

Sustainable Value

Across Dimensions

2025

SUSTAINABILITY REPORT



Southland Rubber
Think Good, Better Will Follow

Table of Contents



GENERAL INFORMATION (3-17)

About the Report	3
Message from Managing Director	4-5
Business Overview	6
Location of Operation	7
Accreditation & Awards	8
Our Supply Chain	9
Our Principles	10
Sustainability Management	11
Stakeholder Engagement	12-13
Ensuring Compliance	14-15
Materiality Assessment	16
Key Sustainability Initiatives and SDG Alignment	17



ENVIRONMENTAL ASPECT (18-39)

Natural Capital & Biodiversity Stewardship	19-22
Decarbonization	23-29
Systematic Water Stewardship (Zero-Effluent Discharge)	30
Waste Management	31-32
Air Pollution Management	33-35
Ecological Restoration & Community Resilience	36-38
Environmental Sustainability Performance	39



SOCIAL ASPECT (40-71)

Human Rights and Labor Practices	41-45
Health and Safety	46-54
Employee Welfare and Well-Being	55-61
Diversity, Inclusion & Career Development	62-64
Community Engagement	65-67
Managing Flood Impacts on Employees and Communities	68-70
Social Sustainability Performance	71



ECONOMIC ASPECT (72-94)

Sustainable Supply Chain	72-83
Product Quality and Customer Satisfaction	84-87
Supporting Local Community	88-89
Cybersecurity and Privacy Protection	90-91
Economic Sustainability Performance	92
Our Achievements	93-94

INDEX

GRI Index	95-97
-----------------	-------

About the Report

Our Objective

As a privately owned rubber processing group, we recognize the importance of publicly sharing our sustainability progress 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 engaged in and supported the preparation process as well as approving the publication of the Report.



Guidelines & Standards

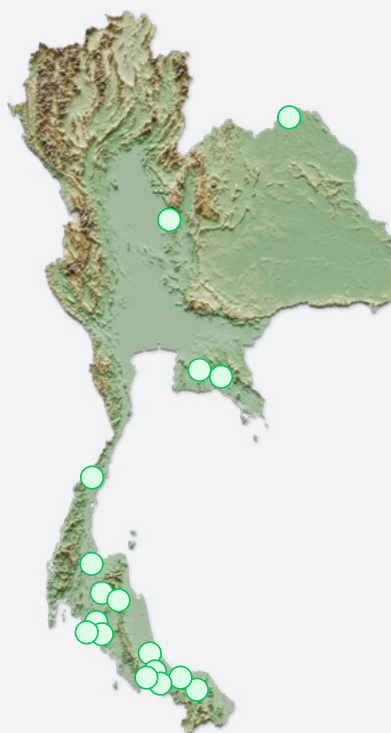
This Report makes disclosures based on the Global Reporting Initiative (GRI) Standards. We make references to these elements of the GRI requirements as our guidelines. Additionally, we also express our commitment to contribute to the 17 Sustainable Development Goals (SDGs) of the UN by linking them to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

Reporting Scope

This is the ninth Sustainability Report of Southland Rubber, Thailand. The Report covers sustainability performance of our 17 factories under 9 entities from January to December 2025.

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.

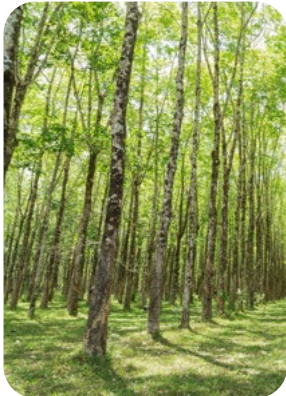
Sustainability Report 2025.

Dear Valued Stakeholders, Partners, and the Southland Family,

It is my honor to present our ninth Sustainability Report. 2025 was the year that transparency became a market access requirement rather than a strategic choice. With the EU Deforestation Regulation (EUDR) entering its final pre-enforcement phase and the TNFD reshaping how nature-related risk is disclosed, we moved decisively to integrate sustainability into the architecture of our business — not alongside it. This report is the operational evidence of that commitment, validated externally by a Gold Medal from EcoVadis and a CDP Climate Change rating of B. Guided by our motto, “Think Good, Better Will Follow,” we remain convinced that growth and responsibility are the same ambition, expressed at different points in our value chain.



Message from the Managing Director



Our Supply Chain: Transparency as Market Access

The strongest defense against regulatory and climate disruption is verifiable, plot-level traceability. In 2025, we mapped tens of thousands of smallholder farms covering close to half of our upstream supply chain across 64 provinces of Thailand, strengthening our readiness for evolving EUDR requirements and helping identify areas requiring further attention. We continued to monitor regulatory developments and enhance our due-diligence processes, incorporating geolocation, legal verification, and customer feedback where appropriate. We also applied the TNFD LEAP framework to structure our nature-related risk decisions, while progressively improving relevant supply-chain controls in preparation for future European market expectations. Our engagement with smallholder farmers — through capacity-building, intercropping pilots, and joint training with the Rubber Authority of Thailand — is not philanthropic. It is a strategic investment in supply chain resilience: a well-prepared farming community is the most reliable supply chain we will ever have.

Our Operations: Decarbonisation in Practice

In our operating model, every efficiency gain is expected to be an emissions gain. In 2025, our combined Scope 1 and 2 emissions reached a five-year low against our 2020 baseline, and we expanded our Scope 3 inventory for the first time to complete our value-chain picture. Renewable electricity — now supplied through rooftop solar across multiple facilities and our newly commissioned BH solar farm — continues to grow as a share of total supply. Our Green Fleet Transition Programme has replaced a substantial portion of diesel factory equipment with electric alternatives, eliminating hundreds of thousands of litres of diesel annually. We have maintained zero wastewater discharge to natural water bodies, with all production water recycled and zero landfill or open burning since 2023. These initiatives are underpinned by strengthened data systems, ISO 14067 carbon footprinting, and our ongoing progression toward Science Based Targets (SBTi) alignment — alongside the continued “Nature in the Factory” programme expanding biodiversity within our operational footprint.

Our People and Communities: Resilience Under Pressure

The severe flooding that swept southern Thailand in November 2025, impacting millions of people across 9 provinces, was the most significant climate-related test we have faced. We achieved full life safety across our workforce, deployed substantial financial assistance to hundreds of affected colleagues, and provided direct community recovery support. Our broader safety culture also reached its strongest position to date: 2025 closed with our lowest-ever Lost-Time Injury Frequency Rate, zero work-related fatalities, and more than 200 Safety KAIZENs delivered — the majority targeting engineering controls. Underpinning all of this is a governance culture in which the Board oversees sustainability directly, all employees complete our Compliance Programme annually, and zero corruption incidents have been reported. These are the systems that make every figure in this report trustworthy.



Looking Forward to 2026

As we move into 2026, our key priorities are:

- Accelerating the deployment of eco-friendly innovations, to drive lower-carbon operations
- Advancing GPSNR Assurance Model implementation at group level
- Scaling nature-related risk assessment under the TNFD LEAP framework
- Continuing EV fleet transition and progressing SBTi alignment
- Investing in human capital — in a workforce where nearly half are female with strong managerial representation
- Reinforcing the governance of our sustainability data, on which every disclosure depends

On behalf of the Southland Rubber Group, I express my deepest gratitude to our employees, farming partners, customers, and communities. Your trust fuels our ambition. The transition our industry is undergoing is structural, not cyclical — and we intend to continue leading it, together with you.

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 almost four decades.

Our Customers

The Company's customers are the tyre industry and manufacturers of other rubber-related products. The primary markets include China, Japan, Korea, Thailand, Malaysia, the Americas, and European countries.

Business Types & Background

1,118,000

Metric tons / year

Technically Specified Rubber

Standard Thai Rubber
STR

- STR 10
- STR 20
- Mixture Rubber



260,000

Metric tons / year

Ribbed Smoked Sheets

4 grades

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



193,320

Metric tons / year

Latex Concentrate

- High Ammonia (HA)
- Medium Ammonia (MA)
- Low Ammonia (LA)
- Deproteinized Latex



Employee Data


4,244
Employees

 **53%**

Male

47% 

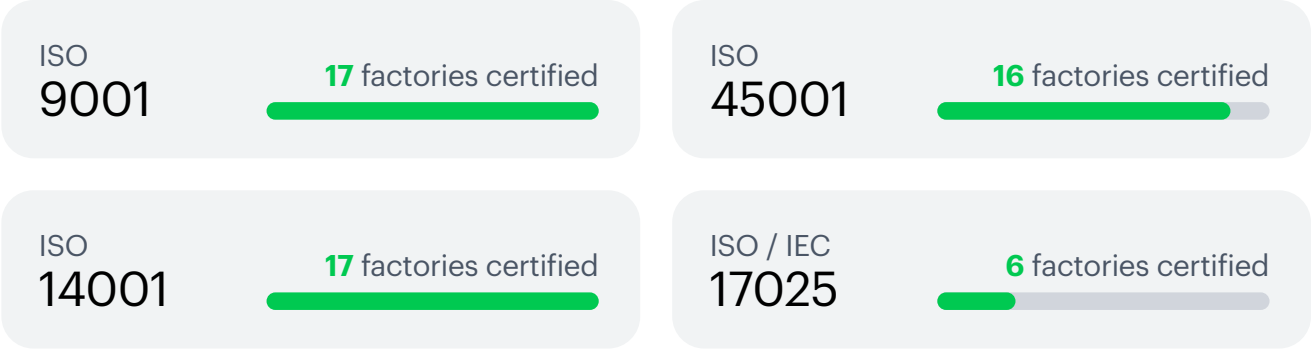
Female

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.



ISO Certified



Accreditation & Awards

Our commitment to sustainable development is validated by numerous industry awards and certifications earned by multiple units across our Group. In 2025, we remain dedicated to upholding these high standards to ensure long-term value for our stakeholders.



We were awarded
GOLD MEDAL

Our commitment to excellence in ESG practices is validated by our latest EcoVadis assessment. In 2025, we achieved a **Gold Medal** status with a score of **79/100**, placing our Group in the **95th percentile** of all rated companies. This achievement underscores our progress in aligning our operations with international sustainability benchmarks. We remain dedicated to further enhancing our performance to meet the highest standards of environmental conservation and ethical business conduct.



We Scored
B LEVEL

Demonstrating our commitment to the transition toward a low-carbon economy, our facility at Southland Latex (Phatthalung) has been rated 'B' for Climate Change by CDP (Carbon Disclosure Project) in 2025. This 'Management level' score indicates our proactive approach in identifying and addressing climate risks. We remain dedicated to improving our environmental disclosures and implementing robust carbon reduction strategies across our operations.

External Initiative & Membership of Associations



Member of Global Platform for Sustainable Natural Rubber (GPSNR) under Southland Global



Thai Rubber Association



The Thai Latex Association



Thai National Shippers' Council



The Federation of Thai Industries

Our Supply Chain

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



Sourcing

The sourcing process indicates the process from the acquisition of raw materials (rubber plantations) to transportation of raw materials to rubber processing factories.



Rubber Plantation



Tapping



Collecting Latex, Cup Lumps, and RSS



Rubber Dealers (Suppliers)



Transfer to Rubber Processors



Production

Raw materials are passed to rubber processors to be converted into semi-raw materials: STR, RSS, and NR Concentrated Latex. Their quality is tested, prior to shipment, to meet customers' requirements.



Packing



Quality Control



Rubber Processing



Inspection Sorting



Shipping

The finished products are shipped to our customers who are manufacturers of rubber products. Our customers are, for example, tire and glove producers.



Delivering to Port



Shipping Worldwide



Manufacturer (Our Customers)



End Users

Our Principles

Our business principles serve as the bedrock for a sustainable future, integrating our core values and code of conduct into a strategic compass. This framework ensures that integrity and ethics drive every decision throughout our global operations.

Our Vision

To be a leading processor focusing on major natural rubber producing areas, emphasizing business excellence, social responsibility and the environment.

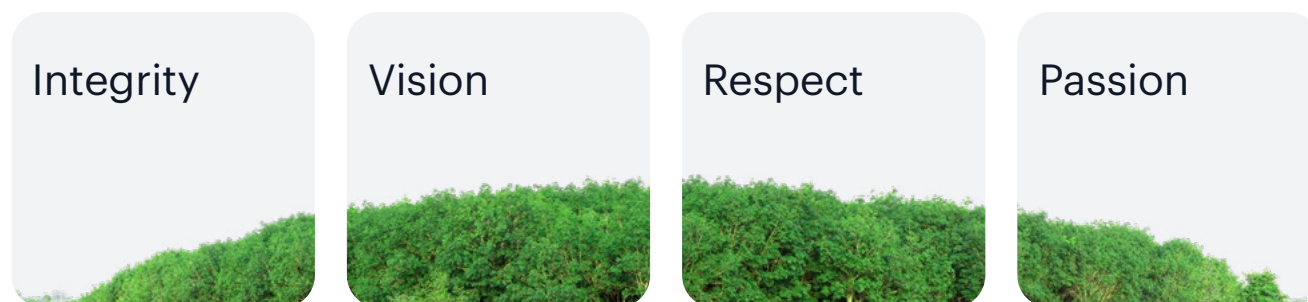
Our Mission

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

Our Motto

Think Good, Better Will Follow

Business Core Values



Policies



General Policy

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



Code of Conduct

- Business Code of Conduct
- Supplier Code of Conduct



Environmental Policy

- Environmental Policy



Social Policy

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



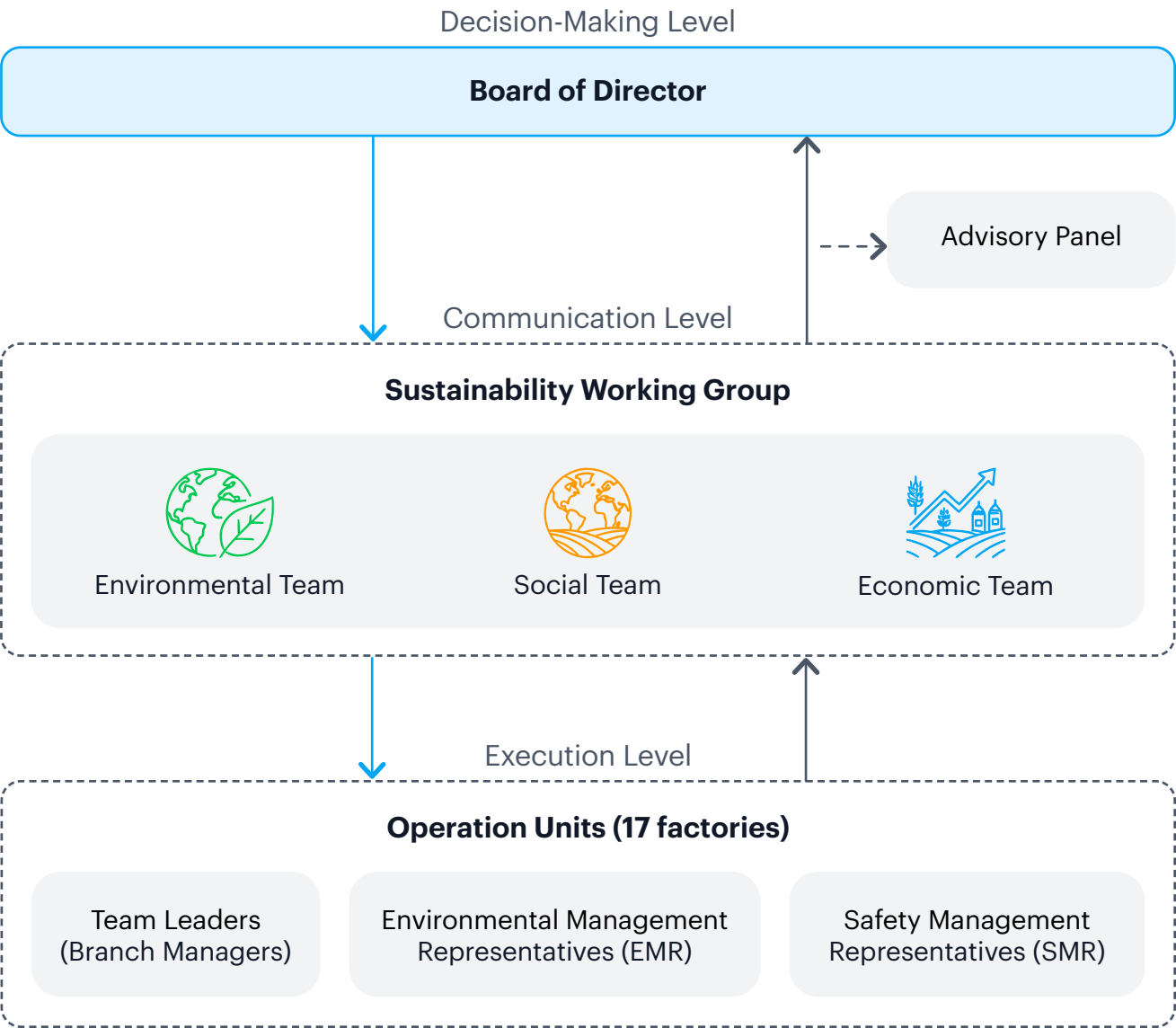
Economic Policy

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

Sustainability Management

Our Sustainability Management system functions as the strategic engine that operationalizes our core principles into tangible, measurable outcomes. By embedding holistic sustainability criteria into our central governance framework, we establish a robust and seamless flow of responsibility and accountability. This systematic approach ensures the precise execution of our ESG targets while cultivating long-term resilience and creating enduring value throughout all organizational tiers.

Sustainability Structure



The Main Function of Each Level of the Sustainability Structure

Decision-Making Level: Comprising the Board of Directors and the Executive Leadership team, this level provides overarching strategic stewardship. Their mandate involves defining the long-term sustainability vision, approving key policies, and monitoring performance against ESG benchmarks to ensure alignment with our corporate objectives.

Communication Level: The Sustainability Working Group serves as the vital catalyst for organizational alignment. Acting as a bridge between strategy and action, the group facilitates cross-functional collaboration, ensuring that sustainability objectives are clearly communicated and integrated into the broader corporate culture.

Execution Level: Operational units, such as processing factories, are responsible for implementing the sustainability plans established by the Board and communicated by the Working Group. These units also report back on their performance and provide feedback, ensuring a continuous improvement loop.

Stakeholders Engagement

Stakeholders & Engagement Channels	Key Topics	Expectations and Needs	Our Responses
Shareholders			
● Shareholder meetings ● Financial reports ● Performance reports ● Sustainability reports ● Online communication through various channels e.g. email, website, video conferencing platforms	● Good Governance ● Risks & Opportunities ● Transparency ● Business performance ● Company's Policies	● Goal achievement with best practices ● Compliance with related national laws & regulations and other internationally recognized guidelines and standards as well as sustainability practices ● Transparent business conduct ● Continuous growth of business and good performance results ● Regular policy review and implementation ● Good relationships with other stakeholders	● Compliance program ● Policy establishment ● Risk assessment on different topics ● Engagement activities with other stakeholders e.g., social contribution activities ● Activities and projects to promote sustainability and improve the sustainability performance of each aspect ● Whistleblowing mechanism
Customers			
● Meetings ● Visits & audits ● Surveys/ Questionnaires ● Online communication through various channels e.g. email, website, video conferencing platforms ● Sustainability report	● Customers' policies ● Quality feedback ● Sustainability issues ● Supply chain sustainability ● Sustainable procurement and traceability ● Due Diligence	● Compliance with customers' policies ● Consistent product quality ● On-time delivery ● Sustainability efforts ● Traceability and deforestation-free products ● Information security/ confidentiality of customers' information ● Participation in customers' activities/ projects ● Prompt responses requests and inquiries ● Long term partnership	● Acknowledgement of customers' policies ● Policy alignment with customer's policies ● Onsite visits and audits ● Online and onsite meetings/ conferences ● Sustainability and sustainable procurement policy implementation ● Promote sustainable development ● Traceability application ● Deforestation risk analysis ● Customer satisfaction survey ● Responses to customers' feedback
Employees			
● Surveys and interviews ● Company newsletters ● Information sharing (e.g. One Point Lessons and safety statistics) on bulletin boards, website, intranet system, and other online platforms ● Meetings and trainings ● Whistleblowing channels ● Morning talks	● Company's policies ● Occupational health & safety ● Employees' welfare & well-being ● Career development ● Human rights and labor practices ● Employees' satisfaction	● Compliance with national labor laws ● Career development ● Good welfare & remuneration ● Good & safe work environment ● Equality and no discrimination ● Decent treatment ● Skill sets improvement ● Employee activities	● Human rights and labor practice policy implementation ● Job promotion ● Welfare committee meeting ● Employees satisfaction survey ● Whistleblowing mechanism ● Compliance program ● Safety strategies ● Activities to promote employees' well-being e.g., generating assistance programs such as Educational Loan to help support the education of our employees' children
Financial Institutions			
● Financial reporting ● Head office and factory visits ● Sustainability reports ● Online communication through various channels e.g. email and website	● Transparency ● Financial information ● Business strategies & risk management ● Compliance with business agreement	● Financial transparency ● Compliance with terms and conditions in business deals ● Good corporate governance	● Financial reporting ● Head office visit ● Compliance with terms and conditions in business deals ● Sustainable development activities

Stakeholders & Engagement Channels	Key Topics	Expectations and Needs	Our Responses
Raw Material Suppliers			
● Meetings & workshops ● Supplier self-assessment ● Questionnaires & surveys ● Onsite-visits ● E-newsletters ● Phone calls	● Supplier Code of Conduct & Sustainable Procurement Policy ● Sustainability issues ● Anti – corruption & monopoly Practices ● Rubber Plantation Traceability	● Sustainable raw material suppliers ● Fair trading conditions and agreement ● Competitive prices ● Transparency ● On-time payment ● Prompt responses requests and inquiries	● Communication and acknowledgement of Supplier Code of Conduct & Sustainable Procurement Policy ● Supplier sustainability self-assessment ● E-newsletters ● Onsite supplier engagement meetings ● Rubber plantation visit ● Capacity Building ● Agroforestry
Communities			
● Questionnaires & surveys ● Community visits ● Engagement activities ● Whistleblowing channels	● Community's well-being ● Sustainability issues ● Employment of local people ● Social and Environmental impacts	● Community support & assistance ● Listening to communities' voices ● Prompt responses to communities' feedback ● Employment opportunities ● Compliance with national laws ● Social and environmental responsibilities	● Supporting local products ● Social contribution activities ● Participation in local traditional activities ● Whistleblowing mechanism ● Community visits and surveys ● Promote sustainable development
Governmental Sectors			
● Training & workshops ● Factory visits & audits ● Seminars & conferences ● Sustainability report	● Compliance with national laws & regulations ● Taxes ● Sustainability issues ● Endorsement, awards, and certification	● Compliance with national laws & regulations ● Transparency ● Social and environmental responsibilities ● Economic impacts	● Factory visits & audits by related governmental agencies ● Participation in the government's certification programs ● Promoting sustainable development
Contractors & Outsource Providers			
● Meetings & workshops ● Supplier self-assessment ● Questionnaires & surveys ● E-newsletters ● Phone calls	● Supplier Code of Conduct & Sustainable Procurement Policy ● Sustainability issues ● Anti – corruption & monopoly practices	● Sustainable general suppliers ● Fair trading conditions and agreement ● Competitive prices ● Transparency ● On-time payment ● Support in policy compliance ● Prompt responses to request and inquiries ● Long term partnership	● Communication and acknowledgement of Supplier Code of Conduct & Sustainable Procurement Policy ● Supplier sustainability self-assessment ● E-newsletters ● Onsite-visits

Ensuring Compliance

To uphold our business principles, we implement a multifaceted Compliance Program and Whistleblowing Mechanism, ensuring clear communication and consistent adherence across all units

About the Compliance Program

Since its initiation in 2019, our Compliance Program has been conducted annually, serving as a cornerstone of our corporate integrity. The program is structured into four strategic pillars:

1

Strategic Policy Deployment:

Following an exhaustive annual review process, our updated policies are systematically rolled out across all business units. This is achieved through direct communication and engagement with employee representatives, ensuring that the latest ethical standards are cascaded effectively throughout the organization.

2

Immersive Compliance Training & Acknowledgement:

We prioritize a deep understanding of our ethical expectations. Details of each policy are communicated through comprehensive training sessions, followed by a mandatory compliance awareness test. To ensure total accountability, we require formal acknowledgement of the policies from all staff. In 2025, we maintained our excellence with:

100%

Employee participation in compliance training.

3

Holistic Compliance Audit for Continuous Improvement:

Rigorous internal compliance audits are conducted to monitor and evaluate adherence to Company policies. These audits are not merely for oversight but serve as a vital tool for organizational development; results are used to identify gaps and promote best practices across the Company. Currently, 100% of our business units are subjected to these comprehensive audits.

100%

Business units subjected to the compliance audit

4

Executive Management Review:

Our top management team conducts a high-level annual review of the entire Compliance Program ecosystem. By evaluating the overall process, the leadership team not only identifies potential systemic risks but also takes proactive steps to fortify our governance practices, ensuring our business remains resilient and ethically sound.

Whistleblowing Mechanism

A whistleblowing mechanism is used to safeguard ethical conduct and compliance with the Company policies. This program strengthens our commitment to good corporate governance. Employees and stakeholders can confidentially report concerns through secure channels, with their safety assured.



