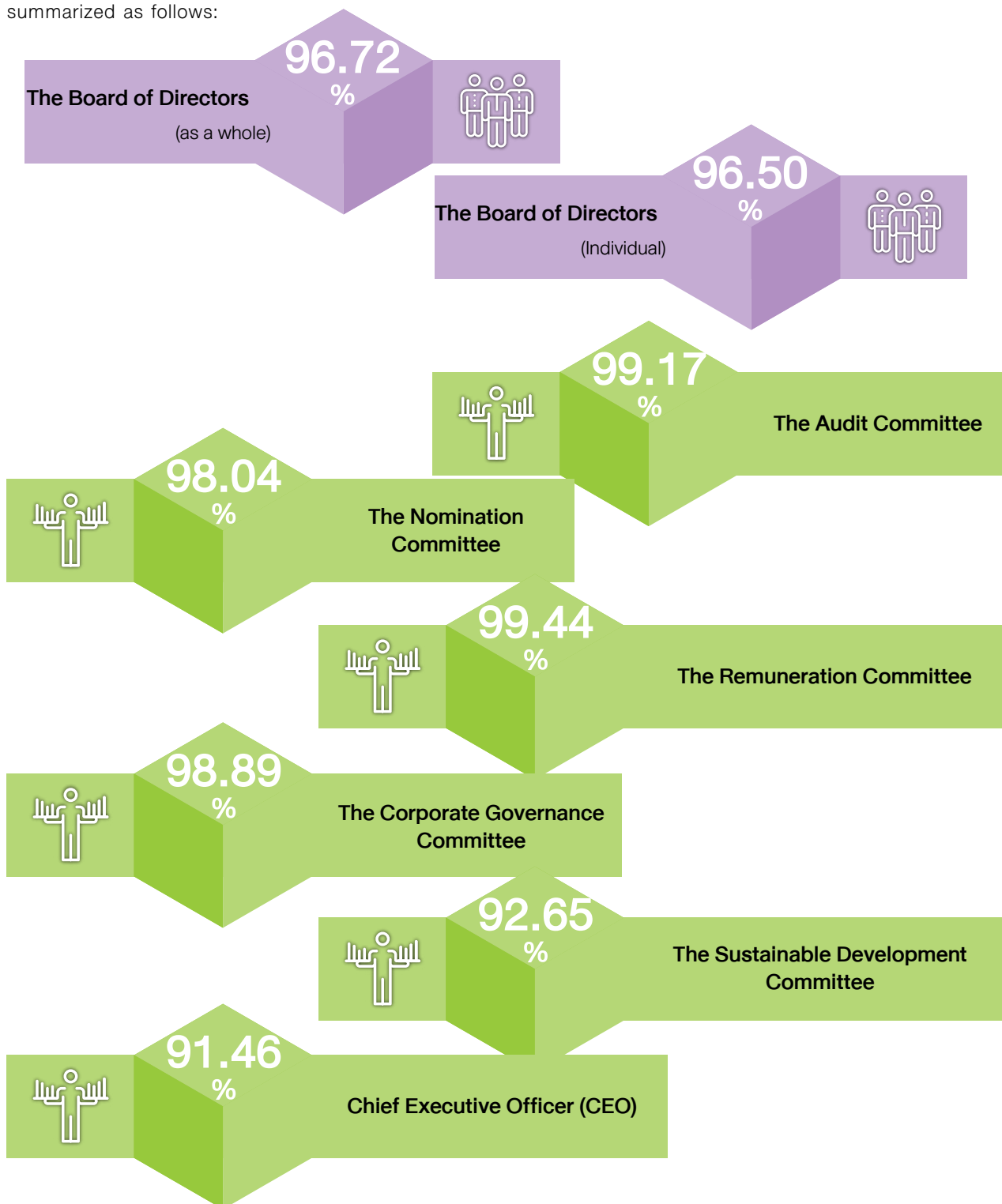
Scoring is done by indicating the opinions of each judge with a symbol (/) in the score boxes ranging from 0-4 in an assessment form, with levels ranging from strongly disagree to strongly agree or with no action taken to excellent action taken. Then, the total score is evaluated by calculating it as a percentage of the full score. The scoring criteria is as follows:

- Greater than or equal to 90 percent = Excellent
- Greater than or equal to 80 percent = Very good
- Greater than or equal to 70 percent = Good
- Greater than or equal to 60 percent = Fair
- Less than 60 percent = Poor

Performance assessment process

Company Secretary delivers performance assessment forms to all Directors for the purpose of assessing the performance of the Board of Directors and the Sub-Committees in which they hold the positions to assess the performance over the past year. Then, Company Secretary will collect the completed assessment forms and summarize the results according to established criteria, and report the performance of all committees to the Company's Board of Directors.

In 2022, the Board of Directors, Sub-Committees, and the CEO's assessment results can be summarized as follows:



Anti-Corruption and Whistleblowing

The Company places importance on good corporate governance for transparent and ethical operation and being against all forms of corruption. The Board of Directors has assigned the Corporate Governance Committee to be responsible for setting anti-corruption policies and monitoring compliance with such policies to promote transparency, accountability, and to build an ethical organizational culture to prevent corruption.

In 2022, the Company carried out activities to enhance good governance, business ethics, and anti-corruption efforts as follows:

- The Company reviewed its anti-corruption policy and communicated the policy to counteract corruption to the Board of Directors, Executives, and Employees via E-mail and intranet. The Company was also required an annual review of its anti-corruption policy to ensure its completeness and covers all risks of corruption in the Company's business operations, including bribery, political contributions, and charitable donations. The appropriate guidelines have been established to prevent risks that may arise from such activities.
- The Company provides training to the employees to create correct understanding and knowledge about anti-corruption policies through the "Have A Good Days with STA Culture" course. 99 percent of employees have undergone the training, and a knowledge test was given with 100 percent passing rate. This is to embed good governance, ethical values, and anti-corruption policies, preventing conflicts of interest, gift-receiving guidelines, whistleblowing, and protection for whistleblowers. This is to equip employees with the necessary understanding and knowledge to apply correctly.
- The Company had been certified for renewing its participation in the Thai Private Sector Collective Action Against Corruption project in 2021. In 2022, The Company enrolled as a CAC Change Agent by inviting its business partners to jointly declare intention with CAC, helping the Company to develop and improve its operations with transparency and to set standards for business governance. This creates a business network with transparency, strength, and free from corruption. It also demonstrates the Company's commitment to act against corruption in all forms.
- The Company has announced a 'No Gift Policy' during the New Year holiday and any other occasions through the website www.sritranggroup.com to express the intention and communicate to all stakeholders including business partners, customers, affiliated companies and other third parties.
- The Company arranges risk assessments for fraud both inside and outside the organization in order to prevent and subjugate fraud by analyzing the risks of fraud cases that affect business operations, determining the level of risk importance, and appropriate measures for assessable risks.
- The Company arranges internal audits to ensure that the established internal control and risk management systems help the Company achieves its goals, as well as monitors compliance with regulatory requirements and help find weaknesses in the control system in order to advise on developing an operating system to be efficient and effective, free from fraud, and in accordance with good corporate governance guidelines.

The policy on the anti-corruption is disclosed on the Company's website (www.sritranggroup.com/en/cg/important-policies).



Whistleblowing

The Company has committed to conducting business with transparency, integrity, and accountability. It is aligned with the principles of good governance and expects all stakeholders to report any incidents that may violate these principles in order to take corrective action. The Company has a policy for whistleblowing and protecting the whistleblowers to ensure that complaints are handled efficiently. The Company provides various channels for receiving complaints made by any stakeholders regarding any unethical actions, misbehavior, suspected violation of laws, regulations, and ethical business practices, corruption, as well as incorrect financial reporting and defective internal controls which may cause damage to the Company as well as establishing measures to protect complainants acting in good faith.

Channels

Complaints can be submitted through the following channels;



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



In 2022, The summary of complaints through these channels are as follows:

Types of Complaints	Number of Complaints
Violation of Code of Conducts	
- Unethical Competition	-
- Non-Discrimination	2
- Use of Inside Information	-
- Working Environment and Safety	-
Services/Products	7
Misconduct in Performing Duties and/or Unethical Behavior	3
Others	9

Of the total complaints, 16 complaint cases have been completed according to the complaint dealing process, and 3 cases of violation were found as follows:

1. Violation of use and maintaining of data and assets, which is a violation of work regulations, resulted in termination without compensation in one case.
2. Improper behavior of employees in 2 cases, resulted in a warning in one case and termination without compensation in another case.

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 is disclosed on the Company's website (www.sritranggroup.com/th/cg/important-policies).



Risk Management

1. Policy and Risk Management Plan (Disclosure 2-16)

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 the 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.

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.

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.

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

Sustainability Development Working Group is responsible for planning and supervising the company to operate in line with the company's sustainability development policy covering environmental, social and governance & economic aspects

Risk Management Performance

In 2022, the Risk Management Committee held a total of four meetings with 100% participation from all Risk Management Committee's members. The key matters of the meeting are shown as follows;

- Considering, suggesting, and approving risk management including the preparation of yearly corporate risk management plan in order to align with the strategy, mission, and goals of the organization
- Considering the company's key risks and the results of the Key Risk Indicator (KRI), as well as monitor the risk status and progress in risk management to align with the company's acceptable risk level
- Giving opinions and suggestions in preparing a Business Continuity Management Plan (BCP) to cope with any incidents or crises including preventing and mitigating potential impacts
- Reviewing the risk management policy and the Risk Management Committee's charter to be in line with good practice, rules and regulations of the SEC and SET
- Reporting the Risk Management Committee's operating result to Board of Directors quarterly

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. The Company has paid attention to manage four key risk factors namely strategic risks, operational risks, financial risks, and compliance risks as well as other emerging risks and project investment risks. In case that there is any improper management, it will affect the achievement of the vision, mission, objectives, and goals of the Company.

2. Risk Factors Affect The Company's Operations

2.1 Risk factors affect to Sri Trang Group's operation

Strategic Risk

(1) Natural Rubber Price Volatility (Economics Risk)

In general, prices of commodities, including natural rubber, are subject to volatility and we, like other participants in the natural rubber industry, have limited influence over the harvest timing and the fluctuations in prices of natural rubber. The prices of natural rubber and the natural rubber products that we sell, like prices of most commodities, are affected by several factors, including but not limited to the following:

- **Natural rubber supply and demand** - An increase in the supply of natural rubber or a decrease in the global consumption of natural rubber could create a supply surplus, which could result in a decrease in prices of natural rubber and, in turn, the average selling prices of the natural rubber products that we sell. Additionally, global demand for such products, in particular TSR, is significantly dependent upon the tire manufacturing industry, which accounts for around 70% of global natural rubber consumption. A slowdown in the tire manufacturing industry may lead to decreased demand for the natural rubber products that we sold and our business, financial condition and operating results may be adversely affected;
- **Prices of crude oil, energy, and oil-based chemicals** - Crude oil prices may affect the prices of natural rubber and other input materials such as oil-based chemicals used in rubber processing. In addition, prices of synthetic rubber usually move in the same direction as crude oil prices, and fluctuations in the prices of synthetic rubber usually have an impact on natural rubber prices and demand. Nowadays, there are varieties of synthetic rubber available in the market that can be used as substitutes for natural rubber in the manufacture of some rubber-based finished products. Factors such as increased global demand for rubber, volatility in natural rubber prices, an increase in natural rubber prices when compared to prices of synthetic rubber, risks of supply disruption caused by political events, regional constraints, and seasonal supply patterns may lead to an increase in demand for such synthetic rubber substitutes. This may result in decreased demand for natural rubber, which may have a material adverse effect on our business, financial condition, and operating results. As of December 31, 2021, revenue from natural rubber products accounted for 60% of our total revenue.
- **Speculation** - As natural rubber and some of the natural rubber products that we sell are traded on various commodity futures exchanges, they are susceptible to price speculation in addition to local and global economic factors.

Risk Management

The Company has policies to manage risks related to natural rubber price volatility, including raw material sourcing management in terms of prices and quantities and the use of rubber futures and physical forward contracts when applicable. Such contracts are recorded at their fair value on the date of the statement of financial position. Moreover,

the Company has applied fair value hedge accounting to reduce the change in fair values resulted from changing in the prices of rubber. (Please find more details in Note to the Consolidated and Separate Financial Statements under item 4.22.)

(2) Discrepancy between The Growth in Demand for Natural Rubber and Expectations

Because natural rubber and gloves are consumed by a wide variety of consumers in countries all over the world, market demand for both is subject to such factors as changes in consumer preference, the existence of replacement products, and changes in laws and regulations, for example, the ban on the use of powdered medical gloves by the US Food and Drug Administration (FDA). Demand can also be affected by new technological inventions, for instance, the experiment by tire manufacturers to use guayule and dandelion in place of natural rubber in tire manufacturing during a period of high natural rubber prices. These factors can lead to changes in market demand for both natural rubber and gloves, and our business opportunity, revenue, and financial results can be affected as a result.

Risk Management

The Company closely monitors any changes to may affect market demand for natural rubber and gloves and attempts to minimize their effect on the Company's operations. The natural rubber products that we sell, namely, TSR, RSS, and LTX, have a wide variety of applications and a diversified customer base. Our vertically integrated business model also allows us to guard against a negative impact on any part of our operations. In glove production, our machinery is capable of producing both latex and nitrile gloves and the proportion of the gloves that we produce can be quickly adjusted. We also have a variety of customer bases that have varying preferences and regulations. Our production and marketing strategies can be quickly adjusted to respond to changing market demand.

(3) Operations and Investments in Foreign Countries

We have operations and investments in various countries including Thailand, Singapore, Indonesia, Vietnam, Myanmar, the USA, and the PRC. Accordingly, we are subject to the risks associated with our business activities in these countries. Our business, financial condition, operating results, and prospects may be materially and adversely affected by a variety of conditions and developments in these countries including:

- inflation, interest rates, and general economic conditions;
- civil unrest, military conflict, terrorism, changes in the political climate and general security concerns;
- changes in legal and regulatory conditions;
- changes in duties payable and taxation rates;
- natural disasters;
- the imposition of restrictions on foreign currency conversion or the transfer of funds; or
- the expropriation or nationalization of private enterprises or the confiscation of private property or assets.

Should any of the aforementioned risks materialize and we are unable to adapt our business strategies or operations accordingly, our business, financial position, operating results, and prospects may be materially and adversely affected.

Risk Management

The Company closely monitors the operations, economic climate, and changes in the relevant domestic and international laws and regulations to assess opportunities and risks as well as formulate the appropriate strategies to minimize any negative effect on the Company.

(4) Dependence upon Services of Key Management (Social Risk)

One of the key reasons for the growth of our Group has been our ability to attract and retain a team of experienced professional managers. Our continued success will depend on our ability to retain key management personnel as well as to recruit and train new managers. If members of our senior management are unable or unwilling to continue in their present positions, we may not be able to find their appropriate successors and our business may be adversely affected. In addition, the process of recruiting new managers with the required skills and attributes may be time-consuming and competitive. We may not be able to attract additional qualified persons to complement our expansion plans and our business and operating results may be adversely affected.

Risk Management

The Board of Directors has assigned the Nomination Committee to search for qualified candidates who could potentially assume positions as the Company's directors or executives to ensure that such persons will have the required knowledge, skills, and experience to carry out our business strategies. Moreover, the Company has a personnel management scheme that includes job rotations, the 'STA Development Program,' performance evaluation system, the provision of competitive remuneration and welfare, and career advancement opportunities.

Operational Risk

(1) Supply Chain Management (Economics Risk)

As the world's largest fully integrated natural rubber company, our business operations need to focus on supply chain management, which requires cooperation between internal and external parties. The majority of our dealings with external suppliers relate to the procurement of quality raw materials including unsmoked rubber sheets, cup lumps, and fresh latex at reasonable prices. Because we have approximately around 3,200 suppliers who provide us with raw materials of different quality, the raw material management, therefore, requires an effective procurement system with efficient utilization of resources as well as production that is friendly to the environment and the local communities which consistent with the Company's goal.

Risk Management

The Company recognizes the values of effective supply chain management. We have therefore expanded our operations to all levels of the supply chain, from upstream and midstream to downstream. The Company's wide product range, from RSS, TSR, LTX to examination gloves, enables us to diversify our sources of income and customers. In 2021, no single customer who is not a related person accounted for more than 7% of our total sale volume of natural rubber products and 7% of our total sale volume of gloves. Moreover, the Company has established an extensive network of raw material procurement and has located processing facilities in various strategic areas in the south, north, and northeast of Thailand as well as in Indonesia and Myanmar for geographical raw material management and continuous flow production.

(2) Production Disruption and/or Production Stoppage (Environmental Risk)

The production processes operated by the Company require vast amounts of resources. Any natural disaster, severe outbreak, force majeure, shortage of labor, severe disruption to the infrastructure such as water supply or electricity, or any other events beyond the control of the Company may lead to a significant disruption to or a stoppage of production. Such disruption or stoppage would adversely affect the operations of the Company.

Risk Management

The Company has in place a business continuity plan (BCP) to ensure continuity of the Company's operations in the event of a contingency or any unforeseen circumstances that could disrupt the operations. However, having such a plan in place merely ensures that the operations would continue and any damage would be minimal. It does not necessarily mean that the operations would continue to run as smoothly as they would under normal circumstances. In addition, the Company has industrial all risks insurance to protect the business from any loss or damage that might result from a natural disaster or any unforeseen circumstance, as well as business interruption insurance to minimize the financial impact that could result from any disruption to operations.

(3) Environmental Management (Environmental Risk)

Because the Company operates many production facilities, the environmental issues that are involved include energy consumption management, management of waste from the natural rubber production processes, water, and air pollution management, environmental claims, and non-compliance or partial compliance with environmental regulations that could negatively affect the Company's reputation and result in fines or cessation or termination of the Company's operations.

In case that there will be more rigid regulations and/or social practices which the Company may not comply with or could comply with significantly high costs. It is possible that these regulations and/or social practices would become more stringent in the future

and failure by the Company to comply with such regulations and/or social practices may adversely affect the Company's operations, financial position, and operating results, and business opportunities.

Risk Management

The Company has managed environmental risks through ISO 14001 by analyzing the organization's context including the stakeholder's needs and expectations to identify the risks that could affect the operations. The results of risk assessment can be divided as follows:

1. Resource management and pollution control

The Company aims to utilize production processes that are friendly to the environment, for example, using a circulating water system in 100% of the production of block rubber, utilizing biomass as fuel, as well as using technologies for pollution control and real-time monitoring of the status of the pollution treatment system.

2. Compliance with laws and regulations

The Company has established various risk management measures, for example, preparation of work procedures to ensure systematic supervision and management and requiring the Company's operations to participate in workshops to ensure compliance with all relevant internal and external regulations. Additionally, the Company has supervised compliance with the environmental manual through Internal Audit and is closely monitoring any changes in the relevant laws and regulations.

(4) Information Technology Risk (IT Risk)

According to the rapid changes of business circumstances, the Company has brought innovation and new technology to continuously enhance our business operation and to create business opportunities for any changes in the future. For example, the Company has used SAP and adopted the "SRI TRANG FRIENDS" application to help facilitate buying raw materials from rubber suppliers in Thailand which helps reduce the number of procurement centres located in many areas and reduce fixed costs of the Company as well. Increased dependence on technology leads to increased risk of IT to our operating platforms that rely on internet connections. Theft of important information or business interruptions would affect our reliability, credibility, and reputation.

Risk Management

The Company realized IT risk and cyber threats by defining policies to manage IT risk in many aspects. This is to support business continuity by providing a data-backup system, disaster recovery plan for emergency cases, and incident management system. Moreover, practically, the Company has monitored and been alert for new cybersecurity threats at both production plants and offices by performing penetration tests and vulnerability assessments

regularly to be proactive in planning preventive mitigation measures for possible attacks. The Company also continuously foster cybersecurity awareness through email, announcement, and training so that our employees may exercise caution when using IT communication platforms.

Financial Risk

Exchange Rate Volatility (Economics Risk)

While our financial report is shown in Baht, our raw materials purchasing for the natural rubber products are transacted in Baht and Indonesian Rupiah, and our raw materials purchasing for Gloves are transacted in Baht and US Dollar. However, approximately 84% of our total revenues is denominated in US Dollars. (approximately 12% of our total revenues is denominated in Baht.) Therefore, the fluctuations in the exchange rates between Thai Baht, Indonesian Rupiah, US Dollars, or other currencies, could adversely affect our business, financial position, and operating results. Any fluctuations in the exchange rates between Thai Baht, Indonesian Rupiah, and Malaysian Ringgit could adversely affect our price competitiveness to other natural rubber and glove producers from Indonesia and Malaysia, respectively.

Risk Management

The Company has attempted to mitigate foreign exchange risks by using financial derivatives to hedge our foreign exchange exposure arising from the purchase and sale of products in currencies other than Baht. Such derivatives are recorded at their fair value on the date of the statement of financial position. Moreover, the Company has applied fair value hedge accounting to reduce the change in fair values resulted from changing in the foreign exchange rates. (Please find more details in Note to the Consolidated and Separate Financial Statements under item 37.1.)

Compliance Risk

(1) Legal and Compliance Risk

The Company's operations in Thailand and other countries are subject to the various relevant laws and regulations. Any failure to comply with any such laws or regulations could negatively impact the Company's reputation and result in punishment and/or fine or loss of opportunity as well as other relevant costs. Additionally, there is a possibility that these laws or regulations, as well as social practices, would become increasingly more stringent in the future, and the Company's operations, financial position, operating results, and business opportunities would be adversely affected should the Company be unable to comply with such laws and regulations.

Risk Management

The Company has established a business unit that is responsible for monitoring the amendments of the relevant laws and regulations. The unit will then analyze the impacts on the Company's operations and information management and employees of significant issues to ensure that the Company will be able to conduct the business in compliance with the relevant laws and regulations. In addition, the Company has published internal regulations and

established various schemes to ensure compliance with the relevant laws and regulations, such as the Good Corporate Governance and Business Ethics Handbook, the Anti-Corruption Policy, and the whistle-blower system as well as the annual review of compliance and regulations, etc. to ensure that the company operates business complying with the relevant laws and regulations.

(2) Government Intervention

During low natural rubber price situation, the government may issue some measures to intervene the supply ie. decreasing Natural rubber export volumes to solve the problem of low natural rubber price. However, the measures implemented may cause domestic natural rubber prices to be inconsistent with prices on the global markets or may cause the Company's sales volume to be inconsistent with market demand, which may impact the cost structure, revenue, and profit of the Company. If the Company is unable to effectively manage the discrepancy between raw material costs and selling prices, our profitability may be adversely affected. Moreover, if the market prices of the Natural Rubber Products sold by the Company become volatile, our business, financial position, and operation results could be materially and adversely affected.

