

DRI DAKLAK RUBBER INVESTMENT JOINT STOCK COMPANY

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Welcome to DRI!



DRI DAKLAK RUBBER INVESTMENT JOINT STOCK COMPANY

HEADQUARTER

Add: 30 Nguyen Chi Thanh Str, Buon Ma Thuot city, Dak Lak Province, Viet Nam

Tel : +84-262-3867676

Email: dri@dri.com.vn

Fax : +84-262-3865303

Website: www.dri.com.vn

Stock code: **DRI**

Speaker: *Mrs. Hai Nguyen Thi – Vice General Director*



DRI DAKLAK RUBBER INVESTMENT JOINT STOCK COMPANY**THE MAIN BUSINESS**

Planting, processing and exporting products from rubber trees

**DRI** DAKLAK RUBBER INVESTMENT JOINT STOCK COMPANY**THE MAIN BUSINESS**

- Planting, growing, harvesting, preliminarily processing, purchasing high quality bananas and other fruit trees to supply for supermarkets, retail chains and exporters.



DRI DAKLAK RUBBER INVESTMENT JOINT STOCK COMPANY

Subsidiaries:

- (1) **Daklak Rubber Limited Company (DAKLAORUCO)** – 100% owned by DRI
- *Add: Tha Luong Village, Pakse District, Champasak Province, Laos*
- *Website: <http://www.daklaoruco.com/>*



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**TỔNG DIỆN TÍCH QUẢN LÝ 9.326,79 HA, TRONG ĐÓ:
TOTAL AREA OF 9.326,79 HECTARES, INCLUDES:**

Rubber: 8.810,5 hectares in which 90% areas are in harvesting

Cashew: 498.64 hectares

Eucalyptus: 17.65 hectares



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○ (2) **DRI Hitech Agriculture Limited Company**

- Add: Cưkpô commune, Krông Búk district, Daklak province, Vietnam
- Intercrop of banana, durian and rubber in total area of 226 ha.
- 77,78 ha has planted in 2018.



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- **Period: 2004 – April 2012:**
- DAKLAORUCO is subsidiary of parent company - **Daklak Rubber Company (DAKRUCO)**

11/2004	2005-2012
MOU between Government of Lao PDR and DAKRUCO – Việt Nam on develop rubber and other industrial crops in 4 southern provinces in Laos.	Finished planting of 9.575,29 ha rubber and other crops including: <ul style="list-style-type: none"> - Rubber : 8.837,82 ha - Cashew: 498,64 ha - Coffee: 221,18 ha - Eucalyptus: 17,65 ha

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SINCE APR 2012 - PRESENT: DAKLAORUCO IS SUBSIDIARY OF DRI

04/2012	2013	2014	2015	2016	2017	2018
Take over Daklaoruco from DAKRUCO	IPO to increase chartered capital for new rubber project and expanding the rubber latex processing factory.	Finish the public offering process, chartered capital reach to 732 billion VND	80% rubber areas have been harvested with revenue of 400 billion VND and create jobs for 2,400 labors.	The State Securities Commission of Vietnam recognized as public company Hand over 221,18 ha of rubber to Champasak authorities.	Join The Unlisted Public Company Market (UPCoM) on Hanoi Stock Exchange on 23/5/2017	Start the hi-tech project on banana and other fruits for export.
Chartered capital 500 billion VND						
Build a rubber latex processing factory in Laos with a capacity of 10,000 tons per year						

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Vision

- Focus on hi-tech crops by 2025
- Become a reputational rubber company in South East Asia by 2030.

Mission

- Sustainable Development which bring the benefits for all stakeholders including local communities, labor, client, partner and shareholder

STRATERGIES

Well manage the rubber project in Laos

Full develop the hitech argriculture project in Vietnam

Firmly build a platform for products by our own brand

Identify our business culture.

Implement a roadmap for sustainable rubber with focus on environmental and communities friendly project.

