

No.: 16.../NQ-HDQTCSVN

Ho Chi Minh City, 18 October 2018

RESOLUTION

**Board of Management of Vietnam Rubber Group - Joint Stock Company
on sustainable development enterprise**

Pursuant to the Enterprise Law No. 68/2014/QH13;

Pursuant to the Charter of Organization and Operation of the Viet Nam Rubber Group – Joint Stock Company;

Pursuant to the Internal regulation on corporate governance of the Viet Nam Rubber Group – Joint Stock Company;

Pursuant to the Minutes of the 4th Meeting of the Board of Management on 18 October 2018;

HEREBY DECIDES:

The Viet Nam Rubber Group (VRG) identifies sustainable development as one of the key policies in the VRG's operations to ensure the three simultaneous objectives: economic development in association with corporate social responsibility and environmental protection. To implement this policy, the VRG's orientation for sustainable development focuses on the following contents:

- Link the goals and action plans for sustainable development of VRG with the goals and the action plans for sustainable development of the nation and the rubber industry and the international commitments which the Government of Viet Nam has signed.

- Ensure the economic efficiency of the VRG: increasing the economical practices of saving and reducing energy consumption and inputs through efficient technologies, concentrating resources for direct production; ensuring product quality and reputation in the business and enhancing added value in the rubber supply chain.

- Undertake environmentally friendly production: Reducing emissions, using clean production technologies, not polluting the environment, not encroaching on forests, not causing forest degradation neither illegally exploit forest products; managing rubber forest sustainably, enhancing carbon stocks and biodiversity; contributing to forest development.

- Raise the corporate social responsibility and support the population community: Ensuring the legal rights, income and living standards of the employees; respecting the rights and strengthening good relationships with local

communities; facilitating the improvement of the livelihoods for employees and communities; contributing to the new rural construction and poverty reduction of the Government.

The Board of Management assigns the Executive Board to develop solutions to implement the above mentioned policies, as follows:

1. Develop a specific action plan in each phase of the development of VRG; conduct propaganda and training to raise awareness and skills of sustainable development management;

2. Assign specific leaders and divisions to formulate, implement, and supervise the action programs at the VRG and Member Companies;

3. Consider specific development investment projects from the viewpoint of sustainable development;

4. Organize the implementation of social security investment in the rubber project areas in accordance with the target investment programs for the approved projects;

5. Continue to expand cooperation with domestic and international organizations towards the goals of sustainable development and take reliable steps in developing policies that are transparent to the related parties;

6. Direct Member Companies to actively participate in and implement sustainable development certification programs. Build a roadmap for the re-certification of FSC in Dau Tieng Rubber and Dong Nai Rubber and proceed to develop a sustainable forest management model in accordance with the Forest Stewardship Council (FSC) standards for all Member Companies of the VRG;

7. Stop expanding domestic and international rubber plantation areas from poor natural forest conversion; apply sustainable techniques in rubber cultivation, reduce soil erosion, use environmentally friendly technologies in the prevention and treatment of plant diseases; diversify crops in rubber areas and rubber plantations where conditions permit, and develop forests (including large timber forests), including: intercropping in existing rubber plantations, intercropping or pure cultivation of other crops in rubber replanting areas... with the scale of about 20,000 ha both inside and outside the country; developing other crops to ensure biodiversity and improving the efficiency of land use.

Recipients:

- Board of Management;
- Supervisory Board;
- Board of Standing Committee;
- Executive Management Board;
- Vietnam Rubber Labor Union;
- Departments, Office of the Party Committee;
- Member Companies;
- IT Division;
- Stored at Administration Department.

**ON BEHALF OF THE BOARD OF MANAGEMENT
CHAIRMAN**



Tran Ngoc Thuan