Risk Management

The Company carefully manages its operations under the prevailing circumstances, taking account of the intervention by the Government or any other authorities. Having production facilities located in different strategic locations, both domestically and internationally, also enables us to maintain our competitiveness in the global market.

Emerging Risk

(1) Risks of Epidemics (COVID-19)

According to the epidemic situation of the coronavirus (COVID-19) in the past year, it has had a wide impact on both living and economies over the world. Therefore, the company shall prepare to cope with emerging diseases that may arise in the future, both new diseases, reemerging diseases or diseases caused by mutants. This is a risk to employees who may be infected or make infectious disease spread in the organization and may result in production halt due to manpower shortage causing business slowdown or interruption.

Risk Management

The company has set up the team to closely monitor the epidemic situation to assess the situation and evaluate risks that may affect business operations including appointing emergency response team and communication team to communicate information and enhance knowledge & understanding regarding epidemic prevention as well as establishing the preventive measures for employees, customers, partners and related parties to prevent and control the spread of disease

within the organization. Furthermore, the emergency action plans and business continuity plans are also prepared for core business functions to respond and manage epidemic situations to ensure that the organization can continue its operation without business interruption.

(2) Climate Change Risks and Regulations, Standards, and Sustainability Goals

The sudden disaster of climate change is a global environmental concern. Manufacturers in every supply chain aim to reduce waste emission and enhance production efficiency in order to achieve the highest goal of being environmental-friendly manufacturer. There have been rigid regulations and new standards created by related government agencies in order to push changes in consumer behavior and manufacturing under higher environmental concerns. The Company, therefore, has to formulate guidelines for managing and coping with climate change to mitigate the impact that may affect production costs competitiveness and sustainability of future business operations.



Risk Management

The Company defines continuously implemented measures to reduce greenhouse gas (GHG) emissions and expanded its practices for the value chain in the future, as described below:

- Established policy and frameworks to support investments in low-carbon projects to elevate the Company's GHG reduction initiatives;
- Established carbon footprint project to identify significant origins and take measures to reduce the Company's GHG, such as energy management and productivity enhancement;
- Promoted the use of renewable energy;
- Joined as a Membership of Thailand Carbon Neutral Network (TCNN), established by Thailand Greenhouse Gas Management Organization (Public Organization);
- Consistently monitored progress, review GHG reduction strategies and target and improve operations; following policies, rules, regulations continuously;
- Participated in the project of the Greenhouse Gas Management Organization. (Public Organization) TGO such as T-VER, LESS.

Research, Development and Innovation

Research and Development (R&D)

The Company has R&D projects covering all product groups such as Technically Specified Rubber (TSR), Ribbed Smoked Sheets (RSS), Concentrated Latex, and rubber glove products. The Company focuses on improving the efficiency of production processes and enhancing the quality of products to respond to customers' needs and sustainably manage the environment, which lead to an increase in opportunities and competitiveness for the Company.

The Company has a research and development policy with 3 main objectives and goals as follows:

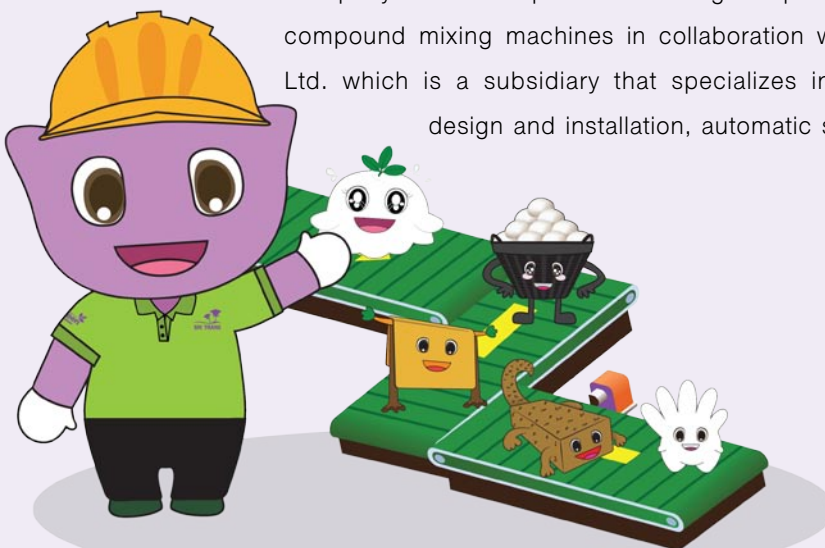
Innovation Development Projects in 2022

To enhance STA competitiveness (to increase productivity and reduce cost)	52 Projects
To promote the sustainable and environmentally-friendly operation	5 Projects
To create business opportunities and support new businesses	3 Projects
Total Projects*	60 Projects
Total R&D expenses in 2022	54.2 Million Baht

Automating system innovation for natural rubber and glove factories

In 2022, the Company expanded and developed its successful research and development efforts in 2021 in the field of innovation and technology, covering both automation and smart technology to improve production efficiency, reduce production costs, and enhance our competitiveness. The Company continues to work on the development of robots and artificial arms to replace human labor in various heavy tasks, including automatic rubber pressing machines and automatic TSR grading systems. In glove factories, the

Company has developed automatic glove packaging machines and automatic latex compound mixing machines in collaboration with Premier System Engineering Co., Ltd. which is a subsidiary that specializes in engineering jobs such as machine design and installation, automatic systems, etc.



Innovative resource and energy utilization

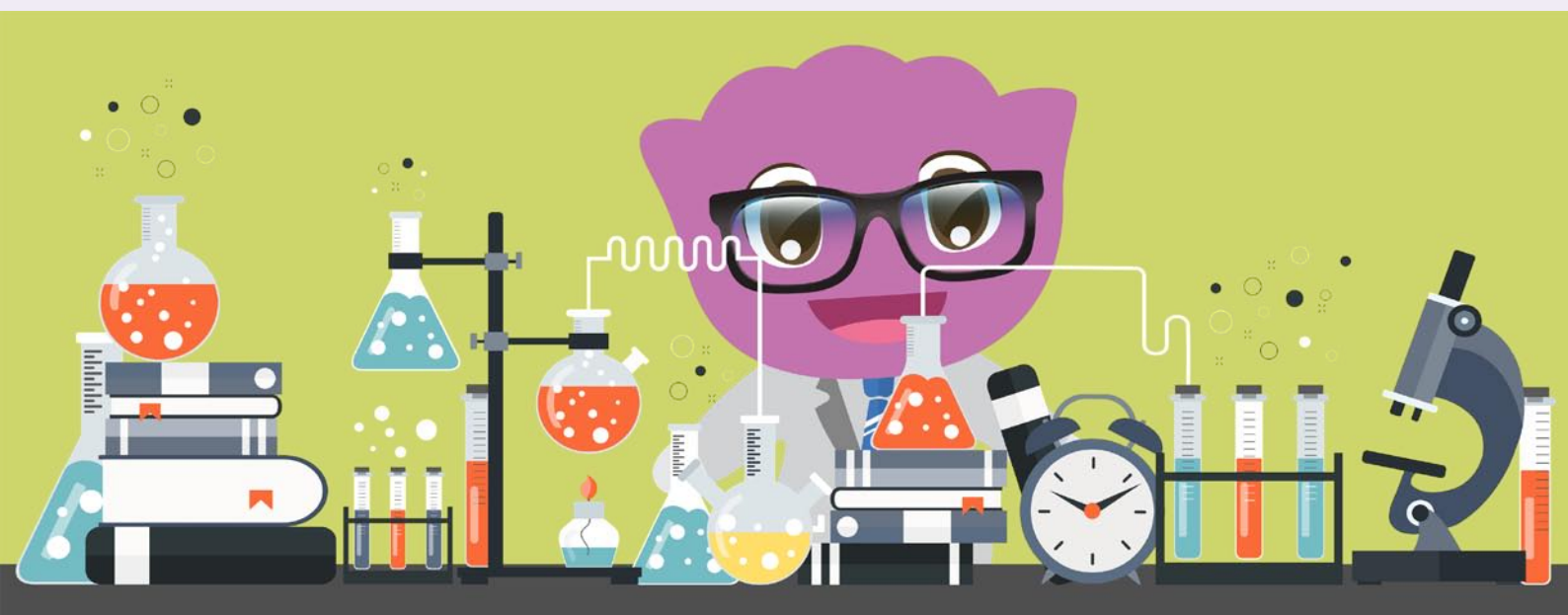
Solar power generation system installation project.

In the previous year, the Company's subsidiary installed a solar floating system on an area of 5,800 square meters with a maximum production capacity of 1 megawatt in a rubber plant in Mukdahan, as well as a solar roof system on an area of approximately 6,000 square meters with a maximum production capacity of 1 megawatt in the rubber glove factory in Trang. The Company plans to expand the installation to meet its goal of using more renewable energy and reducing greenhouse gas emissions.



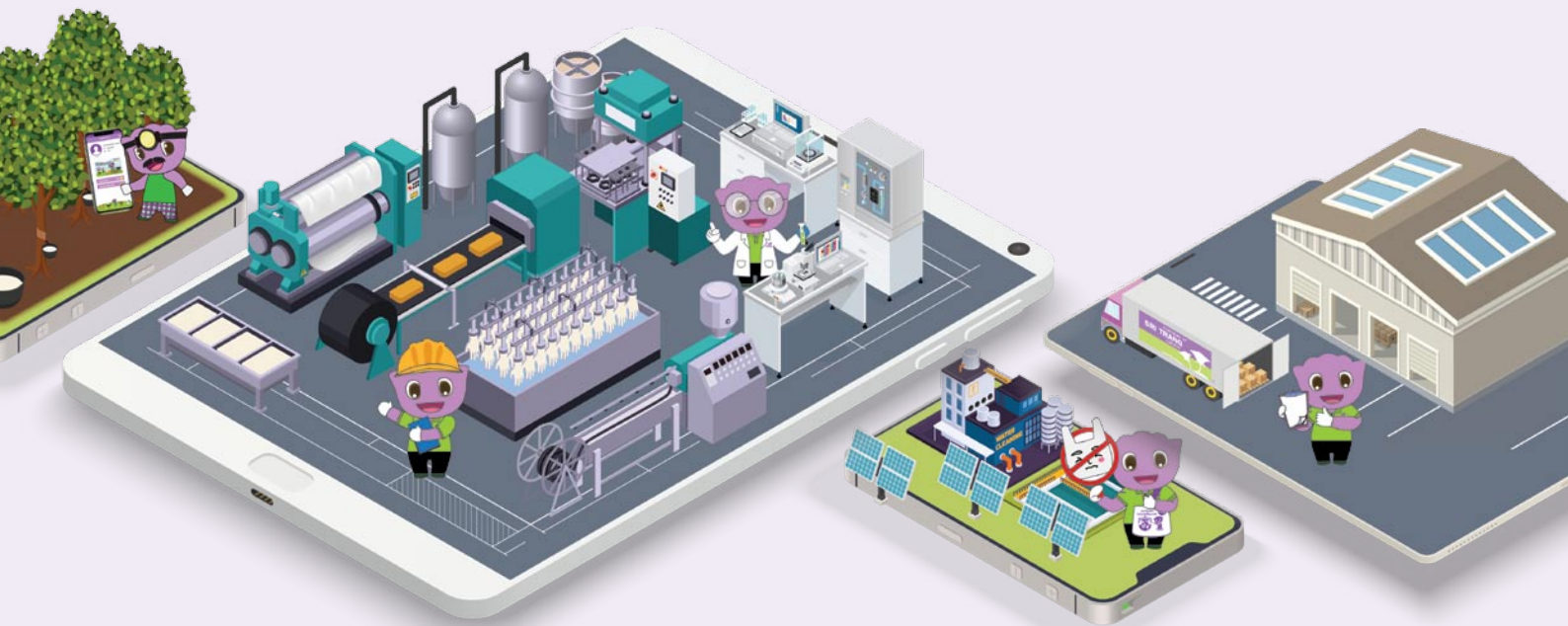
S-Energy Project

The Company has been successful in converting wastewater sludge from factories into fuel by mixing it with wood scraps to be used as fuel in boilers in the rubber production process, reducing the number of wood scraps used, and increasing the benefits of wastewater sludge according to the principles of Circular Economy.



Innovation to add value to the products

Natural rubber product upgrading project. The Company has upgraded its research and development of natural rubber products by analyzing and developing both raw materials and final products in collaboration with the natural rubber research and innovation institute under Prince of Songkhla University and leading car tire rubber producers. Moreover, the quality control system has been improved to provide more accurate and faster test results, as well as improve product quality.



Furthermore, in developing intellectual property, the Company has promoted patent registration with the Department of Intellectual Property. In 2022, the Company received a patent for the "Grading System for TSR" and at the beginning of 2023, the Company received another patent for the "Robotic System for Pulling Rubber." The Company also registered important trademarks such as "Sri Trang" and "Green Rubber" both domestically and internationally. Other trademarks were also registered for medical gloves and other rubber products such as TSR, ribbed smoked sheets, and concentrated latex.

Social

Employees' Care and Development

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. Moreover, the Company has applied labor practices according to the amfori BSCI Code of Conduct as a guideline for labor and employee care.

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. (Disclosure 401-2)

Performance of Employees' Care

In 2022, the Company has set a target for employee engagement survey at 85% and pilot design survey of employee engagement. The result was 88%.



Employees' Care indicator

Employee engagement survey



Target
FY 2022

85%
88%



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 candidates can choose to apply for the desired position equally.

In addition, the Company places importance on the promotion of employment for underprivileged and disabled people 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.

Performance of recruitment

As of 31 December 2022, the Company had 5,811 employees

New employees

	Unit	FY 2022
Total number of new employees	Person	2,928

Average cost of Hiring new employee

	Unit	FY 2019	FY 2020	FY 2021	FY 2022
Average cost of Hiring new employee	Baht/Person	5,008	9,177	2,389	4,244

The Company hires people with disabilities as follows:

	FY 2019	FY 2020	FY 2021	FY 2022
Total disable employees (Persons)	48	46	46	43
Inside ⁽¹⁾ (Persons)	41	39	40	38
Outside ⁽²⁾ (Persons)	7	7	6	5
Wages Payable (Baht)	6,492,000	6,204,000	6,264,000	5,826,000

Remark: ⁽¹⁾ Employment of people with disabilities to work within the company of the Sri Trang Group.

⁽²⁾ Employment of people with disabilities to work in the community for public benefits such as government agencies, hospitals, municipalities, etc.

Employee's Remuneration

The Company determines the remuneration of employees at the appropriate rate according to the professional position. 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 to be appropriate. 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.

The Company implemented the Performance Management System (PMS) by establish the PMS working group to consider and the guideline to consideration and set up the Key Performance Indicator (KPIs) in each business unit in order to set the goals of each department to be consistent and the same guidelines throughout the organization. In 2022, 100% of employees receive an annual performance appraisal based on the KPIs of each department. (Disclosure 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, including promoting the creation of new innovations in work. In this regard, the strengths of the Company's productivity management are as follows:

1. The best productivity management from comparing different factories in the same business group to find the best productivity management (Benchmarking / Best Practice) as well as setting challenging productivity goals. As a result, the development of potential is accelerated and the standards of work are created to be higher all the time.
2. Increasing the potential and skills of employees so that they can perform a variety of tasks and receive appropriate compensation. It also reduces the impact of the resignation of employees. The Company has employees who can replace the resigned employees at any time.
3. The company has introduced new technology into the production process. The company has a project to support research and development in machinery to replace labor or to help reduce the workload of employees, especially Automation / Robot systems that will replace the point that is heavy work or there is a risk of failure. 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.

Performance of remuneration management

Average compensation ratio of female employees to male employees in 2022 (By level)	Base salary only	Base salary and Bonus
Top Management (L7-L11)	0.92	0.82
Management (L5-L6)	0.98	0.96
Operation (L3-L4)	0.98	1.04
Operation (L1-L2)	0.96	0.96

Employee Development

The Company places importance on personnel development, which is the most valuable resource of the organization. The Company has put into effect a personnel development policy and a succession plan collectively the "Plan and Policy"), which set guidelines for skill development, common and specific knowledge in responsible positions along with creating a mindset on social and environmental responsibility of employees.

The Company has established a career development plan and individual development plan for employees by setting courses that enhance work skills such as leadership skills, risk management, anti-corruption and conservative concepts in the “Green Rubber Industry.” This also includes setting up training courses to match the responsibilities by focusing on continuously developing competency and skills necessary for current and future operations for its employees. The training focuses on using information technology in training to facilitate personnel in learning and training, such as online training, video learning and self-learning through the Company’s internal @Core system to adapt to the COVID era, including on-the-job training. In addition to focusing on developing the knowledge and work skills of employees, the Company also focuses on cultivating awareness and good behavior in the green rubber industry. The Company has used a system to record and store the training history of employees for systematic and efficient management of training data.

In developing the potential of employees in the organization for business excellence and sustainability, along with creating good and talented people for society, the Company has set guidelines for employee development as follows:

1. Training on basic duties and responsibilities of employees according to the internal personnel development plan. This is a training session and a review of the basic knowledge (In-house Training & On the Job Training) in every job position by emphasizing self-learning through online systems and the Company’s internal @Core system. There is an evaluation test after the training of employees.
2. Training according to the legal requirements related to work so that employees are safe at work and are aware of safety behaviors such as correct and safe confined courses, working with crane course and forklift driving course (lift truck/forklift/forklift).
3. Training important successors to develop employees’ potential to be ready for their positions.
4. Training necessary knowledge to develop work skills, leadership and management efficiency in line with the vision and policies of the Company, including increasing the ability to work in order to adapt to future changes. It shall be in accordance with the guidelines set by the Company and seen as necessary to the Company, such as skills, knowledge and expertise in using technology for work and increasing professional skills and knowledge.
5. Promote learning within the organization, “STA Share & Learn,” through experts within the organization in order to transfer specialized knowledge within the Sri Trang Group and share experiences with each other through various activities to bring out the potential of employees. The Company has speakers specializing in various fields, such as quality system speakers, speakers on environmental and safety systems, crane and forklift.
6. Employee competency development through development activities such as 5S, Quality Control Circle (QCC), Kaizen and One Point Lesson (OPL) activities to encourage employees to take responsibility for their development and continuously improve their work, which saves costs in the production process, simplifies the workflow to become more convenient based on knowledge, work skills and use of modern technology to improve their work.
7. Sri Trang Culture (STA Culture) is the instillation of attitudes and work according to STA Core Values for the new generation working with the Sri Trang Group. It is a good way to bond the relationship between new colleagues who stay in different places and cultures to join and do activities together.
8. Encourage employees to visit work in various businesses of the Sri Trang Group together, including study visits to other works, both domestic and abroad, in order to enhance the experience, bring creativity to develop further in their own work or exchange ideas with other agencies
9. Creation of forums to showcase achievements in the organization, “Activity Prize” and “STA Champion,” for employees to participate in showing their work and abilities, which leads to pride and



work exchange among one another. This will be a shortcut for further development, as well as expansion. More importantly, it is a way to train personnel to learn how to become a champion and guidelines for maintaining the championship, which must constantly improve the working process.

Successor Development

The succession plan for key positions is a process of pro-active readiness for personnel in supervisory positions and above to inherit the position from the former manager or executive who resigned or retired or take up a new position that exists to support the expansion of production capacity, factory and/or business expansion, which is considered a career advancement plan for employees and to prevent a shortage of personnel in key positions of the Company in the future. The Company has criteria for considering the selection of successors as follows:

1. Job Performance Appraisal: based on the past performance of the successor employees
2. Potential Appraisal: based on leadership potential, attitude and behavior that are consistent with the core value of the organization, which might affect working in a new position in the future.

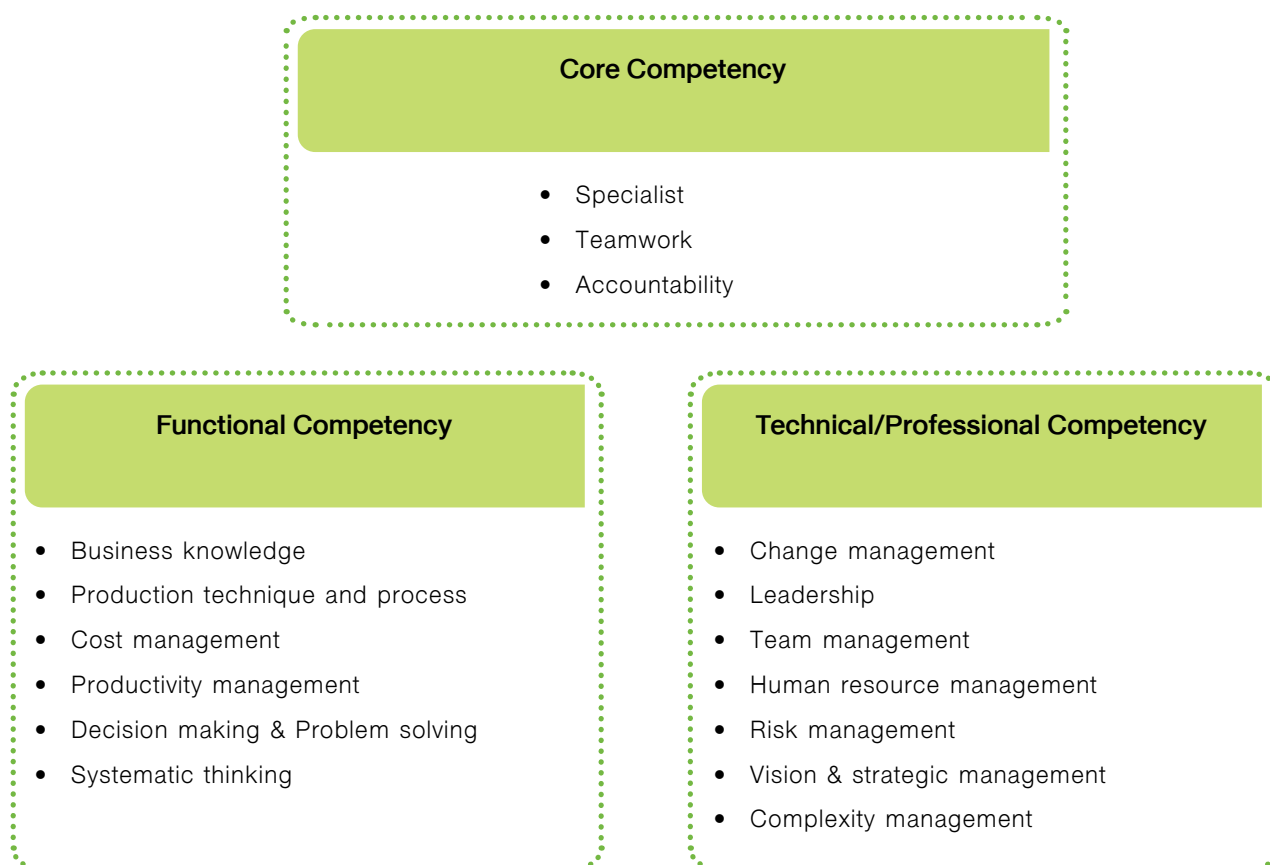
Employees who are appraised as successors will be regarded as high-potential talents and receive appropriate development to prepare them to become agency leaders in the future. When there are vacancies, the Company employees named on the list of successors will be considered first. If there are no qualified employees, the Company will continue to recruit from outsiders. The Company will regularly review the list of successors every two years.

