



Southland Rubber
Think Good, Better Will Follow

2024

SUSTAINABILITY REPORT



EMPOWERING A
SUSTAINABLE
TOMORROW

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About the Report

↓ Our Objective

As the largest privately-owned rubber processing group, we recognize the importance of sharing publicly our sustainable development including our ethical and transparent business conduct.

↓ Report Preparation

This report, focusing on our operations in Thailand, was prepared by our in-house Sustainability Working Group. The top management had engaged and supported the preparation process as well as approving the publication of the Report.

↓ Guidelines & Standards

This report makes disclosures based on the Global Reporting Initiative (GRI) Standards. We make references to these elements of the GRI requirements as our guidelines. Additionally, we also express our commitment to contribute to the 17 Sustainable Development Goals (SDGs) of the UN by linking them to our operational and sustainability activities.

↓ Reporting Scope

This is the eighth Sustainability report of Southland Rubber ,Thailand. The report covers sustainability performance of our 17 factories under 9 entities from January to December 2024.

↓ Our 9 Entities include:

- Southland Rubber Co., Ltd.
- Southland Resources Co., Ltd.
- Southland Resources (Chumphon) Co., Ltd.
- Southland Resources (Trang) Co., Ltd.
- Southland Resources (Phetchabun) Co., Ltd.
- Southland Latex Co., Ltd.
- Southland Latex (Phatthalung) Co., Ltd.
- Uni Rubber Co., Ltd.
- Unimac Rubber Co., Ltd.

↓ Feedback & Contact

To give feedback or make inquiries, please contact us at csr@southlandholding.com



Sustainability Report 2024



Dear Valued Stakeholders, Partners, and the Southland Rubber Family,

As we reflect on another transformative year, I am honored to present the 2024 Sustainability Report of Southland Rubber Company. This marks not only our eighth consecutive year of public sustainability disclosure but also a pivotal moment in our journey— where aspirations are translated into measurable progress, and where values are reinforced through action.

Since the launch of our first sustainability report in 2017, we have steadily embedded the principles of sustainability across every level of our operations. Today, we are proud to stand as the largest privately-owned natural rubber processor in Thailand, with 17 certified processing facilities, 4,000+ employees, and deeply rooted presence in the communities we serve. We recognize that our growth must not come at the expense of the planet or people, and we remain steadfast in our belief that **“Think Good, Better Will Follow”**—a principle that continues to inspire our collective path forward.

Message from the Managing Director

↓ Our Business: Resilient Growth, Inclusive Practices

2024 was a defining year of both growth and responsibility. As Thailand’s largest privately-owned natural rubber processor, and a far-reaching supply chain, we recognize that scale comes with stewardship.

Our supply chain verification now spans over 100,000 hectares of rubber-growing land. Through direct engagement with smallholders, legality verification, and GPS-based mapping, we ensured compliance with the EU Deforestation Regulation (EUDR)—without marginalizing the small farmers who form our backbone. Our upgraded traceability platform and supplier due diligence system reflect original-source data and support a transparent, inclusive value chain.

We also expanded community programs, including education loans, healthcare subsidies, and facility upgrades at RSS sites, where older female workers had voiced specific needs. Our “People First” approach is matched with targeted investments in workforce safety, inclusion, and workplace satisfaction.

↓ Governance: Principles in Practice

The Board of Directors makes various decisions regarding operations for sustainability, and based on those decisions, an organization has been established to plan and promote specific measures in the three aspects of the environment, society, and the economy. Under this organization, execution teams are placed at each factory and are responsible for implementing measures at the factory level.

At Southland Rubber, governance is more than compliance—it’s a culture. In 2024, we reinforced our values through the continued rollout of our Compliance program, ensuring 100% employee training in areas including sustainability, human rights, anti-bribery, and data protection. All whistleblower reports were resolved confidentially and fairly, and no incidents of corruption were reported.

We also have a goal of “Zero accidents” at all our facilities, which we strive to achieve through safety audits and corrective actions, daily toolbox meetings, KYT (Employee Safety Awareness) awareness programs, and digital incident reporting. Our leadership framework is built on our core values: Integrity, Vision, Respect, and Passion—and every policy, engagement, and system are designed to reflect them.

↓ Issues to be Taken: Sustainability as Strategy

As a measure to mitigate climate change, we are actively promoting the switch to renewable energy. As part of this, we are expanding the rooftop solar power generation equipment at the STR factories and building a solar power plant in Phetchabun.

In order to promote de-carbonization in our business, we are also focusing on improving energy efficiency by promoting the electrification of transportation used in the factory and upgrading IT systems. We are taking steps to align our carbon reduction actions to align with Science Based Target initiative (SBTi) process with the view to eventually making commitment to SBTi standards.

With the aim of restoring a wide range of ecosystems, we are promoting tree planting, agroforestry, biodiversity surveys, and wildlife protection activities through the “Nature in the Factory” program launched in 2018.

In our roadmap toward the future, we will expand biodiversity risk mapping and promote supplier classification in accordance with the EUDR.

These reflect our commitment to the SDGs and our belief that environmental measures need to be integrated into everyday business decisions

Looking Forward → →

As we progress toward 2025, we reaffirm our mission to be **a reliable and dependable supplier of quality natural rubber**, grounded in transparency, innovation, and sustainability. Our key priorities will include:

Operationalizing our solar farm and expanding renewable energy access



Completing supplier risk mitigation for **EUDR**

Scaling biodiversity risk mapping across upstream zones

Replacing diesel equipment with EVs to cut emissions

Advancing toward SBTi validation and related carbon emissions standards

On behalf of the Southland Rubber Group, I express my deepest gratitude to all our stakeholders—employees, suppliers, customers, community members, and partners— thank you for walking this path with us. Your trust fuels our ambition. Your feedback sharpens our resolve.

Together, Let us continue to Think Good. Let us do better. And tomorrow let us lead sustainably.

Sincerely,

Ng Tze Kiat

Managing Director
Southland Rubber Company

Business Overview

Business Types & Background

Southland Rubber, comprising a group of privately-owned companies, with the first company founded in 1986, is a leading natural rubber producer and exporter headquartered in Thailand. It has been serving customers worldwide with quality natural rubber products for more than 3 decades.

Products & Production Capacity



Technically Specified Rubber

Standard Thai Rubber **STR**

- STR 10
- STR 20
- Mixture Rubber

1,118,000
Metric tons / year



Ribbed Smoked Sheets

4 grades

- RSS #1
- RSS #2
- RSS #3
- RSS #4

260,000
Metric tons / year

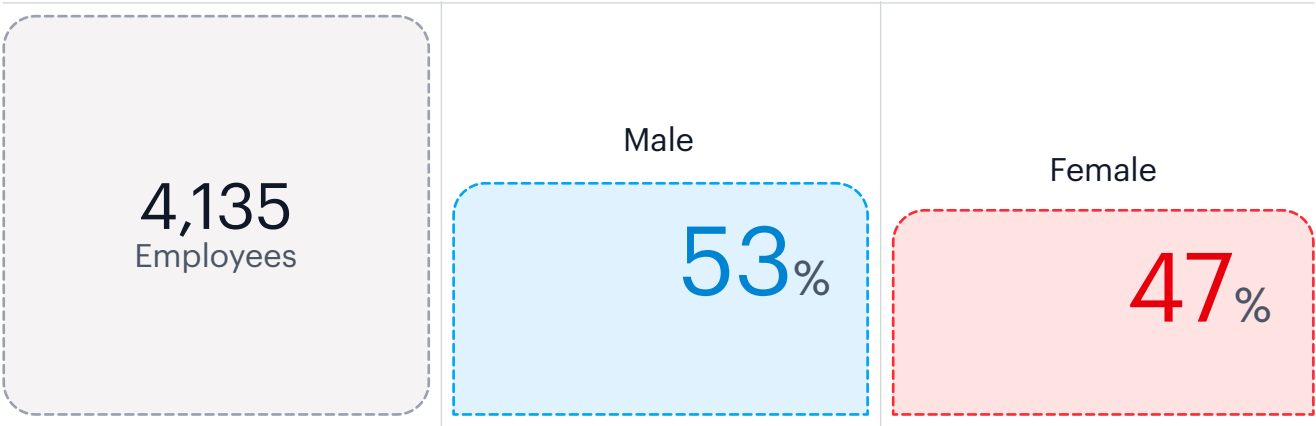


Latex Concentrate

- High Ammonia **HA**
- Medium Ammonia **MA**
- Low Ammonia **LA**
- Deproteinized Latex

193,320
Metric tons / year

Employee Data



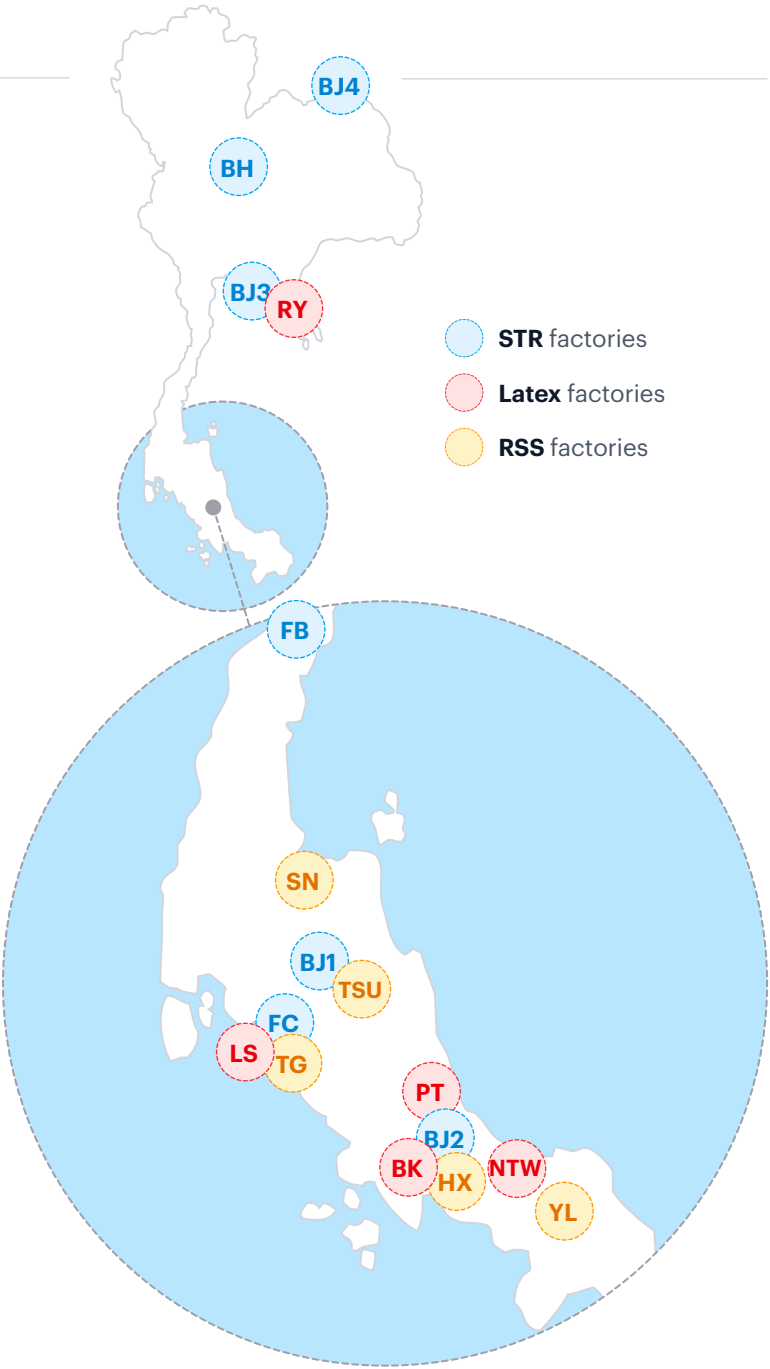
1. Data as of December 31, 2024

Location of Operation

Southland Rubber operates **17 processing factories** under 9 entities, which are divided into 3 products groups—**STR, RSS, and Latex**. The factories are situated in different provinces across Thailand, the majority of which are in the southern region.

9 Entities

- Southland Rubber Co., Ltd.
HX SN YL
- Southland Resources Co. Ltd.
BJ1 BJ2 BJ3 BJ4
- Southland Latex Co. Ltd.
NTW BK RY
- Southland Resources (Chumphon) Co. Ltd.
FB
- Southland Resources (Trang) Co., Ltd.
FC
- Southland Resources (Phetchabun) Co., Ltd.
BH
- Southland Latex (Phatthalung) Co.,Ltd.
PT
- Uni Rubber Co., Ltd.
TSU
- Unimac Rubber Co., Ltd.
TG LS



ISO Certified

ISO 9001	17 factories certified	ISO 45001	15 factories certified
ISO 14001	17 factories certified	ISO / IEC 17025	4 factories certified

1. ISO / IEC 17025 Testing and Calibration Laboratories applied to only STR factories and Latex factories.

Our Supply Chain

The diagram below depicts our natural rubber value chain, from raw material sourcing to end users.



Our Principles

Our business principles are the foundation upon which we build a sustainable future. It covers our business core values, vision, mission, motto, business code of conduct and other policies. These principles guide our decision-making across all aspects of our operations.

↓ Our Vision

Southland Rubber continues to be a leading processor focusing in major natural rubber producing areas, emphasizing on business excellence, social responsibility and the environment.

↓ Our Mission

To continue to be a Reliable and Dependable Supplier of Quality Natural Rubber.

↓ Our Motto

Think Good, Better Will Follow



↓ Business Core Values



Integrity



Vision



Respect



Passion

↓ Policies

General Policy

- Whistle-Blower Policy
- Information Security Policy
- Personal Data Protection Policy

Code of Conduct

- Business Code of Conduct
- Supplier Code of Conduct

Social Policy

- Occupational Health & Safety Policy
- Human Rights & Labor Practices Policy

Environmental Policy

- Environmental Policy



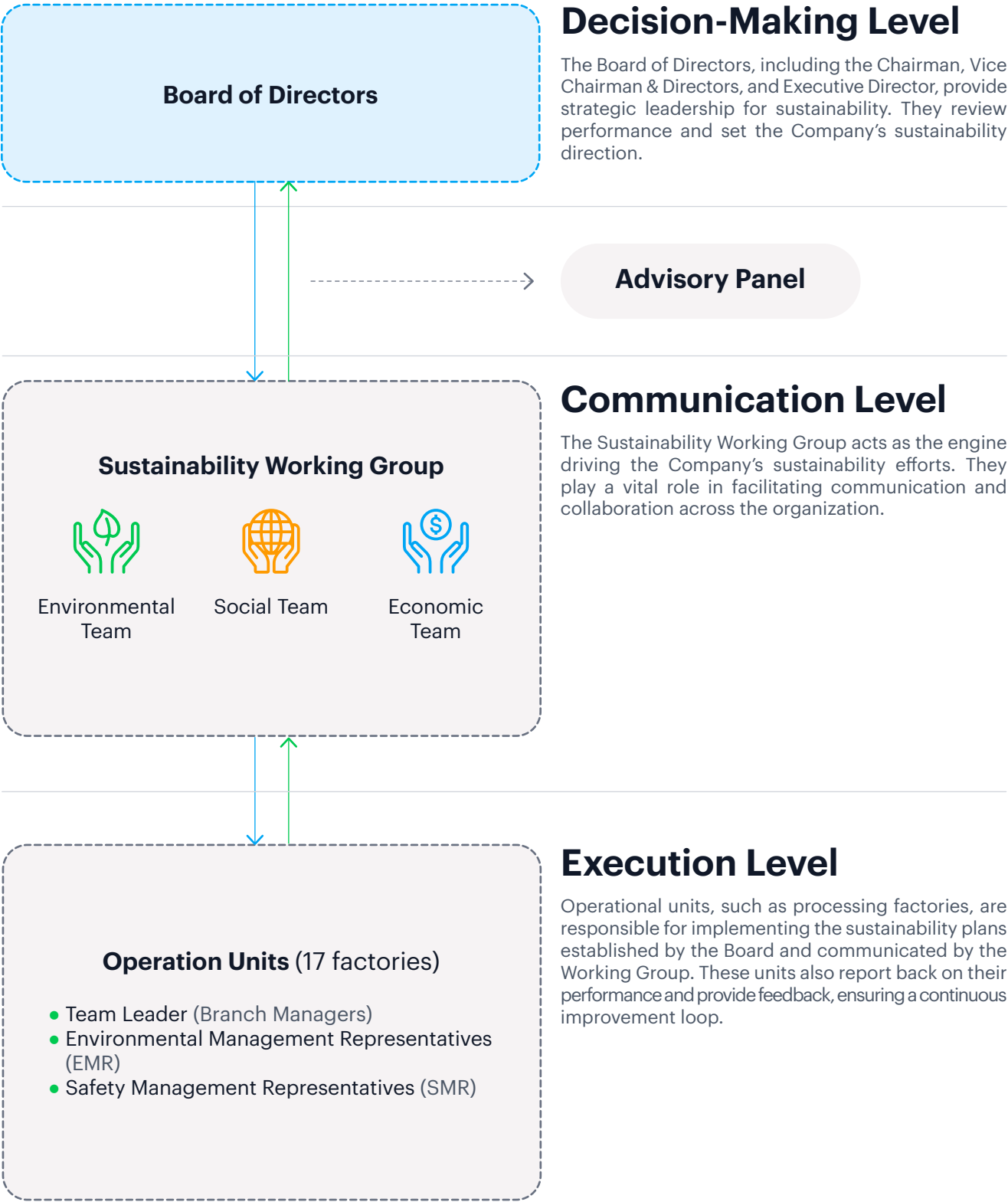
Economic Policy

- Sustainability & Sustainable Procurement Policy
- Quality and Kaizen-5S Policy
- Anti-Bribery Policy

Sustainability Management

Our organization employs a comprehensive sustainability management system to guide our approach to long-term, holistic sustainability development. The accompanying diagram illustrates the overall sustainability structure, providing a framework for understanding the allocation of functional flows within our organization.

↓ Sustainability Structure



Stakeholders & Engagement Channels	Key Topics	Expectations and Needs	Our Responses
Raw Material Suppliers			
<ul style="list-style-type: none">Meetings & workshopsSupplier self-assessmentQuestionnaires & surveysOnsite-visitsE-newslettersPhone callsGrievance channels	<ul style="list-style-type: none">Supplier Code of Conduct & Sustainable Procurement PolicySustainability issuesAnti – corruption & monopoly PracticesRubber Plantation Traceability	<ul style="list-style-type: none">Sustainable raw material suppliersFair trading conditions and agreementCompetitive pricesTransparencyOn-time paymentPrompt responses requests and inquiries	<ul style="list-style-type: none">Communication and acknowledgement of Supplier Code of Conduct & Sustainable Procurement PolicySupplier sustainability self-assessmentE-newslettersOnsite supplier engagement meetingsRubber plantation visitCapacity BuildingAgroforestryGrievance mechanism
Communities			
<ul style="list-style-type: none">Questionnaires & surveysCommunity visitsEngagement activitiesWhistleblowing channelsGrievance channels	<ul style="list-style-type: none">Community's well-beingSustainability issuesEmployment of local peopleSocial and Environmental impacts	<ul style="list-style-type: none">Community support & assistanceListening to communities' voicesPrompt responses to communities' feedbackEmployment opportunitiesCompliance with national lawsSocial and environmental responsibilities	<ul style="list-style-type: none">Supporting local productsSocial contribution activitiesParticipation in local traditional activitiesWhistleblowing mechanismCommunity visits and surveysPromote sustainable developmentGrievance mechanism
Governmental Sectors			
<ul style="list-style-type: none">Training & workshopsFactory visits & auditsSeminars & conferencesSustainability reportGrievance channels	<ul style="list-style-type: none">Compliance with national laws & regulationsTaxesSustainability issuesEndorsement, awards, and certification	<ul style="list-style-type: none">Compliance with national laws & regulationsTransparencySocial and environmental responsibilitiesEconomic impacts	<ul style="list-style-type: none">Factory visits & audits by related governmental agenciesParticipation in the government's certification programsPromoting sustainable developmentGrievance mechanism
Contractors & Outsource Providers			
<ul style="list-style-type: none">Meetings & workshopsSupplier self-assessmentQuestionnaires & surveysE-newslettersPhone callsGrievance channels	<ul style="list-style-type: none">Supplier Code of Conduct & Sustainable Procurement PolicySustainability issuesAnti – corruption & monopoly practices	<ul style="list-style-type: none">Sustainable general suppliersFair trading conditions and agreementCompetitive pricesTransparencyOn-time paymentSupport in policy compliancePrompt responses to request and inquiriesLong term partnership	<ul style="list-style-type: none">Communication and acknowledgement of Supplier Code of Conduct & Sustainable Procurement PolicySupplier sustainability self-assessmentE-newslettersOnsite-visitsGrievance mechanism

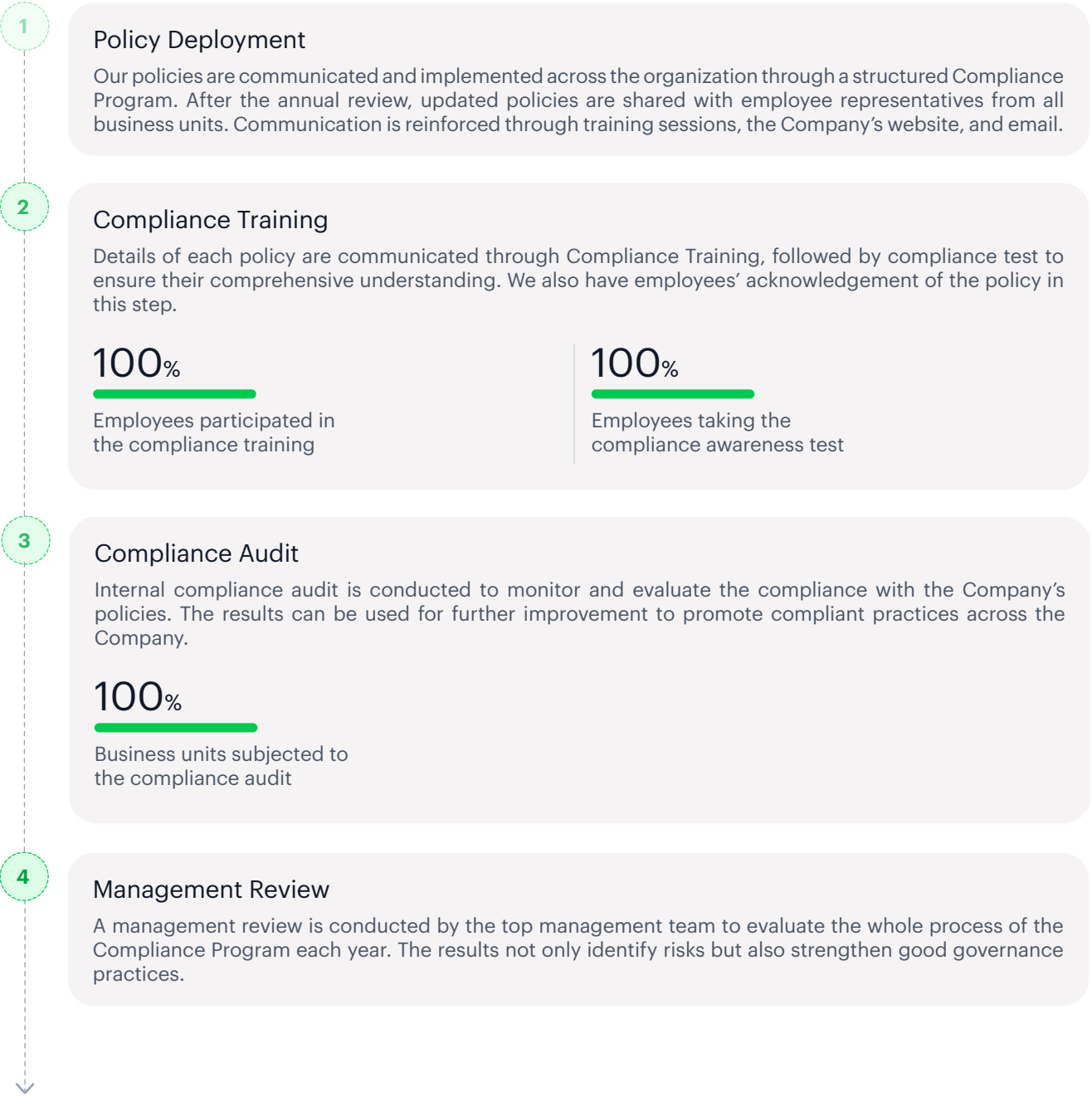
Ensuring Compliance

↓ Ethics and Integrity

We uphold our operations with ethics and integrity. Our Policies outline clear expectations on anti-corruption, fair labor practices, and responsible sourcing. All employees, from factory to senior leadership, are expected to uphold these values. We also extend these principles to our supply chain through our Supplier Code of Conduct. To reinforce integrity across our operations, we implement the Compliance Program and Whistleblowing Mechanism to ensure clear communication and consistent adherence to our business principles across all units and stakeholders.

