

Southland Rubber Human Rights and Labour Practices Policy 20220101

1) Purposes

- a) This document explains Southland Rubber Human Rights and Labour Practices Policy.
- b) We are committed to the continuous improvement of our operations through raising awareness, reviewing, auditing and holistically managing potential risks associated with human rights violation and non-compliance with good labour practices.
- c) We shall uphold the dissemination of the knowledge regarding human rights and labour practices among our Employees and suppliers, including identifying, investigating, and mitigating any actual and potential risks associated with violation of human rights and non-compliance with good labour practices.
- d) This Policy is applicable to all Southland Rubber group companies.
- e) A designated Director of each Group Company and/or the Head of a branch unit/factory shall be responsible for the collective implementation of and compliance with this Policy.

2) Guidelines

- a) We commit to human rights and good labour practices by:
 - i) Respecting and protecting internationally recognized human rights (including upholding the UN Guiding Principles on Business and Human Rights [UNGP]) by avoiding causing or contributing to adverse human rights impacts and preventing or mitigating any harm linked to company operations.
 - ii) Establishing and maintaining a company grievance mechanism (consistent with UNGP effectiveness criteria) to receive complaints and remedy adverse impacts they have caused due to production and sourcing.
 - iii) Respecting the rights of indigenous people and local communities (IP/LC):
 - (1) Recognizing and protecting the customary, traditional and communal land tenure rights of indigenous peoples and local communities (IP/LC) including:
 - (a) Carrying out operations in accordance with the UN Declaration on the Rights of Indigenous Peoples (UNDRIP);
 - (b) Ensuring ongoing land tenure and access rights;
 - (c) Upholding traditional rights of access for hunting and gathering of animals and plants for the purpose of subsistence and indigenous cultural and religious traditions, customs and ceremonies;

- (d) Ensuring that, prior to any activity that might affect IP/LC rights to their lands, territories, and resources, their free, prior, and informed consent (FPIC) is secured:
 - (i) This includes when planning, establishing, restoring, or transforming corporate plantations and/or industrial sites, as well as associated infrastructure.
 - (ii) The FPIC process is done in a culturally appropriate manner and follows credible accepted methodologies² and associated GPSNR guidance.
 - (iii) IP/LC have the right to give or withhold their consent to any activity that is subject to the FPIC process.
 - (e) Where operations impinge on IP/LC rights, compensating or accommodating IP/LC through appropriate, mutually agreed measures reflecting and described in the negotiated outcomes of the FPIC process.
 - (f) Adopting measures to provide remedy through mutually agreed procedures in cases where the Group Company previously has caused or contributed to the appropriation of or harm to the lands, territories, or resources of IP/LC without securing FPIC.
 - (g) Implementation is jointly monitored by the community and the GPSNR member and/or by mutually agreed third party(ies).
 - (h) Establishing ongoing, effective, culturally appropriate channels of dialogue with indigenous people and local communities.
- iv) Upholding applicable labour rights and labour laws in the jurisdictions where operating, the UN Guiding Principles on Business and Human Rights, and the intent of the International Labour Organization's eight core conventions. This includes:
- (1) Freedom of association and collective bargaining
We respect the rights of its Employees in the freedom of association and the rights to select representatives for collective bargaining.
 - (2) No forced labour
We prohibit all forms of forced-labour whether they are slave laborers, bonded laborers, or debt bondage, including all forms of human trafficking.

- (3) No child labour
We prohibit the employment of child-laborers who are below the minimum age for employment. Similarly, child-laborers are prohibited from working in unsafe environment, working overtime, and working on holidays imposed by laws.
 - (4) Minimum wages, working hours, and basic welfares
We set wages, working hours, working overtime, and welfare of Employees in full compliance with relevant laws.
Compensation to Employees is made in a fair manner and is subject to local labour market conditions.
 - (5) Diversity, no discrimination, and no harassment
We attach importance to diversity in workplace, and workplace with no discrimination and harassment whether they are in relation to race, gender, skin color, ethnic and social origins, religion, disabilities, sexual orientation, political opinions, and other issues imposed by law.
 - (6) Fair practices
We respect the rights of our Employees and stakeholders and strives to incorporate fair practices in our business operation.
 - (7) Labour standards, and occupational health and safety (H&S) for work
We provide safe working environments and appropriately promote good health of our Employees.
The operation regarding occupational H&S is in compliance with relevant laws and regulations, focusing on good working conditions and the reduction and prevention of accidents, injuries, and health risks.
 - (8) Equitable treatment
We treat every one of our Employees with respect and in an equitable manner. The recruitment process, determination of compensation, and job promotion shall all be proceeded in a transparent, honest, and fair manner.
 - (9) All the rights and protection apply to all levels of Employees
- v) Promoting the quality of work-life for all Employees as well as communicating to suppliers and contractors on human rights and labour practice and work-life quality.

- vi) Monitoring and conducting assessment on human rights and labour practices risks on a regular basis to mitigate impacts and prevent risks in all of our operational activities across the value chain. Also, we define approaches or measures that allow all departments to take part in supervision and risk management properly.
 - vii) Promoting the communication of knowledge and mutual understanding relating to human rights and good labour practices via multiple communication channels and programs.
 - viii) Implementing a whistle-blower Policy and mechanism for Employees and stakeholders to communicate concerns, and make complaints if they encounter or witness any misconducts or human rights violation:
 - (1) We formulate investigation and handling processes for complaints regarding human rights and labour practices in order to appropriately improve, mitigate, or resolve human rights adverse impacts;
 - (2) We institute protection of whistle-blowers and keeping their information confidential unless to be disclosed as required by law-
- b) Our commitment towards respect for human rights and good labour practices are clearly reflected in our management Policies updated from time to time, namely:
- i) Southland Rubber Code of Conduct
 - ii) Southland Rubber Supplier Code of Conduct
 - iii) Southland Rubber Sustainability & Sustainable Procurement Policy
 - iv) Southland Rubber Environmental Policy
 - v) Southland Rubber Whistleblowing Policy
 - vi) Southland Rubber Human Rights and Labour Practices Policy
 - vii) Southland Rubber Occupational Health & Safety Policy
 - viii) Southland Rubber Quality and Kaizen-5S Policy
 - ix) Southland Rubber Anti-Bribery Policy
 - x) Southland Rubber Information Security Policy
- c) This Policy
- i) is to be communicated among our Employees and stakeholders; and
 - ii) to be reviewed on a regular basis-

**Updated by the Management of Southland Rubber
1 January 2022**