

## ESG Performance

Company Name : NORTH EAST RUBBER PUBLIC COMPANY LIMITED      Symbol : NER

Market : SET      Industry Group : Agro & Food Industry      Sector : Agribusiness

### Environmental management

#### Information on environmental policy and guidelines

##### Environmental policy and guidelines

Environmental policy and guidelines : Yes

Environmental guidelines : Electricity management, Fuel management, Renewable/clean energy management, Water resources and water quality management, Waste management, Biodiversity management, Greenhouse gas and climate change management, Air quality management, Noise pollution management

North East Rubber Public Company Limited recognizes and prioritizes environmental stewardship and responsible natural resource utilization. We focus on climate change management and developing a low-carbon business to reduce greenhouse gas emissions from our operations, from upstream to downstream. This involves promoting energy efficiency, increasing the proportion of renewable energy sources, and fostering creative collaboration with our partners and stakeholders across the supply chain.

For water resource management, we strive for a balanced water system by utilizing the Aqueduct Water Risk Atlas, developed by the World Resources Institute (WRI), to analyze water stress and assess water scarcity risks. We closely monitor local water conditions and promote efficient water usage throughout our value chain, integrating the 3Rs principle: Reuse, Reduce, and Recycle, to minimize the impacts of water scarcity.

In circular economy practices, we emphasize maximizing resource efficiency according to circular economy principles. This includes managing production and consumption waste by reintegrating used materials into new production processes, encouraging reuse, reducing unnecessary packaging or single-use items, and opting for compostable materials. We aim to add value to recyclable waste, working towards achieving Zero Waste to Landfill.

Regarding biodiversity, we are committed to protecting and restoring ecosystems and biodiversity in all our operational areas, ensuring sustainability for future generations. We also strengthen collaborations with partners to protect and restore natural habitats and raise awareness among employees, communities, and stakeholders through training on resource conservation. We comply with environmental laws and regulations to protect community environments and mitigate potential environmental impacts from our business activities, both within our scope and across the value chain.

We are dedicated to implementing relevant environmental principles and encourage our partners and contractors to adopt these principles, fostering long-term value and sustainability for all stakeholders. To ensure effective environmental management, we have established sub-policies under our environmental policy and guidelines.

#### Information on review of environmental policies, guidelines, and/or objectives over the past years

Review of environmental policies, guidelines, and/or goals : Yes  
over the past year

Changes in environmental policies, guidelines, and/or goals : Biodiversity management

We are committed to protecting and restoring ecosystems and biodiversity across all our business operations to ensure sustainable inheritance for future generations. This includes strengthening collaboration with our partners and business allies to safeguard and rehabilitate natural habitats.

#### Information on compliance with environmental management principles and standards

##### Compliance with environmental management principles and standards

Environmental management principles and standards : Standard of Corporate Social Responsibility, Department of Industrial Works (CSR-DIW STD), BCG Model, ISO 14001 - Environmental management systems

### **Compliance with energy management principles and standards**

Energy management principles and standards : Other : Energy Management Report

### **Compliance with water management principles and standards**

Water management principles and standards : 3Rs or 5Rs

### **Compliance with waste management principles and standards**

Waste management principles and standards : 3Rs, 5Rs or 7Rs

### **Compliance with greenhouse gas or climate change management principles and standards**

Greenhouse gas or climate change management principles and standards : Thailand Greenhouse Gas Management Organization (TGO), The Greenhouse Gas Protocol, IPCC Guidelines for National Greenhouse Gas Inventories, ISO 14064 - Greenhouse gases

### **Information on incidents related to legal violations or negative environmental impacts**

#### **Number of cases and incidents of legal violations or negative environmental impacts**

	2022	2023	2024
Number of cases or incidents of legal violations or negative environmental impact (cases)	0	0	0

## Energy management

### Disclosure boundary in energy management in the past years

Boundary type	:	Company
Total number of disclosure boundaries	:	1
Actual number of disclosure boundaries	:	-
Data disclosure coverage (%)	:	0.00

### Information on energy management

#### Energy management plan

The company's energy management plan : Yes

The company is committed to maximizing energy efficiency within the organization, reducing reliance on fossil fuel energy sources, and increasing the production and use of renewable energy. The goal is to achieve this by 2027.

1. 30% reduction of energy intensity compared to the baseline year of 2023.
2. No less than 50% of percentage of renewable energy consumption to total energy consumption.

#### Information on setting goals for managing energy

#### Setting goals for managing electricity and/or oil and fuel

Does the company set goals for electricity and/or fuel : Yes  
management

#### Details of setting goals for electricity and/or fuel management

Target(s)	Base year(s)	Target year(s)
Increase of electricity and fuel consumption from renewable energy sources	2023 : electricity and fuel consumption from renewable sources 488,241,580.00 MJ	2027 : Increased by 50% or 244,120,790.00 MJ

### Information on performance and outcomes of energy management

#### Performance and outcomes of energy management

Performance and outcomes of energy management : Yes

##### Energy Efficiency in Production Processes:

In 2024, the company implemented 6 projects and measures to enhance energy efficiency in production processes. These included modifications to equipment in the production line for greater energy savings, controlling daytime lighting in production areas, warehouses, and throughout the factory premises, optimizing wastewater treatment system operations, and installing cooling towers to replace chillers. These initiatives resulted in a total reduction of 463,790.62 kilowatt-hours (kWh) of electricity, equivalent to 1,669.63 gigajoules (GJ). This reduction corresponds to 237 tons of carbon dioxide equivalent (tCO2e) in greenhouse gas emissions. The total cost savings from all projects amounted to 1,947,922 baht.

##### Energy Conservation in Offices:

In 2024, the company's two office buildings consumed a total of 234,992 kWh of electricity, representing a 13.20% decrease compared to 2023.

##### Renewable Energy Usage in Production Processes:

In 2024, the company's total energy consumption across production and offices was 317,471.94 GJ, a 34.98% reduction compared to 2023. This decrease is attributed to the implementation of energy efficiency projects and measures throughout the year, as well as adjustments in production processes that led to lower product output and a significant reduction in biogas production from Napier grass. However, the energy consumption rate per unit produced in 2024 was 0.82 GJ per ton, a 21.75% decrease compared to 2023, indicating improved energy efficiency in production processes. The proportion of renewable energy used relative to total energy consumption was 39.41%, aligning with the 2024 target.

## Information on electricity management

### Company's electricity consumption (\*)

	2022	2023	2024
Total electricity consumption within the organization (Kilowatt-Hours)	40,545,999.66	40,436,556.00	31,331,147.87
Electricity purchased for consumption from non-renewable energy sources (Kilowatt-Hours)	33,779,996.00	35,646,512.00	26,294,663.13
Electricity purchased or generated for consumption from renewable energy sources (Kilowatt-Hours)	6,766,003.66	4,790,044.00	5,036,484.74
Intensity ratio of total electricity consumption within the organization to total number of employees (Kilowatt-Hours / Person / Year)	38,800.00	39,106.92	33,295.59

Additional explanation : (\*) Exclude electricity consumption outside of the Company

### Electricity Consumption Intensity

	2022	2023	2024
Intensity of total electricity consumption within the organization (Kilowatt-Hours / Metric ton of product)	82.85000000	86.44000000	81.06000000

### Electricity Expense (\*)

	2022	2023	2024
Total electricity expense (Baht)	140,841,663.22	164,894,563.56	111,337,107.53
Percentage of total electricity expense to total expenses (%) <sup>(**)</sup>	0.62	0.72	0.44
Percentage of total electricity expense to total revenues (%) <sup>(**)</sup>	0.56	0.66	0.40
Intensity ratio of total electricity expense to total number of employees (Baht / Person / Year)	134,776.71	159,472.50	118,317.86

Additional explanation : (\*) Exclude electricity expense outside of the Company

(\*\*) Total revenues and expenses from consolidated financial statement

## Information on fuel management

### Company's fuel consumption

	2022	2023	2024
Jet fuel (Litres)	0.00	0.00	0.00
Diesel (Litres)	826,953.33	897,812.83	568,760.04
Gasoline (Litres)	7,118.07	9,861.20	13,441.68
Fuel oil (Litres)	0.00	0.00	0.00

	2022	2023	2024
Crude oil (Barrels)	0.00	0.00	0.00
Natural gas (Standard Cubic Feet)	0.00	0.00	0.00
LPG (Kilograms)	1,849,688.00	2,689,496.00	1,642,160.14
Steam (Metric tonnes)	0.00	0.00	0.00
Coal (Metric tonnes)	0.00	0.00	0.00
Biogas (Kilograms)	208,783.00	128,002.00	110,972.00

Additional explanation : Not include external fuel consumption

#### Company's fuel expense (\*)

	2022	2023	2024
Total fuel expense (Baht)	65,160,184.94	88,041,713.76	54,254,042.45
Percentage of total fuel expense to total expenses (%) <sup>(**)</sup>	0.28	0.38	0.21
Percentage of total fuel expense to total revenues (%) <sup>(**)</sup>	0.26	0.35	0.20

Additional explanation : (\*) Exclude electricity expense outside of the Company

(\*\*) Total revenues and expenses from consolidated financial statement

#### Information on total energy management (electricity + fuel)

##### Energy Consumption

	2022	2023	2024
Total energy consumption within the organization (Megawatt-Hours)	132,300.44	135,623.75	88,187.36

##### Energy Consumption Intensity

	2022	2023	2024
Intensity ratio of total energy consumption within the organization to total revenues (Megawatt-Hours / Thousand Baht of total revenues) <sup>(*)</sup>	0.00524945	0.00541259	0.00320726
Intensity of total energy consumption within the organization (Megawatt-Hours / Metric ton of product)	0.31000000	0.29000000	0.23000000

Additional explanation : (\*) Total revenues and expenses from consolidated financial statement

## Water management

### Disclosure boundary in water management over the past years

Boundary type	:	Company
Total number of disclosure boundaries	:	1
Actual number of disclosure boundaries	:	-
Data disclosure coverage (%)	:	0.00

### Information on water management plan

#### Water management plan

The Company's water management plan : Yes

The company has established a water resource management strategy known as "4Rs" to enhance water use efficiency, reduce environmental impact, and ensure operational stability. This strategy relies on collaboration with stakeholders both inside and outside the organization

#### Creating Water Security

The company recognizes the considerable water consumption in the production process, which poses a risk of water scarcity in the event of severe climate change. To mitigate this risk, the company has established a backup water source within its premises, ensuring that operations do not rely on external water sources. This is achieved through the excavation of seasonal rainwater collection ponds to serve as surface water reserves for production activities and consumption within the facility. Currently, the company has three rainwater collection ponds with a total capacity of 326,368 cubic meters and two treated water ponds with a combined capacity of 89,361 cubic meters, which gather all treated water for reuse in the production process. This practice ensures that the company does not discharge effluent into public waterbodies and can operate continuously without encountering water scarcity issues. Additionally, in the event of a drought, the company can utilize the entire backup water reserves for production for approximately 2.2 years.

#### REDUCE: Reducing Water Consumption and Water Loss in the Organization

The company encourages all employees to participate in the conservation of water resources and to use water efficiently in all activities. A water management working group is responsible for overseeing and monitoring the progress of activities within various projects

#### RECYCLE: Wastewater Management and Recycling

The company recognizes the environmental and community risks associated with wastewater management. Therefore, it has implemented a comprehensive collection system for wastewater from all operations within its responsibility, including wastewater from the washing of raw cup lump rubber, wastewater from rubber stacking, wastewater from the rubber production process, and wastewater from consumption activities. This ensures proper and effective management of wastewater.

In 2024, the total volume of wastewater entering the treatment systems at both facilities amounted to 1,338,301 cubic meters. This wastewater was processed through Phase 1 treatment systems (Rubber Sheet Factory 1 and Livestock Flooring Factory) and Phase 2 treatment systems (Rubber Sheet Factory 2), which have a combined treatment capacity of 15,000 cubic meters per day. Both aerobic and anaerobic treatment methods were employed to maximize the efficiency of wastewater treatment. All treated wastewater totaling 1,338,301 cubic meters (100%) was directed to the treated water storage ponds for reuse in production processes and for irrigating green areas and Napier grass plots without being discharged into public waterways, following the principle of Zero Water Discharge.

#### RETHINK and RESTORE: Building Engagement with Stakeholders

In addition to managing wastewater within its own processes, the company places significant emphasis on managing wastewater that is not generated by its operations but may contaminate the environment and impact the community. For example, latex spills from the trucks transporting rubber from agricultural suppliers can cause road accidents. Therefore, the company has established a policy and practices regarding the purchase and sale of cup lump rubber and has communicated these to agricultural suppliers comprehensively. Large banner signage has been installed at both the collection yard and the rubber water drainage area to inform all parties involved. It is mandated that all vehicles transporting rubber from suppliers must be equipped with drainage channels and containers to capture any rubber runoff to prevent spills during transportation. If this requirement is not met, the company will not accept rubber from those suppliers who do not comply with the policy. Additionally, the company has designated the rubber water drainage area as a parking space for rubber transport vehicles and has installed drainage systems to collect wastewater from the trucks for

subsequent treatment. Through stringent enforcement of this policy, 100% of the company's cup lump rubber suppliers have adhered to the policy and successfully implemented systems to manage rubber wastewater properly.

## Information on setting goals for water management

### Setting goals for water management

Does the company set goals for water management : Yes

### Details of setting goals for water management

Target(s)	Base year(s)	Target year(s)
Reduction of water consumption	2023 : Water consumption 1,951,951.00 Cubic meters	2028 : Reduced by 20%
Increase of recycled water for consumption	2023 : Recycled water for consumption 1,951,951.00 Cubic meters	2028 : Increased by 100%

## Information on performance and outcomes of water management

### Performance and outcomes of water management

Performance and outcomes of water management : Yes

By implementing the '4Rs' strategy to enhance water efficiency, the company, in 2024

1. 100% reuse treated water within the company
2. 14.44% reduce water intensity compared to the baseline year of 2023

## Information on water management

### Water withdrawal by source

	2022	2023	2024
Total water withdrawal (Cubic meters)	2,035,319.00	1,951,951.00	1,340,958.00
Water withdrawal by third-party water (cubic meters)	0.00	0.00	0.00
Water withdrawal by surface water (cubic meters)	2,032,602.00	1,949,151.00	1,338,301.00
Water withdrawal by groundwater (cubic meters)	2,717.00	2,800.00	2,657.00
Water withdrawal by seawater (cubic meters)	0.00	0.00	0.00
Water withdrawal by produced water (cubic meters)	0.00	0.00	0.00
Intensity ratio of total water withdrawal to total number of employees (Cubic meters / Person / Year)	1,947.67	1,887.77	1,425.04
Intensity ratio of total water withdrawal to total revenues (Cubic meters / Thousand Baht of total revenues) <sup>(*)</sup>	0.08	0.08	0.05

Additional explanation : <sup>(\*)</sup> Total revenues and expenses from consolidated financial statement

### Water discharge by destinations

	2022	2023	2024
Percentage of treated wastewater (%)	100.00	100.00	100.00
<b>Total wastewater discharge (cubic meters)</b>	0.00	0.00	0.00
Wastewater discharged to third-party water (cubic meters)	0.00	0.00	0.00
Wastewater discharged to surface water (cubic meters)	0.00	0.00	0.00
Wastewater discharged to groundwater (cubic meters)	0.00	0.00	0.00
Wastewater discharged to seawater (cubic meters)	0.00	0.00	0.00

#### Water consumption

	2022	2023	2024
Total water consumption (Cubic meters)	2,035,319.00	1,951,951.00	1,340,958.00

#### Recycled water consumption

	2022	2023	2024
Total recycled water for consumption (Cubic meters)	2,035,319.00	1,951,951.00	1,340,958.00

#### Water Consumption Intensity

	2022	2023	2024
Intensity ratio of total water consumption to total revenues (Cubic meters / Thousand Baht of total revenues) <sup>(*)</sup>	0.08075795	0.07790010	0.04876892
Intensity of total water consumption (Cubic meters / Metric ton of product)	4.76000000	4.18000000	3.45000000

Additional explanation : <sup>(\*)</sup> Total revenues and expenses from consolidated financial statement

#### Water withdrawal expenses

	2022	2023	2024
<b>Total water withdrawal expense (Baht)</b>	0.00	0.00	0.00
Percentage of total water withdrawal expense to total expenses (%) <sup>(*)</sup>	0.00	0.00	0.00
Percentage of total water withdrawal expense to total revenues (%) <sup>(*)</sup>	0.00	0.00	0.00
Intensity ratio of total water withdrawal expense to total number of employees (Baht / Person / Year)	0.00	0.00	0.00

Additional explanation : (\*) Total revenues and expenses from consolidated financial statement

## Waste management

### Disclosure boundary in waste management over the past years

Boundary type	:	Company
Total number of disclosure boundaries	:	1
Actual number of disclosure boundaries	:	-
Data disclosure coverage (%)	:	0.00

### Information on waste management plan

#### Waste management plan

The company's waste management plan : Yes

The company adopts the principles of a circular economy and the "5Rs" approach, which include Reduce, Reuse, Recycle, Refuse, and Renewable. This is implemented under the **4Rs strategy—Re-assess, Restrain, Refine, and Replace**—to systematically manage waste and reduce the risks of impacts on both the surrounding community and the environment.

### Information on setting goals for waste management

#### Setting goals for waste management

Does the company set goals for waste management : Yes

#### Details of setting goals for waste management

Target(s)	Base year(s)	Target year(s)	Waste management methods
Increase of waste recovery Waste type: Non-hazardous waste and hazardous waste	2023 : non-hazardous waste and hazardous waste 9,977,650.00 Kilograms	2028 : Increased by 100%	<ul style="list-style-type: none"><li>• Reuse</li><li>• Recycle</li></ul>
Reduction of waste generation Waste type: Non-hazardous waste and hazardous waste	2023 : non-hazardous waste and hazardous waste 76,790.00 Kilograms	2028 : Reduced by 0%	<ul style="list-style-type: none"><li>• Landfilling</li></ul>

### Information on performance and outcomes of waste management

#### Performance and outcomes of waste management

The company's performance and outcomes of waste management : Yes

Through the implementation of waste management policies and strategies, in 2024, the company generated a total of 1,641.38 tons of waste, marking a significant reduction of 83.55% from 2023. This decrease was largely due to improvements in the production process that resulted in reduced product capacity and a decrease in biogas production from Napier grass. Consequently, the amount of waste generated in 2024 decreased significantly. The total waste sent to landfill was 66.39 tons, which is a 13.54% reduction compared to 2023. However, the proportion of waste sent to landfill relative to total waste increased to 4.04%, up from 0.77% in 2023. The percentage of waste that was reused was 95.32%, representing a decrease from 2023. The company anticipates that the improvements in the production process will be completed by 2025, allowing production capacity to approach levels similar to those of 2023. In 2025, the company will remain committed to minimizing waste generation and reducing the amount of waste sent to landfill in line with the goals.

### Information on waste management

## Waste Generation<sup>(\*)</sup>

	2022	2023	2024
<b>Total waste generated (Kilograms)</b>	2,126,710.00	9,977,650.00	1,641,380.00
<b>Total non-hazardous waste (kilograms)</b>	2,121,970.00	9,961,970.00	1,630,950.00
<b>Total hazardous waste (kilograms)</b>	4,740.00	15,680.00	10,430.00
Hazardous waste - Incineration with energy recovery (Kilograms)	4,740.00	15,680.00	10,430.00
Intensity ratio of total waste generated to total revenues (Kilograms / Thousand Baht of total revenues) <sup>(**)</sup>	0.08	0.40	0.06
Intensity ratio of total non-hazardous waste to total revenues (Kilograms / Thousand Baht of total revenues) <sup>(**)</sup>	0.08	0.40	0.06
Intensity ratio of total hazardous waste to total revenues (Kilograms / Thousand Baht of total revenues) <sup>(**)</sup>	0.00	0.00	0.00

Additional explanation : <sup>(\*)</sup> Exclude the total weight of waste generated outside of the Company, which is not responsible for the waste disposal or treatment cost

<sup>(\*\*)</sup> Total revenues and expenses from consolidated financial statement

## Waste reuse and recycling

	2022	2023	2024
<b>Total reused/recycled waste (Kilograms)</b>	2,069,500.00	9,885,180.00	1,564,560.00
<b>Reused/Recycled non-hazardous waste (Kilograms)</b>	2,069,500.00	9,885,180.00	1,564,560.00
<b>Reused/Recycled hazardous waste (Kilograms)</b>	0.00	0.00	0.00
Percentage of total reused/recycled waste to total waste generated (%)	97.31	99.07	95.32
Percentage of reused/recycled non-hazardous waste to non-hazardous waste (%)	97.53	99.23	95.93
Percentage of reused/recycled hazardous waste to hazardous waste (%)	0.00	0.00	0.00

Additional explanation : <sup>(\*)</sup> Exclude the total weight of reused/recycled waste outside of the Company, which is not responsible for the waste disposal or treatment cost

## Greenhouse gas management

### Disclosure boundary in greenhouse gas management over the past years

Boundary type	:	Company
Total number of disclosure boundaries	:	1
Actual number of disclosure boundaries	:	-
Data disclosure coverage (%)	:	0.00

### Information on greenhouse gas management plan

#### Greenhouse gas management plan

The company's greenhouse gas management plan : Yes

The company is committed to becoming carbon neutrality by 2030 and has set goals and action plans as follows:

- 1) Increasing the Proportion of Renewable and Biomass Energy Consumption
- 2) Increasing energy efficiency in the production process
- 3) Promoting collaboration in the supply chain
- 4) Resource management and waste management
- 5) Green technology research and development
- 6) Restoration and conservation of natural resources

### Information on setting greenhouse gas emission goals

#### Setting greenhouse gas emission goals

Does the company set greenhouse gas management goals : Yes

Company's existing targets : Setting net-zero greenhouse gas emissions targets, Setting carbon neutrality targets

#### Setting net-zero greenhouse gas emissions targets

##### Details of setting net-zero greenhouse gas emissions targets

Greenhouse gas emission scope	Base year(s)	Short-term target year	Long-term target year	Certification
Scope 1	2023 : Greenhouse gas emissions 32,542.00 tCO <sub>2</sub> e	2024 : Reduced by 21,714.00 tCO <sub>2</sub> e in comparison to the base year	2050 : Reduced by 0.00 tCO <sub>2</sub> e in comparison to the base year	<ul style="list-style-type: none"><li>• Thailand Greenhouse Gas Management Organization (TGO) : Net zero pathway</li><li>• Science-based Targets (SBTi) : Commit</li></ul>

#### Setting carbon neutrality targets

##### Details of setting carbon neutrality targets

Greenhouse gas emission scope	Base year(s)	Target year(s)	Certification
Scope 1-2	2021 : Greenhouse gas emissions 25,850.00 tCO <sub>2</sub> e	2030 : Reduced by 0.00 tCO <sub>2</sub> e	None

### Information on performance and outcomes of greenhouse gas management

Performance and outcomes of greenhouse gas management : Yes

In 2024, the company received registration for its carbon footprint, reflecting data from January 1 to December 31, 2023, from the Thailand Greenhouse Gas Management Organization (Public Organization) on November 26, 2024.

The company has prepared a report on greenhouse gas emissions and absorption for the period from January 1 to December 31, 2024, which was verified by ECEE Co., Ltd., an accredited auditor. The company is currently in the process of seeking certification and registration of its carbon footprint from the Thailand Greenhouse Gas Management Organization (Public Organization), which is expected to be completed by May 21, 2025.

In 2024, the company emitted a total of 91,461 tons of carbon dioxide equivalent from its operations. This includes direct greenhouse gas emissions (Scope 1) of 8,569 tons of carbon dioxide equivalent and indirect emissions from the use of purchased electricity (Scope 2) of 13,145 tons of carbon dioxide equivalent. The total direct and indirect emissions (Scope 1 and 2) amount to 21,714 tons of carbon dioxide equivalent, representing a reduction of 33.28% compared to 2023 and a 16.00% decrease compared to the baseline year of 2021. This reduction was attributed to improved energy efficiency, decreased energy consumption in operational activities, and increased use of renewable energy in operational processes. The company also improved production processes, leading to a significant reduction in both direct and indirect greenhouse gas emissions (Scope 1 and 2) in 2024.

However, when calculating the greenhouse gas emissions intensity (Combined GHG Scope 1 & 2 Intensity) for 2024, it was found to be 0.056 tons of carbon dioxide equivalent per ton of production, representing a reduction of 19.71% compared to 2023 and a 14.82% decrease compared to the baseline year of 2021. This indicates improved operational efficiency, resulting in a lower level of greenhouse gas emissions relative to the production of one ton of goods.

## Information on greenhouse gas management

### The company's greenhouse gas emissions

	2022	2023	2024
Total GHG emissions (Metrics tonne of carbon dioxide equivalents)	104,812.00	113,789.00	93,179.00
Total greenhouse gas emissions - Scope 1 (Metric tonnes of carbon dioxide equivalent)	12,895.00	14,720.00	10,422.00
Total greenhouse gas emissions - Scope 2 (Metric tonnes of carbon dioxide equivalent)	16,889.00	17,822.00	13,145.00
Total greenhouse gas emissions - Scope 3 (Metric tonnes of carbon dioxide equivalent)	75,028.00	81,247.00	69,612.00

### Greenhouse Gas Emissions Intensity

	2022	2023	2024
Intensity ratio of total GHG emissions to total revenues (Metric tonnes of carbon dioxide equivalent / Thousand Baht of total revenues) <sup>(*)</sup>	0.004159	0.004541	0.003389
Intensity ratio of total GHG emissions to total number of employees (Metric tonnes of carbon dioxide equivalent / Person)	100.30	110.05	99.02
Intensity of GHG emissions (Metric tonnes of carbon dioxide equivalent / Metric ton of product)	0.07000000	0.07000000	0.05600000

Additional explanation : <sup>(\*)</sup> Total revenues and expenses from consolidated financial statement

## Information on verification of the company's greenhouse gas emissions over the past year

### Verification of the company's greenhouse gas emissions over the past year

Verification of the company's greenhouse gas emissions : Yes

List of greenhouse gas verifier entity : ECEE Company Limited

### Information on reduction and absorption of greenhouse gas

#### Reduction of Greenhouse Gas

	2022	2023	2024
Total reduced GHG (Metric kilograms of carbon dioxide equivalent)	0.00	0.00	0.00

#### Absorption and removal of Greenhouse Gas

	2022	2023	2024
Total absorbed and removal of GHG (Metric kilograms of carbon dioxide equivalent)	0.00	0.00	0.00

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## ESG Performance

Company Name : NORTH EAST RUBBER PUBLIC COMPANY LIMITED      Symbol : NER

Market : SET      Industry Group : Agro & Food Industry      Sector : Agribusiness

### Human rights

#### Information on social and human rights policies and guidelines

##### Social and human rights policy and guidelines

Social and human rights policy and guidelines : Yes

Social and human rights guidelines : Employee Rights, Migrant/foreign labor, Child Labor, Consumer/customer rights, Community and environmental rights, Safety and occupational health at work, Non-discrimination, Supplier rights

The company has established comprehensive policies related to stakeholders to minimize negative impacts that may arise from actions taken by the company or those related to the company. Furthermore, the policies aim to enhance positive contributions to the communities and society in which the company operates. The company's policies align with the 10 Universal Principles of the UN Global Compact concerning human rights, labor, environment, and anti-corruption. It also adheres to the OECD Due Diligence Guidance for Responsible Business Conduct and the United Nations Guiding Principles on Business and Human Rights (UNGPs). The social policies include:

- Human Rights Policy
- Stakeholder Engagement Policy
- Social Responsibility Policy
- Good Corporate Governance Policy and Business Code of Conduct
- Safety, Occupational Health and Environment Policy
- Anti-Corruption Policy
- Whistle Blowing Policy
- Information Technology Governance and Management Policy
- Privacy Policy
- Human Resource Management and Development Policy
- Procurement and Supplier Management Policy
- Marketing and Customer Policy

#### Information on review of social and human rights policies, guidelines, and/or goals over the past year

Review of social and human rights policies, guidelines, and/or goals over the past year : Yes

Changes in social and human rights policies, guidelines, and/or goals : Community and environmental rights

The company will regularly conduct human rights risk assessments to identify key risk areas in its business operations, including assessing the impact on local communities' rights to participate in decision-making. This adheres to the principles of Free, Prior, and Informed Consent (FPIC), which serve as the foundation for comprehensive Human Rights Due Diligence (HRDD) in accordance with the United Nations Guiding Principles on Business and Human Rights (UNGPs) on an ongoing basis.