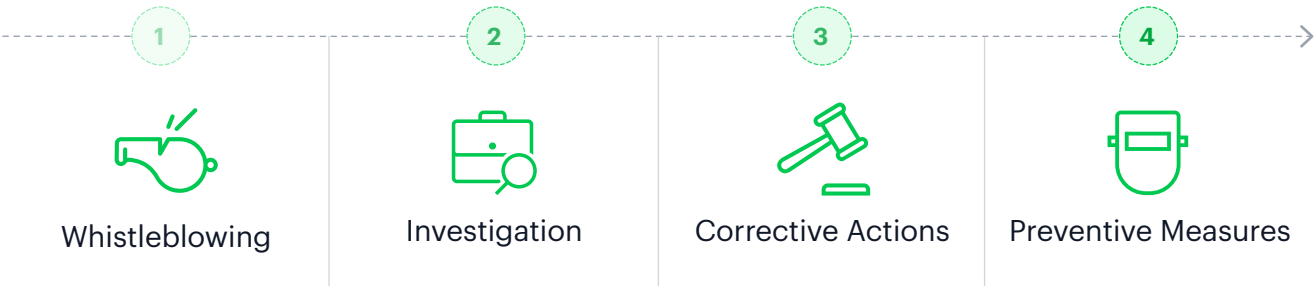
↓ About the Compliance Program

We initiated the Compliance Program in 2019 which continues to the present. This program has been held annually, consistently featuring the following components:



↓ Whistleblowing and Grievance Mechanisms


We integrate both whistleblowing and grievance mechanisms into a unified reporting platform, enabling employees, suppliers, and external stakeholders to raise concerns related to ethical misconduct, environmental risks, or labor practices. The system ensures confidentiality, timely response, and proper routing to relevant departments for resolution.



↓ Whistleblowing and Grievance mechanism Channels


Suggestion Box

Suggestion boxes are provided at all of our business units.



Phone Call

Reach the Compliance Director at +6691 569 1989




Email

Email us at whistle.hq@southlandholding.com

Letter

Send a letter to our head office at 55 Rajyindee Road, Hat Yai, Songkhla 90110 Thailand



Website

Contact us at <https://www.southlandholding.com>

↓ Anti-Bribery and Corruption Management

We manage and prevent bribery & corruption by adopting the following approaches:

1 Conduct bribery and corruption risk assessment and adopt preventive measures to address the risks

2 Conduct compliance audit of anti-bribery and corruption

3 Counsel employees on anti-bribery and corruption

4 Record the received gifts

5 Implement Whistleblowing and Grievance mechanisms

100% 17 factories

Employees communicated on and acknowledged Anti-Bribery Policy

100% 17 factories

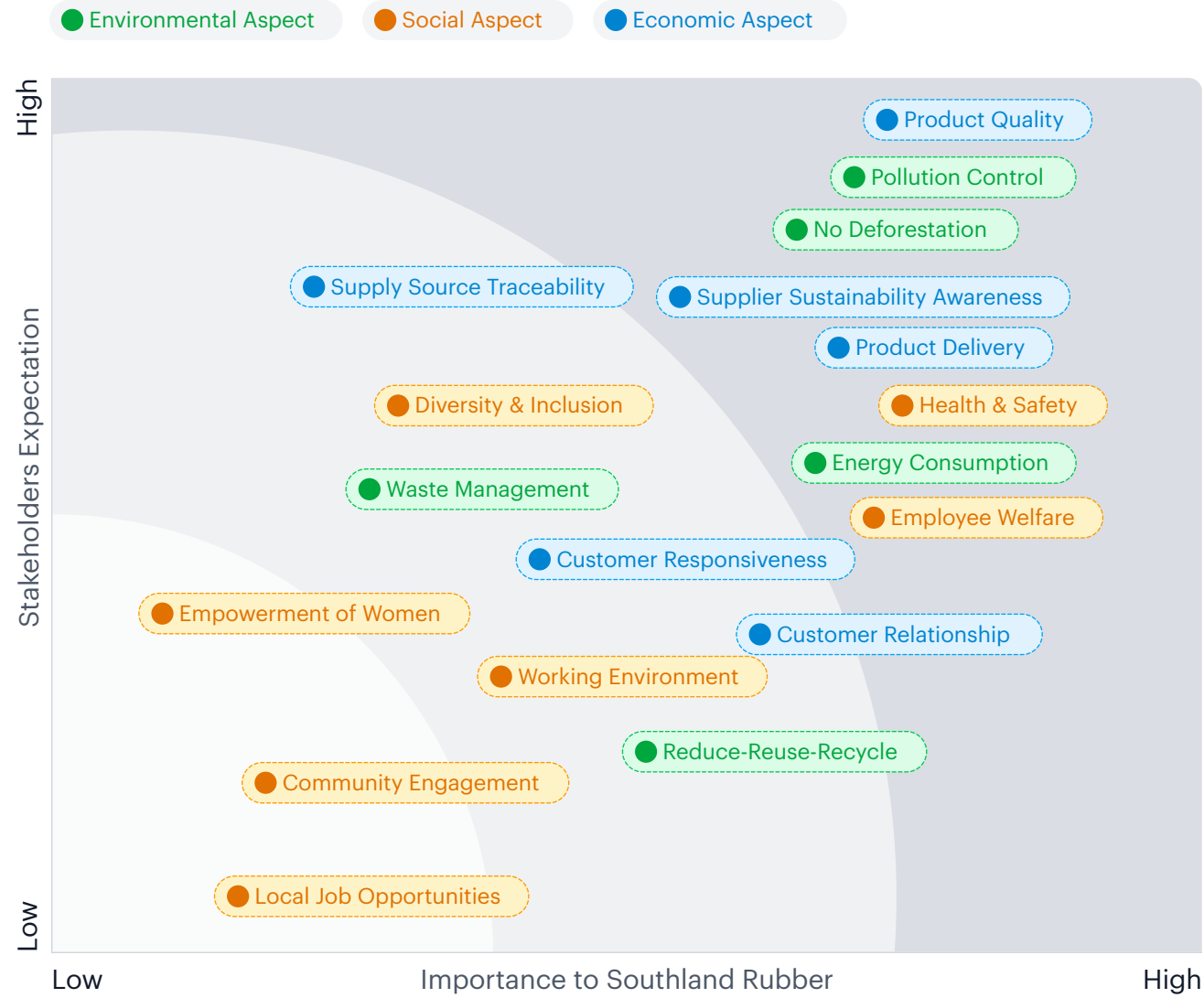
Factories audited on anti-bribery/ corruption

0 cases

Reported incidents of corruption

Materiality Assessment

Our sustainability report prioritizes key issues identified through a materiality assessment. It incorporates stakeholder needs and expectations to prioritize these issues and develop actionable management plans.



Our actions to address high topic prioritization

In line with EUDR and our key priorities on no deforestation, supplier sustainability awareness, and traceability, the Company has adopted a proactive risk management approach.

We conducted a deforestation risk analysis using geolocation tools to map supplier plantations and assess potential risks. Farm surveys were carried out to support traceability back to the origin of raw materials.

To raise supplier awareness, we organized engagement activities focused on EUDR compliance and sustainable sourcing practices.

Geolocation data recorded on our internal platform enables polygon mapping to define plantation boundaries and check for deforestation risks. The platform also supports a direct sales channel, allowing farmers to sell directly to our factories, enhancing transparency.

Key Sustainability Initiatives with SDGs

This section highlights key sustainability topics we’ve strategically chosen to address in this report. We continuously strive to improve in each area and align our efforts with the UN’s Sustainable Development Goals (SDGs). This section provides a comprehensive overview of our sustainability management approach.

↓ Reporting Topics for Each Aspect and Contribution to SDGs

Commitments	Key Sustainability Topics	Contribution to SDGs
Environment		
Attach great importance to the conversation of the environment and the efficient use of resources to promote environmental long-term sustainability.	<ul style="list-style-type: none">● Biodiversity● Decarbonization● Water management● Waste management● Air pollution management	<div><div>6 CLEAN WATER AND SANITATION</div><div>7 AFFORDABLE AND CLEAN ENERGY</div><div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div>13 CLIMATE ACTION</div><div>15 LIFE ON LAND</div><div>17 PARTNERSHIPS FOR THE GOALS</div></div>
Society		
Commit to responsible business conduct with deep concerns for employees as well as for the nearby communities to support their economic well-being	<ul style="list-style-type: none">● Health and Safety● Employees Welfare and Well-being● Diversity & Inclusion and Career Development● Human Rights and Labor Practices● Community Engagement	<div><div>1 NO POVERTY</div><div>2 ZERO HUNGER</div><div>3 GOOD HEALTH AND WELL-BEING</div><div>5 GENDER EQUALITY</div><div>8 DECENT WORK AND ECONOMIC GROWTH</div><div>10 REDUCED INEQUALITIES</div><div>17 PARTNERSHIPS FOR THE GOALS</div></div>
Economy		
Ensure transparent business conduct by putting effort into anticorruption while focusing on consistency of good quality of products and close engagement with raw material suppliers	<ul style="list-style-type: none">● Product Quality and Customer● Sustainability Awareness and Development● Sustainable Supply Chain● Supporting Local Business	<div><div>8 DECENT WORK AND ECONOMIC GROWTH</div><div>11 SUSTAINABLE CITIES AND COMMUNITIES</div><div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div>17 PARTNERSHIPS FOR THE GOALS</div></div>



Environmental Aspect

At our Company, we believe environmental stewardship is essential to sustainable development. Our approach to sustainability is grounded in a strong commitment to reducing our ecological footprint, preserving natural resources, and promoting responsible production. We focus on five key areas: climate action, efficient resource use, waste reduction, biodiversity conservation, and pollution prevention. These pillars guide our efforts to minimize environmental impact, ensure regulatory compliance, and contribute to a low-carbon, nature-positive future.

- 1

Biodiversity
- 2

Decarbonization
- 3

Water Management
- 4


Waste Management
- 5

Air Pollution Management


Our Impact and Reliance on Nature

At Southland Rubber, our reliance on natural ecosystems is deeply embedded across every stage of our value chain. From upstream activities such as rubber tree cultivation—heavily dependent on fertile soil, rainfall, and stable climatic conditions—to downstream manufacturing processes that require substantial water and energy inputs, our operations are fundamentally intertwined with the environment.


We depend on a healthy and functioning ecosystem to ensure the continuity of raw material supply, productivity of plantations, and stability in processing operations. Critical environmental dependencies include:




Land and Soil Quality
for rubber cultivation and factory infrastructure



Water Availability
for processing, cleaning, and closed-loop reuse



Biodiversity Integrity
which supports ecological resilience in plantation zones



Climate Stability
essential to crop yields and energy efficiency

However, these very dependencies also generate environmental pressures. Our operations contribute to:



Land conversion and habitat loss
due to plantation expansion and facility development



Overextraction of natural resources
including water and biomass



Pollution
including wastewater, solid waste, air emissions, and noise



Greenhouse gas emissions
from raw material, energy use, logistics, and equipment operations

Recognizing the reciprocal relationship between business viability and ecosystem health, we have committed to a nature-positive approach by embedding environmental risk management into our long-term strategic planning. Actions we have taken include:

Conducting comprehensive biodiversity surveys around our factories and sourcing areas

Implementing no-deforestation analysis to aligned with EU Deforestation Regulation (EUDR) across our supply chain

Engaging with smallholders and suppliers to raise awareness on sustainable land use practices

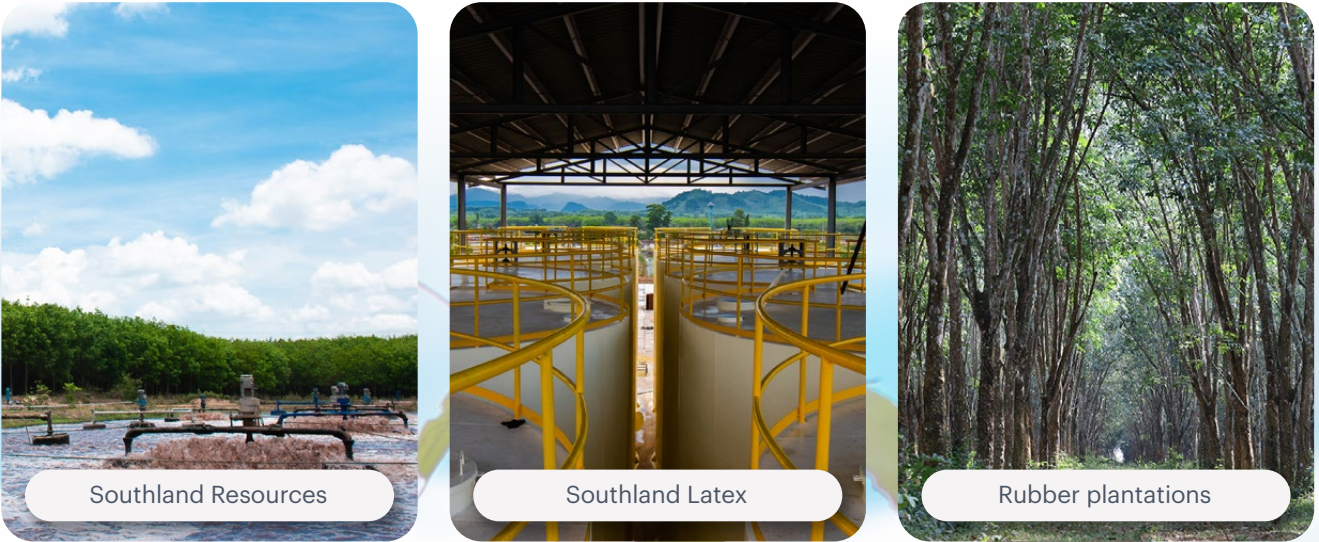
Investing in solar rooftop systems and low-emission technologies to reduce carbon intensity

Establishing closed-loop wastewater treatment in all processing facilities, ensuring zero discharge and high reuse rates

Land Conversion and Habitat Loss

Our 17 operating plants in Thailand collectively occupy over 400 hectares. In line with our commitment to responsible development, we have thoroughly assessed land-use changes associated with the establishment of these facilities. All plant locations are situated within designated economic or agricultural zones, with development primarily occurring on previously utilized sites—including former industrial zones and areas of monoculture agriculture, such as fruit orchards, rubber plantations, and palm oil farms. This approach helps minimize ecological disruption and supports more sustainable land transformation practices. Following the conversion of these areas for industrial use, we remain committed to preserving and enhancing green spaces within our facilities. We actively support biodiversity conservation, ensuring that natural elements continue to coexist alongside our operations.

By proactively identifying, measuring, and mitigating our impacts on nature, we aim to reduce environmental risks and reinforce the resilience of our operations. This approach aligns not only with our corporate responsibility values but also with emerging global frameworks such as GRI 304: Biodiversity, and EcoVadis. Ultimately, Southland seeks to operate in a manner that maintains the ecological integrity of the landscapes in which we work while generating shared value for communities, customers, and ecosystems alike.



1 Biodiversity

The natural rubber industry relies heavily on rubber plantations as its primary resource typically a monoculture system. This dependency poses potential impacts on overall ecosystems. Recognizing this, we have consistently prioritized and actively promoted biodiversity conservation throughout our supply chain.

↓ Southland Rubber Biodiversity Timeline

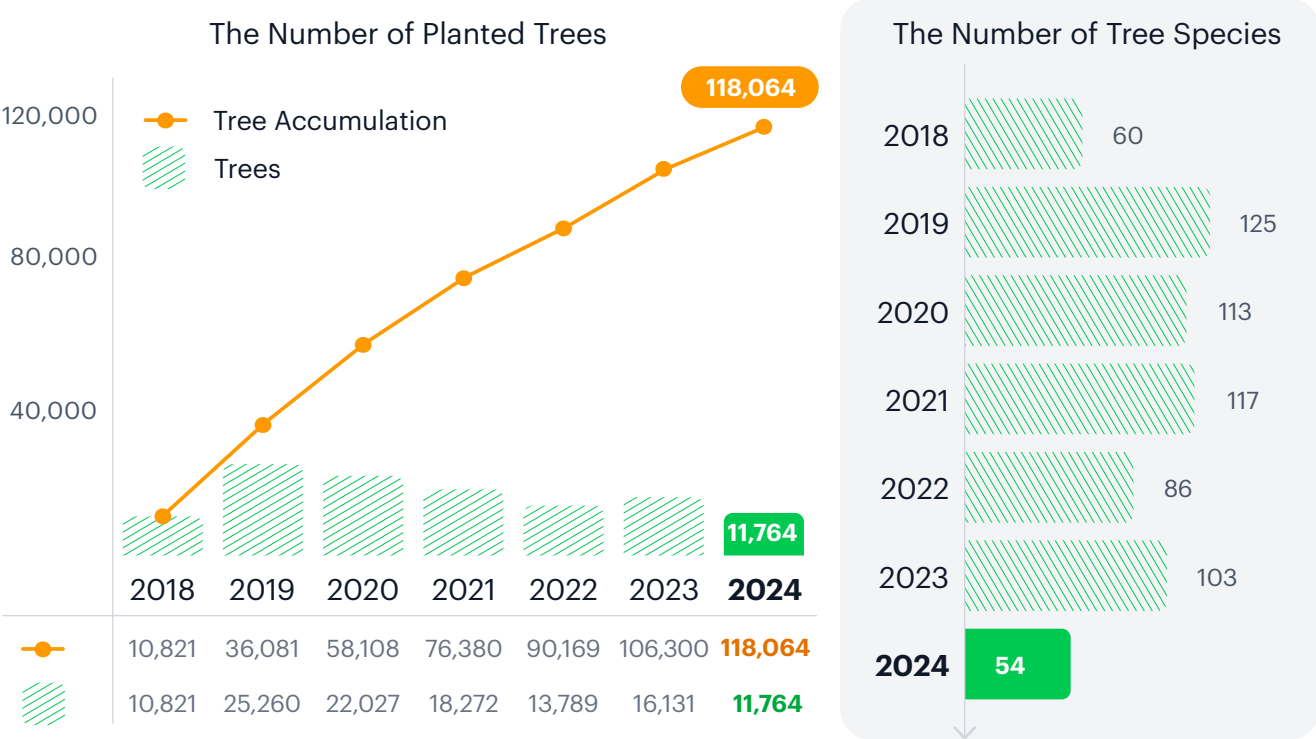


1.1 Nature in the Factory

↓ Tree Planting Program

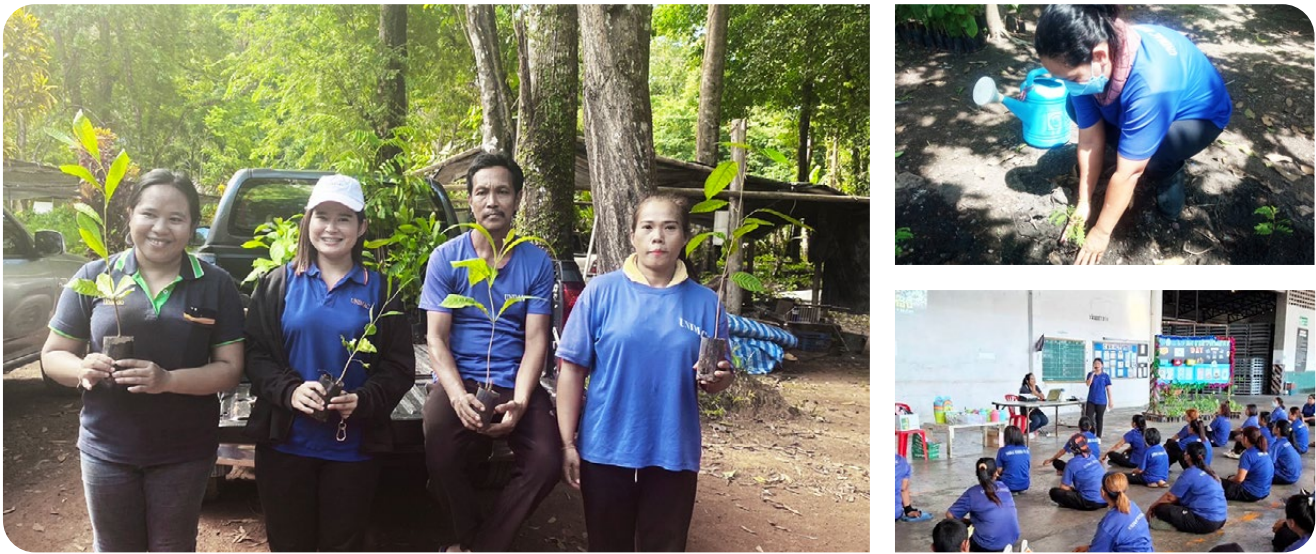
Since 2018, we have initiated a tree-planting program within our facility to increase green space and promote biodiversity. The initiative includes a mix of native tree species—ranging from hardwoods and fruit trees to edible plants—serving both our employees and the local ecosystem.

By 2024, we have planted over 100,000 trees. The program has since expanded into surrounding communities through partnerships with local authorities and collaboration with suppliers to promote agroforestry. This effort supports biodiversity across our entire supply chain.



↓ Tree Planting on World Environment Day

On World Environment Day, our factories organized a tree-planting activity to highlight the importance of environmental protection. The event was accompanied by educational workshops on the benefits of reforestation and the broader impact of individual actions on environmental preservation.



1.2 Biodiversity Survey

Recognizing the critical importance of environmental stewardship, our Company launched a comprehensive **biodiversity survey initiative** in 2022, demonstrating our long-term commitment to safeguarding ecosystems in and around our operations.



2023
Expanding Participation

To reinforce our commitment, all 17 of our processing factories participated in an online survey aimed at deepening our understanding of conservation areas within their respective regions. This broadened data collection effort strengthened our baseline and encouraged site-specific conservation awareness across our operations.

More than 30 areas across 10 Provinces



2022
Establishing the Baseline

In the initial phase, we conducted detailed assessments for 3 factories to identify key natural features within a 20-kilometer radius of each processing facility. The survey focused on mapping and documenting the presence of

- 5 Reserved Forests
- 3 Wildlife Sanctuaries
- 4 Natural Water Sources

2024
Integration and Action

Following biodiversity assessments conducted at all operating plant locations, we have actively initiated and supported projects aimed at conserving and protecting surrounding natural areas. These initiatives include:

- **Supporting canal dredging projects** to mitigate flood risks in sensitive zones.
- **Providing spotlights in forest-edge areas** to help prevent wildlife from encroaching into urban communities.
- **Sponsoring signage campaigns** that promote wildlife protection and prohibit poaching in designated conservation zones.

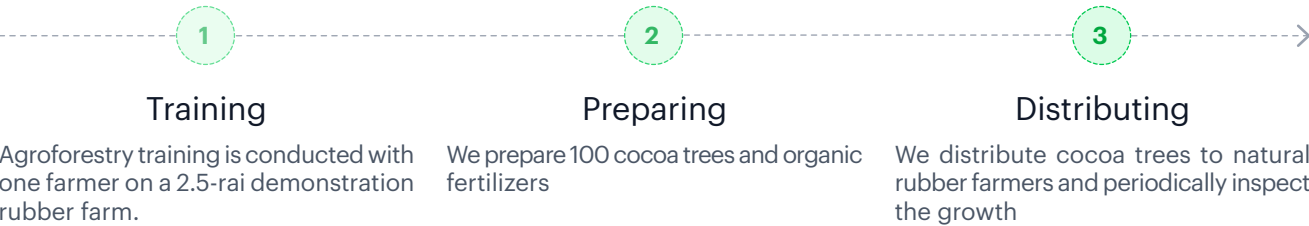
Furthermore

We have expanded our deforestation risk assessment efforts and integrated deforestation analysis in alignment with international standards under the EU Deforestation Regulation (EUDR). These assessments have now been extended to include our natural rubber suppliers, reinforcing our commitment to sustainable sourcing across the supply chain.

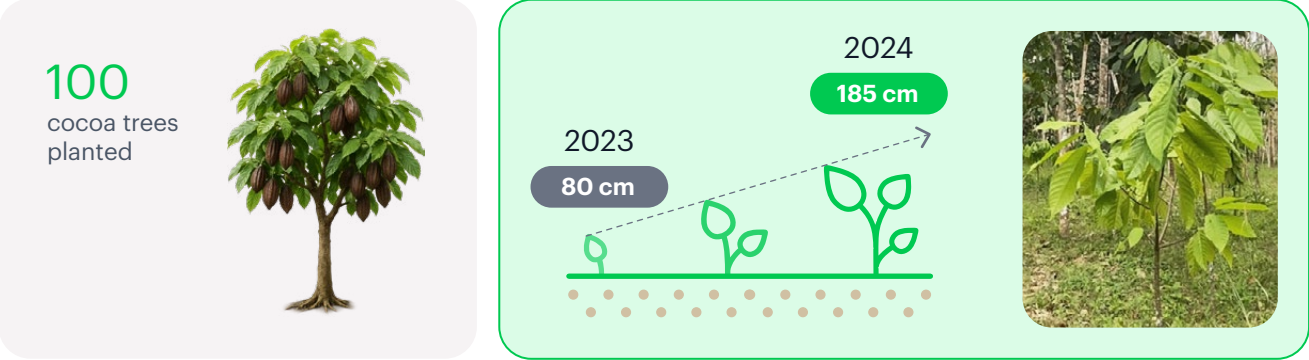
1.3 Agroforestry in Rubber Plantations

As part of our commitment to sustainable environmental sustainability, we continued our ‘**Journey to Agroforestry Concept Farm**’ which is a project where we are integrating trees and shrubs into agricultural systems so it can benefit both the environment and the farm’s productivity. From 2023 that the Company started this inter-cropping project by distributing cocoa trees and organic-based fertilizers to our suppliers in Sabayoi district, Songkhla province. Through the project, we contribute to not only ecological balance but also support local communities and bolster economic stability, reaffirming our commitment to creating a more sustainable future.