Whistleblowing Channels

Suggestion Box	Phone Call	Email	Letter	Website
Suggestion boxes are provided at all of our business units.	Reach the Compliance Director at +6691 569 1989	Email us at whistle.hq@southlandholding.com	Send a letter to our head office at 55 Rajyindee Road, Hatyai, Songkhla 90110 Thailand	Contact us at https://www.southlandholding.com
				

Anti-Bribery and Corruption Management

The Company manages and prevents 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 mechanism

Zero cases

Reported incidents of corruption

100%

17 factories

Employees communicated on and acknowledged Anti-Bribery Policy

100%

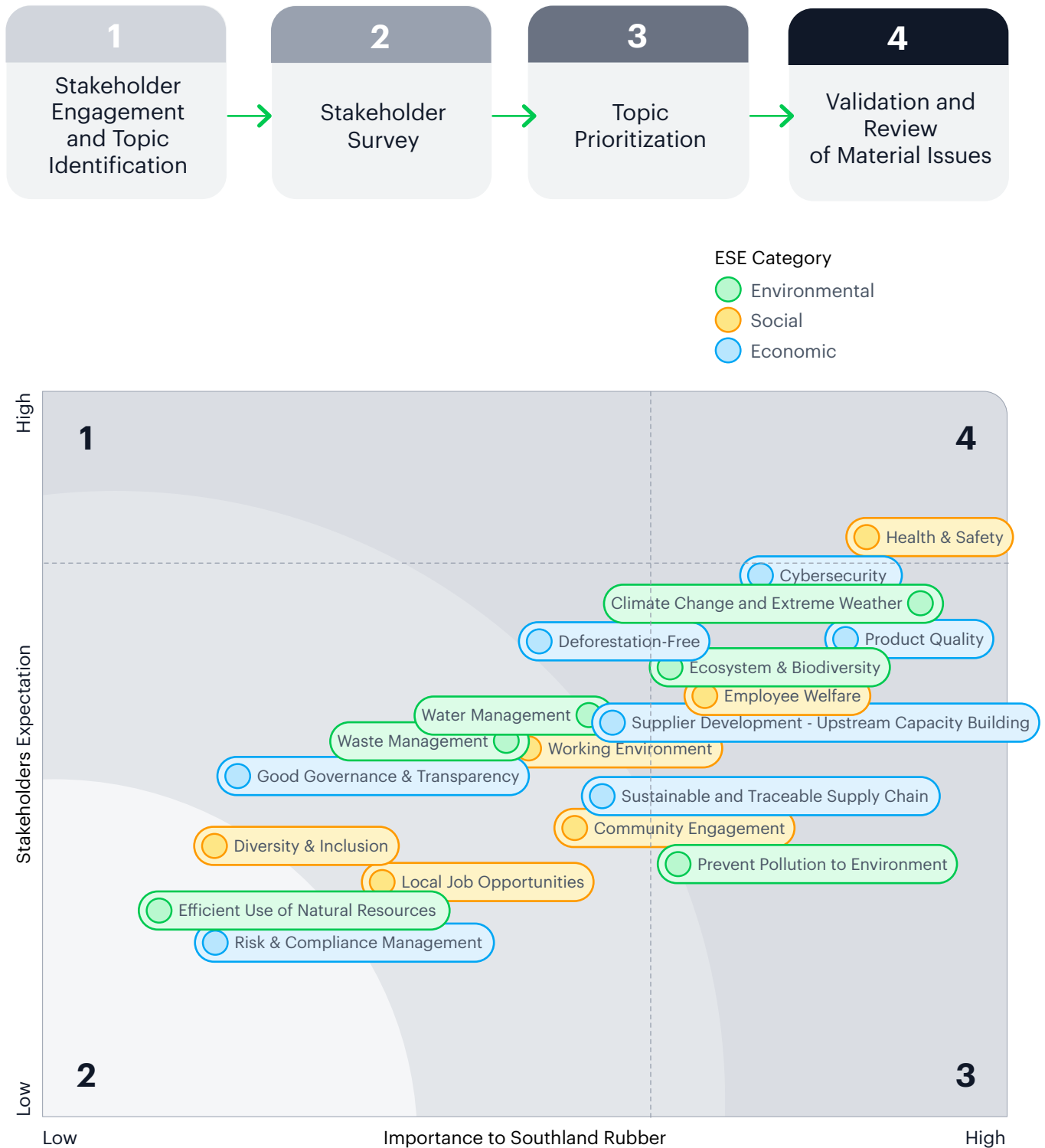
17 factories

Factories audited on anti-bribery/ 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.

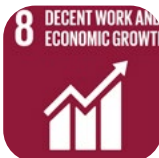
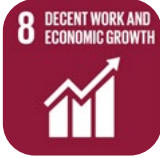
Materiality Assessment Process and Materiality Matrix



Key Sustainability Initiatives Aligned 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 conservation of the environment and the efficient use of resources to promote environmental long-term sustainability.	- Biodiversity - Decarbonization - Water management - Waste management - Air pollution management	     
Society		
Commit to responsible business conduct with deep concerns for employees as well as for the nearby communities to support their economic well-being	- Health and Safety - Employees Welfare and Well-being - Diversity & Inclusion and Career Development - Human Rights and Labor Practices - Community Engagement	      
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	- Product Quality and Customer Satisfaction - Sustainability Awareness and Development - Sustainable Supply Chain - Supporting Local Business	   



Environmental Aspect.

Empowering the Environment and Communities for a Sustainable Tomorrow

Southland Rubber Group prioritizes environmental sustainability as a core pillar of its commitment to a sustainable future. Building on past progress, we focus on emissions reduction, responsible resource management, biodiversity preservation, and climate resilience. In response to evolving environmental risks—including climate change and ecological degradation—we proactively implement robust environmental management systems and resilience-building initiatives, ensuring a lasting positive impact on both the planet and the communities we serve.

Contents

- 1 Natural Capital & Biodiversity
- 2 Decarbonization & Energy Transition
- 3 Systematic Water Stewardship
- 4 Waste Management
- 5 Air Pollution Management
- 6 Ecological Restoration & Community Resilience

1 Natural Capital & Biodiversity Stewardship



Our business depends on healthy ecosystems to ensure the long-term stability of natural rubber supply. We recognize biodiversity loss as a material risk to operational resilience and raw material security. To address this, we have adopted the GPSNR Assurance Model and aligned it with EU Deforestation Regulation (EUDR) requirements, strengthening our risk-based due diligence. Through verified traceability at least to the district level, we are able to assess deforestation and biodiversity risks and address effective mitigation measures across our supply chain.

1.1 Operational Stewardship: On-site Biodiversity Enhancement

Under our “Nature in the Factory” initiative across 17 facilities in Thailand, we have implemented regenerative principles: Bio-Filter Zones: Expanded green spaces around wastewater treatment areas, creating natural bio-filters and wetland-like micro-habitats supporting diverse aquatic life.

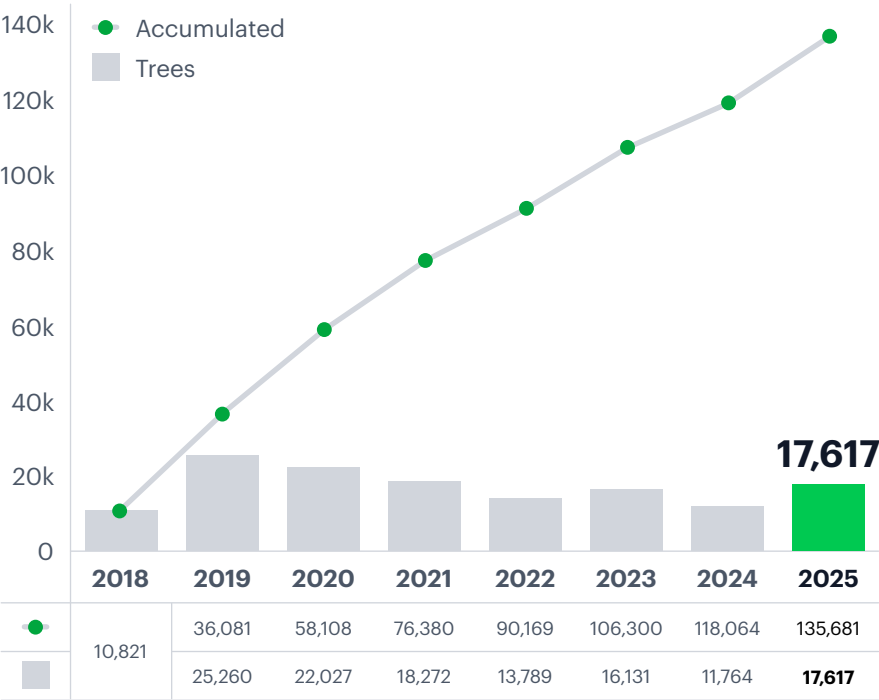
Restoration Principles:



- **Assisted Natural Regeneration (ANR):** Passive reforestation approach eliminating disturbances, allowing dormant seeds to regenerate naturally and ensuring genetic diversity.
- **Chemical-Free Soil Rehabilitation:** Repurposing fermented sludge from wastewater treatment as organic soil conditioner to restore soil vitality and support microbial life.
- **Natural Seed Dispersal & Pollinator Protection:** Maintaining chemical-free practices across all green spaces to support pollinators—bees, butterflies, and birds—essential for ecosystem recovery.



Number Of new Trees Planted



Trees planted species

242
species



Across our 17 manufacturing facilities, we have consistently expanded green spaces through our reforestation program. From 2018 to 2025, we have planted a cumulative total of **135,681 trees**, demonstrating our sustained commitment to biodiversity enhancement and ecosystem restoration. This progressive greening initiative has transformed our operational sites into thriving natural habitats, contributing significantly to local ecosystem health and carbon sequestration.

Our 2026 ecological impact assessment confirmed tangible biodiversity restoration, including increased avian species diversity, thriving pollinator populations, and flourishing native terrestrial wildlife, transforming our facilities into safe havens for nature.

1.2 Local Co-existence: Community Ecosystem Protection

Our environmental responsibility extends beyond our facilities. We conduct comprehensive environmental surveys within a 20-kilometer radius of our manufacturing sites to identify proximity to sensitive ecological zones, including natural water sources, forests, and protected areas.

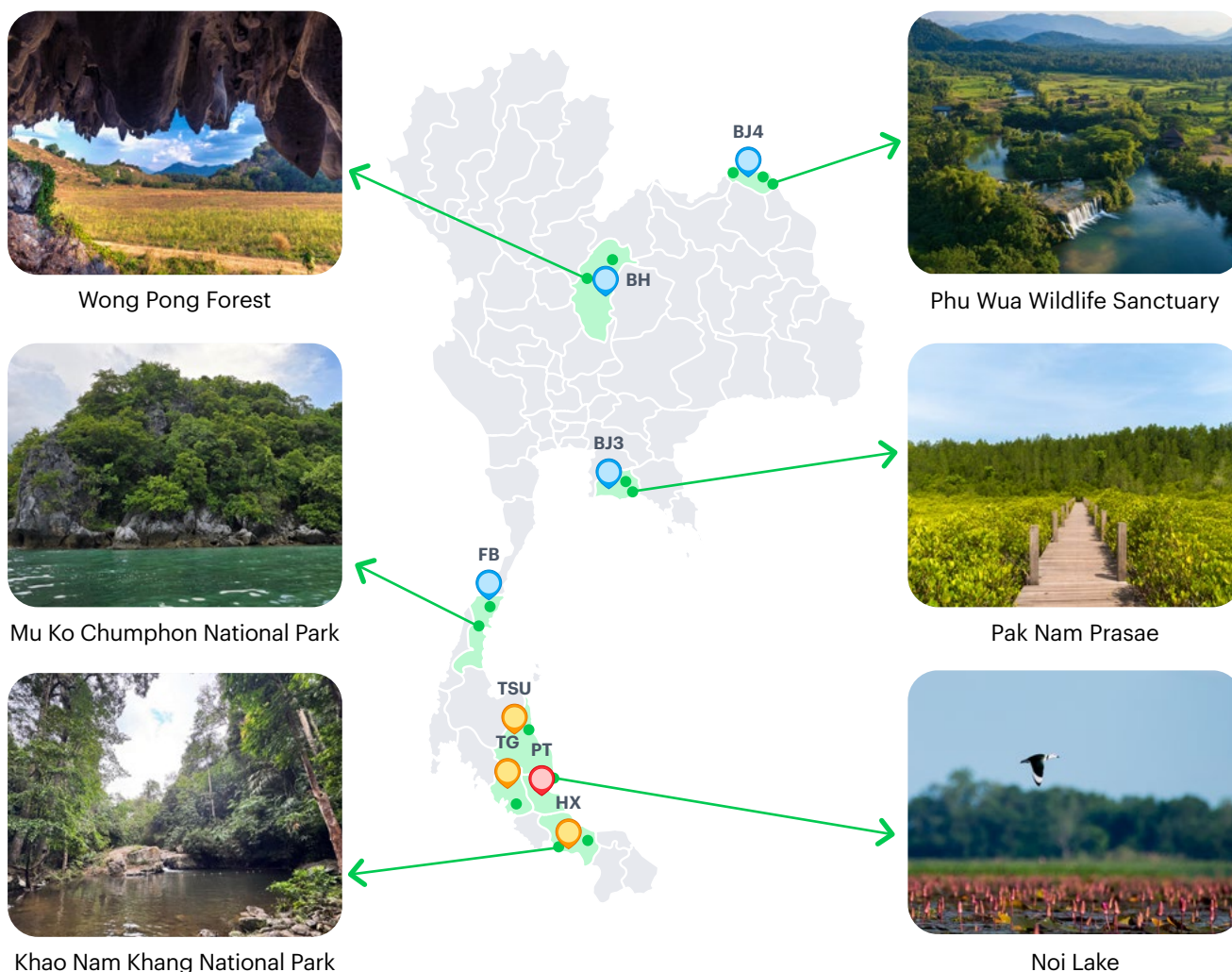
Risk Assessment & Mitigation:



Water Quality Protection:
Strict zero wastewater discharge to natural water bodies, ensuring no compromise to local water quality.



Air Quality & Odor Control:
Odor management systems to prevent disturbance to neighboring communities and wildlife.



We have systematically identified biodiversity conservation areas surrounding **all 17 operational units across more than 10 provinces in Thailand**. These sensitive ecological zones include water bodies, reserved forests, protected areas, and wildlife sanctuaries, all of which are integral to regional ecosystem health and require careful stewardship in relation to our operations.

Next Steps: We plan to conduct on-site biodiversity surveys and engage local communities to gain deeper insights, enabling capacity-building programs and shared knowledge for enhanced conservation outcomes.

1.3 Upstream Management: Traceable Conservation Standards

We manage biodiversity risks at source by aligning our procurement strategy with global conservation frameworks, ensuring deforestation-free natural rubber sourcing.

In 2025, to support compliance with the EU Deforestation Regulation (EUDR) requirements, we significantly enhanced our supply chain transparency. We conducted a comprehensive geographic survey and established a robust database of our natural rubber procurement areas, covering 64 provinces and 112 districts across Thailand.

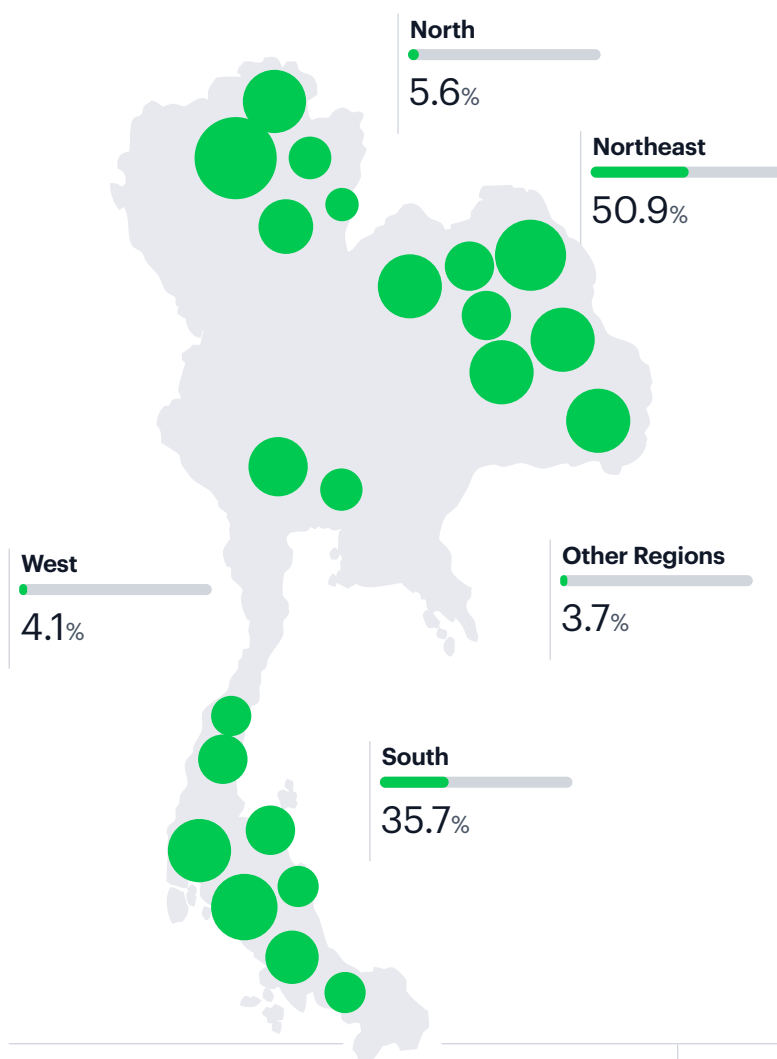
This proactive initiative ensures that our natural rubber is deforestation-free, protects High Conservation Value (HCV) areas, and strictly adheres to both national and international regulatory standards. By implementing precise geolocation tracking for over 54,000 plots covering more than 500,000 hectares, we have established a transparent traceability system that serves as a foundation for a sustainable and regenerative rubber industry.



Four-Pillar Approach (TNFD LEAP Framework):

- **Locate** - Robust Traceability & Data Integrity: Synergizing EU Deforestation Regulation (EUDR) and the GPSNR Assurance Model to establish rigorous traceability framework, targeting raw material origins down to at least the district level.
- **Evaluate** - Dependencies & Impact Assessment: Conducting comprehensive assessments using geospatial analysis to evaluate our dependencies on nature and potential impacts on biodiversity, including exposure to deforestation and land-use conversion.
- **Assess** - Risk & Opportunity Analysis: Analyzing material risks and opportunities related to nature, ensuring all procurement decisions address regulatory compliance and ecological sustainability backed by verified data.
- **Prepare** - Context-Specific Mitigation & Response: Deploying tailored mitigation strategies for each sourcing area to eliminate deforestation risks, foster long-term sustainability of natural rubber, strengthen ecological resilience, and integrate nature-related considerations into business strategy.

% of Mapped Deforestation Risk Plots by Region



Mapping Deforestation Risk across Thailand

- 66 Provinces
- 426 Districts
- 1,468 Subdistricts



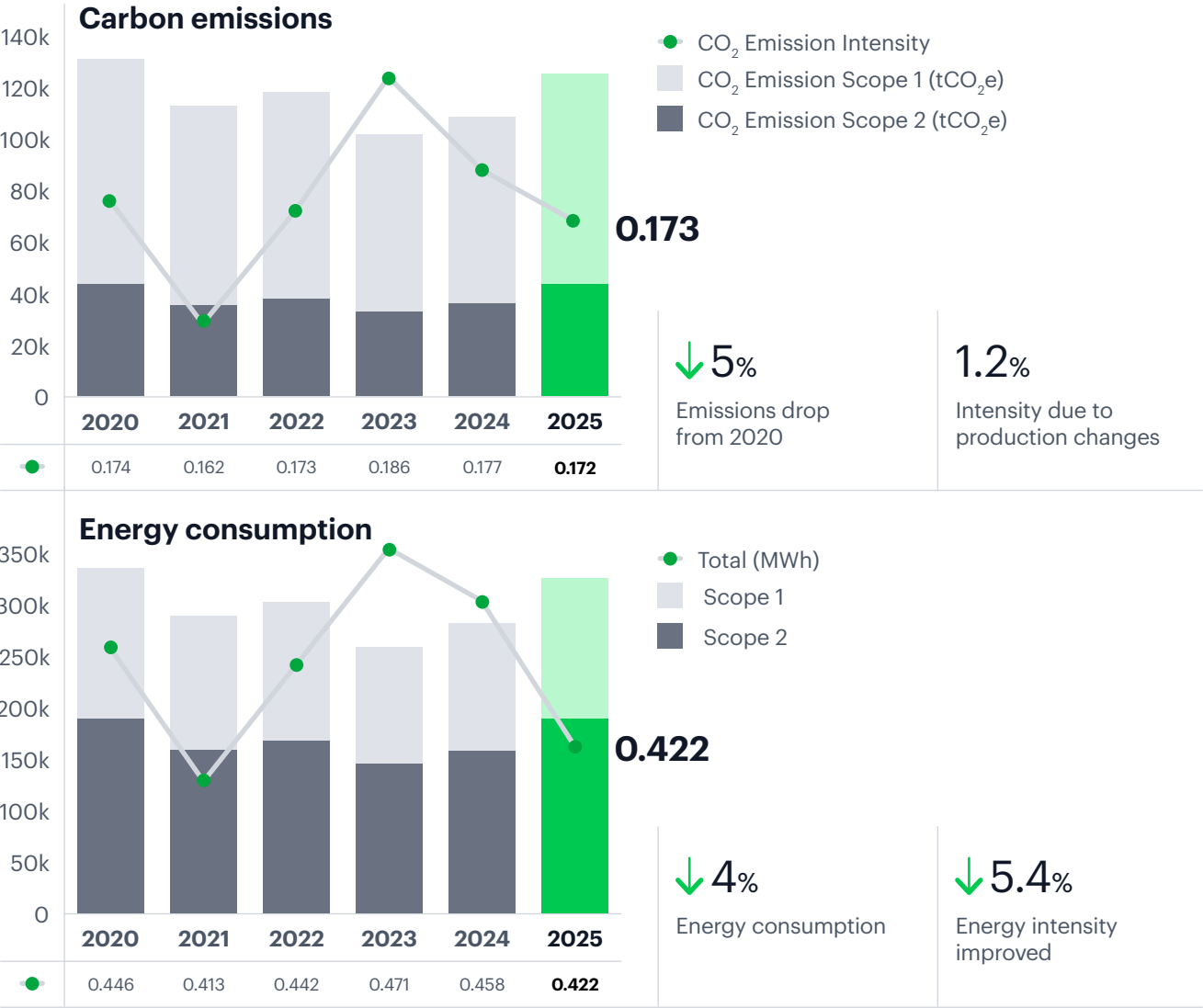
Risk Mitigation

>1,800

Plots

2 Decarbonization & Energy Transition

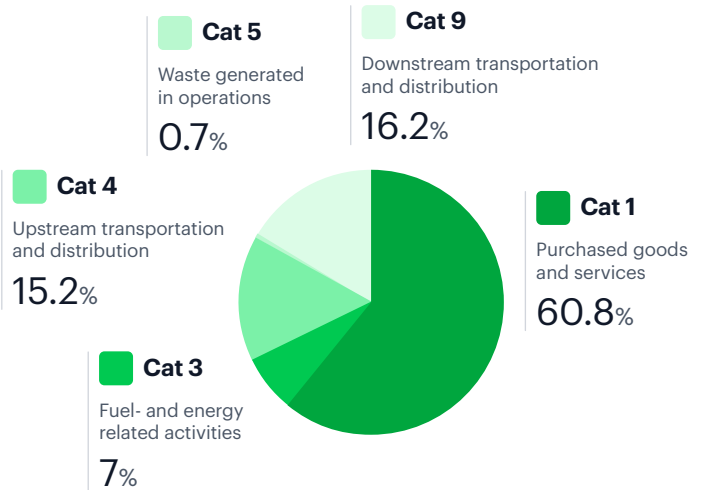
Our climate strategy aims to cut Scope 1 and 2 emissions via infrastructure upgrades, energy efficiency, and renewable energy use. In 2025, Scope 1 and 2 emissions were 125,257.07 tCO₂e, a 5% drop from 2020, though emission intensity per production ton rose by 1.2% due to production changes.



Scope 3 Emissions Assessment

We enhanced our climate strategy by including Scope 3 emissions in our carbon footprint assessment, starting data collection in 2024 and refining it in 2025 for better accuracy and transparency.

