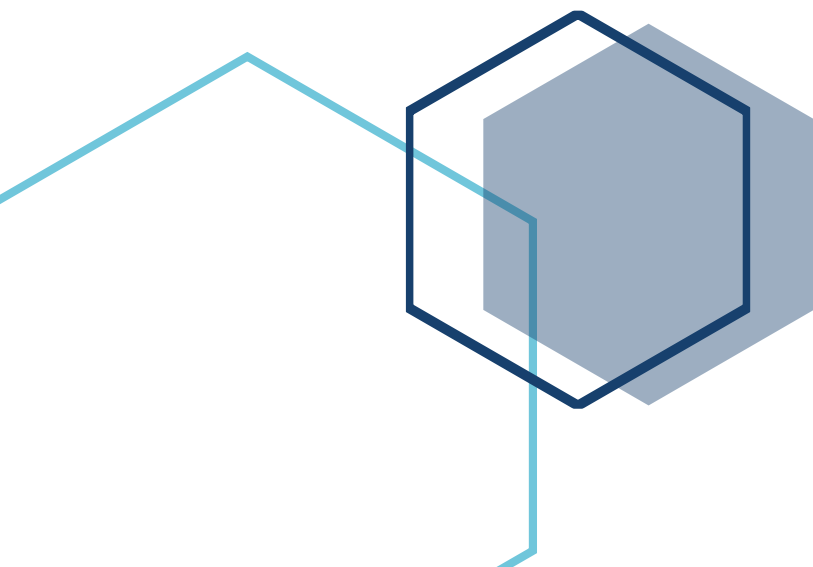




# Human Rights Practice Manual

*North East Rubber Public Company Limited*





## Introduction

North East Rubber Public Company Limited ("the Company") recognizes the paramount importance of human rights principles and places great emphasis on respecting human rights and operating in accordance with internationally accepted principles. The Company has adopted a Human Rights Policy, along with related guidelines, aiming to foster good practices, raise awareness of all forms of human rights principles, and build an organizational culture under a robust good corporate governance system and ethical business conduct. This serves as a shared principle for operations and to prevent rights violations across all business sectors, covering all stakeholder groups, including employees, contractors, communities, society, customers, and business partners throughout the Company's supply chain.

The Company strictly adheres to the law to ensure that its business operations are conducted with prudence and caution, refraining from any actions that could directly or indirectly violate or impact human rights. This also includes not promoting or being involved in human rights violations. The Board of Directors and management deem it appropriate to establish this Human Rights Policy and guidelines to prevent human rights violations across all business activities of the Company, including its Business Value Chain and Joint Ventures. The Company commits to complying with laws in Thailand and other countries where it operates, and to communicating and disseminating human rights guidelines to its stakeholders to foster their participation in line with the Human Rights Policy.

This Manual has been developed to ensure that all personnel within the organization understand and have guidelines for strictly upholding human rights throughout the Company's operations. This demonstrates the Company's governance-based management system, which builds trust and confidence among shareholders, investors, stakeholders, and all relevant parties, as well as emphasizing compliance with legal requirements related to business operations.



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## 1. Goals and Objectives

To ensure that the Company complies with international human rights standards and prevents human rights violations across all its activities. This is in accordance with the Company's Human Rights Policy, which references international human rights standards and adheres to relevant legal minimums, including the Universal Declaration of Human Rights (UDHR), the United Nations Guiding Principles on Business and Human Rights (UNGPs), and the ILO Declaration on Fundamental Principles and Rights at Work. This also involves establishing a comprehensive Human Rights Due Diligence (HRDD) process, conducting human rights risk assessments to prevent potential human rights violations, and implementing remediation processes for human rights impacts that may arise for stakeholders from the Company's operations or products throughout its entire value chain.

## 2. Scope

This Human Rights Practice Manual applies to the Company's business operations, covering all levels of personnel, including employees, business partners, and stakeholders throughout the value chain who may be impacted by the Company's various activities.

## 3. Definitions

- 3.1 Human Rights: Rights inherent to all human beings from birth, regardless of race, nationality, language, religion, sex, sexual orientation, or social status. Human rights are inalienable and untransferable, aiming to protect human dignity and promote equality in society.
- 3.2 Universal: Refers to the principle that all people are born with equal human rights, regardless of race, residence, gender, ethnicity, religion, or cultural heritage.
- 3.3 Inalienable: Means that human rights should not be taken away, except in specific situations and in accordance with due process of law.
- 3.4 Indivisible: Means that all human rights should be considered equally. Civil and political rights are as important as economic, social, and cultural rights.
- 3.5 Interdependent and Interrelated: Refers to human rights being interconnected and mutually dependent. Human rights can be broadly categorized into two types: civil and political rights, and economic, social, and cultural rights.