↓ Agroforestry Concept Farm: Project implementation steps

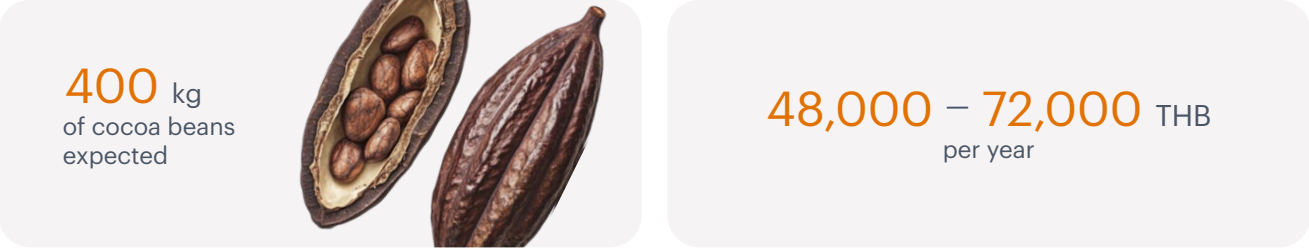


↓ Our Progress



Remark: Cocoa beans typically begin to be harvested in the 4th to 5th year after planting.

↓ Expected Return



↓ Towards Circular Agroforestry: Our Future Vision

As part of our future program, we aim to integrate circular economy principles into our agroforestry model to enhance resource efficiency and foster long-term environmental and economic resilience. Our key focus areas include:

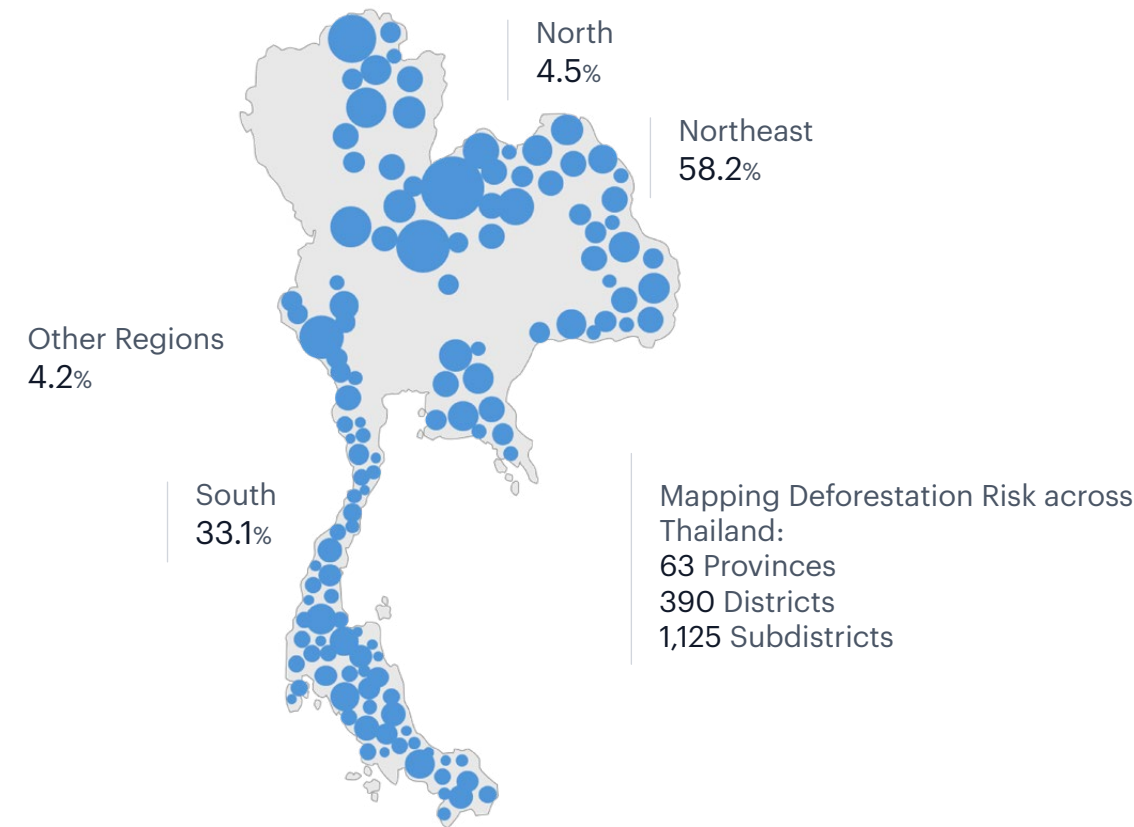
- **Soil Quality Improvement**
Expanding the use of organic fertilizers using sludge from our wastewater ponds. This composted material is distributed to our suppliers to improve soil health.
- **Yield Enhancement**
Promoting intercropping with cocoa to increase farm productivity and generate supplementary income for farmers.
- **Efficient Resource Use**
Maximizing land use through diversified planting systems to reduce waste and support ecosystem regeneration.

1.4 Deforestation & Risk Analysis

In 2024, we conducted field visits to engage directly with rubber smallholders as part of our traceability and environmental risk assessment efforts. These on-site assessments aimed to evaluate potential environmental impacts and identify risks related to land use change—particularly the prevention of deforestation driven by rubber plantation expansion.

Moving forward, we plan to expand these assessments to cover a broader scope of our supply chain. This includes upstream suppliers and sourcing regions, with the objective of strengthening our compliance with international standards such as the **EU Deforestation Regulation (EUDR)**. By enhancing the visibility of environmental risks across the entire supply chain, we aim to promote sustainable land use practices, protect ecosystems, and support long-term biodiversity conservation.

% of Mapped Deforestation Risk Plots by Region



We are currently assessing the applicability of the LEAP approach to our business operations as a means to systematically evaluate nature-related risks and opportunities.

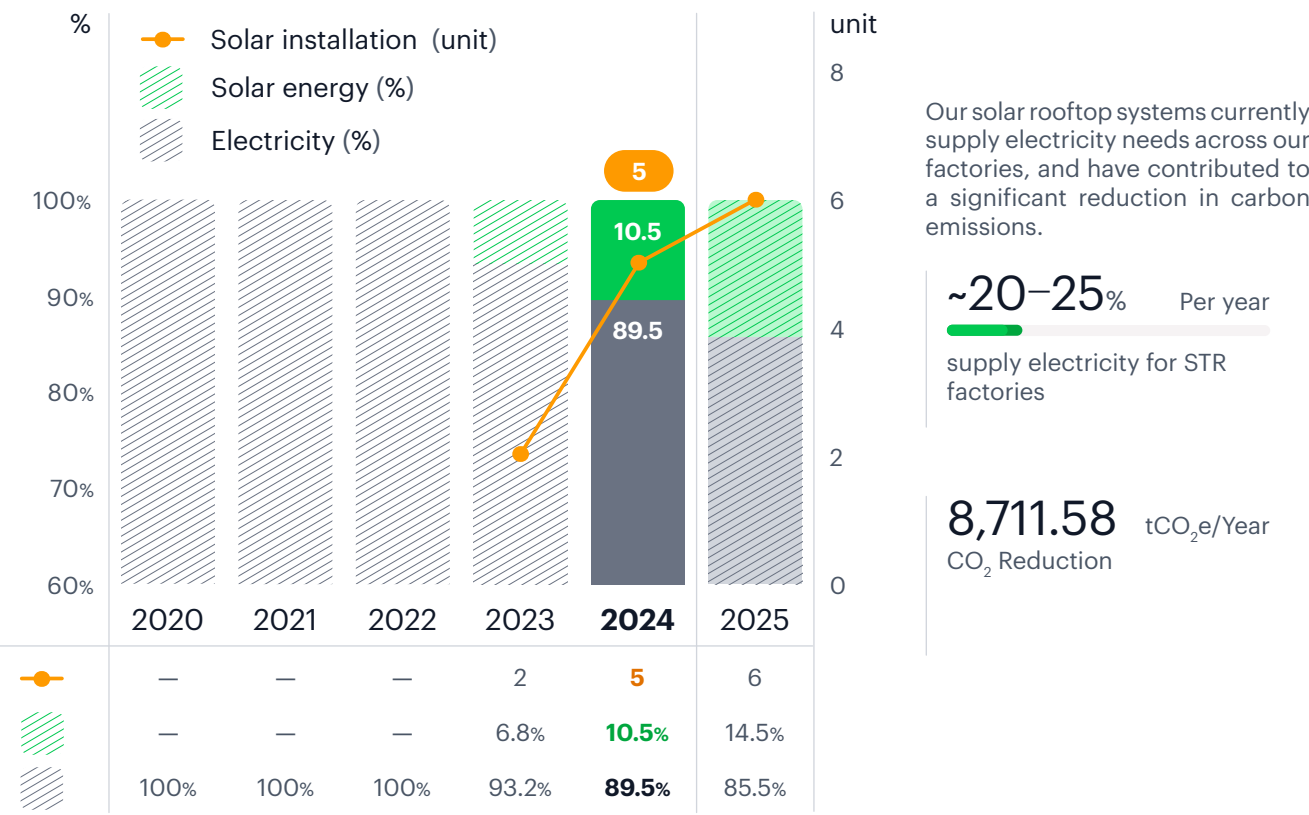
L Locate: Identify where your business interacts with nature across operations and supply chains using spatial data and ecosystem maps.	E Evaluate: Assess your dependencies on and impacts to nature (e.g., water use, pollution, land use change).	A Assess: Analyze nature-related risks and opportunities, including physical, transition, and systemic risks.	P Prepare: Develop nature-related strategies and disclosures, integrated into governance and risk management systems.
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This study aims to identify practical pathways to integrate nature-related risk and opportunity assessments into our decision-making processes. By aligning with emerging global standards, we seek to enhance the resilience of our value chain and strengthen our commitment to nature-positive outcomes.

2 Decarbonization

2.1 Solar Rooftop Project

Our solar rooftop initiative demonstrates our ongoing commitment to sustainability and energy efficiency. Building on the successful pilot at two STR factories in 2023, we are expanding the project to three additional sites in 2024. This expansion supports our transition to clean, renewable energy and contributes to reducing our overall carbon footprint.



↓ Our Next Step on Solar Rooftop Project by 2025

In 2024, we began construction of a solar farm at our BH operation in Phetchabun, scheduled for completion in early 2025. With an installed capacity of **1,499 kWp**, the project is expected to supply approximately **20–25%** of the site’s current electricity demand.

This transition to renewable energy reduces reliance on grid electricity and supports our climate goals by lowering Scope 2 emissions. We remain committed to expanding clean energy solutions to enhance sustainability and operational resilience.

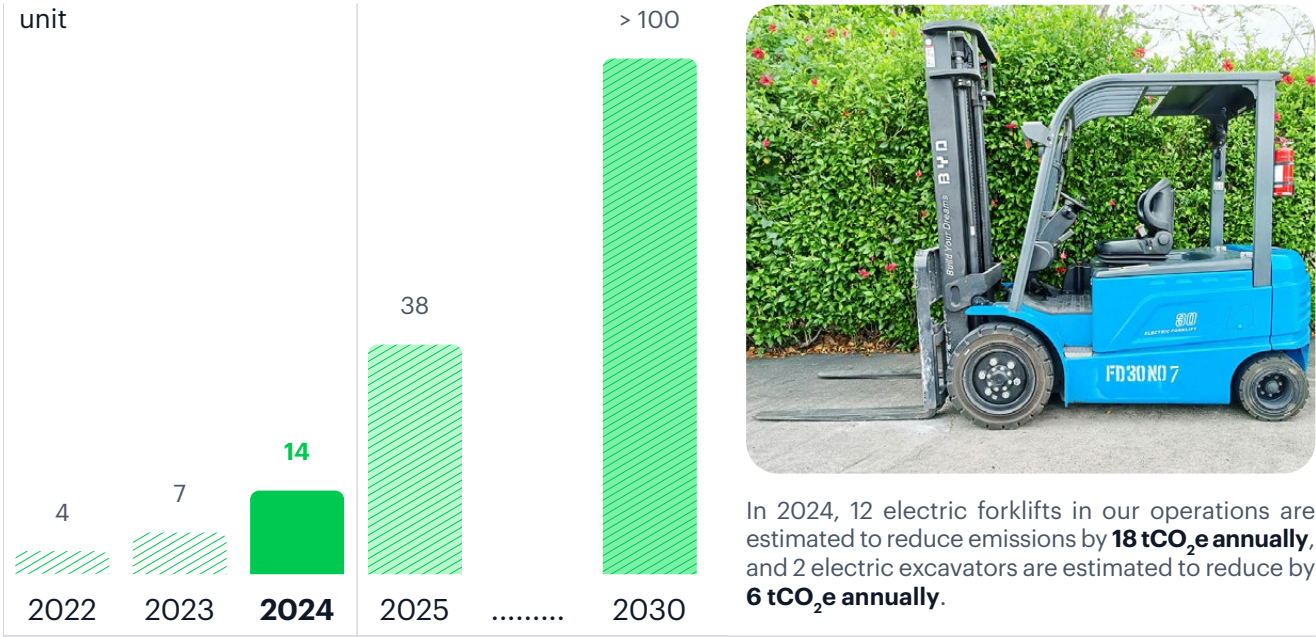


2.2 EV Vehicles

Our Company remains committed to promoting energy efficiency and reducing our carbon footprint by replacing certain diesel-powered forklifts with electric alternatives. This initiative is a key component of our broader sustainability strategy aimed at minimizing environmental impact.

In 2024, we further advanced this transition by replacing 5 aging diesel forklifts to EV and introducing 2 electric excavators. This long-term initiative is designed to reduce emissions from exhaust systems, thereby fostering a cleaner and more sustainable working environment.

Additionally, this shift to electric-powered machinery significantly reduces waste generated from used engine and gear oils, as well as spare parts required for regular maintenance of diesel equipment.





Reduce CO₂

EVs produce less carbon than diesel vehicles, especially when charged with renewable electricity.

24

tCO₂e

Reduction in 2024



Reduce Waste

Reduction of Hazardous waste

- Engine oil used
- Gear oil used
- Filters, lubricants

8%

Reduction in 2024



Reduce Waste

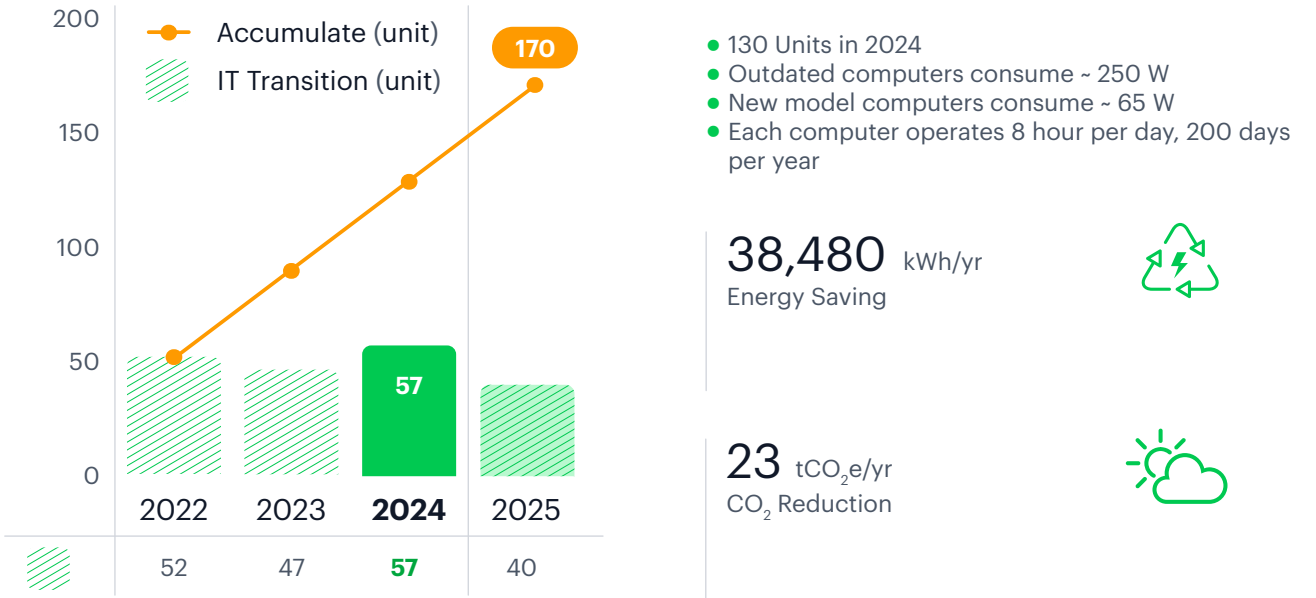
Reduce harmful exhaust emissions such as Nitrogen oxides (NO_x), Carbon monoxide (CO), Hydrocarbons (HC), and Particulate Matter (PM) that affect human health.

Looking ahead to 2025, the Company plans to replace **at least 10 aging diesel forklifts** with electric ones and add **4 more electric excavators**. This shows our ongoing commitment to cutting emissions and moving to a cleaner fleet.

2.3 Decarbonize Activities

2.3.1 Low-Power IT Transition Initiative

Since 2022, we have also launched a program to replace outdated desktop and notebook computers with energy-efficient models. These new units consume approximately 75–80% less power compared to the previous equipment, contributing to our broader objective of reducing overall energy consumption within office operations.



2.3.2 Carbon Sequestration from No Deforestation analysis supply

In 2024, in response to the EU Deforestation Regulation (EUDR), we conducted comprehensive risk mapping and deforestation analysis. A significant portion of our sourcing areas was verified as negligible risk and deforestation-free, now supplying natural rubber to our operations. These verified areas contribute to climate action by supporting substantial carbon sequestration through sustainable sourcing practices.



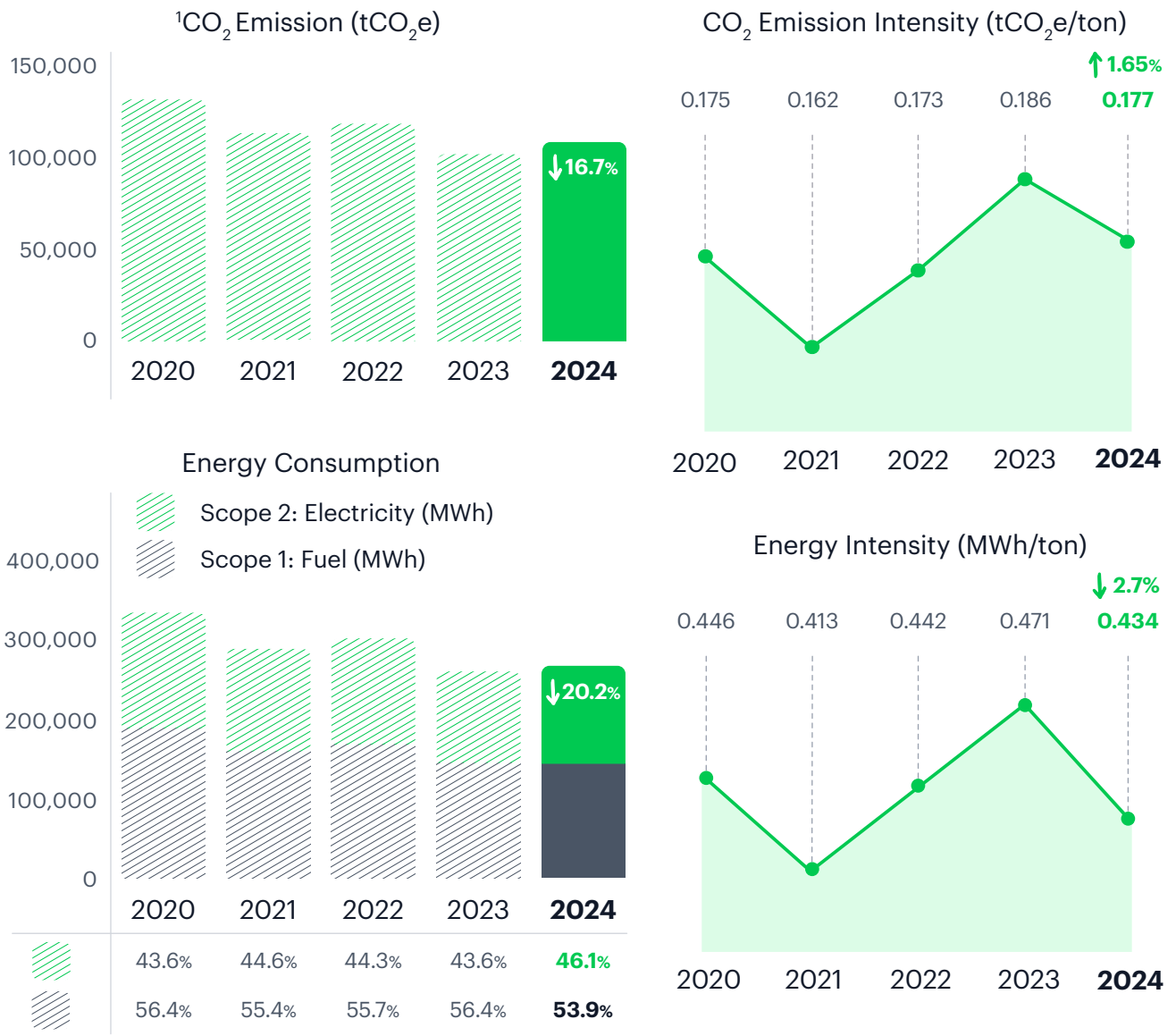
2.3.3 Advancing Circular Packaging with Reusable Container Solutions

As part of our circular economy efforts, we use Goodpack's MB5 bulk container solutions for the rubber and tyre industry. These durable, reusable containers meet strict safety standards for transporting non-hazardous materials. They also streamline storage and transport, ensuring quality and efficiency across the supply chain, while helping to reduce carbon emissions and packaging waste.

2.4 Decarbonization Result

In 2024, Scope 1 and 2 emissions totaled 108,493 tCO₂e — a 16.7% reduction from the 2020 base year. Emission intensity per ton of production rose slightly by 1.65%. Energy consumption fell by 20.2%, and energy intensity dropped by 2.7% compared to 2020.

↓ Carbon emissions and Energy consumption



↓ Scope 3 GHG Emissions

In line with the ²GHG Protocol, we expanded our Scope 3 carbon emissions reporting in 2024 from 2 to 5 categories, enhancing the completeness and accuracy of our emissions inventory. The newly included categories are Category 1 Purchased goods and services, Category 3 Fuel and Energy-related activities (not included in Scope 1 or 2), and Category 5 Waste generated in operations. As a result, total reported Scope 3 emissions amounted to 152,971.27 tCO₂e.

Scope 3 Category	tCO ₂ e
Cat 1. Purchased goods and services	100,540.75
Cat 3. Fuel and Energy-related activities	8,959.42
Cat 4. Upstream transportation and distribution	22,606.66
Cat 5. Waste generated in operations	860.99
Cat 9. Downstream transportation and distribution	20,003.45
Total Scope 3 emissions	152,971.27

1. Carbon emissions result for Scope 1 and 2 only.
2. Greenhouse Gas Protocol (GHG) protocol is a comprehensive global standardized framework for measuring and managing GHG emissions.
● Scope 1: Direct emissions from LPG, LNG (heating), diesel, and gasoline.
● Scope 2: Indirect emissions from purchased electricity.
● Scope 3: Other indirect emissions across the value chain.
GRI: 305-1, 305-2, 305-3, 305-4

2.5 Training and Capacity building

In parallel with our ongoing monitoring of deforestation and efforts to enhance our GHG data collection, we have actively worked to raise awareness and build capacity among upstream stakeholders.

This includes the development and dissemination of educational materials—such as e-newsletters and knowledge sharing content—targeted at our suppliers, including both dealers and rubber farmers. Through consistent engagement, we aim to foster a deeper understanding of environmental risks and promote more sustainable practices across our supply chain.



Our employees play a vital role in transferring knowledge and ensuring that environmental initiatives are implemented appropriately throughout our supply chain.

To support this, we have provided targeted training for our staff over the past year, equipping them with the necessary skills to effectively engage with suppliers and promote the best environmental practices.

- Environmental Regulations
- Biodiversity
- Deforestation analysis
- Decarbonization
- Carbon Emission Calculation
- and more

19.1 hours/person/year
For All Employees
4,135 PAX

These capacity-building sessions were instrumental in supporting feasibility studies for aligning our operations with internationally recognized standards, such as ISO 14064-1 guidance at the organization level for quantification and reporting of GHG emission and the Science Based Targets initiative (SBTi). Through this initiative, we aim to ensure that our data collection processes, emissions tracking, and reporting practices are fully aligned with the GHG Protocol and other global sustainability frameworks.



3 Water Management

Applying circular economy solutions in our business through the 3Rs (Reduce, Reuse, Recycle), all our factories utilize closed-loop wastewater treatment systems. These systems, either activated sludge or aeration lagoons, allow us to recycle effluent from production process and reintroduce it back into manufacturing. Daily testing ensures the treated water surpasses quality standards before reuse.

3.1 Wastewater Treatment Process and Quality Monitoring

1

Wastewater from production process is treated in a system that removes impurities through filtration and oxidation.