The Company has set up a total of 20 succession development courses as follows:

1. General knowledge about digital society
2. Creativity and understanding of innovation
3. Mediation techniques for organization cooperation
4. Ability to make decisions
5. Critical thinking skills and thirst to learn to grow
6. Leadership skills
7. Understanding and accepting social diversity
8. Understanding of future technology and adaptation to changing situations
9. Ability to analyze the financial statements and see the achievement ahead
10. General knowledge and importance of presentation and preparation to present information
11. Preparation of content to be presented and data analysis
12. Data presentation design
13. Techniques for presenting information effectively and presentation techniques with PowerPoint
14. Analysis of consumer behavior with secondary data and primary data
15. Creating a customer-centric mindset in work
16. Risk management
17. Advanced business management strategies
18. Logistics and supply chain management strategies
19. Emotional management intelligence
20. Digital leadership



The succession development courses may be adjusted according to the situation and strategy of the Company and for the suitability of the group of successors. In addition, the Company determines to appraise learning outcomes after training in each subject, including appraising the potential of successors by appraising competency in the following areas:



This is to ensure that successors are ready to take on higher positions in terms of knowledge, skill, and attitude.



Employee development and innovation creation through development activities

From the Company's employee development guidelines through development activities and forums to showcase the work and achievements of employees, the Company has implemented Kaizen, QCC, and OPL feedback activities to drive employee work process improvement and promote the invention of new innovations. There is an annual QCC and Kaizen competition for employees under the name "STA Champion 2022." This year, a large number of employees participated in the QCC and Kaizen contests, with departmental executives and Company directors joining as the judges.

Performance of employee development

Employee training information	2022
Training hours average per man per year	Target: 35 hours/person/year
Training hours average per man per year	Actual: 34.95 hours/person/year
Total training hours	190,484 hours
Training by type	
Internal by internal trainer	79,804 hours
Internal by external trainer	106,899 hours
External training	3,782 hours
Total training cost	4.16 million baht

Training course by category

	Hours
Administration	11,537
Manufacturing	18,282
On the job Training	32,686
Service	25,051
Technical	102,928
Total	190,484

Activity Development

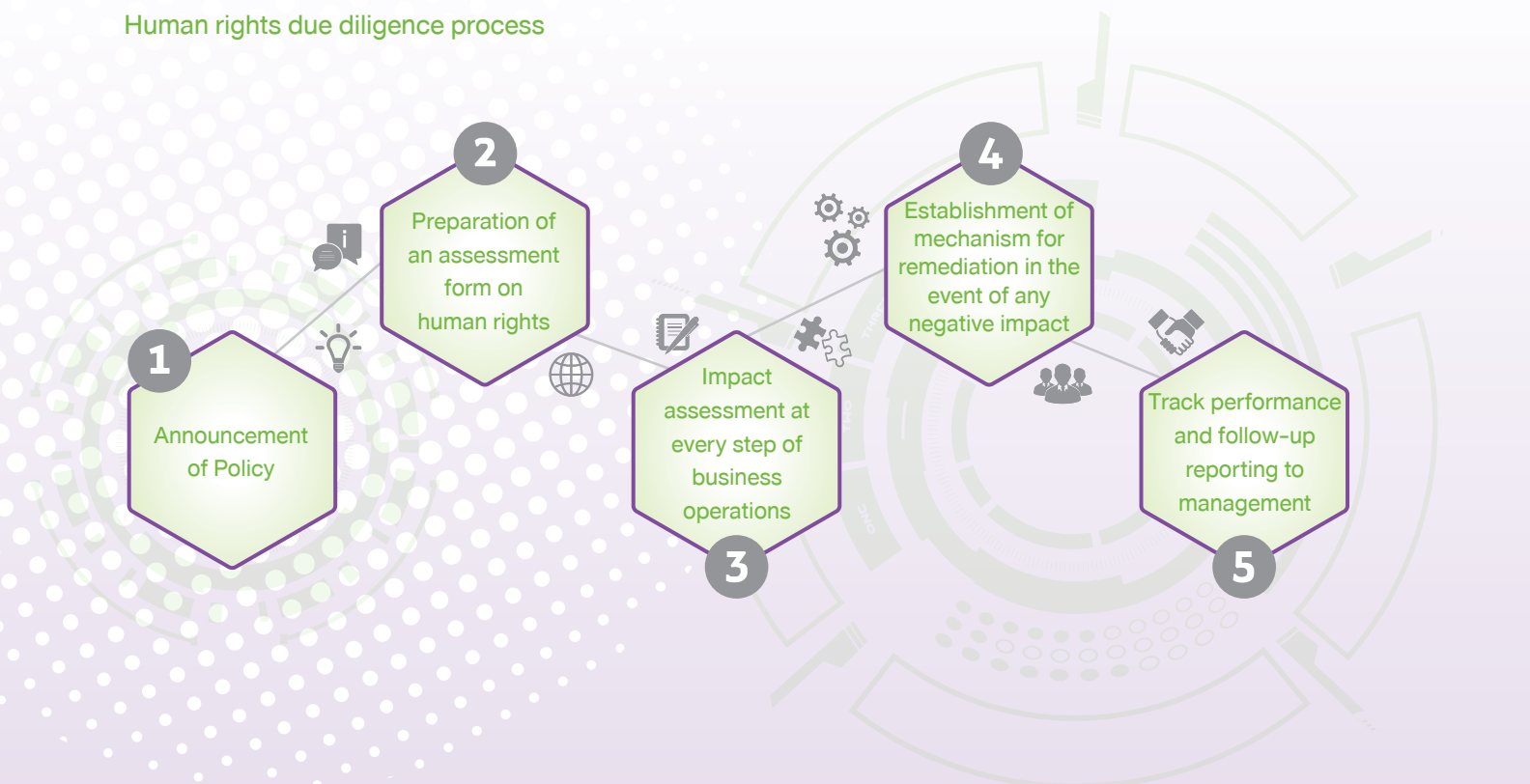
Activity	Subject	Save Cost (million baht)
OPL	107	-
Kaizen	944	24.4
QCC	106	7.7

Human Rights

The Company is aware of the importance and impact that may arise from human rights issues in its business operations covering employees, workers, business partners, communities, as well as stakeholders in the Company's business chain. The Company reviewed the policy on human rights and non-discrimination in accordance with international human rights principles and standards. It adheres to the UN Guiding Principles on Business and Human Rights (UNGP), which are principles of protection, respect and remedy when there is an impact from human rights violations, the United Nations Universal Declaration of Human Rights (UDHR), the Children Rights and Business Principles (CRBP) and implementation of the UN Global Compact, as well as our commitment to protect and respect human rights on various issues to show the intention to conduct business that respects human rights and non-discrimination. This includes monitoring human rights risk through Human Rights Due Diligence (HRDD) in the business process, assessing human rights risk and impact, as well as establishing preventive and remedial measures when there is an impact from human rights violations as a guideline and operating framework to build confidence in business operations that respect human rights. The guidelines have been established for the Board of Directors, executives and employees at all levels to adhere to.

The human rights and non-discrimination policy is published on the Company's website. (<https://www.sritranggroup.com/misc/cg/20221108-sta-human-rights-and-non-discrimination-policy-th.pdf>)

Human rights due diligence process



Moreover, 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:

The Green Rubber Company

4 Green Strategy	CRBP Principles
Green Product <ul style="list-style-type: none"> • Safe and environmentally friendly product (Survival) 	Article 5. ensures that products and services are safe and that awareness of children's rights is promoted through products and services.
Green Process <ul style="list-style-type: none"> • Environmentally production process (Protection) • Using recycled water (Survival) 	Article 7. Respect and promote children's rights when conducting business related to the environment, ownership and use of land.
Green Procurement <ul style="list-style-type: none"> • No child labor policy (Protection) • The provision of emergency aid to children who are affected by a calamity or natural disaster (Survival) • STA STEM Education (Development) • Developed the quality of life of rubber farmers (Development) • FSC certification (Protection, Development) 	Article 2. Support the elimination of child labor in operations and business dealings. Article 9. Help protect children affected by emergencies Article 10. reinforcing the role of state and communities in protecting and fulfilling children's rights.
Green Company <ul style="list-style-type: none"> • Care for pregnant (Survival) • Provides a corner to promote breastfeeding • Job relocation • Non-discrimination for employment (Pregnant) (Protection) 	Article 3. Provide decent work for young workers, parents and caregivers

Major operations in 2022

The Company has provided online training courses on human rights and non-discrimination by human rights scholars from the Office of the National Human Rights Commission of Thailand as the trainers in training employees who are involved and at risk of human rights violations at work in order to raise their awareness and understanding of human rights practices related to business operations and to be able to prevent human rights risks in their operations. In addition, the Company has reviewed the checklist of human rights risks related to the business to be consistent with the context of the Company's current operations. It has investigated human rights risks in the Company's business processes, covering operations related to employees/workers, migrant workers, temporary workers, community/society, customers and consumers, business partners, contractors and suppliers of raw rubber materials. The Company has human rights risk assessment results in its operating areas as shown in the table below:



The investigation of human rights risks related to business operations found that the Company has no human rights risks and there has never been an incident and has never been affected by human rights risks in the Company's business operations. As a result, there is no violation of human rights in the organization and the supply chain from the Company's operations. In addition, the Company recognizes the importance of human rights operations in the supply chain. Therefore, the Company has preliminarily assessed human rights risks in the operations of suppliers and contractors on labor, compensation, welfare and the safety of employees and workers in suppliers' establishments, as well as the labor use of contractors issues. From the investigation of human rights risks in the aforementioned issues, the Company has no human rights risks from the operations of suppliers in these issues. Nonetheless, the Company has considered other risk issues regarding human rights that may arise from the operations of suppliers. Therefore, the Company has established guidelines for human rights risk prevention and impact mitigation measures covering the operations of tier 1 suppliers and non-tier 1 suppliers in the supply chain as follows:

Human Rights Risk Management in the Supply Chain

Details

- There is a possibility that the Company may be indirectly involved in purchasing products from tier 1 suppliers and/or purchasing through distributors or tier 1 suppliers stores that purchase products from non-tier 1 suppliers where there may be violations of human rights in the operations of suppliers.

Prevention and Mitigation Guidelines

- Communicate Human Rights and Non-Discrimination Policy to the Company's tier 1 suppliers whom the Company is doing business with directly in the supply chain for acknowledgment and adherence to human rights practices in the Company's business operations, as well as communicate with other non-tier 1 suppliers in the Company's supply chain.
- Communicate the Supplier Code of Conduct to the Company's tier 1 suppliers for acknowledgment, compliance and communication with other non-tier 1 suppliers in the Company's supply chain.
- Collaborate with the Company's tier 1 suppliers in preparing human rights risk assessments in the operations of tier 1 suppliers and important non-tier 1 suppliers, as well as work with suppliers in preparing preventive and mitigating measures for the impact that might occur.
- Follow news and investigate potential complaints about suppliers in the Company's supply chain.

Furthermore, 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:

Workers and employees

- Sufficient distribution of masks to all employees to wear to work every day during the situation of the Covid-19 pandemic, which has continued since 2021
- Making the workplace safe for everyone by spraying disinfectant and regularly wiping the surfaces and devices with rubbing alcohol.
- Conducting annual health examinations according to risk factors to ensure confidence in a safe workplace environment.
- Provide ramps and various facilities so that persons with disabilities are able to work and live as regular employees.

The community and society around the area where the factory is located

- The sharing love with the community project of the Sri Trang Group shares love by donating gel, alcohol, face masks and food to the communities, and by donating medical rubber gloves to public health service units around the factories and provincial hospitals.
- Field visit to survey the impact of the Company's operations.
- Support community health check-ups in collaboration with local agencies in order to promote community healthcare in the factory area.
- Implement a school safety program in order to educate about safety, accident prevention and emergency procedures with students of the schools in the areas where the factories are located.

The company also considers other rights. related to employees and stakeholders with the following 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. By 100% of all employees are under a collective bargaining agreement. (Disclosure 2-30) 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.



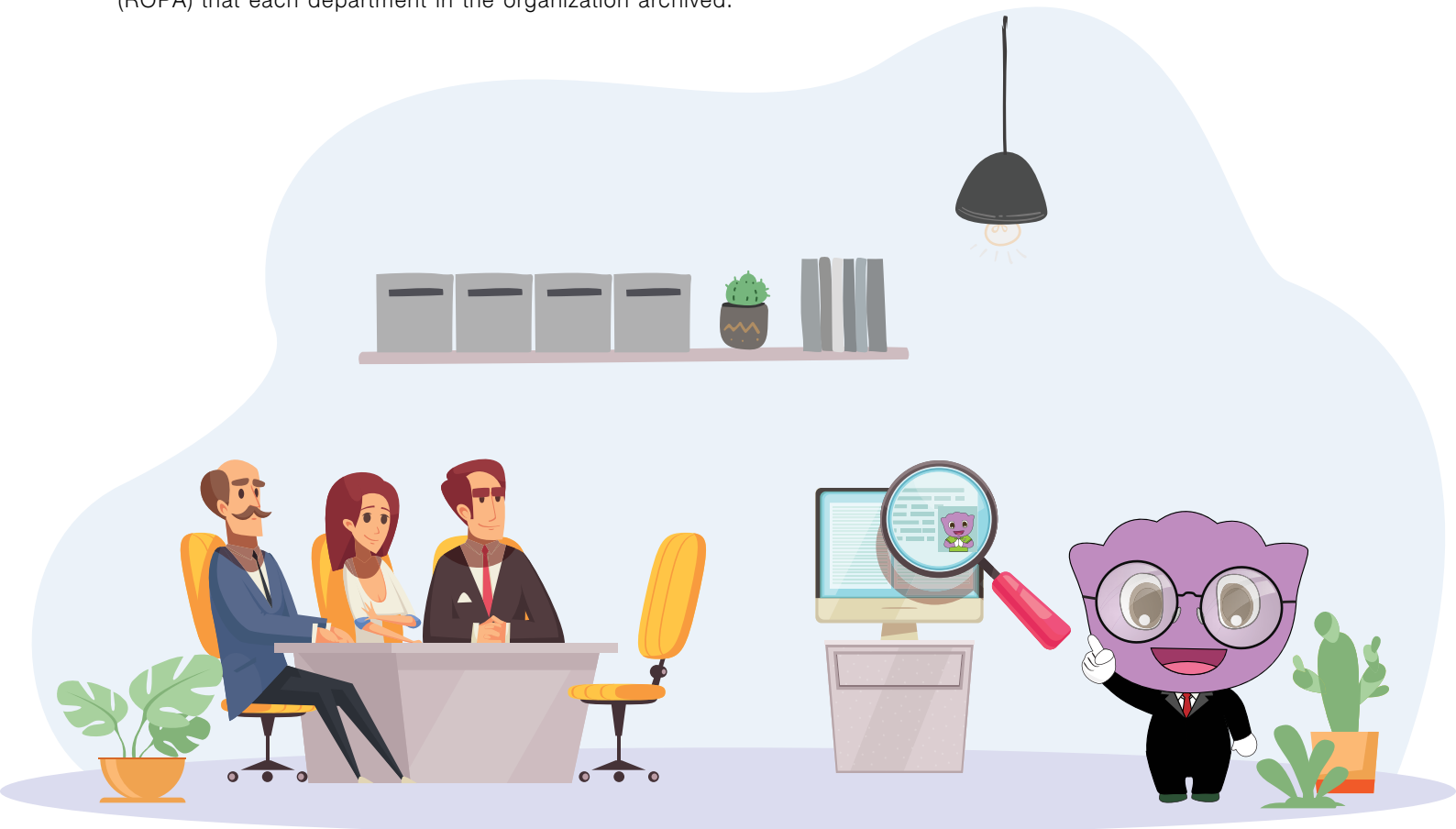
From regular consultative meetings between management and the Welfare Committee of the companies in the corporate group, which represents employees, there were no major labor dispute and no human rights complaints. Moreover, there has not been any issue regarding significant violation of societal legal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

Protection of personal information

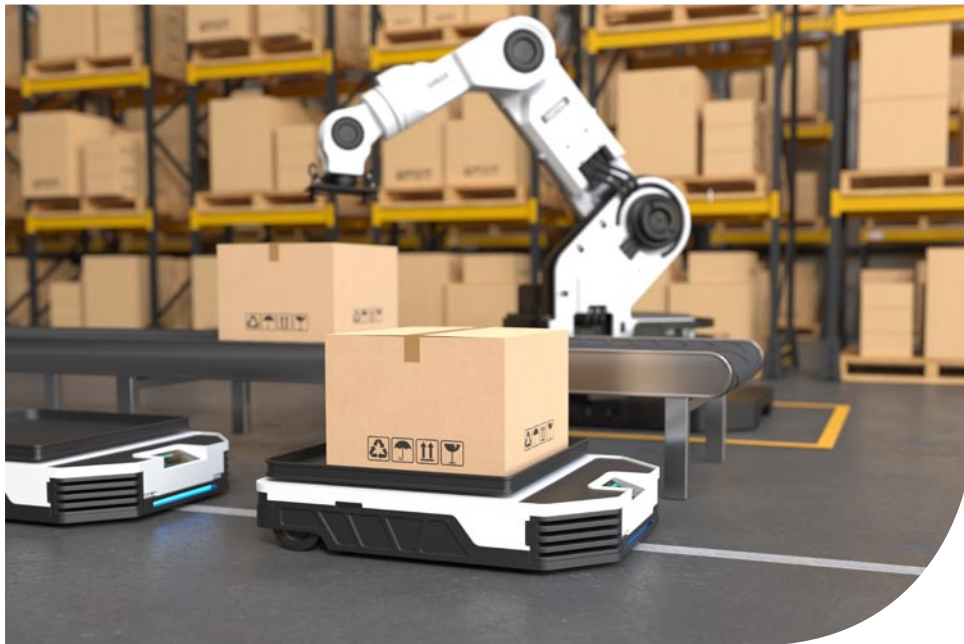
The Company has established a Committees and working group in compliance with the Personal Data Protection Act B.E. 2562 to create understanding among the operators in the preparation process of the Company and companies in the corporate group, including establishing a privacy policy, processes regarding 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. 2562.

In 2022, the Company provided a program to gather all related information according to the Personal Data Protection Act, such as the consent forms to the use of information by employees and third parties that the Company had used all of their information, as well as a summary of the records of processing activities (ROPA) that each department in the organization archived.



Occupational Health and Safety



Occupational health and safety is an essential aspect of sustainability in the Company's business operations. Improper safety management may result in the disruption of the production process, loss of life, property and the impact on the image and reputation of the Company as well as the Company's stakeholders. As a result, to manage risks that may affect stakeholders and the organization, particularly employees, contractors/trade partners, and surrounding communities, 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. The Company has adopted the ISO 45001 Occupational Health and Safety Management System for the management (Disclosure 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, as well as setting occupational health and safety goals of the Company. In 2022, the Company had a total of three factories that received ISO 45001 certification from external agencies, namely, the rubber sheet factory (Hat Yai branch), the blocked rubber factory (Sikao branch) and the concentrated latex factory (Hat Yai branch), with plans to apply for additional certification in 2023 for a total of four factories and will proceed to request certification for all branches of blocked rubber products by the year 2026.

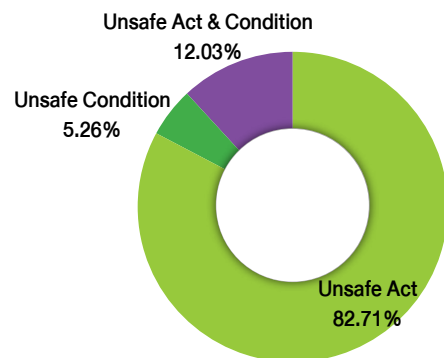
Furthermore, the Company holds quarterly meetings on occupational health and safety in the natural rubber group and reports results to the Audit Committee. In this regard, the Company received an award for an outstanding model establishment in safety, occupational health, and working environment from 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 2022, the company carried out the following operations.

Hazard Identification Process, Risk Assessment, and Incident Investigations (Disclosure 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 established control measures to eliminate hazards and reduce risks at work following the Hierarchy of Controls. The Company also sets up a risk assessment and process review at least once a year in order to continually improve and develop the occupational health and safety management system.

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 of company. The Company also communicates accidents through the RCS Application, an accident notification system within the Company group to be informed when an accident occurs at any branch in order to be able to prepare to prevent repeat accidents.

In 2022, 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. According to the report and analysis of company safety performance, it was found that 82.71% of accident injuries were caused by unsafe acts, 5.26% by unsafe working conditions, and 12.03% by unsafe acts and unsafe working conditions.



The top 5 unsafe acts are:

1. Carelessness, incautiousness, absent-mindedness, haste in working;
2. Working without personal protective equipment;
3. Working with an incorrect method or procedure;
4. Lack of good regulations, methods and control measures;
5. Employee lacks knowledge and expertise or is a new employee or in a recently changed job.

The top 5 unsafe conditions are:

1. Defective machinery, tools or equipment;
2. Incorrect factory layout or confined workspace;
3. Machinery and equipment without guards;
4. The factory floor is uneven, potholed, slippery, waterlogged and damaged;
5. Unsafe working environments such as light, noise and heat.

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:

1. Fire prevention and suppression
2. Electrical system
3. Boiler/boiler using liquid as a heat medium
4. Chemical safety
5. 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. In addition, the Company has assessed the Risk improvement Survey 2022 by the Insurance Department in collaboration with TQM Company and followed up on implementing the suggestions and improvements by the Security Department.



Health and Occupational Health Services (Disclosure 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 (Disclosure 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 Company has also organized safety promotion activities and had communication with employees at all levels, for example, safety behavior reporting BBS Observation card via RCS Application to report risk behaviors or safety behaviors, answering monthly safety questions, 5S activities, KAIZEN, QCC, KYT 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 third year running online at every factory branch and organized activities within the branch factory between 1-15 December 2022. 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 (Disclosure 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, responses to robbery and terrorism, and flood responses, and so on, in order to improve skills, knowledge, and understanding of what could be dangerous and lead to an accident, including methods for preventing and controlling hazards while working to raise awareness of conscious work so that employees and contractors can 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 (Disclosure 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.