#### Information on compliance with human rights principles and standards

##### Compliance with human rights principles and standards

Human rights management principles and standards : Thai Labour Standard: Corporate Social Responsibility of Thai Businesses (TLS 8001-2010) by the Ministry of Labour, The UN Guiding Principles on Business and Human Rights, The OECD Guidelines for Multinational Enterprises, ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy

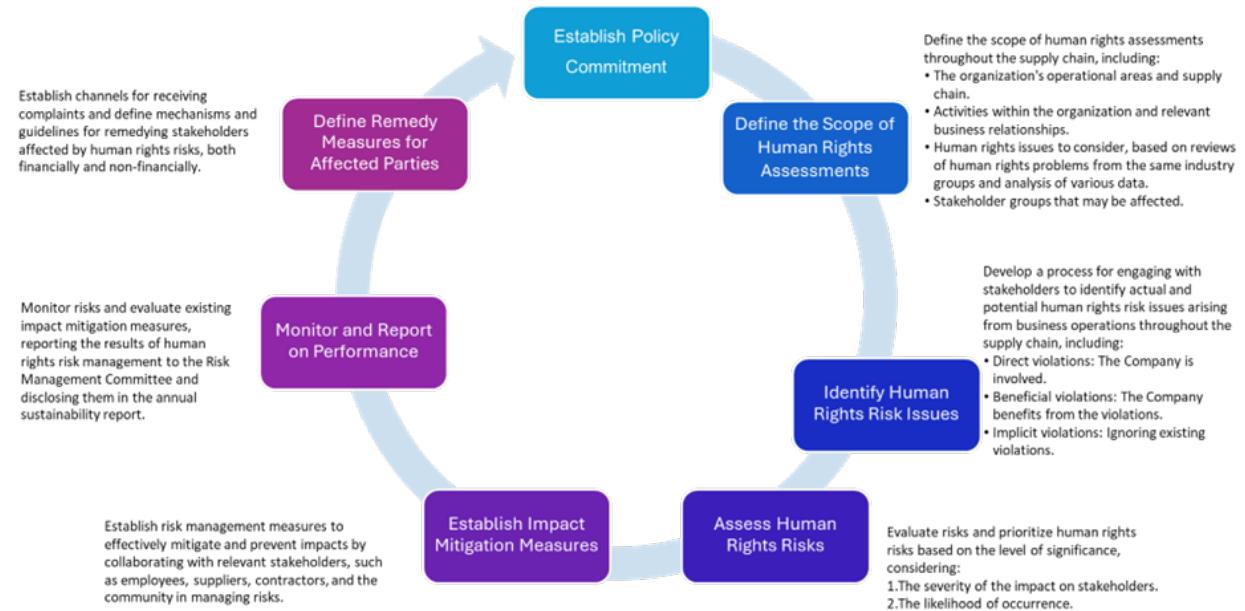
## Information on Human Rights Due Diligence : HRDD

### Human Rights Due Diligence : HRDD

Does the company have an HRDD process : Yes

The company mandates a comprehensive Human Rights Due Diligence (HRDD) at least once a year to identify and evaluate risks, as well as to establish corrective and preventive measures against human rights violations across all business activities, including the operations of stakeholders throughout the supply chain. The operational processes align with the United Nations Guiding Principles on Business and Human Rights (UNGPs) and the principles of Free, Prior, and Informed Consent (FPIC) for Indigenous Peoples. The comprehensive Human Rights Due Diligence

### HRDD process diagram



## Information on incidents related to legal or social and human rights violations

### Number of cases and incidents of significant legal or social and human rights violations

	2022	2023	2024
Total number of cases or incidents of significant legal or social and human rights violations (cases)	0	0	0
Total number of cases or incidents leading to significant labor disputes (cases)	0	0	0

## Fair labor practice

### Disclosure boundary in fair labor practice in the past years

Boundary type : Company  
Total number of disclosure boundaries : 1  
Data disclosure coverage (%) : 0.00

### Information on employees and labor management plan

#### Employees and labor management plan

The company's employee and labor management plan : Yes  
Employee and labor management plan implemented by the Company in the past year : Fair employee compensation, Employee training and development, Promoting employee relations and participation, Migrant/foreign labor, Child labor, Safety and occupational health at work

The development and retention of skilled employees in alignment with the business direction is a crucial factor for the company's competitiveness and stable growth in the future. Therefore, the company places great importance on employee care and fostering employee engagement with the organization. It attends to the well-being of employees and responds appropriately to their needs and expectations to ensure they maintain good physical and mental health and enjoy their work. Additionally, the company enhances employee capabilities that support work performance and the growth of the company.

### Information on setting employee and labor management goals

#### Setting employee and labor management goals

Does the company set employee and labor management goals? : Yes

#### Details of setting goals for employee and labor management

Target(s)	Indicator(s)	Base year(s)	Target year(s)
• Employee training and development	Average training hours per employee per year	-	2028: Not less than 25 hours
• Promoting employee relations and participation	Employee engagement score	-	2028: Not less than 90%
• Safety and occupational health at work	Lost Time Injury Frequency Rate (LTIFR)	-	2028: -

### Information on performance and outcomes for employee and labor management

#### Performance and outcomes for employee and labor management

Performance and outcomes for employee and labor management : Yes

#### Recruitment and Employment

The company places great importance on the recruitment and selection process, ensuring transparency, fairness, and compliance with relevant laws and regulations. Employment is conducted equitably, free from discrimination, primarily based on knowledge, skills, and suitability for the position. The company employs proactive recruitment strategies through various channels to reach qualified candidates, while also focusing on developing the potential of employees in critical and sought-after roles.

The company has established a recruitment and employment policy aimed at providing career opportunities specifically to Thai citizens, especially those from Buriram Province, in order to help improve the local economy through stable employment. This will allow local residents to work close to home without the need to relocate for jobs in other regions. The company recruits suitable candidates through diverse channels, including websites and social media networks, as well as actively seeking employees by engaging with the local community around the factory, promoting through community leaders, village chiefs, sub-district administrative organizations, the Buriram Provincial Municipality, and a friend-referral program.

In 2024, the company employed 941 individuals, all of whom are Thais, representing 100%. Among these, 903 individuals, or 95.96%, are native to the Northeastern region. The majority of employees are from nearby communities, with 795 individuals residing in Buriram Province, accounting for 84.48%, and 650 individuals living in Prakhonchai District, where the company is located, representing 69.08% of the total workforce.

Of this number, there are 11 persons with disabilities within Buriram Province, accounting for 1.17% of the total workforce, which is a higher proportion than that prescribed by law.

#### **Training and Skill Development Programs**

The company has developed its employees through various projects and training programs tailored to the skills that need enhancement for both managerial and operational levels. A range of training and skill development initiatives have been established. The company has invited expert speakers in each field to share knowledge and inspire employees, enabling them to effectively apply what they have learned in their work. In 2024, a total of 117 courses and training sessions were conducted, with employees averaging 23.68 training hours per person per year, which exceeds the target set and represents an increase of 85.51% from 2023. The investment value for skill development for employees was 1,984,799 THB, translating to approximately 2,738 THB per employee per year.

#### **Building Employee Engagement**

The annual employee engagement score for 2024 was 85.88%, which is above the target set and higher than that of 2023. The lowest scoring topic, where employees expressed dissatisfaction or concern, was the working environment with a score of 85.13%. The company has addressed this issue by implementing the 5S project continuously and conducting monthly safety inspections. Reports and solutions to various issues have been prepared by the Safety, Occupational Health, and Environmental Committee. The results of the employee engagement assessment were communicated to employees through online channels, including the company's Line group, email, and public bulletin boards, and were subsequently presented to senior management and the committee.

#### **Occupational Health and Safety in Workplace**

Based on the implementation of strategies, measures, and risk control plans to ensure workplace safety throughout 2024, the company had a total of seven cases of work-related injuries that resulted in time lost. The lost time injury frequency rate (LTIFR) was 2.93 per one million working hours, reflecting a decrease from 2023, aligning with the targets set by the company. The investigations into the injuries indicated that all seven cases were due to accidents involving machinery and equipment. The company has taken preventive measures by installing closed-loop locking systems to immediately stop machinery in case of any anomalies during operation, increasing protective guards around machines that have moving or sharp parts, and considering appropriate blade installations for each type of work. Additionally, the company has installed safety equipment before commencing work and has had a supervisor present during operations to ensure that no similar incidents occur in the future. Furthermore, the company reported zero cases of fatalities or disabilities resulting from work-related accidents (Major Accidents).

For contractors, there were zero cases of work-related injuries resulting in time lost, resulting in an LTIFR of 0, and there were also zero cases of fatalities or disabilities from work-related accidents (Major Accidents) in the company's controlled areas.

## **Information on employment**

### **Employment**

	2022	2023	2024
<b>Total Employment (Person)</b>	1,045	1,034	941
Percentage of employees to total employment (%)	100.00	100.00	100.00
Percentage of non-employee workers to total employment (%)	0.00	0.00	0.00

	2022	2023	2024
Total employees (persons)	1,045	1,034	941
Male employees (persons)	676	659	582
Percentage of male employees (%)	64.69	63.73	61.85
Female employees (persons)	369	375	359
Percentage of female employees (%)	35.31	36.27	38.15
<b>Total of workers who are not employees (Person)</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### Number of employees categorized by age

	2022	2023	2024
Total number of employees under 30 years old (Persons)	426	384	318
Percentage of employees under 30 years old (%)	40.77	37.14	33.79
Total number of employees 30-50 years old (Persons)	535	570	525
Percentage of employees 30-50 years old (%)	51.20	55.13	55.79
Total number of employees over 50 years old (Persons)	84	80	98
Percentage of employees over 50 years old (%)	8.04	7.74	10.41

#### Number of male employees categorized by age

	2022	2023	2024
Total number of male employees under 30 years old (Persons)	284	246	200
Percentage of male employees under 30 years old (%)	42.01	37.33	34.36
Total number of male employees 30-50 years old (Persons)	337	353	314
Percentage of male employees 30-50 years old (%)	49.85	53.57	53.95
Total number of male employees over 50 years old (Persons)	55	60	68
Percentage of male employees over 50 years old (%)	8.14	9.10	11.68

#### Number of female employees categorized by age

	2022	2023	2024
Total number of female employees under 30 years old (Persons)	142	138	118

	2022	2023	2024
Percentage of female employees under 30 years old (%)	38.48	36.80	32.87
Total number of female employees 30-50 years old (Persons)	198	217	211
Percentage of female employees 30-50 years old (%)	53.66	57.87	58.77
Total number of female employees over 50 years old (Persons)	29	20	30
Percentage of female employees over 50 years old (%)	7.86	5.33	8.36

#### Number of employees categorized by position

	2022	2023	2024
Total number of employees in operational level (Persons)	967	942	839
Percentage of employees in operational level (%)	92.54	91.10	89.16
Total number of employees in management level (Persons)	72	86	94
Percentage of employees in management level (%)	6.89	8.32	9.99
Total number of employees in executive level (Persons)	6	6	8
Percentage of employees in executive level (%)	0.57	0.58	0.85

#### Number of male employees categorized by position

	2022	2023	2024
Total number of male employees in operational level (Persons)	632	603	522
Percentage of male employees in operational level (%)	93.49	91.50	89.69
Total number of male employees in management level (Persons)	42	53	57
Percentage of male employees in management level (%)	6.21	8.04	9.79
Total number of male employees in executive level (Persons)	2	3	3
Percentage of male employees in executive level (%)	0.30	0.46	0.52

#### Number of female employees categorized by position

	2022	2023	2024
Total number of female employees in operational level (Persons)	335	339	317
Percentage of female employees in operational level (%)	90.79	90.40	88.30
Total number of female employees in management level (Persons)	30	33	37
Percentage of female employees in management level (%)	8.13	8.80	10.31
Total number of female employees in executive level (Persons)	4	3	5
Percentage of female employees in executive level (%)	1.08	0.80	1.39

### Significant changes in the number of employees

Significant changes in number of employees over the past 3 : No  
Years

### Number of male employees categorized by region

	2022	2023	2024
Bangkok Metropolitan (Person)	3	3	4
Northern (Person)	2	3	1
Central (Person)	16	15	3
Northeastern (Person)	639	621	575
Southern (Person)	2	1	1
Eastern (Person)	11	10	1

### Number of female employees categorized by region

	2022	2023	2024
Bangkok Metropolitan (Person)	12	4	5
Northern (Person)	1	2	1
Central (Person)	9	10	5
Northeastern (Person)	340	356	337
Southern (Person)	5	3	4
Eastern (Person)	5	6	4

### Employment of workers with disabilities

	2022	2023	2024
<b>Total employment of workers with disabilities (persons)</b>	14	13	11
Percentage of disabled workers to total employment (%)	1.34	1.26	1.17
<b>Total number of employees with disabilities (Persons)</b>	14	13	11
Total male employees with disabilities (persons)	9	9	8
Total female employees with disabilities (persons)	5	4	3
Percentage of disabled employees to total employees (%)	1.34	1.26	1.17
<b>Total number of workers who are not employees with disabilities (persons)</b>	0	0	0
Percentage of disabled non-employee workers to total non-employee workers (%)	0.00	0.00	0.00
<b>Contributions to empowerment for persons with disabilities fund</b>	No	No	Yes

### Information on compensation of employees

#### Employee remuneration by gender

	2022	2023	2024
<b>Total employee remuneration (baht)</b>	208,512,489.28	233,632,393.85	201,206,174.09
Total male employee remuneration (baht)	129,619,392.73	142,419,155.43	120,378,228.28
Percentage of remuneration in male employees (%)	62.16	60.96	59.83
Total female employee remuneration (baht)	78,893,096.55	91,213,238.42	80,827,945.81
Percentage of remuneration in female employees (%)	37.84	39.04	40.17
Average remuneration of employees (Baht / Person)	199,533.48	225,950.09	213,821.65
Average remuneration of male employees (Baht / Person)	191,744.66	216,114.04	206,835.44
Average remuneration of female employees (Baht / Person)	213,802.43	243,235.30	225,147.48
Ratio of average remuneration of female employees to male employees	1.12	1.13	1.09

#### Provident fund management policy

Provident fund management policy : Have

The company supports and promotes employees' rights and freedoms to establish a welfare committee within the workplace to serve as a platform for presenting opinions and engaging in discussions with employer representatives regarding the development of additional benefits beyond those specified by law, appropriately aligned with employees' needs. In 2024,

the company held elections for the welfare committee to replace the previous committee whose term had expired. A total of 608 employees exercised their voting rights, representing 70% of the total eligible voters of 867 employees. On July 17, 2024, 13 members were appointed to the welfare committee.

As a result of quarterly meetings between employer representatives and the welfare committee, the company improved the employee welfare manual and added benefits that exceed legal requirements, including group life and accident insurance, a provident fund, uniforms, a hospital visit basket, and financial assistance for funeral expenses for permanent employees and their families. Additionally, the working environment was enhanced, such as by adding more restrooms for employees, installing televisions in the cafeteria, providing RO water dispensers, and offering bicycles for commuting within the factory. These improvements stemmed from a proactive welfare survey project that encouraged employees to express their opinions and needs to find suitable welfare options.

All employees in the company will receive the same benefits across the board, except for vacation leaves, which differ: monthly permanent employees can take vacation leaves without loss of income, while daily or hourly permanent employees do not receive compensation for days off. However, if they work on holidays, they will receive overtime pay at twice their regular daily wage.

### Provident fund for employees (PVD)

	2022	2023	2024
Number of employees joining in PVD (persons)	260	290	441
Proportion of employees who are PVD members (%)	24.88	28.05	46.87
Total amount of provident fund contributed by the company (baht)	1,881,955.00	2,352,246.00	2,875,869.00
Percentage of total amount of provident fund contributed by the Company to total employee remuneration (%)	0.90	1.01	1.43

### Information on employee development

#### Employee training and development

	2022	2023	2024
Employee development plans as part of annual performance reviews	Yes	Yes	Yes
Average employee training hours (Hours / Person / Year)	12.17	12.76	23.68
Total amount spent on employee training and development (Baht)	1,446,389.17	4,448,470.65	7,214,989.74
Percentage of training and development expenses to total expenses (%) <sup>(*)</sup>	0.000063	0.000194	0.000285
Percentage of training and development expenses to total revenue (%) <sup>(*)</sup>	0.000057	0.000178	0.000262

Additional explanation : <sup>(\*)</sup> Total revenues and expenses from consolidated financial statement

### Information on safety, occupational health, and work environment

#### Number of working hours

	2022	2023	2024
Total number of hours work (Hours)	2,691,800.00	2,666,680.00	2,388,816.00
Total number of hours worked by employees (Hours)	2,616,680.00	2,589,136.00	2,356,264.00
Total number of hours work by non-employee (Hours)	75,120.00	77,544.00	32,552.00

### Statistic of accident and injuries of employees from work

	2022	2023	2024
Total number of lost time injury incidents by employees (Cases)	12	20	7
Total number of employees that lost time injuries for 1 day or more (Persons)	12	20	7
Percentage of employees that lost time injuries for 1 day or more (%)	1.15	1.93	0.74
Total number of employees that fatalities as a result of work-related injury (Persons)	0	1	0
Percentage of employees that fatalities as a result of work-related injury (%)	0.00	0.10	0.00
Lost time injury frequency rate (LTIFR) (Persons / 1 million-manhours) <sup>(*)</sup>	4.59	7.72	2.97
Lost time injury frequency rate (LTIFR) (Persons / 200,000 manhours) <sup>(**)</sup>	0.92	1.54	0.59

Additional explanation : <sup>(\*)</sup> The company with the total number of employees over 100 or more

<sup>(\*\*)</sup> The company with the total number of employees less than or equal to 100

### Information on promoting employee relations and participation

#### Employee engagement

	2022	2023	2024
Total number of employee turnover leaving the company voluntarily (persons)	95	98	68
Total number of male employee turnover leaving the company voluntarily (persons)	82	61	49
Total number of female employee turnover leaving the company voluntarily (persons)	13	37	19
Proportion of voluntary resignations (%)	9.09	9.48	7.23
Percentage of male employee turnover leaving the Company voluntarily (%)	86.32	62.24	72.06
Percentage of female employee turnover leaving the Company voluntarily (%)	13.68	37.76	27.94

	2022	2023	2024
Evaluation result of employee engagement	Yes	Yes	Yes

### Employee internal groups

Employee internal groups : Yes

Types of employee internal groups : Welfare committee

## **Responsibility to customers/ consumers**

### **Information on responsibility to customers/consumers policy**

#### **Consumer data privacy and protection policy and guidelines**

Consumer data privacy and protection policy and guidelines	:	Yes
Consumer data privacy and protection guidelines	:	Collection of personal data, Use or disclosure of data, Rights of data owners, Company's measures for third parties' use of customer data, Security measures of personal data

#### **Responsible sales and marketing policy and guidelines**

Responsible sales and marketing policy and guidelines	:	Yes
Responsible sales and marketing guidelines	:	Marketing communications that respect the law, adhere to relevant regulations, and consider consumer rights., Not supporting advertisements or promotional activities that encourage illegal acts or immoral conducts

#### **Policy and guidelines on communicating the impact of products and services to customers / consumers**

Policy and guidelines on communicating the impact of products and services to customers / consumers	:	Yes
Policy and guidelines on communicating the impact of products and services to customers / consumers	:	Prohibition of exaggerated, inaccurate, or misleading marketing claims, Appropriate marketing communications through digital channels

### **Information on customer management plan**

#### **Customer management plan**

Company's customer management plan	:	Yes
Customer management plan implemented by the company in the past year	:	Responsible production and services for customers, Communication of product and service impacts to customers / consumers, Development of customer satisfaction and customer relationship, Consumer data privacy and protection

The company is committed to delivering high-quality products and services at reasonable prices to support its customers' business capabilities. It is dedicated to enhancing production processes to elevate product standards to international levels. The company has achieved certifications for ISO 9001 (Quality Management System), ISO 45001 (Occupational Health and Safety Management System), ISO 14001 (Environmental Management System), and ISO 17025 (Laboratory Testing and Calibration Accreditation). Currently, the company continues to develop various systems to ensure organization-wide connectivity for optimal sales, production, and delivery planning.

### **Information on setting customer management goals**

#### **Setting customer management goals**

Does the company set customer management goals	:	Yes
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#### **Details of setting customer management goals**

Target(s)	Indicator(s)	Base year(s)	Target year(s)
• Development of customer satisfaction and customer relationship	-	-	2028: -
• Others : Number of customer complaints regarding product quality	-	-	2028: -

## Information on performance and results of customer management

### Performance and outcomes of customer management

Performance and outcomes of customer management : Yes

#### Customer Complaint Management

The company is committed to facilitating and assisting customers in all situations, especially in emergencies that require urgent resolution to help minimize potential damage. To this end, the company has established communication channels to provide information, receive feedback, and handle complaints. The sales and marketing personnel oversee these channels, which include telephone, email, communication applications, and the company's website. The company has implemented a systematic complaint management process and has set a response time for customer complaints within three days. For complaints related to product quality that involve multiple departments, clear responsibilities and procedures have been established, along with considerations for appropriate and fair compensation.

In 2024, the company received no complaints from customers regarding product quality.

#### Customer Satisfaction Assessment

The company conducts customer satisfaction assessments regularly every six months using a rating scale to evaluate satisfaction in areas such as communication, service, and product quality. The scores are averaged to summarize the results for the year. In 2024, the company achieved a customer satisfaction score of 96.29%, which exceeds the target of 95% and reflects an increase of 1.03% from 2023. The company analyzed customer feedback from the assessments and held meetings with relevant departments to plan for the development and improvement of products and services, aiming to enhance the overall customer experience.

In 2024, customers suggested providing morning sales pricing to increase business opportunities. In response, the company adjusted its pricing policy to include morning pricing on days when there are remaining raw materials from the previous day's sales, instead of offering prices only in the afternoon. This change facilitates customers and creates additional revenue opportunities for the company. Moreover, the company has utilized customer suggestions to develop and improve products, such as changing packaging for transportation from single-use plastic to steel packaging that allows for longer-term reuse, thereby reducing plastic waste by 368,376 kilograms.

### Customer satisfaction

	2022	2023	2024
Evaluation results of customer satisfaction	Yes	Yes	Yes

### Channels for receiving complaints from customers/consumers

Company's channels for receiving complaints from customers/consumers : Yes

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Company's website : <https://investor.nerubber.com/th/corporate-governance>

Address : North East Rubber Public Company Limited  
No. 398 Moo. 4, Khok Ma Subdistrict, Prakhon Chai  
District, Buriram Province 31140

## Responsibility to community/ society

### Information on community development and engagement policies

#### Community development and engagement policies

Community development and engagement policies : Yes

### Information on community and social management plan

#### Community and social management plan

Company's community and social management plan : Yes

Community and social management plan implemented by the company over the past year : Employment and professional skill development, Education, Religion and culture, Forests and natural resources, Sports and recreation, Occupational health, safety, health, and quality of life, Disadvantaged and vulnerable groups, Water and sanitation management, Reducing inequality

The company implements impact management processes and systematically creates value for the community to define practices that appropriately address negative impacts while effectively generating positive value for the community. This promotes sustainable relationships and acceptance from stakeholders through the following processes:

#### Understanding the Community

The company conducted a survey of the area surrounding its establishment in Prakhonchai District, Buriram Province, within 10 kilometers from the factory location, covering eight sub-districts. The survey revealed 43 villages, 24 schools, and 37 temples within the area. The company assessed and prioritized these communities based on criteria such as distance from the factory, levels of interest, and the impacts experienced, in addition to their influence on the company. Based on the assessment results, the communities were categorized into four groups, and the company has developed appropriate operational strategies for engagement with these communities according to their levels of importance.

#### Building Relationships with the Community

The company has established various accessible communication channels with the community to ensure that everyone can receive accurate, complete, and timely information while also providing opportunities for the community to share opinions, ask for additional information, or submit suggestions conveniently. Furthermore, the company regularly engages with the surrounding community on a monthly basis through relationship-building projects and community participation initiatives, such as volunteer activities, support for community well-being, cultural preservation activities, funerary events for community members, and other community activities. Through these community engagement projects, the company interacts with a variety of individuals, including community residents, community leaders, community representatives, health volunteers, local government officials, teachers, students, and monks. This engagement allows the company to gather diverse perspectives, as well as direct information and insights from community members, facilitating appropriate analysis, evaluation, and planning for its operations.

#### Impact Assessment

In 2024, the company engaged in discussions with community representatives, including village heads, community leaders, health volunteers, community chairpersons, representatives from farmer groups, elderly community members, and representatives from a labor group. A total of 30 participants took part in the discussion on May 6, 2024, at the village hall in Ban Khok Phet and at the house of the village head. This engagement was a part of the process to develop an operational plan in collaboration with the community, in accordance with the Corporate Social Responsibility (CSR) standard set by the Department of Industrial Works.

From the discussions, it was found that the community was particularly interested in managing issues that directly impact their lives, including 1) health impacts and 2) environmental management. Additionally, the community expressed expectations regarding local economic conditions and the need for support in various cultural activities and educational initiatives within the community.

Furthermore, in November 2024, the company conducted field surveys to closely assess community opinions and satisfaction regarding the company's operations. The purpose of this survey was to listen to concerns, shortcomings, impacts, and unmet needs within the community, allowing the company to analyze the data obtained and plan operations that effectively respond to community needs, thus supporting the company's goals for sustainability.

### **Project and Activity Development**

Based on the assessment of impacts and community needs, the company has established a framework for operations to care for and develop the community in four areas, including:

1. Community Health and Well-being
2. Youth Education and Learning Development
3. Sustainable Agriculture and Community Economy
4. Local Cultures and Traditions

### **Information on setting of community and social management goals**

#### **Setting of community and social management goals**

Does the company set community and social management : Yes  
goals

#### **Details of community and social management goal setting**

Target(s)	Indicators(s)	Base year(s)	Target year(s)
• Others : Community engagement score	-	-	2028: -

### **Information on outcomes and results of community and social management**

#### **Performance and outcomes of community and social management**

Performance and outcomes of community and social : Yes  
management

#### **Management of Community Complaints**

The company places great importance on managing the impacts on the community and the environment resulting from its business operations, whether these activities are conducted by the company itself or by its contractors. To facilitate community and other stakeholders' feedback and complaints, the company has established a complaints channel and a complaint management process following the environmental procedures (QP-ENV-001). This allows the community and stakeholders to express their opinions and raise various issues directly.

The company has defined a clear procedure for managing complaints that encompasses receiving the complaint, evaluating it for corrective actions, conducting meetings, summarizing solutions, and providing feedback to the individuals or organizations that lodged the complaints, along with appropriately and fairly remedying those affected. This process aims to build trust within the community and among stakeholders, demonstrating the company's genuine intention to listen and respond to concerns or issues transparently and promptly. Furthermore, this approach allows the company to efficiently identify and manage problems, reducing negative impacts on the community and the environment and fostering strong relationships.

In 2024, the company received no complaints related to environmental impacts or the health and well-being of the local community. The company has verified with local government agencies to ensure that the community is not negatively affected by its operations and remains prepared to prevent any potential impacts on the community in all aspects moving forward. This reflects the company's commitment to conducting business responsibly and genuinely creating positive impacts for the community.

#### **Community Engagement**

In 2024, the company conducted its first community engagement survey to assess the satisfaction and attitudes of local residents toward the company's operations. The results of this survey were utilized to identify strengths and weaknesses in building relationships with the community and to adjust strategies accordingly to better meet the needs and expectations of local residents.

