

Southland Rubber Supplier Code of Conduct 20220101

1) Purposes

- a) Southland Rubber factories are processors of high-quality natural rubber.
- b) We are committed to work with our suppliers together to be successful in the natural rubber market.
- c) This Supplier Code of Conduct is established as guidelines for risk management with respect to ethical business conduct of our suppliers across the supply chain.
- d) We expect our suppliers who are our up-stream partners in the supply chain to adhere to the Southland Rubber Supplier Code of Conduct when operating their businesses as well as encouraging their suppliers across the supply chain to comply.
- e) All suppliers are required to acknowledge their understanding and demonstrate genuine commitment to the implementation of this Supplier Code of Conduct.
- f) This Supplier Code of Conduct applies to all suppliers of the Group
- g) Directors of each Group Company and/or Head of the /unit factory are responsible for the implementation of and compliance with this Policy.

2) Principles and Guidelines for Suppliers

a) Economic Aspect

- i) **Anti-competitive and monopoly practices:**
Ensure full compliance with prevailing anti-trust laws, understand and conform to all requirements, and prohibit all inappropriate anti-competitive behaviour.
- ii) **Transparent legitimate transactions**
Ensure transparency in business conduct and that all trade agreements and transactions are accurately recorded.
- iii) **Information security**
Ensure the security of information by formulating internal rules and regulations for information security, that is, to prevent breach of personal information and protect confidential information.
- iv) **Conflicts of Interest**
Prohibit conflict of interest and trading of confidential information.



- v) **Intellectual Property**
Prohibit intellectual property infringement and promote intellectual property protection.

- vi) **Ethics**
 - (1) Conform to rules, regulations, and laws, including social norms of the country or region where the business operates.
 - (2) Refuse all forms of bribery (gifts, monetary support, and any other forms of benefits considered as bribes violating the laws).

- vii) **Traceability**
 - (1) We support raw materials suppliers and cooperate with them in tracing natural rubber to the point of origin as much as possible.

- b) **Social Aspect**
 - i) **Human Rights and Labour Practices**
Respect and stringently comply with relevant national and international laws, regulations and rules.

 - ii) **Minimum wages, working hours, and welfare**
Pay minimum wages; fully comply with applicable laws on working hours, overtime and welfare.

 - iii) **Diversity, non- discrimination and, no harassment**
Respect the rights of employees and stakeholders, ensure equitable treatment to all, and do not discriminate against anyone based on their race, skin colour, ethnic and social origin, religion, disability, sexual orientation, political opinion, and any other qualities imposed by laws.

 - iv) **Fair treatment**
Treat all employees in a respectful and equitable manner; ensure transparency, honesty, and fairness in recruitment, compensation, and promotion.

 - v) **Freedom of association and collective bargaining**
Respect employees' rights to freedom of association and collective bargaining.

 - vi) **Prevention of forced labours and human trafficking**
The Group prohibits all forms of forced labours such as prisoned labour, bonded labour, debt bondage, slave labour; and all forms of human trafficking.



vii) **Prevention of child labour**

Prohibit the employment of young labours whose ages are below the minimum requirement of the employment law.

viii) Promote good quality work-life of employees and communicate this practice to relevant value chain partners.

ix) Constantly monitor and assess the risks in relation to human rights and labour practices and provide whistle-blower opportunities to employees and stakeholders.

x) Encourage employees to report actions or behaviours which violate human rights and good labour practices.

xi) Ensure that all reported cases are resolved fairly.

c) **Occupational Health & Safety Aspect**

i) Build and maintain good working environment that supports the prevention of work-related injuries and illnesses.

ii) Comply with laws, rules, and regulations concerning occupational health and safety.

iii) Demonstrate commitment to reducing risks that may pose dangers to employees, outsourced contractors, visitors, and all related persons.

iv) Communicate, educate, and give advice regarding occupational health and safety to employees and stakeholders to create awareness and enhance development.

d) **Environmental Aspect**

i) **Conservation of Ecosystem and Biodiversity**

(1) Conserve biodiversity and reduce impacts on climate change.

(2) Uphold the proper and legal use of land; the use of land must not violate any laws, land tenure rights, and ethics, or have adverse impacts on the local community.

(3) Cultivate other plants and have livestock in rubber plantation to maintain the balance of nature and expand their own food supplies.

ii) **No deforestation**

(1) Conserve watershed forests and areas of high conservation value to sustain fertile ecosystem.

- (2) Do not support cultivation of rubber plantations in deforested or invaded conservation areas.
- (3) Do not support cultivation of rubber plantations on peatlands.
- (4) Do not support slash-and-burn method to prepare land for rubber cultivation.

iii) **Sustainable material and Waste management**

- (1) Support the responsible utilization of resources for rubber cultivation and minimize impacts on natural environment and surrounding communities in the process of raw material acquisition.
- (2) Promote efficient use of water.
- (3) Promote reduction of chemical use and proper management of chemicals.
- (4) Promote sanitary disposal of waste generated

3) **Corrective Actions**

- a) Our Group shall take stern actions to correct any breach of this Supplier Code of Conduct, including investigation of causes, instituting preventative measures, and holding education and training sessions for offenders.

4) **Review**

- a) This Supplier Code of Conduct is updated by the Management of Southland Rubber on 1 January 2022 and shall be reviewed regularly in order to collectively improve and develop sustainability practices across the supply chain.

5) **Signing**

- a) This Supplier Code of Conduct is issued in duplicate and each to be signed and kept by a representative of Southland Rubber and Supplier

Signed By:

Signed By

Supplier Representative / Dated

Southland Rubber Representative / Dated

Contact Details:

Contact Details