#### 4. Roles and Responsibilities

In this Human Rights Practice Manual, various parties of personnel are required to participate in and be responsible for operating in accordance with the Company's Human Rights Policy. The roles and responsibilities of those involved are as follows:

##### 4.1 Board of Directors

**Role** Responsible for establishing the Company's human rights policy and operational guidelines.

**Responsibilities** Approve and endorse the Human Rights Policy; monitor and evaluate human rights performance; support the rigorous and complete implementation of the policy.

##### 4.2 Executive Management

**Role** Manage operations in accordance with the Human Rights Policy approved by the Board of Directors.

**Responsibilities** Implement the Human Rights Policy plan within the organization; coordinate with various departments to ensure compliance with the policy; report performance results and identified issues to the Executive Committee.

##### 4.3 Human Resources

**Role** Ensure that all employees comply with the Human Rights Policy.

**Responsibilities** Organize training and provide knowledge to employees about human rights; oversee fair practices and prevent discrimination; address and resolve human rights violation issues related to employees.

##### 4.4 Procurement and Supply Chain

**Role** Verify that suppliers and business partners adhere to human rights principles.

**Responsibilities** Audit and evaluate suppliers regarding human rights policy compliance; promote transparency and respect for human rights throughout the value chain; collaborate and support the resolution of human rights-related issues.

##### 4.5 Legal

**Role** Provide legal advice related to human rights and ensure legal compliance.

**Responsibilities** Advise on national and international human rights laws; ensure operations comply with legal requirements and international standards; assist in developing policies and guidelines to prevent human rights violations.

##### 4.6 Line Managers/Supervisors

**Role** Implement and oversee employee compliance with the Human Rights Policy.

**Responsibilities** Communicate the Human Rights Policy to their team members for understanding and compliance; observe and address human rights violation issues in the workplace; support and advise employees with human rights concerns.

#### 4.7 All Employees

**Role** Comply with the Company's Human Rights Policy.

**Responsibilities** Acknowledge and adhere to the Human Rights Policy; report any human rights violations observed within the organization; regularly participate in training and enhance their knowledge of human rights.

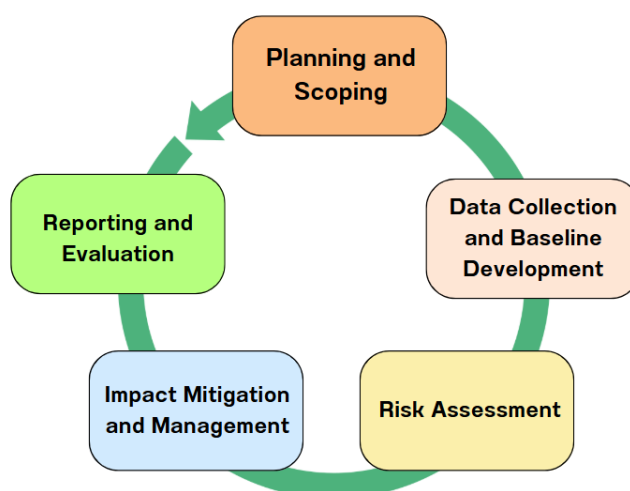
#### 4.8 Risk Team

**Role** Review, monitor, audit, evaluate, and improve the implementation of human rights policies within the organization.

**Responsibilities** Assess human rights risks in operational processes and the value chain; report evaluation results and propose solutions; coordinate with various departments in improving and developing related processes.