The company designated a community engagement working group to collect data through questionnaires and in-depth interviews, targeting individuals living within a 5-kilometer radius. This included three sub-districts and four villages: Ban Chai Phatthana and Ban Bat in Takotapi sub-district, Ban Krasang in Prathatbu sub-district, and Ban Khok

Phet in Khok Ma sub-district. The sample consisted of 285 respondents, with one representative from each household.

The survey results indicated that community members place the highest importance on the community relations projects and activities organized by the company, and they acknowledged that the company is an integral part of the community, playing a significant role in supporting and improving the quality of life for local residents. The engagement score from the community towards the company was recorded at 88%, which meets the established target.

## Benefit from implementing social development project

### Financial benefits

Does the company measure the financial benefits from social : Yes  
development?

	2022	2023	2024
Donations / Grants (Baht)	3,270,000.00	4,340,000.00	3,950,000.00

### Non-financial benefits

Does the company measure the non-financial benefits from : Yes  
social development?

	2022	2023	2024
Hiring local employees (%)	77.13	78.05	84.48

## Expenses from social and environmental development project

	2022	2023	2024
Total financial contribution to community/social development projects or activities (Baht)	460,000.00	1,550,000.00	1,550,000.00
Percentage of financial contribution for community/social development projects or activities to total expense (%) <sup>(*)</sup>	0.002010	0.006754	0.006122
Percentage of financial contribution for community/social development projects or activities to total revenue (%) <sup>(*)</sup>	0.001825	0.006186	0.005637

*Additional Explanation : (\*) Total revenues and total expenses from total financial statement*

**Remarks** - This document is automatically generated based on information processed as received from the listed company on “as is” basis. The Stock Exchange of Thailand (“SET”) does not make any representations regarding accuracy, completeness, appropriateness, recency or reliability of the information contained in this document, nor does it make any guarantee of a result of the use of the information contained in this document. In no event shall SET be responsible for any loss or damage resulting from the use of this document or the information contained herein.

## ESG Performance

Company Name : NORTH EAST RUBBER PUBLIC COMPANY LIMITED      Symbol : NER

Market : SET      Industry Group : Agro & Food Industry      Sector : Agribusiness

## Corporate Governance Policy

### Information on overview of the policy and guidelines

#### Corporate governance policy and guidelines

Corporate governance policy and guidelines : Yes

North East Rubber Public Company Limited, or “the Company,” recognizes the importance of good corporate governance and believes in good management system, along with a board of directors and executives who possess vision and accountability, will contribute to transparent and accountable management. Respecting the rights and equality of shareholders, as well as being responsible to stakeholders, will be key factors in enhancing value and maximizing returns for shareholders and the Company in the long term. The board is committed to promoting the Company as an efficient organization in business operations, corporate governance, and excellent management, focusing on creating sustainable benefits for shareholders while considering the overall stakeholders. The Company operates with integrity, transparency, and accountability. The corporate governance policy has been developed in accordance with the principles and practices of good corporate governance (Corporate Governance Code: CG Code) set forth by the Securities and Exchange Commission of Thailand, while also taking into account the recommendations of the Thai Institute of Directors for regular review, improvement, and development to ensure its continued appropriateness every year. This policy serves as a guideline for the board, executives, and employees in their work. Additionally, the board of directors has established a mechanism to monitor compliance with the policy to ensure that the board's duties are performed effectively and that good corporate governance is appropriately maintained, resulting in a management and decision-making process that is systematic, accountable, and transparent.

Furthermore, the Company has communicated this information to all employees through the Company's Intranet and has made it available on the Company's website

Details can be found at (<https://investor.nerubber.com/th/corporate-governance/policy/corporate-governance-policy>)

#### Policy and guidelines related to the board of directors

Are there policy and guidelines related to the board of : Yes  
directors

Guidelines related to the board of directors : Nomination of directors, Determination of director remuneration, Independence of the board of directors from the management, Director development, Board performance evaluation, Corporate governance of subsidiaries and associated companies

#### Nomination of directors

##### Selection of Directors and Executives

The selection of individuals to be appointed as directors or executives of the Company shall adhere to the following principles:

Individuals appointed to serve as directors and executives of the Company must possess qualifications in accordance with Section 68 of the Public Limited Company Act B.E. 2535. The Company places importance on Board Diversity, which encompasses diversity in gender, race, religion, knowledge, skills, and experience. A Board Skill Matrix is utilized to define the required qualifications of directors, considering necessary skills and attributes that align with the Company's composition and structure. The selection process comprises the following elements and criteria:

The Company shall have a board of directors to manage its affairs, consisting of at least five (5) directors. No less than half of the total number of directors must be residents of the Kingdom of Thailand. Directors of the Company must meet the qualifications prescribed by law, and they may or may not be shareholders of the Company.

The shareholders' meeting shall appoint the Company's directors in accordance with the following principles and

procedures:

Each shareholder shall have one (1) vote per one (1) share.

Each shareholder may cast all their votes as per 2.1 to elect one or more individuals as directors. If electing multiple individuals, the votes cannot be divided among them.

Individuals receiving the highest votes in descending order shall be elected as directors, up to the number of directors to be elected at that time. In the event of a tie among those receiving the next highest votes exceeding the number of directors to be elected, the chairperson of the meeting shall cast the deciding vote.

At every annual ordinary shareholders' meeting, one-third (1/3) of the directors in office at that time shall retire. If the number of directors is not evenly divisible by three, the number nearest to one-third (1/3) shall retire. Retiring directors may be re-elected. The directors to retire in the first and second years following the Company's registration shall be determined by lot. In subsequent years, the directors who have served the longest shall retire.

Any director wishing to resign from their position shall submit a letter of resignation to the Company. The resignation shall take effect from the date the letter of resignation is received by the Company.

The shareholders' meeting may pass a resolution to remove any director from office before their term expires, with a vote of not less than three-fourths (3/4) of the shareholders present and entitled to vote, holding shares representing not less than half of the total number of shares held by the shareholders present and entitled to vote.

In the event of a vacancy in the position of director due to reasons other than the expiration of their term, the board of directors shall select a qualified individual who does not have any prohibited characteristics under the Public Limited Company Act or the Securities and Exchange Act to fill the vacancy at the next board meeting, unless the remaining term of that director is less than two (2) months. The individual appointed to fill the vacancy shall serve only for the remaining term of the director they replace. The resolution of the board of directors in the first paragraph must be passed by a vote of not less than three-fourths (3/4) of the remaining directors.

The board of directors shall elect one director as chairperson. If deemed appropriate, the board may also elect one or more vice-chairpersons. The vice-chairperson shall perform duties as assigned by the chairperson.

Reference link for Nomination of directors : <https://ner.listedcompany.com/misc/ar/ner-ar2024-en.pdf>

Page number of the reference link : 246-247

## **Determination of director remuneration**

### **Consideration of Remuneration for Directors and Executives**

The Board of Directors considers the remuneration of directors and executives based on their duties and scope of responsibilities, as well as their individual performance and the Company's overall performance. This is done in alignment with market or industry compensation rates. The remuneration for the Board of Directors requires approval from the shareholders' meeting.

The Board has established a remuneration policy for the Chief Executive Officer and senior executives to ensure fairness under clear and transparent criteria. The Nomination, Remuneration, and Corporate Governance Committee will review both short-term and long-term remuneration to propose it to the Board of Directors for approval. The policy includes the establishment of Corporate Key Performance Indicators (Corporate KPIs) based on the Balanced Scorecard principles. These indicators consider performance aligned with the Company's short-term and long-term goals, business strategy, and overall performance, aiming to lead the organization towards sustainability.

### **Independence of the board of directors from the management**

The Company maintains an appropriate structure of independent directors within the Board of Directors and its subcommittees, with authorities and duties that align with the definition of independent directors, comply with good corporate governance principles, and adhere to the guidelines of the Securities and Exchange Commission. Therefore, the Company defines 'independent director' as a director who is independent from management and controlling shareholders, and who has no business relationships with the Company that could limit their ability to provide independent opinions.

The Company has also specified matters that the Board of Directors should refrain from:

Interfering with management's implementation of strategies, policies, and plans approved by the Board. The Board should allow management to be responsible for operational decisions, procurement, recruitment, etc., within the established policy framework, and monitor the results without interfering in decision-making, except in cases of necessity.

Matters specifically prohibited, such as approving transactions in which directors have a vested interest or related transactions that may create conflicts of interest with the Company.

This information is disclosed in the Form 56-1 One Report, page 198, under the section:

<https://ner.listedcompany.com/misc/ar/ner-ar2024-th.pdf>

## Director development

### Orientation and Training for Directors

The Board of Directors provides orientation for newly appointed directors to ensure they have knowledge and understanding of the Company's business and related regulations. Additionally, the Board of Directors has a policy to encourage all directors, senior executives, and the company secretary to continuously participate in corporate governance training, both through internal sessions and from external institutions such as the Stock Exchange of Thailand, the Securities and Exchange Commission (SEC), or the Thai Institute of Directors Association (IOD).

Reference link for Director development : <https://ner.listedcompany.com/misc/ar/ner-ar2024-en.pdf>

Page number of the reference link : 250-251

## Board performance evaluation

### Board Performance Evaluation

The Board of Directors conducts a collective self-evaluation at least once a year to review performance and identify issues, in order to revise operational practices and address challenges from the previous year. This serves as a guideline for improving and enhancing collaborative effectiveness among directors. The Company has developed a self-assessment form based on the Securities and Exchange Commission (SEC) evaluation framework.

The evaluation process includes assessments of the Board of Directors' performance at both the board level and individual director level, as well as evaluations of sub-committees and the Chief Executive Officer on a regular basis. This ensures a comprehensive reflection of processes and perspectives from the entire board, facilitating collaborative review and planning to align and optimize future operations.

Reference link for Board performance evaluation : <https://ner.listedcompany.com/misc/ar/ner-ar2024-en.pdf>

Page number of the reference link : 256-257

## Corporate governance of subsidiaries and associated companies

To ensure that subsidiaries and associated companies operate efficiently, in accordance with the Company's core policies, and comply with relevant laws and regulations, the following key governance guidelines are established:

### Governance by the Board of Directors:

The Board of Directors plays a crucial role in monitoring and supervising subsidiaries and associated companies to operate in line with the Company's core policies, as well as the laws and regulations of regulatory agencies such as the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). The operations of subsidiaries and associated companies must not conflict with securities laws and capital market regulations.

### Appointment of Representatives in Subsidiaries and Associated Companies:

The Company has a policy to appoint directors or executives to supervise subsidiaries and associated companies in proportion to the Company's shareholding, especially in cases where the subsidiaries or associated companies are engaged in core businesses directly related to the Company. Appointees must be considered and approved by the Board of Directors meeting, and their scope of authority, duties, and responsibilities must be clearly defined.

### Internal Control and Risk Management System:

The Company emphasizes internal control and risk management, requiring subsidiaries and associated companies to have effective internal control systems, comprehensive risk management measures, and appropriate fraud prevention. The Board of Directors regularly monitors and reviews the operations of subsidiaries and associated companies to ensure that they comply with the Company's plans, budgets, and policies, as well as laws and good corporate governance guidelines.

### Disclosure of Material Information and Transparency:

Subsidiaries and associated companies must disclose material information about their financial position, operating results, related party transactions, and transactions that may have conflicts of interest to regulatory agencies such as the Stock Exchange of Thailand and general investors. The disclosed information must be complete, accurate, and timely to ensure transparency and compliance with good governance principles.

### Related Party Transactions and Significant Transactions:

In the event that subsidiaries engage in related party transactions or acquisitions or disposals of assets, the Company requires subsidiaries to comply with the rules and regulations of the Stock Exchange of Thailand and the SEC, just as the Company itself does, to prevent conflicts of interest and ensure transparency in business operations.

### Transactions Affecting Financial Position and Performance:

If a subsidiary or associated company plans to engage in transactions or actions that significantly affect its financial

position and operating performance, the Company requires that it obtain approval from the Company's Board of Directors or shareholders' meeting before proceeding, and that it fully complies with relevant laws and regulatory requirements.

Reference link for Corporate governance of : <https://ner.listedcompany.com/misc/ar/ner-ar2024-en.pdf>

subsidiaries and associated companies

Page number of the reference link : 263-264

## **Policy and guidelines related to shareholders and stakeholders**

Policy and guidelines related to shareholders and stakeholders : Yes

Guidelines and measures related to shareholders and stakeholders : Shareholder, Employee, Customer, Business competitor, Business partner, Creditor, Government agencies, Community and society

### **Shareholder**

The Company recognizes the importance of the fundamental rights of all shareholders, across all groups, including institutional shareholders, adhering to the principles of fair treatment and compliance with the law. Shareholders have the right to freely buy and sell shares, receive dividends, participate in shareholders' meetings, propose meeting agendas in advance, nominate individuals for election as company directors, express opinions and ask questions constructively in meetings, and participate in making decisions on significant company matters through voting on various agendas, such as the appointment of directors and the appointment and determination of auditor fees.

Reference link for Shareholder : <https://ner.listedcompany.com/misc/ar/ner-ar2024-en.pdf>

Page number of the reference link : 199-205

### **Employee**

The Company values employees at all levels, treating them equally and fairly, and providing compensation that aligns with each employee's knowledge and abilities. We are committed to developing employee potential and knowledge, and we implement a performance management system using organizational Key Performance Indicators (KPIs) based on the Balanced Scorecard principles. We have an effective performance evaluation system and prioritize maintaining a safe and healthy work environment, with a focus on occupational safety and employee quality of life. The Company has also established short-term and long-term compensation policies that are aligned with the organization's performance and linked to employee performance results.

Reference link for Employee : <https://ner.listedcompany.com/misc/ar/ner-ar2024-en.pdf>

Page number of the reference link : 206 ՚ 2

### **Customer**

The Company is attentive and responsible towards its customers. We are committed to customer responsibility by producing high-quality, standardized products and providing excellent, standardized services. We ensure timely product delivery to maximize customer satisfaction. We aim to build strong and sustainable relationships, and emphasize fair and equitable pricing within our pricing policy. Additionally, we strive to continuously improve the quality of our products and services. We are also committed to disclosing information in other areas, such as community, social, and environmental projects and activities, to enhance communication and ensure maximum customer satisfaction. The Company conducts customer satisfaction surveys to gather feedback for improving product and service quality to further satisfy our customers. We have established clear guidelines for our employees and maintain a strict customer confidentiality policy, which is communicated to all relevant personnel.

Reference link for Customer : <https://ner.listedcompany.com/misc/ar/ner-ar2024-en.pdf>

Page number of the reference link : 207 ՚ 5

### **Business competitor**

The Company promotes and supports ethical, transparent, and fair competition in its business operations. We adhere to good competitive practices, ensuring compliance with all applicable laws and regulations. We do not engage in any activities that violate or contradict legal standards. We refrain from seeking confidential information from competitors

through dishonest or inappropriate means, and we avoid damaging the reputation of competitors by making malicious accusations.

Reference link for Business competitor : <https://ner.listedcompany.com/misc/ar/ner-ar2024-en.pdf>

Page number of the reference link : 207 ॥ 4

## **Business partner**

The Company places great importance on selecting suitable business partners, ensuring that the selection process and treatment of partners are conducted equally and fairly. The procurement of goods and services from partners is carried out according to trade conditions, and we strictly adhere to contractual obligations to build long-term, mutually beneficial relationships. We operate with strict ethical standards and promote fair and equitable procurement practices.

Reference link for Business partner : <https://ner.listedcompany.com/misc/ar/ner-ar2024-en.pdf>

Page number of the reference link : 206-207

## **Creditor**

The Company conducts its business with prudence, treating creditors fairly and repaying debts on time according to agreed terms. We strictly adhere to the conditions and requirements of contracts and financial obligations, including the intended use of funds, repayment schedules, maintenance of collateral quality, and any other agreements made with creditors and other company lenders. If circumstances arise that necessitate changes to the agreed terms, the Company will promptly notify creditors to collaborate on finding reasonable solutions. The Company is committed to maintaining sustainable relationships with creditors and fostering mutual trust to prevent any adverse impacts. Furthermore, the Company will utilize loans approved by creditors or financial institutions for their intended purposes, as declared to those creditors or financial institutions.

Reference link for Creditor : <https://ner.listedcompany.com/misc/ar/ner-ar2024-en.pdf>

Page number of the reference link : 207 ॥ 6

## **Government agencies**

The Company strictly complies with all relevant laws, rules, regulations, and ordinances of governmental agencies across various domains, including environmental protection, safety, labor practices, management, taxation, finance, and accounting, as well as all related official announcements.

Reference link for Government agencies : <https://ner.listedcompany.com/misc/ar/ner-ar2024-en.pdf>

Page number of the reference link : 207 ॥ 7

## **Community and society**

The Company prioritizes and cares for the safety, environment, and quality of life of the public. We are committed to responsibility towards neighboring communities and society, and support community public service activities, as well as the development of community and social environments to improve living standards, as deemed appropriate.

The Company values its neighboring communities by engaging through employment, sourcing raw materials, and organizing other community development activities. We also provide knowledge, promote, and support local communities, while continuously monitoring the progress of projects carried out in collaboration with the community each year.

Reference link for Community and society : <https://ner.listedcompany.com/misc/ar/ner-ar2024-en.pdf>

Page number of the reference link : 207-208

## **Information on business code of conduct**

### **Business code of conduct**

Business code of conduct : Yes

The Company's Board of Directors has established a written Code of Business Ethics to demonstrate its commitment to conducting business in accordance with principles of excellent corporate governance. This focuses on creating sustainable benefits for shareholders and considering the overall interests of stakeholders. The Code covers ethics and best practices for the Board of Directors, executives, and employees at all levels of the Company, guiding them in their duties with integrity, morality, and ethical conduct. They are to comply with all laws and regulations, manage with

transparency and integrity, act responsibly towards stakeholders, value shareholders, customers, and business partners, and be accountable to employees, communities, society, and the environment.

The Company reviews and updates its Code of Business Ethics annually, promoting and consistently monitoring adherence to these guidelines. We also conduct communication and awareness programs on business ethics for directors, executives, and employees at all levels to ensure comprehensive understanding.

In 2024, there were no reported violations of the Company's Code of Business Ethics.

Additionally, the Company has made the Business Ethics Manual available on its website ([www.nerubber.com](http://www.nerubber.com)) under the section "Corporate Governance Principles

## **Policy and guidelines related to business code of conduct**

Guidelines related to business code of conduct : Prevention of Conflicts of Interest, Anti-corruption, Whistleblowing and Protection of Whistleblowers, Prevention of Misuse of Inside Information, Gift giving or receiving, entertainment, or business hospitality, Compliance with laws, regulations, and rules, Information and assets usage and protection, Anti-unfair competitiveness, Information and IT system security, Environmental management, Human rights, Safety and occupational health at work

## **Prevention of Conflicts of Interest**

The Company prioritizes transparency and the best interests of the Company in all its considerations. Therefore, the Company emphasizes the prevention of potential conflicts of interest. Related party transactions or transactions between the Company must be conducted for the maximum benefit of the Company and its shareholders, and any actions that may create conflicts of interest should be avoided.

1. Directors and executives must inform the Company of any related relationships or transactions that may create conflicts of interest.
2. Avoid engaging in related party transactions with directors, executives, or related parties that may create conflicts of interest with the Company, whether through commercial dealings, utilizing opportunities or information acquired from their employment for personal gain, engaging in businesses that compete with the Company, or undertaking outside work that affects their duties.
3. All business transactions must be conducted with honesty, integrity, reasonableness, and independence, adhering to ethical standards and considering the Company's best interests.
4. Executives and employees must comply strictly with the Company's regulations and Code of Business Ethics to maintain the Company's credibility and trustworthiness among all stakeholders. The Company will disseminate information to ensure understanding and compliance among all employees.

## **Anti-corruption**

The Company places significant importance on combating all forms of fraud and corruption, whether for direct or indirect benefit, regardless of being the recipient, giver, or proposer of bribes, whether monetary or non-monetary, to government or private entities that the Company conducts business with or contacts. The key principles are as follows:

- 1.The Company does not offer compensation, pay bribes, demand, agree to, or accept bribes from any individual or entity, in any form, whether directly or indirectly, to obtain favorable treatment or benefits related to the Company's work.
- 2.The Company does not engage in improper transactions involving government officials, individuals, or other entities, either directly or indirectly.
- 3.The Company does not donate or pay facilitation fees or provide any form of financial support to individuals or other entities as a channel for bribery.
- 4.The Company does not provide financial or other forms of support, whether directly or indirectly, to political parties, political groups, or politically connected individuals, to obtain business benefits or for personal or cronyistic gain.

## **Whistleblowing and Protection of Whistleblowers**

The Company's Board of Directors has assigned the Audit Committee to handle complaints from all stakeholder groups to protect and ensure fairness for stakeholders who report information or provide tips regarding fraud and misconduct against the Company, as follows:

### **Objectives:**

- 1.1 To encourage all directors, sub-committee members, executives, and employees of the Company, as well as

various stakeholders, to report and provide tips on any misconduct or fraud related to the Company.

1.2 To establish secure and confidential channels for reporting and providing tips on misconduct and fraud, ensuring that individuals can confidently provide information about their concerns.

1.3 To protect complainants or tipsters from retaliation and to provide cooperation or assistance to prevent them from being harassed, intimidated, having their job positions, duties, or workplaces altered, being suspended or dismissed, experiencing trade disruptions, or suffering any other form of unfair treatment or harm. The identity of the complainant or tipster and the information provided will be kept confidential.

## **Prevention of Misuse of Inside Information**

The Company has a policy to disclose information to ensure equality and fairness to all relevant stakeholders, including all shareholders, equally. Internal information or material news that has not been publicly disclosed and could significantly impact securities prices is considered confidential and proprietary to the Company. Its disclosure could adversely affect the Company, particularly information affecting stock value and image. Therefore, the Company has implemented measures and systems to control and protect internal information. The Company's directors, executives, and employees must maintain the confidentiality of internal information and not use it for personal gain, even after their term or duties have ended. The Company has established guidelines for its directors, executives, and employees in this regard as follows:

-Maintain the confidentiality of and/or internal information of the Company.

-Not disclose the Company's confidential and/or internal information or use it for personal gain or the benefit of others, directly or indirectly, whether or not compensation is received.

-Not trade, transfer, or acquire the Company's securities using confidential and/or internal information, and not enter into any other transactions using confidential and/or internal information that could harm the Company, directly or indirectly.

-The Company's directors and executives, including the Company's auditors, must disclose and report changes in their securities holdings, as well as those of their spouses and minor children, to the Securities and Exchange Commission (SEC) in accordance with Section 59 of the Securities and Exchange Act B.E. 2535, and acknowledge the penalties under the Securities and Exchange Act B.E. 2535. Directors and executives must provide a copy of such reports to the Company on the same day they are submitted to the SEC, which is required to be within three business days.

## **Gift giving or receiving, entertainment, or business hospitality**

Actions involving the receipt or provision of gifts, hospitality, and other inappropriate expenses can pose a risk of corruption and create opportunities for fraud, such as payments made to bribe the Company's directors, executives, or employees. Additionally, providing gifts, hospitality, or other inappropriate expenses to customers can violate certain customer policies, leading to lost business opportunities.

The Company recognizes the importance of building strong relationships with business partners for its continued success and, at the same time, maintaining its reputation for conducting business with honesty, integrity, and legality.

## **Compliance with laws, regulations, and rules**

The Company emphasizes compliance with relevant laws and regulations, as well as those related to international business ethics standards. We require all directors, executives, and employees to conduct themselves within the boundaries of the law, regulations, and rules. They must not be complicit, aid, or engage in any actions that violate or contravene applicable laws and regulations.

## **Information and assets usage and protection**

The Company has a policy to disclose information to ensure equality and fairness to all relevant stakeholders, including all shareholders, equally. Internal information or material news that has not been publicly disclosed and could significantly impact securities prices is considered confidential and proprietary to the Company. Its disclosure could adversely affect the Company, particularly information affecting stock value and image. Therefore, the Company has implemented measures and systems to control and protect internal information. The Company's directors, executives, and employees must maintain the confidentiality of internal information and not use it for personal gain, even after their term or duties have ended. The Company has established guidelines for its directors, executives, and employees in this regard as follows:

-Maintain the confidentiality of and/or internal information of the Company.

-Not disclose the Company's confidential and/or internal information or use it for personal gain or the benefit of others, directly or indirectly, whether or not compensation is received.

- Not trade, transfer, or acquire the Company's securities using confidential and/or internal information, and not enter into any other transactions using confidential and/or internal information that could harm the Company, directly or indirectly.
- The Company's directors and executives, including the Company's auditors, must disclose and report changes in their securities holdings, as well as those of their spouses and minor children, to the Securities and Exchange Commission (SEC) in accordance with Section 59 of the Securities and Exchange Act B.E. 2535, and acknowledge the penalties under the Securities and Exchange Act B.E. 2535. Directors and executives must provide a copy of such reports to the Company on the same day they are submitted to the SEC, which is required to be within three business days.

## **Anti-unfair competitiveness**

The company places great importance on the selection of business partners, considering those with potential, who produce quality goods and services that meet standards and are suitable for the tasks at hand. The company treats its business partners with equality and fairness, strictly adheres to all conditions, and operates with transparency, integrity, and accountability. In the event that conditions cannot be met, the company's approach is to promptly inform the business partner in advance to acknowledge the issue and jointly find an appropriate solution.

The company also has a policy of promoting free and fair trade competition, competing within legal frameworks and regulations. It refrains from damaging the reputation of competitors through malicious, untrue, and unfair statements.

Reference link for Anti-unfair competitiveness : <https://ner.listedcompany.com/misc/ar/ner-ar2024-en.pdf>

Page number of the reference link : 213

## **Information and IT system security**

The Company provides information technology to support its business operations and ensure efficient work practices, in compliance with legal requirements, regulations, policies, and procedures outlined for the use of its information technology systems. The Company maintains a corporate-level IT governance and management framework that aligns with its operational needs.

1. Directors, executives, and employees must use only licensed computer software. If performing duties on computers outside the office, they must verify software licenses beforehand. Installing or using unlicensed software within the office is strictly prohibited.
2. Directors, executives, and employees must keep their passwords confidential and not share them with others to prevent unauthorized access. They must also avoid accessing unfamiliar websites or the internet in ways that could harm the Company's computer systems. Employees must not use computers to harm, abuse, or disrupt others. The Company provides IT security measures that align with international standards, and employees are responsible for maintaining the security of these systems.
3. Directors, executives, and employees must not use computers to spy on, modify, or access others' files, or create false evidence that could lead to information theft. Employees may use IT and communication devices for personal activities within reasonable limits, but not for personal business purposes that could disrupt the Company's operations, interfere with work efficiency, or cause annoyance to others.
4. Directors, executives, and employees must use Company-provided email and internet access prudently for business purposes and avoid any actions that could damage the Company's reputation. They must not use the Company's name or logo in public electronic media.
5. Directors, executives, and employees must not copy copyrighted software.
6. Directors, executives, and employees are responsible for ensuring that external parties only access necessary files and programs for work purposes and must strictly comply with IT and communication laws. If the Company finds that employees have violated these rules and investigations confirm the violation, disciplinary action and/or legal penalties will be imposed as appropriate.

