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Purpose

Tong Thai Rubber Group is committed to adopting sustainable procurement practices to minimize environmental and social impacts across the supply chain. These practices align with our broader sustainability goals and support the responsible sourcing of raw materials. By embedding sustainability into procurement practices, we aim to create a resilient, ethical, environmentally, and socially responsible supply chain for rubber manufacturing.

Scope of Application

This policy applies to all full-time, part-time, and contractual employees of all entities under Tong Thai Rubber Group:

- Tong Thai Rubber Co., Ltd.
- Tongthai Technical Rubber Co., Ltd.
- Sin Tong Thai Rubber Co., Ltd.
- Grand Rubber Co., Ltd.
- TTN Rubber Co., Ltd.

This policy also encompasses all procurement divisions and relevant stakeholders. Additionally, it applies to all suppliers, contractors, and business partners across Tong Thai Rubber Group's supply chain. It covers all raw materials, goods, and services procured for business operations.

Sustainable Procurement Policy

This policy establishes responsible sourcing practices that prioritize environmental stewardship, employee well-being, and ethical behavior across the supply chain.

1. Preference for Sustainable Sources

We recognize that procurement decisions play a crucial role in advancing sustainability within the natural rubber industry. As part of our commitment to responsible sourcing, we prioritize materials and products that comply with internationally recognized sustainability standards.

To further promote sustainable rubber production, we actively avoid sourcing from plantations linked to deforestation, biodiversity loss, or environmental degradation. We support agroforestry practices and responsible land use to enhance carbon sequestration, maintain soil health, and protect ecosystems. Additionally, we collaborate with suppliers to improve traceability, ensuring transparency and compliance with ethical and environmental standards throughout the supply chain.

By adhering to these principles, we strive to strengthen sustainability in the natural rubber industry, safeguard natural resources, and uphold fair labor practices.



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2. Suppliers' Environmental Responsibilities

To ensure our procurement activities align with global environmental standards and contribute to climate resilience, we are committed to sourcing natural rubber and other materials responsibly. This includes actively engaging our suppliers in environmentally responsible practices, such as:

- Adopting deforestation prevention practice.
- Implementing sustainable land-use practices.
- Encouraging responsible rubber farming techniques, including agroforestry and intercropping systems.

Additionally, we collaborate with our suppliers to enforce supply chain traceability and transparency, ensuring that all raw materials meet recognized sustainability standards. Our policy covers both direct purchases (e.g., raw materials, packaging, and finished products) and indirect purchases (e.g., goods and services essential for internal business operations).

We prioritize suppliers who demonstrate effective environmental management practices, such as:

- Sourcing raw materials from sustainable farmers.
- Contributing to energy conservation and reducing greenhouse gas emissions.
- Ensuring efficient water usage and recycling.

3. Suppliers' Social Responsibilities

To ensure our procurement activities uphold labor and human rights standards, we are committed to promoting fair labor practices and fostering equitable, safe, and inclusive working conditions throughout our supply chain. We require our suppliers to comply with international labor standards, including:

- Prohibition of child labor and forced labor.
- Ensuring safe working conditions.
- Promoting equitable wages and fair treatment of workers.
- Providing opportunities for employee training and development.

We select and prioritize suppliers who demonstrate strong labor and human rights practices. Our suppliers must:

- Uphold fair labor practices and occupational health and safety.
- Promote diversity, equity, and inclusion.



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4. Suppliers' Engagement and Selection

We monitor our supply chain for robust environmental and labor practices through a comprehensive approach that includes:

- CSR self-assessment questionnaires: All suppliers are required to complete a questionnaire during onboarding to ensure alignment with our sustainability standards.
- Supplier Code of Conduct: Outlines expectations for ethical business practices, environmental stewardship, fair labor practices, and human rights compliance.
- On-site audits: Regular assessments to evaluate supplier operations and identify areas for improvement.
- Capacity-building initiatives: Providing training and support to help suppliers enhance sustainability and ethical standards.

5. Targets

- To ensure at least 50% of our total procurement spend is from sustainable farmers or suppliers by 2030.
- To train at least 80% of employees in Procurement departments on sustainable procurement, with a focus on engaging suppliers to meet their environmental and social responsibility commitments, by 2030.
- To ensure 100% of targeted suppliers sign Supplier Code of Conduct by 2030.
- To ensure 100% of new onboarding suppliers complete CSR self-assessment questionnaire covering their environmental and social performance by 2030.
- To conduct on-site audit to at least 80% of targeted suppliers to assess their environmental and social compliance by 2030.



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Responsibilities

1. Management

The management team is responsible for overseeing the effective implementation of this policy, periodically reviewing and updating it to maintain relevance, and providing adequate resources to support the procurement team in understanding and applying sustainable procurement practices.

2. Procurement team

The procurement team is responsible for communicating this policy to suppliers and working collaboratively with them to ensure their practices align with our sustainability standards. This includes conducting supplier assessments, audits, and performance reviews with a focus on environmental and social compliance.

3. Suppliers

Suppliers are responsible for adhering to the sustainability standards outlined in this policy, ensuring compliance with environmental and social requirements, and providing transparent information about their practices. They must complete self-assessments, cooperate with audits, and address improvement areas within agreed timelines. Failure to meet these standards may result in corrective action plans, and persistent non-compliance could lead to contract termination and exclusion from the supply chain.

Communication of Policy

For employees, the policy will be introduced during the onboarding process for new staff and shared via hardcopy or email. Updates or amendments to the policy will also be communicated through announcement or email to all full-time, part-time, and contractual employees, as well as suppliers. An annual refresher course will be conducted for all employees to reinforce the organization's commitment to ethics and the principles outlined in this policy.

The policy will be communicated to all suppliers, contractors, and business partners within Tong Thai Rubber Group's supply chain through Supplier Code of Conduct, legal agreements, or email communications.

Review of Policy

The group will review this policy to evaluate its relevance every 2 years, to monitor compliance and to drive continuous improvement. Tong Thai Rubber Group welcomes feedback and encourages dialogue with any interested party. We ensure the organization remains at the forefront of sustainable procurement practices.



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Sanctions

Tong Thai Rubber Group takes this policy very seriously. We expect all employees and suppliers to abide by the principles laid out in this policy. Failure to comply with this policy may result in disciplinary action, up to and including termination of employment or business contract.

We encourage all stakeholders to report any potential or actual infringements of this policy at the soonest. Any potential or actual infringements may be reported to feedback@tongthai.co.th. All reports are treated with the utmost confidentiality. While it is helpful for follow-up if you identify yourself, you have the option to make anonymous report to the helpline + 66 9 1889 2288, within the limit of the law. Concerns should be raised in good faith, meaning you are making genuine effort to provide accurate and honest information. Tong Thai Rubber Group has a strict no-retaliation policy for individuals who report concerns or participate in investigations. Any employee or supplier found to be engaging in retaliation will face disciplinary action.

Signature

General Manager of
Tong Thai Rubber Group
Ms. Shi Ching Chien
Date: 10/01/2025