The assessment includes purchased goods and services, fuel and energy use, transportation, waste, and reports total Scope 3 emissions of 162,695.03 tCO₂e



2.1 Renewable Energy Integration

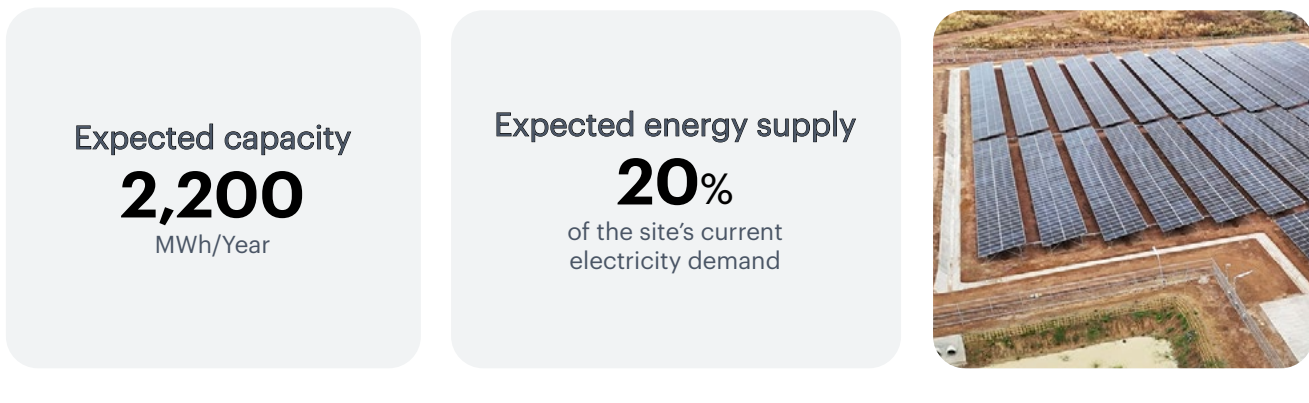
To support our decarbonization strategy, we continue to expand the use of renewable energy across our operations. In 2025, we made significant progress in renewable energy adoption through the expansion of our solar energy program, which includes both rooftop solar installations across multiple facilities and the development of a utility-scale solar farm.

Solar Rooftop Project Performance

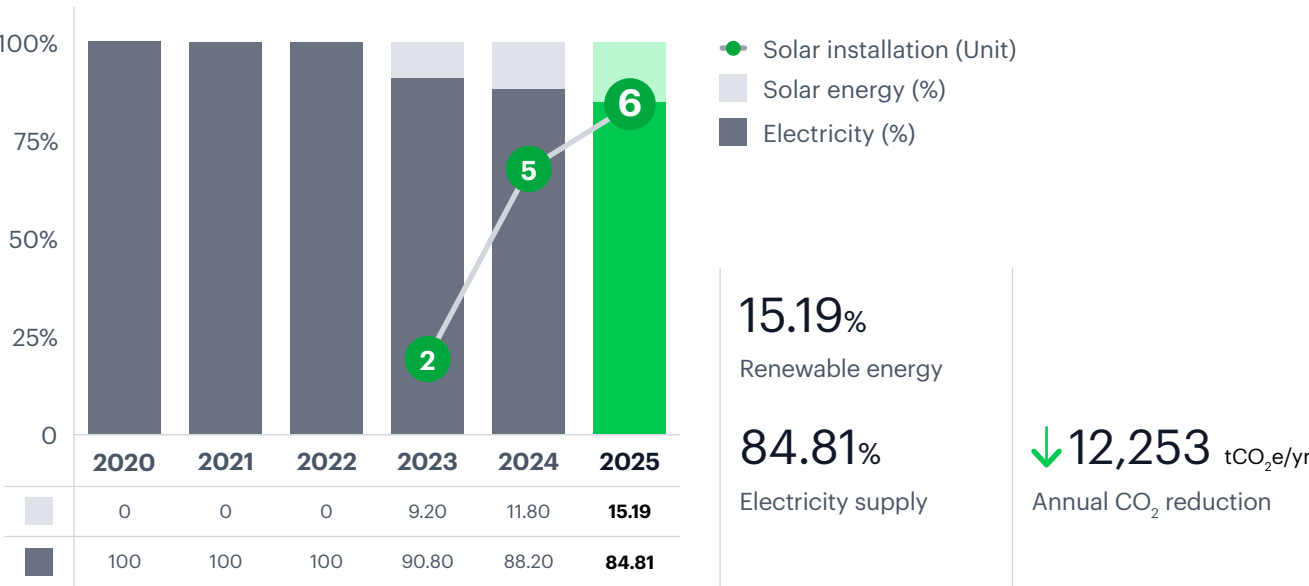
By late 2025, we installed solar rooftops at 6 STR factory sites, up from 2 in 2023 and 5 in 2024. Each system provides about 20-25% of the electricity needed, significantly lowering our carbon footprint.

Solar Farm Development

Construction of a large solar farm at our BH site in Phetchabun began in 2024 and finished in early 2025, marking a key step in expanding our renewable energy and reducing emissions.



Switching to Renewable energy for Greener Planet



Looking Forward: 5 Year

Building on our 2025 achievements, we remain committed to expanding our clean energy solutions. Our decarbonization strategy includes:

- Continuing to optimize performance across all 6 rooftop installations
- Monitoring and maximizing output from the BH solar farm
- Evaluating opportunities for additional solar projects across our operations
- Enhancing sustainability and operational resilience through renewable energy adoption

2.2 Electrification of Logistics

In 2025, Southland Rubber launched a **Green Fleet Transition Program**, replacing conventional diesel-powered vehicles with electric alternatives across our operations. This initiative supports our decarbonization strategy by reducing fossil fuel consumption and lowering logistics-related emissions.

EV Loaders Implementation

- 6 Units operational in 2025
- Estimate carbon reduction 51.5 tCO₂e/unit/year
- Annual reduction 309 tCO₂e/year

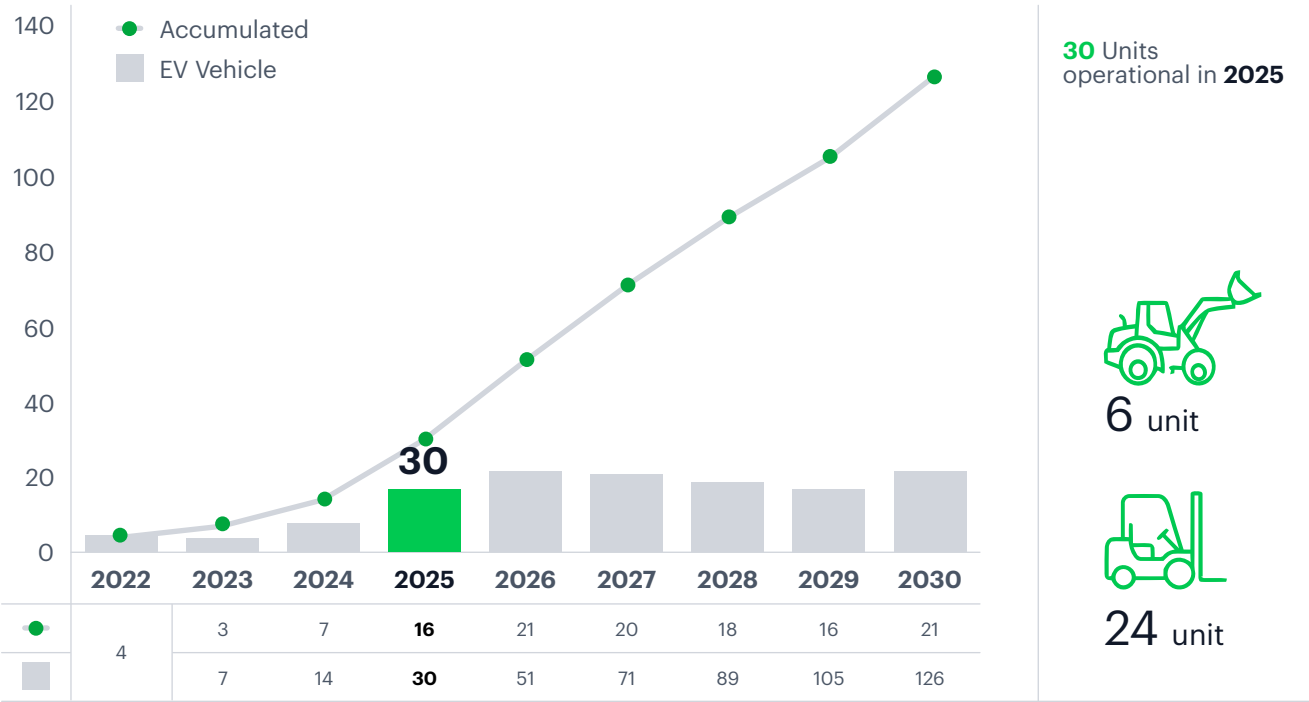


EV Forklifts Implementation

- 24 Units operational in 2025
- Estimate carbon reduction STR: 20 units at 28 tCO₂e/unit/year
RSS: 4 units at 11 tCO₂e/unit/year
- Annual reduction 604 tCO₂e/year



Switch to EV Vehicle Plan



Strategic EV Transition Plan (2022–2030)

Our long-term strategy centers on the systematic replacement of factory equipment—including forklifts and loaders—with cleaner, electric-powered (EV) alternatives. The initiative follows a phased rollout approach designed to maintain operational continuity while progressively advancing our sustainability commitments.

Fossil Fuel Reduction & Waste Elimination

As part of our commitment to reducing reliance on fossil fuels, the Company has strategically transitioned toward renewable energy alternatives—with EV adoption serving as a key driver of this shift. By replacing diesel-powered forklifts and loaders with electric equivalents, we have embedded clean energy practices directly into our factory operations.

In 2025, this transition resulted in a reduction of diesel consumption by more than 380,000 liters, demonstrating the measurable impact of our strategy on fossil fuel elimination.



Eliminate Waste

Our EV vehicle transition successfully eliminated waste streams associated with conventional diesel vehicles:

- Transitioned from Diesel to Electric
- 0% Engine Oil, Gear Oil, and Filter waste
- 8% Hazardous Waste Reduction



EV Vehicle

Diesel forklifts generate up to 8 times more CO₂ emissions per operating hour compared to electric forklifts



Reduce Pollution

EV adoption significantly reduced exhaust pollutants — NO₂, CO, HC, and PM — improving air quality and community health outcomes



Reduce Waste

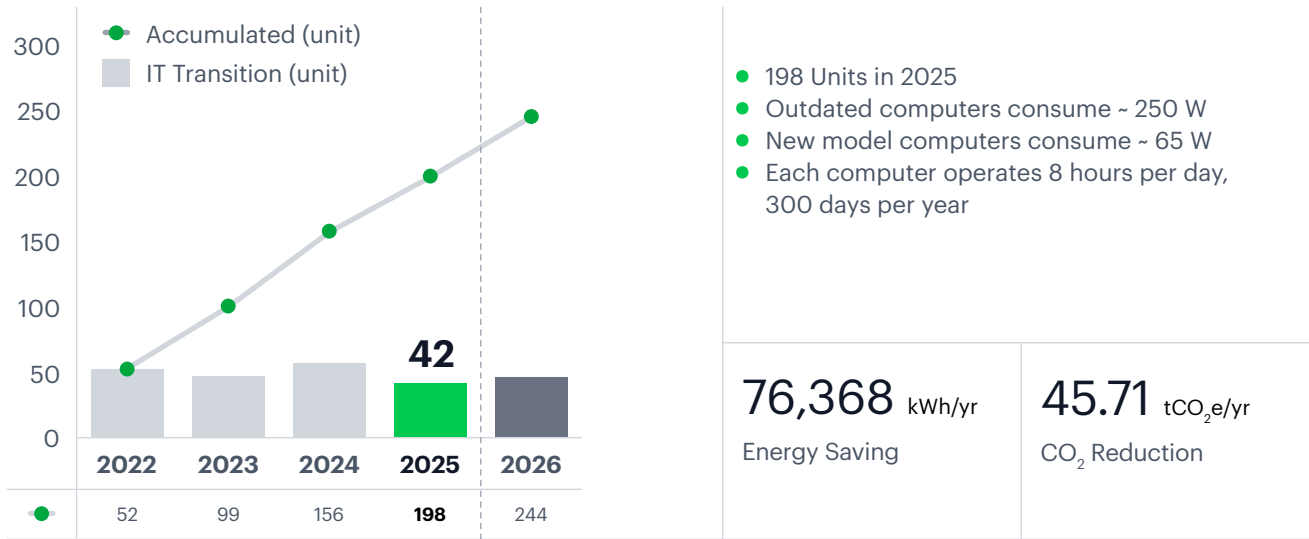
Eliminating diesel vehicles removed key hazardous waste streams (engine oil, gear oil, filters), approximately 8% hazardous waste reduction

2.3 Decarbonize activities

2.3.1 Low-Power IT Transition Initiative

Since 2022, we have implemented a program to replace outdated desktop and notebook computers with energy-efficient models across our operations.

In 2025, we expanded our IT transition initiative by deploying an additional **42 energy-efficient computers**, bringing our total coverage to **90%** of all workstations. These new units consume approximately 75-80% less power compared to previous equipment.



2.3.2 LED Lighting Conversion Program

In 2025, we completed a comprehensive LED lighting conversion across all factory facilities. Traditional fluorescent and incandescent lighting systems were replaced with high-efficiency LED fixtures.

2.3.3 Strategic Production Scheduling

We implemented an optimized production scheduling strategy that balances energy efficiency with operational needs. The production process is managed through staggered scheduling, including alternating night shift operations, to reduce peak electricity demand. Electricity consumption from the grid is minimized during high-demand periods, while solar energy is maximized during daytime operations.

2.3.4 Carbon Sequestration As Part Of Deforestation Analysis



In 2024-2025, in response to the EU Deforestation Regulation (EUDR), we conducted comprehensive risk mapping and deforestation analysis of our natural rubber sourcing areas.

2.3.5 Advancing Circular Packaging with Reusable Container Solutions

As part of our circular economy initiatives, we advance circular packaging by adopting Goodpack's MB5 reusable bulk container solutions for the rubber and tyre industry. These durable containers meet strict safety standards for transporting non-hazardous materials while improving logistics efficiency through optimized storage and transportation. By replacing single-use packaging, the solution significantly reduces waste and contributes to lower carbon emissions through more efficient container design and transport operations.



Steel Pallets for Storage and Transportation



Goodpack's MB5 Reusable Bulk Containers

2.3.6 Employee Commute Carbon Reduction Campaign

In 2025, we continued our employee commute carbon reduction campaign focused on reducing emissions from employees' travel to and from work. Through an on-site housing initiative for daily and monthly workers, the program helps minimize the need for commuting, resulting in lower Scope 3 emissions. In addition, the initiative reduces annual travel distances while improving employees' quality of life by lowering travel time and transportation costs and supporting a better work-life balance.

Next Step 2026: Employee Commute Carbon Data Collection

In 2026, we plan to initiate a systematic data collection process to measure carbon emissions from employee commuting. This includes gathering information on travel distance, transportation modes, and commuting frequency to establish a reliable baseline for Scope 3 emissions. The collected data will support more accurate carbon accounting and enable the development of targeted strategies to further reduce emissions from employee transportation.

2.3.7 Waste Bank Program

We implemented a Waste Bank Program to encourage employee-led waste segregation and recycling. The initiative reduces landfill waste, increases recycling rates, and supports the circular economy while generating economic and social benefits for local communities.

2.4 Training and Capacity Building

2.4.1 Enhancing Sustainability Communication

In 2025, we deepened employee understanding of carbon footprint, EcoVadis, and SBTi through improved communication channels:

Sustainability WK Email System

We established a dedicated “Sustainability WK” email distribution system capable of reaching all employees across domestic and international branches, ensuring consistent sustainability messaging throughout our organization.

E-Newsletter Window Pop-up System

We implemented an automated e-newsletter pop-up feature that appears when employees log into their Company computers, guaranteeing visibility for all staff members.



Our E-Newsletter is published quarterly, providing regular updates on sustainability initiatives, progress, and best practices organization-wide.

Training Statistics



26.10

hours/person/year

For All Employees
Total

4,244
people

2.4.2 In 2025, we provided training on the following topics:

- ISO 14067 - Carbon footprint calculation standard for products
- CFP - Carbon footprint verification by Thailand
- Greenhouse Gas Management Organization
- Biodiversity - Biodiversity conservation and management
- Environmental policy - Environmental policy development and implementation
- ISO14001 - Environmental management systems
- Risk assessment - Environmental risk assessment methodologies
- Deodorization of rubber raw materials - Odor elimination techniques for rubber materials
- CFP - Carbon footprint measurement and reduction
- Water Management Update - Environmental teams were trained to review common issues and solutions



Biodiversity conservation and management

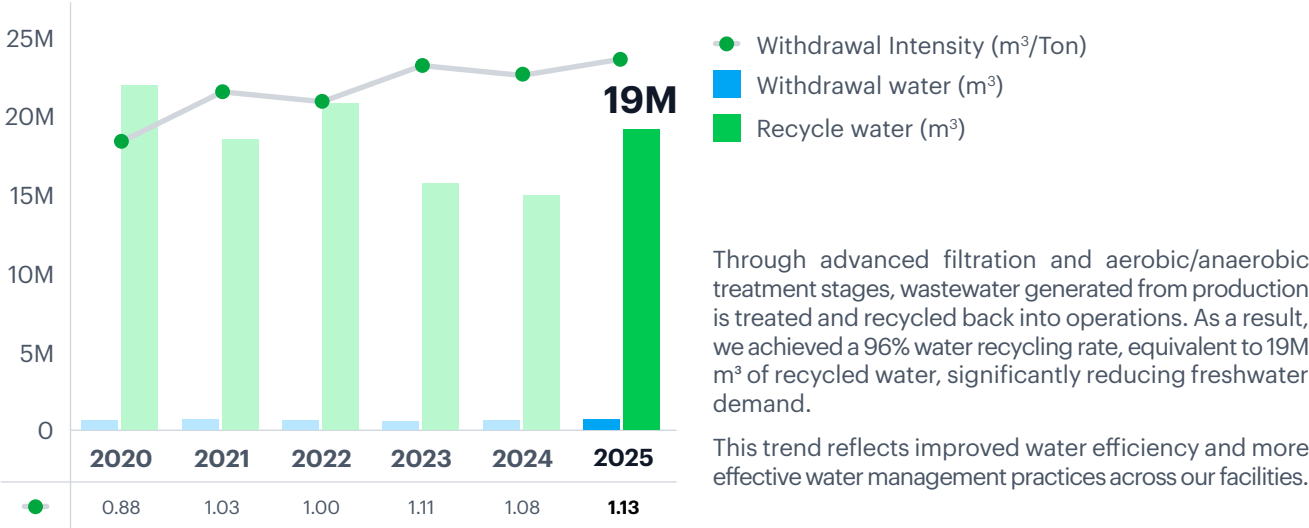


Environmental risk assessment methodologies

3 Systematic Water Stewardship (Zero-Effluent Discharge)

3.1 Circular Hydrology

We implement a closed-loop wastewater treatment system across our operations to minimize raw water withdrawal and eliminate environmental discharge. This approach supports responsible water stewardship and improves resource efficiency.





Recycled Water
19M m³
96%

ZERO
Wastewater & Treated
Wastewater Discharged

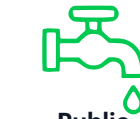
Other Water by Sources
4%



Ground Water
3.76%



Rain Water
0.17%



**Public
Supplied Water**
0.28%

3.2 Residual Valorization

Solid residues from wastewater treatment (sludge) are processed into stabilized organic soil conditioners, diverting waste from landfills and promoting nutrient cycling in local agriculture. This approach supports circular economy principles by transforming treatment by-products into valuable agricultural resources.

- 1

Filtration & Oxidation Treatment
Wastewater from production treated through filtration and oxidation.
- 2

Monitoring
 - Daily internal (pH, DO)
 - Monthly external (BOD, COD, TSS, TNK)
- 3

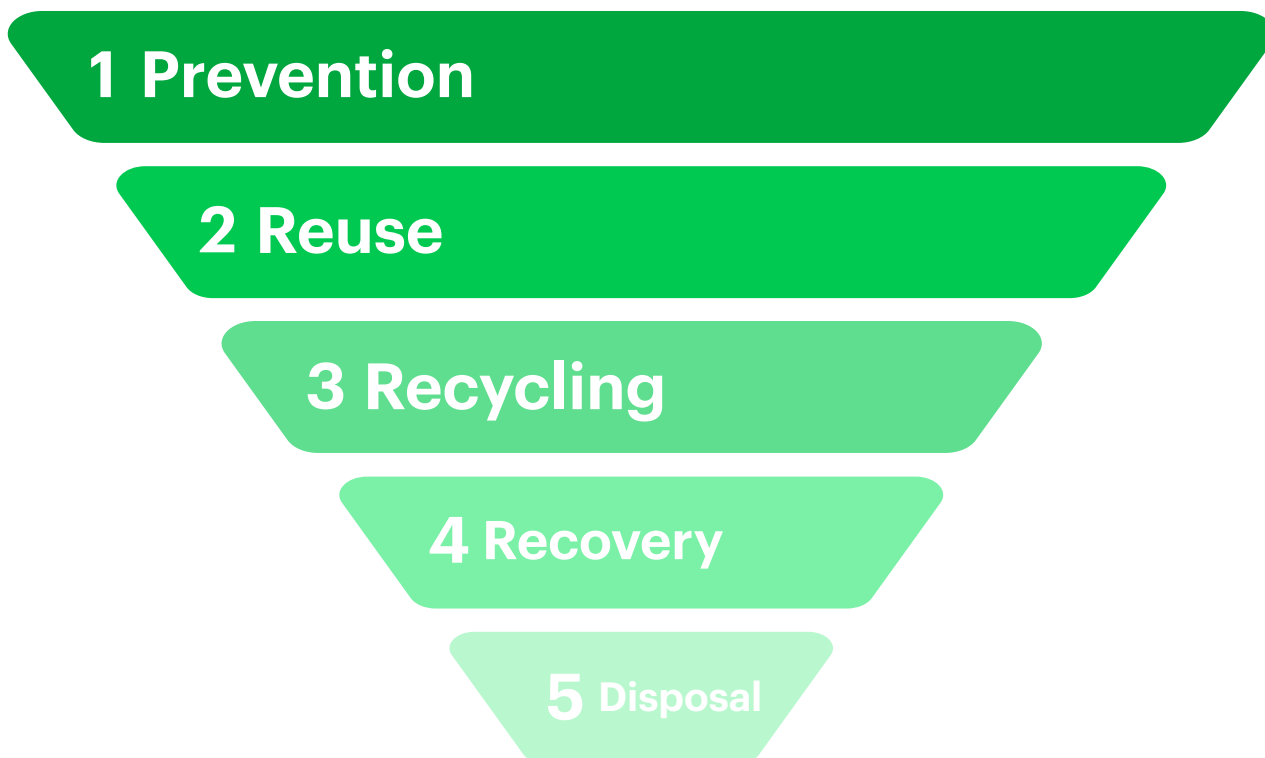
Reuse
Recycled water is reused in production & cleaning activities.



4 Waste Management

4.1 Waste Management Hierarchy

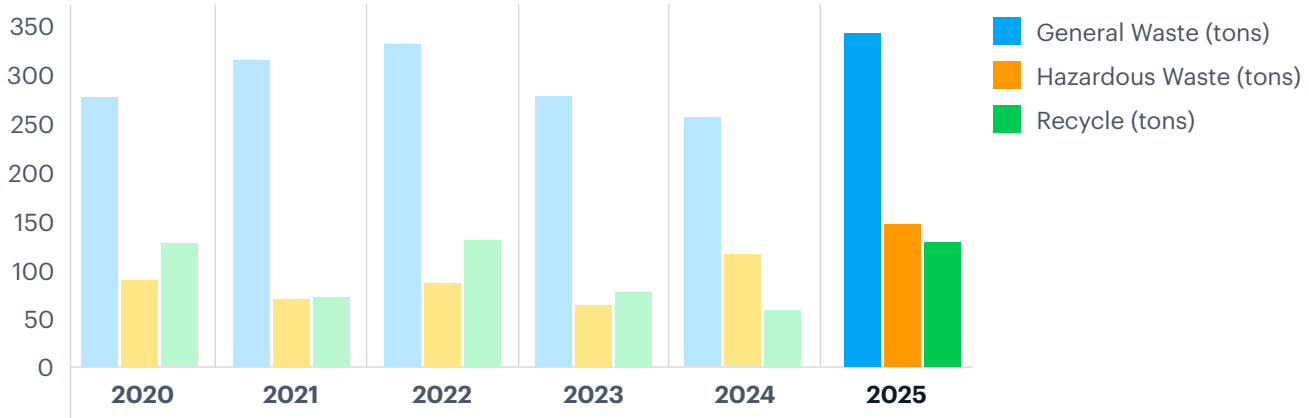
The Company adopted the waste management hierarchy framework to manage waste and recover materials from its business activities.



No	Hierarchy	Key Activities
1	Prevention	● 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	● 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	● 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	● 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	● 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 Advancing Waste Reduction Through Strategic Management

Our adoption of waste segregation systems, 3R principles (Reduce, Reuse, Recycle), and hierarchical waste management practices has successfully reduced overall waste generation year-on-year. We continue to refine these initiatives, pushing towards maximum waste minimization across all operations.