CHALLENGES

- Finance issue (debt ratio is high);
- Expenses for logistics and purchases are high due to none seaport in Laos;
- Poor infrastructure;
- Changing law and policies and unskilled local labor;
- Rubber price is fluctuate and potential replace by other material;
- America – China commercial war;

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ADVANTAGES

- Rubber plantation is still on growing, advantaged rubber species and high productivity;
- Administration is streamlined and low cost (indirect ratio under 7,5%)
- Good support from local authorities



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- Why sustainable development?
- **Because:** A business can only grow up sustainably if it ensures the harmonization of the interests amongst all stakeholders including business itself; shareholders; laborer; partners, customers, communities; and local government at the same time with balancing of economy, society and environment.



DRI DAKLAK RUBBER INVESTMENT JOINT STOCK COMPANY**WHAT DAKLAORUCO-DRIDID FOR SUSTAINABLE DEVELOPMENT****1. Scanning and planning:**

(1) Select the suitable weather, climate, and fertilizer conditions with growth of rubber

**DRI** DAKLAK RUBBER INVESTMENT JOINT STOCK COMPANY**1. Planting:**

(2) Chose the most advantaged rubber species for planting according to recommendations from Rubber Research Institute. The high productivity is a result of this investment. Average productivity in 2017 is 2,37 tons/ha, in which some lots reach to 3 tons/ ha.



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(3) Only fallow and ineffective land were allocated for project. Company negotiated with local people for land and crops compensation in advantage.

**DRI** DAKLAK RUBBER INVESTMENT JOINT STOCK COMPANY**1. Operation**

(4) Prioritized recruitment of local communities who're suitable to become labor;



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1. Operation

- (5) Conduct EIA report for rubber latex factory and compliance with these requirements;



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1. Communities Development

- (6) Build the health care center, schools, road, bridge, spillway. Finance support for religious constructions,...



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SOME CSR ACTIVITIES

Health care center in local villages, organizing the health care checks and free distribute medicine for labor and local communities



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SOME CSR ACTIVITIES

Gifts for excellent students who are labor's children.
Visit and gift for local authorities.



DRI DAKLAK RUBBER INVESTMENT JOINT STOCK COMPANY***SOME CSR ACTIVITIES***

Gift for students and teachers in project's areas.

**DRI** DAKLAK RUBBER INVESTMENT JOINT STOCK COMPANY***SOME CSR ACTIVITIES***

Gift for local people in Laos's traditional holidays.



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2. OPERATION



COMPANY

Ensure the effectiveness of business,
keep the growth



LABOR

- Full social welfare such as Social Insurance, Health Insurance
- Facilitate the operation of labor association;
- Step by step improve the labor conditions



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2. OPERATION



ENVIRONMENT

- Invest in waste water treatment system
- Apply ISO 14000 in 2019



COMMUNITY

- Create more than 2,500 jobs with average income of 2,2 million LAK/person/ month
- Build the public infrastructure and constructions;



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2. OPERATION



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2. OPERATION



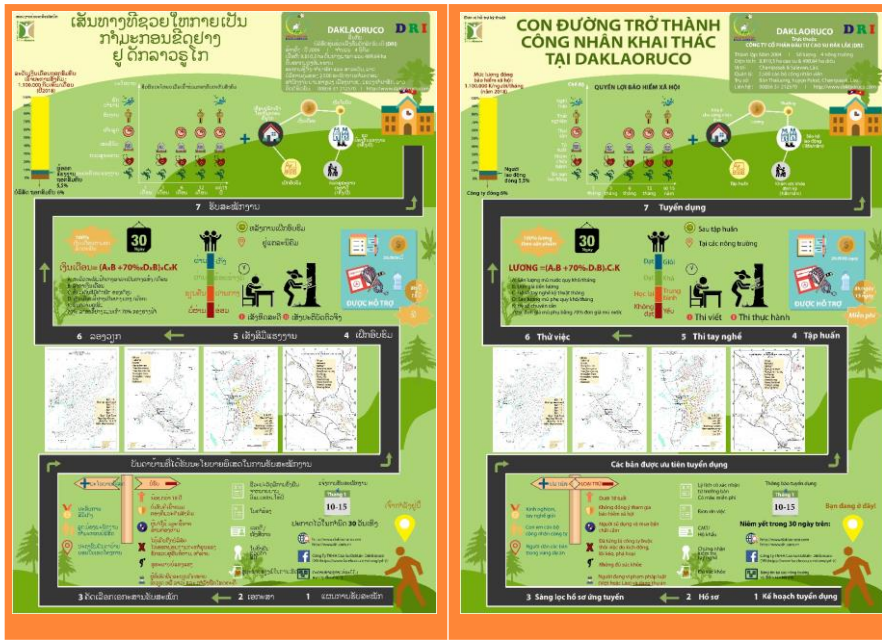
Action plan on Sustainable Development of Daklaoruco 2018-2019