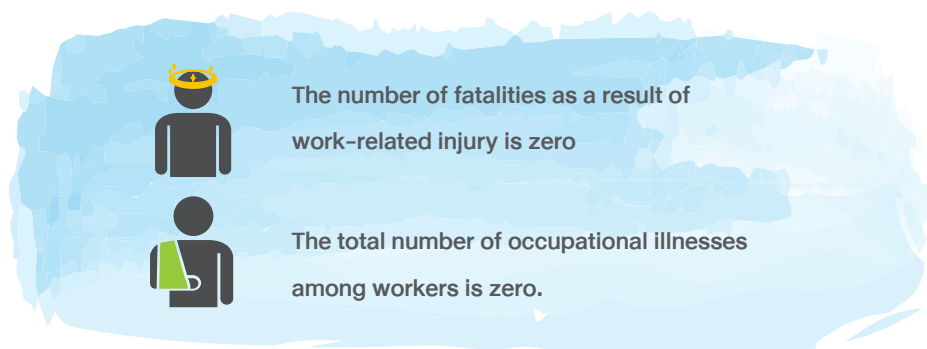
The Company has also organized programs and services to promote a medical check-up for employees over the age of 35, including a regular campaign to promote good hygiene for employees through various communication channels, such as public relations boards, voice calls, internet mail, and Line Application.

Prevention and Mitigation of Occupational Health and Safety Impacts Directly Linked to Business Relationships (Disclosure 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.

Occupational Health and Safety Target



Performance Results of 2022

From the operations of occupational health and safety, the Company has continuously followed up and reported the performance of occupational health and safety. The performance is according to the target as shown in the table below (other occupational health and safety performances according to the GRI 403 indicators can be found in the Occupational Health and Safety Performance Table at the end of the report).

Occupational Health and Safety Data	Unit	FY 2019	FY 2020	FY 2021	FY 2022
Fatality as a result of Work-Related Injury					
• Employee	Person	1	2	0	0
• Contractor	Person	0	0	0	0
Number of Occupational Illness					
• Employee	Person	0	0	0	0
• Contractor	Person	0	0	0	0

Supply Chain Management

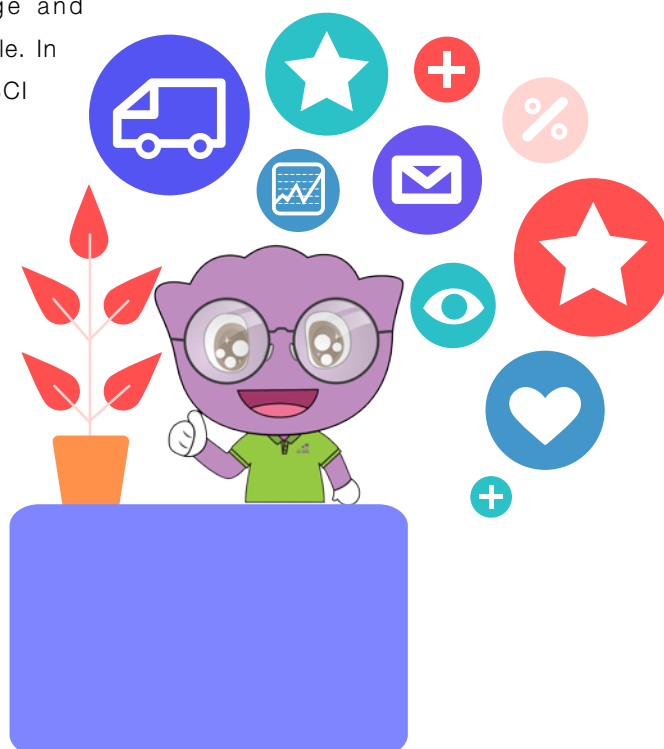
Responsible supply chain management is an essential factor in the efficient delivery of goods from production processes to consumers. It can reduce risks such as cost risks, raw material and inventory shortage risk, and business interruption risk, which directly affects business operations and the Company's image, as well as reducing the impact on stakeholders throughout the supply chain. Therefore, the Company places importance on management, from selecting potential business partners, providing an assessment and traceability, and covering diversity and equality, such as doing business with suppliers whose business owners are women and vulnerable communities, such as people with disabilities, as well as integrating sustainable development practices into business operations and taking into account social, environmental and corporate governance issues throughout the supply chain to increase opportunities, reduce risks and enhance the competitiveness of the business, and strengthen business partners and business alliances sustainably.

In addition, the impact of the COVID-19 epidemic has resulted in the Company changing its operations throughout the supply chain to be more flexible and agile, such as managing the supply chain in a virtual online format with partners to adjust the supply chain management plan covering procurement of raw materials to delivery of products to consumers.

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.

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).



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



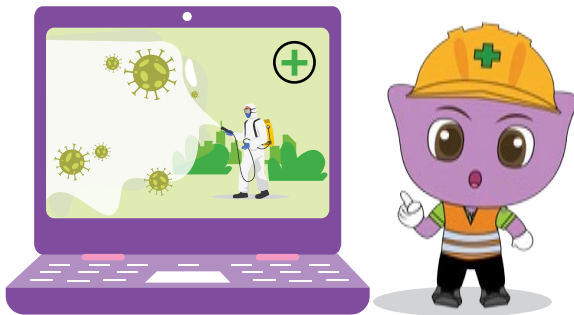
1. Business Ethics

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-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, governance and business continuity management. For the key partners, the Company, together with the Department of Quality and/or the Department of Sustainability, 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. After doing the self-assessment, if it is found that any business partner has a high risk, the Company will proactively conduct an audit of the business partner to ascertain the real risks, as well as provide training, knowledge, and advice for business partners to understand and that can be put into practice to reduce risks in business operations.

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.

Performance in 2022

Topic	Unit	FY 2022
Suppliers signed the agreement to demonstrate their intent for anti-corruption	Case	1,222
Suppliers who were communicated Supplier Code of Conduct and Guideline	Percentage	100
Suppliers signed acknowledgement Supplier Code of Conduct and Guideline	Percentage	65.42
Tier 1 suppliers were assessed for environment, social and governance (ESG) risk in their operating sites	Percentage	50
Purchasing local products and services	Million baht	826.8
Proportion of local purchasing of products and services	Percentage	11.9

Key developments in 2022

The Procurement and Accounting Department have jointly developed the project using the B2P system in the procurement process, utilizing Blockchain to increase work efficiency by bringing documents in procurement into the system such as PO, GR, Invoice, and Payment to reduce work time for relevant departments and reduce manual processes.

Major changes to the implementation of the B2P system

- Receiving purchase orders: via the B2P system
- Invoice/Debit Note/Credit Note: Seller creates a document on the B2P system.
- Receiving Payment: Receive weekly payments via bank transfer from SCB.
- Check the billing situation: The seller checks the status via the B2P website.
- Dashboard: The seller checks information, invoice, and payment status from the system and uses the Dashboard for an overview.

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.

In 2022, the Procurement Department joined forces with Thai Synthetic Products Industry Company Limited to improve the use of plastic spools by switching from paper, which are easily damaged in use, to PVC, which can be returned to the core manufacturer for reuse for a longer period of time. This reduced the use of resources, could recycle 6,574 rolls of cores, and reduced costs by 986,100 baht.



Before



After

Rubber Raw Materials Procurement

The procurement of natural rubber, the primary raw material in the Company's production process, is in line with the Sustainable Natural Rubber Procurement Policy that the Company has announced as a good practice for natural rubber suppliers in sustainable business operations, preventing business risks and impacts as well as building confidence in the operations of natural rubber suppliers. The Sustainable Natural Rubber Procurement Policy covers the following guidelines for natural rubber suppliers:

Sustainable Natural Rubber Procurement Policy

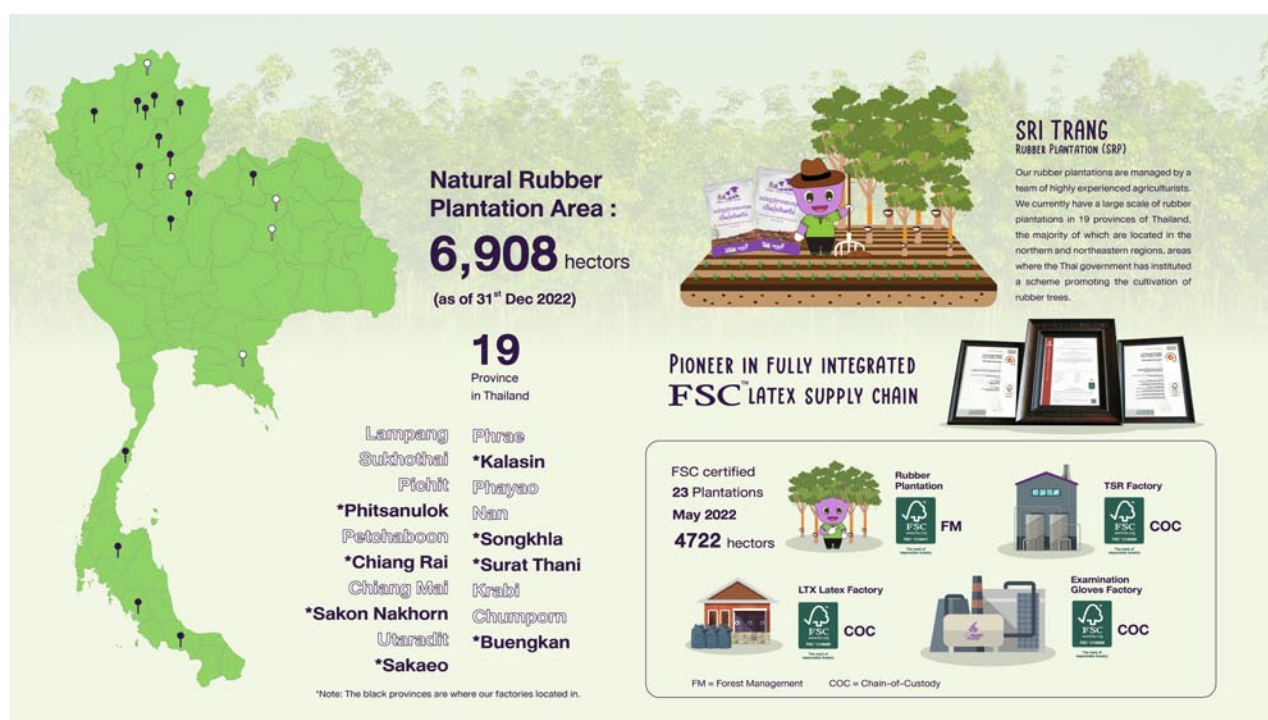
Governance and Economic Aspect	Environmental Aspect	Social Aspect
<ol style="list-style-type: none"> 1. Good corporate governance 2. Traceability and risk management 3. Improving quality and increasing productivity 	<ol style="list-style-type: none"> 4. Environmental conservation 5. Forest conservation 6. Wetland 7. Biodiversity and ecosystem conservation 8. Water and soil resources management 9. Efficient use of resources and waste management for maximum benefit 10. Energy efficiency improvement and greenhouse gas reduction 11. Air pollution and chemical management 	<ol style="list-style-type: none"> 12. Respect for human rights and non-discrimination 13. Respect for land rights of communities and indigenous peoples 14. Labor and Work 15. Occupational safety and health

The Company shall continue to communicate and monitor compliance with the Sustainable Natural Rubber Procurement Policy for natural rubber suppliers in order to assess operational risks of natural rubber suppliers in the supply chain and continue to improve and develop operations with natural rubber suppliers to be in line with the policy.

In addition, the Company also focuses on procuring natural rubber raw materials under the principles of fair trade, transparency, clear principles, and verifiability, supporting farmers to produce quality rubber free from impurities and properly store the rubber in order to obtain quality rubber that the factory requires, as well as promoting rubber farmers to have knowledge and understanding in doing the rubber business correctly according to academic principles. This will increase the productivity of rubber farmers, which will lead to additional income and sustainably improve the quality of life and livelihood of rubber farmers.

The Company has set up a traceability system for rubber raw materials, which can check which seller the rubber raw material is from, as well as the district and province of the rubber raw material. The Company shall continue to develop a traceability system in order to be able to trace back to the source of raw materials and information related to the acquisition of raw materials to ensure that the rubber raw materials that the Company has procured are in line with green procurement guidelines, rules, regulations, and standards related to the sustainable sourcing of natural rubber.

Since 2019, the Company has been certified from upstream to downstream businesses, consisting of FSCTM-FM (Forest Management Certification), sustainable forest management standards in the rubber plantation business and FSCTM-COC (Chain-of-Custody Certification), product chain management standards in the rubber plantation business, latex buying center, latex business, and medical natural rubber gloves business. The implementation of such a system is to certify that latex products that have received the FSCTM mark are products that come from sustainable rubber plantation management in accordance with internationally accepted principles.



Key developments in 2022

The Company has created a business ecosystem by using the “Sri Trang Friends” application that has developed functions to meet the needs of rubber farmers and all rubber sellers. It is a revolutionary application in the Thai rubber industry that facilitates the trading of rubber with the Company and easy access, as well as providing equal and fair to all suppliers of rubber raw materials. In 2022, the Company developed the Sri Trang Friends application with a new look, both in the user interface and the back-end system, and prepared other additional functions such as price viewing, rubber price offering, making an appointment to deliver rubber, checking past transaction history, articles and knowledge about rubber, participatory activities, special price promotion, and points accumulation for redeeming prizes. The Company has cooperated with business partners in various fields to develop additional new functions and services in 2023 with the vision of being the ultimate tool to enhance the quality of life in all dimensions of rubber farmers, rubber raw material suppliers, rubber transporters, and stakeholders throughout the rubber supply chain in order to be connected in a friendly way. It is considered the first application that is a “One-stop app for fellow farmer friends.”

In addition, to build a business ecosystem for the Sri Trang Friend application, the Company also launched new products and services in 2022, which is the “Sri Trang Friends Station” application that supports the use of two main services, namely:

1. Sri Trang Friends Station Rubber Purchase Program for all rubber buyers to use to purchase rubber in their shops or businesses to create standardized, reliable, and transparent rubber purchasing practices.
2. Service Super Driver is a service for those interested in sending rubber to sell to factories but have problems with transportation. They can call for a super driver service to pick up rubber from the plantation to send to the factory as if there was a factory located in front of the house. This super driver service is also considered to create a new career to help rubber farmers, and those who have pickup trucks and are interested can also apply for a career and additional income from picking up and sending rubber from the rubber plantation to the factory.



Based on the aforementioned operations, the Company aims to create a friendly business ecosystem for stability. The Company still has plans to develop both two applications and various services to continue to meet all the needs of natural rubber suppliers sustainably and further develop the Thai rubber industry.

The application is available for download at the App Store and Play Store by typing Sri Trang Friends. For more information or to apply for the service, please contact Line@SRITRANGFRIENDS or Facebook Sri Trang Farmer Friends or call 02-217-4522.



Raw Material Suppliers and Rubber Farmers Development

Based on the Green Procurement approach that focuses on the procurement of clean rubber raw materials and giving importance to sustainability for natural rubber business partners who participate in the business, especially in the part of the suppliers of rubber raw materials, and rubber farmers, the Company encourages rubber raw material suppliers, cooperatives and rubber farmers to conduct business with environmental and social responsibility by providing knowledge and understanding of sustainable rubber business and the production of quality rubber along with reducing the impact on the environment and society, which will help generate income and good quality of life for natural rubber business partners. The Company operates them through the “Sri Trang Friends” projects such as the “Good Quality Latex Creates Happiness” project, the “Bun Tuk Yang Tid Rang Srang Roi Yim” project, and the “Promoting the Wrong Kind of Cup Lump Coagulant Agent Use Reduction” project, in which the Raw Material Procurement Department and Quality Inspection Department in the Northeast region will visit the sellers annually and teach them how to check for sulfate in cup lumps along with communicating the characteristics of rubber wanted and unwanted by the factory, including the impact of poor-quality rubber or unwanted by the factory.

More information on the operations under the Sri Trang Friends project can be found in the topic of participation to development social and communities.



Responsible for Customers and Consumers

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. The Company is responsible for collecting customers' information and maintaining confidentiality without wrongfully using such for the benefit of oneself and those involved. In addition, the Company also attaches importance to producing clean and safe products for customers as well as downstream industries, according to the quality, occupational health & safety, environmental and energy conservation policy.

In order to build the confidence of customers in terms of products and services, the Company invites customers to visit the Company's production facilities to provide customers with understanding as well as confidence in the operations and products of the Company, and to acknowledge the expectations and requirements of customers in order to further improve operations, products and services. Throughout the past business operations, **there has never been any complaints about the products, marketing communications or customer personal data from the customers** (Disclosure 417-2, 417-3, 418-1). In addition, the Company's customers from many countries worldwide have prioritized ESG matters. The Company has continuously communicated and answered sustainability surveys from customers and many companies. It also considered the issues brought forward by customers to develop the Company's operations, such as its traceability and **the announcement of the Company's Sustainable Natural Rubber Procurement Policy**, in line with the **Global Platform for Sustainable Natural Rubber Policy Framework (GPSNR)**, to promote sustainable operations throughout the supply chain.

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.



	Customer Satisfaction Results
FY 2020	85%
FY 2021	83%
FY 2022	87%

Participation in communities and society development

The Company places importance on participation in communities and social development by focusing on the implementation of self-initiated projects and activities to develop communities and solve social problems in six areas: Children and Youth; Career Development and Well-Being, Healthcare; Helping Disaster Victims and the Disadvantaged; Local Arts, Culture and Traditions; and Good Environment and Surroundings to respond to the needs and expectations of communities, create shared value, and promote sustainable coexistence with communities and society.

The Company has strategies for communities and social development as follows:

Promote the development of potential and professional skills of the rubber farmers' communities in the area for sustainability and well-being.



Build community engagement to develop self-reliance, a strong family economy, safety, and the ability to coexist in harmony.

Apply BCG Economy Model guidelines to implement projects and community activities to create sustainability and benefit all parties.



The Company has communities and social development plans which are focused on creating participation with the communities surrounding its factories through the implementation of projects and activities that the Company has initiated and/or cooperating with external agencies to help solve social problems and meet the needs of the community continuously in order to promote good relations between the communities and the Company to be able to live together sustainably.

In 2022, the Company supported communities and social development activities through social taxes and donations, as well as organizing community support activities in the factory areas and the raw material purchasing centers. The total social investment value was 3.35 million baht, with the proportion of investment value for each group of community and society according to the table below:

Social investment value (Social taxes, donations and community support activities in the factories and raw material purchasing centers)	Home/ Community	Government sector	Rubber Farmer	Temple	School
	37%	22%	20%	12%	9%

Important Community and Social Development Activities in 2022

Children and youths


The Company provides educational support, development and improvement of schools and playgrounds, sports equipment and essential consumer goods for underprivileged schools where the Company is located, as well as organizing activities and projects to promote education of children and youth as follows:

STA Safety School Project

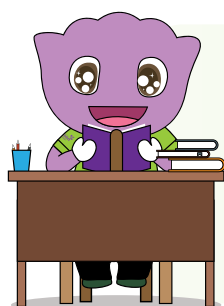
In addition to safety and occupational health operations in the business operations that the Company focuses on, the Company has also given importance to the health and safety of the local communities, especially the cultivation of raising awareness and educating students on safety and health for accident prevention and correct emergency procedures in various emergencies.

In 2022, the Company implemented a school safety project in order to campaign and encourage students to be aware of accident prevention, fire prevention and suppression, and the promotion of good health and hygiene so that students can study safely and efficiently.

The company has implemented the STA Safety School project with 11 schools in the area (province) where the factory is located, namely

	Name of school	Province
1.	Wat Thung Lung Mittraphap 198 School	Songkhla
2.	Ban Nam Hua School	
3.	Ban Khlong Ngae School (Chatbunyawithayakan)	
4.	Wat Chaeng School	Trang
5.	Wat Huay Nang School	
6.	Ban Kling Klong School	
7.	Ban Nong Na Kham School	Udon Thani
8.	Ban Kung Sri School	
9.	Ban Khok Kao School	
10.	Chumchonban Tha Sa-At School	Loei
11.	Ban Sadao School	
		Phitsanuloke

Total number of students participating in the school safety program is 587 persons.



Satisfaction assessment results

Target

80%

Received Score

93.5%



STA STEM STUDENT Project

The Company has operated the STEM Education program for the sixth consecutive year. The purpose is to enhance outdoor experiential learning for local elementary students in different subjects such as, Science, Engineering, Technology, and Mathematics, as well as promoting the Company is a community learning center.

In 2022, the company has implemented STA STEM STUDENT projects for 17 schools in the area as follows:

 Name of school	Province
1. Ban Kaeng School (Pannussorn) 2. Ban Huai School 3. Lao Kokko School 4. Khao Singto School	Sa Kaeo
5. Non Chat Phadungwit School 6. Chumchonbansrikhai (Sriwattanavitayakhan) School 7. Ban Saen Kham School 8. Pracharath Samakkhi (Bangkok Bank 13) School	Ubon Ratchathani
9. Ban Khok Phet (Boon Lea Kururatbamrung) School 10. Ban Khok Klang School	Buriram
11. Ban Na Sawan School 12. Choomchonbangsaiyai School 13. Ban Kham Phak Nok Song Puea School 14. Bandon Muai School 15. Ban Nong Aek School 16. Ban Nong Hoi Pa Wai School	Mukdahan
17. Wat Khuan Niang School	Songkhla

There was a total of 319 students from 17 schools participating in the STA STEM STUDENT project.



Satisfaction assessment results

Target
80%

Received Score
94.5%



Career Development and Livelihood

In addition to focusing on hiring local people by accepting people in the communities to work in the Company, the Company has focused on promoting and creating careers for people in the communities through ongoing career development and well-being projects in order to improve the livelihoods of the communities along with solving other social and environmental problems. Implementation of various projects will consider the needs and abilities of the communities which have ongoing projects as follows:

“Good Quality Latex Creates Happiness” Project

The Company has announced its intention and provided knowledge on producing high-quality latex with fellow rubber plantation partners and rubber farmers, covering the collection and buying points of quality latex. The Company also provides knowledge on good practices regarding latex transportation vehicles that meet standards according to the Department of Land Transport’s criteria to raise the quality standard of Thai rubber and sustainable natural rubber supply chain management, which lead to better incomes for rubber farmers and natural rubber partners. From fresh latex that meets the criteria of the Company and from quality latex raw materials, the Company is able to reduce defects in natural rubber products.