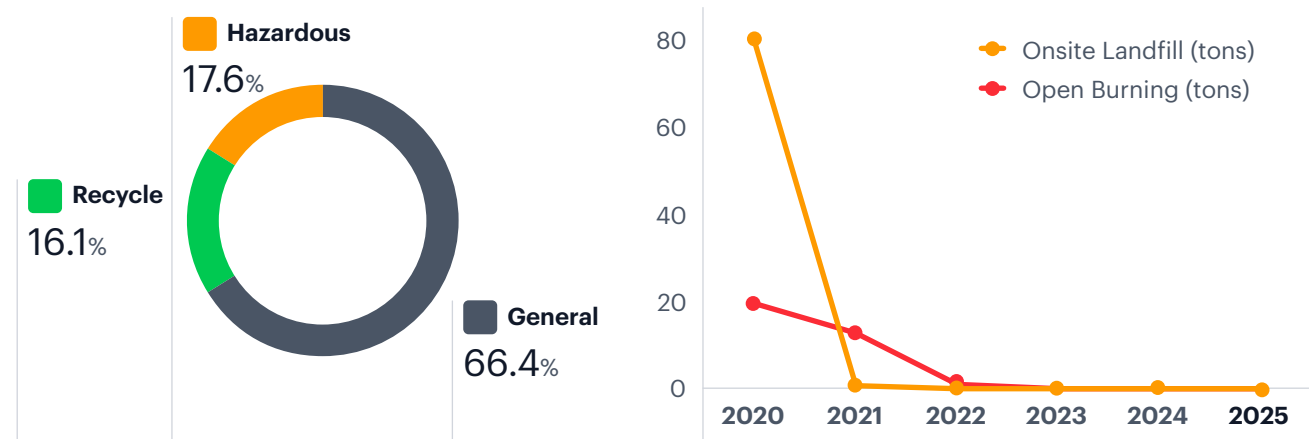
4.3 Waste Assessment and Resource Recovery

In 2025, we performed an in-depth analysis of production-generated waste streams. Our findings revealed multiple waste types—including wood scraps, organic leaves, plastics, and miscellaneous materials. A key breakthrough has been our ability to repurpose wood scraps and organic leaves, transforming these byproducts into useful resources and strengthening our circular economy approach.



4.4 Waste Generation and Disposal Methods by Categories

Through systematic waste categorization and adherence to 3R methodology, we have eliminated harmful disposal methods. Since 2023, we have maintained ZERO onsite landfill disposal and ZERO open burning, reflecting our unwavering dedication to environmental stewardship.



5 Air Pollution Management

5.1 Odor Management

We remain steadfast in our commitment to environmental stewardship and community well-being. To this end, we continue to rigorously implement and maintain our established odor management protocols across all operations to ensure that our manufacturing processes remain environmentally responsible and minimize impact on surrounding communities.

Ongoing Mitigation Measures

Our standard operating procedures for pollution control continue to focus on four key pillars:

5.1.1 EM & Wood Vinegar

We consistently utilize environmentally friendly solutions, specifically Effective Microorganisms (EM) and Wood Vinegar, to manage odors at the source. These natural agents are sprayed regularly on raw material piles, factory grounds, and drainage grooves to break down odor-causing compounds and effectively deodorize the area.

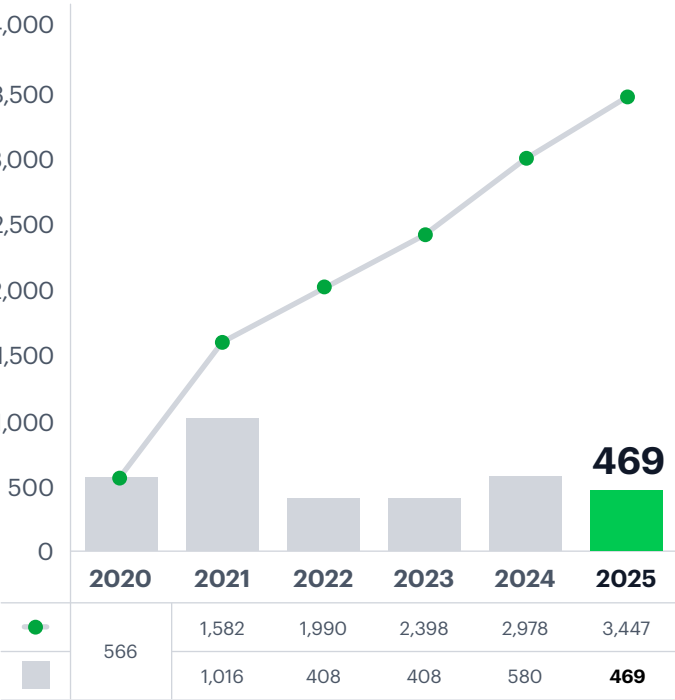


5.1.2 Proactive Monitoring & Community Engagement

Our dedicated environmental team conducts daily odor surveys within a 5-kilometer radius of our facilities. Using a rigorous 3-level sensory rating scale, we monitor air quality and gather feedback from local residents. Any detection of high-intensity odor (Level 3) triggers an immediate investigation and corrective action.



5.1.3 Tank-Installed Vehicles



We continue to collaborate with our supply chain to mitigate odors during transit. We actively encourage suppliers to use transport vehicles equipped with designated tanks to capture cup-lump serum. This prevents serum spills on public roads—reducing both odor and accident risks—and allows the serum to be properly recycled via our wastewater treatment system.

Expansion of Tank-Installed Fleet: We aim to significantly increase the number of raw material transport vehicles equipped with serum containment tanks, further minimizing the risk of road spills and transit-related odors.

5.1.4 Optimization of Wet Scrubbers

To ensure air quality, Wet Scrubber systems remain operational at all STR plants. These systems function by spraying water mist into the exhaust stream of our rubber drying systems, effectively capturing smoke, particulate matter, and odor compounds before air is released into the atmosphere.

Optimization of Wet Scrubbers: We are upgrading our maintenance and operational protocols to enhance the efficiency of our Wet Scrubbers, ensuring even higher rates of pollutant capture and cleaner air emissions.



installation of additional water pumps, which allows us to double the water circulation rate from 350 m³/hr to 700 m³/hr



adding approximately 10,000 media units per machine to enhance pollutant absorption capabilities

Odor Complaints

In 2025, we successfully maintained our record of zero formal environmental complaints. This achievement demonstrates the sustained effectiveness of our odor management systems—specifically through **raw material storage management, wet scrubbers, and wastewater treatment operations**—and reflects our ongoing commitment to minimizing environmental impacts on surrounding communities.

	2020	2021	2022	2023	2024	2025
Official written complaints	2	0	0	0	0	0

5.2 Air Emission Control

To minimize our environmental footprint, we strictly monitor air emissions in accordance with legal requirements and the GRI 305-7 standard (Nitrogen oxides, sulfur oxides, and other significant air emissions). We conduct annual testing for key pollutants relevant to natural rubber processing, including NOx, SOx, and Particulate Matter (PM). The results confirm that our emission control systems remain highly effective, achieving 100% compliance with all applicable standards.

Air Emission Test Results

	NO _x Nitrogen oxides	SO _x Sulfur oxides	PM Particulate matter
Air Emission Tested Result	100% (PASS)	100% (PASS)	100% (PASS)



6 Ecological Restoration & Community Resilience

Beyond our operational boundaries, we invest in ecosystem restoration and community-based initiatives that strengthen environmental resilience and support sustainable development. These programs contribute to biodiversity conservation, climate mitigation, and community engagement in environmental stewardship.

6.1 Blue Carbon Sequestration

To support nature-based climate solutions, the Company participates in coastal ecosystem restoration activities that enhance biodiversity and strengthen natural carbon sinks.

Mangrove Restoration and Coastal Ecosystem Conservation Unimac Rubber

Apr 30, 2025

The Company conducted mangrove planting activities at Hat Chao Mai to support coastal erosion prevention, enhance marine nursery habitats, and restore coastal ecosystems. Mangrove forests serve as important blue carbon sinks, capturing and storing carbon while protecting coastal environments.



Coastal Ecosystem Protection Unimac Rubber

Apr 30, 2025

The Company organized beach cleanup activities at Khanom Power Plant Beach and Hat Chao Mai to reduce marine litter and preserve coastal ecosystems. These activities help maintain healthy coastal environments that support biodiversity and ecosystem resilience.



Marine Biodiversity Conservation

BJ1, BJ2, TSU

Jul 09, 2025

The Company organized an aquatic animal release activity to support the restoration of natural water ecosystems. This initiative aims to enhance biodiversity, strengthen ecological balance, and encourage employee participation in environmental conservation.



6.2 Ecosystem Restoration and Community Engagement

Employee Tree Planting Initiative

May 05, 2025

Unimac Rubber

The Company engaged employees through environmental education and tree planting activities within factory areas to strengthen environmental stewardship and expand green spaces.



Employee Tree Planting Initiative

UMR-LS

Jun 06, 2025

Distributed tree seedlings to employees to promote home-based tree planting and expand green spaces, with support from the Trang Provincial Tree Nursery.



6.3 Community Energy Resilience

Solar Energy Support for Communities

Jun 27, 2025

Southland Latex (Phatthalung) (PT)

The Company supported the installation of a solar power system at Huai Sai Temple, Phatthalung Province, to promote renewable energy use and reduce greenhouse gas emissions. This initiative helps lower electricity consumption from conventional energy sources and supports long-term energy cost savings for the community.



6.4 Community Waste Management and Recycling Activities

Community Waste Bank Program

on the 15th of each month

Southland Resources Rayong (BJ3)

The Company established a waste bank program that purchases recyclable materials (plastic, paper, etc.) from communities. This creates supplementary income for residents while reducing waste disposal and promoting recycling through a circular economy approach.



Supporting Communities through Recycling Competitions

Apr 29, 2025

UMR-LS

Supported community recycling competitions to promote creative reuse of waste, enhance recycling behavior, and strengthen community engagement in environmental conservation.

Environmental Sustainability Performance

No	Topic	Targets	Results	Remarks
Biodiversity				
1	Number of new trees planted	≥20,000	17,617	Not achieved
2	Number of locally found tree species planted	≥10	69	✓ Achieved
Decarbonization				
3	Carbon emission reduction (2025 compared to 2020 base year)	≥21%	5%	Not achieved
4	Carbon emission intensity reduction (2025 compared to 2020 base year)	≥10 %	1.2%	Not achieved
Water Management				
5	Wastewater recycling	100%	100%	✓ Achieved
6	Wastewater discharge	ZERO	ZERO	✓ Achieved
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	26.1 hours/person	✓ Achieved
11	ISO 14001 (Environmental Management System Certification)	17 factories	17 factories	✓ Achieved



Social Aspect.

Empowering People and Communities for a Sustainable Tomorrow

Southland Rubber Group prioritizes social sustainability as a key part of its commitment to a sustainable future. Building on past progress, we focus on human rights, employee well-being, diversity, and community engagement. In response to evolving risks, including climate-related events, we proactively protect employees and communities through effective risk management and resilience-building efforts, ensuring lasting positive social impact.

Contents

- 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
- 6 Managing Flood Impacts on Employees and Communities
- 7 Social Sustainability Performance

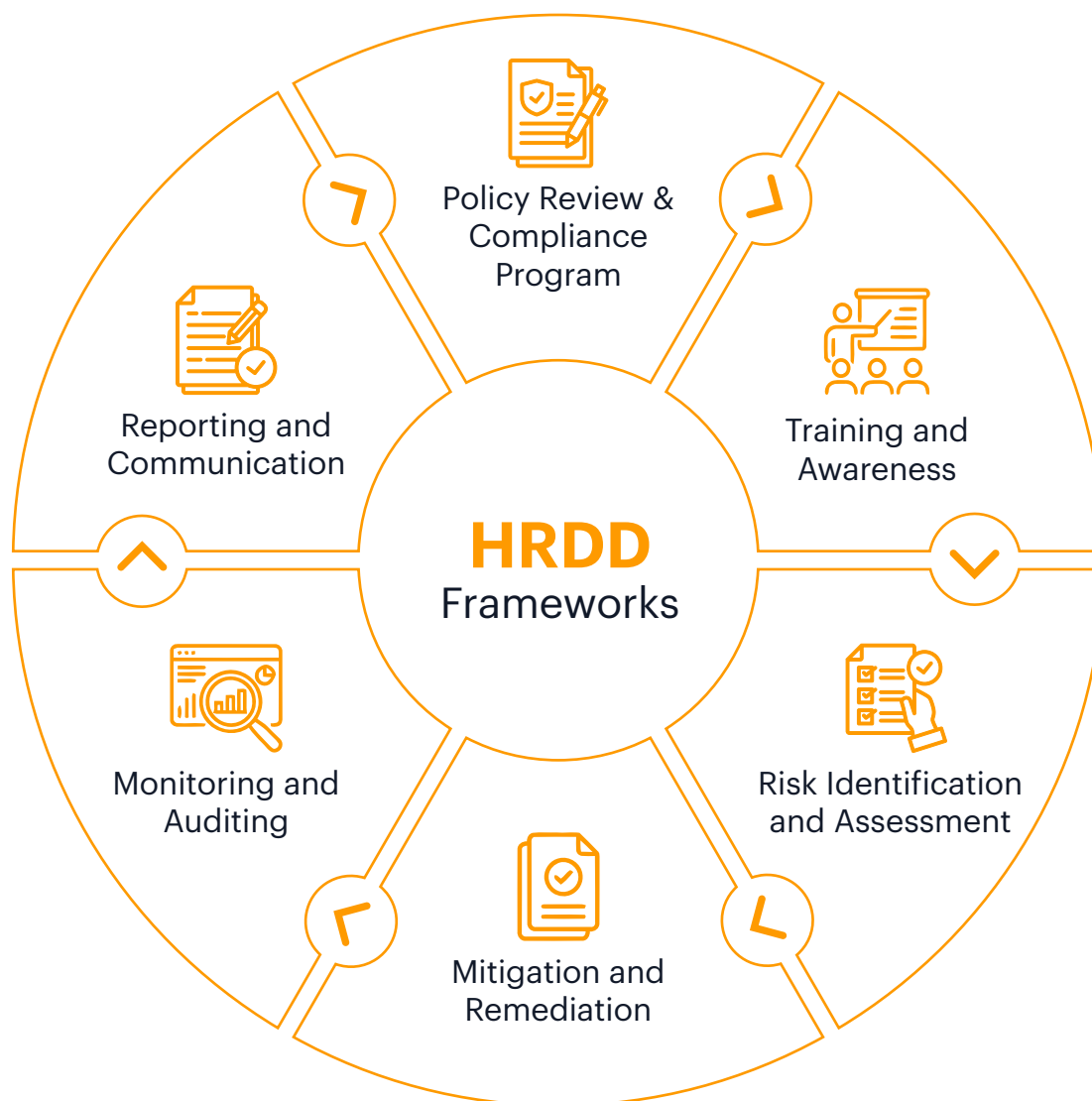
1 Human Rights and Labor Practices

We are committed to upholding human rights and fair labor practices across our operations and supply chain, in line with international standards such as the **UNGP**, **UDHR**, **ILO** Conventions, and **GPSNR** guidelines*. We continuously strengthen our risk-based approach and stakeholder engagement to address evolving social risks.

Our human rights and labor framework defines clear policies, identifies and manages risks, implements appropriate actions, and monitors performance. We emphasize awareness-building, accessible grievance mechanisms, and constructive dialogue to address concerns transparently. The following sections outline our commitments, due diligence, risk management, monitoring, and engagement processes that support responsible and sustainable business practices.

1.1 Human Rights Due Diligence

Our Human Rights Due Diligence (HRDD) Framework serves as a structured, risk-based approach to ensure that our operations and supply chains are aligned with internationally recognized human rights standards and best practices. The framework is designed to proactively identify, prevent, mitigate, and address actual and potential human rights impacts across all business activities, while fostering transparency, accountability, and continuous improvement. It comprises the following key components:



*Full names of these standards are provided on page 42.

1.1.1 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



Global Platform for Sustainable Natural Rubber (GPSNR) Policy Component



UN Guiding Principles on Business and Human Rights (UNGPs)



International Labor Organization (ILO)'s eight core conventions



UN Declaration on the Rights of Indigenous Peoples (UNDRIP)

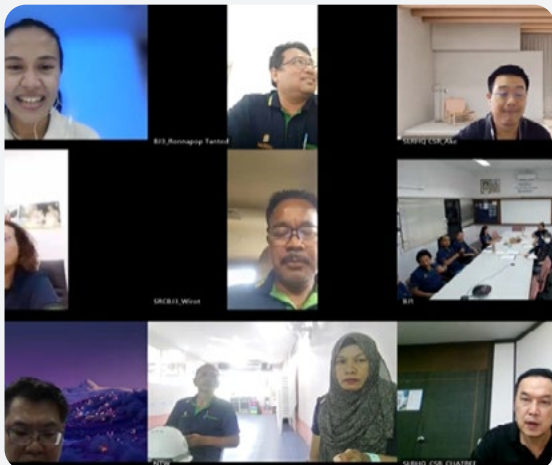
1.1.2 Training and Awareness

We promote respect for human rights and fair labor practices through structured and ongoing training and awareness programs across our operations and supply chain. Managers, employees, workers, and supply chain partners receive regular training to ensure alignment with human rights principles, labor standards, and compliance requirements.

Training is delivered during employee onboarding, on an annual basis, and whenever relevant policies or requirements are updated. Compliance training is provided to employees at least once a year, while capacity-building programs for supply chain partners are conducted annually. Multiple delivery channels—including onsite sessions, online training, e-learning platforms, and e-newsletters—are used to support continuous awareness and consistent implementation throughout the value chain.

100%

of employees received human rights training



100%

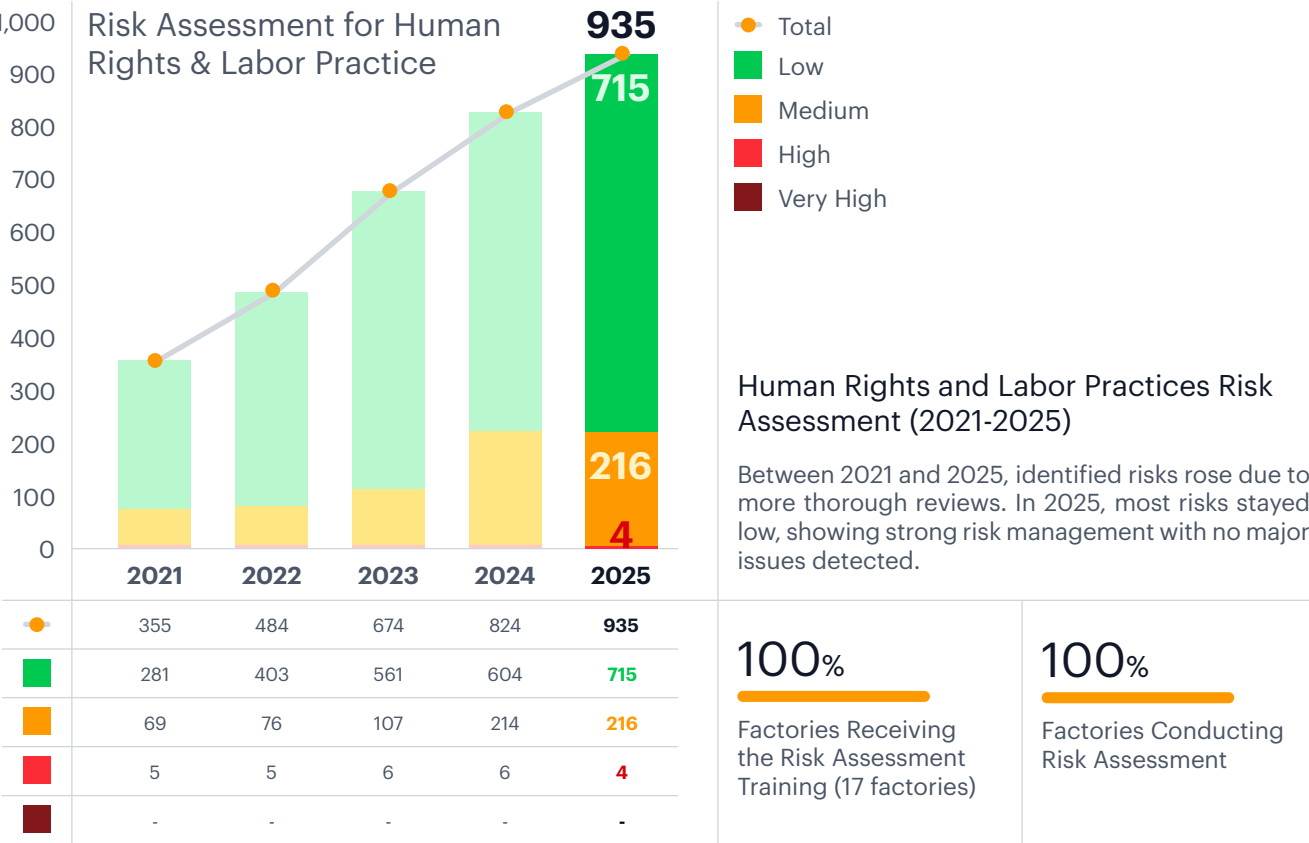
completion of planned capacity-building activities.



1.1.3 Risk Assessment & Mitigation Measures

In 2025, we carried out thorough human rights assessments at all 17 of our factories using internal tools. Risk teams, including a Compliance Officer and process owner, evaluated risks based on severity and occurrence to set risk levels and apply mitigation measures. The identified risks and their categories are summarized in the chart below.

We offer annual human rights risk assessment training online for staff managing human rights and labor practices, including managers and relevant department representatives, to ensure consistent procedures Company-wide.

</

1.1.4 Monitoring and Auditing

We monitor and audit the implementation of human rights and labor practices across our operations to ensure ongoing compliance, transparency, and continuous improvement.

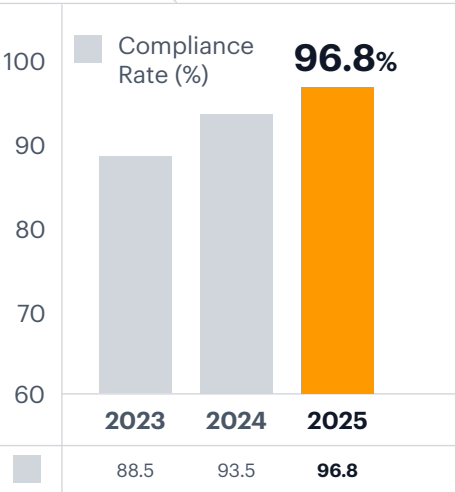
Audit Process



Internal Audit on Human Rights and Labor Practices

Internal audits from 2023 to 2025 show sustained high compliance with human rights and labor practices, supported by continuous corrective and preventive actions. Minor issues related to partial non-alignment with policies and procedures are being addressed through enhanced capacity building and closer monitoring. Overall, core management systems remain robust, with audit results and actions effectively communicated to management to ensure accountability and consistent compliance across all operations.

Compliance Rate (%): The percentage of audit items in compliance with applicable requirements, based on results from internal audits conducted in accordance with the approved audit plan.



1.1.5 Reporting and Communication

We ensure transparency and accountability through structured reporting and communication on human rights and labor practices. An annual Human Rights Due Diligence Report (HRDR) is prepared to disclose key risks, mitigation measures, audit outcomes, and performance trends across our operations. The HRDR was first introduced in 2024 in selected factory locations and was continued and expanded in 2025 to cover a broader scope of operations.

In addition to the HRDR, human rights performance and key outcomes are communicated through internal management reports, audit summaries, and regular updates to relevant functions to support oversight and informed decision-making. Clear communication channels are maintained to ensure that policies, procedures, and expectations related to human rights and labor practices are consistently understood and applied across all levels of the organization.

Where appropriate, relevant human rights information is also shared through external disclosures, stakeholder engagement activities, and sustainability reporting platforms to enhance transparency, strengthen stakeholder trust, and demonstrate ongoing progress in managing human rights risks.

1.2 Key Human Rights Practices

We integrate human rights and fair labor practices into our operations through clear policies, effective implementation, and ongoing monitoring. Our approach emphasizes practical execution, stakeholder engagement, traceability, and transparent reporting to ensure consistent compliance and continuous improvement across priority human rights areas.

1.2.1 Data Protection and Privacy

We protect personal data through strict policies, controlled access, and regular employee training to ensure compliance with applicable data protection laws and responsible data handling practices.

Zero
substantiated privacy complaints

1.2.2 Fair Recruitment and Employment Practices

We uphold merit-based, non-discriminatory recruitment and employment practices. Child labor, forced labor, harassment, and discrimination are strictly prohibited. All recruitment partners are required to meet applicable legal and ethical standards.

Zero
case of reporting on labour exploitation

1.2.3 Employment of Persons with Disabilities

We promote inclusive employment through reasonable workplace accommodations. In 2025, persons with disabilities represented 1.12% of our workforce, exceeding the legal requirement of 0.97%, with 100% appropriate job placement aligned with individual capabilities.

100%
Legal Compliance in Employing Persons with Disabilities

1.2.4 Freedom of Association, Welfare and Employee Engagement

We respect freedom of association through an active Welfare Committee that facilitates dialogue and employee participation. Regular meetings support employee well-being, strengthen engagement, and foster a positive and inclusive workplace culture.