Attached with The Announcement No. date 15 November 2018

No.	Activity	Timeframe				
		Q4.2018	Q1.2019	Q2.2019	Q3.2019	Q4.2019
1	LABOR					
1.1	Improve working condition in rubber plantations					
	Pilot in developing a centre for collecting latex		Planning	Implementing		
1.2	Develop database and apply IT on the management of labor					
1.2.1	Collect and link current data on staff/labors from different sections	x	x	x	x	x
1.2.2	Provide supplement data for better management	x	x	x	x	x
1.3	Monthly update on using local labor (for each village)					
1.3.1	Maintain monthly reporting mechanism between company and village leaders on using local labor, publicize information on bulletin board.		x	x	x	x
1.4	Develop a safe and friendly working environment					
1.4.1	Develop visual guideline and necessary warning sign boards for labors	x	x			
1.4.2	Provide trainings for labor on safety		x			
1.4.3	Provide training and build capacity for local medical aid station. Co-work with local authority to promote community health care	x	x	x	x	x
1.5	Publicize company's policies on recruitment, rewardings and punishment					
1.5.1	Develop 5 Infographics featuring the company's policies on labor	x	x			
1.5.2	Update the company's ISO procedure	x	x			
1.5.3	Update information/data on using labor on different channels	x	x	x	x	x
1.5.4	Maintain hotline and mechanism for receiving claims relating to the company. Publicize results of the claims.	x	x	x	x	x

No.	Activity	Timeframe				
		Q4.2018	Q1.2019	Q2.2019	Q3.2019	Q4.2019
2	LAND					
2.1	Publicize information on company's policies on using land and contract farming on websites and fanpage of Daklaoruco, DRI	x	x	x	x	x
3	COMMUNITY (Culture/Indigenous People)					
3.1	Develop programs supporting local communities' livelihood.					
	Prioritize recruitment of local labor so as to create jobs and maintain income for communities. (the most stable and long-term livelihood for people) Consider collaboration with NGO to develop community.	x				
4	ENVIRONMENT					
4.1	Make sign boards warning of waste water processing zone.	x				
4.2	Maintain Commit to adapt requirement on the quality of discharge water to environment.	x	x	x	x	x
4.4	Develop system of environment management ISO 14000 in 2019 with support of consultant		x	x	x	x
4.5	Recruit/Designate a permanent staff on environment management		x			
4.6	Strengthen cooperation with community on environment management (protect watersheds, prevent forest fires, collecting solid waste,...)		x	x	x	x
5	RISK MANAGEMENT/DUE DILIGENCE SYSTEM					
5.1	Develop plans with support of consultants and implement plans.	x	x	x	x	x

DEVELOP THE VISUALIZED DOCUMENTS: INFOGRAPHIC



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Expectations:

1. Support to update the Laos’s law and international good practices
2. Support on capacity building working with local communities and reduce the differences;
3. Depend on finance capacities, collaborate with NGOs on livelihood development project such as training for local communities for farming, intercrop in rubber plantation,
4. Support on collaboration on clean water projects for local communities in project areas
5. Connect for peer learning and field visit the good practices on building the communities and livelihood development.



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THANK YOU

Contact: dri@dri.com.vn