In 2022, the Company organized the 3rd Year Good Quality Latex Creates Happiness project both in an onsite format at every branch of the Company’s latex factories and broadcast live through various online communication channels such as YouTube and Facebook Live channels of the Company to educate rubber farmers, small rubber traders, and stakeholders in the natural rubber supply chain to raise the quality of Thai latex to global standards. By operating in the concentrated latex products group of 8 factories in the Southern and the Northeast regions, there were 138 onsite participants from 11 government agencies, 103 raw material suppliers, 22 farmers, and two transport entrepreneurs.



Satisfaction assessment results

Target

80%

Received Score

99.1%



Women Power Project

The Company operated the project through various branches of factories that work with communities surrounding the areas where the factories are located. The objective is to create vocational skills for women in the communities to gain knowledge via training from community sages and/or specialists for competencies that can apply to supplementary occupations to increase income, support themselves and their families, and establish a professional group in the communities. Each occupation is organized through an annual community dialogue.

The Company has continued to expand and extend the project. In 2022, there were 191 people participating in the project, with the launch of three community products from the project, which were:

1. Broom from plastic water bottles: It was a community product made from plastic water bottles that used the Upcycling Principle to turn plastic bottles into a broom. This method creates value for waste plastic bottles as a product that helps generate additional income for the communities, as well as raising awareness of reducing the environmental impact of plastic waste, and reducing greenhouse gas emissions from waste disposal, moving towards a low-carbon society. Nine communities produced brooms from plastic bottles, namely:



Community

1. Bang Rak
2. Ban Huay Nang
3. Ban Khao Kaeo
4. Club, Thasaat Sub-district, Naduang District
5. Ban Khok Klang
6. Ban Khok Phet
7. Ban Talung Kao
8. Ban Non Sawang
9. Ban Khlong Ngae

Province

- Trang
- Loei
- Buriram
- Mukdahan
- Songkhla



2. Multi-purpose liquid/dishwashing liquid: The Company has expanded the production of multi-purpose liquid/dishwashing liquid production projects to students in the area. The Company implemented a project with Ban Mae Mok School, Surat Thani province, by supporting various equipment and educating students on how to make multi-purpose liquid/dishwashing liquid to be used to wash dishes and various stains and produce as a community product to generate additional income as well as helping to reduce student household expenses.



3. Herbal Chili Paste: The Company supported the equipment preparation for training in making chili paste, using a chili paste grinder and sealing machine, and developing product recipes. The Company also facilitated in various ways for requesting product standards preparation. In 2022, the Company implemented the herbal chili paste project with Ban Khuan Kun Community, Songkhla province.



Satisfaction assessment results

Target

80%

Received Score

93.5%

Projects to promote and support community occupation

The company has established a policy to promote and support community occupations in the area where the factory is located, to create a good economy and strengthen the community by supporting the purchase of community products such as drinking water, broom, wood smoke liquid, cloth gloves, souvenirs of important events and procurement such as custom wooden pallets to be used as packaging for block rubber and Contracting jobs.

Results of the projects to promote and support community occupation in 2022

- The projects generated income for the communities in the total amount of 40,677,314 baht from supporting community products. Most of the community products that the Company bought from the communities were wooden pallets and wood chips for use in the Company's operations.



Wood chips



Wooden pallets from the communities

Healthcare

The Company considers the health and safety of people in the communities and society. Therefore, this concern has been continuously delivered through the support of community health check-ups in collaboration with local agencies in order to promote community healthcare in the areas where factories are located and encourage exercise together with the local communities to promote good relations between the Company and the communities.



Helping Disaster Victims and Disadvantaged

The Company provides assistance to disaster victims or disadvantaged people in society. Both the participation of employees, subsidized funds, survival bags, drinking water and medical gloves, In 2022 as follow;

Helping Flood Victims

The Company provided drinking water, survival bags, and essential items totaling 35,689 baht for the flood victims in Trang, Pattani, Narathiwat, and Phitsanulok provinces in order to help and alleviate the suffering of communities and employees who have been affected by the floods.

“Same House, Visit Bedridden Patients” Project

The Company has continuously operated the project through the operation of various branch factories by providing essential items to patients in need for use in home treatment and having representatives of the Company participate in field visits with staff and village health volunteers every three months to monitor the patient conditions and encourage patients to get better.

In 2022, the Company visited and delivered essential items to 96 patients in the areas with a total value of 89,426 baht.



Culture and Local Traditions

The Company has provided support to local culture and traditions in every community where the Company's operation, such as Long boat racing, Rocket festival, Kathin ceremonies, Robe offering ceremony, Chak Phra festival and Ramadan festival, in order to preserve the local culture and traditions.



Environment and Surroundings

“Bun Tuk Yang Tid Rang Srang Roi Yim” Project

The Company has continuously conducted the project “Bun Tuk Yang Tid Rang Srang Roi Yim” for the 6th consecutive year to promote rubber plantation partners and delivery partners to follow good practices when transporting rubber with standard transport vehicles that are equipped with valves, gutters, and water tanks to prevent water from cup lumps leaking onto the road during transportation, as well as attaching a solid canvas to cover the entire pickup truck to help reduce the disturbing odor from the cup lump during transportation. The Company has prepared a standard for cup lump trucks and proceeded according to the operation manual and inspection measures for all trucks that come to deliver cup lumps within the Company, as well as continuous monitoring of online inspection measures. This year, the Company organized education about the laws related to transportation with rubber plantation partners and rubber transporters by the government agencies. The Company has implemented the project covering blocked rubber products in 17 factories nationwide.

In 2022 results, the factories in the Northeast, the East and the North have rubber trucks that meet the standard average 99.30%. The Company has increased the strictness in maintaining the standard of loading cup lumps with vehicles that pass the standard with fellow rubber plantation partners, rubber farmers, communities, and all sectors in order to achieve the goal of transporting rubber that meets 100% standards for factories in the Northeastern, Eastern and Northern regions. In addition, the Company has also implemented a project for factories in the Southern region.



Useful Soil Project: Sludge processing to organic fertilizer for the communities

The Company has operated the Useful Soil project for the 5th consecutive year to add value to sludge from the wastewater treatment system by processing sludge into organic fertilizers for farmers and the community to use in agriculture, which can reduce fertilizer costs for them. The sludge used for fertilizer production has been analyzed for no contamination of dangerous heavy metals.

Performance

In 2022, there are 3 branches in operation: Sri Trang Agro Industry Public Company Limited in the Pattani Branch and Narathiwat Branch and Nam Hua Rubber Company Limited. The project was able to benefit 13 farmers in the community by using sludge as organic fertilizer, worth 90,539 baht, and was able to reduce the transmission of 1,810 tons of sludge from the Company's wastewater treatment system, which can be used as organic fertilizer, to landfills.

Useful Soil Project	FY 2019	FY 2020	FY 2021	FY 2022
Number of farmers who benefit from the project (Persons)	6	9	16	13



The community's making sediment to soil-ready to plant

S-Brick: Sustainable Brick, Green Brick Project

The Company operates the S-Brick: Sustainable Brick, Green Brick project by adopting the Circular Economy principle to manage the ashes from the burning of wood chips which the Company used as biomass fuel for boilers in the production process by using ashes as an ingredient in making the paving bricks through the re-process, re-design, and collaboration methods. The bricks from the project have been used to improve landscapes in surrounding communities, such as temples and monasteries, as well as government agencies and areas in the factories, which improves the environment of the communities in the area, creates value and benefit for waste, and helps reduce the environmental impact from sending waste to landfill.

Performance

In 2022, the Company implemented projects in 3 factories: Sri Trang Agro Industry Public Company Limited in the Kalasin branch, Rubberland Products Company Limited in the Mukdahan branch, and Bungkan branch, which can reduce the cost of improving the landscape for the factories, government agencies, temples, and monasteries as follows:

Details of use	Amount of ash from wood chips (Tons)	number of bricks (pieces)	Areas (square meters)	Valued (THB)
Improving the landscape for the factories	29,405	23,500	470	235,000
improving the landscape for the government agencies, temples, and monasteries	18,205	10,800	216	108,000
Total	47,610	34,300	686	343,000



Mangrove Planting Activities

The Company, in collaboration with local agencies and other organizations, has organized mangrove planting activities, as a mangrove is a natural ecosystem with various living things, a nursery for aquatic animals, and an essential source of greenhouse gas absorption as well as a coastline protection which controls the erosion in order to preserve the abundance of nature.

In 2022, Sri Trang Agro-Industry Public Company Limited, Kanchanadit Branch, and Sri Trang Gloves (Thailand) Public Company Limited, Suratthani Branch, participated in planting 400 mangrove trees at Khlong Ram, Kanchanadit district, Suratthani province, which increases living space for living things and preserves biodiversity, and increases nutrient cycling and energy transfer in the mangrove ecosystem.



Fish release and raising fish in cages activities

The Company, in collaboration with local agencies and organizations, has organized fish release and raising fish in cages activities by releasing fish into the river for fish breeding and helping restore the ecosystem and food chain, preserving the abundance of nature, generating income for the communities and it is used as an indicator of the quality of water sources for factories in the area. The operations in 2022 were as follows:

- Sri Trang Agro-Industry Public Company Limited, Sikao branch, together with members of the Namuangphet Environmental Protection Network, released fish at Klong Sawang, Ban Kling Klong, Kling Klong sub-district, Sikao district, Trang province.
- Rubberland Products Company Limited, Hat Yai branch, together with Yan Yao Tok community, raised fish in cages at U-Tapao Canal, Thung Lan sub-district, Khlong Hoi Khong district, Songkhla province.



Fish releasing at Klong Sawang



Fish in cages at Yan Yao Tok community

Living Weir Development Activity

Rubberland Products Company Limited, Sri Trang Agro-Industry Public Company Limited, Hat Yai branch, and the Eco-Industry Network Group in Songkhla province have constantly repaired the weir no.935 to keep it in working condition. This activity is one of the activities that the Eco-Industry Network Group has operated together continuously every year to measure the water quality and abundance of fish in the U-Tapao Canal that has industrial factories in the Eco-Industry Network Group, as well as maintaining the balance of nature, maintain water resources, and being a connection between communities, industrial factories and government sectors.



Tree planting activities for increasing green area

The Company gives importance to conserving the natural environment and reducing the impact of climate change. 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 2022, the Company has been planted 15,365 plants, which help increase green areas and habitats for creatures as well as helping to absorb carbon dioxide in the atmosphere.



Tree planting activities on Tree Care Day



Activity to grow good deeds, expanding green space



Tree planting activities on National Safety and Health Day

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 2022, there were 26 projects with 321 employees and a total of 48,866 voluntary hours.



Improving the landscape of Ban Sri Kai Community School



Improving the landscape of Tha Saad Child Development Center



Working together, clear roads for the community



Volunteer Development at Huay Nang Temple



*Painting the fence of
Ban Ba Ngo Kampong Pisae Mosque*



*Laying the floor of the bathroom corridor
at Khammek Temple*



*Improving the landscape of
Ban Khammek*

Environment

Environmental Policy and Management

The Company realizes and places importance on environmental stewardship alongside business expansion and, therefore, has defined environmental policies Quality, Occupational Health & Safety, Environmental and Energy Conservation Policy 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 and direction of the Company.

The Company operates on the environment under the policy of Quality, Occupational Health & Safety, Environmental and Energy Conservation Policy in order to "Committed to being the leader in the green rubber industry", with the environment guidelines that corresponds to the 4 Green strategy as follows:



Environment guidelines

Green Company

- Undertakes to manage its Environmental and Energy activities in compliance with relevant laws.
- Pursues the objective and target of Environment and Energy management system through the implementation plan and resources management for continuous improvement.
- To develop the competency of employee and subcontractor who come to work with company as well as provide the solutions to promote the employee participation for enhance the business sustainability.

Green Process

- Implementing measures for the prompt identification, risk and opportunities assessment and prevention of environmental and energy conservation to meet the objective and target.
- Promote energy conservation and highly efficient use of resources at all levels through the prevention of environmental aspects (wastewater, air, waste and odor pollution) to ensure that our process are align with environmentally friendly company.
- Pursues the reduction of environmental impact from waste by promote reduce reuse and recycle

Green Procurement

- To communicate and provide information to partners through the supply chain to developing of environmental and energy conservation awareness that reflects the business practice with sustainability company.

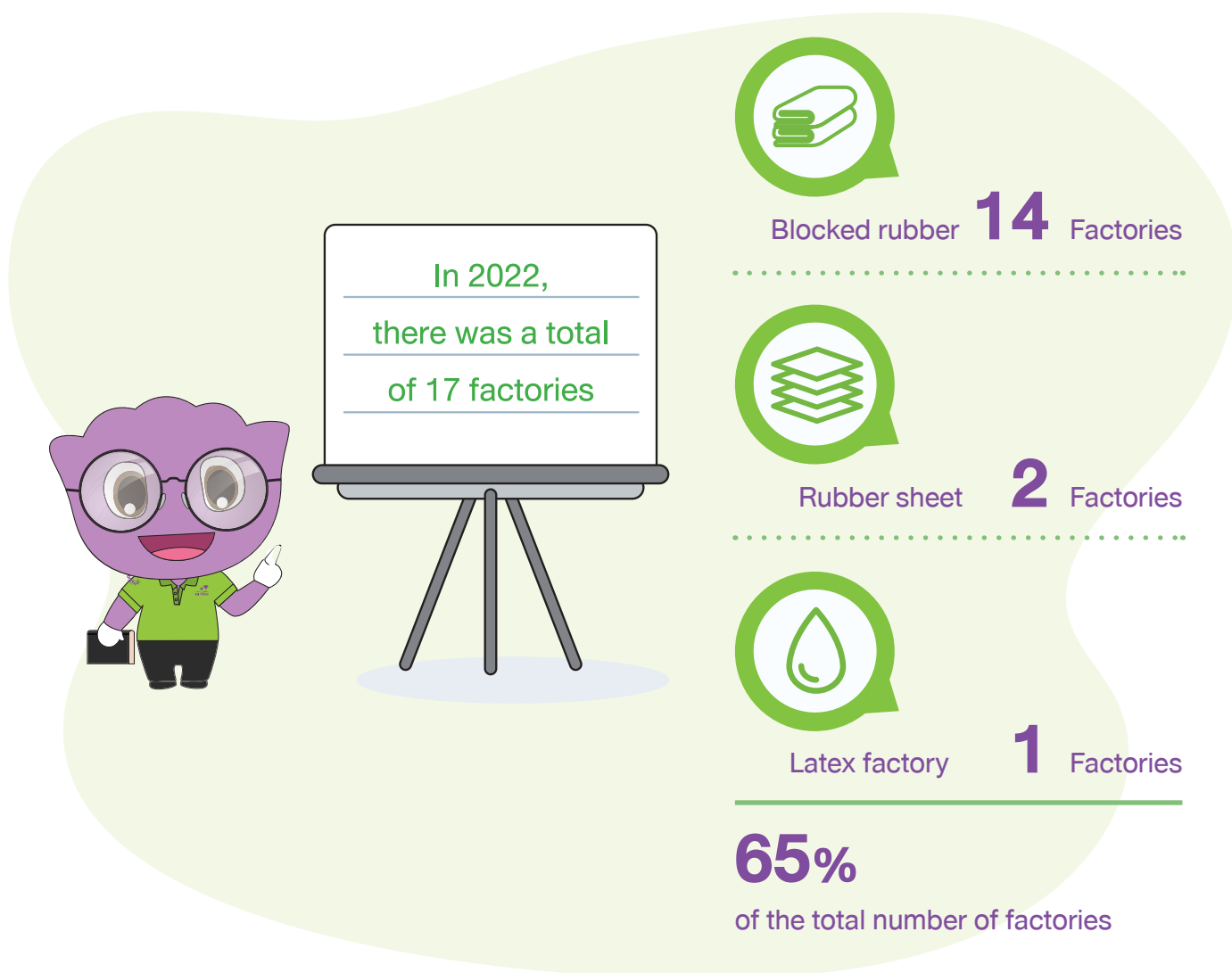
Green Products

- Committed to produce the rubber and other products from the natural rubber with no contamination with may harm to our downstream businesses through the life cycle of products with occupational health safety and environmentally friendly.

The full version of Quality, Occupational Health & Safety, Environmental and Energy Conservation Policy can be viewed on the Company's website. (<https://www.sritranggroup.com/misc/cg/others/20230127-sta-quality-env-th.pdf>)

The Company has continuously adopted the ISO 14001:2015 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 2022, there was a total of 17 factories certified with ISO 14001 (14 blocked rubber factories, 2 rubber sheet factories, and 1 latex factory), or 65% of the total number of factories.



In addition, the Company has continuously surveyed the environmental impact of the Company's operations on issues of odor and air quality to communities around the factory area within a radius of 5 kilometers. In summary, the results according to the annual survey plan in 2022 are as follows:

Level of impact surveyed	Unit	Disturbing odor	Air quality
Medium impact	%	5	0
Low impact	%	33	2
No impact	%	62	98

According to the survey results on the impact of odor and air quality, the Company has focused on continuously preventing and improving the management of air pollution and odor. The average level of satisfaction regarding the improvement of the Company's operations was at the level of very satisfied, accounting for 68 percent.



The environmental survey impact on the community

Climate change and energy management

The Company places importance on energy management from the awareness of the impacts of rising energy prices worldwide, energy technology changes, and climate change from using non-renewable energy that may affect business operations and stakeholders.

The Company has set policies for quality, safety, occupational health, environment, and energy conservation which focuses on energy conservation and efficient use of resources, as well as setting up an Energy Conservation Committee and a person responsible for the energy at the factory to improve efficiency and conservation in the production process and formulate various energy-saving measures. The Company has set strategies and goals for energy management and climate change as follows;

Strategy

- Improve the energy efficiency of machinery in the production process for maximum efficiency
- Increase the proportion of renewable energy both from biomass fuel and electricity from solar energy to reduce non-renewable energy consumption and greenhouse gas emissions
- Adjust fuel consumption for vehicles used in the production process.
- Study and develop innovations in renewable and alternative energy for use within the Company.

Goals

- To reduce non-renewable energy consumption (including energy from fossil fuels and electricity) per production unit by 20% compared to the base year 2021 by 2026.
- To reduce GHG emissions (Scope 1 and Scope 2) per production unit by 10% compared to the base year 2021 by 2026.

Performance in 2022

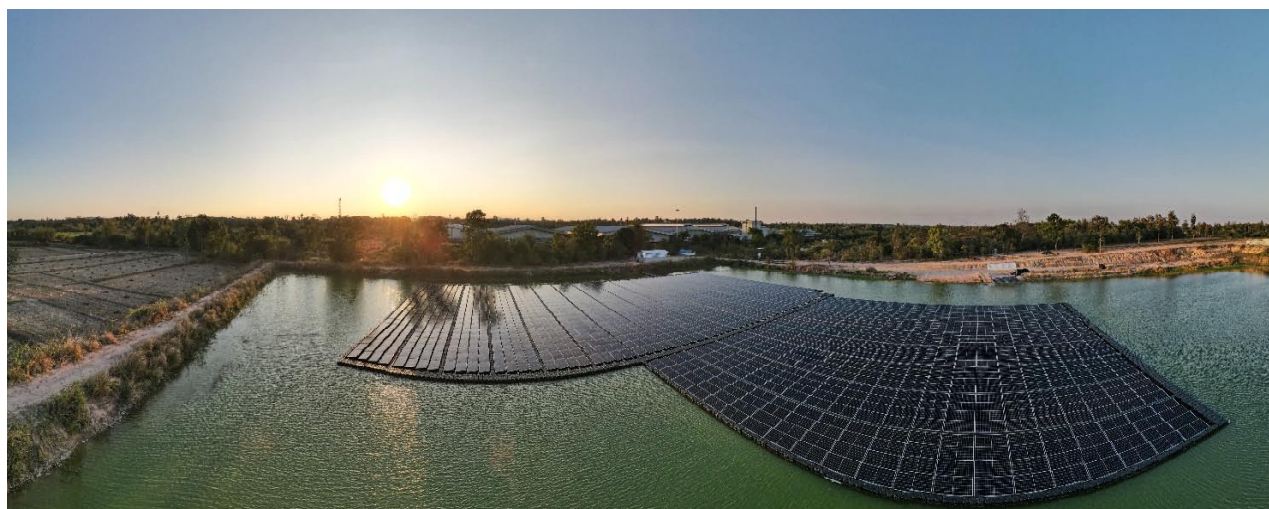
As a result of increased production capacity, the Company has increased total energy consumption and greenhouse gas emissions. However, the Company's non-renewable energy consumption per production unit decreased from the previous year, including the amount of greenhouse gas emissions per product unit slightly increased from the previous year as a result of operations to manage energy and greenhouse gases. The major operations are as follows:

The Company has implemented a project to improve energy efficiency in the production process by using Robotic Process Automation technology to control the production process for maximum energy efficiency and modify the equipment of the machine to be an energy-saving device, **including replacing forklifts that use oil and LPG gas with electric forklifts that helps reduce greenhouse gas emissions in the production process.**



Regarding the use of renewable energy, the Company has a proportion renewable energy use in the production process at 50% of total energy consumption. This is an increase from the previous year when the use of renewable energy was 49%, as the Company mainly used biomass fuel for boilers to generate heat for use in the rubber drying process instead of using fossil fuels in the production process, and the use of electricity from solar energy. In 2022, Rubber Land Products Company Limited, Mukdahan branch, which is the Company's blocked rubber factory, operated the Solar Floating Project with a total installed capacity of 1 MW on the Company's raw water reservoir. It started producing and distributing electricity in April 2022 for use in production processes, offices, and wastewater treatment systems to reduce the use of electricity purchased from outside and reduce greenhouse gas emissions.

The Company has led such a project registered to the Thailand Voluntary Emission Reduction Program (T-VER) in the category of renewable energy projects of the Thailand Greenhouse Gas Management Organization (Public Organization) or TGO to certify the amount of greenhouse gas that can be reduced or carbon credits from project operations. The average amount of greenhouse gas expected to be reduced during the carbon credit period of the project is 649 tCO₂e per year.



Solar Floating Project, Rubber Land Products Company Limited, Mukdahan branch

The Company has created an account of greenhouse gas emissions in Scope 1 and Scope 2 by using the guidelines according to the carbon footprint calculation, and reporting requirements of the organization of the TGO and IPCC 2006 covers greenhouse gas emissions data of all groups of blocked rubber factories, rubber sheet factories, and concentrated latex factories. The Company has also been verified by KPMG Phoomchai Audit Company Limited, a third party recognized for providing independent assurance of sustainability disclosures in accordance with international standards, on the disclosure of data on energy consumption and greenhouse gas emissions according to GRI Standards in order to build confidence in the disclosure of data on energy consumption and greenhouse gas emissions of the Company.