100%
Welfare Committee meetings conducted as planned

1.2.5 Raw Material Traceability Supporting Human Rights and Labor Due Diligence

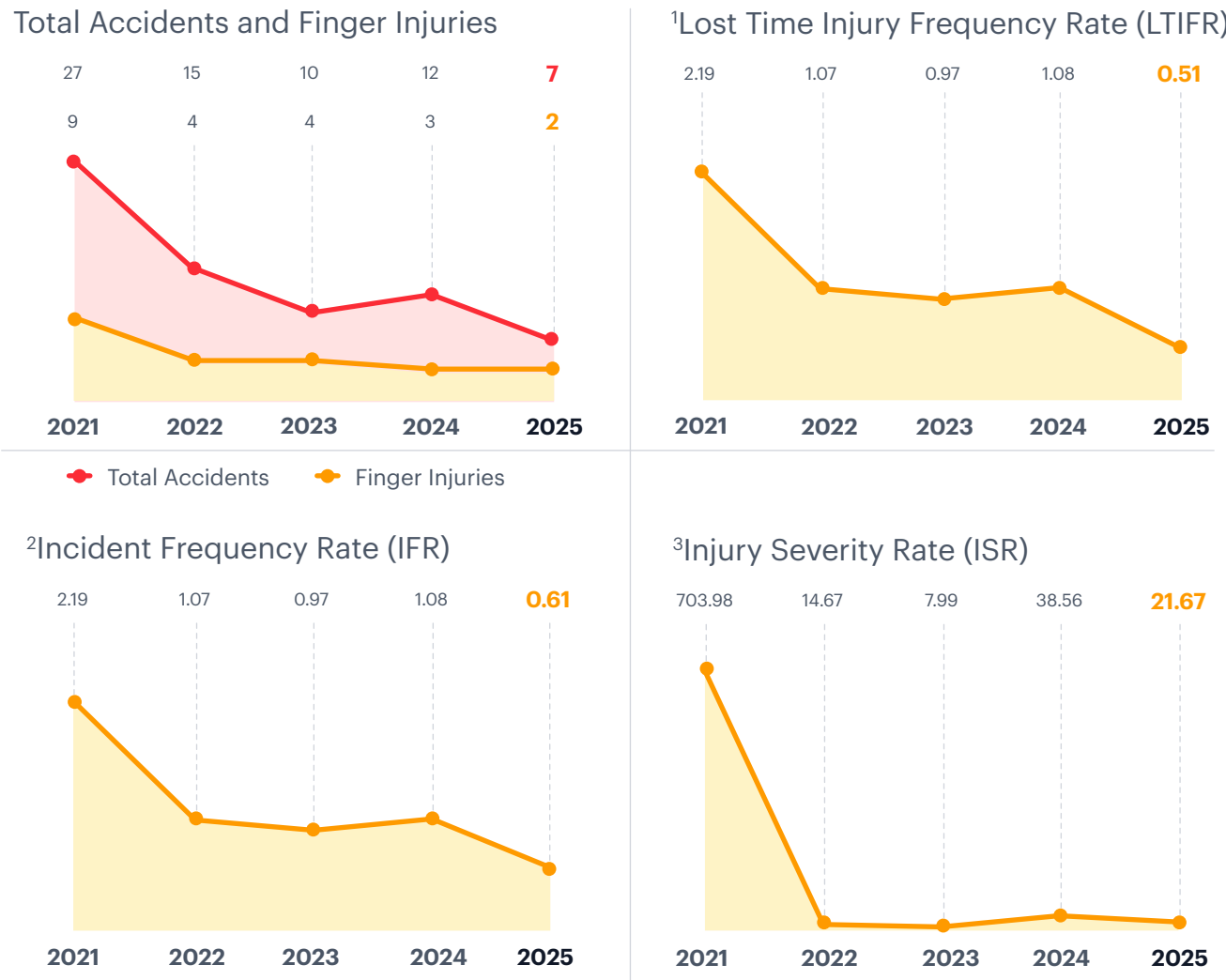
We operate a traceability system combining on-site verification, digital tools, and accessible reporting. Integrated into our due diligence and supplier monitoring processes, this system enhances transparency and accountability across the supply chain.

100%
compliant regarding personal privacy

2 Health and Safety

We are committed to providing a safe and healthy workplace by preventing accidents and managing safety risks across all operations. We apply a ZERO Accidents Model that emphasizes performance monitoring, risk assessment, preventive measures, and continuous improvement, supported by leadership commitment and employee engagement. The following sections present our safety performance, safety initiatives, and health management practices.

2.1 Key Safety Performance



Performance Analysis

Safety performance continued to improve over the five-year period. Total accidents decreased significantly from 2021 to 2025, with finger injuries also showing a downward trend. IFR and LTIFR reached their lowest levels in 2025, reflecting overall improvements in safety management despite minor year-on-year fluctuations.

The reduction in accidents is driven by strengthened risk management, continuous use of One-Point Lessons (OPLs), and safety improvement initiatives across the Group. While accident frequency has declined, injury severity remains a concern, indicating the need to maintain strict controls and introduce additional preventive measures. We remain committed to strengthening our safety approach to achieve ZERO accidents and 100% safety performance in the coming years.

1. Lost-time injury frequency rate = (number of lost-time injuries/total working hours) x 1,000,000
2. Injury frequency rate = (number of reported injuries/total working hours) x 1,000,000
3. Injury Severity Rate = (number of reported work days lost/total working hours x 1,000,000)

2.2 ZERO Accidents Model

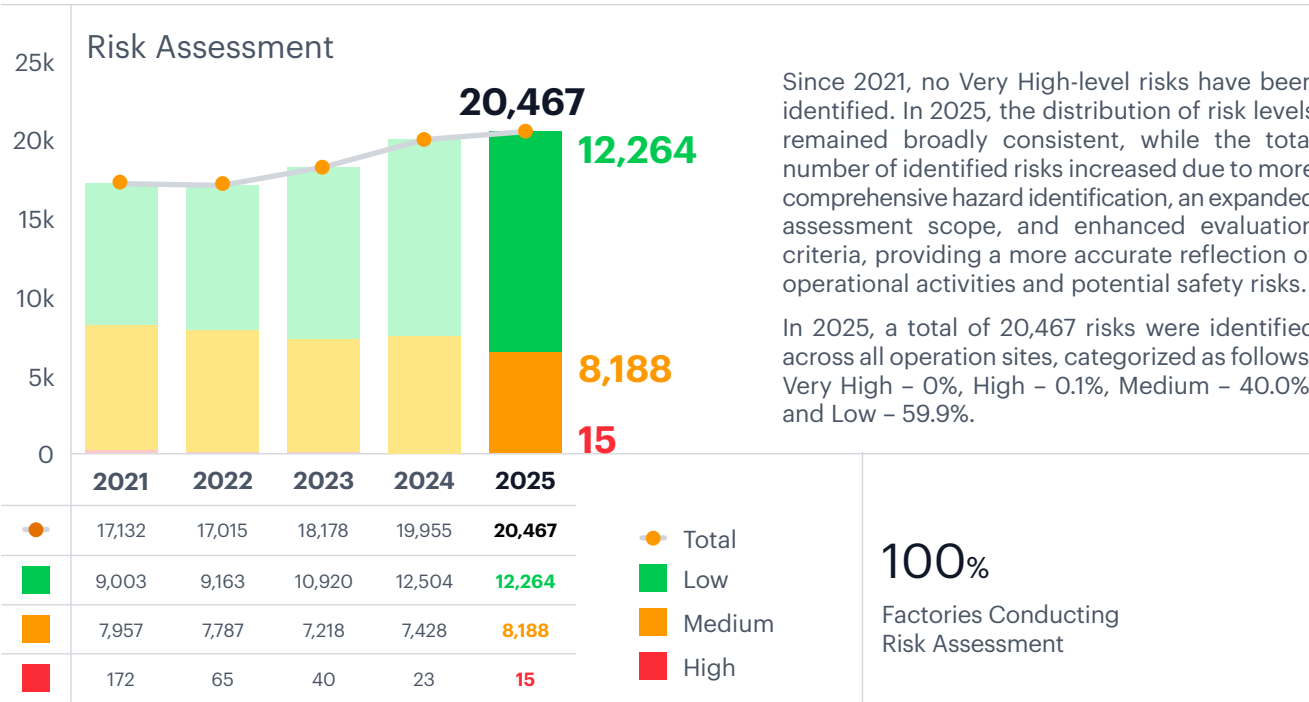


To foster a culture of safety, security, and a supportive work environment, we have continuously developed our ZERO Accidents Model based on our organizational context and the participation of management, employees, and external advisors. The model is built on systematic hazard identification, safety risk assessment, and core preventive measures that guide our operations toward the goal of eliminating workplace accidents.

2.2.1 Safety Risk Assessment

In 2025, we refined our safety risk assessment process to improve accuracy and address previous gaps. By incorporating activity frequency into our likelihood evaluations, we now achieve more precise risk prioritization. While risk levels remain based on likelihood and severity, this enhancement enables clearer communication and the implementation of more effective control measures across all operations.

Risk Assessment Process



2.2.2 Safety Preventive Measures

We implement preventive safety measures to reduce risks and reinforce safe work practices through continuous learning, improvement activities, and daily safety communication. These measures focus on practical actions that prevent accidents and strengthen safety awareness across all levels of the organization.

2.2.2.1 One-Point Lessons

Building on both good practices and lessons learned from occupational health and safety experiences, we develop and share One-Point Lessons (OPLs) across all operations to promote consistent understanding and preventive application. The number of OPLs increased significantly in 2024 and continued to grow modestly in 2025, reflecting our ongoing commitment to strengthening safety knowledge, reinforcing safe work practices, and supporting long-term accident prevention.



Make Hidden Hazards Visible

Steel stakes around the wastewater pond may pose hidden risks during grass-cutting. Clear visual markers have been installed to enhance visibility and prevent injuries.



⚠ Risk of tripping or injury during grass cutting



✅ Steel stakes are clearly marked with visual indicators



Push Together, Move Safely

When handling a trolley with two operators, both workers must push from the same side and in the same direction. Pushing from opposite sides can cause loss of control, instability, and collision risks. Proper coordination ensures smooth movement and prevents accidents.



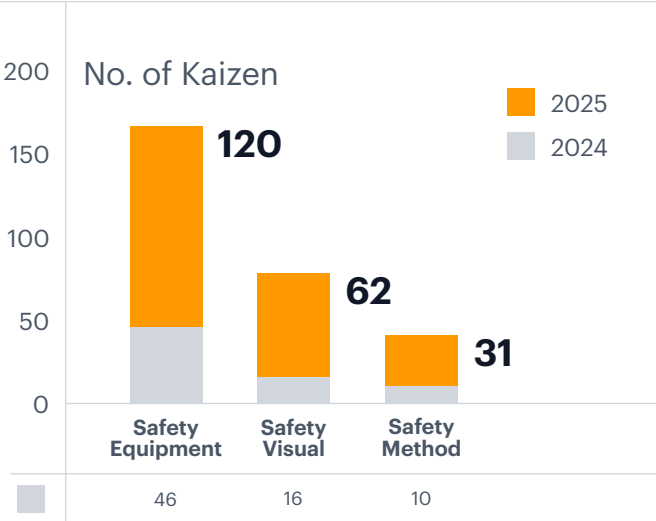
❗ Opposite Handling is unstable and difficult to control



✅ Same side Handling is controlled and well-coordinated

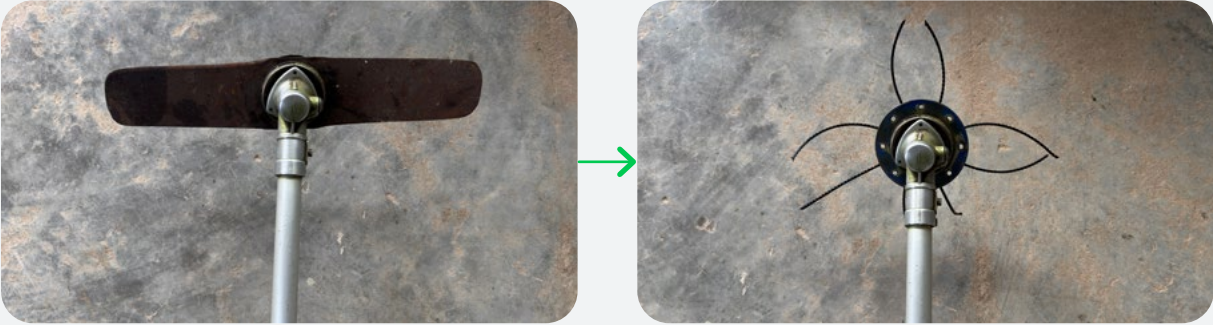
2.2.2.2 Safety KAIZENS

We further strengthened risk management and One-Point Lessons (OPLs) by implementing Safety KAIZENS that emphasize engineering and mechanical solutions to minimize human error. Identified risks are systematically addressed through KAIZENS to eliminate or control hazards at their source. In 2025, a total of 213 KAIZENS were implemented, with 58.2% focused on safety equipment, reinforcing our strong commitment to accident prevention and workplace safety. Examples are as follows:



Grass Cutting Tool Improvement

-  **Risk**
- Risk of injury from metal blade breakage and flying debris during grass cutting
-  **Kaizen**
- Replaced metal blades with nylon wire (string) cutting system to reduce impact force and projectile hazards



Risk level reduced from **Medium** to **Low**

Pump Condition Monitoring & Alarm System

-  **Risk**
- Risk of equipment damage and potential injury to technicians due to pump malfunction
-  **Kaizen**
- Installed a pump condition monitoring system with an alarm signal to detect abnormalities and alert technicians for early corrective action



Risk level reduced from **High** to **Low**

2.2.2.3 Safe-Work Procedure Training

We translated risk assessment results into practical occupational health and safety controls, including policies, KPIs, manuals, SOPs, work instructions, area standards, and approved OPLs and Safety KAIZENS, all integrated into our training framework. Training programs align with legal requirements, ISO 45001, and our safety policy, and are regularly reviewed to reflect operational changes, emerging risks, and continuous improvement.

We provide comprehensive safety training for new employees, those affected by operational changes, and through regular refresher programs to reinforce safe work behaviors and maintain competence. In 2025, employees completed an average of 32.50 training hours per person, reflecting continuous year-on-year growth, covering key topics such as machine safety, PPE, electrical safety, emergency response, safe driving, and working at height. These programs enhance risk awareness, strengthen safe practices, and support the effective implementation of our ZERO Accidents Model across all operations.





Working with Machines



Emergency plan



Working with Trolleys



PPE Wearing



Working at height



Drive safely

2.2.2.4 Morning Talks and KYT

Following the completion of planned safety training, we further reinforce safety awareness through **Morning Talks** conducted before the start of work. These sessions are organized by each department and led by supervisors, safety officers, and work controllers, integrating safety reminders and key risk points into daily operations.

In addition, **Kiken Yochi Training (KYT)** serves as a structured practice for hazard anticipation aimed at preventing work-related accidents. Employees actively identify potential hazards and use **pointing and calling** techniques to reinforce awareness and focus. This approach shifts safety management from reactive problem-solving to proactive prevention, strengthening a safety-first mindset and reducing the likelihood of human error before work begins.



Morning Talk



KYT

2.2.3 Activities to Promote Safety Culture

We promote a strong safety culture through leadership commitment, employee engagement, and daily safety practices. These activities reinforce shared responsibility, strengthen safety awareness, and support a proactive approach to accident prevention across all operations.

2.2.3.1 Top Management Commitment

We demonstrate strong leadership commitment to occupational health and safety by embedding Safety First as a core value across all business units. Our top management leads by example, promotes proactive risk prevention, disciplined safety practices, and a caring approach to employee well-being, while reinforcing our shared goal of zero accidents. The following leadership statements were delivered on 22 July 2025, with 100% participation from all Company locations, reflecting our collective commitment to fostering a strong and sustainable safety culture across the organization.



AMD STR Group 1

Mr. Prasong Sukhajitthanon

“We believe that **safety is the highest priority and the foundation of sustainable business**. Safety must always come before productivity and cost, supported by adequate resources, continuous oversight, and strong leadership by example. Our shared goal is **zero accidents**, achievable through collective responsibility and empowerment, including the right to stop work when safety is uncertain.”



AMD STR Group 2

Ms. Pornnicha Sangkapaksa

“We manage safety through **awareness, comprehensive risk assessment, and leadership with care**. Guided by empathy, attentiveness, encouragement, and accountability, we place people at the heart of risk management—listening, supporting, and continuously developing our teams to ensure everyone returns home safely.”



AMD Latex

Mr. Lim Voon Hong

“We build safety excellence by strengthening **discipline and standards through 5S**, fostering safety awareness both at work and beyond, and motivating employees through recognition and engagement. We also enhance contractor safety management to ensure consistent and safe operations across all activities.”



AMD RSS

Mr. Phawit Nonthasiriphaghin

“We focus on **building a strong and sustainable safety culture** by reinforcing discipline, ensuring strict adherence to safety systems, and addressing risks immediately. Continuous enforcement and timely intervention are essential to embedding safety into daily work practices.”

2.2.3.2 Safety Day

We promote safety awareness and employee engagement through **Safety Day activities organized at two levels: a corporate-level Safety Day led by the Head Office**, and **site-level Safety Day activities conducted by each business unit**. These activities provide platforms for leadership communication, experience sharing, and employee participation, reinforcing safety awareness, strengthening a shared Safety First culture, and encouraging collective responsibility for workplace safety across all operations.

Head Office Safety Day

We organize a corporate-level **Safety Day** on an annual basis to strengthen safety leadership, align organizational priorities, and promote consistent safety practices across all operations. The program focuses on reviewing safety performance and accident reduction initiatives, analyzing safety trends over time, and communicating improvement guidelines and the Safety Plan for the year ahead. In addition, Safety Risk Assessment training is provided with emphasis on updated assessment criteria to enhance shared understanding and support effective risk management throughout the organization.



Head Office Safety Day (Online), held on 13/02/25, with 100% participation from all company locations.

Factory Safety Day

In 2025, Factory Safety Day engaged 1,658 employees across 14 operational sites, with participation from all levels of the organization. The program is conducted annually to strengthen safety awareness and embed a strong safety-first mindset throughout factory operations.



Key activities focus on promoting safe work practices, including adherence to work procedures, proper use of personal protective equipment (PPE), and proactive awareness of potential risks and hazards in daily operations. The program is designed to encourage active employee participation through interactive and engaging activities, reinforcing a Safety First culture in an enjoyable and inclusive manner. Small tokens of appreciation are also provided to motivate participation and boost employee morale.

2.2.3.3 5S for safety

We have established **5S as a fundamental foundation of our management system**, integrating it into daily work practices across all operations. The implementation of 5S is considered part of routine work, rather than a separate activity. One of the key objectives of our 5S practices is the achievement of **Zero Accident**.

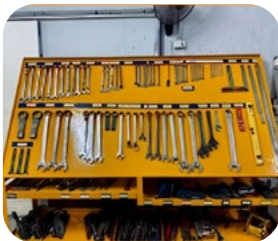
In addition to other safety measures described in this report, such as **Kaizen, POKAYOKE, and Visual Management**, we clearly link 5S practices to our occupational health and safety outcomes. Each element of 5S contributes directly to creating a safer, more disciplined, and well-controlled working environment, as outlined below:



S1: Seiri (Sort)

Separate necessary and unnecessary items and remove those that are not required from the workplace

Creates a safer working area by eliminating obstacles, reducing clutter, and minimizing potential hazards



S2: Seiton (Set in Order)

Arrange necessary items in designated locations with clear identification to ensure easy access and return

Reduces searching time, improves work efficiency, and lowers the risk of accidents during operations



S3: Seiso (Shine)

Clean and inspect workplaces, tools, and equipment regularly as part of daily work activities

Enables early detection of abnormalities and ensures that equipment and work areas remain safe and ready for use



S4: Seiketsu (Standardize)

Establish and maintain standardized work areas and procedures to sustain the first three S practices

Reduces variation, enhances consistency, and minimizes safety risks across all operations



S5: Shitsuke (Self-Discipline)

Promote awareness and discipline to ensure consistent compliance with established standards at all times

Builds strong safety discipline, leading to sustainable safety behavior and a positive safety culture within the organization

3 Employee Welfare and Well-Being

3.1 Employee Satisfaction

Employee satisfaction continues to be a strategic priority for the Company as a key driver of organizational stability, performance, and long-term sustainability. Through our ongoing employee satisfaction assessment, we systematically capture employee insights to better understand workplace experiences, expectations, and areas requiring improvement. In 2025, the survey recorded a high participation rate of 98.8%, representing employees across all levels and business units, reinforcing the credibility of the results and providing a strong foundation for targeted improvement initiatives.

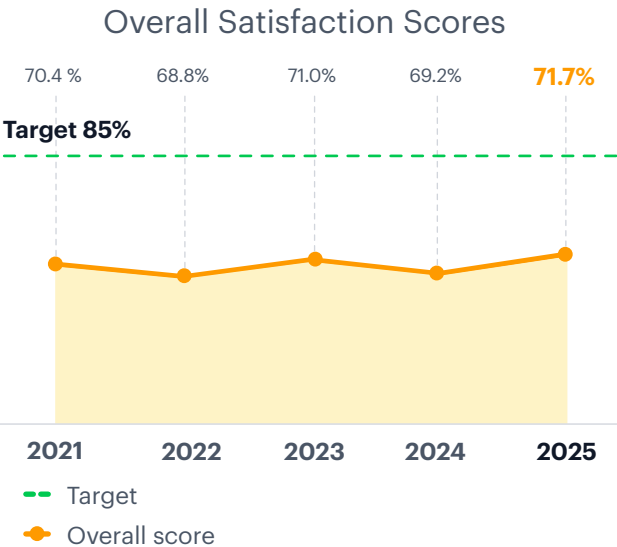
Aiming to improve employee satisfaction, we strengthened initiatives such as:

- Infrastructure and utility improvements
- 5S workplace organization
- Process simplification
- Kaizen activities focused on improving morale

In addition, to promote employee health, we provided additional welfare support and tailored financial assistance.

All initiatives were closely monitored, communicated, and reviewed with the involvement of management to ensure effectiveness and consistency across locations.

The level of satisfaction has been around 70% so far, well below the target. Although the 2025 result (71.7%) was the highest in the past five years, with efforts to improve welfare facilities, it is still below the target.



While progress has been made, we remain committed to improving employee recognition, remuneration, and welfare. In 2026, we will launch participatory initiatives to strengthen both monetary and non-monetary reward systems. Our goal is to boost employee satisfaction and drive sustainable organizational growth.



3.2 Employee Well-Being & Financial Assistance Programs

We recognize that employee well-being extends beyond the workplace and encompasses financial stability, family responsibilities, and support during times of need. To strengthen resilience and provide practical support, we continue to implement financial assistance programs that address employees’ life circumstances in a timely, fair, and compassionate manner.

3.2.1 Educational Loan Program for Employees’ Children

We have continuously implemented an educational loan program to support employees in financing their children’s education. Under this program, eligible employees can access interest-free loans of up to three times their salary. This initiative reflects our long-term commitment to easing financial burdens related to education and supporting employees in securing better opportunities for their families.

	Number of Borrowers 19 borrowers		Total Loan Amount 396,700 Baht		Interest Rate 0 %
---	--	---	--	---	-----------------------------

3.2.2 Travel Assistance Program

To reduce commuting challenges and support daily well-being, we continue our travel assistance program for employees residing more than 10 kilometers from the workplace. Eligible employees receive a daily transportation allowance per working day, helping to offset travel expenses and improve morale. The program has received positive feedback and remains an important measure to support employees’ work-life balance.

	Number of beneficiaries 51 employees		Total financial support 478,845 Baht
---	--	---	--

3.2.3 Emergency Assistance for Flood-Affected Employees

During the flood situation in November 2025, we responded promptly to support employees affected by the disaster. Damage and needs assessments were conducted immediately for employees at all levels, achieving 100% coverage. Based on the assessment, we established urgent assistance measures, including financial aid. Financial assistance was provided to 100% of affected employees, totaling 443 employees with a combined support amount of 1,723,000 THB, helping them recover and restore stability as quickly as possible.

	Number of beneficiaries 443 employees		Total financial support 1,723,000 Baht
---	---	---	--

3.2.4 Other Financial and Social Assistance

In addition, we provide case-by-case financial support for employees facing necessary family-related circumstances, such as religious activities or significant life events. These supports are considered with care to ensure fairness while addressing genuine employee needs.

Through these programs, we aim to enhance employee well-being, strengthen trust, and foster a supportive workplace where employees feel cared for not only as workers, but as individuals and family members—contributing to sustainable engagement and organizational resilience.

3.3 Employee Engagement, Social & Recreational Activities

We believe that employee engagement goes beyond work performance and is built through meaningful connections, positive morale, and a strong organizational culture. Through a variety of social, recreational, and well-being activities, we aim to foster teamwork, enhance happiness at work, and strengthen a sense of belonging across all levels of the organization.

3.3.1 Activities Supporting Connection

Activities designed to strengthen relationships, teamwork, and interaction among employees across departments and locations.

Sport Day

BJ3 (18 Dec 2025), FB (30 Dec 2025), BH (11 Apr 2025), NTW (15 May 2025), LS & TG (29 Apr 2025)

Sport Day promotes active lifestyles and positive teamwork through friendly competition and physical activities. By bringing employees together to participate as teams, the event strengthens collaboration, builds mutual trust, and enhances a shared sense of belonging across the organization.



A New Year Celebration to Remember

All sites; activities were organized for employees at all levels, with broad participation from mid-December 2025 to early January 2026

To mark the beginning of the new year and strengthen team spirit, the Company hosted a lively celebration that brought employees from all levels together. The event featured shared meals, engaging activities, gift exchanges, and lucky draw prizes. Beyond the festivities, the gathering created meaningful connections, reinforced mutual appreciation, and strengthened a collective sense of unity throughout the organization.



Songkran Festival: Sharing Joy and Traditions

13 sites; conducted in April

During Songkran, Thailand's traditional New Year festival, employees participated in cultural rituals by gently pouring scented water over Buddha images and the hands of elders. This meaningful practice symbolized respect, gratitude, and the sharing of blessings for a prosperous year ahead.



Religious Engagement Activities for Employees

12 sites; conducted on religious observance days

The Company facilitated religious activities to enhance employees' spiritual well-being and provide space for personal reflection. These activities promoted mindfulness and emotional stability, while reinforcing a supportive and inclusive work environment that honors diverse beliefs and practices.