## **Environmental management**

North East Rubber Public Company Limited recognizes and emphasizes environmental conservation and responsible use of natural resources, climate change management, and the development of a low-carbon business to reduce greenhouse gas emissions from the Company's activities from upstream to downstream. This includes promoting energy efficiency, increasing the proportion of renewable energy use, and fostering creative collaboration with partners, business alliances in the supply chain, and all stakeholder groups. Water resource management is balanced by utilizing the Aqueduct Water Risk Atlas tool, developed by the World Resources Institute (WRI), to analyze water stress and assess water scarcity

risks, along with closely monitoring local water situations. We promote efficient water use throughout the value chain by integrating the 3Rs principles: Reuse, Reduce, and Recycle, to mitigate the impact of water resource scarcity. We also focus on circular economy operations by maximizing resource efficiency, emphasizing waste management from production and consumption, reintegrating processed and consumed materials into new production, reusing, reducing unnecessary or single-use packaging, or using compostable packaging. We create added value from reusable or recyclable waste to achieve Zero Waste to Landfill. In terms of biodiversity, we are committed to protecting and restoring ecosystems and biodiversity in all our business operations to ensure sustainable inheritance for future generations. We also strengthen collaboration with partners and business alliances to protect and restore natural habitats, and raise awareness among employees, communities, and stakeholders through training on the valuable use of resources. We comply with environmental laws and regulations to protect community environments and reduce environmental impacts from our business operations across the entire value chain. Therefore, we are committed to implementing relevant environmental principles and encouraging partners, business alliances, and contractors to adopt these principles to create long-term value and sustainability with stakeholders. To ensure effective environmental management, we have established sub-policies under the environmental policy and practices:

- 1.Sustainable Water Resource Management Policy
- 2.Industrial Waste Management Policy
- 3.Climate Change and Energy Management Policy
- 4.Biodiversity Management Policy.

## **Human rights**

-The Company prioritizes respecting and complying with human rights laws, both at the national and international levels, as a minimum standard, and is committed to continuously improving its practices to align with standards that exceed legal requirements, to genuinely promote and support respect for human rights in all dimensions of its business operations.

-The Company emphasizes non-discrimination in all cases, regardless of origin, race, nationality, skin color, gender, sexual orientation, language, religion, ideological beliefs, political opinions, social status, property, disability, or any other status considered a human right.

-The Company treats its employees, customers, business partners, communities, and all stakeholders with respect for human dignity, striving to eliminate injustice, discrimination, intimidation, and all forms of rights violations, to achieve equality in all dimensions.

-The Company supports and promotes diversity, considering cultural differences, beliefs, and opinions, to foster good collaboration and peaceful coexistence in society.

## **Safety and occupational health at work**

### **Code of Conduct on Workplace Safety and Health**

1. Operate in accordance with all health and safety laws, standards, and regulations, as well as workplace environment standards, to help prevent or mitigate potential impacts.
2. Report any irregularities regarding machinery, equipment, or workplace locations that may affect health and safety to supervisors immediately upon discovery.
3. Ensure readiness for emergency situations by conducting drills and continuously updating emergency plans, to prevent or minimize loss of life and property of the Company, employees, partners, and other stakeholders.
4. Promote, support, and advise employees and stakeholders to work safely and reduce risks to ensure continuous operations.
5. Promote a safety culture, build knowledge, and foster positive attitudes towards safe work practices continuously.
6. Promote the establishment of effective safety, occupational health, and workplace environment management systems that meet standards.

## **Promotion of compliance with the business code of conduct**

Promotion for the board of directors, executives, and : Yes  
employees to comply with the business code of conduct

The Company has established a Code of Good Corporate Governance Practices to guide the Board of Directors, executives, and employees in complying with relevant laws, rules, regulations, and bylaws. All levels of management within the organization are responsible for ensuring that employees under their supervision are informed and strictly adhere to the Company's Code of Good Corporate Governance and Code of Business Ethics. (Details of the Company's Code of Good Corporate Governance and Code of Business Ethics can be found on the Company's website, [www.nerubber.com](http://www.nerubber.com)). Any member of the Board

of Directors, executive, or employee who violates the principles of good corporate governance and business ethics as specified will be subject to disciplinary action. If there is reasonable belief that a violation of government laws, rules, or regulations has occurred, the Company will refer the matter to government authorities for further action. If an employee observes any violation of the law, the principles of good corporate governance, and/or the Code of Business Ethics, they should report the complaint or allegation to the Chairman of the Audit Committee. The Company will conduct an investigation without disclosing the identity of the whistleblower to protect them from potential repercussions.

### Participation in anti-corruption networks

Participation or declaration of intent to join anti-corruption networks	: Yes
Anti-corruption networks or projects the company has joined or declared intent to join	: Thai Private Sector Collective Action Against Corruption (CAC) CAC membership certification status : Certified Certification document of CAC membership status : Our Members – Thai CAC _NER.pdf

### Diagram of participation in anti-corruption networks



### Information on material changes and developments in policy and corporate governance system over the past year

#### Material changes and developments related to the review of policy and guidelines in corporate governance system or board of directors' charter

In the past year, did the company review the corporate governance policy and guidelines, or board of directors' charter : Yes

Material changes and developments in policy and guidelines over the past year : Yes

In 2024, the Board of Directors reviewed and updated significant policies at its 8/2024 meeting, concerning good corporate governance, the Code of Good Corporate Governance Practices, related party transaction policies, conflict of interest prevention and disclosure policies, sustainability development policies, social policies and practices, and environmental policies and practices. This was done to enhance governance efficiency and raise the Company's corporate governance standards. These policies were then disseminated and enforced, with ongoing monitoring, reporting, and evaluation of compliance to ensure sustainable value creation for the Company. At its 3/2024 meeting on May 9, 2024, the Board of Directors resolved to appoint new sub-committees to replace the existing ones. The former Nomination and

Sustainability Development Committee was restructured into two new sub-committees: the "Nomination and Remuneration Committee" and the "Corporate Governance and Sustainable Development Committee." The charters for these two new sub-committees were also approved.

Additionally, the Company reviewed the charters of the Board of Directors and its sub-committees, including: 1) the Audit Committee, 2) the Nomination and Remuneration Committee, 3) the Risk Management Committee, 4) the Corporate Governance and Sustainable Development Committee, and 5) the Executive Committee. This was done to align with the Principles of Good Corporate Governance for Listed Companies 2017 (CG Code) and to enhance the Company's sustainable development performance across all dimensions according to international standards. This demonstrates the Company's continued commitment to sustainable development for all stakeholders, particularly in the governance of community, social, and environmental operations.

## **Implementation of the CG Code for listed companies**

Implementation of the CG Code as prescribed by the SEC : Fully implement

The Board of Directors conducts its business in accordance with its objectives and efficiently, using knowledge, expertise, diligence, integrity, and attentiveness to protect the Company's interests and comply with laws, objectives, and regulations. They participate in formulating core business policies and regularly review and approve the Company's vision, strategies, and goals annually. The Board of Directors makes independent decisions for the Company's and shareholders' best interests, exercising responsible duties with due care and thorough consideration before making decisions, based on honesty, transparency, and ethics. They also consider the interests of stakeholders. The Board of Directors has a crucial role in monitoring the implementation of the Company's strategies. The Board meetings include quarterly reports on operational and strategic performance to achieve established goals efficiently and for the best interests of the Company and its shareholders.

Additionally, the Company has segregated roles and responsibilities among the Board of Directors, Audit Committee, Risk Management Committee, Nomination and Remuneration Committee, Corporate Governance<sup>1</sup> and Sustainable Development Committee,<sup>2</sup> and Executive Committee, as defined in each committee's charter.

In 2024, at the 8/2024 Board of Directors meeting on November 7, 2024, the Company's vision, mission, and business goals for 2024 were reviewed (details are provided in the Annual Information Statement/Annual Report (Form 56-1 One Report), pages 16-17). The budget and approval limits for investments and expenditures were also set. The Board reviewed the Code of Good Corporate Governance, the Code of Business Ethics, and various significant policies such as anti-corruption, risk management, human rights, and sustainability development. The environmental policy was updated to become the Environmental Policy and Practices, incorporating comprehensive environmental goals and practices. The Company disseminated this information to its employees and executives through the intranet system and internal training. The Board of Directors closely supervises, monitors, and audits management's operations to ensure that all directors, executives, and employees adhere to the established policies, aiming to achieve the Company's objectives. The Company also discloses significant policy information on its website under the "Corporate Governance" and "Significant Policies" sections (<https://investor.nerubber.com/th/corporate-governance/policy/other-policies>).

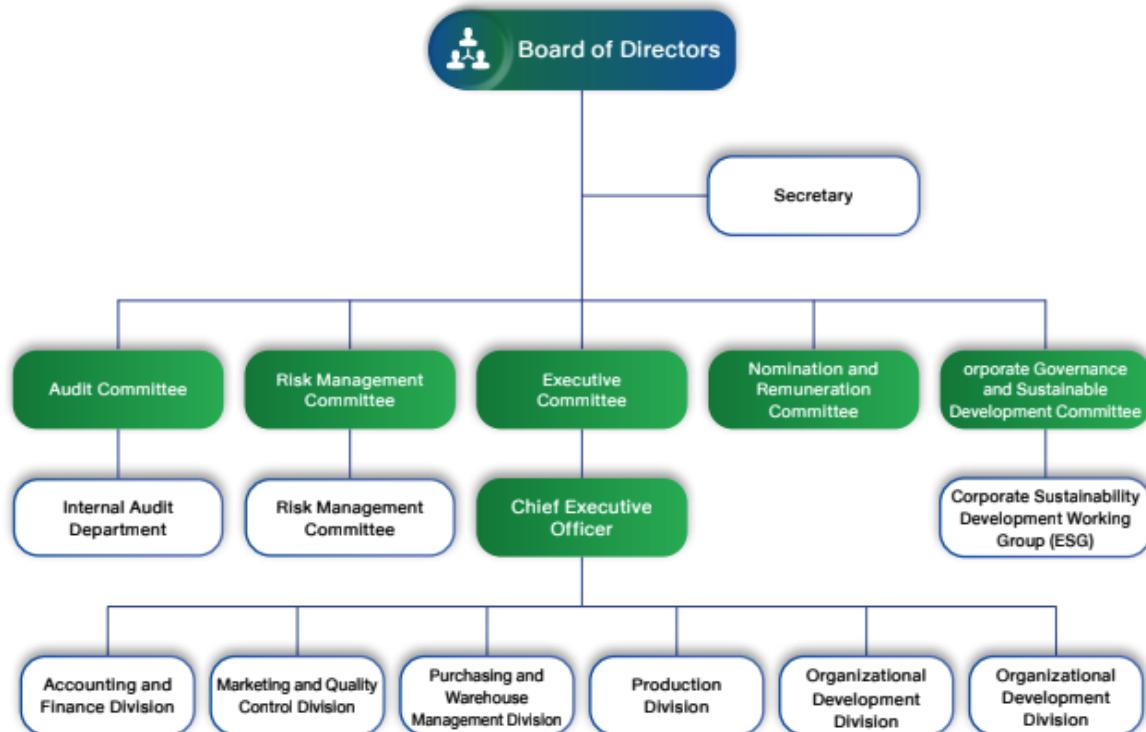
## Corporate Governance Structure

Information on corporate governance structure

Corporate governance structure

Corporate governance structure diagram

Corporate governance structure diagram



Information on the board of directors

Information on the board of directors

Composition of the board of directors

	2024	
	Male (persons)	Female (persons)
Total directors	7	
	5	2
Executive directors	3	
	2	1
Non-executive directors	4	
	3	1
Independent directors	4	
	3	1
Non-executive directors who have no position in independent directors	0	
	0	0

	2024	
	Male (%)	Female (%)
Total directors	100.00	
	71.43	28.57
Executive directors	42.86	
	28.57	14.29
Non-executive directors	57.14	
	42.86	14.29
Independent directors	57.14	
	42.86	14.29
Non-executive directors who have no position in independent directors	0.00	
	0.00	0.00

Additional explanation : *Displayed % (percentage) from proportion of total board of directors*

	2024	
	Male (years)	Female (years)
Average age of board of directors	60	
	62	56

### The information on each director and controlling person

#### List of the board of directors

List of directors	Position	First appointment date of director	Skills and expertise
<p>1. Mr. CHANTR CHARNCHAINARONG            Gender: Male            Age : 61 years            Highest level of education : Master's degree            Study field of the highest level of education : Engineering            Thai nationality : Yes            Residence in Thailand : Yes            Family relationship between directors and executives : Doesn't Have            Legal offenses in the past 5 years (*) : Doesn't Have            DAP course : No            DCP course : Yes</p> <p><b>Shareholding in the company</b></p> <ul style="list-style-type: none"> <li>• Direct shareholding : 0 Shares (0.000000 %)</li> </ul>	<p>Chairman of the board of directors            (Non-executive directors, Independent director)</p> <p>Authorized directors as per the company's certificate of registration : No</p> <p>Type of director : Continuing director (Full term of directorship and being re-appointed as a director)</p>	2 May 2018	Strategic Management, Governance/ Compliance, Engineering, Finance, Economics
<p>2. Mr. CHUWIT JUNGNASOMBOON            Gender: Male            Age : 56 years            Highest level of education : Bachelor's degree            Study field of the highest level of education : Political Science            Thai nationality : Yes            Residence in Thailand : Yes            Family relationship between directors and executives : Have            Legal offenses in the past 5 years (*) : Doesn't Have            DAP course : Yes            DCP course : No</p> <p><b>Shareholding in the company</b></p> <ul style="list-style-type: none"> <li>• Direct shareholding : 505,135,800 Shares (27.337299 %)</li> </ul>	<p>Director            (Executive directors)</p> <p>Authorized directors as per the company's certificate of registration : Yes</p> <p>Type of director : Existing director</p>	12 Jun 2006	Strategic Management, Marketing, Agribusiness, Business Administration, Risk Management

List of directors	Position	First appointment date of director	Skills and expertise
<p>3. Mr. SAKCHAI JONGSTAPONGPUN</p> <p>Gender: Male</p> <p>Age : 67 years</p> <p>Highest level of education : Master's degree</p> <p>Study field of the highest level of education : Business Administration</p> <p>Thai nationality : Yes</p> <p>Residence in Thailand : Yes</p> <p>Family relationship between directors and executives : Doesn't Have</p> <p>Legal offenses in the past 5 years (*) : Doesn't Have</p> <p>DAP course : Yes</p> <p>DCP course : No</p> <p><b>Shareholding in the company</b></p> <ul style="list-style-type: none"> <li>• Direct shareholding : 0 Shares (0.000000 %)</li> </ul>	<p>Director (Executive directors)</p> <p>Authorized directors as per the company's certificate of registration : Yes</p> <p>Type of director : Continuing director (Full term of directorship and being re-appointed as a director)</p>	18 Aug 2014	Budgeting, Finance, Accounting, Data Analysis, Economics
<p>4. Mr. TEPAKUL POONLARP</p> <p>Gender: Male</p> <p>Age : 54 years</p> <p>Highest level of education : Bachelor's degree</p> <p>Study field of the highest level of education : Engineering</p> <p>Thai nationality : Yes</p> <p>Residence in Thailand : Yes</p> <p>Family relationship between directors and executives : Doesn't Have</p> <p>Legal offenses in the past 5 years (*) : Doesn't Have</p> <p>DAP course : Yes</p> <p>DCP course : Yes</p> <p><b>Shareholding in the company</b></p> <ul style="list-style-type: none"> <li>• Direct shareholding : 960,000 Shares (0.051954 %)</li> </ul>	<p>Director (Non-executive directors, Independent director)</p> <p>Authorized directors as per the company's certificate of registration : No</p> <p>Type of director : Existing director</p>	21 Feb 2018	Risk Management, Data Analysis, Engineering, Agribusiness, Governance/Compliance

List of directors	Position	First appointment date of director	Skills and expertise
<p>5. Mrs. CHANATIP WEERASUBPONG</p> <p>Gender: Female</p> <p>Age : 69 years</p> <p>Highest level of education : Master's degree</p> <p>Study field of the highest level of education : Accounting</p> <p>Thai nationality : Yes</p> <p>Residence in Thailand : Yes</p> <p>Family relationship between directors and executives : Doesn't Have</p> <p>Legal offenses in the past 5 years (*) :</p> <p>Doesn't Have</p> <p>DAP course : No</p> <p>DCP course : Yes</p> <p><b>Shareholding in the company</b></p> <ul style="list-style-type: none"> <li>• Direct shareholding : 500,000 Shares (0.027059 %)</li> </ul>	<p>Director (Non-executive directors, Independent director)</p> <p>Authorized directors as per the company's certificate of registration : No</p> <p>Type of director : Existing director</p>	21 Feb 2018	Risk Management, Audit, Sustainability, Governance/Compliance, Accounting
<p>6. Mr. RONACHIT JINADIT</p> <p>Gender: Male</p> <p>Age : 74 years</p> <p>Highest level of education : Master's degree</p> <p>Study field of the highest level of education : Business Administration</p> <p>Thai nationality : Yes</p> <p>Residence in Thailand : Yes</p> <p>Family relationship between directors and executives : Doesn't Have</p> <p>Legal offenses in the past 5 years (*) :</p> <p>Doesn't Have</p> <p>DAP course : Yes</p> <p>DCP course : Yes</p> <p><b>Shareholding in the company</b></p> <ul style="list-style-type: none"> <li>• Direct shareholding : 0 Shares (0.000000 %)</li> </ul>	<p>Director (Non-executive directors, Independent director)</p> <p>Authorized directors as per the company's certificate of registration : No</p> <p>Type of director : Existing director</p>	21 Feb 2018	Accounting, Finance, Economics, Data Analysis, Budgeting

List of directors	Position	First appointment date of director	Skills and expertise
<p>7. Ms. PY ATTPISARN            Gender: Female            Age : 44 years            Highest level of education : Master's degree            Study field of the highest level of education : Engineering            Thai nationality : Yes            Residence in Thailand : Yes            Family relationship between directors and executives : Doesn't Have            Legal offenses in the past 5 years (*) : Doesn't Have            DAP course : Yes            DCP course : No</p> <p><b>Shareholding in the company</b></p> <ul style="list-style-type: none"> <li>• Direct shareholding : 0 Shares (0.000000 %)</li> </ul>	<p>Director            (Executive directors)</p> <p>Authorized directors as per the company's certificate of registration : Yes</p> <p>Type of director : Existing director</p>	2 May 2018	Data Analysis, Sustainability, Governance/ Compliance, Engineering, Information & Communication Technology

Additional explanation:

(\*) Any offense under the *Securities and Exchange Act B.E. 2535 (1992)* or the *Derivatives Act B.E. 2546 (2003)*, only in the following cases:

(1) Dishonest act or gross negligence

(2) Disclosure or dissemination of false information or statements that may be misleading or conceal material facts that should be notified, which may affect decision making of shareholders, investors or other parties involved

(3) Unfair acts or exploitation of investors in trading securities or derivatives, or participation in, or support to, such acts.

(\*\*) Shareholdings by persons related to directors or executives as prescribed in Section 59 of the *Securities and Exchange Act B.E. 2535 (1992)*, such as spouses or cohabiting couple (unmarried couples living together openly), minor children, etc.

### Diagram of list of the board of directors



**MR. CHANITR  
CHARNCHAINARONG**

CHAIRMAN OF THE BOARD OF  
DIRECTORS /  
CHAIRMAN OF THE CORPORATE  
GOVERNANCE AND SUSTAINABILITY  
DEVELOPMENT COMMITTEE /  
AUDIT COMMITTEE /  
INDEPENDENT DIRECTOR

**MR. RONACHIT  
JINADIT**

BOARD DIRECTOR /  
CHAIRMAN OF THE AUDIT COMMITTEE /  
NOMINATION AND REMUNERATION  
COMMITTEE /  
CORPORATE GOVERNANCE AND  
SUSTAINABILITY DEVELOPMENT  
COMMITTEE /  
INDEPENDENT DIRECTOR

**MR. TEPAKUL  
POONLARP**

BOARD DIRECTOR /  
CHAIRMAN OF THE RISK  
MANAGEMENT COMMITTEE /  
INDEPENDENT DIRECTOR



**MRS. CHANATIP  
WEERASUBPONG**

BOARD DIRECTOR /  
CHAIRMAN OF THE NOMINATION  
AND REMUNERATION  
COMMITTEE /  
AUDIT COMMITTEE /  
RISK MANAGEMENT  
COMMITTEE /  
CORPORATE GOVERNANCE  
AND SUSTAINABILITY  
DEVELOPMENT COMMITTEE /  
INDEPENDENT DIRECTOR

**MR. CHUWIT  
JUNGTANASOMBOON**

BOARD DIRECTOR /  
CHAIRMAN OF THE EXECUTIVE  
COMMITTEE /  
RISK MANAGEMENT COMMITTEE /  
NOMINATION AND REMUNERA-  
TION COMMITTEE /  
CORPORATE GOVERNANCE AND  
SUSTAINABILITY DEVELOPMENT  
COMMITTEE /  
CHIEF EXECUTIVE OFFICER (CEO)

**MR. SAKCHAI  
JONGSTAPONGPUN**

BOARD DIRECTOR /  
RISK MANAGEMENT  
COMMITTEE /  
EXECUTIVE COMMITTEE

**MISS PY  
ATTPISARN**

BOARD DIRECTOR /  
EXECUTIVE COMMITTEE

#### List of the board of directors by position

List of the board of directors	Position	Executive directors	Non-executive directors	Independent directors	Non-executive directors who have no position in independent directors	Authorized directors as per the company's certificate of registration
1. Mr. CHANITR CHARNCHAINARONG	Chairman of the board of directors		✓	✓		
2. Mr. CHUWIT JUNGTANASOMBOON	Director	✓				✓
3. Mr. SAKCHAI JONGSTAPONGPUN	Director	✓				✓
4. Mr. TEPAKUL POONLARP	Director		✓	✓		
5. Mrs. CHANATIP WEERASUBPONG	Director		✓	✓		
6. Mr. RONACHIT JINADIT	Director		✓	✓		
7. Ms. PY ATTPIISARN	Director	✓				✓
Total (persons)		3	4	4	0	3

#### Overview of director skills and expertise

Skills and expertise	Number (persons)	Percent (%)
1. Economics	3	42.86
2. Agribusiness	2	28.57
3. Information & Communication Technology	1	14.29
4. Marketing	1	14.29
5. Accounting	3	42.86
6. Finance	3	42.86
7. Sustainability	2	28.57
8. Data Analysis	4	57.14
9. Engineering	3	42.86
10. Strategic Management	2	28.57
11. Risk Management	3	42.86
12. Audit	1	14.29
13. Budgeting	2	28.57
14. Governance/ Compliance	4	57.14
15. Business Administration	1	14.29

#### Information about the other directors <sup>(\*)(\*\*)</sup>

	2024
The chairman of the board and the highest-ranking executive are from the same person	No
The chairman of the board is an independent director	Yes
The chairman of the board and the highest-ranking executive are from the same family	No
Chairman is a member of the executive board or taskforce	No
The company appoints at least one independent director to determine the agenda of the board of directors' meeting	Yes

Additional explanation : (\*) Composition of the Board of Directors is calculated from the Board of Directors data in the year 2022 onwards

(\*\*) If a remark is specified, the remark from the most recent year will be displayed

## The measures for balancing the power between the board of directors and the Management

The measures for balancing the power between the board of directors and the Management : Have

Methods of balancing power between the board of directors and Management : Increasing the proportion of independent directors to more than half, Appointing an independent director to jointly consider the agenda of the board of directors' meeting

The Company has a total of 7 Board members, consisting of 4 non-executive directors, accounting for 57.14%, and 3 executive directors, accounting for 43.86%. Additionally, the Company separates the roles and responsibilities between the Board of Directors, the Audit Committee, the Risk Management Committee, the Nomination and Remuneration Committee, and the Corporate Governance and Sustainable Development Committee, as specified in each committee's charter. The Chairman of the Board and the Chairpersons of the sub-committees, who are responsible for setting meeting agendas for all committees, are independent directors.

## Information on the roles and duties of the board of directors

Board charter : Have

The Board of Directors Charter of North East Rubber Public Company Limited outlines key aspects of the company's corporate governance in accordance with relevant laws and regulations. The main contents are as follows:

- Roles and duties of the Board of Directors in defining vision, key objectives, strategies, and business policies, overseeing governance, risk management, and information disclosure.
- Composition and selection of the Board of Directors, defining director qualifications, recruitment, election, and removal from office.
- Scope of authority, duties, and responsibilities of the Chairman of the Board, in leading the Board, controlling meetings, and promoting a positive relationship between the Board and management.
- Meetings of the Board of Directors, defining meeting rules, agendas, quorum, and voting.
- Information disclosure and director compensation, ensuring complete, accurate, and timely information disclosure, and defining appropriate director compensation

## Information on subcommittees

### Information on subcommittees

### Information on roles of subcommittees

### Roles of subcommittees

## Board of Directors

### Role

- Corporate governance

### Scope of authorities, role, and duties

The Board of Directors plays a crucial role in leading the organization to create sustainable value for the enterprise.

The scope of authority and responsibilities includes:

Defining Direction and Policy: Defining the vision, key objectives, strategies, and operational policies of the company for sustainability.

Overseeing and Monitoring Performance: Supervising, controlling, monitoring, and evaluating the company's performance to align with the defined vision, objectives, and policies.

Responsibility to Shareholders: Operating in a manner that protects the interests of shareholders and disclosing essential information to investors accurately, completely, transparently, and promptly.

Managing the Board and Subcommittees: Establishing charters for the Board of Directors and subcommittees, as well as reviewing, revising, and approving these charters.

Setting Approval Authority: Defining the authority and levels of approval for transactions and actions related to the company's operations.

Considering Budgets and Plans: Reviewing budgets, objectives, plans, and operational policies.

Building an Effective Board: Defining and reviewing the Board's structure, recruiting and electing directors, setting director compensation, and evaluating Board performance.

Developing Personnel: Reviewing management structure, executive development plans, and succession plans. Overseeing appropriate compensation structures and performance evaluations, and managing personnel to ensure appropriate staffing levels, knowledge, skills, experience, and motivation.

Promoting Innovation and Responsibility: Monitoring the implementation of the company's strategies and operational plans, promoting value-added innovation, and ensuring ethical business operations.

Managing Risk and Internal Control: Establishing risk management policies, setting up audit and risk management committees, implementing internal control assessment processes, and managing conflicts of interest.

Ensuring Legal Compliance and Corporate Governance: Establishing and enforcing corporate governance policies and promoting communication of these policies throughout the company.

Reviewing Significant Transactions: Reviewing, approving, and/or providing opinions on transactions that significantly impact the company.

Overseeing Subsidiaries and Affiliates: Supervising investments and operations of subsidiaries and affiliates.

Handling Complaints: Overseeing the processes and channels for receiving and managing complaints from whistleblowers and stakeholders effectively.

Maintaining Financial Reliability and Disclosing Information: Approving the appointment of auditors and audit fees, overseeing accounting systems, financial reporting, and audits. Monitoring financial liquidity and solvency. Preparing sustainability reports and ensuring appropriate disclosure of information to shareholders and stakeholders.

Supporting Shareholder Engagement and Communication: Ensuring shareholder participation in key company decisions, managing shareholder meetings effectively, and ensuring accurate and complete disclosure of meeting resolutions and minutes.

In essence, the Board of Directors is responsible for setting the strategic direction, overseeing management, ensuring compliance, managing risk, and acting in the best interests of the company and its stakeholders.

**Reference link for the charter**

**Audit Committee**

**Role**

- Audit of financial statements and internal controls

**Scope of authorities, role, and duties**

The audit committee is responsible for:

Reviewing financial reports to ensure accuracy, reliability, and adequate disclosure, coordinating with external auditors and management.

Reviewing internal control and audit systems for effectiveness and recommending improvements.

Reviewing compliance with securities laws, stock exchange regulations, company policies, and other relevant laws.

Considering the disclosure of related party transactions, asset acquisitions/disposals, and potential conflicts of interest to ensure fairness and benefit to the company.

Reviewing the company's risk management, work processes, control, supervision, and IT systems for effectiveness and alignment with international standards.

Overseeing policies for handling fraud complaints, reviewing audit results, and establishing preventive measures.

Selecting, appointing, terminating, and determining compensation for independent auditors, and evaluating their performance.

Reviewing the company's internal audit plan and approving the appointment, transfer, or termination of the head of internal audit.

Assessing the independence of the internal audit function.

Reviewing internal audit operations and coordinating with external auditors, including meetings to discuss audit findings and challenges.

Reporting regularly to the Board of Directors on the audit committee's activities, including an annual report.

Preparing an annual report of the audit committee, signed by the chairman, with opinions on various matters as required by the stock exchange.

Evaluating the performance of the audit committee and its members annually and reviewing the audit committee's charter.

