DECISION
Issuing the Sustainable Development Action Plan in 2022 of the Viet Nam Rubber Group - Joint Stock Company

BOARD OF DIRECTORS
VIET NAM RUBBER GROUP - JOINT STOCK COMPANY

Pursuant to the Enterprise Law No.59/2020/QH14 dated 17 June 2020;

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

Pursuant to the Resolution No. 16/NQ-HDQTCSVN dated 18 October 2018 of the Board of Directors of Viet Nam Rubber Group - Joint Stock Company on Sustainable Development Enterprise;

Pursuant to the Decision No.82/QD-HDQTCSVN dated 16 April 2019 of the Board of Directors of Viet Nam Rubber Group - Joint Stock Company on the issuance of Sustainable Development Program for the period of 2019 – 2024;

Pursuant to the Notice of Conclusion stated by the Chairman of the Board of Directors of Viet Nam Rubber Group at the meeting with the Sustainable Development Advisory Team dated 7 January 2022;

Pursuant to Resolution No.02A/NQ-HDQTCSVN dated 10 January 2022 of the Board of Directors of Viet Nam Rubber Group – Joint Stock Company;


HEREBY DECIDES:

Article 1. Issuing with this Decision the Sustainable Development Action Plan 2022 of the Viet Nam Rubber Group - Joint Stock Company (hereinafter referred to as the Group or VRG).

Article 2. The Sustainable Development Action Plan 2022 of the Group is accelerated to fully implement the approved Sustainable Development Program for the period of 2019 – 2024, supplementing Viet Nam's new regulations on the national sustainable development program and green growth, meeting the needs of the market and trends of the society.
Article 3. Members of the Board of Directors, Director General, Steering Committee for Sustainable Development and Member companies of the Group are responsible for implementing this Decision from the date of signing.

Recipients:
- As in Article 3;
- VRG Supervisory Board;
- VRG Executive Management Board;
- VRG Specialized Departments, VRG Office;
- Stored at VRG Office, VRG Technology and Environment Department.

ON BEHALF OF THE BOARD OF DIRECTORS

Chairman

[Signature]

Tran Ngoc Thuan
PLAN
For the Sustainable Development Action in 2022 of the Viet Nam Rubber Group - Joint Stock Company
(Issued with the Decision No. 01A/QD-HDQTCSVN dated 11 January 2022 of the Viet Nam Rubber Group – Joint Stock Company)

1. OBJECTIVES OF 2022

Continue to promote sustainable development activities that have been successfully implemented in three years from 2019 to 2021; accelerate the full implementation of the Group's approved Sustainable Development Program for the period of 2019 - 2024; gradually expand a number of appropriate activities to meet the country's sustainable development goals committed to the 2030 Agenda for sustainable development adopted by the United Nations and adhere to the National Green Growth Strategy for the 2021 - 2030 period with a vision towards 2050.

2. 2022 ACTIVITY PLAN ON SUSTAINABLE DEVELOPMENT

2.1. Developing and implementing a Roadmap to reassociate with FSC
Complete Step 1 in the First Quarter of 2022 on a third-party GIS mapping methodology; continue to implement Steps 2 and 3 in the Second Quarter and Third Quarter of 2022 to analyze the total converted area, inventory social and environmental impacts as a basis for implementing Step 4 in the Fourth Quarter to develop a conservation plan and landscape-level restoration. This 4-step outcome is the input for the development of a Roadmap to reassociate with FSC by the end of 2022.

2.2. Implementing certificates on sustainable development

2.2.1. National and international certificates for sustainable management of rubber forests and processing factories
Continue to implement the 2021-2022 plan to achieve the goal that the entire rubber area in Viet Nam with a sustainable forest management plan according to national regulations is about 278,000 hectares. By the end of 2022, about 130,000 hectares are expected to have VFCS/PEFC-FM certificates for sustainable forest management, in addition, there are 38 processing factories with PEFC-CoC certificates for chain of custody management and traceability (including 36 natural rubber processing factories and 2 wood processing factories).