Performance 2022

Energy Consumption	Unit	FY 2021 (Base year)	FY 2022	Target FY2022	Target FY2026
Non-renewable energy consumption intensity	Gigajoule per ton of product	0.95	0.93	0.90	0.76
Percentage of non-renewable energy consumption intensity reduction	%	-	2	5	20

Note: Non-renewable energy consumption including energy from fossil fuels and electricity

GHG Emissions (Scope 1 & Scope 2)	Unit	FY 2021 (Base year)	FY 2022
GHG emissions Scope 1	tCO ₂ e	32,983	44,160
GHG emissions Scope 2	tCO ₂ e	108,514	124,812
Total GHG emissions	tCO ₂ e	141,497	168,971
GHG emissions intensity	tCO ₂ e per ton of product	0.1215	0.1239
Percentage of GHG emissions intensity reduction compared to base year	%	-	-1.97

In addition to reducing greenhouse gas emissions from blocked rubber, sheet rubber, and concentrated latex factories, which are its core businesses, the Company has also foreseen the potential to reduce greenhouse gas emissions in its upstream business. Therefore, it has implemented a project to store and reduce greenhouse gas emissions in Suan Sak, Pua District, Nan Province, on an area of 873.96 rai of Sri Trang Rubber and Plantation Company Limited, which is the upstream business of the Company to register the T-VER project in the category of forest and green area projects to certify the amount of greenhouse gas reduced from the project. The average amount of greenhouse gas expected to be reduced during the carbon credit period of the project is 1,189 tCO₂e per year.



Future operation plan

The Company plans to expand the operation of the electricity generation project from solar energy to other branches of the Company to increase the proportion of renewable energy in the production process, reduce greenhouse gas emissions from purchasing external electricity for usage, as well as preventing risks from changes in electricity costs that increase. In addition, the Company will begin to collect data and disclose the amount of greenhouse gas emissions in Scope 3 according to the TGO's requirements for calculating and reporting the carbon footprint of the organization in order to report the carbon footprint of the organization to cover activities in upstream and downstream business chains more.

Sustainable water management

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 on businesses operation, such as quantity and quality-related water risks, water-related regulatory changes and pricing structure, including water-related stakeholder conflicts to provide appropriate preventive and mitigation measures. In addition, the Company has analyzed the situation of water sufficiency in all factory areas of the Company using the Aqueduct Water Risk Atlas, World Resources Institute (WRI), 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.

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;

- Water management using the 3Rs principle (Reduce, Reuse and Recycle).
- Develop an optimal efficient soft water production system in order to reduce the use of groundwater.
- 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.
- Consider the quality and quantity of water used so as to not affect the communities surrounding the factory.

Goals

The Company has revised the target to reduce water withdrawal because the Company achieved the original target of reducing water withdrawal by 40% from the base year 2019 by 2024. The company has set a new target as follows:

“**To reduce the amount of new water withdrawal from water Sources per production unit by 20% compared to the base year 2022 by 2026.**”

Performance

The Company installs a water recycling system in the wet scrubber system for odor treatment and uses the Biofilter system to reduce water consumption. As a result, in 2022, the Company's total water consumption was 17,901,355 cubic meters, of which treated water (recycled water) in the amount of 15,693,470 cubic meters was reused or 88% of the total amount of water used.



Water recycling system in the wet scrubber system

Water Management	Unit	FY 2019 (Old Base year)	FY 2020	FY 2021 (New Base year)	FY 2022
Water withdrawal intensity (surface water, ground water, tap water)	cubic meters per ton of product	3.03	2.77	2.05	1.62
Percentage of water withdrawal intensity reduction compared to base year	%	-	9	32	46

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 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. Moreover, the Company also participated in the shallow groundwater recharge project of the Department of Groundwater Resources by collecting rainwater to restore the groundwater level and prevent the reduction of shallow groundwater level in 11 factories, namely Sri Trang Agro-Industry Public Company Limited, Hat Yai Branch, Trang Branch, Huai Nang Branch, Kanchanadit Branch, Surat Thani Branch, Chumphon Branch, Kalasin Branch, Ubon Ratchathani Branch, Sakon Nakhon Branch and Chiang Rai Branch and Rubberland Products Company Limited, Bueng Kan Branch.



The shallow groundwater recharge project



Wastewater management

The Company is aware of the impact of wastewater drainage on the environment, biodiversity, and communities around the factories. The Company has controlled the efficiency of the wastewater treatment system and the water quality that has been treated to meet the standard criteria. This is considered a minimum wastewater quality standard. 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.



BOD online system, the latex factory at Trang Branch

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

- The block rubber factory is able to reuse 100% of the treated water.

Performance

The block rubber product group has developed and improved the wastewater treatment process for maximum efficiency by constructing an emergency pond to contain serum water from cup lump rubber before it enters the wastewater treatment process and control the wastewater treatment efficiency of the system. 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, reduce the impact of effluents and prevents conflicts from using water resources with the community. The latex and rubber sheet factories discharge treated wastewater that meets the legal standards for wastewater quality, totaling 377,917 cubic meters. In 2022, the Company had no incidents that were non-compliant with the law regarding the quality and quantity of wastewater discharged from the factory.

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. Therefore, the Company 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.

Strategies

- Focus on managing air pollution at its source.
- Use air pollution treatment systems and technologies that are suitable for production processes and air pollution, especially for odors.
- Regularly measure and monitor air quality.
- Evaluate the risks and impacts of air pollution.

Goals

- The air quality vented from the stacks passes the legal air quality standards.
- To develop and install effective air pollution control systems to reduce the impact on the community.

Performance

The Company has managed air pollution by focusing on managing it at the source and installing an efficient air pollution treatment system suitable for the production process and capable of dealing with pollution, especially the odor emanating from block rubber factories, as follows:

- The Company regularly sprays wood vinegar and biological deodorizers on cup lump stacks to reduce odors caused by organic degradation of cup lump raw materials.

- The Company uses a Wet scrubber odor treatment system, a Deodorizer system, and a Biofilter system to reduce odors from the rubber drying process and odors from the production of mixed rubber (Mixture).
- The Company has built a building with a closed system to store rubber cup lump raw materials to prevent disturbing odors outside the factory.
- The Company uses the Multi-cyclone system and Wet scrubber system to treat the exhaust and small dust particles (PM10 and PM2.5) from boilers before being released into the atmosphere.
- The Company installs wind measuring instruments for monitors, measures and assesses the risks of air pollution and odors that may occur in the surrounding communities in order to prevent risks and impacts.

Waste and Unused Materials Management (Disclosure 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 to create value and benefit of waste and unused materials, as well as reduce the environmental impact of waste disposal. 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.

Waste and unusable materials management strategies

- Manage waste in accordance with the 3Rs principle (Reduce, Reuse, Recycle) by optimizing work processes to minimize waste generation, and emphasizing sorting and reusing of materials.
- Create value and benefits from waste and unusable materials by adopting the principles of the circular economy.
- Maximize the use of raw materials and existing materials by developing and creating added-value for materials used, from production to delivery to consumers.

Goals

The Company has reviewed the target to reduce the amount of waste generated per production unit due to the changes in the waste data collection and reporting scope. The Company has set a new target as follows:

- To reduce the amount of waste per production unit by 10% compared to the base year 2022 by 2026.

Performance in 2022

The Company has implemented various waste and unused materials management projects, including:

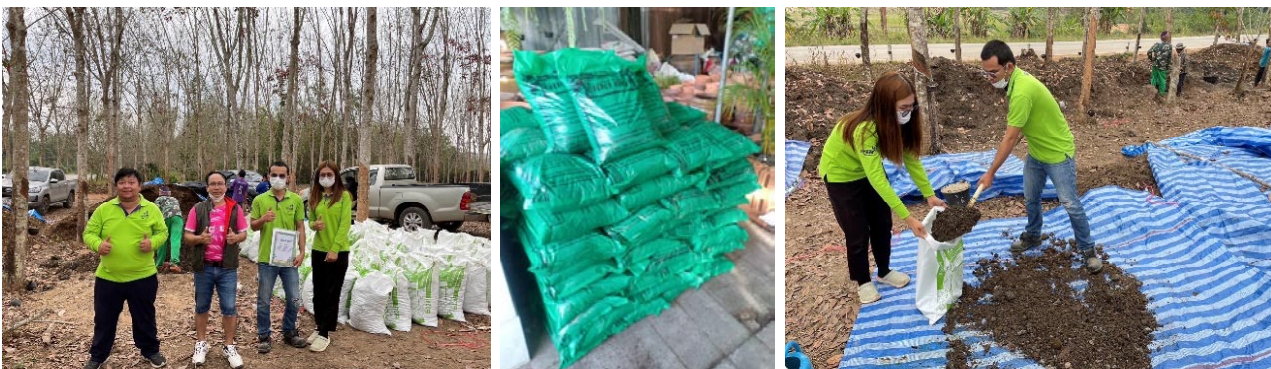
S-Brick: Sustainable Brick, Green Brick Project

Based on the concept of the Circular Economy, the Company uses ashes from burning wood chips, which are biomass fuels used in boilers used as an ingredient in making bricks for paving walkways in factories and surrounding communities to help reduce the amount of waste sent to landfill, and environmental impacts from waste disposal. In addition, it also creates value and benefits for waste. In 2022, the Company operated through three branches of blocked rubber factories, namely Kalasin Branch, Mukdahan Branch, and Bueng Kan Branch, and they were able to reduce the amount of ash sent to landfill by 47,610 tons by used it to make paving bricks for landscape improvement with a total value of 343,000 baht.



Useful Soil project

The Company has implemented the Useful Soil project continuously by using sludge from the wastewater treatment system, which is analyzed to contain a high quantity of nitrogen, an essential nutrient for plant and tree growth, and has no contamination of harmful heavy metals as organic fertilizer for agriculture. Apart from creating benefits for farmers and communities in the area, it also reduces the environmental impact of sludge disposal by landfilling. By implementing the project through three factories, namely Sri Trang Agro-Industry Public Company Limited in Pattani Branch, Narathiwat Branch, and Nam Hua Rubber Company Limited, the Company was able to reduce the transmission of sludge to landfill by 1,801 tons. In addition, the Company also plans to extend the project by using sludge as a soil amendment material for the Company's rubber plantations.



Waste Bank project

The Company has implemented the Waste Bank project to raise awareness among employees about the problems and impacts of waste as well as encouraging employees to separate waste properly for recycling through waste sorting activities. In 2022, the Company implemented the project through four factories: Pattani Branch, Narathiwat Branch, Trang branch, and Nam Hua Rubber Company Limited. In addition, the Company brought the Waste Bank project that operates to register to the Low Emission Support Scheme (LESS) with Thailand Greenhouse Gas Management Organization (TGO) to certify the amount of greenhouse gas reduced from the project.

In addition, the Company has implemented other waste management related projects to reduce waste and focus on the utilization of waste, including

- 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.



Waste Bank project

Performance

Indicators	Unit	FY 2020	FY 2021	FY 2022
Amount of waste and unused materials from production process	Kg per ton of product	10.94	13.26	11.14

Environmental Expenditure Account

Natural Rubber Group Environmental Expenditure Account		FY 2022
Expenses for pollution control equipment		Unit: MB
Wastewater treatment cost (cost of wastewater treatment system)		95.34
Air pollution treatment cost (electricity and water bill)		39.84
Waste disposal		4.74
Environmental protection costs		Unit: MB
Expenses for implementing environmental management systems, including cert ISO14001		0.52
Environmental audit costs		3.83
Cost of improvement of the odor treatment system		18.07
Cost of improvement of the wastewater treatment system		31.87

Consideration of Ecosystem and Biodiversity

Currently, ecosystem and biodiversity are facing threats from various factors, such as land use change, use of agricultural chemicals, invasion of alien species, and climate change, especially in areas with high biodiversity. The Company is aware of the importance of and is committed to conducting business with caution on the potential impacts on the ecosystem and biodiversity. Since 2019, the Company has been certified with international standards FSC_ (Forest Stewardship Council_), both FSC-FM (Forest Management Certification), sustainable forest management standards, and FSC-COC (Chain-of-Custody Certification), product chain management standards, from the rubber plantation, and concentrated latex businesses to the medical rubber glove business in order to build confidence and acceptance from international buyers.

However, the Company is still determined to keep the balance of the ecosystem and biodiversity intact. In 2022, the Company began to study the impact on biodiversity using the Integrated Biodiversity Assessment Tool, or IBAT, an internationally accepted database to assess risks and impacts on biodiversity covering the areas of business activities in 23 manufacturing factories located in Thailand. Assessment results showed no business activity in the World Heritage areas and protected areas by the International Union for Conservation of Nature (IUCN) category 1-4. In other words, the business activities are not in strict nature reserves, national parks, natural monuments, and habitat and species management areas.

In addition, the Company has also announced the Sustainable Natural Rubber Procurement Policy to aim and support natural rubber partners to procure and deliver natural rubber raw materials and products in accordance with policy guidelines that comply with GPSNR and EU Deforestation policies, which can ensure that the business operations of the Company and partners will not come from destroying forests or causing loss to ecosystem and biodiversity.

The Company has also organized activities to promote the conservation of biodiversity and natural resources, as well as continuously promoting community participation through various activities, which can be seen more in the topic of participation to development social and communities.



Awards of the year 2022

Governance and Economic Dimension

- Thailand Sustainability Investment (THSI)** or the list of “Sustainable Stocks” for the 8th 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 Recognition 2022** For the 4th 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.
- Money & Banking Awards 2022** Sri Trang Agro-Industry Public Company Limited or STA received the Best Company of the Year 2022 by the Stock Exchange of Thailand and the Best Company of Year 2022 Agriculture and Industry Group organized. by the Banking and Finance Journal with Dr. Setthaput Suthiwatanarueput, Governor of the Bank of Thailand, presiding over the ceremony. The awards are a testament to Sri Trang Group's recognition as an outstanding organization and excellence in agriculture and industry. It also creates incentives to further develop its expertise and products to stand up to strong regional and global competition for the economic and financial benefits of investment of the country and society as a whole.
- Thailand Top Company Awards 2022** Sri Trang Agro-Industry Public Company Limited or STA accepted the Thailand Top Company Awards 2022 in the category of Agro-Industry and Agricultural Industry, organized by the University of the Thai Chamber of Commerce and Business+ magazine. Receiving the award reflects the leadership in the integrated natural rubber industry and commitment to good corporate governance in accordance with the policy of the STA Group of Companies, which adheres to conducting business with equality, transparency, and fairness in order to develop quality of life and better business standards for all involved in business operations as well as being a role model of an organization with good ethics for sustainable business operations.
- CSR-DIW and CSR-DIW Continuous 2022**
 - Sri Trang Agro-Industry Public Company Limited : Hat Yai Branch, Sikao Branch, Thung song Branch, Phitsanulok Branch, Kanchanadit Branch, Trang Branch, Chumpon Branch and Huai Nang Branch
 - Rubberland Products Company Limited : Hat Yai Branch, Bueng Kan Branch, Buriram Branch and Mukdahan Branch
 - Nam Hua Rubber Company Limited
- Sri Trang Agro Industry Public Company Limited (Trang Branch) was selected as the best rubber buyer of the year 2022 from Surat Thani Central Rubber Market



Social Dimension

- The organization in Supporting People with Disabilities of the Year 2022 from the Ministry of Social Development and Human Security, Thailand.
 - Sri Trang Agro-Industry Public Company Limited : Outstanding level, For the 4th consecutive year
 - Rubberland Products Company Limited : Outstanding level, For the 3rd consecutive year
 - Nam Hua Rubber Company Limited : Good level
- Sustainability Award for the Disabilities 2022 from The Securities and Exchange Commission, Thailand.
- Outstanding Role Model Establishment in Safety, Occupational Health and Working Environment of the Year 2022 at the provincial level
 - Sri Trang Agro-Industry Public Company Limited : Trang Branch, Hat Yai Branch, Suratthani Branch, Pattani Branch, Udon Thani Branch and Sakon Nakhon Branch
 - Rubberland Products Company Limited : Bueng Kan Branch



- **Outstanding Role Model Establishment in Safety, Occupational Health and Working Environment of the Year 2022 at the national level**
 - Sri Trang Agro-Industry Public Company Limited : Thung Song Branch
 - Rubberland Products Company Limited : Hat Yai Branch
- **Outstanding Establishment in Labor Relations and Labor Welfare of the Year 2022 at the national level**
 - Sri Trang Agro-Industry Public Company Limited : Narathiwat Branch, Thung Song Branch, Chumpon Branch and Sakon Nakhon Branch
 - Rubberland Products Company Limited : Bueng Kan Branch, Buri Ram Branch and Mukdahan Branch
- **Standards for the prevention and solution of drug problems in the workplace 2022**
 - Sri Trang Agro Industry Public Company Limited : Narathiwat Branch, Chumpon Branch and Sakon Nakorn Branch
 - Rubberland Products Company Limited : Buri Ram Branch



- Sri Trang Agro Industry Public Company Limited (Loei Branch) certified "clean food good taste" from Department of Health, Ministry of Public Health
- Honorary Award for Good Labour Practice - GLP of the Year 2022 : Sri Trang Agro-Industry Public Company Limited Loei Branch
- Sri Trang Agro Industry Public Company Limited (Narathiwat Branch) received an honorable award as a model establishment in implementing good labor relations project according to the sufficiency economy model of the year 2022 from Ministry of Labor
- Sri Trang Agro Industry Public Company Limited (Phitsanulok Branch) certified "Good labor management system during the crisis from the spread of the Coronavirus disease 2019" from Department of Labour Protection and Welfare

- Sri Trang Agro Industry Public Company Limited (Phitsanulok and Sakon Nakorn Branch) passed the evaluation criteria for the model business enterprise implementation measures for disease prevention and control in specific areas (Bubble and Seal) achieving a very good level.
- Sri Trang Agro Industry Public Company Limited (Sakon Nakorn Branch) passed the standard assessment of health promotion operations from Ministry of Public Health



Environmental Dimension

- Sri Trang Agro Industry Public Company Limited (Hat Yai Branch) received the Gold Plus awards of Eco Factory plus Social Value 2022 from Department of Industrial Works (DIW).
- Rubberland Products Company Limited (Mukdahan Branch) received the Gold awards of Eco Factory plus Social Value 2022 from Department of Industrial Works (DIW).
- Industrial managed aquifer recharge at shallow levels
 - Sri Trang Agro-Industry Public Company Limited : Hat Yai Branch, Trang Branch, Huai Nang Branch, Kanchanadit Branch, Surat Thani Branch, Chumphon Branch, Kalasin Branch, Ubon Ratchathani Branch, Sakon Nakhon Branch and Chiang Rai Branch
 - Rubberland Products Company Limited : Bueng Kan Branch
- Low Emission Support Scheme (LESS) Certificate
 - Sri Trang Agro-Industry Public Company Limited : Pattani Branch, Narathiwat Branch and Trang Branch
 - Nam Hua Rubber Company Limited

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 :
 - o Sri Trang Agro Industry Public Company Limited : 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
 - o Rubberland Products Company Limited : Hat Yai Branch, Bueng Kan Branch, Mukdahan Branch and Buri Ram Branch
 - o Nam Hua Rubber Company Limited
- Green Industry level 4 (Green Culture) : Sri Trang Agro Industry Public Company Limited, Hat Yai Branch





Economics Performance

Financial

GRI Standard	Topic	Unit	2019	2020	2021	2022
Disclosure	Revenue from sales and services	MB	60,286	75,479	118,275	110,657
201-1 (2016)	Profit for the year	MB	-52	15,397	26,117	5,518
	Dividends paid to shareholders	MB	538	3,456	6,374	3,072
	Wages and Compensation for Employees	MB	3,408	3,947	4,347	4,561
	Interest and finance charges to borrowers	MB	856	640	716	1,037
	Taxes paid to the government and local government agencies such as corporate income tax, Local maintenance tax, school tax, etc.,	MB	37	29	135	292
	Expenses for support and implementing projects for social and community development	MB	12	10	2	10
Disclosure	Compensation expenses that the organization pays to the Social Security Fund, Provident funds and retirement arrangements for employees	MB	52	35	33	48
201-1 (2016)	Compensation expenses that the organization pays to the Social Security Fund	MB	25	20	16	21
	Expenses that the organization pays into the provident fund	MB	6	6	7	13
	Expenses for retirement arrangements for employees	MB	21	9	10	15
Disclosure	Tax benefits and others received from government and local authorities from the Promotion of Investment and Development (BOI)	MB	15	52	114	129
201-4 (2016)	Percentage of executives from manager level and above who come from local people (5 km radius or within province)	%	49	50	47	52
Disclosure						
202-2 (2016)						



Supply chain management

GRI Standard	Topic	2021		2022	
		Numbers	Share of Total Procurement Spent (%)	Numbers	Share of Total Procurement Spent (%)
Disclosure 2-6 (2021)	Tier 1 Suppliers	2,045	100	2,177	100
	Critical Tier 1 Suppliers	630	79	968	91
	Critical Non-tier 1 Supplier	-	-	-	-

GRI Standard	Topic	Unit	2018	2019	2020	2021	2022
Disclosure 204-1 (2016)	Spending on products and services from local partners and contractors	MB	495	341	329	656	827
	Total procurement costs	MB	1,862	1,255	1,234	4,543	6,977
	Spending on products and services from local partners and contractors vs. total procurement spend	%	27.0	27.0	27.0	14.0	11.9



Customer Relationship

GRI Standard	Topic	Unit	2019	2020	2021	2022
STA indicator	Customer satisfaction	%	98	86	83	87
Disclosure 416-2 (2016)	The number of matters or products that affect the health and safety of customer	Case	0	0	0	0
Disclosure 417-3 (2016)	Number of complaints about marketing communications	Case	0	0	0	0
Disclosure 2-27 (2021)	Number of non-compliance with the law	Case	0	0	0	0