Performing other duties as required by law or assigned by the Board of Directors.

To fulfill these duties, the audit committee has the authority to request information and documents from management and employees, and to hire external advisors as needed.

**Reference link for the charter**

## Executive Committee

### Role

- Others
  - Supervising the management's operation

### Scope of authorities, role, and duties

Summary of the Executive Committee's Scope of Authority

#### 1. Corporate Governance and Ethical Conduct:

- The Executive Committee must operate in accordance with laws, regulations, and shareholder resolutions.
- It is responsible for its decisions and actions, demonstrating integrity, diligence, and ethical behavior.
- It prioritizes equitable treatment of shareholders and fairness to all stakeholders.

#### 2. Strategic Direction and Planning:

- The committee defines the company's vision, mission, strategy, and objectives for sustainable growth.
- It develops business plans that align with long-term value creation for the company.
- It regularly reviews and updates strategic plans to adapt to changing circumstances.

#### 3. Management Oversight and Internal Controls:

- The committee oversees management's performance to ensure alignment with established plans and goals.
- It consistently monitors and evaluates management's operational effectiveness.
- It establishes appropriate authority levels for different positions.
- It implements segregation of duties to prevent conflicts of interest and fraud.
- It sets guidelines for transactions with major shareholders, directors, executives, and related parties.

#### 4. Financial Management and Budgeting:

- The committee reviews and approves the annual budget, investment plans, and expenditure.
- It manages the company's finances to maximize efficiency.
- It reviews profit and loss statements and recommends dividend payments.

#### 5. Major Business Decisions:

- The committee considers and decides on significant matters such as new business ventures, business closures, investments in subsidiaries or joint ventures, and mergers and acquisitions.
- It provides recommendations on matters requiring approval from the Board of Directors.

#### 6. Reporting and Communication:

- The committee prepares and submits accurate and essential information to the Board of Directors, shareholders, and regulatory bodies.
- It ensures the reliability, transparency, and compliance of financial reporting.
- It communicates and provides necessary information to management, employees, and relevant parties.

#### 7. Continuous Organizational Development:

- The committee promotes innovation and technological advancement to enhance competitiveness.
- It supports research and development of new products for sustainable growth.
- It conducts performance evaluations to drive continuous improvement and organizational development.

### Reference link for the charter

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## Risk management committee

### Role

- Risk management

### Scope of authorities, role, and duties

#### 1. Policy Formulation and Risk Management Oversight:

-Review and consider policies, strategies, risk management frameworks, preventive plans, risk management guidelines or measures, and risk management oversight of the Risk Management Working Group.

-Ensure the review of risks and the enterprise-wide risk management process (Enterprise Risk Management Framework).

-Ensure that operational, IT, and data security controls and supervision are effective and comply with international standards.

-Present risk management policies and frameworks to the Board of Directors for approval.

#### 2. Risk Management Monitoring:

-Monitor risk management outcomes, key risk issues and data, risk trends, and overall risk.

-Assess the effectiveness of risk management and evaluate risk management results to ensure efficient and effective risk management.

-Identify unforeseen risks or crises and mitigate financial, reputational, and organizational losses and impacts appropriately and promptly.

-Consider acceptable risk levels (Risk Appetite), practical feasibility with appropriate costs, compliance with established guidelines and good corporate governance principles, and checks and balances.

#### 3. Continuous Policy and Framework Oversight:

-Oversee the development and ongoing implementation of risk management policies and frameworks to maintain an effective enterprise-wide risk management system and ensure continuous compliance.

#### 4. Coordination and Internal Audit:

-Coordinate with the Audit Committee on critical risk issues.

-Ensure that the Internal Audit Unit reviews the adequacy of the company's internal control system for risk management and the appropriate implementation and compliance with the risk management system across the organization.

#### 5. Personnel Appointment:

-Consider the appointment of additional or replacement personnel in the Risk Management Working Group and/or risk-related working groups as appropriate.

-Define roles and responsibilities to facilitate the achievement of objectives.

#### 6. Advisory Role:

-Provide advice and consultation to the Risk Management Working Group and/or the Executive Committee and/or risk-related working groups.

-Consider appropriate approaches for developing the risk management system.

#### 7. Risk Management Communication and Awareness:

-Promote and support the communication of the importance of risk management.

-Facilitate knowledge transfer and experience sharing in risk management within the organization regularly.

-Set an example in risk management to create understanding and instill a sense of risk ownership among employees.

-Foster collaborative risk management within assigned responsibilities, especially during significant events or changes within the organization.

-Prompt risk based subjects to be put on main company meeting agendas.

#### 8. Charter Review:

-Review, revise, and update the Risk Management Committee's charter at least annually and submit it to the Board of Directors for approval.

#### 9. Risk Management Report and Policy Review:

-Review risk management reports and policies at least annually to ensure that the organization's policies and risk management framework are adequate and appropriate for the company's overall business operations.

#### 10. Reporting to the Board and Audit Committee:

-Report the performance of the Risk Management Committee to the Board of Directors and the Audit Committee, including any other necessary and appropriate matters.

#### 11. Other Risk Management Duties:

-Perform any other risk management activities assigned by the Board of Directors.

The executives and/or the Risk Management Working Group and/or relevant units and/or working groups must report or present relevant information and documents to the Risk Management Committee to fulfill the assigned objectives and duties.

**Reference link for the charter**

**Nomination and Remuneration Committee**

**Role**

- Director and executive nomination
- Remuneration

**Scope of authorities, role, and duties**

1. Board Composition and Qualifications:

Consider the structure, size, composition of the Board of Directors, and qualifications of individuals for board positions to ensure they are appropriate for the organization's size, type, nature of business, and business complexity.

2. Nomination and Selection Process:

Determine criteria and processes for the nomination, selection, and recommendation of suitable individuals for positions as Board of Directors, sub-committee members, Chief Executive Officer, Assistant Chief Executive Officer, Deputy Chief Executive Officer when terms expire or vacancies occur, or other executives as assigned by the Board of Directors, in a principled and transparent manner, to be presented to the Board of Directors and/or the shareholders' meeting for appointment.

3. CEO Performance Evaluation Criteria:

Establish criteria for evaluating the performance of the Chief Executive Officer and submit them to the Board of Directors for consideration.

4. CEO Performance Evaluation:

Evaluate the performance of the Chief Executive Officer by reviewing performance annually or more frequently, to be used in considering and improving performance in various aspects, and promote further training in relevant areas of expertise, as appropriate, and present it to the Board of Directors for consideration.

5. Compensation Criteria:

Set criteria for determining compensation, salary adjustments, and other benefits for directors and sub-committee members, in line with the company's performance, and submit them to the shareholders' meeting for approval.

6. Charter Review:

Review and amend the charter of the Nomination and Compensation Committee and submit it to the Board of Directors for approval.

7. Other Assigned Duties:

Perform any other duties as assigned by the Board of Directors

**Reference link for the charter**

## Corporate Governance and Sustainable Development Committee

### Role

- Sustainability development
- Climate-related risks and opportunities governance

### Scope of authorities, role, and duties

#### 1. Duties and Responsibilities for Good Corporate Governance

- 1.1. Consider setting objectives, targets, strategies, and management frameworks, as well as providing policies and operational guidelines, to align with the company's objectives and strategies, including laws, rules, regulations, and best practices both domestically and internationally, with annual reviews.
- 1.2. Recommend best practices, provide advice, and consult on good corporate governance, operational risk management, internal control, compliance with laws and organizational regulations, including anti-corruption measures, based on good corporate governance principles, to the Board of Directors and Management for policy and guideline formulation, aligning with relevant laws, rules, regulations, standards, and best practices both domestically and internationally.
- 1.3. Define policies, frameworks for oversight, support, and monitoring of good corporate governance, operational risk management, internal control, compliance with laws and organizational regulations, and anti-corruption, including complaint handling, whistleblowing on corruption, and non-compliance with laws and organizational regulations, and report to the Board.

#### 2. Duties and Responsibilities for Sustainable Development

- 2.1. Consider defining strategic policies and reviewing and updating the company's sustainability goals, covering environmental, social, economic, and governance (ESG) dimensions, based on local and international sustainability principles and standards as appropriate, to achieve the vision, core objectives, and business strategies, considering the company's long-term growth and sustainability factors, including opportunities and risks related to the company's business operations, and present them to the Board of Directors.
- 2.2. Monitor and oversee the Management and Sustainability Working Group's implementation of sustainability policies for organizational sustainability, including conducting meetings to track progress, seek information, provide direction and recommendations to Management, incorporate these issues into annual strategy and planning, set appropriate performance indicators that reflect business strategy implementation for sustainability, and establish a monitoring timeframe for improving operational guidelines and future planning.
- 2.3. Consider reviewing and revising sustainability practices appropriately and regularly and submit them to the Board of Directors to achieve organizational goals in the short, medium, and long term, considering resources across the business value chain, technology, innovation, adaptation to change, and key drivers of strategy, to promote and support the creation of organizational values and culture in operations and ethics, and respond comprehensively to stakeholder expectations, appropriately for business operations, and in alignment with international practices and the Stock Exchange of Thailand.
- 2.4. Support and promote knowledge and skills development for the Board of Directors and sub-committees, through various formats, focusing on the organization's sustainability operations.
- 2.5. Report progress and performance to the Board of Directors regularly.
- 2.6. Review and amend the charter of the Good Corporate Governance and Sustainable Development Committee annually, and if there are significant revisions, submit them to the Board of Directors for approval.
- 2.7. Oversee the disclosure of good corporate governance and sustainability information through the annual report and/or prepare a report of the Good Corporate Governance and Sustainable Development Committee in the company's annual report.

### Reference link for the charter

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## Nomination and Sustainability Development Committee

### Role

- Others
  - Nomination, Remuneration, and Sustainability

### Scope of authorities, role, and duties

#### Nomination Aspects

1. Consider and determine the structure, size, composition of the Board of Directors, and qualifications of individuals to serve as directors, in alignment with the organization's size, type, nature of business operations, and business complexity.
2. Establish criteria and processes for the nomination, selection, and recommendation of suitable individuals to serve as directors, subcommittee members, Chief Executive Officer, and Deputy Chief Executive Officer, upon term expiration, vacancy, or other executive positions as assigned by the Board of Directors, in a principled and transparent manner, for presentation to the Board of Directors meeting and/or the Shareholders' meeting for consideration and appointment.
3. The Nomination and Sustainability Committee shall consider and appoint individuals with knowledge, capabilities, and suitability to serve as company secretary.
4. Establish criteria for evaluating the performance of the Chief Executive Officer and Deputy Chief Executive Officers and present them to the Board of Directors for consideration.
5. Evaluate the performance of the Chief Executive Officer and Deputy Chief Executive Officers of various divisions, reviewing operational results annually or more frequently, to be used in considering and improving performance in various areas, while promoting further training and knowledge enhancement in relevant fields, and presenting it to the Board of Directors for further consideration.
6. Establish criteria for determining compensation, salary adjustments, and other remuneration for directors and subcommittee members, in accordance with the company's performance, and present them to the Shareholders' meeting for approval.
7. Review and amend the charter of the Nomination and Remuneration Committee and present it to the Board of Directors.
8. Perform any other tasks as assigned by the Board of Directors.

#### Sustainability Aspects

Comprising the consideration of sustainability dimensions in three aspects: Environmental, Social, and Governance (ESG):

1. Establish, review, and update the organization's sustainability policies, as well as related policies and practices, to align with business changes and relevant laws, in accordance with international standards.
2. Define, review, and adjust the organization's sustainability strategy, including providing relevant recommendations to the Board of Directors.
3. Promote and drive collaboration in the organization's sustainability development.
4. Monitor and oversee the implementation of work plans and evaluate the performance and progress of the organization's sustainability development operations.
5. Report the company's performance regularly.
6. Review and amend the organization's Sustainability Committee charter and present it to the Board of Directors for approval.
7. Perform any other tasks as assigned by the Board of Directors.

Remark: At the third meeting of the Board of Directors for the year 2024 on May 9, 2024, a resolution was passed to appoint a new subcommittee to replace the previous subcommittee from the original Nomination and Sustainability Development Committee. Two new subcommittees were established: the "Nomination and Remuneration Committee" and the "Corporate Governance and Sustainable Development Committee," and the charters for both new subcommittees were approved, effective May 10, 2024, onwards.

### Reference link for the charter

-

## Information on each subcommittee

### List of audit committee

List of directors	Position	Appointment date of audit committee member	Skills and expertise
1. Mr. RONACHIT JINADIT Gender: Male Age : 74 years Highest level of education : Master's degree Study field of the highest level of education : Business Administration Thai nationality : Yes Residence in Thailand : Yes Expertise in accounting information review : No	Chairman of the audit committee (Non-executive directors, Independent director) Director type : Existing director	21 Feb 2018	Accounting, Finance, Economics, Data Analysis, Budgeting
2. Mrs. CHANATIP WEERASUBPONG <sup>(*)</sup> Gender: Female Age : 69 years Highest level of education : Master's degree Study field of the highest level of education : Accounting Thai nationality : Yes Residence in Thailand : Yes Expertise in accounting information review : Yes	Member of the audit committee (Non-executive directors, Independent director) Director type : Existing director	21 Feb 2018	Risk Management, Audit, Sustainability, Governance/Compliance, Accounting
3. Mr. CHANITR CHARNCHAINARONG Gender: Male Age : 61 years Highest level of education : Master's degree Study field of the highest level of education : Engineering Thai nationality : Yes Residence in Thailand : Yes Expertise in accounting information review : No	Member of the audit committee (Non-executive directors, Independent director) Director type : Continuing director (Full term of directorship and being re-appointed as a director)	15 Mar 2023	Strategic Management, Governance/ Compliance, Engineering, Finance, Economics

Additional explanation :

(\*) Directors with expertise in accounting information review

#### List of executive committee members<sup>(1)</sup>

List of committee members	Position	Appointment date of executive committee member
1. Mr. CHUWIT JUNGNASOMBOON Gender: Male Age : 56 years Highest level of education : Bachelor's degree Study field of the highest level of education : Political Science Thai nationality : Yes Residence in Thailand : Yes	The chairman of the executive committee	25 May 2018
2. Mrs. PHANIDA JUNGNASOMBOON Gender: Female Age : 59 years Highest level of education : Below a bachelor's degree Study field of the highest level of education : Management Thai nationality : Yes Residence in Thailand : Yes	Member of the executive committee	25 May 2018
3. Mr. SAKCHAI JONGSTAPONGPUN Gender: Male Age : 67 years Highest level of education : Master's degree Study field of the highest level of education : Business Administration Thai nationality : Yes Residence in Thailand : Yes	Member of the executive committee	25 May 2018
4. Ms. KESNAREE JONGCHOTSIRIKUL Gender: Female Age : 48 years Highest level of education : Master's degree Study field of the highest level of education : Agro-Industry Thai nationality : Yes Residence in Thailand : Yes	Member of the executive committee	25 May 2018
5. Ms. PY ATTPIISARN Gender: Female Age : 44 years Highest level of education : Master's degree Study field of the highest level of education : Engineering Thai nationality : Yes Residence in Thailand : Yes	Member of the executive committee	25 May 2018

List of committee members	Position	Appointment date of executive committee member
6. Mrs. JARUNEE JONGWATTANASAK Gender: Female Age : 45 years Highest level of education : Bachelor's degree Study field of the highest level of education : Business Administration Thai nationality : Yes Residence in Thailand : Yes	Member of the executive committee	21 Jan 2025
7. Ms. SUHAILEE YITORSOR Gender: Female Age : 45 years Highest level of education : Master's degree Study field of the highest level of education : Business Administration Thai nationality : Yes Residence in Thailand : Yes	Member of the executive committee	22 Jun 2023

Remark: <sup>(1)</sup> Mrs.Jarunee Jongwatthanasak has been appointed as the acting chair of the executive committee, replacing Mr. Parinya Leenatham, who resigned on January 21, 2025.

## Other Subcommittees

Subcommittee name	Name list	Position
Risk management committee	Mr. TEPAKUL POONLARP	The chairman of the subcommittee (Independent director)
	Mrs. CHANATIP WEERASUBPONG	Member of the subcommittee (Independent director)
	Mr. CHUWIT JUNGNASOMBOON	Member of the subcommittee
	Mr. SAKCHAI JONGSTAPONGPUN	Member of the subcommittee
	Mr. NATTHAPON INPRAKON	Member of the subcommittee
Nomination and Remuneration Committee	Mrs. CHANATIP WEERASUBPONG	The chairman of the subcommittee (Independent director)
	Mr. RONACHIT JINADIT	Member of the subcommittee (Independent director)
	Mr. CHUWIT JUNGNASOMBOON	Member of the subcommittee
Corporate Governance and Sustainable Development Committee	Mr. CHANITR CHARNCHAINARONG	The chairman of the subcommittee (Independent director)
	Mr. RONACHIT JINADIT	Member of the subcommittee (Independent director)
	Mrs. CHANATIP WEERASUBPONG	Member of the subcommittee (Independent director)
	Mr. CHUWIT JUNGNASOMBOON	Member of the subcommittee

Subcommittee name	Name list	Position
Nomination and Sustainability Development Committee	Mrs. CHANATIP WEERASUBPONG	The chairman of the subcommittee (Independent director)
	Mr. RONACHIT JINADIT	Member of the subcommittee (Independent director)
	Mr. CHUWIT JUNGTANASOMBOON	Member of the subcommittee

**Information on the executives**

**Information on the executives**

**List and positions of the executive**

**List of the highest-ranking executive and the next four executives**

List of executives	Position	First appointment date	Skills and expertise
<p>1. Mr. CHUWIT JUNGNASOMBOON            Gender: Male            Age : 56 years            Highest level of education : Bachelor's degree            Study field of the highest level of education : Political Science            Thai nationality : Yes            Residing in Thailand : Yes            Highest responsibility in corporate accounting and finance : No            Accounting supervisor : No</p>	<p>CHAIRMAN OF EXECUTIVE COMMITTEE            (The highest-ranking executive)</p>	<p>12 Jun 2006</p>	<p>Strategic Management, Marketing, Agribusiness, Business Administration, Risk Management</p>
<p>2. Ms. KESNAREE JONGCHOTSIRIKUL            Gender: Female            Age : 48 years            Highest level of education : Master's degree            Study field of the highest level of education : Agro-Industry            Thai nationality : Yes            Residing in Thailand : Yes            Highest responsibility in corporate accounting and finance : No            Accounting supervisor : No</p>	<p>Deputy Chief Executive Officer- Marketing , Quality Control ,and Sustai</p>	<p>1 Jan 2007</p>	<p>Agribusiness, Marketing, Corporate Social Responsibility, Sustainability, Data Analysis</p>
<p>3. Mrs. PHANIDA JUNGNASOMBOON            Gender: Female            Age : 59 years            Highest level of education : Below a bachelor's degree            Study field of the highest level of education : Management            Thai nationality : Yes            Residing in Thailand : Yes            Highest responsibility in corporate accounting and finance : No            Accounting supervisor : No</p>	<p>Deputy Chief Executive Officer- Supply Chain</p>	<p>1 Dec 2007</p>	<p>Agribusiness, Human Resource Management, Procurement, Data Management</p>
<p>4. Mr. SAKCHAI JONGSTAPONGPUN<sup>(*)</sup>            Gender: Male            Age : 67 years            Highest level of education : Master's degree            Study field of the highest level of education : Business Administration            Thai nationality : Yes            Residing in Thailand : Yes            Highest responsibility in corporate accounting and finance : Yes            Accounting supervisor : No</p>	<p>Deputy Chief Executive Officer - Accounting and Financial</p>	<p>10 Feb 2014</p>	<p>Budgeting, Finance, Accounting, Data Analysis, Economics</p>

List of executives	Position	First appointment date	Skills and expertise
5. Ms. PY ATTPISARN Gender: Female Age : 44 years Highest level of education : Master's degree Study field of the highest level of education : Engineering Thai nationality : Yes Residing in Thailand : Yes Highest responsibility in corporate accounting and finance : No Accounting supervisor : No	Deputy Chief Executive Officer-Business Development	2 Feb 2015	Data Analysis, Sustainability, Governance/Compliance, Engineering, Information & Communication Technology
6. Mrs. JARUNEE JONGWATTANASAK <sup>(***)</sup> Gender: Female Age : 45 years Highest level of education : Bachelor's degree Study field of the highest level of education : Business Administration Thai nationality : Yes Residing in Thailand : Yes Highest responsibility in corporate accounting and finance : No Accounting supervisor : No	Acting Deputy Chief Executive Officer of General Administration	21 Jan 2025	Corporate Social Responsibility, Human Resource Management, Sustainability, Negotiation, Business Administration
7. Ms. SUHAILEE YITORSOR Gender: Female Age : 45 years Highest level of education : Master's degree Study field of the highest level of education : Business Administration Thai nationality : Yes Residing in Thailand : Yes Highest responsibility in corporate accounting and finance : No Accounting supervisor : No	Deputy Chief Executive Officer of Production	22 Jun 2023	Business Administration, Agribusiness, Leadership, Risk Management, Data Analysis

Additional Explanation :

(\*) Highest responsibility in corporate accounting and finance

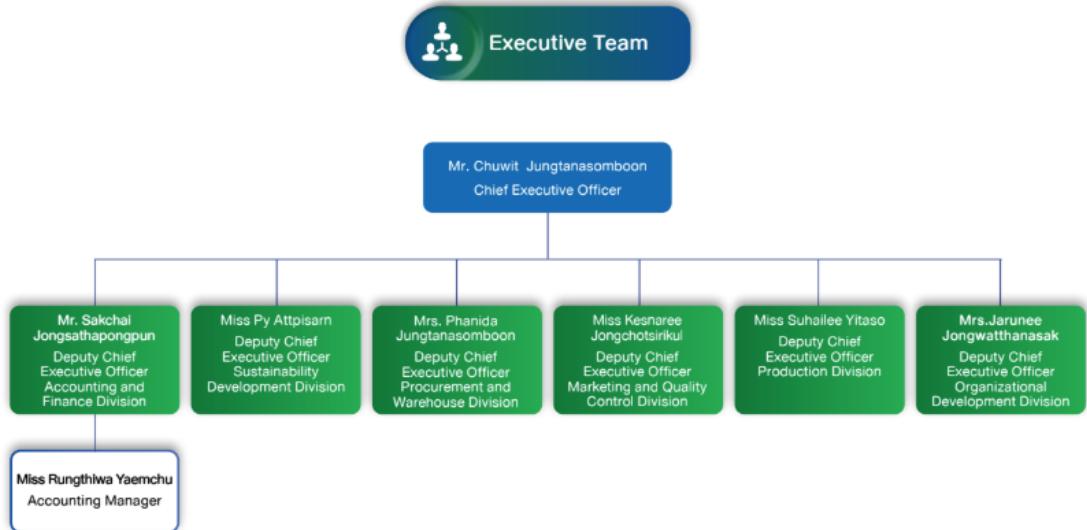
(\*\*) Accounting supervisor

(\*\*\*) Appointed after the fiscal year end of the reporting year

### Organization structure diagram of the highest-ranking executive and the next four executives

Organization structure of the highest-ranking executive and the : 31 Jan 2025  
 next four executives as of date

### Organization structure diagram of the highest-ranking executive and the next four executives from the top executive



## Remuneration policy for executive directors and executives

The Board of Directors has established the compensation policy for the Chief Executive Officer and executives to ensure appropriateness under clear and transparent criteria. The Nomination and Sustainability Committee will consider and review both short-term and long-term compensation for submission to the Board of Directors for approval. This involves setting Corporate KPIs based on the Balanced Scorecard principles, considering performance aligned with the company's short-term and long-term goals, business strategies, and the company's performance in driving sustainable growth across all dimensions. These dimensions include economic aspects such as revenue, profit, customer satisfaction, and personnel development; social and environmental aspects such as community and social engagement, the adoption of alternative energy in factories, and the reduction of greenhouse gas emissions; and the enhancement of competitiveness and long-term sustainable business operations. This is all aimed at achieving sustainable success under transparent criteria and the scope of responsibilities of the positions, reflecting the associated risks, as well as competitiveness. In addition, the Board of Directors, specifically the independent directors, conducts an annual performance evaluation of the Chief Executive Officer and executives, referencing evaluation criteria based on Corporate KPIs. The evaluation data is then collected, analyzed, and presented to the Nomination and Sustainability Committee for consideration in adjusting appropriate compensation. In 2024, the non-executive directors evaluated the performance of the Chief Executive Officer, and the evaluation results showed that the performance of the Chief Executive Officer and executives met the goals and aligned with the policies set by the Board of Directors.

Reference link for remuneration policy for executive directors and executives : <https://ner.listedcompany.com/misc/ar/ner-ar2024-en.pdf>

Page number of the reference link : 238(7.4.2)

Does the board of directors or the remuneration committee

have an opinion on the remuneration policy for executive directors and executives

## Remuneration of executive directors and executives

### Monetary remuneration of executive directors and executives

	2022	2023	2024
<b>Total remuneration of executive directors and executives (baht)</b>	17,180,256.00	20,944,623.98	25,777,426.82
Total remuneration of executive directors (baht)	0.00	0.00	0.00
Total remuneration of executives (baht)	17,180,256.00	20,944,623.98	25,777,426.82

## Other remunerations of executive directors and executives

	2022	2023	2024
Company's contribution to provident fund for executive directors and executives (Baht)	456,215.00	506,604.00	685,419.00
Employee Stock Ownership Plan (ESOP)	No	No	No
Employee Joint Investment Program (EJIP)	No	No	No

## Outstanding remuneration or benefits of executive directors and executives

Outstanding remuneration or benefits of executive directors : 0.00  
and executives in the past year

## Other significant information

### Other significant information

#### Assigned person

##### List of persons assigned for accounting oversight

General information	Email	Telephone number
1. Ms. RUNGTIWA YAMCHOO	rungtiwa@nerubber.com	065-698-2556

##### List of the company secretary

General information	Email	Telephone number
1. Ms. NONGYAO SEEKIEW	nongyao.se@nerubber.com	082-264-5189

##### List of the head of internal audit or outsourced internal auditor

General information	Email	Telephone number
1. Mr. PAISARN PUCHAREONCHAI	prosperity395@gmail.com	-

#### Head of investor relations

Does the Company have an appointed head of investor : Have  
relations

##### List of the head of investor relations

General information	Email	Telephone number
1. Ms. Aussara Numnuansri	investor@nerubber.com	065-992-2388

#### Company's auditor

##### Details of the company's auditor

Audit firms	Audit fee (Baht)	Other service fees	Names and general information of auditors
M.R. & ASSOCIATES COMPANY LIMITED SUITE # 706, CHAOPHYA TOWER 89, SOI WAT SUAN PLU, NEW ROAD BANG RAK BANG RAK Bangkok 10500 Telephone number +66 2630 7500	2,500,000.00	-	1. Mr. AKADET PLIENSAKUL Email: akadet@mraassociates.co.th License number: 5389

#### Assigned personnel in case of a foreign company

Does the company have any individual assigned to be : No  
representatives in Thailand

# Performance Report on Corporate Governance

## Information about the summary of duty performance of the board of directors over the past

### Summary of duty performance of the board of directors over the past year

The Company emphasizes developing the business for sustainable growth for all stakeholders to enhance competitiveness and create long-term value for the Company, and supports the implementation of the Company's strategies in all departments, reporting progress to the Board of Directors. It also focuses on driving an ethical corporate culture and conducting business in accordance with good governance and corporate governance principles. The structure and duties of the Board of Directors and various sub-committees have been defined through the review of each committee's charter to ensure greater suitability. In 2024, the Board of Directors' Meeting No. 3/2024, held on May 9, 2024, resolved to appoint new sub-committees to replace the previous ones. The former Nomination and Sustainability Committee was replaced by two new committees: the "Nomination and Compensation Committee" and the "Good Corporate Governance and Sustainable Development Committee." This elevates the role of good corporate governance and sustainable development, with clear and comprehensive roles and responsibilities defined in the charter.