2.2.2. Certificates in sustainable business in Viet Nam
Continue to implement the title of Sustainable Companies in Viet Nam: Guide member companies to prepare and complete registration documents under the program. At the end of 2022, strive to maintain 16 units reaching the Top 100, of which, 1 unit reaches the Top 10 in order to improve the brand name of the member companies and the Group.
EcoVadis certification: Support at least 1 member company that is eligible to meet the requirements of large customers such as Continental, Weber & Schaer, R1...

2.3. Implementing sustainable development solutions

2.3.1. Forest conservation and restoration in Cambodia

Speed up the implementation of the 2021 – 2022 plan on forest conservation and restoration of 5,000 hectares in some members in Cambodia by zoning and natural regeneration, according to the Decision No. 244/QD-HĐQTCSVN dated 21 October 2021. The Group directs related companies to prepare plans for submission in the First Quarter of 2022.

2.3.2. Implementing the planting of forestry trees and timber trees

Support members in planting forestry trees, timber trees, submitting 2022 plans, summarize, develop processes, and assess economic, social and environmental effectiveness to create the basis of forming a new product group of VRG, at the same time, meeting the requirements of the FSC and other certifications.

2.3.3. Integrating GIS-VRG Project in sustainable forest management

Complete the step 1 procedure and submit to select a contractor to prepare the economic and technical report for the GIS-VRG Project to meet the agricultural management requirements of the Group and define the boundaries of each project according to the requirements of the FSC on the entire rubber area of the Group. Review economic and technical reports, approve and make investment decisions. Prepare bidding documents for step 2 on building GIS system, monitoring, verifying and finalizing. Implement activities according to the project to manage agricultural activities and the boundaries of the Group's projects.

2.3.4. Assessing the impact of climate change and propose solutions

Investigate and collect damages caused by climate change in the past to identify negative impacts on rubber forests and processing factories, forecast future risks and propose solutions to prevent, reduce and adapt to the effects of climate change.

2.4. Implementing solutions to increase economic efficiency of sustainable development

Develop regulations on the use of PEFC Logo and consumption of PEFC certified natural rubber by the Group's member companies in order to enhance the VRG brand and the value of the certificates.

Develop a plan/guideline on the supply of PEFC certified rubberwood, with an appropriate mechanism in place for the allocation of certified timber under sustainable forest management (VFCS/PEFC), priority for production is given to factories with product chain of custody certification (PEFC-CoC) in order to increase the value of certified wood products and meet the needs of customers.

Strengthen marketing and promotion of PEFC certified natural rubber and rubberwood to many customer sources.

2.5. Social responsibility and community engagement

Ensure correct and sufficient wages for employees according to regulations with an average salary higher than the minimum wage in the region. All employees are
entitled to sign contracts, be provided with protective clothing and equipment, and work safety, health care, benefits and policies as prescribed. Houses for workers in remote areas. Organize training for employees to have good practices, improve productivity and quality of work, with specific annual plans. Ensure the rights of employees in accordance with national laws and international conventions signed by the country.

Invest in social security for employees and local communities according to actual needs, local consensus and in line with the resources and plans of the company members. Create conditions to improve livelihoods and lives and contribute to ensuring food security in the locality.

Conduct public consultation in accordance with international laws and principles (free, prior and informed consent) for sustainable forest management plans, social security investments, forest conservation and restoration, water resource management, soil erosion protection and prevention, waste treatment... There is a mechanism to receive and handle complaints and feedbacks from local communities. Respect stakeholders' legal rights.

Support rubber smallholders to improve productivity, latex quality, purchase at fair prices and timely payment with traceability.

Monitor and evaluate the implementation of employees' rights and community responsibilities based on actual plans and results of company members.

