

Implementation of Sustainability Policy Framework

Introduction

As a participant in the Sustainable Natural Rubber Initiative (SNR-i) promoted by the International Rubber Study Group (IRSG) in 2017 and a member of GPSNR since 2018, Thai Eastern Group aim to contribute to the achievement of a higher level of natural rubber sustainability. By implementing this policy, Thai Eastern Group will be making an effort to help resolve social issues through its business activities. In addition, with the "Promotion of CSR activities throughout the value chain" designated as one of the important goals driving Thai Eastern Group' s corporate social responsibility (CSR) activities, the Company will step up and accelerate its efforts to promote activities that conform to Sustainable Procurement Policy for Natural Rubber among all members of its supply chain.

Scope

Policy Roadmap for the implementation of sustainability policy framework. This policy framework was designed to develop of all key stakeholders to engage in and monitoring this policy which includes;

	Policy Framework	Target Achieve Plan				
		2025	2030	2035	2040	2045
1	Legal Compliance					
2	Healthy, Functioning Ecosystems					
3	Respecting all Human Rights					
4	Community Livelihoods					
5	Supply Chain Assessment, Traceability, Management Applicability and Improving Production Efficiency					

1. Legal Compliance

- Complying with applicable local, national and international laws on human rights, labour, land use, and the environment.
- Working against corruption in all of its forms including extortion and bribery.

2. Healthy, Functioning Ecosystems

- Producing and sourcing natural rubber in a way that does not contribute to deforestation or the degradation of High Conservation Value (HCV) areas. Identifying and managing areas for development and conservation in accordance with methodology and guidance that is consistent with the HCV Approach and with the High Carbon Stock Approach (HCSA).
- The Group acknowledges the cut off-date (1 April 2019) prescribed under the Zero Deforestation Clause of GPSNR Policy Framework. Natural rubber from areas deforested or where HCVs have been degraded after the cutoff date is considered to be non-conforming with this policy element.
- Not using open burning/fire in new or ongoing operations for land preparation, land management, waste management, or any other reason other than in justified and documented cases of fire break establishment, waste management for sanitary reasons where public garbage collection is not available, phytosanitary and other emergencies.
- Protecting wildlife, including rare, threatened, endangered and critically endangered species from poaching, over-hunting and habitat loss in areas under company management and supporting wildlife protection activities in areas of influence.
- Protecting water quantity and quality, preventing water contamination from agricultural and industrial chemicals, and preventing erosion and sedimentation
- Protecting soil quality, preventing erosion, nutrient degradation, subsidence and contamination.
- Supporting the long-term protection of natural forests and other ecosystems and their conservation values, and restoring or supporting restoration of deforested and degraded rubber landscapes.
- Preventing the development of or sourcing from natural rubber plantations on peat, regardless of depth, extent, or status (wet, drained or dry).

3. Respecting all Human Rights

- Respecting and protecting internationally recognized human rights (including upholding the UN Guiding Principles on Business and Human Rights (UNGPs) by avoiding causing or contributing to adverse human rights impacts and preventing or mitigating any harm linked to company operations.
- Establishing and maintaining a company grievance mechanism (consistent with UNGP effectiveness criteria) to receive complaints and remedy adverse impacts they have caused due to production and sourcing
- Recognizing and protecting the customary, traditional and communal land tenure rights of indigenous peoples and local communities (1P/LC) including:
 - Carrying out operations in accordance with the UN Declaration on the Rights of Indigenous Peoples (UNDRIP)

- Ensuring ongoing land tenure and access rights
 - Upholding traditional rights of access for hunting and gathering of animals and plants for the purpose of subsistence and indigenous cultural and religious traditions, customs and ceremonies.
- Ensuring that, prior to any activity that might affect IP/LC rights to their lands, territories, and resources, their free, prior, and informed consent (FPIC) is secured. This includes when planning, establishing restoring, or transforming corporate plantations and/or industrial sites, as well as associated infrastructure. The FPIC process is done in a culturally appropriate manner and follows credible accepted methodologies and associated GPSNR guidance. IP/LC have the right to give or withhold their consent to any activity that is subject to the FPIC process.
 - Where operations impinge on IP/LC rights, compensating or accommodating IP/LC through appropriate, mutually agreed measures reflecting and described in the negotiated outcomes of the FPIC
 - Establishing ongoing, effective, culturally appropriate channels of dialogue with indigenous people and local communities.
 - Adopting measures to provide remedy through mutually agreed procedures in cases where the company previously has caused or contributed to the appropriation of or harm to the lands, territories, or resources of IP/LC without securing FPIC. Implementation is jointly monitored by the community and the GPSNR member and/or by mutually agreed third party(ies).