2

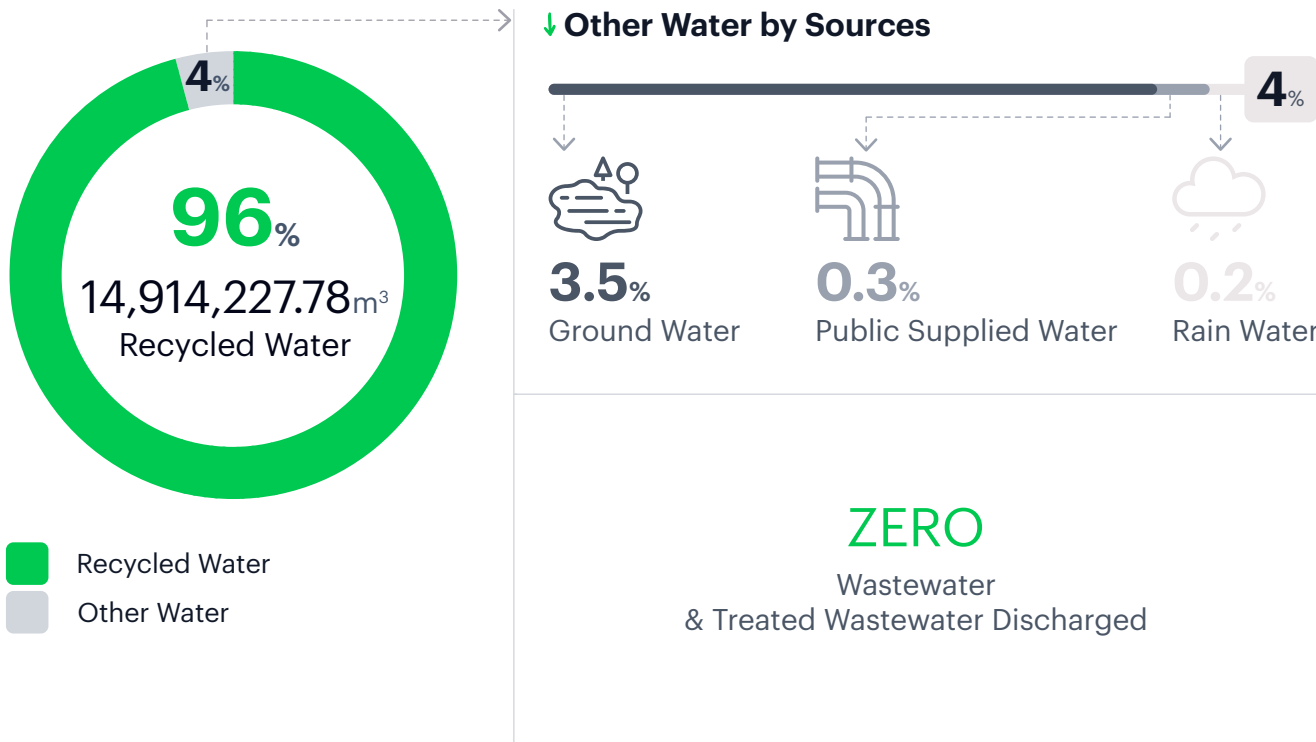
We ensure wastewater quality through a two-tier monitoring system: daily internal checks for pH and DO, and monthly external analysis by a third-party lab including pH, BOD, COD, TSS, TDS, and TKN.

3

Recycled water is reused in production process and other activities such as cleaning factories areas and machines.



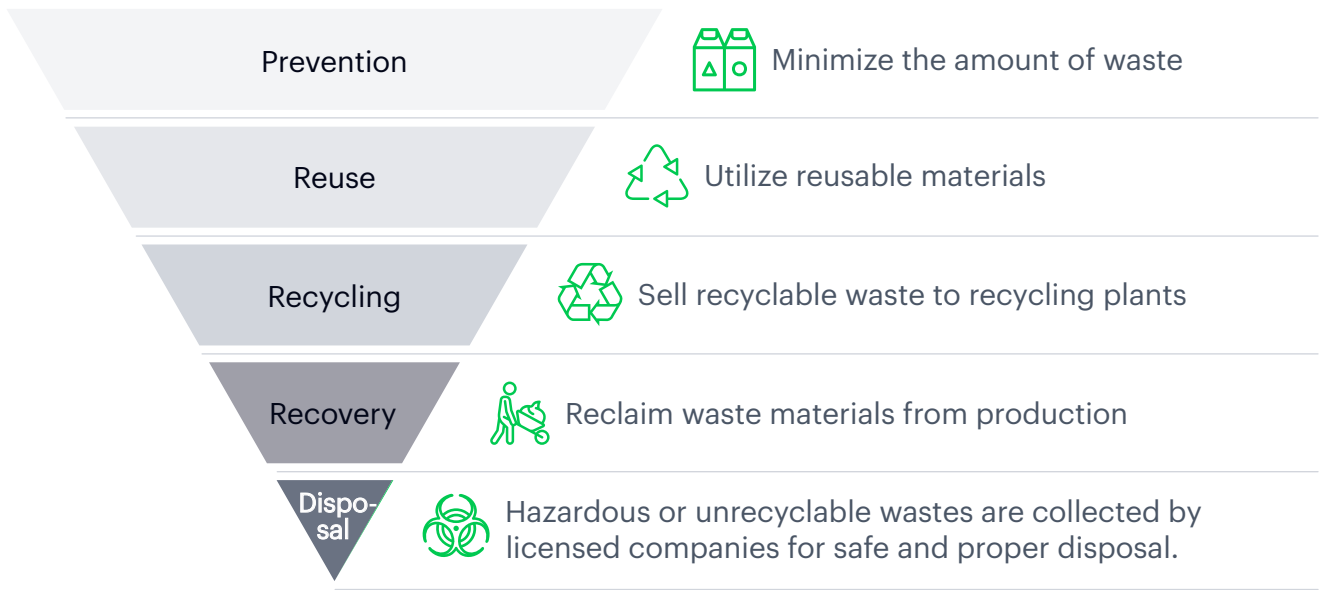
3.2 Water Consumption Data



4 Waste Management

4.1 Waste Management Hierarchy

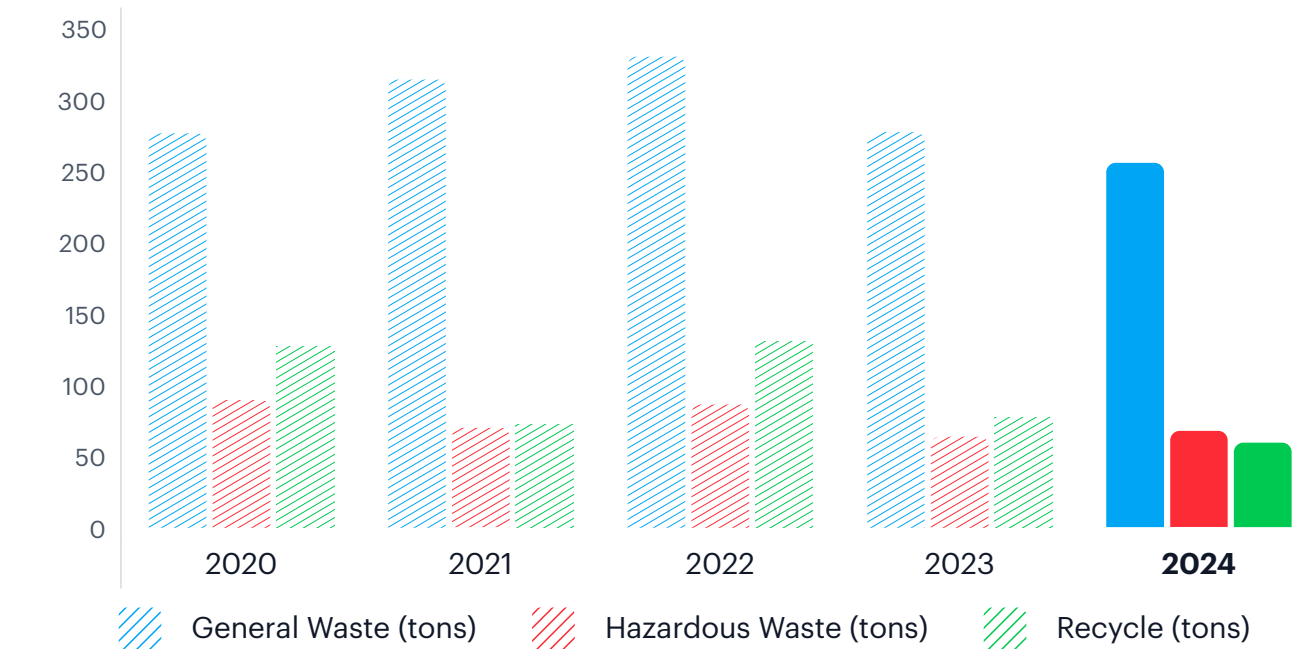
Our Company adopted the waste management hierarchy framework to manage waste and recover materials from its business activities.



No	Hierarchy	Key Activities
1	Prevention	<ul style="list-style-type: none">Replace paper-based processes with digital tools to reduce paper waste.Collaborate with suppliers and Customer to return containers for reuse such as pallet, metal boxes.Awareness and Training, Train employees to follow best practices in waste minimization.
2	Reuse	<ul style="list-style-type: none">Encourage employees to use reusable items such as lunch boxes and personal water bottles.Reuse containers such as chemical drums or liquid storage tanks within the production process.Donate used office equipment such as computers or desks that are still in working condition.
3	Recycling	<ul style="list-style-type: none">Separate plastics, metals, glass, and paper for resale to licensed recycling plants.Recycle broken wooden pallets to new pallets, desks or furniture to use in the factory or give away to local communities.Support the transformation of used plastic water bottles into employee polo shirts.
4	Recovery	<ul style="list-style-type: none">Convert sludge from wastewater treatment into organic fertilizer for factory green areas or supplier use.Reuse cooling water from laboratory testing processes in other operational applications.Treat wastewater and reuse it 100% within the production process.
5	Disposal	<ul style="list-style-type: none">Dispose of hazardous waste such as chemical residues, paints, or resins through licensed waste management firms.Maintain proper documentation and reporting of waste disposal in compliance with environmental regulations.

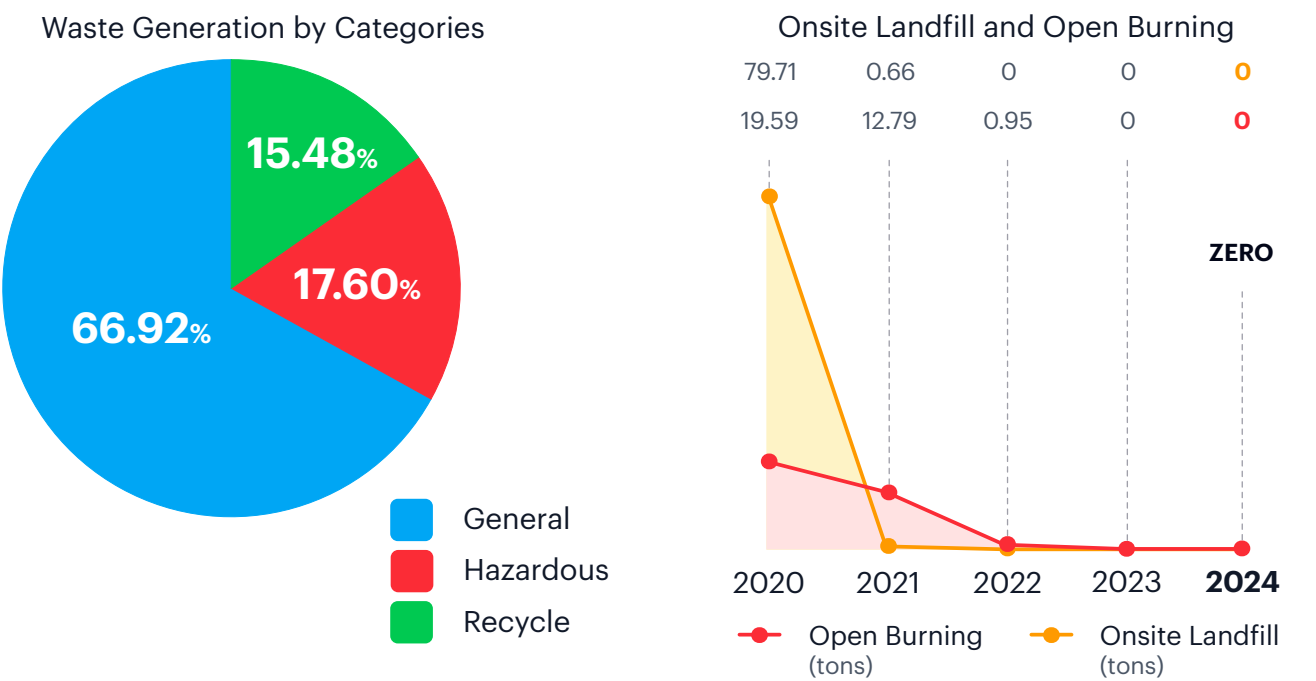
4.2 Driving Continuous Waste Reduction

The implementation of waste segregation, 3R practices (Reduce, Reuse, Recycle), and activities aligned with the waste management hierarchy has contributed to a downward trend in our overall waste generation. We remain firmly committed to maintaining these positive outcomes and continuously improving our efforts to minimize waste as much as possible.



4.3 Waste Generation and Disposal Methods by Categories

By sorting waste and following the 3R's (Reduce, Reuse, Recycle), we minimize environmental impact through proper disposal. The following figures show waste generation and disposal methods by categories. The figure below shows that we have successfully set **ZERO** on onsite landfill and open burning for two consecutive years.



5 Air Pollution Management

5.1 Odor Management

At our factories, we utilize a range of advanced techniques to effectively neutralize odors, incorporating environmentally friendly solutions such as Effective Microorganisms (EM) and Wood Vinegar. To further enhance pollution control, we have installed wet scrubbers across our facilities. Through the integration of these innovative measures, we demonstrate our strong commitment to protecting both the surrounding community and the environment.

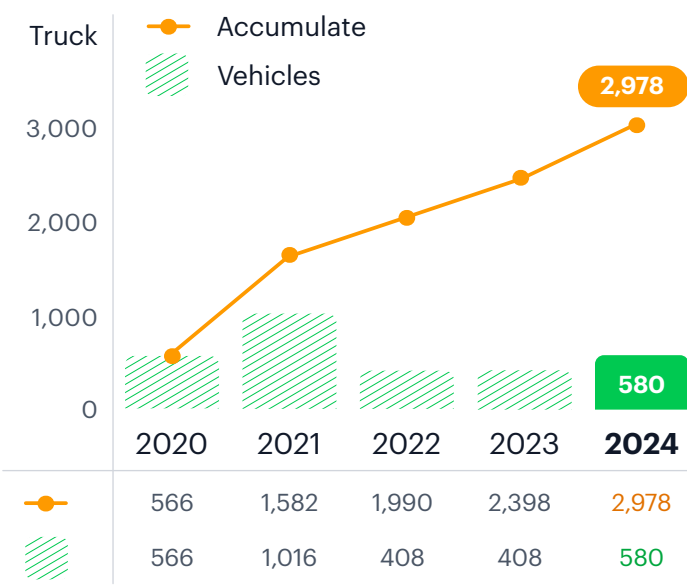
5.1.1 EM & Wood Vinegar

To reduce odors from fermenting cup-lump materials, we use natural solutions like Effective Microorganisms (EM) and Wood Vinegar. EM breaks down odor compounds, while wood vinegar deodorizes. These are regularly sprayed on raw materials, factory areas, and drainage grooves.



5.1.2 Tank-Installed Vehicles and Wet Scrubber Odor System

To reduce odors and prevent road accidents, we encourage suppliers to use transport tanks that capture cup-lump serum. This prevents spills and leakage during transit. At the factory, the serum is recycled via wastewater treatment.



5.1.3 Wet Scrubbers



Wet scrubbers are also used and cleaned regularly to remove airborne pollutants before emission. We have installed wet scrubbers at all STR operating plants.

A wet scrubber is used in our rubber drying system to reduce odor and air pollutants. It works by spraying water mist into the exhaust stream, capturing smoke, particulates, and odor compounds. This helps to significantly reduce emissions and prevent odor impact on surrounding communities.

All 7 STR factories installed

5.1.4 Odor Surveys

To proactively prevent odor-related issues impacting nearby communities, we conduct regular odor monitoring within a 5-kilometer radius of our factory. Trained staff perform daily on-site smell checks at designated locations and times using direct human sensory detection. In parallel, we gather feedback from local residents to ensure a comprehensive understanding of potential odor disturbances.

Odors are assessed using a three-level rating scale, and any instance of Level 3 detection (indicating the highest odor intensity) is immediately reported to the environmental team for investigation, with corrective actions promptly implemented to mitigate the source and prevent complaints.



↓ Odor Complaints

Through the implementation of serum collection tanks for cup lump raw materials, the installation of wet scrubbers, and odor monitoring activities, we have been able to effectively reduce and prevent odor-related complaints from surrounding communities near our natural rubber production facilities.

	2020	2021	2022	2023	2024
The Official Written Complaints	2	0	0	0	0

5.2 Air Emission Controls

We test the NO_x, SO_x, and TSP annually to minimize environmental impacts and ensure that the emissions are in compliance with the legal standards

↓ Air Emission Test Results

NO_x

100%
passed

SO_x

100%
passed

TSP

100%
passed

6 Environmental Activities

6.1 World Environmental Day

Unimac Rubber

had organized an educational activity and tree planting event within the factory premises to cultivate a sense of environmental conservation and raise awareness about the urgency of environmental issues.



6.2 Beach Cleaning

Southland Resources

promoted environmental responsibility by hosting a beach cleanup at Laemson Beach, Rayong, where employees volunteered to collect waste, helping enhance the local environment.



6.3 Solar Street Lights for Surrounding Communities

Southland Latex

has established a program to provide Nong Thong sub-district with sustainable lighting solutions. Since 2022, we've continually donated six solar-powered streetlights annually, ensuring energy-efficient illumination for the community. This ongoing initiative extends beyond initial installation, as we also provide maintenance services for the lights. Our commitment to this project not only fosters the responsible use of lighting in surrounding communities but also promotes the adoption of clean energy alternatives.



Environmental Sustainability Performance

No	Topic	Targets	Results	Remarks
Biodiversity				
1	Number of new trees planted	≥20,000 trees	11,764 trees	
2	Number of locally found tree species planted	≥10 species	54 species	✔ Achieved
Decarbonization				
3	Carbon emission reduction (2024 compared to 2020 base year)	≥16.8%	16.7%	
4	Carbon emission intensity reduction (2024 compared to 2020 base year)	≥10 %	-1.65%	
Water Management				
5	Wastewater recycling	100%	100%	✔ Achieved
6	Wastewater discharge	ZERO	ZERO	✔ Achieved Recycled water after treatment will be reused in operational processes.
Waste Management				
7	Waste to onsite landfill	ZERO	ZERO	✔ Achieved
8	Waste to onsite open burning	ZERO	ZERO	✔ Achieved
Air Pollution Management				
9	Air quality (NO _x , SO _x , and TSP)	100% passed	100% passed	✔ Achieved
Other Environmental-Related Performance				
10	Average environmental training hours per person	≥6 hours/person/year	19.1 hours/person/year	✔ Achieved
11	ISO 14001 (Environmental Management System Certification)	17 factories	17 factories	✔ Achieved



Social Aspect

At our Company, we believe that people are at the heart of sustainable development. Our approach to social sustainability is driven by a strong commitment to upholding human rights, promoting health and safety, enhancing employee welfare, and fostering inclusive growth. We invest in fair labor practices, a safe and supportive work environment, well-being programs, equal opportunities, and active community engagement. These five key areas reflect our dedication to building a responsible, inclusive, and sustainable for all stakeholders.

- 1 Human Rights and Labor Practices
- 2 Health and Safety
- 3 Employees Welfare and Well-Being
- 4 Diversity & Inclusion and Career Development
- 5 Community Engagement

1 Human Rights and Labor Practices

Our Company is committed to respecting human rights and promoting responsible labor practices in accordance with the UN Guiding Principles on Business and Human Rights (UNGP), the Universal Declaration of Human Rights (UDHR), and GPSNR guidelines. Our Human Rights and Labour Practices Policy guides the implementation of due diligence, policy compliance, risk assessments, training, and mitigation measures across all operations. We uphold fair treatment, safe working conditions, and the rights of indigenous peoples and local communities, while prohibiting forced and child labor. Grievance and whistleblowing mechanisms are in place to address concerns with confidentiality and fairness. Employee engagement is strengthened through the Welfare committee, reflecting our ongoing commitment to a respectful, inclusive, and transparent workplace.

1.1 Human Rights Due Diligence

Our human right due diligence framework is composed of 4 steps as follows:



1.2 Policy Review & Compliance Program

Our Human Rights and Labor Practices Policy undergoes an annual review to ensure alignment with current legislation and international standards. Following the review, the policy is disseminated throughout our processing factories for implementation by means of the compliance program. The policy encompasses a comprehensive range of human rights and labor practice standards, including:



Applicable Laws



International Labor Organization (ILO)'s eight core conventions



UN Declaration on the Rights of Indigenous Peoples (UNDRIP)



Global Platform for Sustainable Natural Rubber (GPSNR) Policy Component



UN Guiding Principles on Business and Human Rights (UNGP)

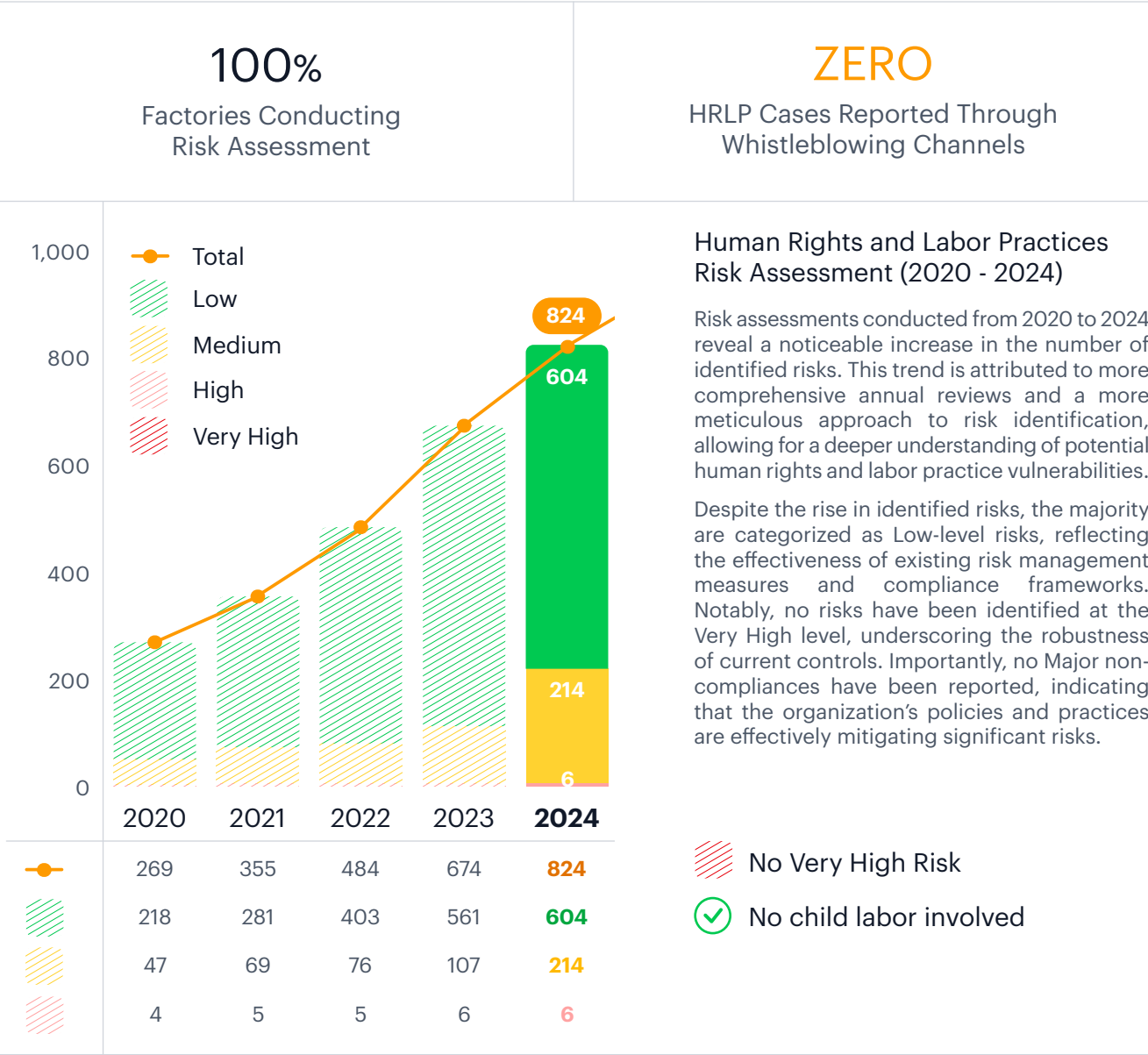
1.3 Human Rights and Labor Practices Risk Assessment Training

Human rights risk assessment training is held annually to retrain people responsible for human rights & labor practices management on risks assessment procedures. The training session is held online by the head office, and the participants include management representatives, branch managers, HR personnel, purchasing personnel, and representatives from relevant departments.



1.4 Risk Assessment & Mitigation Measures

We conduct human rights assessments annually to obtain existing and potential risks across its business operations. The Company generated in-house assessment forms and distributed them to representatives of each factory in order to evaluate the severity of human rights and labor practice risks towards related groups (employees, workers and migrant workers, raw material suppliers, customers, and communities). After conducting risk assessment, we established mitigation to prevent potential impacts, especially those with the high levels of complicity in abuses of human rights.