Employee Market Day (On-site Community Market)

PT, LS, SN; at least once per year

Employee Market Day was organized to create a shared space for employees to connect beyond their daily work routines. The on-site community market enabled employees and local vendors to exchange products, including vegetables grown within factory areas, providing opportunities to generate additional income and develop skills beyond regular job roles. The activity also helped strengthen relationships, enhance well-being, and foster a strong sense of community across the organization.



3.3.2 Morale-Boosting Activities

Initiatives that enhance motivation, well-being, and quality of life for employees and their families.

Growing Together: Tree for Team Spirit

We provided employees with free tree seedlings to plant, fostering team bonding and a shared positive experience. This initiative strengthens relationships, boosts morale, and supports sustainability, with a total of **760 tree seedlings distributed to 250 employees**.



Monthly Attendance Reward Program: Rice Distribution for Employees

To acknowledge employee dedication and promote consistent attendance, FB introduced a monthly rice distribution program. Employees who meet attendance targets receive rice as a token of appreciation, helping to motivate commitment, strengthen morale, and reinforce a positive workplace culture. On average, approximately **240 employees per month** received rice, totaling **2,883 packs in 2025**.



Empowering Health and Happiness at Work

We actively participated in the Healthy, Safe, and Happy Workplace initiative, led by the Ministry of Public Health, to promote employees' physical and mental well-being, enhance workplace safety, and foster a positive work environment. Key activities included expert-led stretching sessions and developing internal champions to sustain the program at SN, with a total of **81 employees participating**.

Motorcycle Maintenance Support Program

In 2025, the program launched in 2024 at NTW expanded to other sites, helping employees maintain their motorcycles with services like oil changes, minor repairs, tire fixes, and affordable spare parts by skilled technicians. This supports safer commutes and boosts employee well-being.



Green Workplace Garden: Growing Together for Well-being and Sustainability

Employees are encouraged to use Company land to grow vegetables, helping reduce living costs and offering extra income opportunities. This initiative supports resource efficiency, environmental care, and fosters teamwork, boosting employee well-being and workplace connections. The program spans **13 sites**, covering approximately **9,706 m²**, with **425 employees participating**.



3.3.3 Organizational Culture & Positive Behavior

Activities that reinforce shared values, healthy lifestyles, creativity, and pride in the organization.



TO BE NUMBER ONE

In 2024, FB employees participated in the “To Be No.1” initiative to promote a drug-free workplace by organizing activities such as talent showcases, team-based programs, and constructive recreational activities that encourage the productive use of free time. Their efforts were nationally recognized, and the program earned awards in 2025, highlighting FB’s commitment to a safe, healthy, and positive work environment.

Creative Contests and Reward Campaigns

We boost employee engagement and a positive culture through contests and reward campaigns that encourage innovation and teamwork. Participants can share ideas and support workplace safety and values. Rewards include essential goods, certificates, public recognition, and cash to motivate and build pride among employees. Key activities include:

Unsafe Condition Identification Contest

Encouraging employees to proactively identify and report unsafe working conditions to prevent accidents, with **14 employees receiving awards**.

Outstanding 5S Workplace Management Contest

Recognizing departments that effectively implement 5S principles to create safe, orderly, and efficient work environments, with **29 employees and 2 teams receiving awards**.

Departmental Slogan and Motto Contest

fostering creativity and strengthening shared values and team identity within departments, with **3 teams receiving awards**.

Work Process Improvement Project Contest

promoting continuous improvement through employee-driven ideas that enhance productivity, safety, and work quality, with **63 employees receiving awards**.

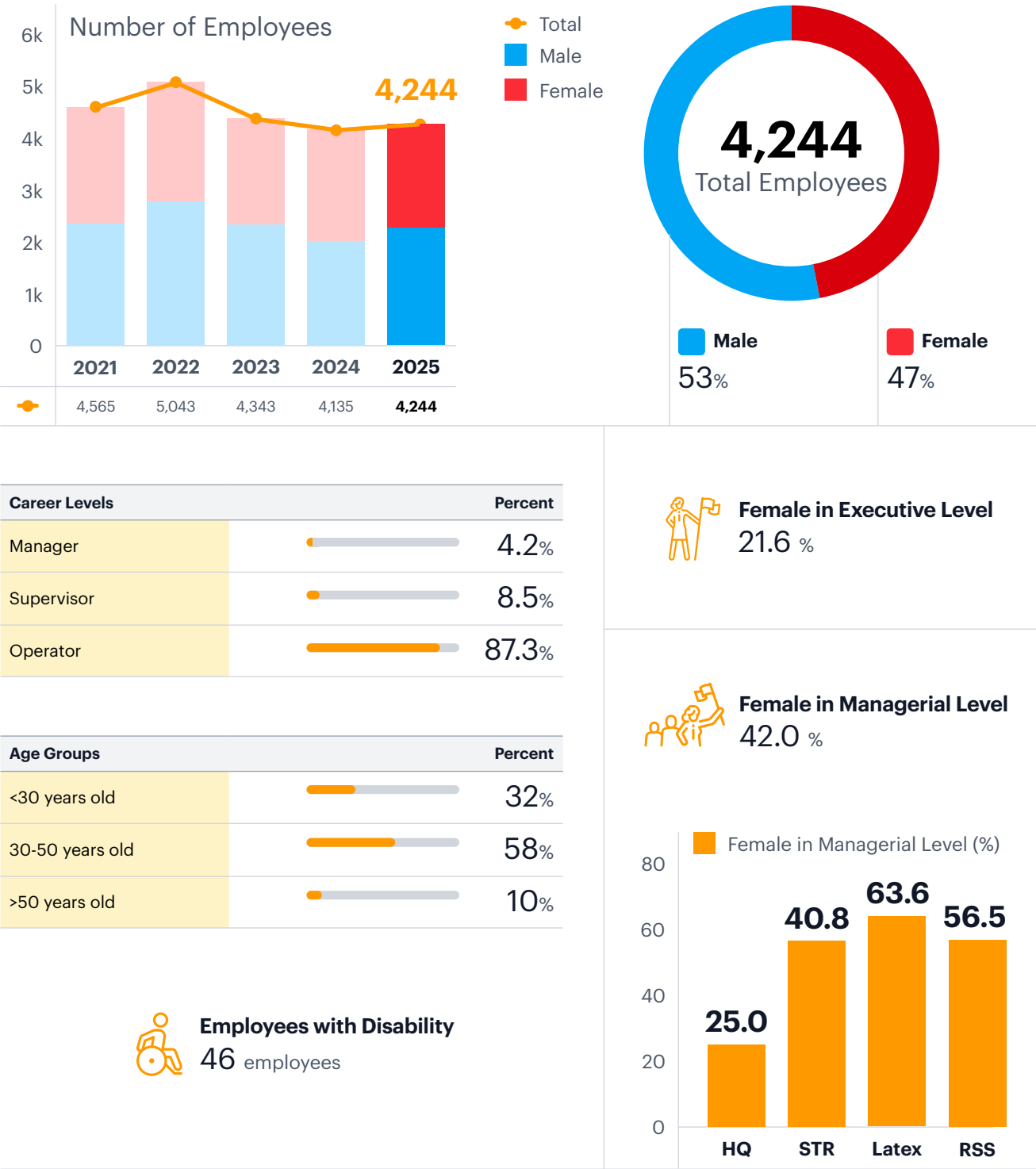


Through these creative campaigns, we cultivate a culture of participation, continuous improvement, and mutual recognition, contributing to higher employee satisfaction and sustainable organizational development.

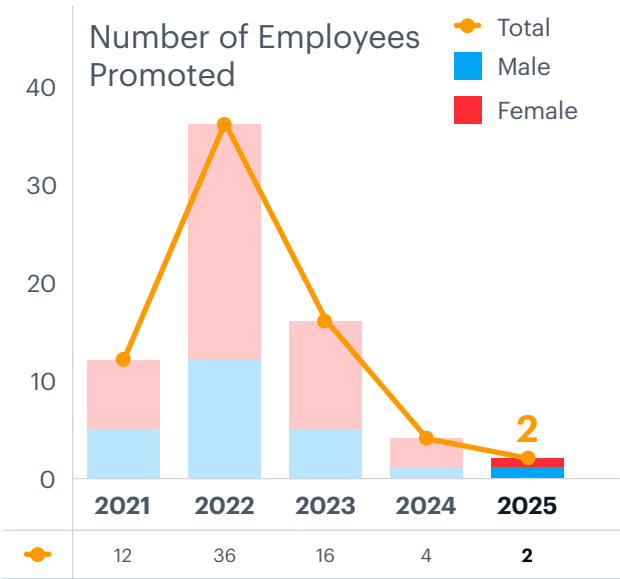
4 Diversity & Inclusion and Career Development

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



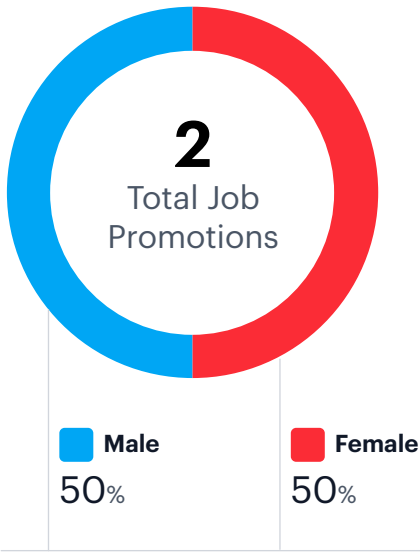
Job Promotion



In 2025, we continued to promote employees based on merit, fairness, and non-discrimination. Two employees were promoted during the year, with women representing 50% of the total. These promotions reflect our commitment to transparent, competency-based advancement, recognizing employee dedication while ensuring long-term workforce sustainability.

2
Total Job Promotions

Job Promotion by Genders



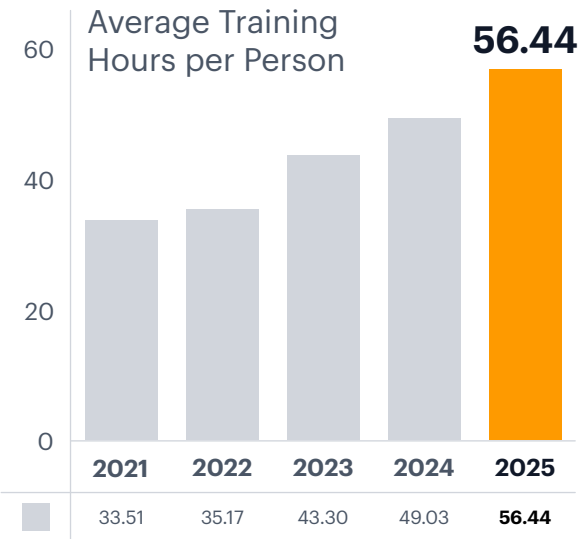
Job Promotion by Positions



Although promotions were limited this year, we are using this as an opportunity to refine our workforce planning. Moving forward, we will enhance manpower planning, establish clear succession paths, and better integrate Individual Career Development Plans into our HR framework. These steps will ensure systematic growth and a more sustainable approach to human capital.

4.2 Employee Training

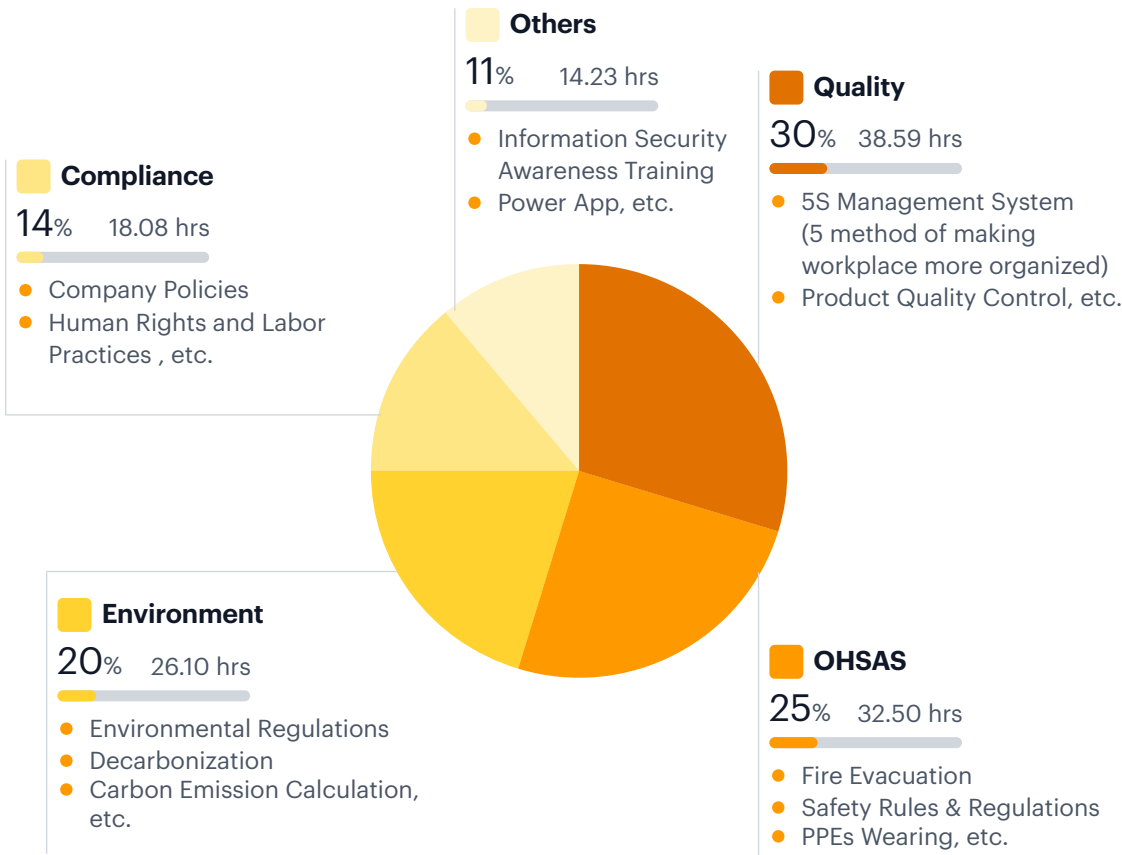
Training opportunities are provided on an equal basis, ensuring that all employees have the right to access knowledge and skill development to support both personal growth and organizational performance.



PPE Knowledge & Safety Training



First Aid Awareness Training



5 Community Engagement

We recognize that our long-term success is intrinsically linked to the well-being of the communities in which we operate. Building strong relationships with local communities and fostering shared prosperity are essential to sustainable business development. Therefore, we continuously collaborate with local organizations and key stakeholders to address social challenges and deliver meaningful, long-term positive impacts through our community engagement and social contribution initiatives.

5.1 Community Engagement and Social Contribution Activities



Among our 69 **social contribution activities** in, the examples are as follows:



White School & Community Sports for a Drug-Free Society

We promoted drug-free schools and communities by supporting youth sports through the provision of equipment, participation in local events, and offering prizes to encourage healthy lifestyles and prevent substance abuse. This initiative was implemented by **BJ4, NTW, LS, and TG**, with a total spending of **60,506 THB**.





Children's Day

We contributed by offering scholarships and educational materials, hosting activity booths to promote learning and creativity, and providing small rewards to celebrate children's participation. The initiative was implemented across **12 sites**, with a total contribution of **31,000 THB**.



Temple Enhancement Initiative

We worked with local communities to improve temples, enhancing safety and accessibility, particularly for elderly residents. Activities included cleaning, repairs, and minor infrastructure upgrades. The initiative was carried out by employees from **BJ3, TSU, LS, and TG**, with a total contribution of **5,000 THB**.



Drinking Water Donation

We provided drinking water to support community events, promoting health and well-being through practical support. The initiative was carried out by **NTW and SN**, with a total contribution of **1,180 THB**.



3R for Communities

We integrated 3R (Reduce, Reuse, Recycle) promotion activities into our capacity building programs across **all sites**, engaging suppliers and local communities. These initiatives encourage responsible waste management and the practical application of 3R principles in daily life to minimize waste and support environmental sustainability.





Support for Local Cultural and Traditional Activities

We supported local cultural events by providing gifts, prizes, funding, and employee participation, helping preserve traditions and strengthen community relationships. The initiative involved employees from **7 sites**, with a total contribution of **4,800 THB**.



Beach Landscape Improvement

We engaged employees in beach clean-up and landscaping activities to enhance environmental cleanliness and protect natural surroundings while promoting shared responsibility. The initiative was carried out by **BJ1 and TSU**



Supporting Education in Local Communities

We conduct annual surveys and consult local schools to identify needs. This year, we supported Ton Noen School by providing a large-screen TV, educational materials, and repairing the school roof, showing our commitment to enhancing education and community development.

On 1 August 2025, we hosted an Industrial Observation Program at our Hat Yai head office, engaging 20 students and 4 faculty members. The program provided hands-on exposure to logistics, export processes, and business operations, enhancing practical skills, analytical thinking, and understanding of international business, while supporting local capacity building and future workforce readiness aligned with global standards.



6 Managing Flood Impacts on Employees and Communities

Amid the severe flooding in southern Thailand in late 2025, our sustainability-driven, people-first approach played an active role in safeguarding employees and supporting rapid recovery efforts, resulting in 100% life safety and strengthened resilience across our workforce.

In November 2025, Southern Thailand experienced severe flooding driven by prolonged heavy rainfall and La Niña-related conditions.

- **Widespread Impact:** The floods affected **over 3.9 million people across 9 provinces**
- **Urban Disruption:** Hat Yai, a key economic hub, was heavily inundated, disrupting transportation, logistics, healthcare services, and daily life
- **Human Impact:** The disaster resulted in **over 160 fatalities** and widespread displacement, with thousands evacuated to shelters
- **Economic Impact:** The floods caused significant economic losses, particularly in agriculture, local businesses, and tourism

This event highlights the increasing frequency and severity of climate-related extreme weather events.

Company Impact and Response

The flooding affected local communities and several employees, disrupting daily life and well-being. Our Hat Yai office was also impacted, with flooding on the first floor; however, vehicles were relocated and damage remained manageable.

With operations under control, the Company focused on supporting employees and communities through structured measures, including emergency assistance, recovery actions, and strengthened preparedness for future flood risks.

6.1 Flood Impact Assessment

The assessment covered impacts on employee well-being, housing, commuting, community infrastructure, and environmental risks, along with operational and economic disruptions

6.2 Emergency Response and Incident Management

The Company monitored weather and flood conditions and implemented early warnings, allowed employees to prepare their homes, and maintained continuous communication to ensure timely support and safety.



6.3 Post-Flood Recovery and Employee Support

Following the flooding, we prioritized timely support for affected employees alongside managing our operations, focusing on recovery, well-being, and resilience.

6.3.1 Financial Assistance

We provided **1,723,000 THB** in financial aid to **443** affected employees based on a rapid needs assessment.

6.3.2 Essential Relief Support

We distributed essential medicines, medical supplies, and daily necessity kits to support employees' immediate needs.

6.3.3 "Supporting One Another" Initiative

We launched a dedicated initiative providing **transportation support and daily meals for 15 days** in affected areas such as Hat Yai to ease daily challenges and strengthen mutual support.

6.3.4 Commitment to Care

These efforts reflect our commitment to employee well-being, resilience, and a culture of care during times of crisis.



6.4 Community Support and Social Contribution

Alongside aiding employees, we assisted nearby communities impacted by flooding by providing manpower for clean-up and restoring public spaces. We also supplied essential materials to support recovery, demonstrating our commitment to local resilience and recovery.



6.5 Strengthening Future Flood Resilience

Targeted Investment and Operational Readiness

Following the 2025 flooding, we are accelerating investments to strengthen flood resilience. Key measures include **securing and relocating critical information systems, redesigning raw material and finished goods storage to reduce flood exposure, and establishing backup facilities and emergency relocation sites to maintain business continuity during severe events.** These initiatives are targeted for completion by 2027.

End-to-End Value Chain Protection

Flood risk management is being embedded across all operations—particularly in Hat Yai District—and extended to offices, production, warehouses, logistics, and support functions globally. We are also investing in upstream capacity building and integrating flood preparedness across the entire supply chain, from rubber plantations to final delivery, with full implementation expected by 2027.

Climate Risk Mitigation

To address root causes of extreme rainfall, we are **continuously investing in greenhouse gas reduction initiatives**, as outlined in our Environmental Report, strengthening long-term climate and business resilience.

Collaborative Sustainability

Through coordinated efforts with government agencies, suppliers, and communities, we aim to minimize disruption, protect our people and assets, and safeguard long-term sustainability.



Social Sustainability Performance

No	Topic	Targets	Results	Remarks
Health and Safety				
1	Incident Frequency Rate (IFR)	<2.5	0.61	✓ Achieved
2	Lost Time Injury Frequency Rate (LTIFR)	<2.5	0.51	✓ Achieved
3	Work-related fatality	0 case	0 case	✓ Achieved
4	Average safety training hours per person	≥12 hours/year	32.50 hours/year	✓ Achieved
Employees Welfare and Well-Being				
5	Employee satisfaction scores	≥85%	71.7%	Not achieved
Diversity & Inclusion and Career Development				
6	Female employees in managerial level	≥35%	42.05%	✓ Achieved
7	Female employment	≥40%	46.89%	✓ Achieved
8	Average training hours per person	≥38 hours/year	56.44 hours/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	69 activities	✓ Achieved



Economic Aspect.

Empowering Economy for a Sustainable Tomorrow

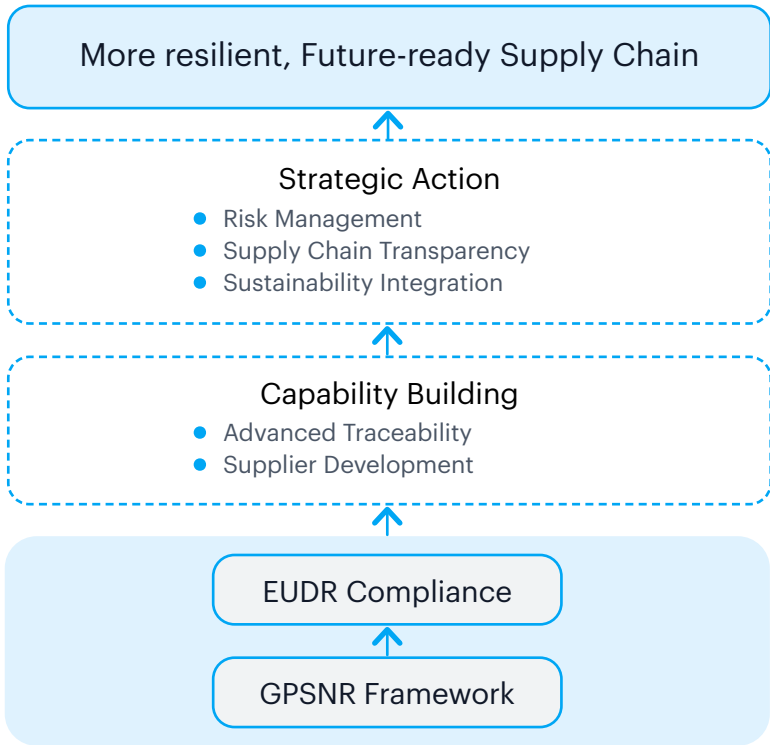
As a dedicated natural rubber processor, we continue to enhance economic sustainability through responsible sourcing and rigorous supply-chain transparency. Despite adjustments to the EUDR implementation timeline, our commitment to traceable, deforestation-free sourcing remains a core long-term priority. By aligning our processing operations with frameworks such as EUDR and GPSNR, we actively promote fair income for smallholders and sustainable land use, ensuring continued market access and shared value for all stakeholders.

Contents

- 1 Sustainable Supply Chain
- 2 Product Quality and Customer
- 3 Supporting Local Communities
- 4 Cybersecurity and Privacy Protection

1 Sustainable Supply Chain

We align our sourcing strategy with EUDR through robust risk management and supply-chain transparency. By integrating sustainability into every procurement process, we go beyond mere regulatory compliance. Our focus is on building superior traceability systems and enhancing supplier capabilities to create a more resilient, future-ready supply chain.



1.1 EUDR European Union Deforestation Regulation

1.1.1 EUDR Compliance Continuity



Traceability and Due Diligence

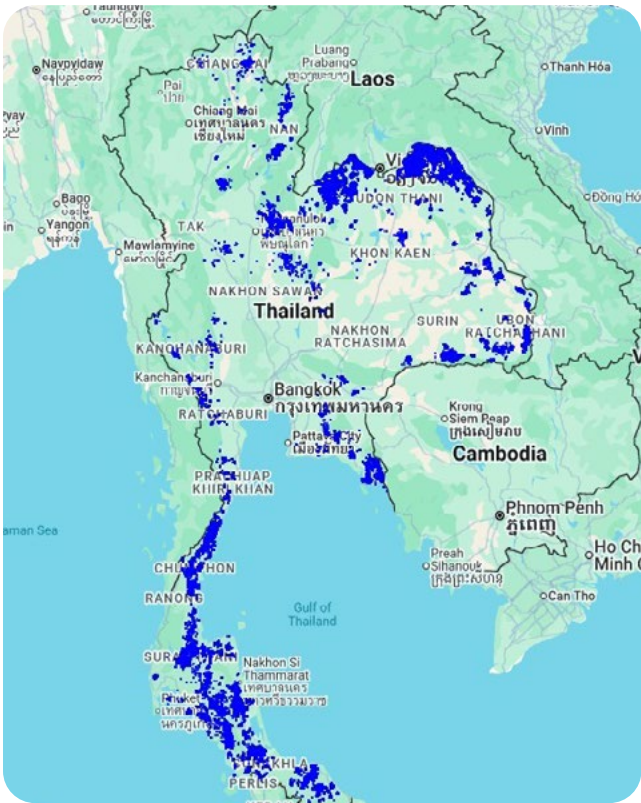
The primary risk mitigation measure is the implementation of supplier traceability and due-diligence controls. The Company collects and verifies supplier origin information to identify sourcing locations and assess potential risks related to deforestation and land legality. This process enables early risk identification and supports compliance with EUDR requirements. Traceability records and due-diligence documentation are maintained to support transparency and audit readiness.