### 5. Human Rights Risk and Impact Assessment Process

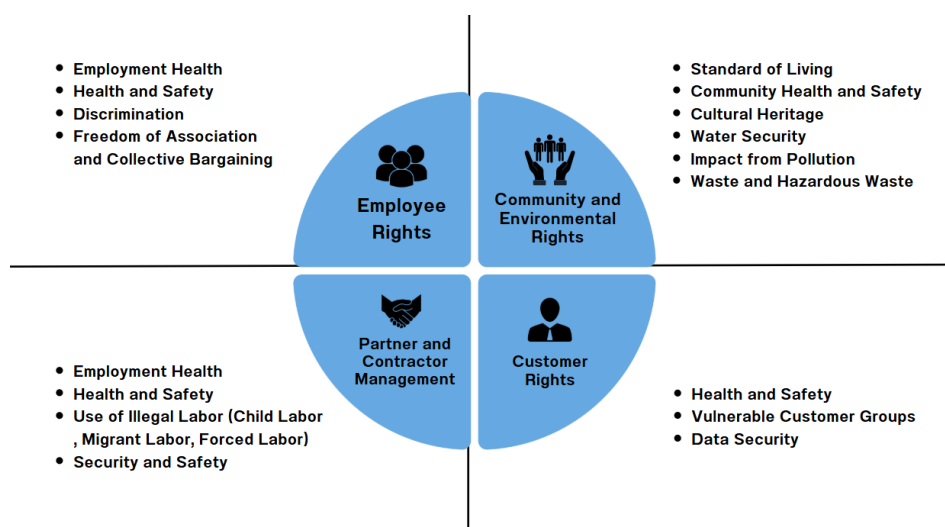
The Company defines the scope of human rights risk assessment at the organizational level, extending to the Company's value chain, encompassing employees, business partners, suppliers, contractors, customers, as well as communities and society. This process adheres to the framework of Human Rights Due Diligence (HRDD) and proceeds as follows:



## 5.1 Planning and Scoping

The assessment of human rights risks and impacts involves defining the scope of the assessment. This step ensures that senior management is aware of the trends of those affected by the Company's business activities. This information will define the scope of baseline data collection and the assessment scope. Furthermore, in defining the assessment scope, the Company considers both existing and potential human rights risk issues throughout the value chain, including direct activities conducted by the Company and indirect activities carried out through its partners, contractors, or joint ventures, which could lead to complicity in human rights violations, as follows:

- Direct Violation: Occurs when the Company is directly involved in a human rights violation.
- Benefiting from Violation: Occurs when the Company directly benefits from actions contrary to human rights principles.
- Persistent Violation: Occurs when the Company is continuously involved in human rights violations (e.g., through ongoing business relationships or systemic issues).



Scope of Human Rights Risk and Impact Assessment Issues for the Company

## 5.2 Data Collection and Baseline Development

Baseline data collection is the step to obtain human rights risk issues confirmed by participants in the human rights risk assessment process who are responsible for activities related to those risks. The outcomes from the baseline data collection step include human rights risk issues and impacts related to the Company's activities, as well as the identification of those affected by these risk issues, such as employees, local



communities, workers of partners and contractors, customers, and vulnerable groups (e.g., children, women, the elderly).

### 5.3 Risk Assessment

The assessment of impact levels is based on human rights risk assessment criteria. Risk level scoring follows human rights risk assessment criteria, considering two main aspects: the severity of the risk and its impact, and the likelihood of the risk occurring, to determine the overall risk level. Details are as follows:

#### 5.3.1 Human Rights Risk Assessment Criteria

This can be considered in conjunction with the assessment criteria of the Guiding Principles on Business and Human Rights.

1. **Level of Impact:** The severity of the impact that occurs. For example, the impact from a risk issue is considered high if it affects the right to life and health of employees.
2. **Number of Affected Persons:** The broadness of those affected by the risk issue.
3. **Capacity for Remediation:** High-level risks often result in a low capacity for remediation.

#### 5.3.2 Consideration based on likelihood and severity of impact.

Assessing the risk level by processing scores according to the defined criteria for both aspects.

	<u>Score Level</u>	1	2	3	4	5
Impact	Very Low	—————→				Very High
Likelihood	Very Low	—————→				Very High

Level of Likelihood	Definition for Each Level
1 ( Very Low )	This event is expected to occur only under abnormal circumstances. The likelihood of occurrence is less than or equal to 5 % within the next 12 months.
2 ( Low )	This event is expected to occur only occasionally. The likelihood of occurrence is greater than 5% but not exceeding 25% within the next 12 months.
3 ( Medium )	This event is expected to occur only occasionally. The likelihood of occurrence is greater than 25% but not exceeding 50% within the next 12 months.



4 ( High )	This event is expected to occur under most circumstances. The likelihood of occurrence is greater than 50% but not exceeding 90% within the next 12 months.
5 ( Very High )	This event has a very high likelihood of occurrence under all circumstances. The likelihood of occurrence is greater than 90% within the next 12 months.