Social Performance

GRI Standard	Topic	2019		2020		2021		2022	
		Person	%	Person	%	Person	%	Person	%
Disclosure 2-7 (2021), Disclosure 405-1 (2016)	By Sex and Type								
	Male	4,006	67.38	3,703	68.37	3,437	66.51	3,820	65.74
	- Permanent	4,001	67.30	3,576	66.03	3,202	61.96	3,427	58.97
	- Temporary contract	5	0.08	127	2.34	235	4.55	393	6.76
	Female	1,939	32.62	1,713	31.63	1,731	33.49	1,991	34.26
	- Permanent	1,932	32.50	1,702	31.43	1,640	31.73	1,795	30.89
	- Temporary contract	7	0.12	11	0.20	91	1.76	196	3.37
	Total	5,945	100	5,416	100	5,168	100	5,811	100
	- Permanent	5,933	99.80	5,278	97.45	4,842	93.69	5,222	89.86
	- Temporary contract	12	0.20	138	2.55	326	6.31	589	10.14
Disclosure 405-1 (2016)	By Religion	5,945		5,416		5,168		5,811	
	Buddhist	5,437	91.46	4,942	91.25	4,700	90.94	5,365	92.32
	Christ	11	0.19	9	0.17	25	0.48	19	0.33
	Islam	496	8.34	462	8.53	443	8.57	427	7.35
	other	1	0.02	3	0.06	0	0	0	0
Disclosure 405-1 (2016)	By Level	5,945		5,416		5,168		5,811	
	Top Management (L7-11)	80	1.35	83	1.53	76	1.47	75	1.29
	Male	54	0.91	56	1.03	50	0.97	50	0.86
	Female	26	0.44	27	0.50	26	0.50	25	0.43
	Management (L5-L6)	441	7.42	419	7.74	393	7.60	428	7.37
	Male	255	4.29	235	4.34	213	4.12	241	4.15
	Female	186	3.13	184	3.40	180	3.48	187	3.22
	Operation (L1-L4)	5,424	91.24	4,914	90.73	4,699	90.92	5,308	91.34
	Male	3,697	62.19	3,415	63.05	3,174	61.42	3,529	60.73
	Female	1,727	29.05	1,499	27.68	1,525	29.51	1,779	30.61
Disclosure 405-1 (2016)	By Age	5,945		5,416		5,168		5,811	
	Under 30 years	1,821	30.63	1,513	27.94	1,527	29.55	1,832	31.53
	Male	1,339	22.52	1,151	21.25	1,118	21.63	1,292	22.23
	Female	482	8.11	362	6.68	409	7.91	540	9.29
	30-50 years	3,665	61.65	3,475	64.16	3,183	61.59	3,486	59.99
	Male	2,373	39.92	2,274	41.99	2,015	38.99	2,208	38.00
	Female	1,292	21.73	1,201	22.18	1,168	22.60	1,278	21.99
	Upper 50 years	459	7.72	428	7.90	458	8.86	493	8.48
	Male	294	4.95	281	5.19	304	5.88	320	5.51
	Female	165	2.78	147	2.71	154	2.98	173	2.98

GRI Standard	Topic	2019		2020		2021		2022	
		Person	%	Person	%	Person	%	Person	%
Disclosure 2-7 (2021), Disclosure 405-1 (2016)	By Area								
	Thailand	5,945	100	5,416	100	5,168	100	5,811	100
	South	3,193	53.71	2,960	54.65	2,332	45.12	2,427	41.77
	- Permanent	3,186	53.59	2,849	52.60	2,174	42.07	2,298	39.55
	- Temporary contract	7	0.12	111	2.05	158	3.06	129	2.22
	Northeast	1,906	32.06	1,690	31.20	1,852	35.84	1,827	31.44
	- Permanent	1,901	31.98	1,669	30.82	1,728	33.44	1,600	27.53
	- Temporary contract	5	0.08	21	0.39	124	2.40	227	3.91
	Eastern	159	2.67	153	2.82	151	2.92	252	4.34
	- Permanent	159	2.67	153	2.82	148	2.86	250	4.30
	- Temporary contract	0	0	0	0	3	0.06	2	0.03
	Central	72	1.21	67	1.24	66	1.28	77	1.33
	- Permanent	72	1.21	66	1.22	65	1.26	76	1.31
	- Temporary contract	0	0	1	0.02	1	0.02	1	0.02
	North	615	10.34	546	10.08	767	14.84	1,228	21.13
	- Permanent	615	10.34	541	9.99	727	14.07	998	17.17
	- Temporary contract	0	0	5	0.09	40	0.77	230	3.96
Disclosure 401-1 (2016)	New Employee by sex								
	Male	1,238	81.29	1,190	86.86	1,765	78.17	2,094	71.52
	Female	285	18.71	180	13.14	493	21.83	834	28.48
	Total	1,523	100	1,370	100	2,258	100	2,928	100
	New Employee by age								
	Under 30 years	936	61	844	62	1,391	62	1,668	57
	30-50 years	575	38	509	37	820	36	1,214	41
	Upper 50 years	12	1	17	1	47	2	46	2
	Total	1,523	100	1,370	100	2,258	100	2,928	100
	New Employee by area								
	Thailand	1,523		1,370		2,258		2,928	
	South	579	38.02	665	48.54	783	34.68	736	25.14
	Northeast	657	43.14	471	34.38	685	30.34	1,059	36.17
	Eastern	113	7.42	70	5.11	54	2.39	186	6.35
	Central	12	0.79	5	0.36	11	0.49	29	0.99
	North	162	10.64	159	11.61	725	32.11	918	31.35

Remark: 1. The scope of data reporting on the number of employees in Thailand
2. The company employs only permanent employees, monthly and daily contract employees who work full time only.

GRI Standard	Topic	2019		2020		2021		2022	
		Person	%	Person	%	Person	%	Person	%
Disclosure 401-1 (2016)	Employee Termination by sex								
	Male	1,550	3.22	1,331	3.00	1,430	3.47	1,686	3.68
	Female	551	2.37	310	1.51	389	1.87	601	2.52
	Employee Termination by age								
	Under 30 years	1,053	4.82	844	4.65	948	5.17	1,186	5.39
	30-50 years	930	2.11	693	1.66	782	2.05	1,000	2.39
	Upper 50 years	118	2.14	104	2.02	89	1.62	101	1.71
	Employee Termination by area								
	Thailand	2,101	100	1,641	100	1,819	100	2,287	100
	South	894	42.55	755	46.01	701	38.54	720	31.48
	Northeast	917	43.65	685	41.74	586	32.22	829	36.25
	Eastern	147	7.00	76	4.63	56	3.08	90	3.94
	Central	21	1.00	5	0.30	7	0.38	16	0.70
	North	122	5.81	120	7.31	469	25.78	632	27.63
	Total turnover rate (Target< 3%)	2,101	2.95	1,641	2.52	1,819	2.93	2,287	3.28
Disclosure 401-3 (2016)	Maternity leave								
	Male	0	0	0	0	0	0	0	0
	Female	74	100	63	100	69	100	63	100
	Total	74	100	63	100	69	100	63	100
	Return after maternity leave								
	Male	0	0	0	0	0	0	0	0
	Female	67	90.54	53	84.13	65	94.20	51	80.95
	Total	67	90.54	53	84.13	65	94.20	51	80.95

GRI Standard	Topic	2021	2022
Disclosure 405-2 (2016)	Ratio of average basic salary and remuneration of female to male employees (By level)		
	Ratio of average basic salary and remuneration of female to male employees (base salary only)		
	Top Management (L7-L11)	0.94	0.92
	Management (L5-L6)	0.98	0.98
	Operation (L3-L4)	0.98	0.98
	Operation (L1-L2)	1.00	0.96
	Ratio of average basic salary and remuneration of female to male employees (base salary and bonus)		
	Top Management (L7-L11)	0.90	0.82
	Management (L5-L6)	0.96	0.96
	Operation (L3-L4)	1.00	1.04
	Operation (L1-L2)	1.00	0.96

Remark: 1. Other incentive is a bonus.
2. Operational employees (L1-L4) are divided into 2 parts according to the type of employment: operational employees (L1-L2) are daily employees who do not receive bonus. On the other hand, operational employees (L3-L4) are monthly employees who receive bonus.

GRI Standard	Topic	Unit	2020	2021	2022
Disclosure 404-1 (2016)	Training target	Hours/Person/year	6	35	35
	Total training of employee	Hours	79,242	204,980	190,484
	Average training of employee	Hours/Person/year	14.34	38.46	34.95
	By sex				
	Male	Hours	49,585	134,923	119,117
	Female	Hours	29,786	70,057	71,367
	Total	Hours	79,371	204,980	190,484
	By level		-	-	
	Top management (L7-L11)	Hours	3,124	7,115	4,610
	Male	Hours	1,935	5,413	2,720
	Female	Hours	1,188	1,701	1,890
	Management (L5-L6)	Hours	17,337	44,933	42,584
	Male	Hours	8,631	24,965	24,009
	Female	Hours	8,706	19,969	18,575
	Operation (L1-L4)	Hours	58,910	152,932	143,290
	Male	Hours	39,019	104,546	92,388
	Female	Hours	19,892	48,387	50,902
	By skill		79,242	204,980	190,484
	Administration	Hours	893	5,805	11,537
	Manufacturing	Hours	11,282	12,440	18,282
	On the job training	Hours	958	115,700	32,686
	Service	Hours	11,789	11,349	25,051
	Technical	Hours	54,321	59,687	102,928

Occupational Health and Safety

GRI Standard	Topic	Unit	Target	2019	2020	2021	2022
Disclosure 403-9 (2016)	Worked Hours						
	Employee	Hour	-	11,013,192	10,770,016	13,218,679	11,338,487
	Contractor	Hour	-	N/A	N/A	N/A	1,310,214
	Fatality as a result of Work-Related Injury						
	Employee	Case	0	1	2	0	0
		case/200,000 worked hours	0	0.02	0.04	0	0
	Contractor	Case	0	N/A	N/A	N/A	0
		case/200,000 worked hours	0	N/A	N/A	N/A	0
	Lost-Time Injury Frequency Rate : LTIFR						
	Employee	Case	-	81	60	109	89
		case/200,000 worked hours	-	1.47	1.11	1.65	1.57
	Contractor	Case	-	N/A	N/A	N/A	1
		case/200,000 worked hours	-	N/A	N/A	N/A	0.15
	Injury Severity Rate : ISR						
	Employee	Day	-	444	577	1,054	589
		day/200,000 worked hours	-	8.06	10.71	15.95	10.39
	Contractor	Day	-	N/A	N/A	N/A	30
		day/200,000 worked hours	-	N/A	N/A	N/A	4.58

GRI Standard	Topic	Unit	Target	2019	2020	2021	2022
	Total Recordable Injury Frequency Rate : TRIFR						
	Employee	Case	-	112	113	212	131
		case/200,000 worked hours	-	2.03	2.10	3.21	2.31
	Contractor	Case	-	N/A	N/A	N/A	1
		case/200,000 worked hours	-	N/A	N/A	N/A	0.15
	High-Consequence Work-Related Injuries						
	Employee	Case	-	0	0	1	0
		case/200,000 worked hours	-	0	0	0.02	-
	Contractor	Case	-	N/A	N/A	N/A	0
		case/200,000 worked hours	-	N/A	N/A	N/A	0
	Near Miss						
	Employee	Case	-	N/A	N/A	N/A	3
	Contractor	Case	-	N/A	N/A	N/A	0
Disclosure 403-10 (2016)	Occupational Illness Frequency Rate : OIFR						
	Employee	Case	0	0	0	0	0
		case/200,000 worked hours	0	0	0	0	0
	Contractor	Case	0	N/A	N/A	N/A	0
		case/200,000 worked hours	0	N/A	N/A	N/A	0

- Remark:
1. The Company has analyzed data for the period of 2019 to 2021 by calculating from 1,000,000 to 200,000 working hours to suit the number of employees and contractors in the factory.
 2. Data from our contractor has been collected since 2022.



Environmental Performance

Materials

GRI Standard	Topic	Unit	2019	2020	2021	2022
Disclosure 301-1 (2016)	Materials used by weight or volume	Tons	797,279	812,893	1,104,533	1,217,508
	Renewable materials	Tons	789,715	800,943	1,093,057	1,202,199
	Cuplump	Tons	598,221	629,002	903,905	1,053,838
	Fresh latex	Tons	111,241	119,756	129,244	91,525
	Unsmoked Sheet /Ribbed smoked sheet	Tons	80,253	52,185	59,908	56,836
	Non-renewable materials	Tons	7,564	11,950	11,476	15,309
	SBR	Tons	5,201	9,262	8,613	13,232
	Ammonia	Tons	2,363	2,688	2,863	2,077
	Packaging					
	Plastic	Tons	1,752	1,949	2,779	3,895
Disclosure 301-2 (2016)	Recycled input materials used					
	Plastic	Tons	580	779	1,137	1,663
Disclosure 302-1 (2016)	Energy consumption within the organization					
	Total energy consumption	GJ	1,467,559	1,631,794	2,158,737	2,542,477
	Non-renewable energy consumption	GJ	742,849	865,599	1,105,518	1,266,579
	Diesel	GJ	66,758	78,936	112,986	135,558
	LPG	GJ	102,999	160,570	209,197	230,216
	Purchased electricity	GJ	573,092	626,093	783,335	900,805
	Renewable energy consumption	GJ	724,711	766,195	1,053,219	1,275,898
	Thermal energy from biomass	GJ	724,711	766,195	1,053,219	1,272,040
	Solar power	GJ	-	-	-	3,858
Disclosure 302-3 (2016)	Energy consumption intensity	GJ/Ton	1.73	1.88	1.85	1.86

Remark: In 2022, there was a review of data storage formats and standards within the STA-NR group, so the 2019-2021 data was reviewed for accuracy.

GHG Emissions

GRI Standard	Topic	Unit	2019	2020	2021	2022
Disclosure 305-1 (2016)	Direct Scope 1 GHG emissions	tCO ₂ -eq	-	17,053	32,983	44,160
	Biogenic CO ₂	tCO ₂ -eq	-	120,520	123,759	127,823
	HCFC-22	tCO ₂ -eq	-	-	201	71
Disclosure 305-2 (2016)	Energy indirect Scope 2 GHG emissions	tCO ₂ -eq	-	81,562	108,514	124,812
	- CO ₂	tCO ₂ -eq	-	81,562	108,514	124,812
	Total scope 1 & 2 GHG emissions	tCO ₂ -eq	-	98,614	141,497	168,971
Disclosure 305-4 (2016)	Total production	Tons	848,943	868,355	1,164,473	1,363,468
	GHG emissions intensity	tCO ₂ -eq/Ton	0.12	0.11	0.12	0.12
Disclosure 305-5 (2016)	GHG emissions reduction	tCO ₂ -eq	-	-	-	-

Remark: 1. In 2022, there was a review of data storage formats and standards within the STA-NR group, so the 2019-2021 data was reviewed for accuracy.

2. Scope 1 direct greenhouse gas emissions are from stationary combustion, mobile combustion, LPG fuel used in the production process and other processes, boiler fuel, methane from toilet systems and anaerobic wastewater ponds, and ash testing.

Air Pollutions

GRI Standard	Topic	Unit	2019	2020	2021	2022
Disclosure 305-7 (2016)	NO _x from combustion	kilogram	-	-	-	70,875
	NO _x intensity	Kg/Ton	-	-	-	0.07
	SO ₂ from combustion	kilogram	-	-	-	29,139
	SO ₂ intensity	Kg/Ton	-	-	-	0.03
	Total Suspended Particulate TSP from combustion	kilogram	-	-	-	85,715
	TSP intensity from combustion	Kg/Ton	-	-	-	0.08

Remark: 1. Air pollution data are measured from boiler chimney and rubber oven chimney from the STR factory.

2. In 2022, data was collected on air pollution of 13 factories STR with boiler and rubber oven chimneys, and the measurements were compared to the actual working hours.

Water Withdrawal

GRI Standard	Topic	Unit	2019	2020	2021	2022
Disclosure 303-3 2018	Water withdrawal by sources & by total dissolved solids	million cubic meters	2.44	2.24	2.20	2.00
	Water withdrawal from freshwater sources $\leq 1,000$ mg/L Total Dissolve Solids	million cubic meters	2.44	2.24	2.20	2.00
	- Surface water/river water	million cubic meters	0.94	0.59	0.46	0.45
	- Groundwater	million cubic meters	1.48	1.63	1.72	1.53
	- Water from raw materials	million cubic meters	-	-	-	-
	- Tap water	million cubic meters	0.02	0.02	0.02	0.02
	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	0.13	0.17	0.18	0.21
	Water withdrawal from freshwater sources $\leq 1,000$ mg/L Total Dissolve Solids in the areas with water stress	million cubic meters	0.13	0.17	0.18	0.21
	- Surface water/river water	million cubic meters	0.07	0.07	0.07	0.10
	- Groundwater	million cubic meters	0.06	0.10	0.11	0.11
	- Water from raw materials	million cubic meters	-	-	-	-
	- Tap water	million cubic meters	-	-	-	-
	Water withdrawal from other water sources $> 1,000$ mg/L Total Dissolve Solids in the areas with water stress	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	million cubic meters	2.57	2.41	2.38	2.21
	- Surface water/river water	million cubic meters	1.01	0.66	0.53	0.55
	- Groundwater	million cubic meters	1.54	1.73	1.83	1.64
	- Water from raw materials	million cubic meters	-	-	-	-
	- Tap water	million cubic meters	0.02	0.02	0.02	0.02



Water Discharge

GRI Standard	Topic	Unit	2019	2020	2021	2022
Disclosure 303-4 (2018)	Water discharge by destination and by total dissolved solid	million cubic meters	0.16	0.32	0.29	0.38
	Water discharged to canals	million cubic meters	0.16	0.32	0.29	0.38
	Freshwater $\leq 1,000$ mg/L Total Dissolve Solids	million cubic meters	0.14	0.14	0.11	0.20
	Other water $> 1,000$ mg/L Total Dissolve Solids	million cubic meters	0.02	0.18	0.18	0.18
	Water discharged to canals in water stress areas	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	2019	2020	2021	2022
Disclosure 303-3 (2018)	Total water recycled & reused	million cubic meters	10.57	11.12	14.84	15.69
	Percentage of water recycled and reused to total water withdrawal	%	80	82	86	88
	Water discharge quality					
	- BOD	mg/L	6.8	9.2	5.1	6.8
	- COD	mg/L	46.7	60.8	41.8	66.6
	- SS	mg/L	12.9	17.5	8.9	10.3
	- pH	-	7.6	7.7	7.4	7.2
	- TDS	mg/L	509.4	527.8	880.7	1,603.0
	- Oil&Grease	mg/L	1	1.4	1.5	1.0

Remark: Information regarding the discharge of water outside the factory, only includes STA-TG, STA-KD, and STA-SR.

Water Consumption

GRI Standard	Topic	Unit	2019	2020	2021	2022
Disclosure 303-5 (2018)	Water consumption	million cubic meters	2.57	2.41	2.38	17.90
	Water consumption without water stress areas	million cubic meters	2.44	2.24	2.20	2.00
	Water consumption in water stress areas	million cubic meters	0.13	0.17	0.18	0.21
	Change in water storage in tank between Jan 1 and Dec 31 of the year	million cubic meters	-	-	-	-

Remark: 1. Aqueduct Water Risk Atlas of World Resources Institute WRI was used as a credible tool for assessing areas with water stress.
 2. In 2022, there was a review of data storage formats and standards within the STA-NR group, so the 2019-2021 data was reviewed for accuracy.
 3. In 2022, the scope of water consumption reporting has been increased to cover recycled water. The total water consumption was 17.90 million cubic meters, which came from the sum of the total water withdrawal amounting to 2.21 million cubic meters and the total water recycled and reused amounting to 15.65 million cubic meters.

Waste Management

GRI Standard	Topic	Unit	2019	2020	2021	2022
Disclosure 306-3 (2020)	Total weight of waste generated	Tons	4,130	9,503	15,437	15,183
	- Hazardous waste generated	Tons	39	73	78	236
	- Non-hazardous waste generated	Tons	4,091	9,430	15,359	14,947
Disclosure 306-4 (2020)	Total weight of waste diverted from disposal by reuse, recycling or other recovery	Tons	2,561	9,043	14,970	14,410
	Total hazardous waste diverted from disposal by reuse, recycling or other recovery	Tons	36	57	60	129
	- Preparation for reuse	Tons	0	0	1	43
	Onsite preparation for reuse	Tons	-	-	-	-
	Offsite preparation for reuse	Tons	-	-	1	43
	- Recycling	Tons	0	0	0	5
	Onsite recycling	Tons	-	-	-	-
	Offsite recycling	Tons	-	-	-	5
	- Other recovery operations	Tons	36	57	59	80
	Other onsite recovery	Tons	-	-	-	-
	Other offsite recovery	Tons	36	57	59	80
	Total non-hazardous waste diverted from disposal by reuse, recycling or other recovery	Tons	2,525	8,986	14,910	14,281
	- Preparation for reuse	Tons	0	6,346	10,528	10,285
	Onsite preparation for reuse	Tons	-	3,921	6,653	6,508
	Offsite preparation for reuse	Tons	-	2,425	3,875	3,777
	- Recycling	Tons	338	982	1,100	1,595
	Onsite recycling	Tons	9	0	48	1
	Offsite recycling	Tons	329	982	1,052	1,594
	- Other recovery operations	Tons	2,187	1,658	3,282	2,401
	Other onsite operations	Tons	2,185	677	987	778
	Other offsite operations	Tons	2	981	2,295	1,623

Waste Management

GRI Standard	Topic	Unit	2019	2020	2021	2022
Disclosure 306-5 (2020)	Total weight of waste directed to disposal	Tons	27	452	433	793
	Total hazardous waste directed to disposal	Tons	2	9	8	103
	- Incineration with energy recovery	Tons	0	0	0	0
	Onsite incineration with energy recovery	Tons	-	-	-	-
	Offsite incineration with energy recovery	Tons	-	-	-	-
	- Incineration without energy recovery	Tons	2	6	3	3
	Onsite incineration without energy recovery	Tons	-	-	-	-
	Offsite incineration without energy recovery	Tons	2	6	3	3
	- Landfilling	Tons	0	3	5	100
	Onsite landfilling	Tons	-	-	-	-
	Offsite landfilling	Tons	-	3	5	100
	- Other disposal operations	Tons	0	0	0	0
	Other onsite disposal operations	Tons	-	-	-	-
	Other offsite disposal operations	Tons	-	-	-	-
	Total non-hazardous waste directed to disposal	Tons	25	443	425	690
	- Incineration with energy recovery	Tons	0	0	57	75
	Onsite incineration with energy recovery	Tons	-	-	-	-
	Offsite incineration with energy recovery	Tons	-	-	57	75
	- Incineration without energy recovery	Tons	0	0	0	0
	Onsite incineration without energy recovery	Tons	-	-	-	-
	Offsite incineration without energy recovery	Tons	-	-	-	-
	- Landfilling	Tons	25	443	368	615
	Onsite landfilling	Tons	-	-	-	-
	Offsite landfilling	Tons	25	443	368	615
	- Other disposal operations	Tons	0	0	0	0
	Other onsite disposal operations	Tons	-	-	-	-
	Other offsite disposal operations	Tons	-	-	-	-

- Remark: 1. In 2022, the scope of waste reporting was reviewed, resulting in the addition of several types of waste reporting, including ash from boiler, sludge from wastewater treatment system, sludge from rubber scrap washing, starch from the production of concentrated latex and waste that is allowed to be stored within the factory according to the Notification of Ministry of Industry on Industrial Waste Disposal B.E. 2548.
2. The STA-NR is required to report the amounts of all hazardous and non-hazardous wastes that have been disposed of or authorized for storage within the factory.
3. In 2022, the STA-NR group expanded its production capacity from 2021 and generated a total amount of waste that included waste not related to daily operations, such as factory expansion construction and production line improvement work.
4. In 2022, there was a review of data storage formats and standards within the STA-NR group, so the 2019-2021 data was reviewed for accuracy.