From the 2024 evaluations, the Company has received various awards for transparent disclosure of its operational information, including:

The Corporate Governance Report (CGR) assessment at the "Excellent" or 5-star level for the fourth consecutive year.

Meeting the sustainability assessment criteria and being selected for the SET ESG Ratings 2024 list in the Agriculture and Food Industry (at the "A" level) from the Stock Exchange of Thailand.

Receiving a full score of 100 points (5 "Excellent" ratings) in the Annual General Meeting (AGM Checklist) assessment from the Thai Investors Association.

The CSR-DIW Award 2024 in the CSR-DIW Continuous Award category under the CSR-DIW to achieve SDGs project for 2024.

Certification as a member of the Thai Private Sector Collective Action Coalition Against Corruption (CAC Certification).

## Selection, development and evaluation of duty performance of the board of directors

### Information about the selection of the board of directors

#### List of directors whose terms have ended and have been reappointed

List of directors	Position	First appointment date of director	Skills and expertise
Mr. CHANTR CHARNCHEINARONG	Chairman of the board of directors	2 May 2018	Strategic Management, Governance/Compliance, Engineering, Finance, Economics
Mr. SAKCHAI JONGSTAPONGPUN	Director	18 Aug 2014	Budgeting, Finance, Accounting, Data Analysis, Economics

### Selection of independent directors

#### Criteria for selecting independent directors

##### (1) Qualifications of Independent Directors

The company has defined the term "independent director" in accordance with the principles of good corporate governance and the practices of the Securities and Exchange Commission. Therefore, the term "independent director" refers to a director who is independent from management and controlling shareholders, and who has no business relationships with the company that would limit their ability to express independent opinions. An independent director must meet the following qualifications:

1. Owns no more than one percent (1%) of the total voting shares of the company, major shareholders, or controlling

persons of the company. This includes shares held by related parties of that independent director.

2. Is not or has not been a director involved in management, an employee, a salaried consultant, or a controlling person of the company, major shareholders, or controlling persons of the company, unless they have ceased to hold such positions for at least 2 years prior to the date of application for approval to the Securities and Exchange Commission. This prohibition does not include cases where the independent director has previously been a government official or advisor of a government agency that is a major shareholder or controlling person of the company.
3. Is not a person who has a blood relationship or legal registration as a father, mother, spouse, sibling, or child, including the spouse of a child, of executives, major shareholders, controlling persons, or individuals proposed to be executives or controlling persons of the company.
4. There is no or has never been a business relationship with the company, major shareholders, or controlling persons of the company in a manner that may hinder the independent exercise of judgment, and has not been or is not a significant shareholder or controlling person of those who have a business relationship with the company, major shareholders, or controlling persons of the company, unless such status has been terminated for at least 2 years prior to the date of application for permission to the Office of the Securities and Exchange Commission.

<sup>1/</sup> A business relationship includes transactions conducted in the ordinary course of business, leasing or renting real estate, transactions related to assets or services, or providing or receiving financial assistance through loans, guarantees, or providing assets as collateral for debts, including similar circumstances that result in the company or contracting party having a debt obligation to the other party of at least 3% of the company's net tangible assets or at least 20 million baht, whichever amount is lower. The calculation of such debt obligations shall be in accordance with the method for calculating the value of related transactions as prescribed by the Capital Market Supervisory Board regarding the criteria for related party transactions. However, in considering such debt obligations, any debts incurred within one year prior to the business relationship with the same individual shall be included.

5. Has not been or is not currently an auditor of the company, major shareholders, or controlling persons of the company, and is not a significant shareholder, controlling person, or partner of an auditing firm that has auditors of the company, major shareholders, or controlling persons of the company affiliated with it, unless such status has been terminated for at least 2 years prior to the date of application for permission to the Office of the Securities and Exchange Commission.
6. Not being or having ever been a provider of any professional services, including legal or financial consulting services, that received fees exceeding 2 million baht per year from the company, major shareholders, or controlling persons of the company, and not being a significant shareholder, controlling person, or partner of such professional service providers, unless at least 2 years have passed since ceasing to have such characteristics prior to the date of submitting the application for permission to the Office of the Securities and Exchange Commission.
7. Not being a director appointed to represent the directors of the company, major shareholders, or shareholders who are related to major shareholders.
8. Not engaging in business that is of the same nature and is materially competitive with the business of the company, nor being a significant partner in a partnership or a director involved in management, employee, staff, or consultant receiving a regular salary or holding more than 1% of the total voting shares of another company that engages in business of the same nature and is materially competitive with the business of the company.
9. Not having any other characteristics that would prevent the ability to provide an independent opinion regarding the operations of the company.

## **(2) Recruitment and Appointment of Directors and Senior Executives**

The selection of individuals to be appointed as directors or executives of the company must be individuals who meet the qualifications as specified in Section 68 of the Public Limited Companies Act B.E. 2535. The company places importance on the diversity of the board structure (Board Diversity) that is not limited by gender, race, or religion, and has established knowledge, skills, and experience requirements, as well as a Board Skills Matrix to define the desired qualifications of directors to be recruited. This will consider the necessary skills that are still lacking, as well as define appropriate qualifications that align with the composition and structure of the board, with the following components and criteria for recruitment.

1. The company shall have a board of directors to manage the company's affairs, consisting of at least five (5) members, with no less than half of the total number of directors residing in the Kingdom. The directors of the company must meet the qualifications as prescribed by law, and the directors may or may not be shareholders of the company.
2. The shareholders' meeting shall appoint the board of directors according to the following criteria and procedures:
  - 2.1 Each shareholder shall have one (1) vote for each one (1) share held.
  - 2.2 Each shareholder may use all of their votes as per the total number of shares held under clause 2.1 to elect one or more individuals as directors. In the case of electing multiple individuals as directors, votes cannot be divided among

them.

2.3 Individuals receiving the highest votes in descending order shall be elected as directors up to the number of directors to be appointed or elected at that time. In the event that individuals receiving the next highest votes have equal votes exceeding the number of directors to be appointed or elected at that time, the chairman of the meeting shall cast the deciding vote.

3. At each annual general meeting of shareholders, one-third (1/3) of the current directors shall retire from their positions. If the number of directors cannot be evenly divided into three parts, the closest number to one-third (1/3) shall retire. Directors who retire from their positions may be re-elected. The directors to retire in the first and second years after the company's registration shall be determined by drawing lots, while in subsequent years, the director who has served the longest shall retire.

4. Any director wishing to resign from their position must submit a resignation letter to the company, and the resignation shall take effect from the date the letter is received by the company.

5. The shareholders' meeting may vote to remove any director from their position before their term is due, with a vote of no less than three-quarters (3/4) of the shareholders present and entitled to vote, holding not less than half of the total shares held by the shareholders present and entitled to vote.

6. In the event that a director's position becomes vacant for reasons other than the expiration of their term, the board shall select a qualified individual who does not have any disqualifying characteristics under the Public Limited Companies Act or the Securities and Exchange Act to fill the vacancy at the next board meeting, unless the remaining term of that director is less than two (2) months. The individual appointed to replace the director shall serve only for the remaining term of the director they are replacing, and the resolution of the board as stated in the first paragraph must be supported by at least three-quarters (3/4) of the remaining directors.

### **Business or professional relationships of independent directors over the past year**

Business or professional relationships of independent directors : No  
over the past year

### **Selection of directors and the highest-ranking executive**

#### **Method for selecting directors and the highest-ranking executive**

Method for selecting persons to be appointed as directors : Yes  
through the nomination committee  
Method for selecting persons to be appointed as the highest- : Yes  
ranking executive through the nomination committee

### **Number of directors from major shareholders**

Number of directors from each group of major shareholders : 0  
over the past year (persons)

### **Rights of minority shareholders on director appointment**

The company recognizes the importance of the fundamental rights of all shareholders, including institutional shareholders. It adheres to principles of fair treatment and compliance with the law. Shareholders have the right to freely buy, sell, and transfer shares, the right to receive dividends, the right to participate in shareholder meetings, the right to propose agenda items in advance, the right to nominate individuals for election as directors, the right to express opinions and ask questions constructively during meetings, and the right to participate in decision-making on important matters of the company through voting on various agendas, such as the appointment of the board of directors and the appointment and determination of the auditor's fees, etc.

The company has provided an opportunity for shareholders to propose agenda items and names of individuals in advance for appointment as directors and to submit questions in advance from October 5, 2023, to January 5, 2024. Upon the expiration of this period, it was found that no shareholders had proposed any agenda items, names of individuals, or submitted questions in advance of the meeting.

#### **(1) Voting Rights in Meeting Agenda**

In the shareholders' meeting, the company granted voting rights and clearly informed shareholders prior to the commencement of the agenda that each shareholder attending the meeting would have voting rights equivalent to the number of shares they hold, counting one share for one vote. Shareholders could cast their votes as "in favor," "against," or

"abstain" according to their rights. The company also communicated the voting procedures to shareholders before the meeting and prior to voting on each agenda item to ensure that attending shareholders were informed. For transparency, the company allowed no less than 1 minute for voting on each agenda item. In the agenda for the election of directors, the company disclosed sufficient and complete information about the directors standing for election. During the voting for the election of directors, the company provided separate ballots and distinct voting methods for individual votes, allowing shareholders to exercise their voting rights individually. To ensure transparency in the vote counting process, the company arranged for an independent legal advisor to observe the counting of votes and announced the results of the vote counting for each agenda item to shareholders in a clear and open manner, specifying the voting results of shareholders categorized as in favor, against, abstained, and invalid ballots comprehensively.

Method of director appointment : Method by which shareholders can divide their votes among candidates in accordance with the Public Limited Companies Act (Cumulative voting), Method whereby each director requires approval votes more than half of the votes of attending shareholders and casting votes

## Information on the development of directors

### Development of directors over the past year

#### Details of the development of directors over the past year

List of directors	Participation in training in the past financial year	History of training participation
1. Mr. CHANITR CHARNCHAINARONG (Chairman of the board of directors)	Participating	Other <ul style="list-style-type: none"> <li>• 2024: The Role of Directors, Executives, and Employees in Combating Corruption</li> </ul>
2. Mr. CHUWIT JUNGTANASOMBOON (Director)	Participating	Other <ul style="list-style-type: none"> <li>• 2024: CEO Learning Through Experience Course Class 5</li> <li>• 2024: High-Level Executive Relief Course (DTP-BS) Class 1</li> <li>• 2024: National Security Management Course (NSMC) Class 17</li> <li>• 2024: The Role of Directors, Executives, and Employees in againsting Corruption</li> <li>• 2024: When AI Dominates the World, How Will Humanity Survive?</li> <li>• 2023: Defense College Course Kingdom Academic Institutions National Defense (National Defense Department) Class 65</li> </ul>
3. Mr. SAKCHAI JONGSTAPONGPUN (Director)	Participating	Thai Institute of Directors (IOD) <ul style="list-style-type: none"> <li>• 2024: ESG in the Boardroom: A Practical Guide for Board (ESG)</li> </ul> Other <ul style="list-style-type: none"> <li>• 2024: Insight in Set Class 1/2024</li> <li>• 2024: Phillar 2 Global Anti-Base Erosion Model Rules(Global Minimum Tax)</li> <li>• 2024: The Role of Executives and Employees in againsting Corruption</li> <li>• 2024: When AI Dominates the World, How Will Humanity Survive?</li> <li>• 2024: Yuanta Thailand's Investment Insights</li> <li>• 2023: Company valuation techniques to suit the business In the present era</li> <li>• 2023: Learn techniques for valuing companies. to suit the business In the present era (2nd generation)</li> <li>• 2023: Roles and duties of directors and executives of listed companies</li> <li>• 2023: TFRS Financial Reporting Standards 2023 and interesting accounting issues for listed companies</li> </ul>
4. Mr. TEPAKUL POONLARP (Director)	Participating	Thai Institute of Directors (IOD) <ul style="list-style-type: none"> <li>• 2024: ESG in the Boardroom: A Practical Guide for Board (ESG)</li> </ul> Other <ul style="list-style-type: none"> <li>• 2024: ESG in the Boardroom</li> <li>• 2024: The Role of Directors, Executives, and Employees in againsting Corruption</li> <li>• 2023: Capital Market Academy Programs</li> </ul>
5. Mrs. CHANATIP WEERASUBPONG (Director)	Participating	Thai Institute of Directors (IOD) <ul style="list-style-type: none"> <li>• 2025: Risk Management Program for Corporate Leaders (RCL)</li> <li>• 2024: ESG in the Boardroom: A Practical Guide for Board (ESG)</li> <li>• 2024: Ethical Leadership Program (ELP)</li> </ul> Other <ul style="list-style-type: none"> <li>• 2024: Phillar 2 Global Anti-Base Erosion Model Rules(Global Minimum Tax)</li> <li>• 2024: The Role of Directors, Executives, and Employees in againsting Corruption</li> </ul>

List of directors	Participation in training in the past financial year	History of training participation
6. Mr. RONACHIT JINADIT (Director)	Participating	Thai Institute of Directors (IOD) <ul style="list-style-type: none"> <li>• 2025: Risk Management Program for Corporate Leaders (RCL)</li> <li>• 2024: Ethical Leadership Program (ELP)</li> </ul> Other <ul style="list-style-type: none"> <li>• 2024: ESG in the Boardroom</li> <li>• 2024: Philliar 2 Global Anti-Baile Erosion Model Rules(Global Minimum Tax)</li> <li>• 2024: The Role of Directors, Executives, and Employees in againsting Corruption</li> </ul>
7. Ms. PY ATTPI SARN (Director)	Participating	Other <ul style="list-style-type: none"> <li>• 2024: Climate Action</li> <li>• 2024: Digital Jumpstart Course, Class 1</li> <li>• 2024: E-learning ESG DNA: ESG101, E-learning ESG DNA: P01</li> <li>• 2024: ESG Risk Management</li> <li>• 2024: GRI Standards 2021 Reporting Standards</li> <li>• 2024: Readiness and Survival of the Thai Industry under EUDR</li> <li>• 2024: SET Sustainability Forum 2/2024: Scaling up Synergies and Solutions for Net-Zero</li> <li>• 2024: Strategic Supply Chain</li> <li>• 2024: The Role of Directors, Executives, and Employees in againsting Corruption.</li> <li>• 2024: When AI Dominates the World, How Will Humanity Survive?</li> </ul>

## Information on the evaluation of duty performance of directors

### Criteria for evaluating the duty performance of the board of directors

The Board of Directors conducts a self-assessment of its performance at least once a year to review its operations, achievements, as well as problems and obstacles encountered in the past year. This serves as a guideline for improving and enhancing the efficiency of collaboration among directors. The company has developed a self-assessment form based on the evaluation framework provided by the Securities and Exchange Commission (SEC). The assessment is divided into evaluations of the performance of the Board of Directors both collectively and individually, as well as evaluations of subcommittees, including the Audit Committee, Risk Management Committee, and Nomination and Sustainability Development Committee. The Chief Executive Officer is also evaluated regularly to reflect the true processes and perspectives from the entire board, which can be used for collaborative review to plan operations that are more aligned and appropriate.

The assessment form consists of three main sets as follows:

#### 1. Self-Assessment Form for the Board of Directors by Committee (31 items)

##### Assessment Topics:

- Structure and Qualifications of the Board: Evaluate the appropriateness of the number of directors, the diversity of knowledge and experience, and the suitability of independent directors.
- Board Meetings: Evaluate the management of meetings, such as advance notice of schedules, the appropriateness of the frequency and duration of meetings, preparation of documents in advance, and the atmosphere during meetings.
- Roles, Duties, and Responsibilities of the Board: Evaluate corporate governance, financial statement preparation, risk management, and monitoring of management's performance.
- Relationship between the Board and Management: Evaluate non-interference in management's duties and the self-development of directors.

#### 2. Self-Assessment Form for Subcommittees by Committee (36 items)

##### Assessment Topics:

- Structure and Qualifications of Subcommittees: Evaluate the appropriateness of the number of directors, knowledge and experience, and the suitability of independent directors.
- Subcommittee Meetings: Evaluate the management of meetings, such as advance notice of schedules, the appropriateness of the frequency and duration of meetings, preparation of documents in advance, and the atmosphere during meetings.

- Role, duties, and responsibilities of the subcommittee: Evaluate corporate governance, financial statement preparation, risk management, and monitoring the management's performance.

### 3. Self-assessment form for the board of directors/subcommittee, individual (11 items)

Assessment topics:

- Structure and qualifications of the board: Evaluate the qualifications, knowledge, and experience of the directors.
- Board meetings: Evaluate the preparation before meetings, contributions during meetings, and abstention from attending meetings in cases of conflicts of interest.
- Role, duties, and responsibilities of the committee: Evaluate the performance of duties according to the law, the dedication of time in carrying out responsibilities, and the oversight of the management's work.

## Evaluation of the duty performance of the board of directors over the past year

### Evaluation results of the board as a whole

Board of Directors	98.96%
Audit Committee	98.75%
Risk Management Committee	99.65%
Nomination and Remuneration Committee	98.68%
Corporate Governance and Sustainable Development Committee	97.92%

### Self-assessment results

Board of Directors	99.68%
Audit Committee	99.24%
Risk Management Committee	100.00%
Nomination and Remuneration Committee	100.00%
Corporate Governance and Sustainable Development Committee	99.43%

## Performance evaluation criteria for the executives

Performance evaluation criteria for the executives : Yes

The Nomination Committee determines the remuneration and governance and evaluates the performance of the Chief Executive Officer, while the Chief Executive Officer evaluates the performance of the company's senior executives. This information is compiled, analyzed, and reported to the board of directors for consideration in determining appropriate remuneration for the Chief Executive Officer and senior executives, based on performance results compared to targets set in the Balanced Scorecard, considering both financial and non-financial performance as follows.

- Business performance such as the increase in revenue/sales of the company.
- Performance results according to the policies and/or strategies assigned by the Board of Directors, considering comparisons against each target, which have established criteria for evaluation as a percentage of success according to the goals, such as sustainable growth strategies, sustainability operational strategies, promoting increased income for communities or farmers without harming the environment, etc.
- Customer-related aspects comparing against the established targets, such as customer satisfaction.
- Organizational development comparing against targets for the development and improvement of the organization, such as employee skill training/customer satisfaction.

The evaluation results of the Chief Executive Officer and senior executives's performance will be considered carefully, clearly, and transparently, taking into account the appropriateness and alignment with the scope of responsibilities of the directors and comparing references from companies in the same business and industry type at a similar level, including considerations of the company's business expansion and profit growth.

## Information on meeting attendance and remuneration payment to each board member

### Meeting attendance and remuneration payment to each board member

#### Meeting attendance of the board of directors

## Meeting attendance of the board of directors

Number of the board of directors meeting over the past year : 9  
(times)

Date of AGM meeting : 10 Apr 2024  
EGM meeting : No

## Details of the board of directors' meeting attendance

List of directors	Meeting attendance of the board of directors		AGM meeting attendance		EGM meeting attendance				
	Attendance (times)	/	Meeting rights (times)	Attendance (times)	/	Meeting rights (times)	Attendance (times)	/	Meeting rights (times)
1. Mr. CHANITR CHARNCHAINARONG (Chairman of the board of directors, Independent director)	9	/	9	1	/	1	N/A	/	N/A
2. Mr. CHUWIT JUNGTANASOMBOON (Director)	9	/	9	1	/	1	N/A	/	N/A
3. Mr. SAKCHAI JONGSTAPONGPUN (Director)	9	/	9	1	/	1	N/A	/	N/A
4. Mr. TEPAKUL POONLARP (Director, Independent director)	9	/	9	1	/	1	N/A	/	N/A
5. Mrs. CHANATIP WEERASUBPONG (Director, Independent director)	9	/	9	1	/	1	N/A	/	N/A
6. Mr. RONACHIT JINADIT (Director, Independent director)	9	/	9	1	/	1	N/A	/	N/A
7. Ms. PY ATTIPISARN (Director)	9	/	9	1	/	1	N/A	/	N/A

## Remuneration of the board of directors

### Types of remuneration of the board of directors

The Nomination and Sustainability Committee has established a compensation policy for the Board of Directors and subcommittees, taking into account the practices of listed companies in the same industry, principles of good corporate governance, business expansion, business size, performance, company growth, and the responsibilities of the Board in the past year. Economic growth data is also used in the consideration. The compensation for directors is subject to approval by the company's Annual General Meeting of Shareholders.

#### (1) Monetary Compensation

The Annual General Meeting of Shareholders for the year 2024, held on April 10, 2024, approved the monthly compensation and meeting allowances for the Chairman of the Board, Board of Directors, and meeting allowances for the Chairman and members of the subcommittees. The total compensation for directors was set at a maximum of 7,000,000 baht per year, which

is the same rate as in 2023, until the Board of Directors proposes and obtains approval from the shareholders' meeting for any changes. Directors assigned with additional duties and responsibilities will receive higher compensation commensurate with their increased workload. Board members involved in management have waived their meeting allowances.

#### **Composition of Monetary Compensation**

##### **1. Board of Directors Compensation**

Monthly Compensation:

Chairman of the Board: 60,000 baht/month

Board of Directors: 40,000 baht/person/month

##### **2. Meeting Allowances**

Board of Directors:

Chairman of the Board: 50,000 baht/meeting

Board of Directors: 45,000 baht/person/meeting

Audit Committee:

Chairman of the Audit Committee: 40,000 baht/meeting

Audit Committee Members: 35,000 baht/person/meeting

Risk Management Committee:

Chairman of the Risk Management Committee: 40,000 baht/meeting

Risk Management Committee Members: 35,000 baht/person/meeting

Nomination and Remuneration Committee:

Chairman of the Nomination and Remuneration Committee: 40,000 baht/meeting

Nomination and Remuneration Committee Members: 35,000 baht/person/meeting

Corporate Governance and Sustainable Development Committee:

Chairman of the Corporate Governance and Sustainable Development Committee: 40,000 baht/meeting

Corporate Governance and Sustainable Development Committee Members: 35,000 baht/person/meeting

#### **Non-Monetary Compensation**

Other Director Benefits: Group health insurance

Other benefits: None

### **Remuneration of the board of directors**

#### **Details of the remuneration of each director over the past year**

Names of directors / Board of directors	Company				Total monetary remuneration from subsidiaries (Baht)
	Meeting allowance	Other monetary remuneration	Total (Baht)	Non-monetary remuneration	
1. Mr. CHANITR CHARNCHAINARONG (Chairman of the board of directors)			1,605,000.00		0.00
Board of Directors	450,000.00	720,000.00	1,170,000.00	Yes	
Audit Committee	315,000.00	0.00	315,000.00	No	
Corporate Governance and Sustainable Development Committee	120,000.00	0.00	120,000.00	No	
2. Mr. CHUWIT JUNGTANASOMBOON (Director)			0.00		0.00

Names of directors / Board of directors	Company				Total monetary remuneration from subsidiaries (Baht)
	Meeting allowance	Other monetary remuneration	Total (Baht)	Non-monetary remuneration	
Board of Directors	0.00	0.00	0.00	Yes	
Executive Committee	0.00	0.00	0.00	No	
Risk management committee	0.00	0.00	0.00	No	
Nomination and Remuneration Committee	0.00	0.00	0.00	No	
Nomination and Sustainability Development Committee	0.00	0.00	0.00	No	
Corporate Governance and Sustainable Development Committee	0.00	0.00	0.00	No	
<b>3. Mr. SAKCHAI JONGSTAPONGPUN (Director)</b>			<b>0.00</b>		<b>0.00</b>
Board of Directors	0.00	0.00	0.00	Yes	
Executive Committee	0.00	0.00	0.00	No	
Risk management committee	0.00	0.00	0.00	No	
<b>4. Mr. TEPAKUL POONLARP (Director)</b>			<b>1,325,000.00</b>		<b>0.00</b>
Board of Directors	405,000.00	480,000.00	885,000.00	Yes	
Risk management committee	440,000.00	0.00	440,000.00	No	
<b>5. Mrs. CHANATIP WEERASUBPONG (Director)</b>			<b>2,010,000.00</b>		<b>0.00</b>
Board of Directors	405,000.00	480,000.00	885,000.00	Yes	
Audit Committee	315,000.00	0.00	315,000.00	No	
Nomination and Remuneration Committee	160,000.00	0.00	160,000.00	No	

Names of directors / Board of directors	Company				Total monetary remuneration from subsidiaries (Baht)
	Meeting allowance	Other monetary remuneration	Total (Baht)	Non-monetary remuneration	
Nomination and Sustainability Development Committee	160,000.00	0.00	160,000.00	No	
Risk management comittee	385,000.00	0.00	385,000.00	No	
Corporate Governance and Sustainable Development Committee	105,000.00	0.00	105,000.00	No	
<b>6. Mr. RONACHIT JINADIT (Director)</b>			<b>1,630,000.00</b>		<b>0.00</b>
Board of Directors	405,000.00	480,000.00	885,000.00	Yes	
Audit Committee	360,000.00	0.00	360,000.00	No	
Nomination and Remuneration Committee	140,000.00	0.00	140,000.00	No	
Corporate Governance and Sustainable Development Committee	105,000.00	0.00	105,000.00	No	
Nomination and Sustainability Development Committee	140,000.00	0.00	140,000.00	No	
<b>7. Ms. PY ATTPISARN (Director)</b>			<b>0.00</b>		<b>0.00</b>
Board of Directors	0.00	0.00	0.00	Yes	
Executive Committee	0.00	0.00	0.00	No	
<b>8. Mrs. PHANIDA JUNGTANASOMBOON (Member of the executive committee)</b>			<b>0.00</b>		<b>0.00</b>
Executive Committee	0.00	0.00	0.00	No	
<b>9. Ms. KESNAREE JONGCHOTSIRIKUL (Member of the executive committee)</b>			<b>0.00</b>		<b>0.00</b>

Names of directors / Board of directors	Company				Total monetary remuneration from subsidiaries (Baht)
	Meeting allowance	Other monetary remuneration	Total (Baht)	Non-monetary remuneration	
Executive Committee	0.00	0.00	0.00	No	
10. Mrs. JARUNEE JONGWATTANASAK (Member of the executive committee)			0.00		0.00
Executive Committee	0.00	0.00	0.00	No	
11. Ms. SUHAILEE YITORSOR (Member of the executive committee)			0.00		0.00
Executive Committee	0.00	0.00	0.00	No	
12. Mr. NATTHAPON INPRAKON (Member of the subcommittee)			0.00		0.00
Risk management committee	0.00	0.00	0.00	No	

#### Summary of the remuneration of each committee over the past year

Names of board members	Meeting allowance	Other monetary remuneration	Total (Baht)
1. Board of Directors	1,665,000.00	2,160,000.00	3,825,000.00
2. Audit Committee	990,000.00	0.00	990,000.00
3. Executive Committee	0.00	0.00	0.00
4. Risk management committee	825,000.00	0.00	825,000.00
5. Nomination and Remuneration Committee	300,000.00	0.00	300,000.00
6. Corporate Governance and Sustainable Development Committee	330,000.00	0.00	330,000.00
7. Nomination and Sustainability Development Committee	300,000.00	0.00	300,000.00

#### Summary of the remuneration of the board of directors

	2024
Meeting allowance (Baht)	4,410,000.00
Other monetary remuneration (Baht)	2,160,000.00
Total (Baht)	6,570,000.00

### Remunerations or benefits pending payment to the board of directors

Remunerations or benefits pending payment to the board of : 0.00  
 directors over the past year  
 (Baht)

### Information on corporate governance of subsidiaries and associated companies

#### Corporate governance of subsidiaries and associated companies

#### Mechanism for overseeing subsidiaries and associated companies

Does the Company have subsidiaries and associated companies	Yes
Mechanism for overseeing subsidiaries and associated companies	Yes
Mechanism for overseeing management and taking responsibility for operations in subsidiaries and associated companies approved by the board of directors	The appointment of representatives as directors, executives, or controlling persons in proportion to shareholding, The determination of the scope of duties and responsibilities of directors and executives as company representatives in establishing important policies, Disclosure of financial condition and operating results, Transactions between the company and related parties, Other significant transactions, Acquisition or disposal of assets, Internal control system of the subsidiary operating the core business is appropriate and sufficient in the subsidiary operating the core business

To ensure that subsidiaries and associated companies operate efficiently and in alignment with the company's core policies, as well as comply with relevant laws and regulations, the following main governance guidelines are established:

##### 1. Governance by the Board of Directors

The Board of Directors plays a crucial role in monitoring and overseeing subsidiaries and associated companies to ensure their operations align with the company's core policies, as well as with the laws and regulations of regulatory agencies such as the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). The operations of subsidiaries and associated companies must not conflict with securities laws and capital market requirements.