5.3.3 Once the risk levels for all risks have been obtained, a risk matrix can be prepared as follows:

		Risk Impact				
		1 (Very Low)	2	3	4	5 (Very High)
Likelihood	5 (Very High)	5	10	15	20	25
	4	4	8	12	16	20
	3	3	6	9	12	15
	2	2	4	6	8	10
	1 (Very Low)	1	2	3	4	5

#### 5.1.4 Risk Level

Risk level indicates the importance of risk management, determined by the product of the likelihood and the severity of impact for each risk cause (Likelihood x Impact). The risk levels are categorized into 5 levels of importance as follows:

Overall Risk Level	Score Level	Meaning
Very Low	1-2	Acceptable risk level. No plan is required, but efforts must be made to maintain this level continuously, even if future circumstances change.
Low	3-4	Acceptable risk, with notification to operators/relevant parties to raise awareness of the risk.
Medium	5-7	

		Tolerable risk level. Continuous control and monitoring of the risk are required.
High	8-14	Unacceptable risk level. Risk management is required to bring it to an acceptable level.
Very High	15-25	Unacceptable risk level. Immediate action is necessary to bring the risk to an acceptable level.

**5.3.5 Risk assessment** requires evaluating the expected risk level (before developing a risk management plan) and the desired risk level (after implementing the risk management plan) to ascertain the efficiency and effectiveness of various risk management activities.

**5.3.6 Estimated damage value** must be clearly specified in detail and amount to be reasonable or close to reality if there are related financial impacts.

## 6. Impact Mitigation and Management Measures

The Company has established measures to be implemented in cases of human rights impacts and for prevention. The Company has a guideline for coordinating with those affected or potentially directly affected, such as employees, business partners, suppliers, contractors, customers, communities, and society, to manage impacts and resolve human rights issues, as follows:

### 6.1 Communication and Impact Resolution

In communicating operational results, as well as raising awareness and communicating with stakeholders to explain approaches and operations for human rights risks, the Company collaborates with both internal and external stakeholders by disclosing human rights performance results in sustainability development within the annual report, on the Company's website, or via other appropriate channels.

### 6.2 Remediation and Grievance Mechanism

Remediation and grievance mechanism is a process that identifies corrective approaches in planning that can prevent and reduce potential risks and impacts. The Company has established methods for receiving grievances to help monitor human rights violations and provides channels for receiving grievances for both internal and external stakeholders, which will have processes and procedures for managing grievances. Further details on grievance reception are available in the document "**Anti-Corruption and Whistleblowing Manual.**"

### 6.3 Measures for Correction and Remediation



Remedial measures for human rights risk impacts, investigation processes, and disciplinary measures will be subject to the Company's rules and regulations.

#### 6.4 Steps for Correction and Remediation Process for Human Rights Risk Impacts

- Implement remediation for affected stakeholders and vulnerable groups according to Company guidelines.
- Inform the responsible departments, their management, and affected stakeholders and vulnerable groups about the progress of corrective and remedial actions.
- Monitor the results of corrective and remedial actions.
- Adjust corrective and remedial approaches (if changes are required).
- Continue corrective actions and consistently discuss outcomes with stakeholders and affected parties until the process is complete and the situation returns to normal, as it was before the human rights risk impact.

#### 6.5 Approaches to Remediating Human Rights Risk Impacts

*Apology => Compensation => Non-monetary redress (through various projects) => Other assistance.*

### 7. Training and Awareness Building

To ensure that employees at all levels and stakeholders understand the importance of human rights in every dimension of work, and can correctly adhere to the Company's Human Rights Policy, the following guidelines are established:

#### 7.1 Human Rights Training Management

- Initial Training: All new employees must undergo initial training on the Company's Human Rights Policy to understand practices aligned with international standards, including employee rights and responsibilities in respecting human rights.
- Continuous Training: The Company will organize regular annual human rights refresher training, covering topics related to compliance with labor laws, privacy rights, prevention of discrimination, and labor protection.
- Specialized Training: Employees working in departments with high human rights risks, such as Procurement, Human Resources, and Production, will receive specialized training to prepare them for specific situations related to human rights in their work areas.