1.1.2 Summary of Deforestation and Initial Legality Verification

As of 2025, the Company has mapped and assessed approximately 90,000 farms, covering nearly half of its upstream natural rubber supply chain. Using spatial analysis against the EUDR forest-loss cut-off, most areas are low risk, with some medium-risk zones under review and few high-risk plots managed through mitigation. These efforts show significant progress toward full EUDR compliance in deforestation risk, traceability, and legality verification.



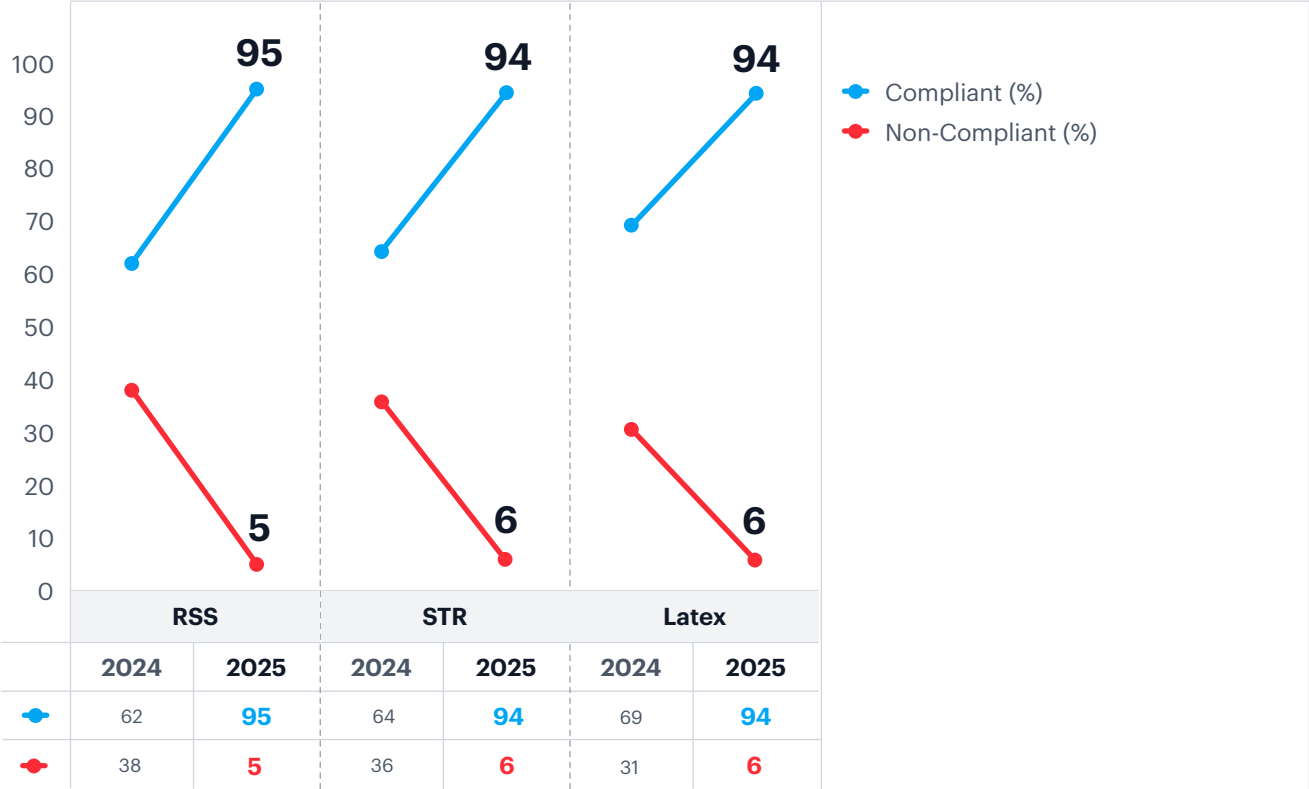
This map provides a comprehensive GIS-based overview of all identified rubber plantation plots distributed across Thailand, which serve as the primary sourcing areas for our products. The blue polygon areas represent the plots currently visualized within the GIS system, indicating their verified and mapped geographic locations



Mapped Locations

Percentage of plots to comply with EUDR

Across all product groups (RSS, STR, and Latex), the percentage of compliant plots shows a strong upward trend from 2024 to 2025, reaching above 90%. At the same time, non-compliant levels drop significantly to below 10%. This demonstrates effective implementation of compliance measures across the supply chain.



1.1.3 EUDR Operation

In 2025, the Company prioritized clear, measurable steps to move from planning to action. The table below outlines the main EUDR-related measures taken, along with evidence for verification and buyer confidence.

Key Action Area	Area Specific Actions Taken in 2025	Evidence Provided
Full Implementation	Implemented active EUDR-aligned sourcing across three product groups, covering 7.2% of total rubber procurement or 857,025 tons	Product-level traceability summary, procurement volume tables, EUDR shipment records
Advanced Verification	Mapped supplier plots and gathered geo-tagged photos to verify plantation sites and ensure no deforestation	GIS maps, polygon shapefiles, geo-tagged field photos
Risk Management	Conducted structured supplier due diligence, categorizing them into Low, Medium, or High Risk, with support from independent satellite monitoring	Risk classification matrix, satellite imagery analysis, due diligence checklists
Market Access & Buyer Assurance	Provided product-level traceability data and verifiable evidence to buyers to support EUDR readiness and long-term supply agreements	Buyer submission files, traceability reports, audit records

1.1.4 Mitigation planning

Supplier Awareness & Engagement



- Communication of sustainability expectations
- Responsible land use and legal compliance
- Deforestation-free sourcing
- Promotion of improved agricultural practices (e.g. agroforestry)

Monitoring & Continuous Improvement



- Periodic review of risk assessments and traceability coverage
- Ongoing supplier engagement and performance improvement
- Alignment with evolving EUDR requirements and GPSNR principles

Sustainable Procurement Controls



- Integration of sustainability requirements into procurement
- Sustainable Procurement Policy and sourcing procedures
- Application of traceability and sustainability criteria during supplier onboarding and purchasing

Outcomes



- Reduced deforestation, regulatory, and supply-chain risks
- Strengthened governance and accountability
- Responsible sourcing and long-term supply-chain stability

1.2 Procurement Sustainability Awareness and Development

1.2.1 Building Sustainable Procurement Awareness and Capability

The Company runs a sustainability training program for procurement staff to ensure they follow environmental, social, and governance standards, support sustainable policies, manage supplier risks, and comply with regulations like the EU Deforestation Regulation.

This training is mandatory for raw material procurement staff and is delivered through offline sessions to ensure practical understanding.

Training topics include:

- Sustainability and Sustainable Procurement Policy
- Supplier Code of Conduct
- Quality Policy
- Supplier Risk Assessment
- KPIs and Action Plans
- (EUDR) requirement

The program is conducted twice per year per target audience. In 2025, two training sessions were completed in February and November in accordance with the annual training plan. Since 2021, participation has increased steadily, reaching 239 employees in 2025.

As a result, procurement personnel are better equipped to integrate sustainability criteria into supplier selection, evaluation, and monitoring processes, strengthening supply chain resilience and supporting the effective management of environmental and social risks.



1.2.2 Circular Economy in the Natural Rubber Supply Chain

We apply circular economy principles across our natural rubber supply chain, while the BJ2 Branch implements an integrated approach to enhance resource efficiency and sustainability across its operations and supply chain, covering upstream raw material management, process optimization, waste reduction, and supplier engagement.

1. Raw Material Efficiency (Upstream)

We collaborate closely with smallholders and suppliers to improve raw material quality at the point of origin, with a focus on incoming quality control, material consistency, and supplier quality practices. The BJ2 Branch has implemented supplier quality guidance and regular monitoring to support stable raw material quality. Early-stage quality management helps reduce material loss, minimize reprocessing, and enhance overall production efficiency.

Results

Raw material quality monitoring

- Raw material quality is monitored against internal acceptance criteria
- Supplier quality performance remained stable during 2024-2025
- Quality guidance and follow-up activities were implemented with key suppliers

Supplier participation in quality improvement programs 2024-2025

127 suppliers → 235 suppliers

These results demonstrate improved supplier engagement and stable raw material quality control despite an expanded supplier base

2. Process Optimization in Manufacturing

We continuously improve our production processes to enhance operational efficiency. The BJ2 Branch strengthens operational controls by implementing Preventive Maintenance (PM) across production lines and maintaining strict KPIs to keep the breakdown rate below 2%.

These measures reduce production interruptions and improve overall operational stability.

Results

Breakdown rate

- 2024: 0.41%
- 2025: 0.37% (well below KPI ≤ 2%)

This reflects effective Preventive Maintenance control and improved process reliability.

3. Waste and By-Product Management

We apply a structured waste management approach based on the principles of Reduce, Reuse, and Recycle, focusing on minimizing waste at the source and maximizing resource utilization, while the BJ2 Branch, as one of our operating units, has implemented a reuse initiative by repairing damaged wooden pallets and returning them to operational use instead of disposal.

Results

Wooden pallets repaired and reused 2024-2025

- 1,562 units → 2,575 units+65% YoY

This initiative reduces waste generation and lowers the demand for new materials, supporting circular resource management.

4. Supply Chain and Community Engagement

We extend our sustainability practices beyond operations through supplier and community engagement, while the BJ2 Branch conducts targeted capacity-building activities focusing on raw material quality and efficient resource use.

Training sessions: 1 session/year

Results

Suppliers participating in training: 42 suppliers

- **Engagement coverage:**
72% of total supplier base (ASL: 150 suppliers)
- **Geographic scope:**
2 provinces (Yala and Narathiwat)

1.2.3 Supplier Support and Agroforestry Outcomes

BJ2: Advancing Circular Economy and Agroforestry

BJ2 Branch has implemented an integrated sustainability approach combining circular economy practices with agroforestry development to enhance resource efficiency and support smallholder resilience.

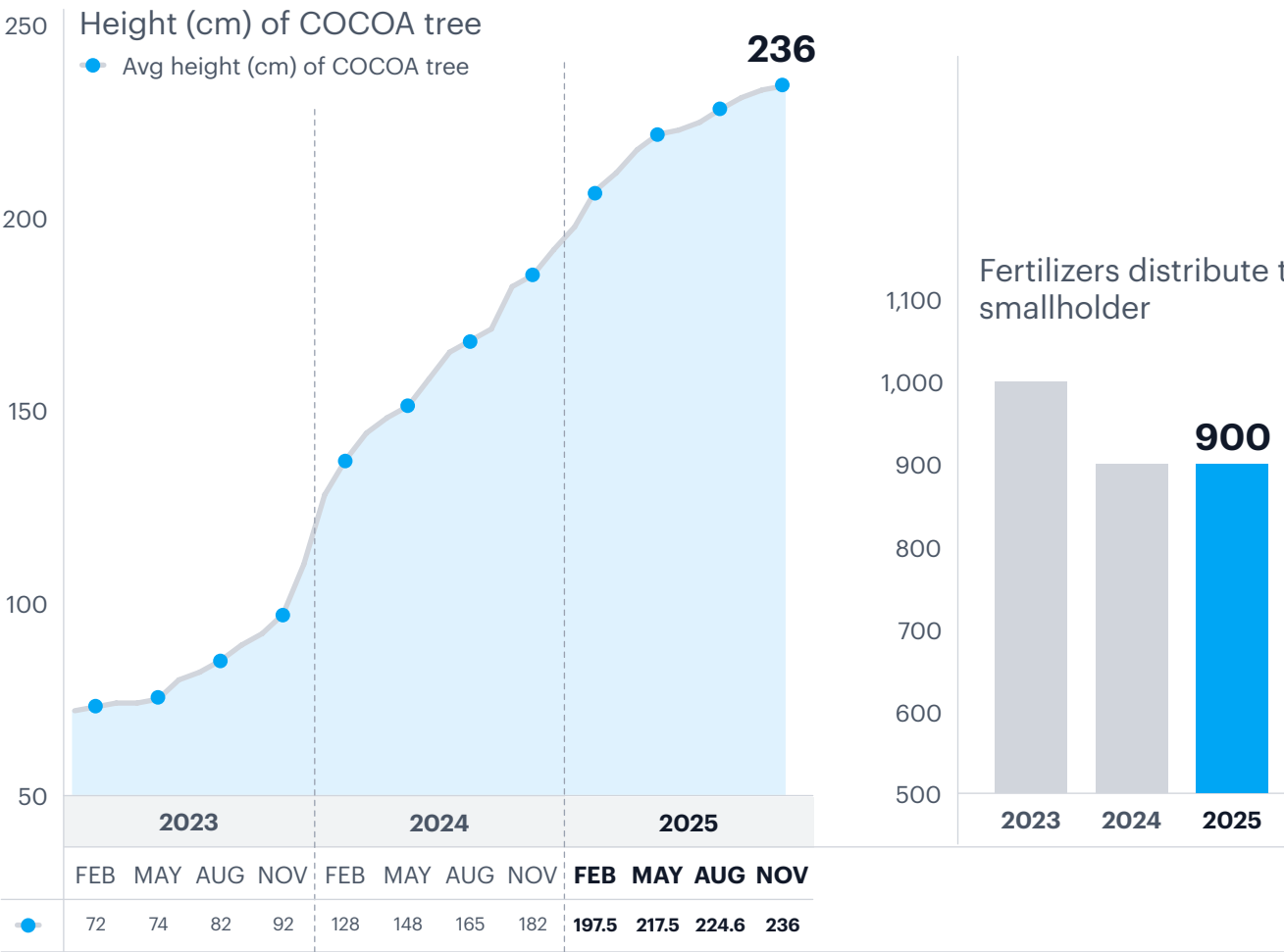
Under its circular economy initiative, the Branch converts industrial sludge into organic fertilizer, achieving 100% waste diversion from disposal. During 2022–2025, 3,360 kg of fertilizer was produced. The recovered fertilizer is utilized to improve soil quality and support agricultural activities, contributing to closed-loop resource utilization.

In parallel, BJ2 has initiated a cocoa-based agroforestry pilot project to diversify farmer income and optimize land use within rubber plantations. Cocoa was selected due to its shorter income cycle, with initial harvest expected within 2–3 years and stable yield from year 5. Growth monitoring from planting to December 2025 shows a consistent increase in tree height from approximately 228 cm to over 236 cm, indicating stable growing conditions and good adaptation to the agroforestry system.

This initiative is expected to provide supplementary income opportunities for farmers, particularly during immature phases of rubber trees, while enhancing biodiversity and long-term land productivity. Although no direct comparison with conventional cocoa cultivation has been established, current results confirm that the agroforestry system does not negatively impact crop growth and demonstrates strong potential for future scaling.



Cocoa tree height recorded at 236 cm

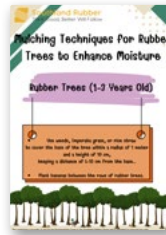


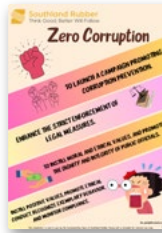
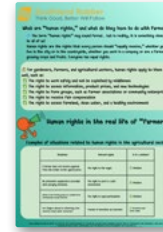
1.3 Supplier Sustainability Awareness and Development

1.3.1 Engagement Activities (Capacity Building)

Monthly E-newsletters

The Company distributes monthly e-newsletters to its suppliers to communicate key sustainability information and regulatory developments. The content is aligned with the Company's Supplier Code of Conduct and relevant international standards, including the EU Deforestation Regulation (EUDR). These newsletters serve as a supplier engagement tool, covering best practices for sustainable rubber plantation management, compliance expectations, and other material sustainability issues that suppliers are required to comply with, including the following topics:

Month	Topic	E-newsletters
January	Techniques for Maintaining, Protecting, and Restoring Rubber Plantations	   
February	Carbon Credit	   
March	High-Quality Cup Lump Rubber Production Techniques, Acid Mixing Equipment, and Occupational Health and Safety	   
April	Carbon Credit, 10 Carbon reduction activities Creating a sustainable world, 6 Approach Reduce and global warming	   
May	Labour day, Store chemicals properly, Heatstroke or sunstroke	   

Month	Topic	E-newsletters
June	Zero Corruption, Anti-Corruption	   
July	Human rights	   
August	EUDR, Cultivation of Cocoa as an Intercrop in Rubber Plantations, and Global Warming	   
September	Steps for Latex Delivery, Rubber Sheet Production, and Cup Lump Rubber Processing	   
October	Deforestation and EUDR Requirements. Intercropping with rubber trees to boost income and sustainability	  
November	No child labour	  
December	No Gift Policy and Wildlife Conservation Advocacy	  

Face-to-Face Meetings

As part of Southland Rubber Group’s commitment to sustainable sourcing and responsible supply chain management, the Company conducted upstream-level engagement and capacity-building activities with smallholder farmers to strengthen their knowledge and understanding of key sustainability requirements.

1. Policy Briefings and Capacity Building

Farmers were briefed on the Company’s key policies to strengthen their understanding and capacity to support sustainable and responsible practices across the supply chain. The briefings covered:

Sustainability Awareness

Overview of the Company’s sustainability objectives and the role of farmer engagement in long-term environmental, social, and economic sustainability.

Traceability Process (Farm Identification)

Explanation of farm identification requirements, including data collection, recordkeeping, and traceability mechanisms to enhance supply chain transparency and accountability.

EUDR Compliance

Overview of the European Union Deforestation Regulation (EUDR), focusing on key requirements such as rubber segregation, risk assessment, and deforestation prevention measures.

2. Guest Session by the Rubber Authority of Thailand (RAOT)

Guest speakers from the Rubber Authority of Thailand (RAOT) provided technical guidance to support sustainable rubber farming practices, including:

Rubber Plantation Management

Best practices for maintaining healthy and productive rubber plantations.

Plant Disease Management

Identification, prevention, and treatment of common diseases affecting rubber trees.

Rubber Clone Selection

Guidance on selecting appropriate rubber clones suited to local conditions.

Other Topics

Additional topics were addressed based on RAOT recommendations or specific requests from farmers.

3. Q&A Session

The session promoted two-way communication and enabled the Company and RAOT representatives to provide practical, needs-based guidance.



Southland Rubber Group and the Rubber Authority of Thailand offer training for rubber farmers to promote sustainable farming, ensure compliance with EU deforestation rules, improve material traceability, and support long-term supply chain sustainability.

The training covers intercropping, rubber planting and care, tapping methods, clone selection, and plantation management to support sustainable rubber production and livelihoods.



Southland Rubber Group representative explaining Company policy to the participants



BJ1 10 June 2025
Chulabhorn District,
Nakhon Si Thammarat Province



BJ2 18 July 2025
Mueang District, Yala Province



BJ3 12 June 2025
Klaeng District, Rayong Province



HX 27 June 2025
Khuan Khanun District,
Phatthalung Province



TSU 15 May 2025
Thung Song District,
Nakhon Si Thammarat Province



SN 18 July 2025
Kanchanadit District,
Surat Thani Province



NTW 19 June 2025
Na Thawi District, Songkhla Province



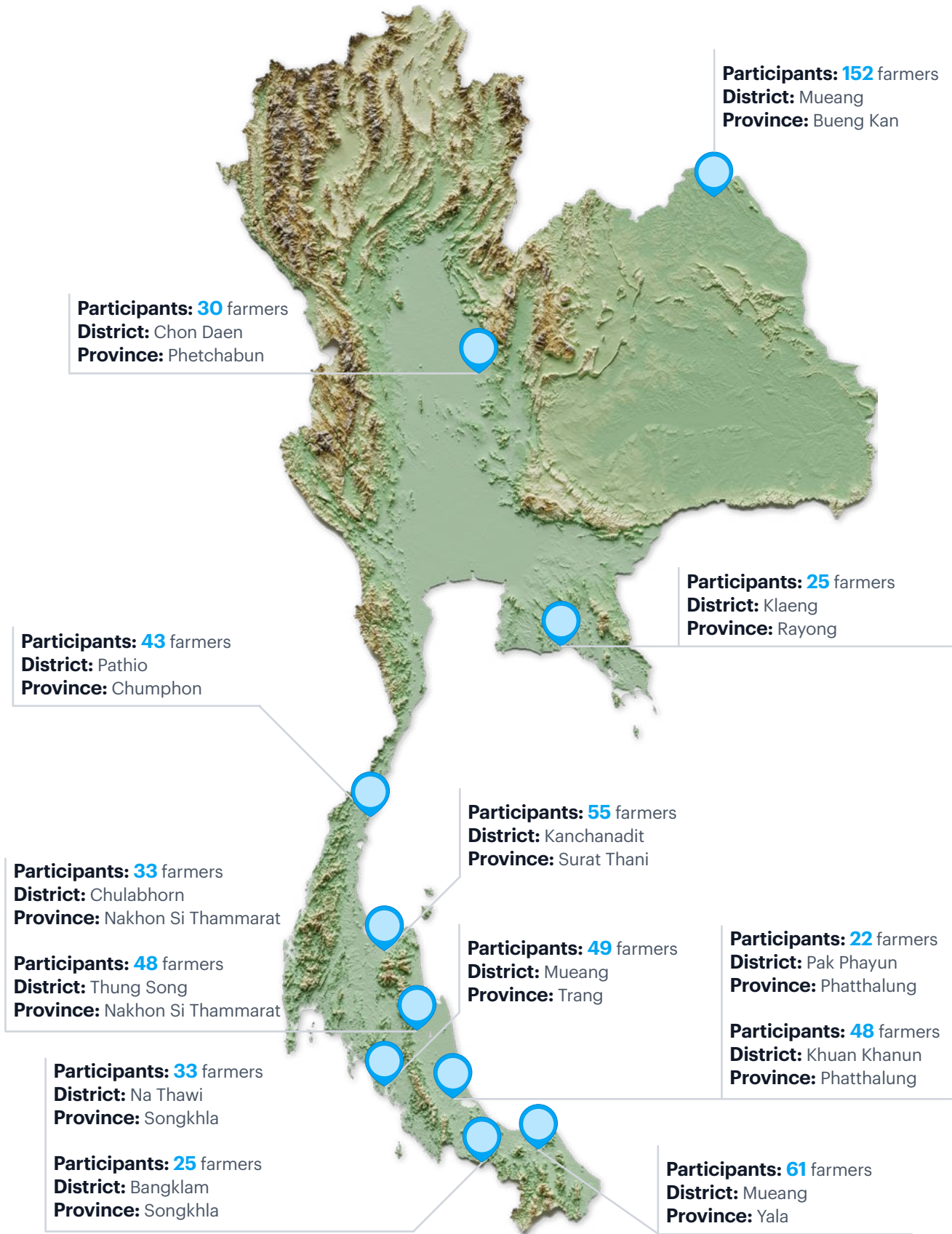
UMR-LS 30 May 2025
Mueang District, Trang Province



PT 31 July 2025
Pak Phayun District,
Phatthalung Province

Capacity Building Activity Area

These activities demonstrate the Group’s ongoing commitment to local communities, encouraging farmer involvement and supporting sustainability goals, Company policies, and regulations. They included 10 provinces and 13 districts, with a summary of total participants by area.



2 Product Quality and Customer

We maintain strict quality controls to prevent recurring issues and ensure consistent compliance with customer specifications, supported by continuous improvement and regular customer engagement.

Strategies

- Implement ISO 9001 QMS to standardize quality practices
- Conduct regular internal audits to ensure compliance and improvement
- Apply Kaizen and 5S to enhance efficiency and continuous improvement
- Engage customers for feedback to strengthen product quality and delivery performance

2.1 Kaizen-Based Quality Improvement

We continue to drive Kaizen as a core driver of operational excellence, focusing on practical improvements that enhance product quality, workplace cleanliness, and standardized processes. These low-cost, preventive actions strengthen efficiency, reduce operational risks, and support consistent compliance with customer and sustainability expectations. Through continuous improvement in daily operations, the Company reinforces responsible manufacturing and long-term value creation for stakeholders.

Summary of Quality Kaizen Activities (2023–2025)

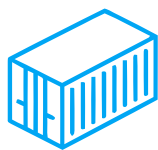
Year	STR	RSS	Latex	Total
2023	98	9	13	120
2024	54	8	13	75
2025	182	59	10	251

In 2025, the increase was mainly driven by more improvement activities in the STR and RSS production processes. This reflects the continued application of Kaizen practices to support product quality, process efficiency, and standardized operations.



The following example highlights one of the Kaizen activities implemented during the reporting period.

TSU: Magnetic Removal of Metallic Foreign Objects in Containers



Background

At the TSU Factory, all export containers are subject to internal inspection before loading finished products. The inspection aims to prevent foreign material contamination, particularly metal fragments, which may occur during maintenance activities or structural wear inside containers.



Problem Identified

Routine inspections revealed small metallic debris trapped in container grooves and corners. Manual cleaning was time-consuming, ergonomically inefficient, and inconsistent, creating potential contamination and quality risks.