2.6. Responsibility to protect the environment

Promote, guide and supervise company members in implementing environmental protection responsibilities in accordance with the Law on Environmental Protection, the National Green Growth Strategy and the Group's Regulations on Management & Environmental Protection.

Guide and support member companies to apply ISO 14001 in order to increase the total number from 29 to 32 member companies. Invest in 13 continuous automatic monitoring systems to increase the total number from 32 to 45.

Evaluate the effectiveness of rooftop solar power systems established for further expansion.

Continue to respond to programs, activities and events for the environment such as collecting garbage, unblocking sewers, planting trees, training, propagating and encouraging initiatives and solutions to protect the environment, and effectively use natural resources and adapt to climate change.

Develop regulations, guide solutions to measure and implement, monitor activities reducing greenhouse gas emissions in the direction of circular economy, low carbon, efficient use of electricity, water and fuel.

Implement requirements under new regulations on annual reports (Circular 96/2020/TT-BTC): Environmental impact assessment through total direct and indirect greenhouse gas emissions, initiatives and measures of emission reduction; Manage material resources through total used amount and percentage of recycled materials to reuse; Energy and water consumption, initiatives and quantity of savings; Comply with the law on environmental protection.
2.7. Communicating and training on sustainable development

Provide data, coordinate information disclosure on sustainable development activities of the Group and member companies.

Participate and organize training courses on sustainable development, responsible investment, forest restoration, environmental protection, community engagement, digital transformation...

2.8. Cooperating with domestic and international organizations on sustainable development

Continue to cooperate with ANRPC and VRA to exchange information, statistics, sustainability solutions, markets and prices.

Continue to cooperate with the Viet Nam Administration of Forestry and the Viet Nam Forest Certification Office to promote the implementation of sustainable forest management certification.

Continue to cooperate with PEFC and other organizations to promote trade for certified natural rubber and rubberwood.

Continue to work with Oxfam in Viet Nam and Cambodia to complete the pilot implementation of the Handbook for community engagement in sustainable rubber forest management and subsequent projects. Through these organizations, cooperate with the appropriate organization to develop a Handbook for community engagement in sustainable rubber forest management in Laos.

Cooperate with Grow Asia and other goodwill organizations to support VRG's sustainable development activities in line with ASEAN's principles on responsible investment in agriculture and forestry.

Cooperate with the suitable organizations on supporting rubber smallholders to join the sustainable rubber and rubberwood supply chain, restore forests according to international standards, and apply highly effective agroforestry systems, measure greenhouse gas emissions, carbon stocks, biodiversity...

2.9. Integrating sustainable development activities to the Group's regular tasks

Integrate sustainable development activities to regular tasks of member companies and specialized departments to synchronously deploy in the assignment of plans, management, monitoring and reporting on implementation results. Allocate appropriate resources to complete sustainable development activities.

Support, guide, monitor and summarize reports in accordance with the laws, towards the application of international reporting standards on sustainable development.

Require supply partners to apply the Group's sustainable development solutions to ensure a sustainable natural rubber and wood supply chain.

3. ORGANIZING THE IMPLEMENTATION, MONITORING AND SUMMARIZING RESULTS

The Executive Management Board of the VRG is responsible for directing the Units and Specialized Departments to plan the activities, supervise and monitor to
achieve the objectives under the approved Sustainable Development Program and Annual Action Plan;

- The Steering Committee for Sustainable Development of the Rubber Industry and VRG is responsible for leading and coordinating closely with the Specialized Departments, relevant organizations and member companies to implement the approved Program for Sustainable Development Action Plan in 2022;

- Build a network of association with organizations, experts supporting and cooperating to implement projects on sustainable development;

- Periodically review, summarize, evaluate the implementation results, propose remedies, scale up and develop the next plans;

- Collect, store, process data, synthesize, disseminate information, perform operations according to VRG’s regulations related to sustainable development tasks.

ON BEHALF OF THE BOARD OF DIRECTORS

CHAIRMAN

Ngoc Thuan

[Signature]