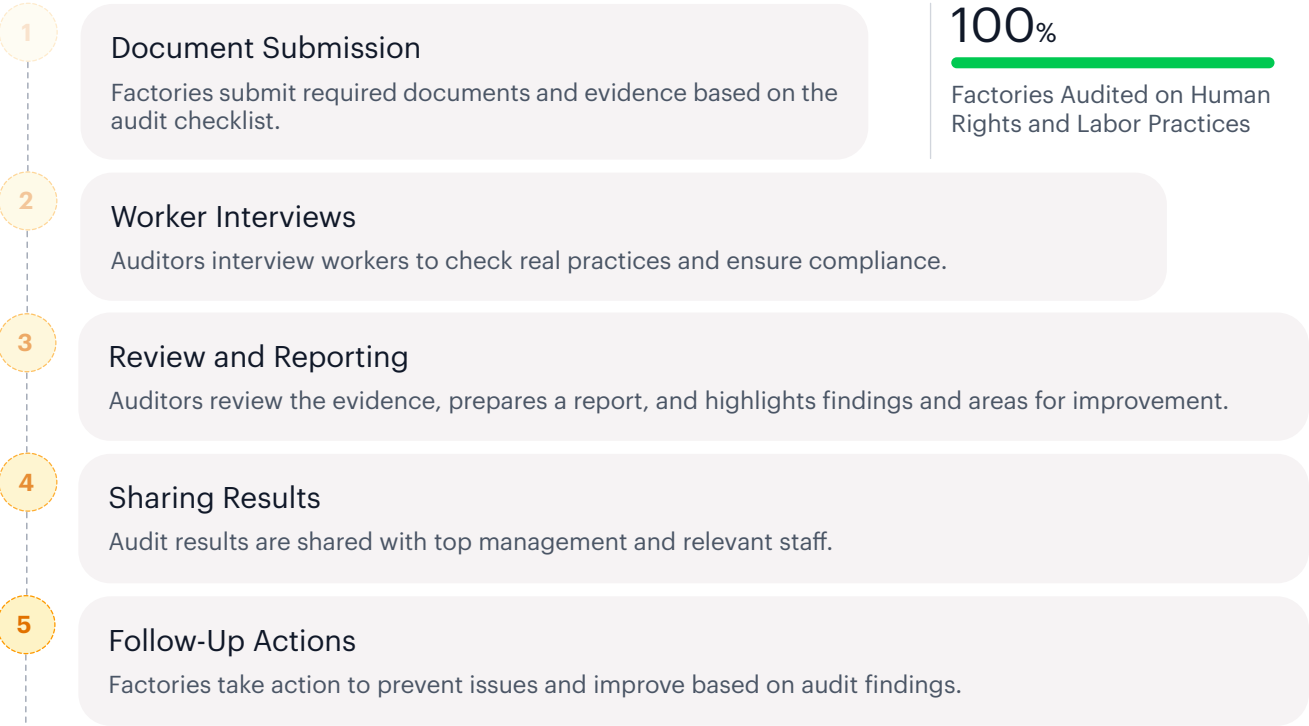


- ↓ Risk Management for Sustainable Stakeholder and Organizational Development:
- **Policy and Compliance:** Strengthening human rights and labor policies through targeted training and awareness programs.
 - **International Standards:** Implementing and maintaining ISO 45001, ISO 14001, EUDR systems for consistent risk management
 - **Supply Chain Monitoring:** Integrating responsible sourcing and ethical practices throughout the supply chain.
 - **Stakeholder Engagement:** Ongoing communication to address concerns and reinforce transparency.
 - **Continuous Improvement:** Regular monitoring, reporting, and management reviews to adapt to emerging risks.

1.5 Internal Audit Process

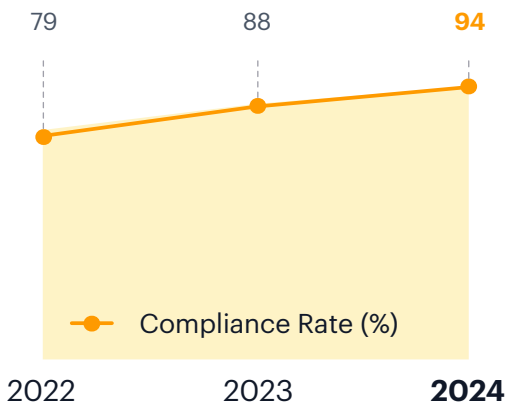
To monitor human rights risk management, we conduct internal audits using checklists aligned with human rights policies. Audit results and actions are documented and shared with top management, relevant departments, and affected groups.

↓ Audit Process



100%

Factories Audited on Human Rights and Labor Practices



Internal Audit on Human Rights and Labor Practices (2022 - 2024)

Internal audits from 2022 to 2024 indicate a steady increase in compliance, reaching its highest level in 2024 due to continuous corrective actions to address previous gaps. The compliance rate (%) represents the proportion of the total score from all checklist items against the maximum possible score based on audit criteria, providing a clear metric for evaluating adherence. While our goal is 100% compliance, some Minor non-conformities persist, mainly involving incomplete documentation of employee breaks and minor deficiencies in dining area conditions. We remain committed to closing these gaps and reinforcing adherence to established practices.

1.6 Welfare Committee

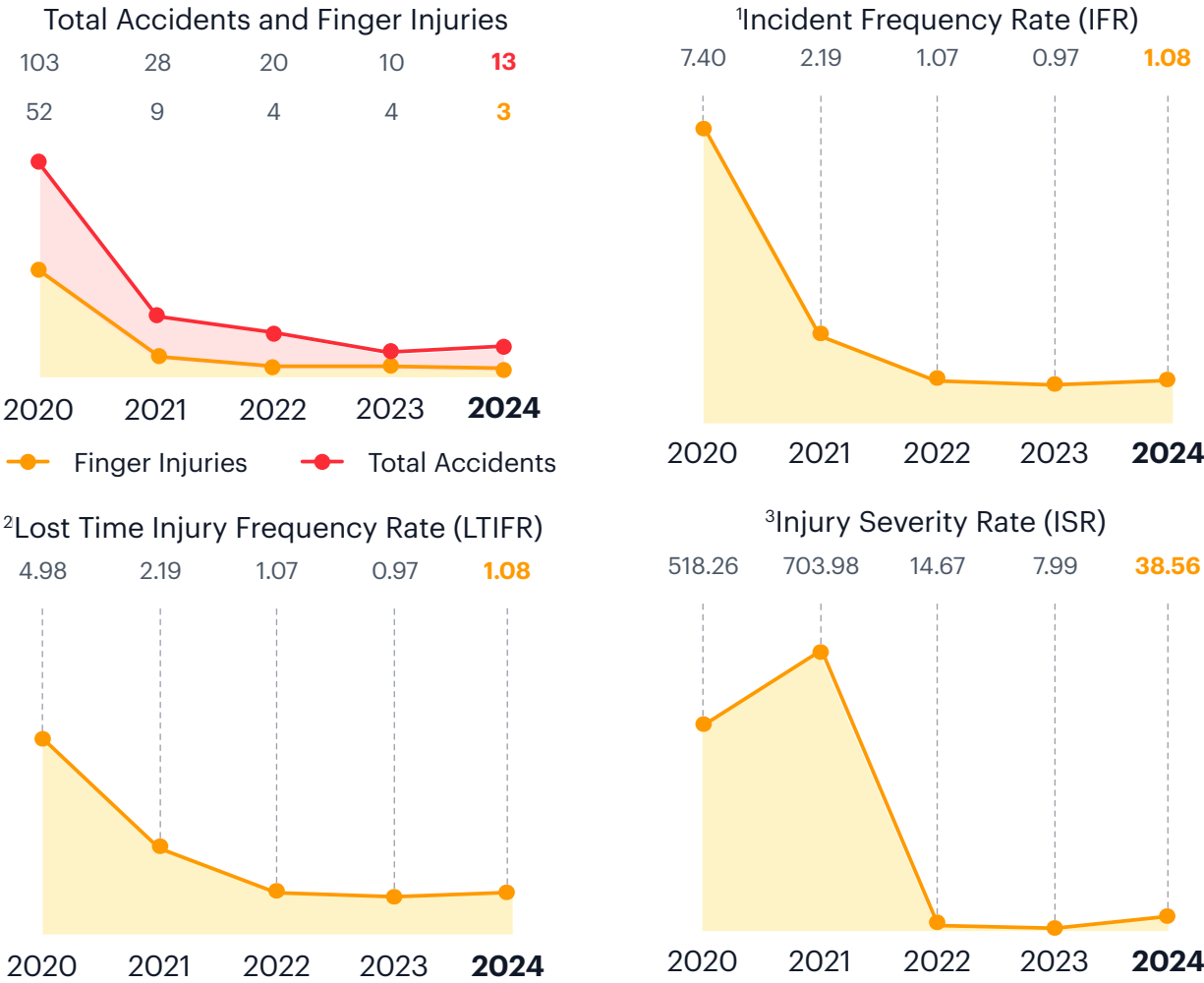
The Welfare committee acts as an intermediary between management and employees. This program empowers elected employee representatives to engage in discussions about employee welfare and benefits, offer guidance on welfare management, and address any concerns with the management team. Upon reaching an agreement, our company can implement additional initiatives to meet employee needs and expectations.



2 Health and Safety

We dedicate ourselves to building a workplace where safety, health, and well-being are prioritized as integral parts of our operations. To maintain a proactive safety culture, we implement a range of key initiatives including Safety Risk Assessments, Safety KAIZENs, Safety Morning Talks with KYT (Kiken Yochi Training), One Point Lessons (OPL), and Safe Work Procedure Training. These efforts are designed to systematically identify and reduce potential risks, enhance employee awareness, and promote continuous improvement in workplace safety. Our overarching objective is to achieve zero workplace accidents, ensuring that every employee returns home safely at the end of every workday.

2.1 Key Safety Performance

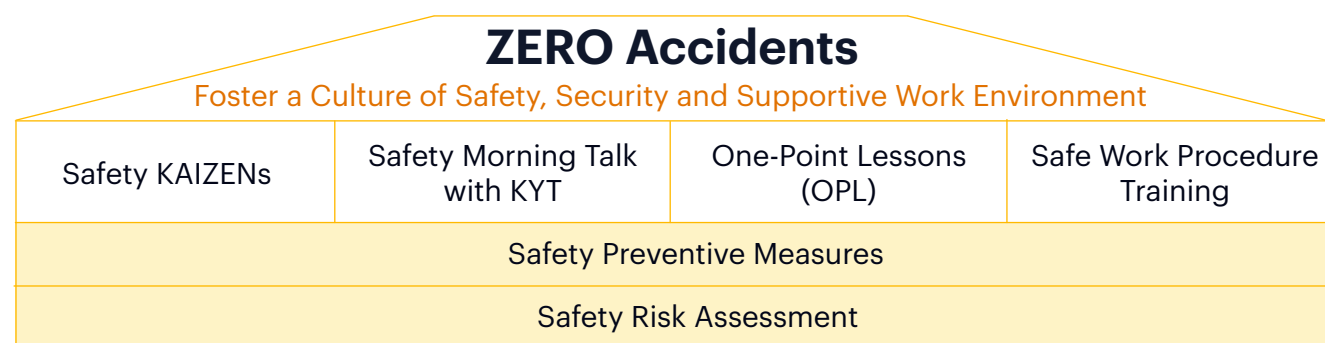


↓ Progress in Safety Performance: 2023–2024 Overview

In 2024, there was a slight increase in the IFR, LTIFR, and ISR compared to 2023, largely influenced by non-routine tasks, operational transitions, and maintenance activities. These insights highlighted areas where safety controls could be further strengthened to address all potential risks. We are using these learnings to enhance preventive measures and improve safety performance moving forward.

To enhance safety performance and achieve our 2025 goals, we have introduced additional measures, including the review and reinforcement of risk assessment guidelines to better support preventive actions. We are also optimizing the 5S system to boost operational efficiency and expand Safety Kaizen initiatives across all work areas.

1. Injury Frequency Rate (IFR) = (number of reported injuries / total working hours) x 1,000,000
2. Lost-Time Injury Frequency Rate (LTIFR) = (number of lost-time injuries / total working hours) x 1,000,000
3. Injury Severity Rate (ISR) = (number of reported workdays lost / total working hours) x 1,000,000



In our commitment to safe workplace, our Company has implemented a robust suite of four safety Preventive measures designed to foster a secure work environment with ZERO accidents. The visual representation above outlines the key components of our measurements.

2.2 Safety Risk Assessment

Safety risk assessment is a fundamental component of our safety measures. This assessment enables us to systematically identify, evaluate, and mitigate potential hazards that could impact both our workforce and the environment. The process of the risk assessment is shown as below:

↓ Risk Assessment Process

Hazard Identification

Factories employ safety risk assessment checklists to identify hazards in all operational activities (e.g., production line, packing line, laboratory, and raw material reception areas) that might pose safety risks.

Risk Assessment

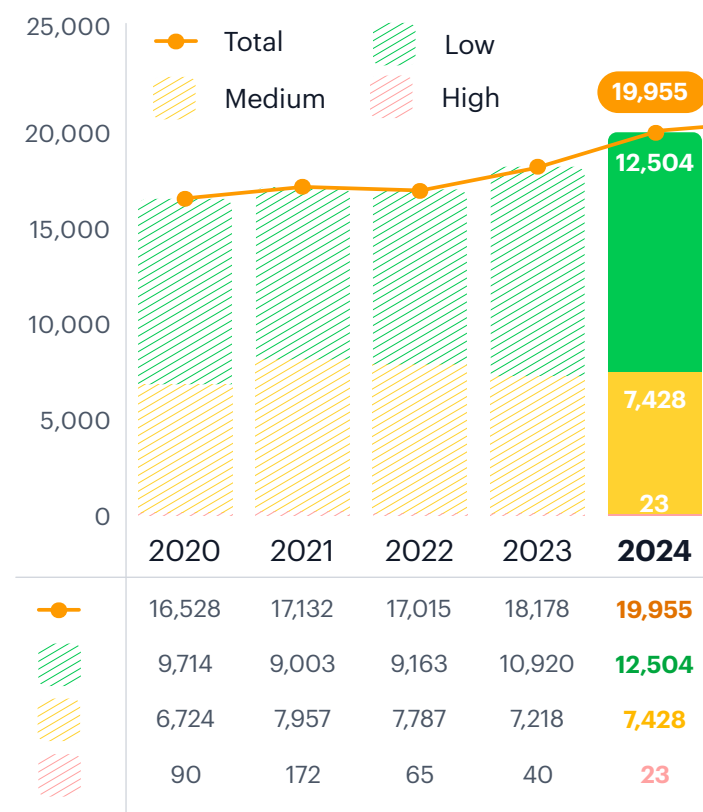
Following the hazard identification, the factories assess severity and occurrence probability of identified hazards based on the risk levels—Very High, High, Medium, Low. The activities, in addition, covered both routine and non-routine work.

Preventive Measures

The factories develop preventive measures based on the risk levels. Also, the factories review the safety manual and adjust them accordingly to create safer work procedures for all employees.

Management Review

Our company communicate the risk and preventive measures to related groups of each factory in order that they can take precautions and eliminate the frequency of exposure to hazards.



100%

Factories Conducting Risk Assessment

In 2024, a total of 19,955 risks were identified across all operation sites, categorized as follows: Very High – 0%, High – 0.1%, Medium – 37.2%, and Low – 62.7%.

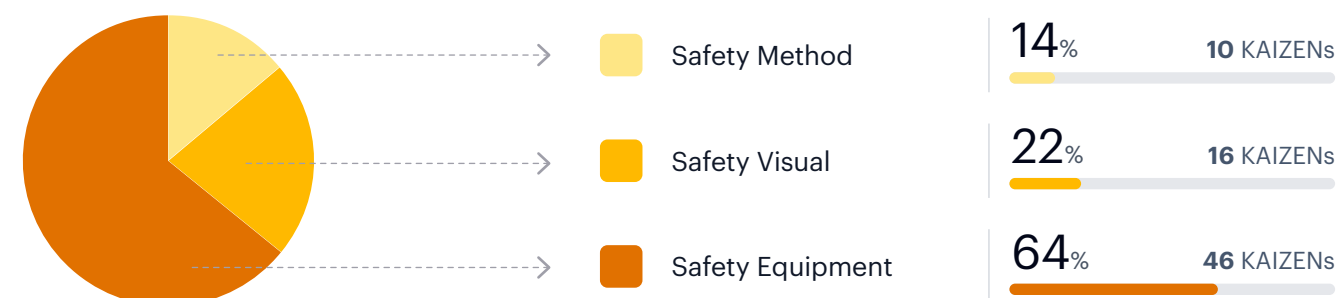
Compared to the previous year, no Very High-level risks were found. The proportion of each risk level remains relatively consistent across years, though the total number of risks has increased due to more comprehensive hazard identification, which now includes both routine and non-routine tasks.

2.3 Safety Preventive Measures

We have implemented four key safety measures to prevent accidents and injuries. These include:

2.3.1 Safety KAIZENs

Safety KAIZENS (a Japanese term meaning ‘continuous improvement’) typically involve technical adjustments to machinery aimed at reducing the likelihood and severity of accidents. When a potential risk is identified, we proactively consider implementing a **KAIZEN** to prevent incidents. In 2024, a total of 72 KAIZENS were carried out, with 64% focused specifically on enhancing safety equipment as detailed below.



↓ Chemical Adding Station

Risk

Our suppliers of field latex need to climb up to fill ammonia solution on the truck's roof, which poses a risk and the potential for falling from a height.

KAIZEN

Design and implement an ammonia solution filling station with a ladder, allowing the suppliers to walk up and fill the solution instead of climbing onto the truck's roof.

Risk level **before** the KAIZEN: **Medium**

Risk level **after** the KAIZEN: **Low**

↓ Crane to Lift the Distributor

Risk

There was a risk of distributor falling and crushing an employee's foot during its removal, cleaning, and reassembly.

KAIZEN

Eliminate the risky step of manual handling and switch to using a crane to lift the distributor instead of having employees lift it themselves.



Risk level **before** the KAIZEN: **Medium**



Risk level **after** the KAIZEN: **Low**

↓ Red Visual Control for Hazardous Trolley Area

Risk The trolley route markings are unclear and do not adequately cover hazardous areas, which may cause confusion among employees and increase the risk of injury.

KAIZEN To enhance workplace safety and reduce the risk of foot injuries caused by trolley-related incidents, a standard for trolley movement areas has been established using Red Visual Control. Employees have been trained and informed about this new standard to ensure clear understanding and compliance. This initiative aims to minimize confusion, improve visual guidance, and promote safer navigation in shared working zones.



This measure has led to a 23% reduction in the occurrence of injury.

↓ Lift Equipment for Tank Handling

Risk Workers manually lifted and moved heavy latex drums, leading to physical strain, fatigue, and a higher risk of injuries or accidents.

KAIZEN The process was improved by introducing lift equipment to handle drum movement, eliminating the need for manual lifting.



Manual handling reduced by 100%, and the risk of injury dropped by 24%, resulting in a safer and more ergonomic working environment

2.3.2 Safety Morning Talks with KYT

Safety Morning Talks

As part of our ongoing commitment to workplace safety and risk prevention, we have implemented a structured Safety Morning Talks program across all departments. This initiative is conducted daily, prior to the start of operations and is a key element in fostering a proactive safety culture.



Safety KYT

KYT (Kiken Yochi Training) also known as hazard prediction training, is a key safety initiative aimed at enhancing safety awareness and reducing the risk of human errors that could lead to severe injuries. This year, we have integrated KYT techniques as a proactive approach to safety.

Daily, Department-Wide Engagement

Safety Morning Talks are conducted every day in every department, involving all team members, supervisors, line leaders and workers. This consistent engagement reinforces the importance of safety and keeps it at the forefront of everyone’s mindset.

Key Safety Reminders

The sessions focus on critical topics including:

- Proper use of Personal Protective Equipment (PPE)
- Workplace hazards and near-miss reporting
- Review of safety procedures and best practices
- One Point Lessons (OPLs) based on recent observations or incidents to enhance learning through real-life examples

Documentation & Reporting


To ensure accountability and continuous improvement, each morning talk session includes:

- Recordkeeping of discussion points and attendance
- Photographic documentation of the session
- Reporting through a Mobile Application, which is monitored by management and executives for visibility and support

This digital reporting system not only enhances real-time oversight but also allows management to recognize active participation and address concerns promptly.

The Safety Morning Talks, combined with KYT and OPLs, serve as a foundation for building a strong safety culture. By emphasizing hazard awareness, proper PPE usage, and team-based communication before work begins, the program significantly contributes to preventing accidents and promoting a safer, more informed workforce

2.3.3 One-Point Lessons (OPL)



To prevent accidents, our factories share safety learnings called One-Point Lessons (OPLs). These online documents capture key points from identified risks, like working at height or using cutting tools. By sharing OPLs, all factories can learn and take necessary precautions, ultimately improving worker knowledge and ensuring their safety. Examples of our OPLs are as follow:

Utilization of Safety Equipment to Change the Belt

Our workers remove and install belts with their bare hands, so there is an arrangement to use safety equipment to assist in removing and installing the belt to avoid direct hand contact and accidents caused by it.



❗ Using their hands to change the belt



✅ Using safety equipment to change the belt

Continuous Walkways for Injury Prevention

Walkways and working platforms were fully connected, eliminating gaps and creating a continuous, level surface. This improvement significantly reduced the risk of tripping and enhanced overall workplace safety.



❗ Gaps between Walkways



✅ Continuous, gap-free surface



Complete Chain Guard

Complete chain guard were installed to fully enclose the roller conveyor chain, effectively eliminating exposure to moving parts. This significantly reduces the risk of entanglement and contact injuries. Additionally, chain guard inspections are now included in both the Preventive Maintenance (PM) schedule and routine safety checks to ensure continuous protection and hazard prevention.




❗ The chain guard was too short, exposing the roller conveyor chain.



✅ A complete chain guard was installed, covering the conveyor chain and reducing the risk of entanglement.

2.3.4 Safe Work Procedure Training



Our company provides new hires a comprehensive safety training during orientation, equipping them to work accurately and safely. We further reinforce these practices through regular refresher courses for all employees.



Working at height



Working with Machines



Working with Trolleys



PPE Wearing

2.4 Activities to Promote Safety Culture

2.4.1 Safety Day at Headquarter

Our Company’s head office organized Safety Day 2024 to discuss safety management for the year and promote a shared understanding of safety across business units. Key participants included top management, branch managers, safety management representatives, safety officers, and members of the sustainability working group. The outlined plan was also communicated to employees to ensure its effective implementation.



2.4.2 Factory Safety Day

Since 2021, Factory Safety Days have been held annually on a regular basis. The program plays a crucial role in promoting workplace safety awareness and cultivating a “safety-first mindset” among our employees. The primary focus of the program is to ensure safe practices in different activities, including work procedures, correct use of personal protective equipment (PPE), and awareness of potential risks and hazards.

In 2024, a total of 1,257 employees participated, representing all levels of the organization.



3 Employee Welfare and Well-Being

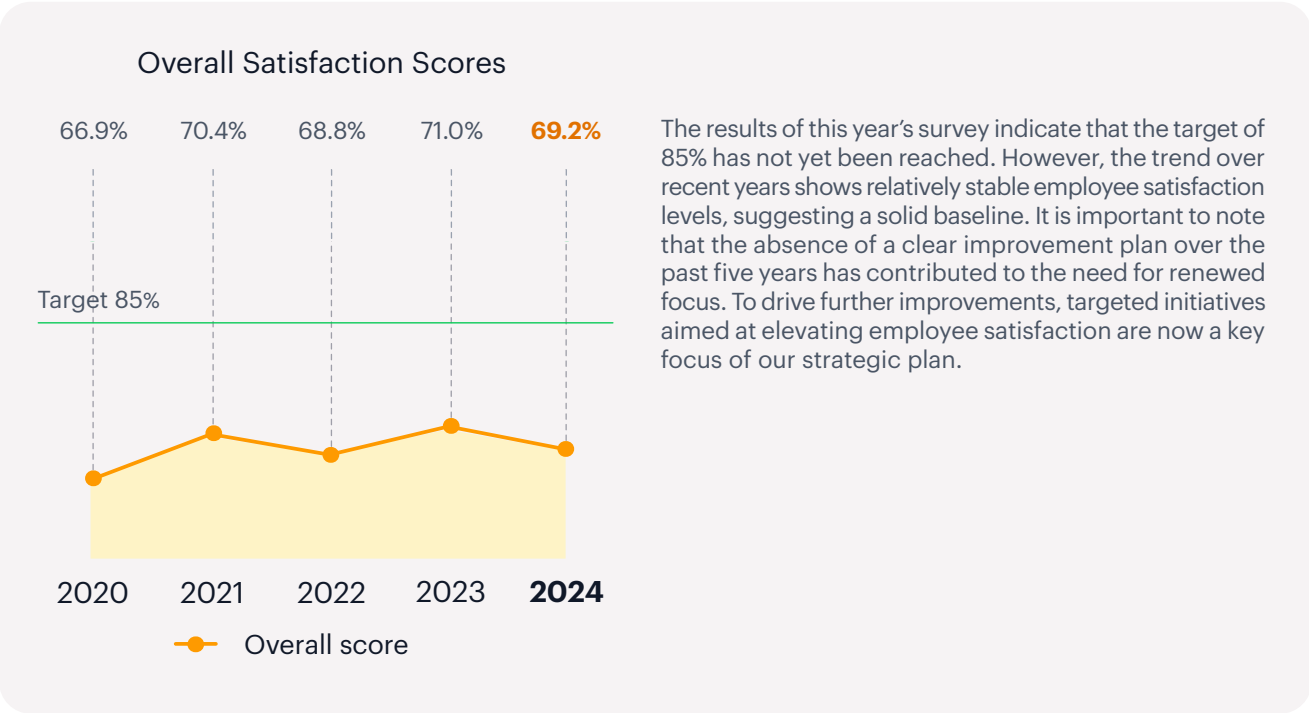
3.1 Employee Satisfaction

Our company’s employee satisfaction program, launched in 2019, remains a vital tool for understanding employee perspectives on work-related matters and identifying their needs and expectations. In 2023, an impressive 98.2% of employees across all branches participated in the program. The valuable feedback gathered has played a significant role in enhancing workplace productivity and fostering a positive working environment aligned with employee expectations.