#### 7.2 Key Training Topics



- Prevention of Forced Labor and Human Trafficking: Training on the prevention of forced labor and human trafficking to foster understanding and awareness of various indicators that may lead to forced labor violations, including reporting suspicious activities.
- Personal Data Protection: Training on personal data management to help employees understand how to protect employee and customer personal data, as well as compliance with PDPA laws.
- Prevention of Discrimination and Promotion of Diversity: Training on non-discrimination and respecting diversity in the workplace, emphasizing acceptance of differences in race, religion, gender, and beliefs to create an open and friendly environment.
- Managing Human Rights Violation Situations: Training on identifying and managing situations that may pose a risk of human rights violations, such as violence, detention of workers, or forced overtime, along with teaching methods for reporting problems or irregularities that may be encountered in the workplace.

### 7.3 Organizational Awareness Building

- Internal Communication: The Company will disseminate human rights information through internal communication channels such as newsletters, intranets, and public announcement boards to raise awareness and understanding of human rights at all levels.
- Engagement Activities: The Company may organize engagement activities such as workshops or human rights seminars to provide employees with opportunities to express opinions, share experiences, and recognize their crucial role in complying with the Human Rights Policy.
- Partnering with External Organizations: The Company may collaborate with external organizations, such as the Department of Labor Protection and Welfare, the International Labour Organization (ILO), or other relevant bodies, to conduct additional training and awareness activities on human rights.

### 7.4 Training Monitoring and Evaluation

- Post-Training Evaluation: Employee understanding will be assessed after training to ensure that employees understand and can apply the knowledge appropriately.
- Content Improvement: The Company will periodically review and revise training content based on changing circumstances and to align with established international standards.
- Attendance Monitoring: The Company will record the attendance of all employees in training sessions to ensure that everyone receives the necessary training.



## 8. Reporting and Review of Operational Plans

The assessment results of human rights risks and impacts are reported to the Risk Management Committee for acknowledgement of the situation and future operational plans, in the form of a human rights risk register. Any significant changes related to human rights issues and human rights risk assessment are a continuous process and are regularly reviewed during Risk Committee meetings, as human rights risk issues related to the Company's business operations may change with evolving activities and stakeholder groups.

### 8.1 Reporting of Assessment Results

The Company considers preparing human rights risk and impact assessment reports to be submitted to management for acknowledgement of the situation and future operational plans, in the form of a human rights risk register. Any significant changes related to human rights issues for the development of new business units or the addition of details to existing projects will be reported to management for consideration and for updating the overall human rights risk items in the human rights risk register.

### 8.2 Monitoring and Evaluation

The Guiding Principles on Business and Human Rights clearly state that human rights risk and impact assessment is a continuous process that must be regularly reviewed, as human rights risk issues related to the Company's business operations may change with evolving activities and stakeholder groups. Therefore, monitoring and evaluating performance is another crucial step. Defining indicators is a tool used to monitor and evaluate performance and demonstrate the effectiveness of continuous operational processes. Currently, the Company has developed human rights indicators for monitoring and evaluating risk assessments from various activities as per the reference document.

## 9. Human Rights Indicators

Human Rights Issue	Indicators
Labor Rights	<ul style="list-style-type: none"><li>• Number of employees trained on human rights</li><li>• Number of complaints or lawsuits related to human rights violations where the organization is at fault, or number of discrimination incidents, etc.</li><li>• Employee turnover rate caused by human rights violations, e.g., number of employees resigning due to unsafe or unhygienic working conditions</li></ul>
Community Rights	<ul style="list-style-type: none"><li>• Number of complaints received and resolution status, e.g., number of involuntary resettlements</li></ul>



	<ul style="list-style-type: none"><li>• Number of recurring complaints from the same cause, related to human rights, e.g., number of incidents of community human rights violations</li></ul>
Value Chain	<ul style="list-style-type: none"><li>• Number of business partners who have accepted the Company's sustainable supplier practices</li><li>• Number of business partners who have received human rights training</li><li>• Number of business partners whose human rights performance has been audited/assessed</li></ul>

The Company will review the Human Rights Manual and Policy annually, in accordance with changing international standards and legal requirements. This Human Rights Practice Manual has been revised and considered by the Good Corporate Governance and Sustainable Development Committee Meeting and approved by the Board of Directors' Meeting No. 8/2567.

On November 7, 2024. This Manual shall be effective from November 8, 2024, onwards.

(Mr.Chanitr Charnchainarong)

Chairman of the Board of Directors /

Corporate Governance and Sustainable Development Committee