



Sustainable Natural Rubber Policy

Introduction

Von Bundit Co. Ltd., a rubber producer, and all of its subsidiary companies (hereinafter referred to as "VON") are promoting, developing, and implementing sustainable business practices throughout the supply chain, as well as fulfilling Von Bundit's social responsibility.

VON recognizes its responsibility as an industry stakeholder and supports the Global Platform for Sustainable Natural Rubber (GPSNR) Policy Framework to the extent that it is practical, taking into consideration the company's business strategy, business model, and stakeholders

1. Commitment to Legal Compliance

- Complying with applicable human rights, labor, land use, and environmental laws at the local, national, and international levels.
- Working against all forms of corruption, including extortion and bribery.

2. Commitment to Healthy, Functioning Ecosystems

- Producing and obtaining natural rubber in a manner that does not lead to deforestation or degradation of High Conservation Values (HCVs). We are following The HCV Approach and the High Carbon Stock Approach (HCSA) methodology and guidance consistent for identifying and managing development and conservation.
- Natural rubber from deforested areas or locations where HCVs have degraded after the 1 April 2019 cutoff date is considered non-conforming with this policy feature.
- We collaborate with natural rubber producers to support the long-term protection of natural forests, other ecosystems, and their conservation values. Supporting the rehabilitation of deforested and degraded rubber landscapes.
- We are not using open burning/fire in new or ongoing operations for land preparation, land management, waste management, or any other reason except in justified and documented cases of firebreak establishment, waste management for sanitary reasons where public garbage collection is not available, phytosanitary, and other emergencies.
- We protect wildlife, particularly rare, threatened, endangered, and critically endangered species, in areas under firm administration from poaching, overhunting, and habitat loss, as well as supporting wildlife conservation operations in regions of influence.
- Protecting water quantity and quality, along with preventing water contamination from agricultural and industrial chemicals, erosion, and sedimentation.
- Protecting and preventing erosion, nutrient erosion, subsidence, and contamination of soil quality.



- Preventing the development of natural rubber plantations on peat, regardless of the depth, extent, or status (wet, drained or dry).

3. Commitment to Respecting all Human Rights

- Upholding the UN Guiding Principles (UNGP) on Business and Human Rights by avoiding or mitigating adverse human rights consequences and preventing or mitigating any harm related to company operations.
- Establishing and maintaining a company grievance procedure (according with UNGP effectiveness standards) to hear complaints and address any negative consequences resulting from manufacturing and sourcing.
 - Desk receiving complaints email: crd@vonbundit.com
 - Post: Von Bundit Co., Ltd. (Head Quarter) 20/5 Von Bundit Building, Komarapat Road, Mueang, Phuket 83000
- Recognizing and protecting indigenous peoples' and local communities' customary, traditional, and communal land tenure rights (IP/LC), including:
 - Performing operations in conformity with the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP)
 - Ensuring that land tenure and access rights are maintained.
 - Respecting indigenous cultural and religious traditions, rituals, and ceremonies, as well as traditional rights of access for hunting and gathering animals and plants for livelihood.
- Ensuring that the free, prior, and informed consent (FPIC) is obtained prior to any activity that may affect IP/LC rights to their lands, territories, and resources. This applies to corporate plantations and/or industrial sites, as well as associated infrastructure, when planning, establishing, restoring, or transforming them. The FPIC procedure is carried out in a culturally acceptable manner, using reliable methodology and GPSNR guidance. Any activity that is subject to the FPIC process has the option for IP/LC to offer or withhold their consent.
- Where operations infringe on IP/LC rights, compensating or accommodating IP/LC through appropriate, mutually agreed-upon solutions that are reflected and specified in the FPIC process's negotiated conclusions.



- Taking steps to give redress through mutually agreed-upon procedures in cases where the corporation has previously caused or contributed to the appropriation of IP/lands, LC's territories, or resources without first obtaining FPIC. The community and the GPSNR member, as well as a mutually agreed-upon third party, cooperatively monitor implementation.

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
- Establishing effective ongoing, and culturally appropriate communication channels with indigenous peoples and local communities.
 - Maintaining applicable labor rights and regulations in the jurisdictions where we operate, as well as the UN Guiding Principles on Business and Human Rights and the intent of the ILO's eight core agreements. This includes:
 - Freedom of association and collective bargaining (ILO Convention No. 87 and No. 98)
 - No forced labour (LO Convention No. 29 and its 2014 Protocol)
 - No child labour (ILO Convention No. 138 and No. 182)
 - Decent living wages
 - No discrimination (ILO Convention No. 111 and No. 100)
 - Legal working hours
 - Safe and healthy workplaces
 - No abusive practices (ILO Convention No. 105)
 - Gender equity
 - Safeguards apply to all workers, including contract, temporary and migrant workers.

4. Commitment to Community Livelihoods

- Supporting local communities in maintaining decent living conditions (e.g, drinking water, adequate housing sanitation).
- Supporting individuals, households, and local communities with their right to food and food security.
- Supporting local residents with their economic, social, and cultural rights, such as access to school and work.



5. Commitment to Increased Production Efficiency

- Providing or assisting natural rubber producers, including smallholders, with training to improve productivity and quality.
- Managing operations to minimize energy usage.
- Managing operations to get the most out of natural resources.
- Minimizing and mitigating carbon emissions.

6. Commitment to Systems and Processes to Drive Effective Implementation of Policy Framework

- Establishing public, time-bound, and geographic-specific targets and milestones, including the indicators/metrics which will be used to implement its commitments.
- Corporate management, relevant business divisions, joint ventures, and company affiliates and subsidiaries embed commitments into decision-making processes, systems, and performance indicators.
- Maintaining an active, extended dialogue with stakeholders in order to give timely information and provide opportunities for feedback and suggestions related to the company's commitments.
- Participating in/supporting multi-stakeholder planning and policy efforts at a landscape, jurisdictional, or other spatial level that preserve the GPSNR principles.

7. Commitment to Supply Chain Assessment, Traceability, and Management Applicability

- Mapping the supply chain and evaluating suppliers for social and environmental risk in order to prioritize risk mitigation actions.
- Supporting natural rubber traceability, at a minimum to an appropriate jurisdictional level, in order to know or regulate if purchased materials comply with the GPSNR Policy Framework.
- Informing all natural rubber suppliers that materials supplied and processed in line with the GPSNR Policy Framework will be preferred. Setting timelines for meeting policy requirements and ensuring that supplier codes, contracts, engagement activities, and other methods reflect these supplier expectations.
- Using effective incentives, support mechanisms, and buy monitoring systems to engage the supply chain (both direct and indirect suppliers) on a regular basis to support the compliance with company commitments.



- Developing time-bound implementation strategies to progress towards conformity and/or correction of past or continuing harms in cases of supplier non-conformance with the GPSNR Policy Framework.

8. Commitment to Monitoring and Reporting on Progress Towards, and Conformance with, Policy Framework.

- Monitoring toward organizational goals on a regular basis to assess performance.
- Using monitoring systems and practices to incorporate crowd-sourced information about non-compliance with commitments from local stakeholders and affected parties. Informal and formal information sources are provided.
- Publicly reporting on progress and outcomes relevant to policy-related commitments at least once a year.

15-June-2022