The accepted methodologies to be followed for the FPIC process are:

UN-REDD (2012) Guidelines on Free, Prior and Informed Consent

- RSPO (2015) Free, Prior and Informed Consent for RSPO Members

- FAO (2015) Free, Prior and Informed Consent Manual

- Upholding applicable labour rights and labour laws in the jurisdictions where operating, the UN Guiding Principles on Business and Human Rights, and the intent of the International Labor Organization's eight core conventions. This includes: Freedom of association and collective bargaining (ILO Convention No. 87 and No. 98)
 - The Group will respect human rights (including upholding the UN Guiding Principles on Business and Human Rights) and comply with the following: No forced labor (ILO Convention No. 105 and No. 29 and ILO Protocol of 2014)
 - The Group is committed to eliminating inhumane labour practices that constitute an affront to human dignity. No child labor (ILO Convention No. 138 and No. 182)

- The Group prohibits child labour so that infants and children are not forced into labour and thereby deprived of opportunities for healthy growth and education. Prohibiting inhumane treatment and discrimination (ILO Convention No. 111)
- The Group respects each worker's personality, individuality and privacy. The Group also aims to build a working environment where workers do not face harassment or discrimination. Respecting freedom of association and the right to collective bargaining. (ILO Convention No. 87 and No. 98)
- The Group respects the basic rights of workers and will strive to protect and improve the standing of workers. Improving working conditions. (ILO Convention No. 100) At a minimum, the Group will comply with all applicable laws and regulations concerning employment conditions, which include wages, working conditions, and health and safety standards. The Group will work towards improving working conditions and building positive and healthy working environments. Respecting the rights of migrant workers. (ILO Convention No. 97 and No. 143)
- The Group will respect the rights of contract, temporary and migrant workers and strives in particular to practice ethical recruitment. Support decent living wages Promote gender equity

4. Community Livelihoods

- Supporting decent living conditions of local communities (e.g, drinking water, adequate housing sanitation).
- Supporting the right to food and food security of individuals, households and local communities.
- Supporting the economic, social and cultural rights of local people, including through access to education and employment.

5. Supply Chain Assessment, Traceability, Management Applicability and Improving Production Efficiency

- Offering or supporting training for natural rubber producers, including smallholders, to improve yield and quality.
- Managing operations to minimize rate of energy usage.
- Managing operations to maximize natural resource efficiency.

- Minimizing and mitigating carbon emissions.
- Setting public, timebound and geographic-specific targets and milestones with their associated indicators/metrics for applying its commitments.
- Embedding commitments into decision-making processes, systems, and performance metrics of corporate management, relevant business units, joint ventures, and company affiliates and subsidiaries
- Maintaining an active, regular stakeholder dialogue to provide relevant information, and to afford Opportunities for feedback and suggestions related to fulfillment of the company's commitments.
- Participating in/supporting multi-stakeholder planning and policy efforts that uphold the GPSNR principles at a landscape, jurisdictional or other spatial level.
- Conducting supply chain mapping and assessing suppliers for social and environmental risk to prioritize risk mitigation actions.
- Supporting traceability of natural rubber, at a minimum to an appropriate jurisdictional level, to know or control the conformance of purchased materials with GPSNR Policy Components.
- Communicating to all suppliers of natural rubber that material produced and processed in accordance and conformance with the GPSNR Policy Components will be preferred. Providing time bound requirements for meeting the policy requirements, and ensuring that supplier codes and contracts, engagement activities, and other mechanisms reflect these supplier expectations.
- Regularly engaging the supply chain (both direct and indirect suppliers) to support their conformance with company commitments through effective incentives, support mechanisms, and purchase monitoring systems.
- In instances of supplier non-conformance with GPSNR Policy Components, developing time-bound implementation plans to move towards conformance and/or remediation or past or ongoing harms.
- Regularly monitoring progress toward company commitments in order to ascertain performance.
- Applying monitoring systems and practices to incorporate crowd-sourced information from local stakeholders and affected parties regarding non-conformance with commitments. Information sources may be informal or formal.
- Reporting publicly on progress and outcomes related to the implementation of policy-related commitments at least annually.