Kaizen Solution

To strengthen container inspection control, the factory implemented the following improvements:

- Installation of Metal Detection Frame
- Fabricated a simple vertical metal detection structure
- Installed permanent magnets on inspection poles
- Designed as a walk-through scanning system inside container floor and walls



Key Benefits

Improved Cleanliness & Contamination Control

- More effective removal of metallic foreign objects
- Reduced risk of product contamination

Increased Efficiency

- Shorter container cleaning time
- Faster turnaround and more consistent inspection results



Risk point with detected metallic foreign objects



Metal detector used to detect metallic object contamination



Magnetic tool used to remove metallic foreign objects

BJ1: SBR Cutting Process Optimization (SL Machine Installation)



Background

The SBR cutting process was highly manual, involving 6 steps (pulling, unpacking, cutting, re-cutting, arranging, and feeding). It required 6 operators per shift, caused delays and resulted in insufficient material supply for production. The average processing cost was 0.51 THB/kg (SBR).

Problem Identified

Current Challenges:

- High labor requirement: 6 operators per shift
- Low productivity: approximately 5 minutes per block
- Complex workflow involving 6 processing steps
- Frequent machine issues and inefficient layout (located far from the production line)

Impact: High cost, low efficiency, and unstable production flow

Kaizen Solution

- Standardized work procedures and trained operators
- Optimized workflow and machine setup
- Installed the SL-SBR cutting machine closer to the production line
- Reduced process steps from 6 to 3



Key Benefits

Efficiency Improvement:

- Processing time reduced: 5 to 1.5 minutes/block (-70%)
- Production capacity: 100% sufficient for operation

Cost Reduction:

- Labor reduced: 6 to 2 operators/shift (-67%)
- Labor cost saving: 76,800 THB/month
- Total saving: ~1.11 million THB/year

Process Improvement:

- Steps reduced: 6 to 3 steps (-50%)
- Improved material flow and reduced handling time

Before

- 6 operators per shift Insufficient production output
- 6 process steps (pulling / unpacking / cutting / re-cutting / arranging / feeding)



After 1: Reduced to 3 operators per shift, with sufficient production output for operations and a streamlined 4-step process (pulling / unpacking / SL cutting / feeding)

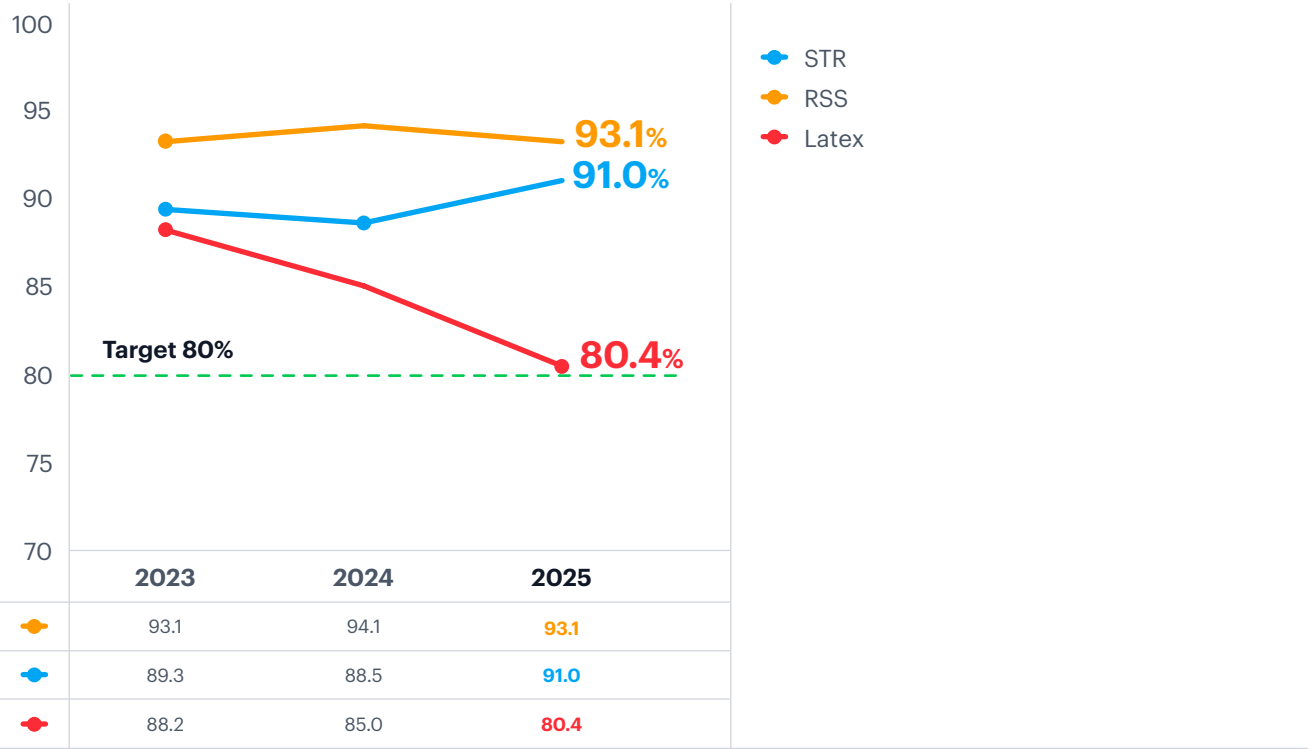


After 2: Reduced to 2 operators per shift, with fully sufficient production output and a streamlined 3-step process (pulling / unpacking / SL cutting)

2.2 Customer Satisfaction

Customer satisfaction is tracked yearly via a survey assessing production, quality, delivery, sustainability, and service. In 2025, feedback from 41 customers across STR, RSS, and LATEX products was measured against an 80% satisfaction target to support ongoing improvement.

Customer Satisfaction Score



STR

recorded **91.0%**, demonstrating reliable delivery performance and sustained quality control aligned with customer expectations.

RSS

achieved the highest overall satisfaction at **93.1%**, reflecting stable production processes, high product quality consistency, and effective customer service. aligned with customer expectations.

Latex

reported **80.4%** satisfaction, meeting the Company's target threshold but declined slightly due to lower sales volume and market conditions.

Overall, the structured monitoring approach, defined performance targets, and product-specific improvement actions reinforce the Company's commitment to continuous quality enhancement, transparent customer feedback management, and long-term sustainable customer relationships across all product categories.

3 Supporting Local Community

In 2025, the Company supported local communities by sourcing products through the OTOP program and local groups, promoting inclusive growth and sustainable practices for lasting community well-being.

***OTOP:** One Tambon One Product, the “One Village One Product” movement promoted by the Thai government

3.1 Supporting Local Economies with OTOP Procurement

The Company further strengthened the local economy by actively purchasing a variety of community-made products from areas surrounding its factories. This initiative contributed to improving the economic well-being of local communities while promoting sustainable and inclusive growth.

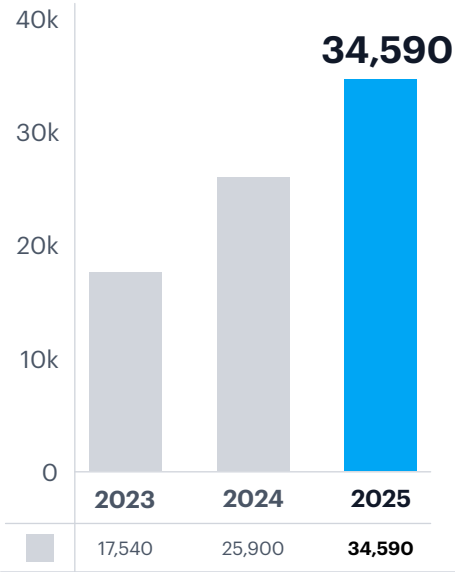
To reinforce these initiatives, the Company implemented an OTOP workplan with the following objectives:

- Support local community-based products near the Southland Group’s operations
- Enhance income opportunities for smallholder farmers and community enterprises
- Integrate OTOP initiatives with the Company’s sustainability and social responsibility programs
- Expand the use of OTOP products across Company operations, including CSR activities and corporate use

OTOP - Categories and Target Product Groups

Branch	Category	Product Group	Objective	Implementation Approach
BJ1, BJ2, FB, TSU	Food	Curry pastes, herbal food products, local chili pastes	Support community-produced consumable goods	Procure for Capacity Building activities and use as gifts for customers
SN, TSU	Handicraft & Home Decor	Brooms, woven baskets, handicraft items	Support livelihood opportunities for women’s groups	Use in CSR kits and for internal factory consumption
HX	Herbal	Herbal soaps, herbal lotions	Integrate into community engagement activities	Promote community wellness and provide souvenirs

OTOP - Annual Financial Support for Community Products, 2023-2025 (Baht)



3.2 Good Practice Smallholder Engagement

In 2025, the Company reinforced its commitment to responsible sourcing by implementing practical, field-based capacity building initiatives for smallholder farmers across multiple rubber supply chains.

3.2.1 Cut-resistant gloves distributed to smallholders

Within the **STR** supply chain, selected branches (e.g. **BJ1**) distributed cut-resistant protective gloves to **9** smallholders participating in engagement activities. The gloves were intended to reduce occupational risks associated with sharp tools such as tapping knives and saws. This initiative represents a good practice in upstream occupational safety, translating awareness into tangible risk mitigation at farm level.



Cut-resistant gloves



Use of protective gloves to reduce occupational safety risks

3.2.2 Distribution of EUDR Rubber Production Area Signage

In the **RSS** supply chain, the **TSU** branch installed clear identification signage at **10 smallholder collection points** to support proper segregation of rubber intended for EUDR-relevant supply chains. This intervention strengthened early-stage traceability and reduced the risk of material mixing, reflecting a best practice in supplier enablement for regulatory compliance.



EUDR rubber production area signage



EUDR-compliant rubber production area

3.2.3 Distribution of EUDR-Designated Latex Collection Containers

For the **Latex** supply chain, the **UMR-LS** branch provided **20 units of 200-liter gallon containers** to **one smallholder** participating in capacity building programs. These containers improved handling, storage hygiene, and consistency in latex collection, contributing to both product quality and operational efficiency. This approach demonstrates a practical best practice, linking infrastructure support with improved upstream performance.



Distribution of EUDR-designated latex collection containers



Use of EUDR-designated containers for latex collection

Overall, the initiatives received positive feedback from participating smallholders, who recognized the relevance and practicality of the support provided. Collectively, these actions demonstrate the Company's approach to continuous smallholder engagement, embedding good and best practices directly into upstream operations. The initiatives serve as concrete examples of how sustainability expectations are translated into measurable, field-level improvements, supporting both social responsibility and supply chain readiness.

4 Cybersecurity and Privacy Protection

Management Approach and Strategy

Southland Rubber has formulated Cybersecurity and Personal Data Protection Policy for implementation across all Company departments and associated parties. This is to ensure the customer can trust that Southland Rubber operates transparently in protecting information systems and safeguarding customer personal data effectively. Southland Rubber has also established a governance structure to cover cybersecurity and personal data protection, appointing dedicated supervisory committees and business units. These entities are responsible for defining regular monitoring and control procedures

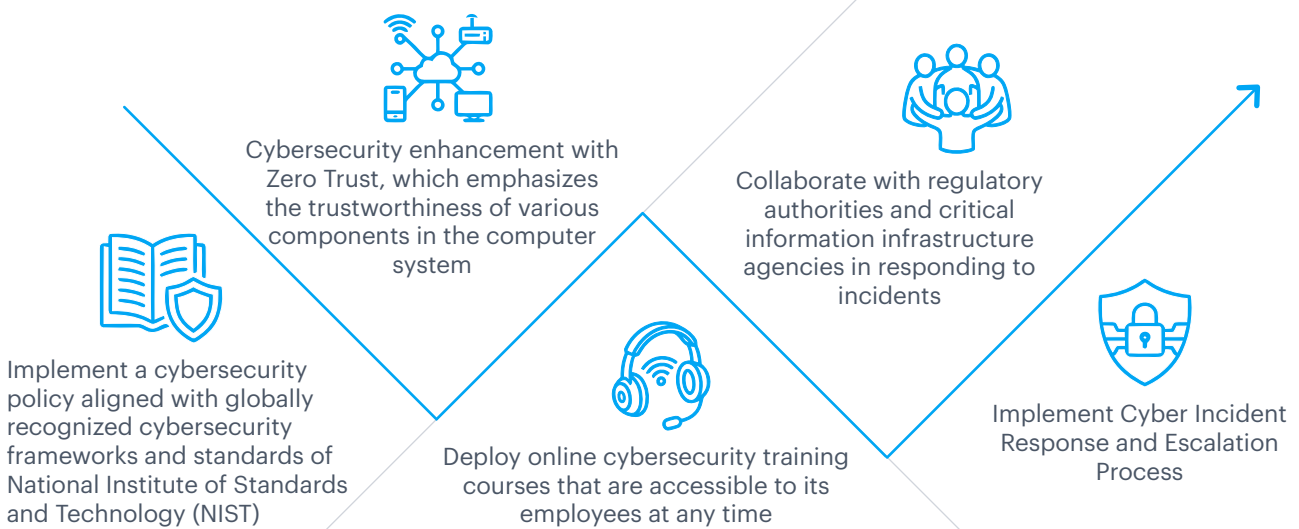
Cybersecurity

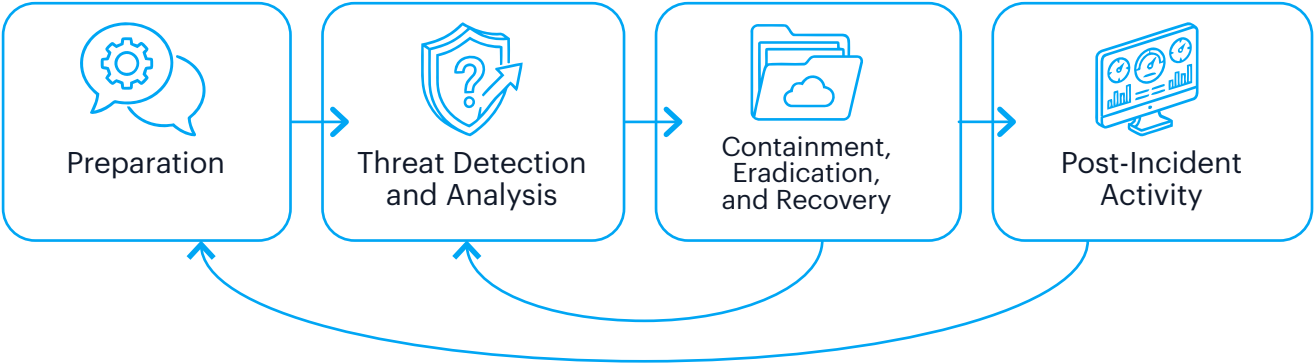
Southland Rubber has established practices for managing, testing and monitoring to maintain cybersecurity. This includes continuously developing and updating policies and practices to align with international standards and relevant regulations.



Cybersecurity Framework of National Institute of Standards and Technology
(NIST)

Cybersecurity Framework and Process





Computer Security Incident Handling Guide by National Institute of Standards and Technology (NIST)

Privacy Protection

Southland Rubber has developed the data privacy protection policy and guidelines applicable to the entire Company and all affiliates to ensure that its business operations align with the legal framework and relevant regulations.



Data Breach Response Procedure



Economic Sustainability Performance

No	Topic	Targets	Results	Remarks
1. Sustainable Supply Chain				
1.1	Traceable raw material at district level	100%	100%	✓ Achieved
Supplier Sustainability Awareness and Development				
1.2	Suppliers are communicated and acknowledge on: - Supplier Code of Conduct - Sustainability and Sustainable Procurement Policy	100%	100%	✓ Achieved
Procurement Sustainability Awareness and Development				
1.3	Purchasing personnel and relevant persons are trained on: - 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				
2.1	Quality feedback from customers	Zero	0.5%	Quality complaints from customer (% from total export shipments)
2.2	Customer satisfaction score	≥ 80%	RSS: 93.1% STR: 91.0% Latex: 80.4%	✓ Achieved
3. Supporting Local Communities				
3.1	Supporting Local Economies with OTOP Procurement	17 factories	6 factories (BJ1, BJ2, FB, HX, SN, TSU)	✓ Achieved 6/17 branches focus on cooperative members
3.2	Good Practice for Upstream Activities	17 factories	17 factories	✓ Achieved

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

Our Achievement

Beyond our international benchmarks, we take great pride in the widespread recognition our individual business units have earned across Thailand for their unwavering commitment to excellence. These accolades celebrate our success in maintaining the highest standards of labor welfare, social responsibility, and environmental stewardship throughout our operations. From ensuring fair and ethical workplace practices to fostering sustainable industrial growth, these local milestones reflect our core mission to drive positive impact within the communities where we operate.

Award	Factory Awarded / Endorsed
	The Good Labor Practices In 2025, we continue to achieve 100% compliance in Good Labor Practice (GLP) across all 17 factories. This milestone reaffirms our unwavering commitment to maintaining fair, safe, and ethical labor standards across our entire operations. ● 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 (Phetchabun) Co.,Ltd. (BH) ● Southland Rubber Co., Ltd. (YL) ● Southland Rubber Co., Ltd. (HX) ● Southland Rubber Co., Ltd. (SN) ● Uni rubber Co.,Ltd (TSU) ● Southland Latex Co., Ltd. (RY) ● Southland Latex (Phatthalung) Co., Ltd. (PT)
	Thai Labor Standard (TLS 8001-2020) for Basic Level Awarded / Endorsed by Cooperation between the public and private sectors ● Southland Rubber Co., Ltd. (YL)
	Prevention and Solution to Drug Problems in an Establishment Awarded / Endorsed by Cooperation between the public and private sectors ● Southland Resources Co., Ltd. (BJ1) ● Southland Resources Co., Ltd. (BJ2) ● Southland Resources Co., Ltd. (BJ4) ● Southland Resources (Chumphon) Co., Ltd. (FB) ● Southland Resources (Phetchabun) Co.,Ltd (BH) ● Southland Rubber Co., Ltd. (SN) ● Southland Latex (Phatthalung) Co., Ltd. (PT)
	The Excellent Establishment on Labor Relations and Welfare Award Awarded / Endorsed by Cooperation between the public and private sectors ● Uni Rubber Co., Ltd. (TSU)

Award	Factory Awarded / Endorsed	
	CSR-DIW Continuous Award Awarded / Endorsed by The Department of Industrial Works of Thailand	● Southland Resources Co., Ltd. (BJ1) ● Southland Resources Co., Ltd. (BJ2) ● Southland Resources Co., Ltd. (BJ4) ● Southland Resources (Trang) Co., Ltd. (FC) ● Southland Rubber Co., Ltd. (HX) ● Southland Rubber Co., Ltd. (SN) ● Uni Rubber Co., Ltd. (TSU) ● Unimac Rubber Co., Ltd. (TG) ● Southland Latex Co., Ltd. (NTW) ● Southland Latex (Phatthalung) Co., Ltd. (PT)
	Green Level 3 Awarded / Endorsed by The Department of Industrial Works of Thailand	● Southland Resources Co., Ltd. (BJ1) ● Southland Resources Co., Ltd. (BJ2) ● Southland Resources Co., Ltd. (BJ4) ● Southland Resources (Chumphon) Co., Ltd. (FB) ● Southland Resources (Trang) Co., Ltd. (FC) ● Southland Rubber Co., Ltd. (HX) ● Southland Rubber Co., Ltd. (SN) ● Uni Rubber Co., Ltd. (TSU) ● Unimac Rubber Co., Ltd. (LS) ● Unimac Rubber Co., Ltd. (TG)
	Recognition for a Workplace Free from Child Labor, Forced Labor, and Human Trafficking Awarded / Endorsed by The Department of Labor Protection and Welfare	● Southland Resources Co., Ltd. (BJ1) ● Southland Rubber Co., Ltd. (YL) ● Southland Latex Co., Ltd. (NTW)
	Model Thai Women's Workplace: "Rosy Cheeks" Initiative Awarded / Endorsed by The Ministry of Public Health	● Southland Latex Co., Ltd. (NTW)

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, 9	
	GRI 2-7	Employees	6	
3. Governance				
	GRI 2-12	Role of the highest governance body in overseeing the management of impacts	3, 10-11, 16-17	
	GRI 2-13	Delegation of responsibility for managing impacts	11	
	GRI 2-14	Role of the highest governance body in sustainability report	3	
	GRI 2-15	Conflicts of interest	14-15	
	GRI 2-16	Communication of critical concerns	15	
4. Strategy policies and practices				
	GRI 2-22	Statement on sustainable development strategy	4-5	
	GRI 2-23	Policy commitment	10, 41-45	
	GRI 2-24	Embedding policy commitment	14	
	GRI 2-25	Processes to remediate negative impacts	15	
	GRI 2-26	Mechanisms for seeking advice and raising concerns	15	
	GRI 2-27	Compliance with laws and regulations	73-80	
	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	12-13	

GRI Standard	Disclosure Number	Disclosure Title	Performance in each reporting year / comments			Unit	Page
			2023	2024	2025		
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	15
	GRI 205-2	Communication and training about anti-corruption policies and procedures					15
		- percentage of governance body members communicated and trained on anticorruption policies	100%	100%	100%	Percent	15
		- percentage of employees communicated and acknowledged on anti-corruption policies	100%	100%	100%	Percent	15
		- percentage of employees trained on anti-corruption policies	100%	100%	100%	Percent	15
	GRI 205-3	Confirmed incidents of corruption and actions taken	No confirmed corruption incident	No confirmed corruption incident	No confirmed corruption incident	Case	15
GRI 206: Anti-competitive Behavior							
	GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Zero	Zero	Zero	Case	-

GRI Stan- dard	Disclosure Number	Disclosure Title	Performance in each reporting year / comments			Unit	Page
			2023	2024	2025		
GRI 302: Energy (2016)							
	GRI 302-1	Consumption within the organization	257,390.83	280,926.19	324,151.81	MWh	23
		Fuel	145,107.39	157,939.98	189,371.23	MWh	
		Electricity	112,283.44	122,986.21	134,780.58	MWh	
	GRI 302-3	Energy intensity	0.471	0.458	0.422	MWh/Ton of production	23
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	602,089.46	571,666.00	747,870.55	m³	30
	GRI 303-4	Water discharge¹	0.00	0.00	0.00	m³	30
	GRI 303-5	Water consumption	16,267,436.09	15,575,870.87	19,018,549.81	m³	30
GRI 304: Biodiversity (2016)							
	GRI 304-2	Significant impacts of activities, products and services on biodiversity					19-24
		- 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
		- Tree Planted	16,131	11,764	17,617	Trees	20
		- Species	103	54	64	Species	20
GRI 305: Emission (2016)							
	GRI 305-1	Direct (Scope 1) GHG emissions	33,077.99	36,263.28	43,404.09	tCO₂e	23
	GRI 305-2	Energy Indirect (Scope 2) GHG emissions	68,511.00	72,230.61	81,852.97	tCO₂e	23
	GRI 305-3	Other indirect (Scope 3) GHG emissions	-	152,971.27	162,695.03	tCO₂e	23
	GRI 305-4	GHG emission intensity	0.186	0.177	0.173	tCO₂e/ Ton of production	23
	GRI 305-5	Reduction of GHG emissions	4,907.82 tCO₂e (CO₂ Reduction by the use of solar rooftop)	8,673.82 tCO₂e (CO₂ Reduction by the use of solar rooftop)	12,253.00 tCO₂e (CO₂ Reduction by the use of solar rooftop)	tCO₂e	24-28
	GRI 305-7	Nitrogen oxides (NOx), Sulfur oxides (SOx), and other significant air emissions	Pass	Pass	Pass	-	35
GRI 306: Waste (2020)							
	GRI 306-3	Waste generated	418.43	382.68	617.36	Tons	31-32
	GRI 306-4	Waste diverted from disposal	Sludge-to Fertilizer	59.22	128.89	-	-
	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
			2023	2024	2025		
GRI 401: Employment (2016)							
	GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Education loan	Education loan	Education loan	-	57, 68-71
GRI 403: Occupational Health and Safety (2018)							
	GRI 403-1	Occupational Health and Safety management system	15 factories certified to ISO 45001	15 factories certified to ISO 45001	16 factories certified to ISO 45001	Factories	7, 46
	GRI 403-2	Hazard identification, risk assessment, and incident investigation	-	-	-	-	47-48
	GRI 403-5	Worker training on occupational health and safety	18	26.12	32.5	Average training hour/ person/year	48-51, 64
	GRI 403-9	Work-related injuries					
		- IFR	0.97	1.08	0.61	-	46-47
		- LTIFR	0.97	1.08	0.51	-	
		- ISR	7.99	38.56	21.67	-	
GRI 404: Training and Education (2016)							
	GRI 404-1	Average hours of training per year per employee	43.3	49.03	56.44	Average training hour/ person/year	29, 56, 62, 71
	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	62-63
GRI 405: Diversity and Equal Opportunity (2016)							
	GRI 405-1	Diversity of governance bodies and employees					
		- Male employees	53%	53%	53%	Percent	62-64
		- Female employees	47%	47%	47%	Percent	
		- Employee with disabilities	43	42	46	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	61	65	69	Engagement activities with local communities	57-61, 65-67, 88-89
	GRI 413-2	Operations with significant actual and potential negative impacts on local communities	Management approach	Management approach	Management approach	-	
GRI 418: 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	90-91



Southland Rubber

Think Good, Better Will Follow

Sustainable Value

Across Dimensions

2025

SUSTAINABILITY REPORT