##### 2. Appointment of Representatives in Subsidiaries and Associated Companies

The company has a policy of appointing directors or executives to oversee subsidiaries and associated companies in proportion to shareholding, especially in cases where the subsidiary or associated company conducts core business directly related to the company. Additionally, appointees must be reviewed and approved by the Board of Directors before their appointment, with clearly defined scopes of authority, duties, and responsibilities.

##### 3. Internal Control and Risk Management Systems

The company places significant importance on internal control and risk management, requiring subsidiaries and associated companies to have effective internal control systems, comprehensive risk management measures, and appropriate fraud prevention. The Board of Directors will regularly monitor and review the operations of subsidiaries and associated companies to ensure that their activities align with the company's plans, budgets, and policies, as well as with laws and good corporate governance practices.

##### 4. Disclosure of Important Information and Transparency

Subsidiaries and associated companies must disclose important information regarding their financial position, operational results, related party transactions, and transactions that may present a conflict of interest to regulatory agencies such as The Stock Exchange of Thailand and the general investors. The disclosed information must be complete, accurate, and timely to ensure transparency and compliance with governance principles.

## 5. Related Party Transactions and Significant Transactions

In cases where a subsidiary engages in related party transactions or acquires or disposes of assets, the company requires the subsidiary to comply with the rules and regulations of The Stock Exchange of Thailand and the Securities and Exchange Commission (SEC), just as the company itself does. This is to prevent conflicts of interest and promote transparency in business operations.

## 6. Transactions Impacting Financial Position and Performance

If a subsidiary or associated company plans to undertake transactions or actions that significantly impact its financial position and operational results, the company mandates that approval must be obtained from the company's board of directors or the shareholders' meeting before proceeding. This must be done in accordance with relevant laws and the requirements of regulatory agencies.

## **Disclosure of agreements between the company and shareholders in managing subsidiaries and associated companies (Shareholders' agreement)**

As of December 31, 2024, the Company has only one subsidiary, which was registered and established on September 12, 2024, under the name North East Rubber Cote d'Ivoire, or abbreviated as NER-CI, in which NER holds a 100% stake. Currently, it has no operations.

## **Information on the monitoring of compliance with corporate governance policy and guidelines**

### **The monitoring of compliance with corporate governance policy and guidelines**

#### **Prevention of conflicts of interest**

#### **Operations for conflict of interest prevention over the past year**

Has the company operated in preventing conflicts of interest : Yes  
over the past year

To prevent conflicts of interest, the company has clearly defined a policy for reporting conflicts of interest, outlining the approval process for transactions involving the company or individuals who may have conflicts, documented in writing. This includes a system for monitoring and verifying that transactions are conducted according to the correct procedures, as well as the disclosure of information in such reports, in accordance with the regulations of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission.

#### **Reporting of Directors' and Executives' Interests.**

The company has established that directors and executives must report their interests and conflicts of interest, as well as those of related persons, when entering into any transactions with the company. This reporting is required upon first taking office and must be updated whenever there are changes in the interest information during their tenure. Additionally, it is mandated that information about individuals who may have conflicts of interest be reported to the Audit Committee for consideration and reported to the Board of Directors on a regular quarterly basis, in order to monitor and control the interests of directors and executives according to good corporate governance principles. The company secretary has been assigned the responsibility of collecting and storing these reports. In the year 2024, reports were presented at the Audit Committee meetings for consideration and reported to the Board of Directors once per quarter, totaling four times.

For the approval of related party transactions, the responsible department will summarize the details of the transactions and prepare all relevant information to present to the company secretary. This will then be presented according to the established approval process. Directors and executives with interests in the transactions will not participate in the approval of such transactions. Furthermore, the Audit Committee will jointly oversee these related party transactions to ensure they are necessary and conducted at fair prices.

In the past year 2024, the company did not find any reports of actions that violated the conflict of interest policy.

#### **Number of cases or issues related to conflict of interest**

	2022	2023	2024

	2022	2023	2024
Total number of cases or issues related to conflict of interest (cases)	0	0	0

### Prevention of the use of inside information to seek benefits

#### Operations for prevention of the use of inside information to seek benefits over the past year

Has the company operated in preventing the use of inside information to seek benefits over the past year :

The Company has established a policy on the disclosure of information and data to prevent insider trading by related parties, which refers to directors, senior executives of the Company, and employees in departments involved with the information (including spouses and minor children of these individuals), as follows:

Related parties are prohibited from buying or selling the Company's securities within 1 month before the disclosure of quarterly and annual financial statements and within 24 hours after the disclosure of such financial statements (Blackout Period). In addition, related parties who are aware of inside information are prohibited from disclosing inside information to external parties or individuals without relevant duties, in order to prevent the misuse of inside information.

Directors and executives of the Company, including the Company's auditors, must report changes in their securities holdings, as well as those of their spouses and minor children, to the Securities and Exchange Commission of Thailand every time, in accordance with Section 59 of the Securities and Exchange Act B.E. 2535 (1992), and acknowledge the penalties under the Securities and Exchange Act B.E. 2535 (1992). Directors and executives must also submit a copy of the report to the Company on the same day as reporting to the SEC, which is required within 3 business days, to be submitted to the Company Secretary and reported to the Board of Directors meeting.

Confidential and/or inside information of the Company must not be disclosed or used to seek benefits for oneself or for the benefit of any other person, whether directly or indirectly, and whether or not in exchange for compensation.

In the past year 2024, it was found that no directors, executives, or related parties, including employees in departments involved with financial statement information or information that may affect the stock price, traded the Company's securities during the period the Company prohibited trading.

#### Number of cases or issues related to the use of inside information to seek benefits

	2022	2023	2024
Total number of cases or issues related to the use of inside information to seek benefits (cases)	0	0	0

### Anti-corruption action

#### Operations in anti-corruption in the past year

Has the company operated in anti-corruption over the past year :

Form of operations in anti-corruption :

Review of appropriateness in anti-corruption, The participation in anti-corruption projects, Assessment and identification of corruption risk, Communication and training for employees on anti-corruption policy and guidelines, The monitoring of the evaluation of compliance with the anti-corruption policy, Review of the completeness and adequacy of the process by the Audit Committee or auditor

The Company is committed to ethical, honest, and responsible business conduct towards all stakeholders. It has established a Business Code of Conduct within its Corporate Governance & Business Code of Conduct Handbook, guiding directors, executives, and employees at all levels in their interactions with the Company and its stakeholders. This

includes:

Assigning the Good Corporate Governance and Sustainable Development Committee to develop and review the Business Code of Conduct, anti-corruption policies, whistleblowing policies, and other related policies, ensuring alignment with regulatory principles and international best practices.

Communicating these policies clearly and making the handbook accessible to all employees through various channels, including intranet and the company website, and providing regular training and knowledge assessments.

Promoting strict adherence to these policies among directors, executives, and employees, emphasizing integrity, transparency, fairness, stakeholder consideration, anti-bribery, conflict of interest avoidance, and respect for human rights. It also includes establishing complaint channels and audit processes.

Regarding anti-corruption specifically:

The Company has an Anti-Corruption Working Group, reporting to the Audit Committee, responsible for creating and implementing anti-corruption guidelines and whistleblowing procedures for all personnel.

This focuses on promoting ethical practices, raising awareness, and fostering a transparent and auditable organizational culture under good governance to build stakeholder confidence

#### Number of cases or issues related to corruption

	2022	2023	2024
Total number of cases or issues related to corruption (cases)	0	0	2

#### Details of cases or issues related to corruption

Year of event	Details	Progress status
Dec 2024	<p><b>Case or issue</b> In 2024, the Company received two reports of employee corruption cases: one involving the use of Company assets for personal gain, and the other involving the external sale of Company assets.</p> <p><b>Investigation results</b> The Company investigated the evidence and facts through the Corporate Development Department in collaboration with government officials and found that the offenses had indeed occurred. Consequently, the Company pursued legal action and immediately terminated the employment of both employees.</p> <p><b>Corrective actions</b> The Company has established measures to prevent and reduce the risk of employee fraud in such cases by strictly controlling access to the premises, changing the entry/exit points from two to one, and installing CCTV cameras at various locations around the Company to reduce the risk of property theft. Additionally, the Company has security guards to inspect the belongings of visitors, all employees, and the surrounding areas 24 hours a day. Furthermore, the Company has enhanced communication to ensure employees are aware and reminded of the organization's anti-corruption policy, including disciplinary actions for violations, to ensure strict compliance.</p>	Incident no longer subject to action

## Whistleblowing

### Operations related to whistleblowing over the past year

Has the company implemented whistleblowing procedures : Yes  
over the past year

The Company has established a systematic and fair process and mechanism for handling complaints, in accordance with the internal control guidelines of The Committee of Sponsoring Organizations of the Treadway Commission (COSO) and the key principles of personal data usage under the Personal Data Protection Act (PDPA) B.E. 2562 (2019), as well as human rights practices. The Company has defined measures to protect complainants, informants, and anyone who cooperates or provides assistance to the Company, from any unfair or unsafe treatment. The complainant's information and related factual details will be kept confidential with restricted access, allowing only authorized personnel responsible for investigating the tips to access such information.

- 1.The Company assigns the Anti-Corruption Working Group to coordinate complaint matters and prepare complaint reports, specifying facts such as the complainant's name, date of complaint receipt, the person or incident complained about, and other relevant information.
- 2.The Anti-Corruption Working Group conducts fact-finding investigations. If the complaint is found to be true, the fact-finding results are submitted to the Audit Committee.
- 3.The Audit Committee considers disciplinary action against employees who have committed offenses according to the Company's regulations and considers legal action if the offense involves illegal activities and causes damage to the Company.
- 4.The results of the fact-finding investigation, disciplinary actions, legal proceedings, and/or other actions are reported to the Audit Committee and the Board of Directors at least quarterly, and the operational information is disclosed in the annual sustainability report.
- 5.Consideration is given to providing appropriate and fair remedies or compensation to the injured parties, and operations are reviewed to correct and prevent recurrence.

### Number of cases or issues related to whistleblowing

	2022	2023	2024
Total number of cases or issues received through whistleblowing channels (cases)	0	0	2

### Details of cases or issues received through whistleblowing channels

Year of event	Details	Progress status
Dec 2024	<p><b>Case or issue</b>  In 2024, the Company received two reports of employee corruption cases: one involving the use of Company assets for personal gain, and the other involving the external sale of Company assets.</p> <p><b>Topics or issues about</b>  Anti-corruption</p> <p><b>Investigation results</b>  The Company investigated the evidence and facts through the Corporate Development Department in collaboration with government officials and found that the offenses had indeed occurred. Consequently, the Company pursued legal action and immediately terminated the employment of both employees.</p> <p><b>Corrective actions</b>  The Company has established measures to prevent and reduce the risk of employee fraud in such cases by strictly controlling access to the premises, changing the entry/exit points from two to one, and installing CCTV cameras at various locations around the Company to reduce the risk of property theft. Additionally, the Company has security guards to inspect the belongings of visitors, all employees, and the surrounding areas 24 hours a day. Furthermore, the Company has enhanced communication to ensure employees are aware and reminded of the organization's anti-corruption policy, including disciplinary actions for violations, to ensure strict compliance.</p>	Incident no longer subject to action

#### Information on report on the results of duty performance of the audit committee in the past year

##### Meeting attendance of audit committee

Meeting attendance of audit committee (times) : 9

List of Directors	Meeting attendance of audit committee		
	Meeting attendance (times)	/	Meeting attendance rights (times)
1 Mr. RONACHIT JINADIT (Chairman of the audit committee)	9	/	9
2 Mrs. CHANATIP WEERASUBPONG (Member of the audit committee)	9	/	9
3 Mr. CHANTR CHARNCHAINARONG (Member of the audit committee)	9	/	9

##### The results of duty performance of the audit committee

The Audit Committee of North East Rubber Public Company Limited consists of three qualified independent directors: Mr. Ronachit Jinadit, Chairman of the Audit Committee, Mr. Chantr Charnchainarong, and Mrs. Chanatip Weerasubpong, Audit Committee members, with Ms. Pirada Tonhongsa serving as the Secretary of the Audit Committee.

In 2024, the Audit Committee performed its duties as assigned by the Board of Directors and in accordance with

the Audit Committee's charter, which aligns with the Securities and Exchange Act. The committee adhered to principles of good corporate governance, implemented adequate risk management processes, and established sufficient internal control processes, focusing on being a transparent organization based on sustainable business practices. The company has engaged an external internal auditor (outsourced) to enhance the quality of its internal audits, which can create value for the company while considering the needs of all stakeholder groups comprehensively as follows:

1. Establish policies and review internal audit processes to align effectively and efficiently with stakeholder expectations, ensuring reliability. The focus is on performance and effectiveness audits, as well as enhancing the role of providing advice and consultation to add value to the company, along with continuous improvement of operational processes.
2. Promote the elevation of internal control processes, good governance, and risk management processes, including compliance with laws, regulations, and rules. Emphasis is placed on management's focus on raising awareness among employees to act with caution and prudence, as well as reviewing regulations related to operations to ensure they are appropriate for the organization's context, alongside overseeing operations according to internal control processes to ensure rigor. Additionally, concrete measures and operational guidelines are established for both the short and long term to prevent the occurrence of non-compliance with regulations.
3. Provide recommendations to management in the organization's operational processes for oversight and monitoring of the various departments' operations, such as the management of Reputation Risk, the process for handling complaints and reporting fraud (Whistleblowing), and the process for auditing and overseeing transparency in transactions with third parties, among others. Additionally, enhance the organization's operations to ensure that the company has reliable and robust processes in place for sustainable business operations moving forward.

In 2024, the Audit Committee held a total of 9 meetings, with all three committee members attending every meeting.

Key responsibilities of the Audit Committee:

#### **1. Review of Financial Reports**

The Audit Committee reviewed the quarterly and annual financial reports for 2024 of North East Rubber Public Company Limited in conjunction with management, internal auditors, and external auditors. They inquired with the auditors regarding the accuracy and completeness of the financial reports, significant accounting adjustments, as well as accounting estimates that impact the financial reports. They assessed the adequacy and appropriateness of accounting methods and the scope of the audit, ensuring that disclosures were accurate, complete, and sufficient, as well as the independence of the auditors. This was to ensure that the preparation of financial reports complied with legal requirements and accounting standards under generally accepted accounting principles, and that they were reliable and timely, with sufficient disclosures beneficial to the users of the financial reports.

#### **2. Review of Related Party Transactions or Potential Conflicts of Interest**

The Audit Committee reviewed related party transactions and potential conflicts of interest. The reports from the relevant directors indicated that these transactions were reasonable and disclosed to The Stock Exchange of Thailand accurately and within the specified timeframe.

#### **3. Review of Internal Control Systems and Internal Audits**

The Audit Committee reviewed the effectiveness and efficiency of internal control processes with internal auditors on a quarterly basis, focusing on operations, resource utilization, asset management, prevention or reduction of errors and damages, reliability of financial reports, and compliance with laws, regulations, and rules. No significant issues or deficiencies were found, and the results of the internal control assessment complied with the Securities and Exchange Act.

#### **4. Review of Risk Management**

The Audit Committee reviewed the effectiveness and efficiency of the risk management processes, plans, and strategies that impact the company's performance, providing recommendations for risk management to the Risk Management Committee for the development and improvement of processes to be prepared for unforeseen circumstances.

#### **5. Maintaining the Quality of the Audit Committee**

The Audit Committee has reviewed the appropriateness of its charter and evaluated the performance of the Audit Committee as a whole, as well as individually and cross-individually, according to the "Best Practices of The Stock Exchange of Thailand." This is to ensure that the Audit Committee operates effectively and achieves the set objectives. The Audit Committee has reported its annual performance to the Board of Directors.

#### **6. Consideration of the Appointment of Auditors and Audit Fees for the Year 2024**

The Audit Committee has selected M.R. & Associates Co., Ltd. for consideration and review to be presented to the Board of Directors and the shareholders' meeting for approval, taking into account independence, capability, quality of work, service proposals, audit methods, and compliance with the practice of rotating the Key Audit Partner as per the announcement of the Securities and Exchange Commission. The performance results from the previous year were satisfactory; the auditors demonstrated independence, skills, knowledge, and experience in auditing the company's business and provided relevant insights beyond auditing. The Audit Committee proposed to the Board of Directors to seek approval from the

shareholders' meeting to appoint Mr. Akkaradech Pheansakul, licensed auditor No. 5389, or Mr. Phisit Chiwaraerngroth, licensed auditor No. 2803, or Ms. Krathip Wanichwiseskul, licensed auditor No. 6947, from M.R. & Associates Co., Ltd. as the company's auditors.

In summary, the Audit Committee has fulfilled its duties and responsibilities as outlined in its charter, utilizing knowledge, skills, caution, thoroughness, and sufficient independence, while providing opinions and recommendations for the benefit of all stakeholders equally. The Audit Committee believes that the financial statements of North East Rubber Public Company Limited are accurate, reliable, and in accordance with generally accepted accounting standards. North East Rubber Public Company Limited operates in compliance with laws and obligations related to its business activities. Including having a good corporate governance process, a risk management process, and sufficient internal control processes.

Mr. Ronachit Jinadit  
Audit Committee

## Information on summary of the results of duty performance of subcommittees

### Meeting attendance and the results of duty performance of subcommittees

#### Meeting attendance of Executive Committee

Meeting Executive Committee (times) : 12

List of Directors	Meeting attendance of Executive Committee		
	Meeting attendance (times)	/	Meeting attendance right (times)
1 Mr. CHUWIT JUNGNASOMBOON (The chairman of the executive committee)	12	/	12
2 Mrs. PHANIDA JUNGNASOMBOON (Member of the executive committee)	12	/	12
3 Mr. SAKCHAI JONGSTAPONGPUN (Member of the executive committee)	12	/	12
4 Ms. KESNAREE JONGCHOTSIRIKUL (Member of the executive committee)	12	/	12
5 Ms. PY ATTPIISARN (Member of the executive committee)	12	/	12
6 Mrs. JARUNEE JONGWATTANASAK (Member of the executive committee)	12	/	12
7 Ms. SUHAILEE YITORSOR (Member of the executive committee)	12	/	12

#### The results of duty performance of Executive Committee

The Executive Committee has been appointed by the Board of Directors to oversee and manage the operations of the company in accordance with the policies and strategies established by the Board of Directors. This includes ensuring compliance with business ethics and relevant laws related to the company's operations. In 2024, the Executive Committee held a total of 12 meetings to discuss various important matters of the company and reported the meeting outcomes, along with recommendations and suggestions for the Board of Directors to consider, which can be summarized as follows:

1. Regular monthly reports on the company's performance.
2. Presentation of business goals, strategies, annual plans, and medium-term plans to the Board of Directors, as well

as being responsible for managing the company's operations in line with the established policies, directions, and goals, particularly focusing on sustainable organizational growth.

3. Review and approve the company's business plan, annual budget, and investments to be presented to the Board of Directors.

4. Carefully consider transactions with related parties and the acquisition or disposal of assets, ensuring reasonableness in terms of price and other relevant conditions, prioritizing the interests of the company and its shareholders. This is reviewed in the Executive Committee meetings before being presented to the Audit Committee and the Board of Directors for approval on significant transactions.

5. Ensure the preparation of financial reports for auditors to review or examine, and approve these financial statements before presenting them to the Audit Committee and the Board of Directors in sequence. Additionally, monitor the operations of each department of the company regularly every month, providing suggestions for further efficiency improvements.

6. Review the Executive Committee's charter to ensure that the guidelines for performing duties are appropriate for the current situation, as well as establish and review policies and regulations regarding the operations of various departments and the company's authority manual to align with the current circumstances.

7. Support and promote employees to continuously innovate both products and methods to achieve effective work development.

8. Carry out various matters as assigned by the Board of Directors.

The Executive Committee is committed to performing its duties to the best of its ability for the utmost benefit and equality for all shareholders and stakeholders, in order to lead the organization to grow steadily and sustainably.

### **Meeting attendance of Risk management committee**

Meeting Risk management committee (times) : 12

List of Directors	Meeting attendance of Risk management committee		
	Meeting attendance (times)	/	Meeting attendance right (times)
1 Mr. TEPAKUL POONLARP (The chairman of the subcommittee)	12	/	12
2 Mrs. CHANATIP WEERASUBPONG (Member of the subcommittee)	12	/	12
3 Mr. CHUWIT JUNGTHASOMBOON (Member of the subcommittee)	12	/	12
4 Mr. SAKCHAI JONGSTAPONGPUN (Member of the subcommittee)	12	/	12
5 Mr. NATTHAPON INPRAKON (Member of the subcommittee)	12	/	12

### **The results of duty performance of Risk management committee**

The company has assessed significant risks and developed a risk management plan for potential occurrences, placing importance on strategic risks that may significantly impact the business and operational risks by establishing a process that aligns with the operational framework according to the international standards COSO ERM 2017 and COSO ESG 2018. The focus is on comprehensive risk management covering the four main types of risks: strategic, operational, financial, compliance, and fraud, while expanding the scope of risk management to include environmental, social, and governance (ESG-related Risks) risks and emerging risks, such as new risks arising from the European Union's Deforestation Regulation (EUDR), risks from the transition to a low-carbon society, and risks from foreign investments, among others. This also includes uncertainties and new risk factors that are likely to intensify, which are critical factors for the company's operations. Therefore, risk management is an essential part that helps mitigate impacts, enabling the company to achieve its set objectives.

The Risk Management Committee has supported the work of the Board of Directors under the principles of good corporate governance to ensure that the company's risk management is effective and efficient in achieving business goals, aligning with the organization's vision and direction. Additionally, it helps reduce the impact of uncertainties in the business environment, instilling confidence and credibility among shareholders and stakeholders in the company's operations that it has a risk management system capable of addressing risks in all areas.

In 2024, the Risk Management Committee held regular meetings every month, totaling 12 meetings, summarizing key issues as follows:

1. The Risk Management Committee reviews the charter of the Risk Management Committee to ensure alignment with good corporate governance principles. It considers and filters risk management policies, establishes a risk management plan, and continuously monitors it according to the risk management process outlined in the organization's risk management manual. Emphasis is placed on adhering to the COSO risk management framework (The Committee of Sponsoring Organizations of the Treadway Commission) or ERM COSO (2017), covering the four main categories of risk: strategic, operational, financial, compliance, and fraud. Additionally, the scope of risk management is expanded to include environmental, social, and governance (ESG-related Risks) and emerging risks.

2. The Risk Management Committee monitors significant global events that may impact the company's business operations, continuously tracking risk issues and approving the Business Continuity Plan (BCP) to serve as a guideline for managing the business to ensure continuity, even in the face of severe incidents or emergencies. A comprehensive risk management plan is developed to address various scenarios.

3. The Risk Management Committee recognizes the importance of risk management by monitoring and analyzing the organization's performance in terms of production volume, actual operating expenses incurred each month, and comparing these with costs and gross profits. It estimates sales revenue against Forward Contracts, which helps the business hedge against exchange rate risks, as well as continuously tracking projects and inventory reports.

4. The Risk Management Committee provides advice and consultation to the risk management working group, with the Chair of the Risk Management Committee participating in meetings with the working group to consider appropriate strategies for controlling risk factors and further developing the organization's risk management system.

5. The Risk Management Committee has reviewed the risk management report to monitor significant risks and has taken action to ensure that the organization manages risks adequately and appropriately, including any other necessary matters that must be presented and reported to the Audit Committee and the Board of Directors.

In summary, the Risk Management Committee has fulfilled its duties as outlined in the charter. Risk management has been conducted systematically, in line with good corporate governance practices, enabling the business operations to achieve their objectives and create sustainable added value for the company, shareholders, and stakeholders.

## Meeting attendance of Nomination and Remuneration Committee

Meeting Nomination and Remuneration : 4  
Committee (times)

List of Directors	Meeting attendance of Nomination and Remuneration Committee		
	Meeting attendance (times)	/	Meeting attendance right (times)
1 Mrs. CHANATIP WEERASUBPONG (The chairman of the subcommittee)	4	/	4
2 Mr. RONACHIT JINADIT (Member of the subcommittee)	4	/	4
3 Mr. CHUWIT JUNGTANASOMBOON (Member of the subcommittee)	4	/	4

## The results of duty performance of Nomination and Remuneration Committee

The Nomination and Remuneration Committee has performed its duties as assigned by the Board of Directors in accordance with good corporate governance principles and the charter established by the Nomination and Remuneration

Committee. In 2024, the Nomination and Remuneration Committee consists of 3 members, including 2 independent directors, with Ms. Chanatip Weerasipong serving as the Chairperson of the Nomination and Remuneration Committee, Mr Ronachit Jinadit, and Mr. Chuwit Jungtanasomboon as members of the Nomination and Remuneration Committee, and Ms. Pirada Tonhongsak serving as the Secretary of the Nomination and Remuneration Committee.

In 2024, the Nomination and Remuneration Committee held a total of 4 meetings, and the summary of its activities is as follows:

#### **1. Recruitment and Selection of Directors and Senior Executives**

- Consider proposing names of directors to serve on subcommittees, taking into account the composition of the specific committee and the qualifications of individual directors as per the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand, the company's regulations, and the charters of each subcommittee. Additionally, consider their knowledge, expertise, diversity of skills (Skill Matrix), and specific experience that would benefit the performance of their duties, and propose suitable director candidates to the board of directors.
- Recruit individuals to fill the positions of directors whose terms have expired, allowing minority shareholders to propose candidates for election as directors during the period from October to December. It was found that no shareholders proposed any names; therefore, the existing directors, Mr. Chanitr Charnchainarong and Mr. Sakchai Jongshapongpun, were proposed to continue serving for another term. Both individuals possess qualifications that align with the company's business strategy and do not have any disqualifying characteristics under applicable laws and regulations, receiving approval from the board of directors and subsequently presenting to the annual general meeting of shareholders.

#### **2. Determination of Compensation**

- Consider proposing to the board of directors the determination of compensation for the board of directors and subcommittees for the fiscal year 2024, based on the evaluation of the board's performance, economic conditions, and the company's financial results, compared to compensation surveys of directors in similar industries and businesses, as well as the responsibilities of the board of directors. The annual general meeting of shareholders for the fiscal year 2024 approved the proposal.
- Review the annual compensation for 2024 of the Chief Executive Officer (CEO) and the board of directors, considering their performance results and the responsibilities assigned, to present to the board of directors.

#### **3. Evaluation of the Performance of the Board of Directors and Senior executives for the Year 2024**

- Consider reviewing and improving the performance evaluation form for the Board of Directors for the year 2024, both for the entire board and individual members, to ensure that the evaluation form is comprehensive, up-to-date, and aligned with the principles of good corporate governance for listed companies (CG Code). The evaluation results will be used as part of the consideration for determining the annual compensation of directors, in addition to the company's performance results.
- Consider the annual performance evaluation for 2024 of the Chief Executive Officer (CEO) to be presented to the Board of Directors by establishing corporate-level performance indicators (Corporate KPI) for 2024 with a distribution of KPI weighting to be presented at the Board meeting.

#### **4. Improvement and Development of Duties**

- Establish a plan for holding meetings of the Nomination and Remuneration Committee in advance throughout the year, with at least one meeting per quarter, and additional meetings may be arranged as necessary to review and acknowledge operations and/or report recommendations to the Board of Directors.
- Review the charter of the Nomination and Remuneration Committee to ensure it is current and aligned with any changing criteria.
- Review the definition of skills, experience, professional qualifications, and the diversity of skills as well as specific experiences necessary for the business operations of the Board of Directors to align with the CG Code and best practices of the Thai Institute of Directors (IOD).