Oil & Chemical Spills

GRI Standard	Topic	Unit	2019	2020	2021	2022
Disclosure 306-3 (2016)	Numbers of incidents related to the significant spills of chemical, oil, effluent and waste (affecting impacts on environment, communities, and natural resources)	Case	0	0	0	0
	Quantity of oil, chemical, and hazardous substances spills	m ³	0	0	0	0

Environmental Compliance

GRI Standard	Topic	Unit	2019	2020	2021	2022
Disclosure 2-27 (2021)	Numbers of Cases associated with non-compliance with environmental laws and regulations	Case	1	1	2	5
	Monetary value of fines associated with non-compliance with environmental laws and regulations	Bath	30,000	30,000	67,500	0

Supplier Environmental Assessment

GRI Standard	Topic	Unit	2019	2020	2021	2022
Disclosure 308-1 (2016)	Percentage of new suppliers that were screened using environmental criteria	%	100	100	100	100
Disclosure 308-2 (2016)	Number of suppliers assessed for environmental impacts	Person	1,124	1,155	1,223	1,222
	Number of suppliers identified as having significant actual and potential negative environmental impacts	Person	0	0	0	0
	Percentage of suppliers with negative environmental impacts with which improvement were agreed	%	0	0	0	0
	Percentage of suppliers with negative environmental impacts with which relationships were terminated as a result of assessment	%	0	0	0	0

GRI Content Index

GRI Standard		Disclosure	Page	Omission	External Assurance	SDGs
General Disclosures						
GRI 2: General Disclosures 2021	2-1	Organizational details	8-10			
	2-2	Entities included in the organization's sustainability reporting	41			
	2-3	Reporting period, frequency and contact point	24-25			
	2-4	Restatements of information	24-25			
	2-5	External assurance	151			
	2-6	Activities, value chain and other business relationships	11-15			
	2-7	Employees	67, 128-129			SDG 8, 10
	2-8	Workers who are not employees	128-129, 132-133			
	2-9	Governance structure and composition	41, 47-48			SDG 5, 16
	2-10	Nomination and selection of the highest governance body	56-1 One Report 2022, page 154-155			SDG 5, 16
	2-11	Chair of the highest governance body	41			SDG 16
	2-12	Role of the highest governance body in overseeing the management of impacts	20-23, 27, 47-48, 55			
	2-13	Delegation of responsibility for managing impacts	41-42, 47-48			
	2-14	Role of the highest governance body in sustainability reporting	56-1 One Report 2022, page 146-147			
	2-15	Conflicts of interest	45			SDG 16
	2-16	Communication of critical concerns	54-63			
	2-17	Collective knowledge of the highest governance body	56-1 One Report 2022, page 156			SDG 4
	2-18	Evaluation of the performance of the highest governance body	50			
	2-19	Remuneration policies	56-1 One Report 2022, page 148-149			
	2-20	Process to determine remuneration	56-1 One Report 2022, page 148-149			

GRI Standard		Disclosure	Page	Omission	External Assurance	SDGs
GRI 2: General Disclosures 2021	2-22	Statement on sustainable development strategy	4-7			
	2-23	Policy commitments	16-19, 42-45			
	2-24	Embedding policy commitments	16-19, 51, 74, 88-89, 92, 108-109			
	2-25	Processes to remediate negative impacts	53, 76, 109-100			
	2-26	Mechanisms for seeking advice and raising concerns	52-53, 77			SDG 16
	2-27	Compliance with laws and regulations	53, 141			SDG 16
	2-28	Membership associations	35			
	2-29	Approach to stakeholder engagement	20-23			
	2-30	Collective bargaining agreements	67, 77-78			SDG 8
Material Topics						
GRI 3: Material Topics 2021	3-1	Process to determine material topics	27			
	3-2	List of material topics	28			
Economic Standard Series						
Economic performance						
GRI 3: Material Topics 2021	3-3	Management of material topics	16-19, 23, 29			
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	39-40, 126			SDG 2, 5, 8, 9
Risk Management	STA Indicator	KRI does not exceed risk thresholds	55			
Procurement Practices						
GRI 3: Material Topics 2021	3-3	Management of material topics	16-19, 21-22, 29 85-91			
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	87, 127			SDG 5, 8
Evaluation of suppliers of raw materials	STA Indicator	The result of evaluation is grade A>70	22			
Natural rubber transportation standard	STA Indicator	Percentage of natural rubber transportation vehicles passing the Company's standard	22, 102			
Anti-corruption						
GRI 3: Material Topics 2021	3-3	Management of material topics	17, 19, 21, 23, 30, 51-53			

GRI Standard		Disclosure	Page	Omission	External Assurance	SDGs
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	51-53			SDG 16
	205-2	Communication and training about anti-corruption policies and procedures	51			SDG 16
	205-3	Confirmed incidents of corruption and actions taken	53			SDG 16
Environmental Standard Series						
Materials						
GRI 3: Material Topics 2021	3-3	Management of material topics	17-19, 34, 65 88, 100, 102-104 108, 117-119			
GRI 301: Materials 2016	301-1	Materials used by weight or volume	134			SDG 8, 12
	301-2	Recycled input materials used	134			SDG 8, 12
	301-3	Reclaimed products and their packaging materials	134			SDG 8, 12
Energy						
GRI 3: Material Topics 2021	3-3	Management of material topics	17-19, 33, 65, 108, 111-114			
GRI 302: Energy 2016	302-1	Energy consumption within the organization	134		Yes	SDG 7, 8, 12, 13
	302-3	Energy intensity	134			SDG 7, 8, 12, 13
	302-4	Reduction of energy consumption	111-112			SDG 7, 8, 12, 13
	302-5	Reductions in energy requirements of products and services	112			SDG 7, 8, 12, 13
Water and Effluents						
GRI 3: Material Topics 2021	3-3	Management of material topics	17-19, 33, 108, 113-116			
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	113-114			SDG 6, 12
	303-2	Management of water discharge-related impacts	114-116			SDG 6
	303-3	Water withdrawal by source	114, 136-137		Yes	SDG 6
	303-4	Water discharge	116, 137		Yes	SDG 6
	303-5	Water consumption	114,137		Yes	SDG 6
Biodiversity						
GRI 3: Material Topics 2021	3-3	Management of material topics	17-19, 34, 88-89, 104-106, 109, 120			
GRI 304: Biodiversity 2016	304-3	Habitats protected or restored	120			
Emissions						
GRI 3: Material Topics 2021	3-3	Management of material topics	17-19, 22, 33-34, 65, 108-113, 117-118			

GRI Standard		Disclosure	Page	Omission	External Assurance	SDGs
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	112, 135		Yes	SDG 3, 12, 13, 14, 15
	305-2	Energy indirect (Scope 2) GHG emissions	112, 135		Yes	SDG 3, 12, 13, 14, 15
	305-4	GHG emissions intensity	112, 135		Yes	SDG 13, 14, 15
	305-5	Reduction of GHG emissions	112		Yes	SDG 13, 14, 15
	305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	117-118, 135		Yes	SDG 3, 12, 14, 15
Waste						
GRI 3: Material Topics 2021	3-3	Management of material topics	17-19, 34, 65, 88, 101, 103-105, 109, 117-119			
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	117-119			SDG 3, 6, 11, 12
	306-2	Management of significant waste-related impacts	117-119			SDG 3, 6, 8, 11, 12
	306-3	Waste generated	119, 138		Yes	SDG 3, 11, 12
	306-4	Waste diverted from disposal	138-139		Yes	SDG 3, 11, 12
	306-5	Waste directed to disposal	139-140		Yes	SDG 3, 11, 12
Supplier Environmental Assessment						
GRI 3: Material Topics 2021	3-3	Management of material topics	16-19, 21-22, 29, 85-91			
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	87, 141			
	308-2	Negative environment impacts in the supply chain and actions taken	141			
Social Standard Series						
Employment						
GRI 3: Material Topics 2021	3-3	Management of material topics	18-19, 21, 31-32, 67-73, 77			
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	68, 129-130			SDG 5, 8, 10
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	67			SDG 3, 5, 8
	401-3	Parental leave	129-130			SDG 5, 8

GRI Standard		Disclosure	Page	Omission	External Assurance	SDGs
Occupational Health and Safety						
GRI 3: Material Topics 2021	3-3	Management of material topics	17-19, 21, 31, 79-84			
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	79			SDG 8
	403-2	Hazard identification, risk assessment, and incident investigation	80			SDG 3, 8
	403-3	Occupational health services	81			SDG 3, 8
	403-4	Worker participation, consultation, and communication on	82			SDG 8, 16
	403-5	Worker training on occupational health and safety	82-83			SDG 8
	403-6	Promotion of worker health	83			SDG 3
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	84			SDG 8
	403-8	Workers covered by an occupational health and safety management system	79-84			SDG 8
	403-9	Work-related injuries	132-133		Yes	SDG 3, 8, 16
	403-10	Work-related ill health	133		Yes	SDG 3, 8, 16
Training and Education						
GRI 3: Material Topics 2021	3-3	Management of material topics	18-19, 21, 32 69-73			
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	73, 131			SDG 4, 5, 8, 10
	404-2	Programs for upgrading employee skills and transition assistance programs	69-73			SDG 8
	404-3	Percentage of employees receiving regular performance and career development reviews	69			SDG 5, 8, 10
Employee Engagement	STA Indicator	Percentage of employee engagement score	67			
Diversity and Equal Opportunity						
GRI 3: Material Topics 2021	3-3	Management of material topics	19, 21, 31-32 68-69, 74-78			
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	128-129			SDG 5, 8
	405-2	Ratio of basic salary and remuneration of women to men	69, 131		Yes	SDG 5, 8, 10

GRI Standard		Disclosure	Page	Omission	External Assurance	SDGs
Non-discrimination						
GRI 3: Material Topics 2021	3-3	Management of material topics	19, 31, 74-77			
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	53			
Freedom of association and collective bargaining						
GRI 3: Material Topics 2021	3-3	Management of material topics	18-19, 67-77			
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	76, 87			
Child Labor						
GRI 3: Material Topics 2021	3-3	Management of material topics	19, 31, 74-75			
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	76, 87			
Forced or compulsory labor						
GRI 3: Material Topics 2021	3-3	Management of material topics	19, 31, 74-76			
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	76, 87			
Local Communities						
GRI 3: Material Topics 2021	3-3	Management of material topics	19, 22, 32, 93-107			
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	93-107			
	413-2	Operations with significant actual and potential negative impacts on local communities	93-107			SDG 1,2
Community Engagement	STA Indicator	Community engagement score	22, 94-95, 97, 99			
Customer Health and Safety						
GRI 3: Material Topics 2021	3-3	Management of material topics	16-17, 19, 20, 30-31, 92			
GRI 416: Customer Health and Safety 2016	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	127			SDG 16
Customer Satisfaction	STA Indicator	Percentage of customer satisfaction related to products & services	92, 127			
	STA Indicator	Percentage of customer satisfaction related to complaint responses	92, 127			

GRI Standard		Disclosure	Page	Omission	External Assurance	SDGs
Marketing and Labeling						
GRI 3: Material Topics 2021	3-3	Management of material topics	16-17, 19, 20, 30-31, 92			
GRI 417: Marketing and Labeling 2016	417-2	Incidents of non-compliance concerning product and service information and labeling	127			SDG 16
	417-3	Incidents of non-compliance concerning marketing communications	127			SDG 16
Customer Satisfaction	STA Indicator	Percentage of customer satisfaction	92, 127			
Customer Privacy						
GRI 3: Material Topics 2021	3-3	Management of material topics	16-17, 19, 20, 30, 60-61, 78, 92			
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	92			SDG 16

UN GLOBAL COMPACT PRINCIPLES

Nowaday Sri Trang Agro-Industry Public Company Limited has not yet applied to join the UN Global Compact, but the Company commit to conducting business in accordance with the 10 Principles of the United Nations Global Compact (UNGC) to play a part in making a significant positive impact and creating a more sustainable future and equal for all. Therefore, in 2022, the Company has applied the principles as a guideline for business operations as well as preparing a report on compliance with UNGC guidelines as follows:

UNGC Principle	Criteria of UNGC COP for the advance level	Company operations	Disclosure
STRATEGY, GOVERNANCE AND ENGAGEMENT			
Scope : Implementing the Ten Principles into Strategies & Operations	1. Mainstreaming into corporate functions and business units	<ul style="list-style-type: none"> - Message from CEO - Sustainable Responsibility Management - Corporate Sustainability Policy 	<ul style="list-style-type: none"> - Sustainability report 2022, page 4-7 - Sustainability report 2022, page 16-19 - https://www.srtranggroup.com/misc/sustainability/20220420-sta-corporate-sustainability-policy-th.pdf
	2. Value chain implementation	<ul style="list-style-type: none"> - Managing Impacts on Stakeholders in the Business Value Chain - Supply Chain Management 	<ul style="list-style-type: none"> - 56-1 One report 2022, page 78-80 - Sustainability report 2022, page 85-91
HUMAN RIGHTS			
Principle 1 : Support and respect the protection of internationally proclaimed human rights Principle 2 : Not complicit in human rights abuses	3. Robust commitments, strategies or policies in the area of human rights	<ul style="list-style-type: none"> - Human Rights and Non-Discrimination Policy - Human Rights - Employee Care and Development 	<ul style="list-style-type: none"> - https://www.srtrangroup.com/misc/cg/20221108-sta-human-rights-and-non-discrimination-policy-th.pdf - Sustainability report 2022, page 74-78 - Sustainability report 2022, page 67-73
	4. Effective management systems to integrate the human rights principles		
	5. Effective monitoring and evaluation mechanisms of human rights integration		

UNGC Principle	Criteria of UNGC COP for the advance level	Company operations	Disclosure
LABOUR			
Principle 3 : Uphold the freedom of association and the effective recognition of the right to collective bargaining	6. Robust commitments, strategies or policies in the area of labor	<ul style="list-style-type: none"> - Message from CEO - Human Rights and Non-Discrimination Policy - Human Rights 	<ul style="list-style-type: none"> - Sustainability report 2022, page 4-7 - https://www.sritrangroup.com/misc/cg/20221108-sta-human-rights-and-non-discrimination-policy-th.pdf - Sustainability report 2022, page 74-78
Principle 4 : Uphold the elimination of all forms of forced and compulsory labour	7. Effective management systems to integrate the labor principles	<ul style="list-style-type: none"> - Employee Care and Development - Occupational Health and Safety 	<ul style="list-style-type: none"> - Sustainability report 2022, page 67-73 - Sustainability report 2022, page 79-84
Principle 5 : Uphold the effective abolition of child labour	8. Effective monitoring and evaluation mechanisms of labor principles integration		
Principle 6 : Uphold the elimination of discrimination in respect of employment and occupation			
ENVIRONMENT			
Principle 7 : Support a precautionary approach to environmental challenges	9. Robust commitments, strategies or policies in the area of environmental stewardship	<ul style="list-style-type: none"> - Message from CEO - Sustainable Responsibility Management 	<ul style="list-style-type: none"> - Sustainability report 2022, page 4-5 - Sustainability report 2022, page 16-19
Principle 8 : Undertake initiatives to promote greater environmental responsibility		<ul style="list-style-type: none"> - Environmental Performance 	<ul style="list-style-type: none"> - Sustainability report 2022, page 108-120
Principle 9 : Encourage the development and diffusion of environmentally friendly technologies	10. Effective management systems to integrate the environmental principles	<ul style="list-style-type: none"> - Business Innovation - Supply Chain Management - Responsible for Customer and Consumers 	<ul style="list-style-type: none"> - Sustainability report 2022, page 64-60 - Sustainability report 2022, page 85-91 - Sustainability report 2022, page 92
	11. Effective monitoring and evaluation mechanisms for environmental stewardship	<ul style="list-style-type: none"> - Participation to Development Social and Communities 	<ul style="list-style-type: none"> - Sustainability report 2022, page 93-107

UNGC Principle	Criteria of UNGC COP for the advance level	Company operations	Disclosure
ANTI-CORRUPTION Principle 10 : Work against corruption in all its forms, including extortion and bribery	12. Robust commitments, strategies or policies in the area of anti-corruption	- Corporate Governance and Code of Conducts	- Sustainability report 2022, page 41-50 - https://www.sritrangroup.com/misc/cg/20221114-sta-anti-corruption-th.pdf
	13. Effective management systems to integrate the anti-corruption principle	- Anti-Corruption Policy - Anti Corruption - Whistleblowing	- Sustainability report 2022, page 51-53 - Channel for Whistle blowing : https://www.sritrangloves.com/th/corporate-info/corporate-governance/anti-corruption
	14. Effective monitoring and evaluation mechanisms for the integration of anti-corruption	- Supply Chain Management	- Sustainability report 2022, page 85-91
UN GOALS AND ISSUES Scope : Taking Action in Support of Broader UN Goals and Issues	15. Core business contributions to UN goals and issues	- About this Report - Responsible for Customer and Consumers	- Sustainability report 2022, page 24 - Sustainability report 2022, page 92
	16. Strategic social investments and philanthropy	- Participation to Development Social and Communities	- Sustainability report 2022, page 93-107
	17. Advocacy and public policy engagement	- Sustainable Responsibility Management	- Sustainability report 2022, page 16-19
	18. Partnerships and collective action	- Membership of association	- Sustainability report 2022, page 35
GOVERNANCE Scope : Corporate Sustainability Governance and Leadership	19. CEO commitment and leadership	- Message from CEO	- Sustainability report 2022, page 4-7
	20. Board adoption and oversight	- Corporate Governance	- Sustainability report 2022, page 41-50
	21. Stakeholder engagement	- The Practices with Stakeholders	- Sustainability report 2022, page 20-23



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Independent limited assurance report

To the Directors of Sri Trang Argo-Industry Public Company Limited (“STA”)

Conclusion

Based on the procedures performed, as described below, nothing has come to our attention that causes us to believe that the selected subject matters (“Subject Matters”) identified below and included in the Sustainability Report 2022 (the “Report”) for the year ended 31 December 2022, are not, in all material respects, prepared in compliance with the reporting criteria (the “Criteria”).

Our Responsibilities

We have been engaged by STA and are responsible for providing a limited assurance conclusion in respect of the Subject Matters for the year ended 31 December 2022 to be included in the Report as identified below.

Our assurance engagement is conducted in accordance with the International Standard on Assurance Engagements ISAE 3000 *Assurance Engagements other than Audits or Reviews of Historical Financial Information*, and ISAE 3410 *Assurance on Greenhouse Gas Statements*. We have also conducted our engagement in accordance with the Accountability Assurance Standard of Sustainability AA1000AS (2008) at moderate level that corresponds to a limited assurance as per ISAE 3000 with a Type 2 engagement, which covers not only the nature and extent of the organisation's adherence to the AA1000APS (2018), but also evaluates the reliability of Subject Matters as indicated below. These standards require the assurance team to possess the specific knowledge, skills and professional competencies needed to provide assurance on sustainability information, and that we plan and perform the engagement to obtain limited assurance on whether the Subject Matters are prepared, in all material respects, in compliance with the Criteria.

Our Independence and Quality Management Control

We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants’ *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior. The firm applies International Standard on Quality Management 1

which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have not been engaged to provide an assurance conclusion on any other information disclosed within the Report.

Subject Matters

Subject Matters comprised of the following data expressed numerically or in descriptive text for the year ended 31 December 2022:

- GRI 302-1 Energy consumption within organization
- GRI 303-3 Water withdrawal (2018)
- GRI 303-4 Water discharge (2018)
- GRI 303-5 Water consumption (2018)
- GRI 305-1 Direct (Scope 1) GHG emissions
- GRI 305-2 Energy indirect (Scope 2) GHG emissions
- GRI 305-4 GHG emission intensity
- GRI 305-7 Nitrogen oxide (NOx), sulfur oxides (SOx), and other significant air emissions
- GRI 306-3 Waste generated (2020)
- GRI 306-4 Waste diverted from disposal (2020)
- GRI 306-5 Waste directed to disposal (2020)
- GRI 403-9 Work-related injuries (2018)
- GRI 403-10 Work-related ill health (2018)
- GRI 405-2 Ratio of basic salary and remuneration of women to men

Criteria

The Subject Matters were assessed according to the following criteria:

- The Sustainability Reporting Standards of the Global Reporting Initiative (“GRI Standards 2021”)
- AA1000 AccountAbility Principles Standard (2018) (“AA1000APS (2018)”).

Directors’ and management’s responsibilities

The directors and management of STA are responsible for the preparation and presentation of the Subject Matters, specifically ensuring that in all material respects the Subject Matters are prepared and presented in accordance with the Criteria. This responsibility also includes the internal controls relevant to the preparation of the Report that is free from material misstatement whether due to fraud or error.

Procedure performed

In forming our limited assurance conclusion over the Subject Matters, our procedures consisted of making enquiries and applying analytical and other evidence gathering procedures including:

- Interviews with senior management and relevant staff at corporate and operating sites;
- Inquiries about the design and implementation of the systems and methods used to collect and process the information reported, including the aggregation of source data into the Subject Matters;
- Inquiries about managements practices and procedures related to identifying stakeholders and their expectations, determining material sustainability matters and implementing sustainability policies and guidelines;
- Remote site visit to 2 sites; Technically Specified Rubber/Standard Thai rubber business at Huai Nang (STA-HN (STR)) and Latex business at Trang (STA-TG (LTX)), selected on the basis of risk analysis including the consideration of both quantitative and qualitative criteria;
- Agreeing the Subject Matters to relevant underlying sources on a sample basis to determine whether all the relevant information has been included in the Subject Matters and prepared in accordance with the Criteria.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance opinion.

Inherent limitations

Due to the inherent limitations of any internal control structure it is possible that errors or irregularities in the information presented in the Report may occur and not be detected. Our engagement is not designed to detect all weaknesses in the internal controls over the preparation and presentation of the Report, as the engagement has not been performed continuously throughout the period and the procedures performed were undertaken on a test basis.

Restriction of use of our report

Our report should not be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than STA, for any purpose or in any other context. Any party other than STA who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than STA for our work, for this independent limited assurance report, or for the conclusions we have reached.

KPMG PHOONCHAI AUDIT LTD.

KPMG Phoomchai Audit Ltd.

Bangkok

31 March 2023



QR code

Sustainability Report 2022
Feedback Questionnaire



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