Building on the progress made in 2023, the 2024 employee satisfaction survey achieved full participation, with a 100% response rate from employees across all branches. The survey continued to focus on the same key areas as previous years, including policy and management, job scope, career advancement, interpersonal relationships at all levels, fairness, working environment and tools, knowledge, training, remuneration, welfare and Occupational Health and Safety Management System.

To ensure convenient access for all employees, we continue to conduct its annual employee satisfaction survey primarily through online forms.

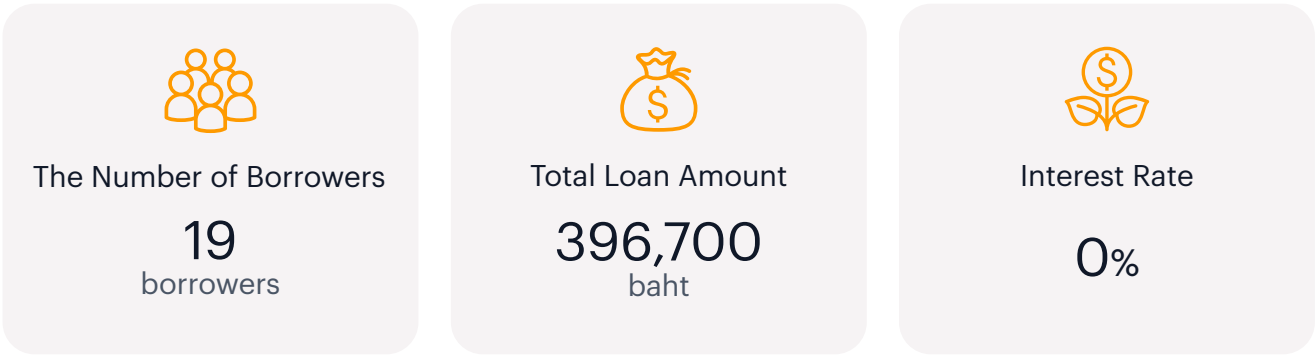
In 2024, we placed particular emphasis on improving employee satisfaction through several key initiatives, including enhanced communication, support for reducing employees’ personal expenses, educational assistance for employees’ children, employee knowledge development, financial aid programs, health and wellness promotion, and relationship-building activities.



Recognizing the diverse factors across our product groups, we’ve conducted a detailed segmentation analysis to uncover key insights. This approach enables us to design targeted employee satisfaction initiatives, ensuring each action is tailored to the specific needs of each group.

3.2 Financial Assistance Programs

Our Company consistently carries out the educational loan program year after year to assist employees in financing their children’s education. Under this initiative, our employees can avail interest-free loans of up to three times their salary, aimed at supporting those in need.



3.3 Employee Engagement Activities

Sport Day

Sport Day encourages our employees to engage in healthy competition and physical exercise. As we work together towards a common goal as a team builds camaraderie and fosters a sense of belonging within the organization.



A New Year Celebration to Remember

To welcome the new year and celebrate team spirit, we organized a vibrant gathering where our employees across all levels came together to enjoy food, drinks, games, gift exchanges, and lucky draw prizes. More than just a celebration, it was a moment of connection—fostering camaraderie, appreciation, and a shared sense of purpose across the organization.



Songkran Day

During Songkran festival, Thailand’s vibrant New Year celebration, as part of the traditional ceremony, employees poured fragrant water on Buddha statues and elders’ hands as a gesture of respect and to receive blessings for the coming year.



Educational Support for Employees’ Children

Our Company provided financial assistance for school uniforms and educational supplies to support the children of employees. This initiative reflects our commitment to employee well-being and the value we place on education and family support



Religious Activity Engagement for Employees

We organized religious activities to offer employees an opportunity for spiritual growth and reflection. These events aimed to promote mindfulness, well-being, and a sense of inner peace, while fostering a supportive and respectful environment for employees of all faiths.



Monthly Attendance Reward Program: Rice Distribution for Employees

To recognize employee commitment and encourage dedication, we launched a monthly rice distribution program. Employees who consistently meet attendance goals receive rice as a gesture of appreciation, fostering a strong work ethic and reinforcing positive workplace culture.



Empowering Health and Happiness at Work

In 2024, we joined the 'Healthy, Safe, and Happy Workplace' initiative. As part of our commitment to employee well-being, we participated in the Ministry of Public Health's program, which promotes physical and mental health, workplace safety, and a supportive work environment.



Motorcycle Maintenance Support Program

In 2024, we launched the Motorcycle Maintenance Support Program as part of our ongoing commitment to employee well-being, safety, and satisfaction. This initiative is designed to assist employees in maintaining their motorcycles, ensuring safer and more reliable commutes. Program highlights include engine oil changes, minor repairs, tire patching or replacement, and spare parts offered at cost price. Skilled technicians provide quality service and expert advice. Through this program, we aim to alleviate the maintenance burden on our employees while enhancing their commuting experience and overall job satisfaction.



TO BE NUMBER ONE

In 2024, we participated in the 'To Be No.1' initiative, representing the organization with a strong commitment to promoting drug prevention and cultivating a positive, drug-free workplace culture. Their efforts were nationally recognized, reinforcing our dedication to fostering a safe, supportive, and healthy work environment.



Supporting Disability Inclusion in the Workplace and Community

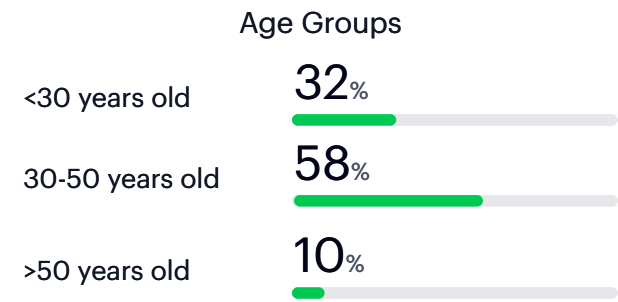
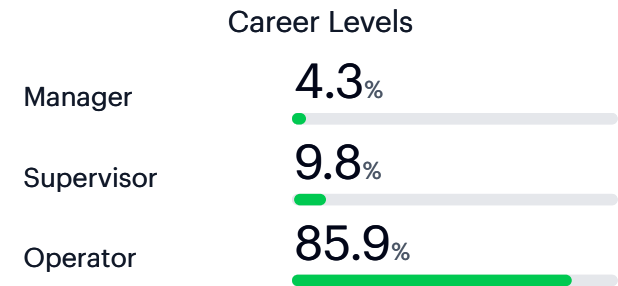
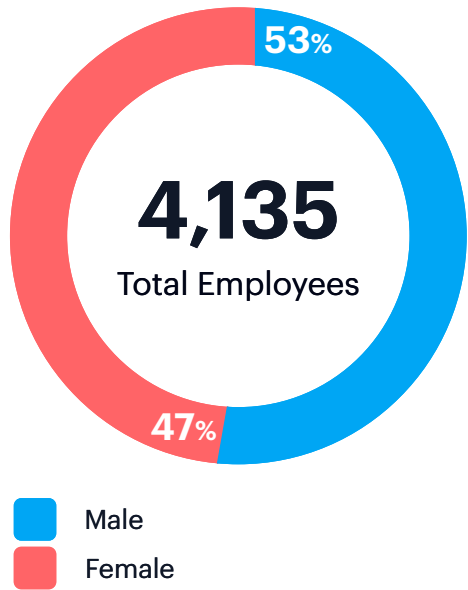
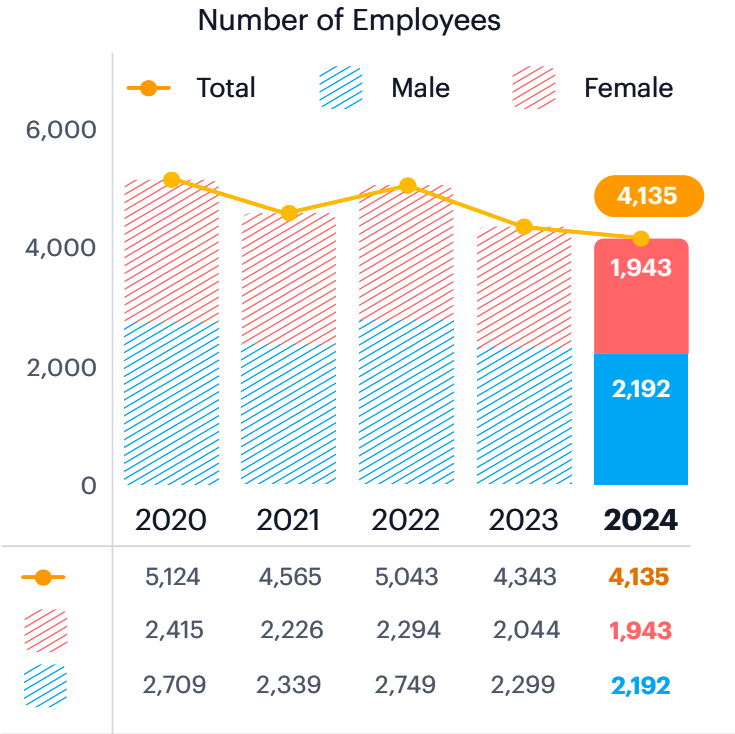
We joined the International Day of Persons with Disabilities to support the well-being of people with disabilities in the community, providing a grant and a wheelchair to a participant. We also conducted training sessions to raise awareness of disability rights, helping employees understand their legal entitlements, especially related to employment. These efforts reflect our commitment to building a more inclusive and sustainable society.



4 Diversity & Inclusion and Career Development

Our Company is dedicated to creating an inclusive and equitable workplace that supports diverse talent. Our commitment is reflected through the employment of individuals with disabilities and promotion of female employees.

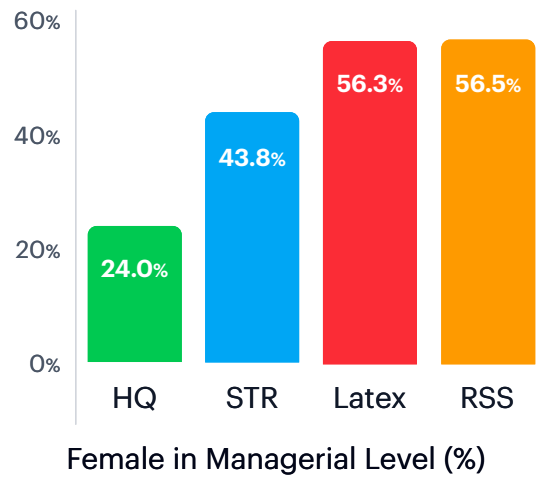
4.1 Employee Diversity and Inclusion



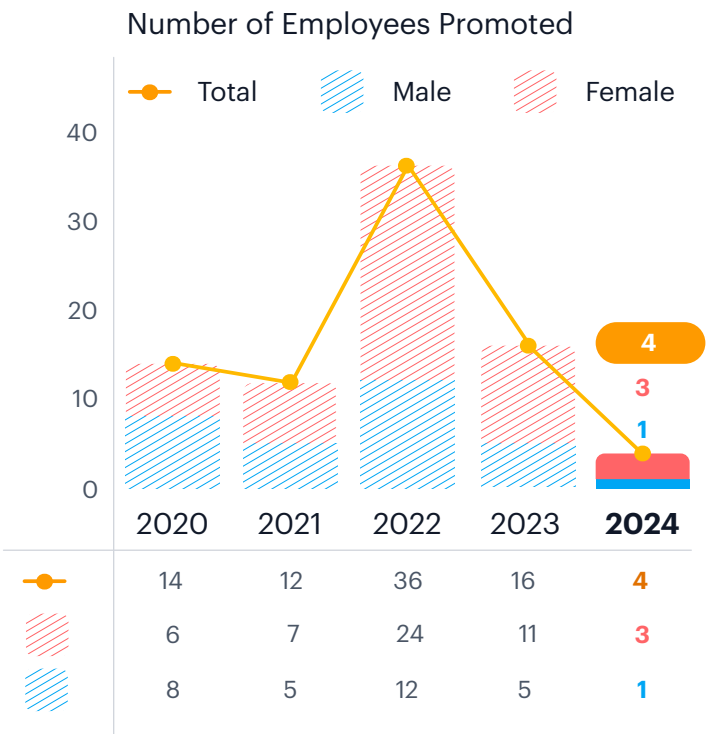
42 Employees with Disability

Female in Executive Level **24.2%**

Female in Managerial Level **44.9%**

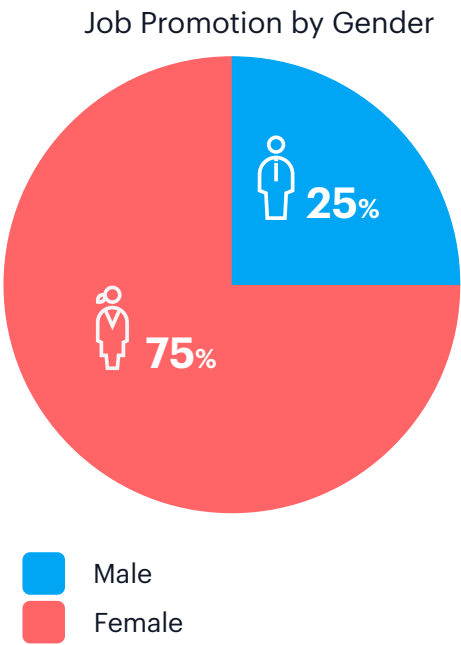
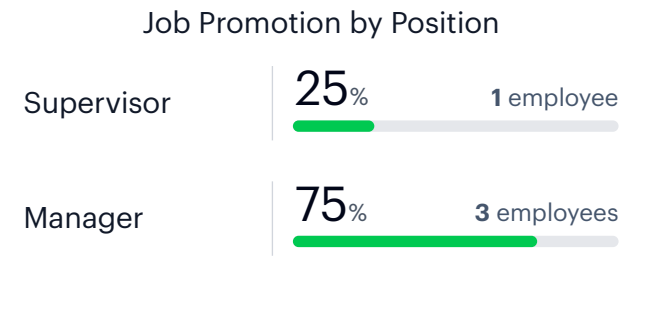


Job Promotion



We are committed to promoting employees every year, based on our career development policies and plans. The process is fair, non-discriminatory, and aligned with our human rights and labor practices to ensure equal opportunities for all.

Total Job Promotions
4
employees



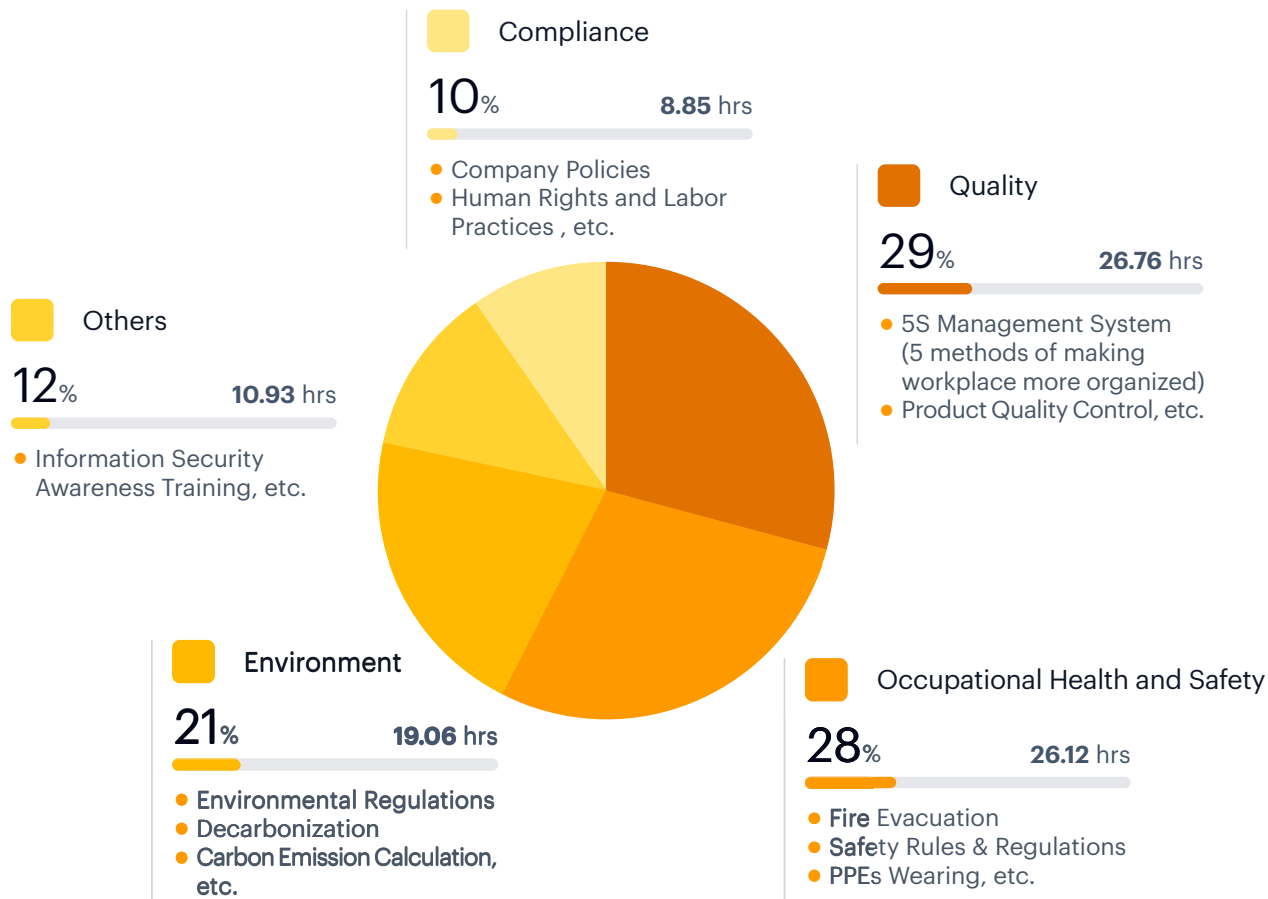
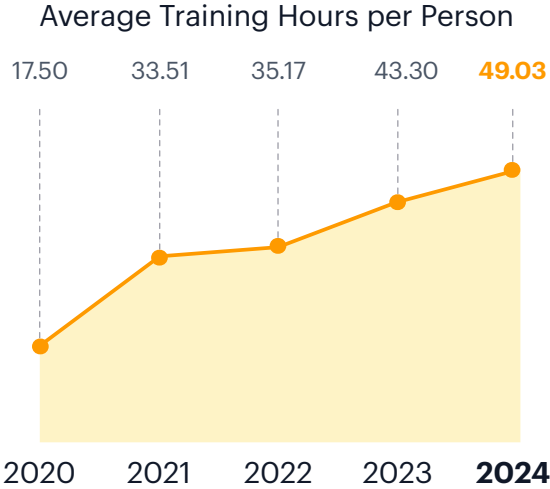
100%
Employee receiving regular performance & Career development

In 2024, we celebrated the promotion of four employees based on their skills, qualifications, and fit with our organization. One employee moved from a daily to a monthly wage position, one was appointed as Safety Management Representative, and two were promoted to Assistant Managing Directors.

These promotions support career growth and highlight the importance of hard work and dedication. We will continue to create opportunities for our people to grow and succeed in the future.

4.2 Employee Training

In addition to employee diversity and inclusion, we foster career growth for all employees through training programs that support employees' continuous learning and professional growth.



5 Community Engagement

We recognize that our success is closely tied to the well-being of the communities where we operate. Building strong relationships and fostering shared prosperity are essential to long-term sustainability. We actively collaborate with local organizations and stakeholders to address social challenges and create lasting positive impact through our community engagement and social contribution efforts.

5.1 Community Engagement and Social Contribution Activities



The figure reveals a clear impact of the COVID-19 pandemic in 2021 resulted in a dramatic decrease to 33 activities. However, the subsequent years show a gradual recovery, with 62 activities in 2022 and 61 in 2023. In 2024, our Company managed to conduct 65 activities.

Among our 65 social contribution activities in, the examples are as follows:



White School: Sports and Substance-Free Initiative

We organized an educational workshop and informative game-based activity to cultivate awareness, knowledge, and understanding among children and youth regarding the detrimental effects of drug abuse on their physical health, well-being, and the broader society.





Children’s Day

We donated scholarships and school supplies. Additionally, we participate in events by setting up booths where children can enjoy fun activities and receive rewards for their participation.



Temple Enhancement Initiative

We collaborated to improve local temples by focusing on safety, maintenance, and community engagement through activities such as painting, cleaning, structural repairs, and infrastructure improvements.



Drinking Water Donation

We donated 42 packs of drinking water to the Bangrak Subdistrict Administrative Organization to support community well-being and strengthen relationships with local government agencies.

Moreover, we provided drinking water to support a community sports event, reinforcing our commitment to promoting fostering health and stronger community connections



3R for Communities

We supported community schools by providing four types of waste bins and conducting waste-sorting training. We contributed by donating three types of bins to a local daycare, helping to teach young children the importance of recycling. Additionally, we partnered with a community recycling bank to promote effective and sustainable waste management.



Creating Shared Value:
Community Market Partnership Activity

As part of a joint initiative with the Provincial Industry Office, We launched the “Community Market Partnership” activity to support sustainable community development. The program aims to create new income opportunities for employees and local residents while providing access to quality products at fair prices.



Beach Landscape Improvement

We participated in a coastal cleanup and landscape improvement activity to help enhance the cleanliness and natural beauty of the seaside environment.



Empowering Local Livelihoods Through Khantoke Crafting

We supported a vocational training program on artificial rattan khantoke making for the Ban Nong Hoi community, in collaboration with the Wangwa Subdistrict Administrative Organization. The support included funding for meals, materials, and speaker facilitation.



Empowering Students Through Agriculture

We partnered with Thairath Witthaya 39 school on an agricultural initiative by providing students with vegetable seeds and young plants. Our employees actively joined the students in planting the crops, helping to supply fresh produce for school lunches while fostering a sense of care, learning, and fulfillment among the students.



Social Sustainability Performance

No	Topic	Targets	Results	Remarks
Health and Safety				
1	Incident Frequency Rate (IFR)	<2.5	1.08	✔ Achieved
2	Lost Time Injury Frequency Rate (LTIFR)	<2.5	1.08	✔ Achieved
3	Work-related fatality	0 case	0 case	✔ Achieved
4	Average safety training hours per person	≥12 hours/person/year	26.12 hours/person/year	✔ Achieved
Employees Welfare and Well-Being				
5	Employee satisfaction scores	≥85%	69.2%	
Diversity & Inclusion and Career Development				
6	Female employees in managerial level	≥35%	44.89%	✔ Achieved
7	Female employment	≥40%	47.16%	✔ Achieved
8	Average training hours per person	≥38 hours/person/year	49.03 hours/person/year	✔ Achieved
Human Rights and Labor Practices				
9	Employees trained on human rights & labor practices policy	100%	100%	✔ Achieved
10	Good labor practices certification	100%	100%	✔ Achieved
Community Engagement				
11	Social Contribution Activities	>60 activities	65 activities	✔ Achieved



Economic Aspect

In the rubber industry, economic sustainability is deeply connected to responsible sourcing and compliance with international regulations, such as EU Deforestation Regulation (EUDR). Our approach emphasizes building a transparent and traceable supply chain that protects the environment while supporting local livelihoods. By engaging directly with smallholders, promoting sustainable land-use practices, and ensuring raw materials are deforestation-free, we help secure long-term market access, particularly to the European Union.

These efforts not only enhance the efficiency and credibility of our supply chain but also generate positive economic impact by promoting fair income, rural development, and stable trade partnerships. Aligning with EUDR strengthens our economic resilience and contributes to a more sustainable future for all stakeholders.

- 1 Sustainable Supply Chain
- 2 Product Quality and Customer
- 3 Supporting Local Communities

1 Sustainable Supply Chain

We recognize that sustainable supply chain management is essential to reducing risks that could affect our operations and reputation. To address this, we apply strategic practices that embed sustainability across our entire value chain, from upstream sourcing to downstream distribution, guided by a strong commitment to environmental, social, and economic responsibility.

↓ Strategies

EUDR (European Union Deforestation Regulation)

We have established a standardized EUDR management process to ensure the traceability and legality of raw materials, helping to prevent non-compliant products from entering the EU market. This process includes supplier due diligence, risk assessments, and transparent documentation across the supply chain.

Supplier Sustainability Awareness and Development

We actively promote supplier sustainability through ongoing engagement and capacity-building efforts. Key initiatives include providing sustainability training and encouraging agroforestry practices in rubber plantations to enhance biodiversity, minimize environmental impact, and support local communities.

Building Sustainability Procurement Awareness and Capacity

We enforce a Sustainable procurement policy and implement a traceability program to ensure product sustainability across the supply chain.



1.1 EUDR (European Union Deforestation Regulation)

1.1.1 Preparedness for EUDR

As part of our Company's commitment to environmental stewardship and sustainable growth, we are proactively preparing for the implementation of EUDR, which aims to mitigate deforestation and forest degradation associated with the supply chains of natural rubber.

To align with EUDR requirements, we have reinforced supply chain transparency by improving traceability of raw material origins. This includes close collaboration with suppliers to verify that all rubber is sourced responsibly and is free from deforestation. In addition, we are investing in independent audits to validate compliance, underscoring our commitment to sustainable development and regulatory preparedness.

In the natural rubber industry, economic sustainability depends heavily on comprehensive supply chain traceability, from upstream sourcing to downstream distribution. At the upstream level, engaging smallholders and identifying the geographic origin of rubber are essential for responsible sourcing and compliance with environmental and land use regulations, including EUDR. Geo-traceability further enables processors to evaluate risks related to deforestation, land rights, and biodiversity, strengthening both environmental integrity and supply chain accountability.

By implementing traceability systems that collect data from farm to factory, we are building a transparent and accountable supply chain. In the downstream segment, buyers and manufacturers increasingly expect proof of ethical and legal sourcing. Meeting these expectations enhances our competitiveness, strengthens long-term trade partnerships, and creates value throughout the supply chain.

Ultimately, supply chain traceability supports both regulatory compliance and economic resilience. It reduces risk, improves resource efficiency, and promotes equitable economic opportunities for smallholder communities, ensuring continued access to international markets.



1.1.2 Ensuring Suppliers Compliant with EUDR



Strengthening EUDR Compliance: Traceability, Due Diligence, and Deforestation-Free Verification

To align with EUDR, our company has adopted a structured approach to strengthen supply chain integrity and environmental accountability.

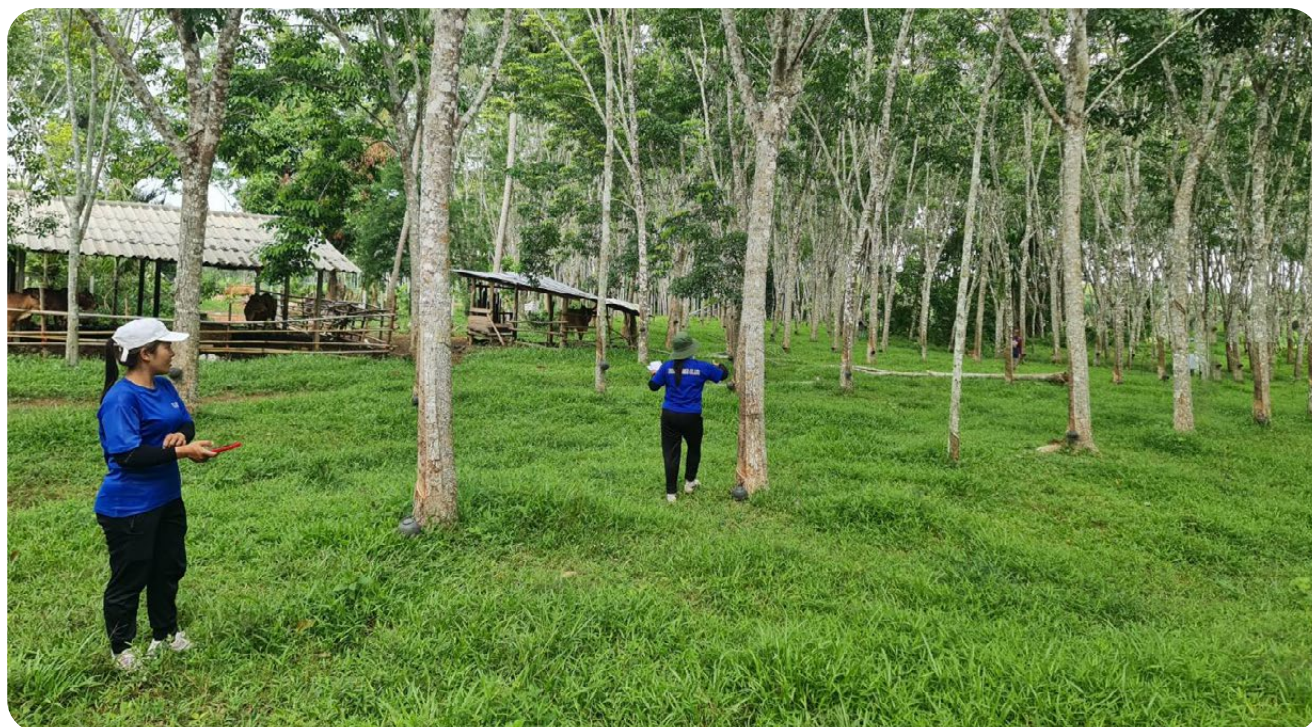
In 2024, we initiated the collection of geospatial data to map the locations of rubber plantations, focusing primarily on direct suppliers and large-scale farms. This effort enabled us to accurately trace the origin of raw materials and verify that sourcing areas were free from deforestation.

We also established a due diligence system to assess supplier compliance. Suppliers were categorized into two groups: Compliant and Non-negligible risk. This classification allowed us to identify gaps, implement corrective actions, and ensure adherence to legal and environmental requirements. The assessment process included verification of legal documents, supplier declarations, and the use of satellite imagery to confirm historical land use.

All data was reviewed using methodologies aligned with EUDR to verify that raw materials were sourced from deforestation-free areas. Remote sensing tools such as Polygon mapping, geo-tagged photographs, and supplier traceability audits were applied to enhance the accuracy and reliability of compliance checks.

Currently, the EUDR cargo handling process differs from the internal risk assessment diagram used for evaluations. In 2025, we plan to conduct a reassessment to classify all suppliers by risk level as Low, Medium, or High. This will support more targeted and effective risk management.

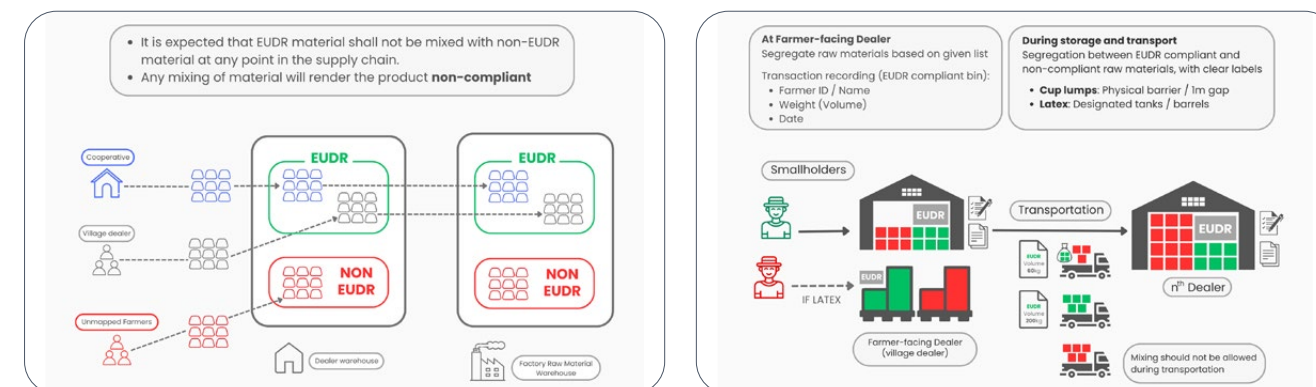
Moreover, we will implement mitigation measures to address risks and bring non-negligible risk plots into compliance, or remove these suppliers from our EUDR supply chain if the risks cannot be effectively mitigated.



1.1.3 Segregation of EUDR raw materials

As part of our Company's risk mitigation strategy, it is essential to segregate EUDR compliant and non-EUDR compliant rubber from the farm level through to export. This approach ensures alignment with EUDR regulations and reinforces our commitment to environmental stewardship. The process involves rigorous tracking and documentation to verify that rubber is sourced from deforestation-free areas and that supply chains remain transparent and sustainable.

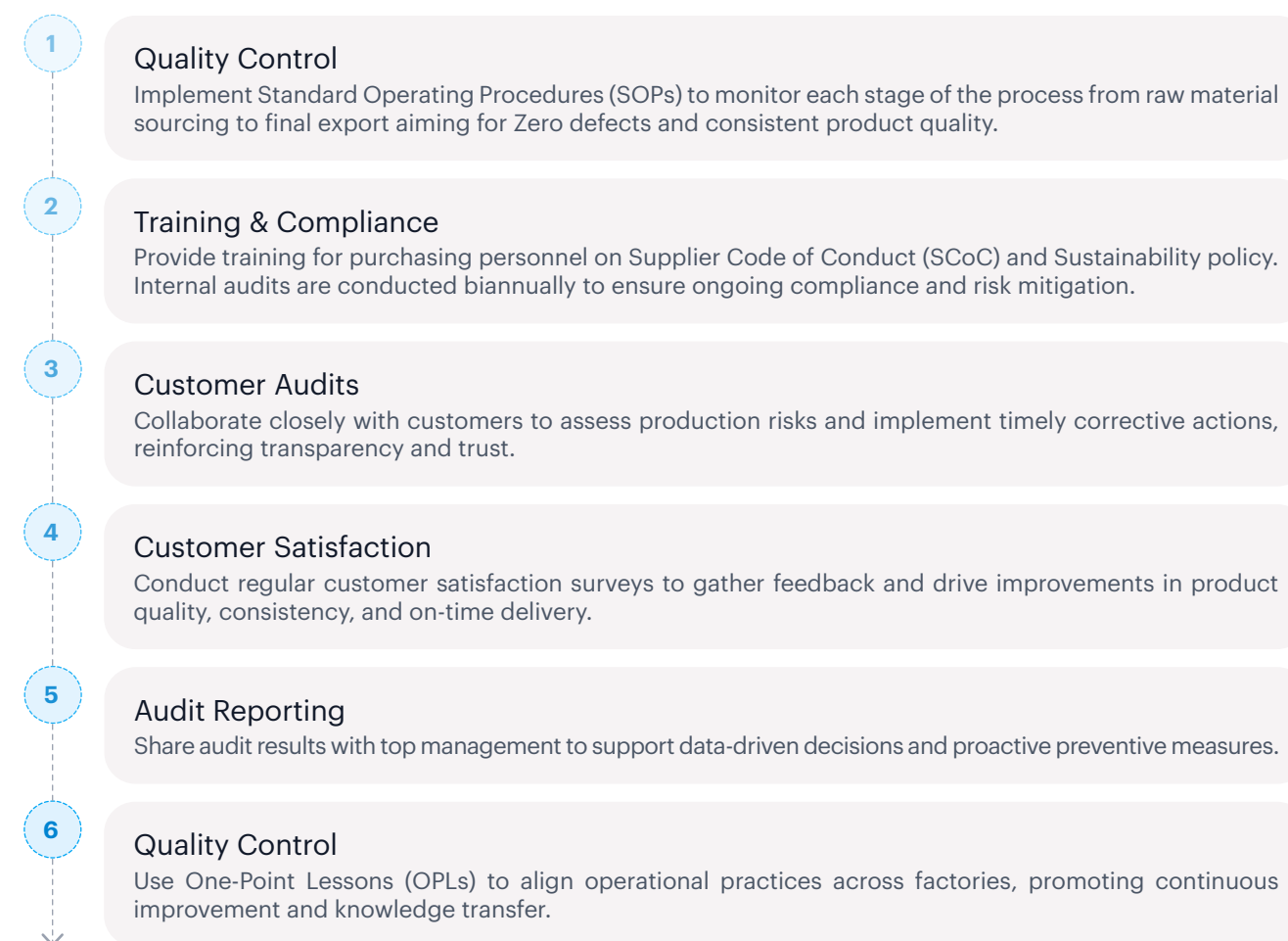
Additionally, we have implemented strict segregation protocols within its factories to prevent the mixing of EUDR compliant and non-EUDR compliant rubber. Examples are as follows:



1.1.4 Quality Improvement aligned with EUDR

Best Practices for Quality Enhancement

We commit to rigorous quality standards by implementing structured strategies and comprehensive management systems, ensuring alignment with EUDR requirements.



1.1.5 Progress EUDR Survey (Mapping)

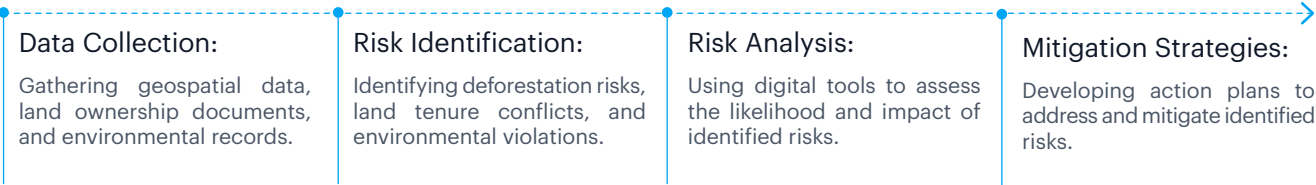
↓ Upstream Assessment

1. Tools and Applications for Upstream Assessment

The process of Upstream Assessment to ensure accurate data collection and risk evaluation. Mobile Survey authorized applications to ensure transparency and traceability in the assessment process and to automated risk assessment based on collected legal data.

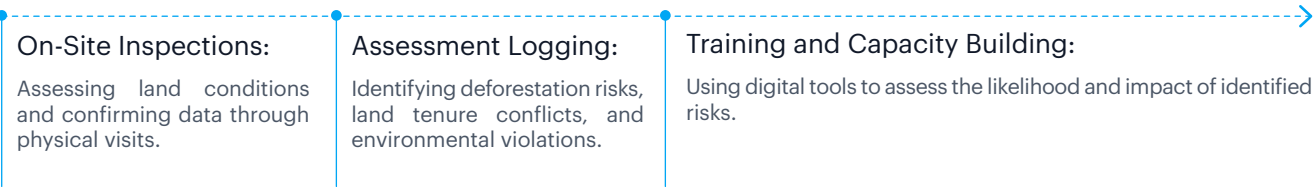
2. Principles and Risk Assessment Framework

The Upstream Risk Assessment follows a structured framework to evaluate risks associated with land use and legality. The assessment generally follows these key steps:



3. Principles and Risk Assessment Framework

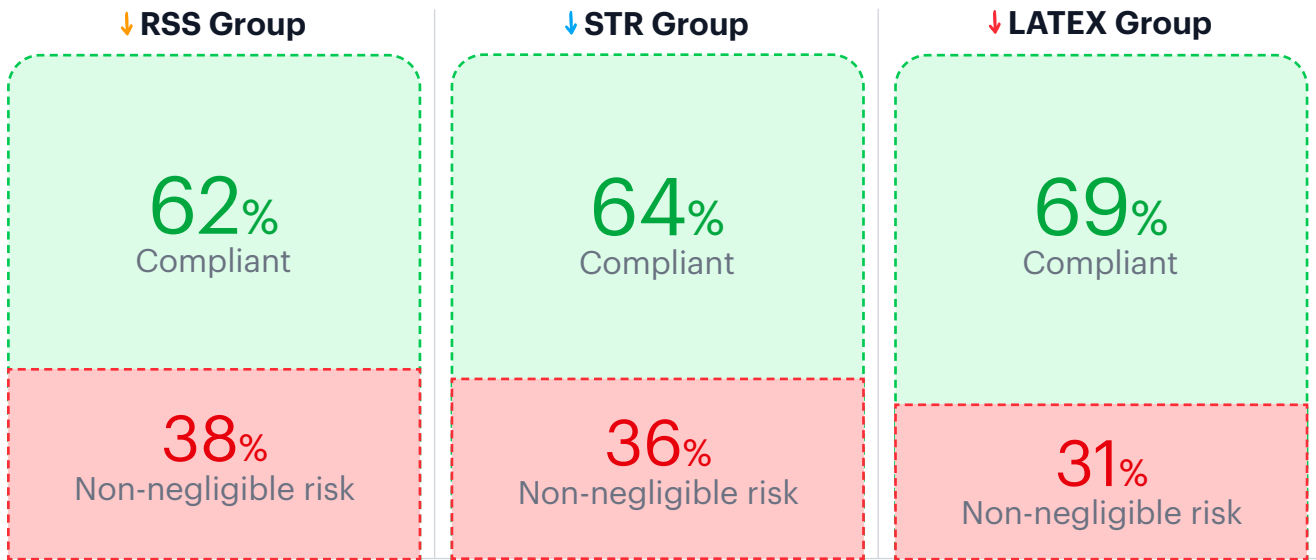
The process includes:



4. Summary of Deforestation & Initial Legality Verification

The final assessment report includes an evaluation of deforestation risks and legality verification. The results provide insights into potential deforestation risks and legal challenges, ensuring responsible rubber sourcing and environmental sustainability. Through systematic upstream assessment, stakeholders can ensure that rubber plantations comply with environmental and legal standards, promoting sustainable production and reducing deforestation risks.

Percentage of plots in EUDR Compliance seperated by product group



Moving forward, we are taking proactive steps to mitigate non-negligible risk plots, including on-site visits, supplier engagement, and risk mitigation programs such as suppliers’ capacity building, data verification, grievance mechanism, incentives motivation to ensure EUDR alignment.

1.2 Supplier Sustainability Awareness and Development

1.2.1 Engagement Activities (Capacity Building)

↓ Monthly E-newsletters

We distribute monthly e-newsletters to suppliers, sharing key sustainability updates and engagement topics. These include best practices for rubber plantation management, adherence to Company standards, and other important sustainability issues that suppliers are expected to uphold.

January FSC: Forest Stewardship Council	February Carbon Credit	March EUDR, FSC, Personal Data Protection Act (PDPA)
April Sustainable Agriculture: Rubber plant varieties	May Sustainable Procurement Policy	June EUDR Compliance
July Rubber products and EUDR	August Carbon footprint “How to save energy and sort waste”	September Rubber Plantation area management toward Sustainability dressing for Safety at work
October Rubber species, Human rights	November How to eat to help reduce Global warming Low-Carbon society	December No gift policy, Restoring Rubber plantations after flooding



↓ Capacity Buildings - Supplier Workshops

A Record of Capacity Buildings - Supplier Workshops (2020–2024)

Year	Number of Workshops	Total Participants
2020	4	87
2021	No workshop conducted due to COVID-19 pandemic.	
2022	6	249
2023	4	173
2024	2	123

In 2024, Southland Rubber Group implemented capacity-building initiatives in collaboration with farmer groups. Expert speakers from the Rubber Authority of Thailand (RAOT) in Songkhla facilitated knowledge-sharing sessions to enhance sustainable farming practices.



Southland Resources in Cha-nea Sub-district, Sabayoi District, Songkhla Province, we conducted Capacity Buildings - Supplier Workshop for rubber farmers, focusing on sustainable rubber cultivation and compliance with EUDR. The initiative equipped farmers with essential knowledge and practical techniques to adopt environmentally responsible practices aligned with international standards.

Through open discussions and hands-on activities, participants gained a deeper understanding of sustainable farming methods and the implications of EUDR on their livelihoods. This program not only strengthened farmers’ capabilities but also reinforced their commitment to advancing sustainability in the rubber industry.



- Training Topics
- Company policy
 - Sustainable procurement policy
 - Quality policy
 - EUDR
 - Grievance Mechanisms
 - Cooperation in providing information on rubber plantations

For 2025, Southland Rubber Group aims to expand these capacity-building activities across all subsidiaries and branches, ensuring that every group actively engages with farmers in similar initiatives.

Training Topics on EUDR Issues (Risk Assessment):

- Land Use Rights Compliance
- Environmental Protection Compliance
- Forest-Related Regulations Compliance
- Third-Party Rights Compliance
- Free, Prior, and Informed Consent Compliance
- Human and Labor Rights Compliance
- Tax, Anti-Corruption, Trade, and Customs Regulations

1.2.2 Promoting Sustainability with Circular practices in our Supply chain

As part of our commitment to sustainability and the principles of the circular economy, We have implemented various initiatives aimed at supporting suppliers and enhancing agricultural practices through waste-to-resource projects.

↓ Supporting Suppliers through Circular Economy Practices

One of our key initiatives is transforming sediment waste into organic fertilizer. This project demonstrates our commitment to the circular economy by converting by products into valuable agricultural inputs, reducing environmental impact, and fostering a sustainable resource cycle.

Since 2021, we have partnered with intermediary distributors to supply organic fertilizer to local farmers. This fertilizer is produced by processing sediment waste and enriching it with microbial starter cultures to improve soil health and boost productivity.

Fertilizer Distribution Summary (2021–2024)

Year	Amount Distributed (kg)	Number of Farmers	Remark
2021	100 kg	1	Pilot phase of the project
2022	560 kg	2	Expanded distribution
2023	2,000 kg	2	Peak distribution year
2024	1,600 kg	2	Continued strong engagement

Through this program, we not only reduce waste but also support the agricultural supply chain by offering cost-effective, eco-friendly soil enhancers. These efforts contribute to both environmental sustainability and economic resilience for our farming communities.

We remain committed to expanding this project and developing new partnerships that align with our sustainable development goals.



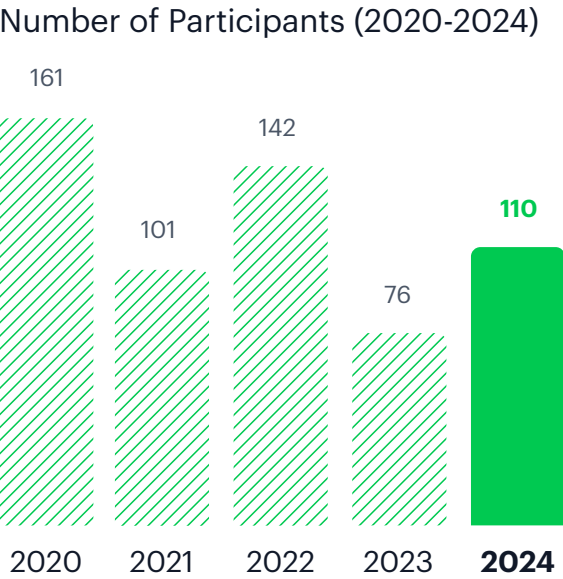
1.3 Building Sustainable Procurement Awareness and Capability

To foster continuous improvement in sustainable procurement, we have established an annual training program for raw material and general procurement staff, as well as other relevant teams. The program aims to raise awareness, build knowledge, and enhance capabilities in sustainable sourcing practices, ensuring alignment with our broader environmental and social responsibility goals.

Training Topics

- Sustainability & Sustainable Procurement Policy
- Supplier Code of Conduct Policy
- Quality Policy
- Supplier Risk Assessment KPI & Action Plan
- EU Deforestation Regulation

These training sessions are designed to ensure that all involved personnel stay updated with current trends, policies, and regulations in procurement sustainability. The program also supports our long-term commitment to responsible sourcing and continuous development in sustainable practices.



2 Product Quality and Customer Satisfaction

We prioritize robust product quality management to prevent recurring issues and to ensure that processed natural rubber consistently adheres to customer specifications. As part of our commitment to continuous quality improvement, we maintain regular engagement with customers through satisfaction surveys, on-site factory visits, and formal audit processes.

↓ Strategies

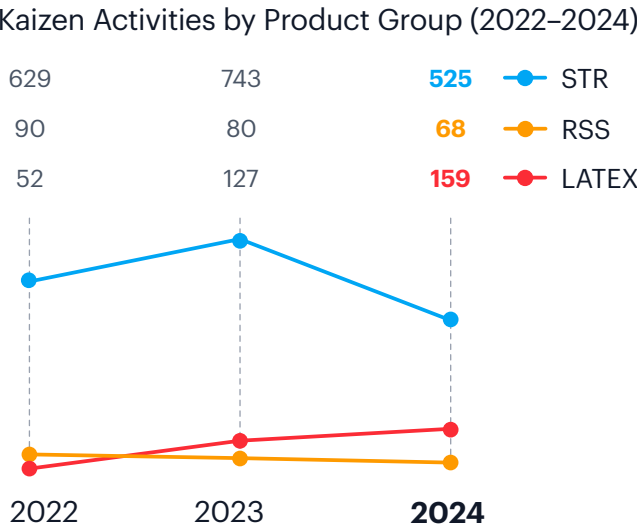
- Implement ISO 9001 Quality Management System (QMS) to ensure standardized and consistent quality practices across operations.
- Conduct regular internal quality audits to monitor compliance and identify areas for improvement.
- Apply Kaizen and 5S methodologies to promote continuous improvement in management practices and operational efficiency.
- Engagement with customers to gather feedback on product quality, consistency, and delivery performance, supporting data-driven enhancements.

2.1 Kaizen-Based Quality Improvement

We apply Kaizen principles in milling and overflow processes to enhance raw material quality, minimize defects, and boost efficiency. A key focus is on eliminating foreign materials that may be introduced with raw materials during the milling process. This involves implementing advanced screening and separation techniques to ensure product purity.

Additionally, we emphasize controlling the cleanliness of overflow water in the production line. By maintaining strict water filtration and purification measures, we prevent contamination and uphold high hygiene standards, ensuring the overall quality and consistency of our products.

Our commitment to continuous improvement and sustainability ensures alignment with EUDR requirements while consistently delivering high-quality products.



↓ Kaizen Report

Southland Rubber

Department: Smoked Section

Month: June 2024

Project Title: Installation of Firewood Guard Grate

Objective: To prevent early-stage fire hazards during the firewood loading process.

Background: Previously, the absence of a protective grate during firewood loading allowed the possibility of wood being pushed too far into the combustion chamber. This posed a risk of wood fragments entering the smoke duct, which could cause direct flame contact with the smoke channel. In some cases, this could lead to the melting of components and increase the risk of fire ignition.

Action Taken: In June 2024, the Smoked Section installed a protective grate using welded steel rods. This grate serves as a barrier to prevent firewood fragments from entering the smoke duct and blocks sparks or flames from reaching sensitive areas.

Results: The installation of the firewood guard grate acts as a preventive measure, effectively reducing the risk of early-stage fires during operations.

Conclusion: The grate installation provides a simple yet effective first layer of fire prevention. The Smoked Section will continue monitoring the area and evaluate if similar measures are required in other combustion zones.



Next Steps:

- Monitor the grate's condition and effectiveness monthly.
- Conduct safety reviews to identify other fire-prone areas.
- Consider reinforcing the structure for long-term durability.

Southland Latex

Department: Skim Block Sample Cutting

Month: June 2024

Project Title: Standardized Sample Cutting for Skim Blocks

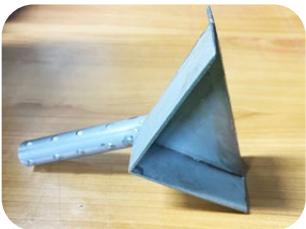
Objective: To cut skim block samples into uniform, standardized sizes.

Background: Previously, sample cutting was done by visual estimation, resulting in inconsistent block sizes. This lack of uniformity affected the accuracy and efficiency of subsequent testing and evaluations.

Action Taken: In June 2024, the team repurposed leftover stainless steel to create a triangular cutting guide with an attached handle. This tool was designed to assist in producing consistent and accurate sample sizes.

Results: The new cutting tool allowed for faster and more convenient operation. All samples were cut to the same size, meeting the required standard.

Conclusion: The implementation of the cutting guide successfully improved efficiency and ensured consistency in sample preparation.



Next Steps:

- Continue using the tool in daily operations.
- Explore improvements for better ergonomics and durability.
- Evaluate the possibility of applying similar tools to other sample types.

Southland Resources

Department: Engineering
Month: August 2024

Project Title: Installation of Filter to detect Foreign materials in Water Pond
Objective: To reduce foreign materials inflow into Pond via filtration system installation.

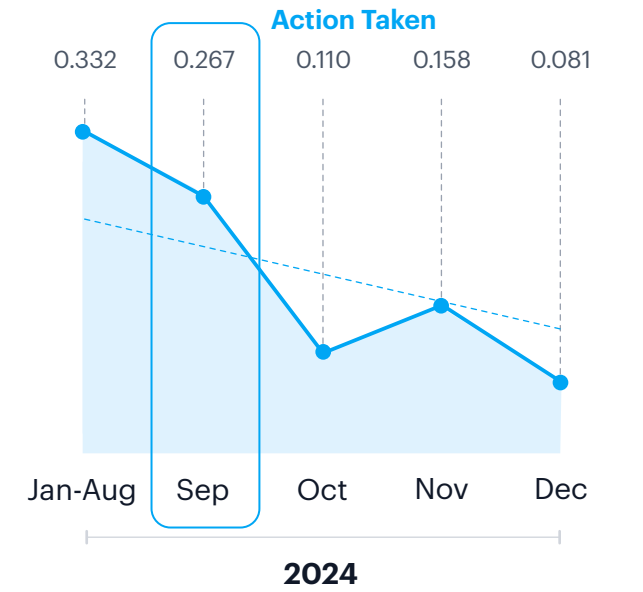
Background: Foreign materials present in the water supply before entering pond have previously caused maintenance issues and affected water quality. To address this, the Engineering Department initiated a Kaizen activity to implement a filtration solution.

Action Taken: In August 2024, the Engineering Department installed a filter system at the water inlet before it reaches Pond. This system was designed to trap foreign materials such as debris, sediment, and other unwanted materials.

Results: After one month of operation, data collection and analysis showed a 25% reduction in foreign materials entering Pond. This improvement contributes to better water quality and reduces the need for frequent cleaning and maintenance.

Conclusion: The implementation of the filter system successfully improved water quality and demonstrated measurable improvement. The Engineering Department will continue to monitor the system’s performance and explore further enhancements for water treatment.

Average Quantity of Foreign Matter in the Packing Line Area (kg)



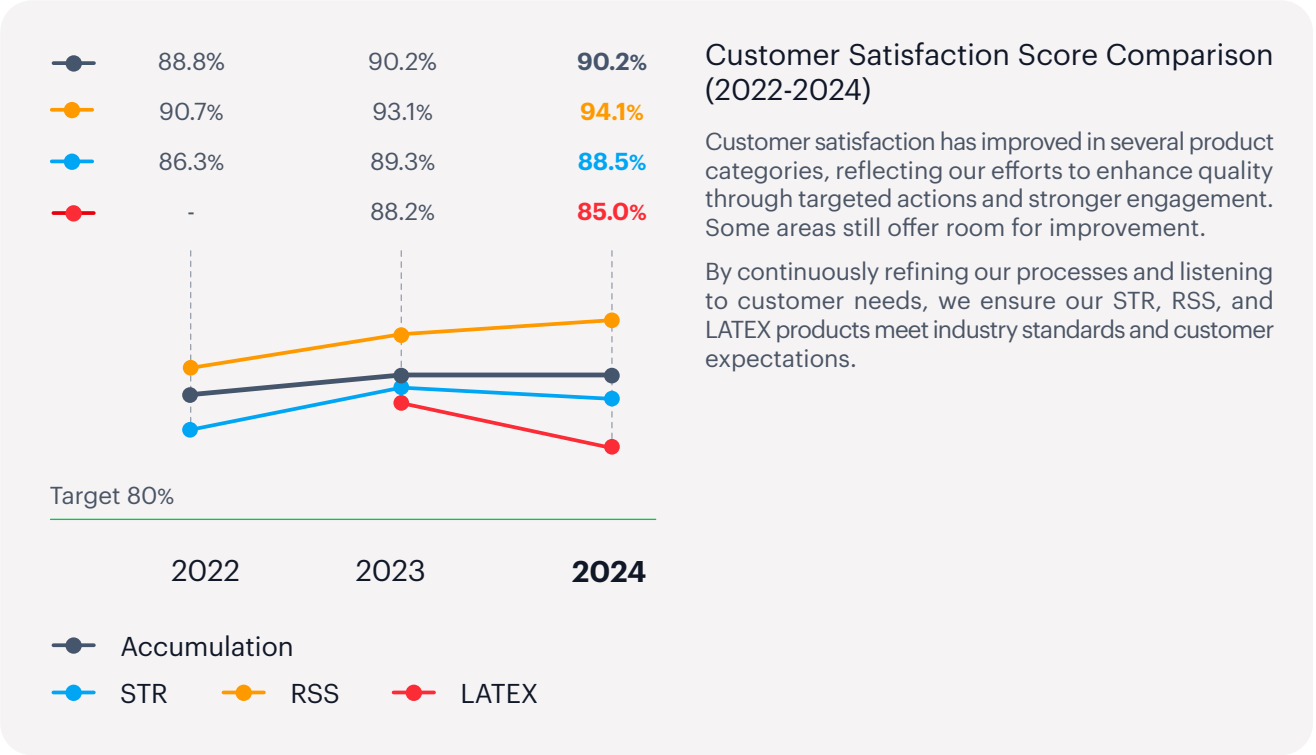
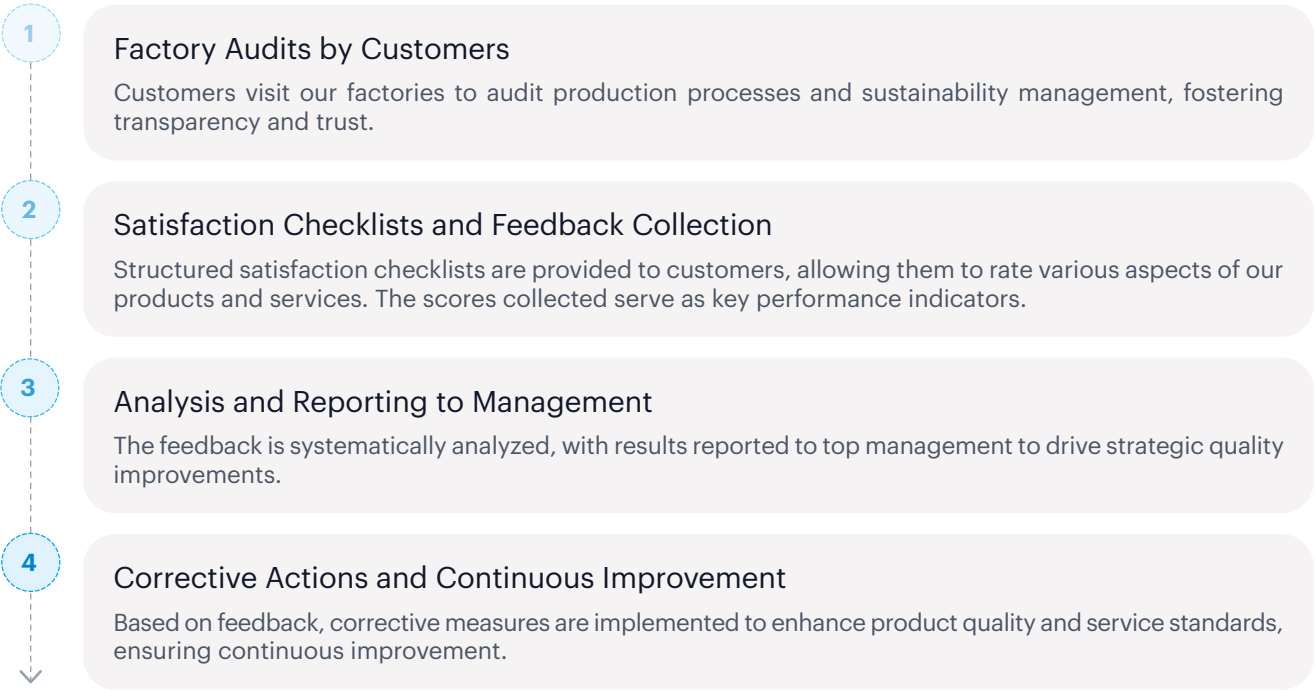
Next Steps:

- Continue monitoring the filter system monthly.
- Evaluate the potential for additional filtration at other critical points.
- Review maintenance schedules based on water quality improvement.

2.2 Customer Satisfaction

We prioritize customer satisfaction as a key driver of operational excellence. Through continuous assessment and improvement, we ensure that our STR, RSS, and LATEX products consistently meet customer expectations. By actively gathering feedback and implementing enhancements, we strengthen long-term relationships and reinforce our commitment to quality and sustainability.

Customer Assessment Process



3 Supporting Local Community

We support local communities by promoting inclusive economic growth and environmental responsibility. These include sourcing products from OTOP (One Tambon (Subdistrict) One Product), a Thai government initiative that promotes community-based entrepreneurship by supporting unique, locally made goods rooted in traditional knowledge and culture, while also encouraging sustainable practices in upstream operations to enhance long-term community and environmental well-being.

3.1 Support for Local Economic Development through Community Product Procurement

We’ve extended the local economy by actively purchasing a variety of community-made products from areas surrounding its factories. This initiative not only enhances the economic well-being of the local population but also promotes sustainable and inclusive growth.

Types of Products Purchased

The products are primarily sourced from OTOP and local community group including:

- Food:** Curry paste and other locally produced foods
- Consumables:** Coconut leaf brooms, handmade baskets
- Agricultural Inputs:** Wood vinegar, organic fertilizer

Year	OTOP	Local community group
2022	2%	98%
2023	82%	18%
2024	71%	29%



3.2 Strengthening Upstream Practices: Training and Farmer support

As part of our capacity-building efforts for up-stream suppliers, we organized a series of training and engagement activities focused on improving occupational health and safety among rubber farmers. Each session included the distribution of practical tokens of appreciation such as rubber tapping knives, boots, and flashlights which served both as incentives and tools to promote safer, more efficient work practices.

To further support farmer well-being, some branches installed water coolers at rubber collection points, offering farmers a chance to refresh themselves when delivering rubber to middlemen. This thoughtful gesture was well-received by the community and underscored our commitment to improving working conditions.

Overall, these initiatives received positive feedback, with participants expressing appreciation for both the tangible support and our Company’s continued efforts to improve upstream practices.



Water Coolers at Collection Points



Rubber Tapping Knives



Economic Sustainability Performance

No	Topic	Targets	Results	Remarks
1. Sustainable Supply Chain				
1.1	¹ Traceable raw material at district level	100%	100%	✔ Achieved
1.2	Supplier Sustainability Awareness and Development Suppliers are communicated and acknowledge on: <ul style="list-style-type: none">● Supplier Code of Conduct● Sustainability and Sustainable Procurement Policy	100%	100%	✔ Achieved
	Procurement Sustainability Awareness and Development Purchasing personnel and relevant persons are trained on: <ul style="list-style-type: none">● Supplier Code of Conduct● Sustainability and Sustainable Procurement Policy			
1.3	Purchasing personnel and relevant persons are trained on: <ul style="list-style-type: none">● Supplier Code of Conduct● Sustainability and Sustainable Procurement Policy	100%	100%	✔ Achieved
1.4	Employees trained in Anti-Corruption Policy	100%	100%	✔ Achieved
2. Product Quality and Customer Satisfaction				
2.1	Quality feedback from customers	Zero	0.28%	Quality complaints from customer (% from total export shipments)
2.2	Customer satisfaction score	≥ 80%	ACC: 90.2%	✔ Achieved STR: 88.5%, RSS: 94.1%, LATEX: 85%
3. Supporting Local Communities				
3.1	Supporting Local Economies with OTOP Procurement	17 factories	3 factories	✔ Achieved 3/17 branches focus on cooperative members.
3.2	Good Practice for Upstream Activities	3 Product Groups	STR RSS LATEX	✔ Achieved


1. District level refers to the district where first tier suppliers receive or collect natural rubber.

Our Achievements

We are proud to share the recognition and milestones we have achieved as part of our ongoing commitment to sustainable development and responsible business conduct. These achievements include various awards, certifications, and public recognition that reflect our performance in environmental stewardship, social responsibility, and good governance. These accomplishments underscore our dedication to continuous improvement, stakeholder trust, and transparent operations.

For further details, please visit: <https://www.southlandholding.com/overview/award.html>

↓ The Good Labor Practices



Our operations have been certified with **100%** compliance in Good Labor Practice (GLP), reflecting our firm commitment to fair, safe, and ethical labor standards.

↓ Thai Labor Standard (TLS 8001-2020) for Basic Level




Awarded / Endorsed by	Factory Awarded / Endorsed
Cooperation between the public and private sectors	Southland Rubber Co., Ltd. (YL)

↓ Prevention and Solution to Drug Problems in an Establishment



Awarded / Endorsed by	Factory Awarded / Endorsed
The Department of Industrial Works of Thailand	Southland Rubber Co., Ltd. (YL)
	Southland Rubber Co., Ltd. (HX)
	Southland Rubber Co., Ltd. (SN)
	Southland Resources Co., Ltd. (BJ1)
	Southland Resources Co., Ltd. (BJ2)
	Southland Resources (Chumphon) Co., Ltd. (FB)
	Southland Resources (Phetchabun) Co., Ltd. (BH)
	Southland Latex (Phatthalung) Co., Ltd. (PT)

↓ The Excellent Establishment on Labor Relations and Welfare Award



Awarded / Endorsed by	Factory Awarded / Endorsed
the department of Labor Protection and Welfare	Uni Rubber Co., Ltd. (TSU)


↓ The Healthy, Safe, and Happy Workplace Project

	Awarded / Endorsed by		Factory Awarded / Endorsed
	Ministry of Public Health		Southland Latex Co., Ltd. (NTW)

↓ CSR-DIW Continuous Award

	Awarded / Endorsed by		Factory Awarded / Endorsed
	The Department of Industrial Works of Thailand		Southland Rubber Co., Ltd. (HX)
			Southland Rubber Co., Ltd. (SN)
			Uni Rubber Co., Ltd. (TSU)
			Southland Resources Co., Ltd. (BJ1)
			Southland Resources Co., Ltd. (BJ2)
			Southland Resources Co., Ltd. (BJ4)
			Southland Latex Co., Ltd. (NTW)
			Southland Latex Co., Ltd. (BK)
			Southland Latex (Phatthalung) Co., Ltd. (PT)
			Unimac Rubber Co., Ltd. (TG)

↓ Green Industry Level 3

	Awarded / Endorsed by		Factory Awarded / Endorsed
	The Department of Industrial Works of Thailand		Southland Rubber Co., Ltd. (YL)
			Southland Rubber Co., Ltd. (HX)
			Southland Rubber Co., Ltd. (SN)
			Unimac Rubber Co., Ltd. (TG)
			Uni Rubber Co., Ltd. (TSU)
			Southland Resources Co., Ltd. (BJ1)
			Southland Resources Co., Ltd. (BJ2)
			Southland Resources Co., Ltd. (BJ3)
			Southland Resources Co., Ltd. (BJ4)
			Southland Resources (Chumphon) Co., Ltd. (FB)
			Southland Resources (Trang) Co., Ltd. (FC)
			Southland Latex Co., Ltd. (NTW)
			Southland Latex Co., Ltd. (BK)
			Southland Latex (Phatthalung) Co., Ltd. (PT)

GRI Index

GRI Standard	Disclosure Number	Disclosure Title	Page	Comment
GRI 2: General Disclosure				
1. The organization and its reporting practices				
	GRI 2-1	Organization Details	3, 6-7	
	GRI 2-2	Entities included in the organization's sustainability reporting	3, 7	
	GRI 2-3	Reporting period, frequency, and contact point	3	
2. Activities and workers				
	GRI 2-6	Activities, value chain and other business relationships	6,8	
	GRI 2-7	Employees	6	
3. Governance				
	GRI 2-12	Role of the highest governance body in overseeing the management of impacts	3, 9-10, 15	
	GRI 2-13	Delegation of responsibility for managing impacts	10	
	GRI 2-14	Role of the highest governance body in sustainability report	3	
	GRI 2-15	Conflicts of interest	13, 14	
	GRI 2-16	Communication of critical concern	14	
4. Strategy policies and practices				
	GRI 2-22	Statement on sustainability development strategy	4-5	
	GRI 2-23	Policy commitment	9, 38-41	
	GRI 2-24	Embedding policy commitment	13	
	GRI 2-25	Processes to remediate negative impacts	14	
	GRI 2-26	Mechanisms for seeking advice and raising concerns	14	
	GRI 2-27	Compliance with laws and regulations	62-67	
	GRI 2-28	Membership associations	-	Being a member of Global Platform for Sustainable Natural Rubber (GPSNR), Thai Rubber Association, Thai Latex Association, Thai National Shipper's Council, and The federation of Thai Industries
5. Stakeholder engagement				
	GRI 2-29	Approach to stakeholder engagement	11-12	

GRI Standard	Disclosure Number	Disclosure Title	Performance in each reporting year / comments			Unit	Page
			2022	2023	2024		
GRI 205: Anti-corruption (2016)							
	GRI 205-1	Operations assessed for risks related to corruption	100% (Through Internal Audit)	100% (Through Internal Audit)	100% (Through Internal Audit)	Percent	14
	GRI 205-2	Communication and training about anti-corruption policies and procedures					
		- percentage of governance body members communicated and trained on anticorruption policies	100%	100%	100%	Percent	9, 14
		- percentage of employees communicated and acknowledged on anti-corruption policies	100%	100%	100%	Percent	9, 14
		- percentage of employees trained on an-ti corruption policies	100%	100%	100%	Percent	9, 14
	GRI 205-3	Confirmed incidents of corruption and actions taken	No confirmed corruption incident	No confirmed corruption incident	No confirmed corruption incident	Case	14
GRI 206: Anti-competitive Behavior							
	GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Zero	Zero	Zero	Case	-

GRI Standard	Disclosure Number	Disclosure Title	Performance in each reporting year / comments			Unit	Page
			2022	2023	2024		
GRI 302: Energy (2016)							
	GRI 302-1	Consumption within the organization	301,395.48	257,390.83	266,564.53	MWh	28
		Fuel	167,856.47	145,107.39	143,578.32	MWh	
		Electricity	133,539.01	112,283.44	122,986.21	MWh	
	GRI 302-3	Energy intensity	0.442	0.475	0.434	MWh/Ton of production	28
GRI 303: Water and Effluents (2018)							
	GRI 303-2	Management of water discharge-related impacts	Wastewater treatment system	Wastewater treatment system	Wastewater treatment system	100% (All operating unit)	30
	GRI 303-3	Water withdrawal	682,137.27	602,089.46	571,666.00	m³	30
	GRI 303-4	Water discharge¹	0.00	0.00	0.00	m³	30
	GRI 303-5	Water consumption	21,561,012.72	16,267,436.09	15,575,870.87	m³	30
GRI 304: Biodiversity (2016)							
	GRI 304-2	Significant impacts of activities, products and services on biodiversity					
		- Activities	Green areas in factories and Biodiversity survey	Green areas in factories and Biodiversity survey	Green areas in factories and Biodiversity survey Deforestation Analysis	-	20-24
		- Tree Planted	13,789	16,131	11,764	Trees	21
		- Species	86	103	54	Species	21
GRI 305: Emission (2016)							
	GRI 305-1	Direct (Scope 1) GHG emissions	38,174.91	33,077.99	36,263.28	tCO₂e	28
	GRI 305-2	Energy Indirect (Scope 2) GHG emissions	79,936.45	68,511.00	72,230.61	tCO₂e	28
	GRI 305-3	Other indirect (Scope 3) GHG emissions	-	-	152,971.27	tCO₂e	28
	GRI 305-4	GHG emission intensity	0.173	0.186	0.177	tCO₂e/ Ton of production	28
	GRI 305-5	Reduction of GHG emissions	Information Unavailable	4,907.82 tCO₂e (CO₂ Reduction by the use of solar rooftop)	8,673.82 tCO₂e (CO₂ Reduction by the use of solar rooftop)	tCO₂e	25-27
	GRI 305-7	Nitrogen oxides (NOx), Sulfur oxides (SOx), and other significant air emissions	Pass	Pass	Pass	-	34
GRI 306: Waste (2020)							
	GRI 306-3	Waste generated	676.20	418.43	382.68	Tons	31-32
	GRI 306-4	Waste diverted from disposal	Sludge-to Fertilizer	Sludge-to-Fertilizer	Sludge-to-Fertilizer	-	-
	GRI 306-5	Waste directed to disposal	416.55	0	0	Tons	31-32
GRI 307: Environmental Compliance (2016)							
	GRI 307-1	Non-compliance with environmental laws and regulations	0	0	0	Case	34

GRI Standard	Disclosure Number	Disclosure Title	Performance in each reporting year / comments			Unit	Page
			2022	2023	2024		
GRI 401: Employment (2016)							
	GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Living allowance and education loan	Education loan	Education loan	-	50
GRI 403: Occupational Health and Safety (2018)							
	GRI 403-1	Occupational Health and Hafety management system	14 factories certificated by ISO 45001	15 factories certificated by ISO 45001	15 factories certificated by ISO 45001	Factories	7, 41, 60
	GRI 403-2	Hazard identification, risk assessment, and incident investigation	-	-	-	-	42
	GRI 403-5	Worker training on occupational health and safety	13.18	18	26.12	Average training hour/ person/year	46-47, 56
	GRI 403-9	Work-related injuries					
		- IFR	1.07	0.97	1.08	-	41, 60
		- LTIFR	1.07	0.97	1.08	-	
		- ISR	14.67	7.99	38.56	-	
GRI 404: Training and Education (2016)							
	GRI 404-1	Average hours of training per year per employee	35.17	43.3	49.03	Average training hour/ person/year	29, 54-56, 60
	GRI 404-3	Percentage of employees receiving regular performance and career development reviews	100% (on a yearly basis)	100% (on a yearly basis)	100% (on a yearly basis)	Percent	54-55
GRI 405: Diversity and Equal Opportunity (2016)							
	GRI 405-1	Diversity of governance bodies and employees					
		- Male employees	55%	53%	53%	Percent	54-55
		- Female employees	45%	47%	47%	Percent	
		- Employee with disabilities	43	43	42	Person	
GRI 406: Non-discrimination (2016)							
	GRI 406-1	Incidents of discrimination and corrective actions taken	No incident of discrimination reported during the reporting period	No incident of discrimination reported during the reporting period	No incident of discrimination reported during the reporting period	Case	-
GRI 413: Local Communities (2016)							
	GRI 413-1	Operations with local community engagement, impact assessments, and development programs	62	61	65	Engagement activities wih local communities	50-53, 58-60, 74-75
	GRI 413-2	Operations with significant actual and potential negative impacts on local communities	Management approach	Management approach	Management approach	-	
GRI 413: Customer Privacy							
	GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	No Substantiated complaints	No Substantiated complaints	No Substantiated complaints	Case	-
	GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	No Substantiated complaints	No Substantiated complaints	No Substantiated complaints	Case	-



Southland Rubber
Think Good, Better Will Follow

EMPOWERING A
SUSTAINABLE
TOMORROW

2024
SUSTAINABILITY REPORT



Southland Rubber Co., Ltd.
55 Rajyindee Road, Hat Yai, Songkhla 90110 Thailand.