#### **5. Provide recommendations on human resource management in line with organizational direction and plans**

- Establish corporate-level performance indicators in the annual metrics to align with sustainability goals.
- Review the Board Skills Matrix to ensure that the composition of the Board of Directors is diverse in knowledge, capabilities, and experiences that can provide valuable advice for the company's business operations.
- Consider the criteria for selecting successors for senior positions in each department that are essential to the organization and support ongoing training and development to ensure sustainability.

The Nomination and Remuneration Committee is committed to performing its duties to ensure that operations are conducted transparently and in accordance with established criteria, following the principles of good corporate governance for the utmost benefit that will lead to sustainable long-term value creation for the company.

## Meeting attendance of Corporate Governance and Sustainable Development Committee

Meeting Corporate Governance and : 3  
Sustainable Development Committee (times)

List of Directors	Meeting attendance of Corporate Governance and Sustainable Development Committee		
	Meeting attendance (times)	/	Meeting attendance right (times)
1 Mr. CHANITR CHARNCHEANARONG (The chairman of the subcommittee)	3	/	3
2 Mr. RONACHIT JINADIT (Member of the subcommittee)	3	/	3
3 Mrs. CHANATIP WEERASUBPONG (Member of the subcommittee)	3	/	3
4 Mr. CHUWIT JUNGTHANASOMBOON (Member of the subcommittee)	3	/	3

### The results of duty performance of Corporate Governance and Sustainable Development Committee

The Board of Directors of North East Rubber Public Company Limited has appointed the Corporate Governance and Sustainable Development Committee, with Mr. Chanitr Charnchainarong as the Chairperson, Mr. Ronachit Jinadit, Mr. Chuwit Jungthanasomboon, and Mrs. Chanatip Weerasubpong as committee members, and Ms. Warunee Sihanee as the committee secretary.

The company is committed to conducting its business in accordance with the principles of good corporate governance and business ethics, placing importance on sustainable development that encompasses environmental (Environment), social (Social), and governance (Governance) dimensions, or ESG, to align with the company's vision, mission, and goals aimed at driving the business to be a transparent organization that does not tolerate any form of corruption. The company adheres to the principles of good corporate governance and develops the organization's capacity to meet ethical standards and business ethics, as well as enhancing sustainability management standards to continuously improve efficiency, thereby building trust among all stakeholders and jointly promoting important policies through management to develop towards sustainability throughout the value chain.

The Corporate Governance and Sustainable Development Committee has been assigned by the Board of Directors to define and review policies and practices related to good corporate governance and sustainable development, as well as to enhance the corporate governance processes for the utmost benefit of shareholders and stakeholders. This is in accordance with the principles of good corporate governance set forth by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), including recommendations from the Corporate Governance Report for Thai Listed Companies (CGR) and various standards under the ISO system, such as ISO 14001: Environmental Management Standards and ISO 45001: Occupational Health and Safety Management Standards.

In 2024, the Corporate Governance and Sustainable Development Committee held a total of three meetings, with all current members attending each meeting. They fulfilled their duties as outlined in the charter and as assigned by the Board of Directors comprehensively. The results of their activities were regularly summarized and reported to the Board of Directors to monitor operations and evaluate performance according to the corporate governance plan, compliance with laws and organizational regulations, anti-corruption measures, sustainability management, and corporate social responsibility (CSR) concerning society, communities, and the environment. The key points are summarized as follows.

#### 1. Responsibilities of the Board of Directors

- Enhance the skills and knowledge of directors as organizational leaders to be effective in achieving goals, both short-term, medium-term, and long-term, as well as guiding the organization towards sustainability. This includes encouraging the board to participate in various training programs to develop their knowledge, capabilities, and expertise

in performing their duties, such as the Thai Institute of Directors program and other relevant courses, as well as organizing internal lectures by inviting experts related to the board's operations.

- Ensure regular communication of good corporate governance policies to the board of directors, while emphasizing the roles and responsibilities of directors, such as the use of insider information, reporting conflicts of interest and related party transactions, and reporting securities trading, during board meetings continuously.

## **2. Role of Stakeholders**

- Monitor reports of whistleblowing or complaints through the internal audit department. In 2024, there were two reports of complaints regarding corruption or ethical misconduct submitted through the internal audit department via the complaint box and the electronic mail CAC@nerubber.com. The company has followed the investigation management process according to the procedures regarding the complaints.

## **3. Disclosure of Information and Transparency**

- Prepare an annual information statement (56-1 One Report) and a sustainability report, as well as disclose the company's performance quarterly and important information for shareholders, investors, and the general public, ensuring that the information is complete, sufficient, reliable, and timely, referencing the GRI Standard for information disclosure through various channels continuously, such as the system of The Stock Exchange of Thailand and the company's website, with the investor relations and corporate communications departments as the main units for disseminating information.
- Regularly announce performance results and company information, including future trends, to analysts and investors both domestically and internationally every quarter to disclose information regarding performance and business trends to analysts and investors.

## **4. Good Corporate Governance and Anti-Corruption**

- Consider approving the improvement of the anti-corruption policy and the good corporate governance manual, ethical standards, and business conduct guidelines, including the operational plan and anti-corruption measures, as well as setting goals to be implemented at all levels. Continuous monitoring and guidance will be provided to elevate the company's corporate governance standards to international levels.
- The company places importance on and emphasizes the anti-corruption policy to everyone within the organization to enhance good corporate governance and establish a strong standard for conducting business with all stakeholders fairly and equitably.
- Consider approving the application for certification as a member of the Thai Private Sector Collective Action against Corruption (CAC Certificate), as well as promoting and encouraging the company's business partners to declare their intention to become members of the Thai Private Sector Collective Action against Corruption (CAC) to further elevate the collective action against corruption at the CAC Change Agent level.

## **5. Sustainability Development**

- The company has integrated sustainability management with a dedicated sustainability development department that presents corporate sustainability strategies to align with organizational goals. It also prepares a Sustainability Report following the GRI Universal Standards 2021 (Global Reporting Initiative) and conducts sustainability performance assessments (Benchmarking) based on international sustainability evaluation criteria, including the Supply Chain Sustainability index from EcoVadis, the SET ESG Rating, and the Financial Times Stock Exchange: FTSE Russell.
- Approval has been given for the annual sustainability management plan for 2024 to demonstrate responsibility towards society and the environment, contributing to the organization's goal of achieving carbon neutrality by 2030. There is a systematic follow-up on performance and continuous consulting.
- Support is provided for social initiatives aimed at community development, alongside processes that foster community engagement to enhance community capabilities towards long-term sustainability. Additionally, efforts are made to ensure that youth have access to quality education and nutritious food through various company programs and activities, serving as a vital foundation for national advancement. This includes raising awareness of environmental conservation in society, such as the Green Market project, which opens factory grounds for the community to sell seasonal produce, generating income for nearby communities. The project also includes an information corner on utilizing biogas sludge from byproducts of the biogas production system for cultivation, as well as proper waste segregation practices, among others.

## **6. Award of Pride**

With a steadfast commitment and determination to operate based on good corporate governance, social responsibility, and sustainable management, in order to continuously elevate operational standards, in 2024, the company received awards and recognition both domestically and internationally, including:

- Achieving a bronze medal ranking from EcoVadis, an evaluator and ranking organization for sustainability in business supply chain sustainability, recognized internationally.
- Receiving an "A" rating in the sustainable stock assessment (SET ESG Ratings) in the agriculture industry for

the year 2024 from The Stock Exchange of Thailand, reflecting corporate governance that considers stakeholders and a commitment to creating sustainability for business, society, and the environment.

- Being ranked as “Excellent” (Excellent CG Scoring) or 5 stars in the Corporate Governance Report (CGR) for listed companies in 2024 from the Thai Institute of Directors and The Stock Exchange of Thailand (SET).
- Certification as a member of the Thai Private Sector Collective Action Against Corruption at the 2-star level.
- Achieving a full score of 100 in the assessment of the quality of the annual general meeting of shareholders for listed companies in 2024 from the Thai Investor Association and the Thai Capital Market Business Council.
- Being selected as one of the ESG100 securities companies with outstanding operations in environmental, social, and governance aspects for the year 2024 from the Thai Institute of Directors.
- Award for industrial factories that have implemented CSR-DIW Continues standards under the project to promote industrial factories to be socially and community responsible from the Department of Industrial Works.
- Award for establishments that have passed the environmental governance assessment criteria for the year 2024 from the Ministry of Industry.

### Meeting attendance of Nomination and Sustainability Development Committee

Meeting Nomination and Sustainability : 4  
Development Committee (times)

List of Directors	Meeting attendance of Nomination and Sustainability Development Committee		
	Meeting attendance (times)	/	Meeting attendance right (times)
1 Mrs. CHANATIP WEERASUBPONG (The chairman of the subcommittee)	4	/	4
2 Mr. RONACHIT JINADIT (Member of the subcommittee)	4	/	4
3 Mr. CHUWIT JUNGTANASOMBOON (Member of the subcommittee)	4	/	4

### The results of duty performance of Nomination and Sustainability Development Committee

The Nomination and Sustainability Committee of North East Rubber Public Company Limited comprises 3 directors, 2 of whom are independent directors. Ms. Chanathip Veerasuebpong serves as the Chairperson, Mr. Ronnachit Jinadit and Mr. Chuvit Jungtanasomboon are members, and Mr. Parinya Leenatham serves as the Secretary to the Nomination and Sustainability Committee.

The Nomination and Sustainability Committee is appointed by the Board of Directors to establish policies on nomination and sustainability, screen suitable individuals to serve as directors and/or senior executives, consider criteria for determining the remuneration of directors and senior executives to ensure appropriateness and alignment with objectives, and support the Board of Directors in organizational sustainability. This promotes collaboration in creating value for the business, developing the organization to be responsible to society and the environment, and achieving sustainable growth. The committee has also updated its operational guidelines to cover and align with current conditions and the company's business strategy, recognizing the best interests of shareholders and stakeholders. In 2024, the Nomination and Sustainability Committee held a total of 4 meetings, focusing on the following key issues:

#### Nomination and Remuneration Aspects:

Considered the structure, size, and composition of the Board of Directors, and the qualifications of individuals to serve as directors, ensuring diversity in skills, experience, and gender and age, based on the Board Skills Matrix, to match the organization's size, type, nature of business, and complexity, for presentation to the Board of Directors meeting and/or the Shareholders' meeting for appointment consideration.

Considered and set the organization's Key Performance Indicators (Corporate KPI) for 2024, established criteria for evaluating the performance of the Chief Executive Officer and Deputy Chief Executive Officers, and presented them to the Board of Directors. This included evaluating the performance of the Chief Executive Officer and Deputy Chief Executive Officers of various divisions to consider and improve performance, while promoting relevant training and knowledge enhancement for presentation to the Board of Directors.

Established criteria for determining compensation, salary adjustments, and other remuneration for directors and subcommittee members, in accordance with the company's performance, for presentation to the Shareholders' meeting and the Board of Directors.

Provided advice on human resources management, succession planning, and talent management to align with organizational goals and plans.

**Organizational Sustainability Aspects:**

Reviewed and updated the organization's sustainability policies, as well as related policies and practices, to align with business changes and relevant laws, in accordance with international standards.

Reviewed the organization's sustainability strategy and provided recommendations to promote and drive collaboration in sustainability development.

Monitored and oversaw the implementation of work plans, evaluated the performance and progress of sustainability operations, and reported performance to the Board of Directors regularly.

Reviewed the charter of the Nomination and Sustainability Committee and presented it to the Board of Directors.

In 2024, the Nomination and Sustainability Committee carried out its duties comprehensively, correctly, and with caution, overseeing and supporting management in driving the organization towards sustainable stability. This involved managing business efficiently and effectively, utilizing business resources economically and qualitatively, and adhering to sustainability management frameworks. The committee emphasized the three principles of Environmental, Social, and Governance (ESG), integrating them with business operations. It also established guidelines for social enterprise activities, focusing on meeting the needs and promoting the well-being of communities. The committee is committed to driving the organization towards transparency, fairness, and ethics, based on honesty, to maximize benefits for shareholders and all stakeholders, leading to sustainable growth.

Remark: At the third meeting of the Board of Directors for the year 2024 on May 9, 2024, a resolution was passed to appoint a new subcommittee to replace the previous subcommittee from the original Nomination and Sustainability Development Committee. Two new subcommittees were established: the "Nomination and Remuneration Committee" and the "Corporate Governance and Sustainable Development Committee," and the charters for both new subcommittees were approved, effective May 10, 2024, onwards.

# Corporate Sustainability Policy

## Information on policy and goals of sustainable management

### Sustainability Policy

Sustainability Policy : Yes

The company has established a "**Management and Sustainability Development Policy**" to serve as the guiding principles and framework for driving responsible business growth while managing impacts and risks across economic, social, environmental, and governance dimensions. This policy aims to appropriately respond to the needs of all stakeholder groups and aligns with international sustainability practices and standards, including the Ten Principles of the UN Global Compact related to human rights, labor, environment, and anti-corruption. It also adheres to the United Nations Sustainable Development Goals (UN SDGs), the OECD Due Diligence Guidance for Responsible Business Conduct, the United Nations Guiding Principles on Business and Human Rights (UNGPs), and various ISO management system standards

### Sustainability management goals

Does the company set sustainability management goals : Yes

United Nations SDGs that align with the organization's sustainability management goals : Goal 1 No Poverty, Goal 2 Zero Hunger, Goal 3 Good Health and Well-being, Goal 4 Quality Education, Goal 5 Gender Equality, Goal 6 Clean Water and Sanitation, Goal 7 Affordable and Clean Energy, Goal 8 Decent Work and Economic Growth, Goal 9 Industry, Innovation and Infrastructure, Goal 10 Reduce Inequalities, Goal 11 Sustainable Cities and Communities, Goal 12 Responsible Consumption and Production, Goal 13 Climate Action, Goal 14 Life below Water, Goal 15 Life on Land, Goal 16 Peace, Justice and Strong Institutions, Goal 17 Partnerships for the Goals

## Information on review of policy and/or goals of sustainable management over the past year

### Review of policy and/or goals of sustainable management over the past year

Has the company reviewed the policy and/or goals of sustainable management over the past year : Yes

Has the company changed and developed the policy and/or goals of sustainable management over the past year : Yes

The company aligns with international sustainability practices and standards, including the Ten Principles of the UN Global Compact related to human rights, labor, environment, and anti-corruption. It also adheres to the United Nations Sustainable Development Goals (UN SDGs), the OECD Due Diligence Guidance for Responsible Business Conduct, the United Nations Guiding Principles on Business and Human Rights (UNGPs), and various ISO management system standards

## Information on impacts on stakeholder management in business value chain

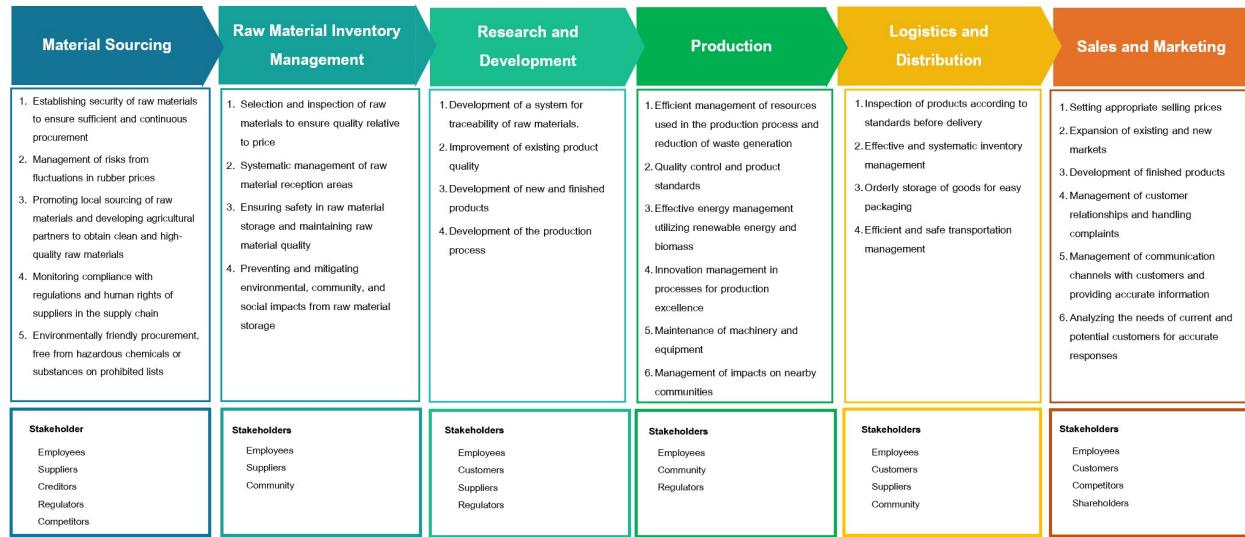
### Business value chain

The company classifies its stakeholders in the value chain into eight groups, namely: employees, customers, suppliers, suppliers, regulators, shareholders, the community, creditors, and competitors. An internal stakeholder is employees, while external stakeholders consist of shareholders, customers, suppliers, the community, creditors, regulators, and competitors. The company prioritizes stakeholders based on the degree of impact of the company on each group concerning economic, social, environmental, and human rights aspects, along with the level of influence the stakeholders have on the company. This evaluation helps define approaches for building connections and engagement with stakeholders and planning appropriate operations tailored to each stakeholder group. And assigns departments responsible for each stakeholder group to systematically survey their needs and expectations through various communication channels at least once a year, under the oversight of the Corporate Sustainability Development Committee. This process aims to foster stakeholder engagement and survey the impacts experienced by each stakeholder group, including both existing and potential impacts, as well as concerns and expectations. The company collects and analyzes the expectations, needs, concerns, and comments from significant stakeholders that are relevant to its business operations. It evaluates

materiality issues and develops management approaches to appropriately address these issues.

## Business value chain diagram

### NER's Value Chain



### Analysis of stakeholders in the business value chain

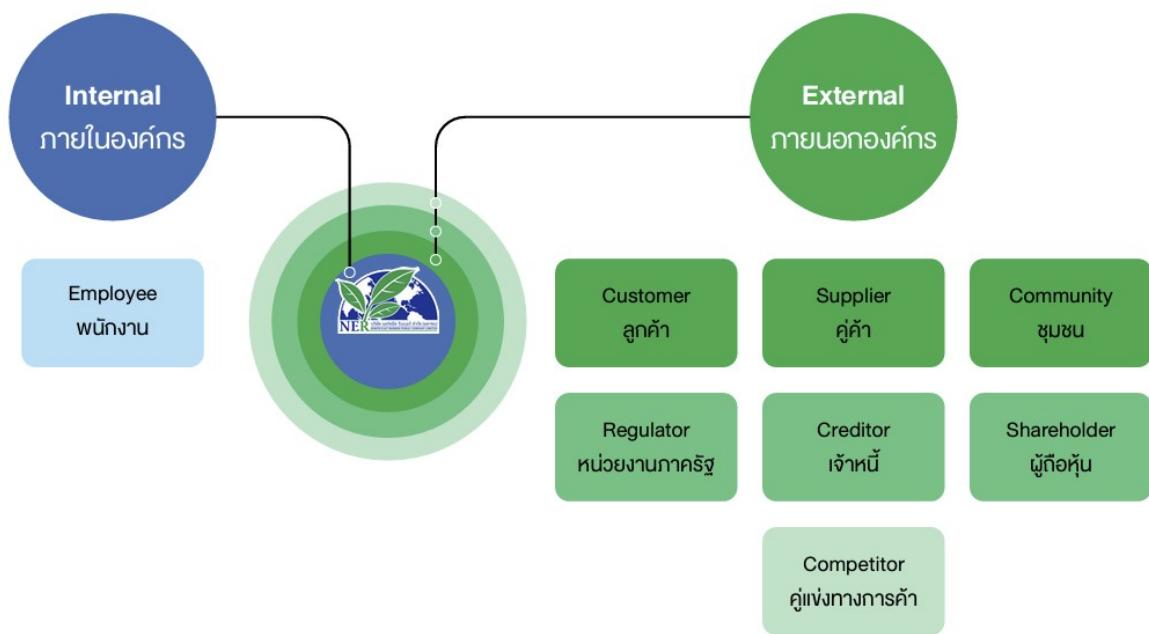
#### Details of stakeholder analysis in the business value chain

Group of stakeholders	Stakeholders' expectations	Responses to stakeholder expectations	Channels for engagement and communication
<u>Internal stakeholders</u>			

Group of stakeholders	Stakeholders' expectations	Responses to stakeholder expectations	Channels for engagement and communication
<u>Internal stakeholders</u>			
<ul style="list-style-type: none"> <li>• Creditor</li> <li>• Competitors</li> <li>• Suppliers</li> <li>• Shareholders</li> <li>• Employees</li> <li>• Customers</li> <li>• Society</li> <li>• Government agencies and Regulators</li> </ul>	<p>1.Employees</p> <ul style="list-style-type: none"> <li>-Fair compensation and benefits</li> <li>-Transparent and fair performance evaluation</li> <li>-Treatment of employees with respect for dignity, rights, and principles of human rights</li> <li>-Job security and opportunities for career advancement</li> <li>-Health and safety in the workplace</li> <li>-Open communications and feedback</li> </ul> <p>2.Customers</p> <ul style="list-style-type: none"> <li>-Products that meet quality standards and customer requirements</li> <li>-Timely delivery of products</li> <li>-Flexibility in adhering to trade agreements</li> <li>-High-quality and efficient service</li> <li>-Maintenance of business confidentiality</li> </ul> <p>3.Communities</p> <ul style="list-style-type: none"> <li>-Development of community economy and improvement of quality of life</li> <li>-Job creation and employment opportunities for local residents</li> <li>-Road safety</li> <li>-Environmental quality in the community.</li> </ul> <p>4.Suppliers</p> <ul style="list-style-type: none"> <li>-A transparent and fair procurement process</li> <li>-Compliance with laws and agreements</li> <li>Timely and complete payments</li> <li>-Development of capabilities and knowledge of suppliers</li> </ul> <p>5.Shareholders</p> <ul style="list-style-type: none"> <li>-Accurate and</li> </ul>	<p>1.Employees</p> <ul style="list-style-type: none"> <li>• Conduct a survey to establish an appropriate salary structure at each job level, linking compensation to performance in operations to simultaneously increase production and revenue.</li> </ul> <p>2.Customers</p> <ul style="list-style-type: none"> <li>• Organize customer visits to the factory to audit and gain confidence in the production processes and product quality.</li> </ul> <p>3.Communities</p> <ul style="list-style-type: none"> <li>• Develop and support projects that enhance the quality of life and economic development of the local community.</li> </ul> <p>4.Suppliers</p> <ul style="list-style-type: none"> <li>• Establish guidelines, measures, and procedures for procurement that are transparent, open, and verifiable.</li> </ul> <p>5.Shareholders</p> <ul style="list-style-type: none"> <li>• Disclose information in periodic reports, including quarterly and annual financial statements, Management Discussion and Analysis (MD&amp;A), summaries of the company's performance and that of its subsidiaries (Form F45), and the 56-1 One Report, among others.</li> </ul> <p>6.Creditors</p> <ul style="list-style-type: none"> <li>• Manage risks comprehensively, including economic, social, environmental, and human rights risks that may impact the</li> </ul>	<ul style="list-style-type: none"> <li>• Visit</li> <li>• Press Release</li> <li>• Social Event</li> <li>• Online Communication</li> <li>• Internal Meeting</li> <li>• External Meeting</li> <li>• Annual General Meeting (AGM)</li> <li>• Complaint Reception</li> <li>• Employee Engagement Survey</li> <li>• Satisfaction Survey</li> <li>• Training / Seminar</li> </ul>

Group of stakeholders	Stakeholders' expectations	Responses to stakeholder expectations	Channels for engagement and communication
<u>Internal stakeholders</u>			
	<p>transparent disclosure of the company's performance in accordance with the rules of the Stock Exchange of Thailand and disclosure standards</p> <ul style="list-style-type: none"> <li>-Maintaining financial stability and security of the company</li> <li>-Treating all shareholders equitably</li> <li>-Achieving business growth and strong performance for good returns</li> <li>-Good corporate governance</li> <li>6.Creditors</li> <li>-Effective risk management</li> <li>-Compliance with the terms of the loan and bond agreements / Repayment of debts according to the stipulated conditions.</li> <li>7.Regulators</li> <li>-Collaboration and support for regulators.</li> <li>-Compliance with laws and regulations.</li> <li>-Effective management of safety and environment in the factory.</li> <li>-Commitment to social and environmental responsibility, coexisting sustainably with the community.</li> <li>-Good corporate governance.</li> <li>-Disclosure of the company's business performance.</li> <li>8.Competitor</li> <li>-Fair competition</li> </ul>	<p>company's financial position.</p> <p>7.Regulators</p> <ul style="list-style-type: none"> <li>• Participate in meetings, seminars, or government programs that benefit the company, customers, and investors.</li> </ul> <p>8.Competitor</p> <ul style="list-style-type: none"> <li>• Conduct business with ethics.</li> </ul>	

Diagram of the stakeholder analysis in the business value chain



### Information on organization's material sustainability topics

#### Organization's material sustainability topics

The company has identified its sustainability materiality topics : Yes

Over the past year, the company has reviewed its sustainability materiality topics : Yes

#### Details of organization's material sustainability topics

The names of the sustainability materiality topics	Subjects related to the sustainability materiality topics
Climate adaptation and resilience	<ul style="list-style-type: none"> <li>• Water Management</li> <li>• Waste and Waste Management</li> <li>• Greenhouse Gas Management</li> <li>• Community / Social Responsibility</li> <li>• Sustainable Supply Chain Management</li> <li>• Others : Emissions and air pollution</li> </ul>

## Information on sustainability report

### Corporate sustainability report

Corporate sustainability report : Have data

### Company sustainability disclosure aligned with standards

Company sustainability disclosure aligned with standards or : GRI Standards, UN Global Compact guidelines

## Sustainability risk management

### Information on risk management policy and plan

#### Risk management policy and plan

Northeast Rubber Public Company Limited recognizes and prioritizes risk management in response to internal and external factors that may impact the business. This approach ensures stable growth and expansion, maintaining a strong financial position and generating appropriate returns for shareholders. The company systematically manages risks according to international standards, integrating them into business operations based on the principles of Enterprise Risk Management (COSO-ERM 2017) (Enterprise Risk Management Integrating With Strategy and Performance) and COSO ESG 2018 (Enterprise Risk Management – Applying Enterprise Risk Management to Environmental, Social, and Governance-Related Risks). These guidelines are adapted to suit the company's business operations, ensuring risk management at all levels and across the entire organization. Risk management is a crucial component of every business process within the company and must be interconnected at all levels. Therefore, the company has integrated governance, risk management, and compliance systems (Governance, Risk and Compliance: GRC) and established comprehensive risk management policies that all employees must adhere to. Additionally, the Enterprise Risk Management Committee (ERMC) has been established to oversee overall risk management, ensuring maximum efficiency and effectiveness, and to ensure compliance with organizational regulations and laws, following the risk management plan.

The company focuses on managing the four main types of risks: strategic, operational, financial, compliance, and fraud risks. It also extends risk management to cover environmental, social, and governance-related risks (ESG-Related Risks) and emerging risks.

### Information on ESG risk factors management standards

#### ESG risk factors management standards

Standards on ESG risk management	:	Yes
Standards on ESG risk management	:	COSO - Enterprise risk management framework (ERM), ISO 31000: Risk management, ISO 22301: Business continuity management systems (BCMS)

### Information on ESG risk factors

#### Risk factors on business operation

#### Operational risk associated with the Company or the group of companies

##### Risk 1 Risk from fluctuations in raw material situations

Related risk factors	:	<u>Strategic Risk</u>
		• Volatility in the industry in which the company operates
ESG risk factors	:	No

##### Risk characteristics

The Company is engaged in the business of manufacturing and distributing products from natural rubber and rubber processing. Rubber as the main raw material, has a fluctuating price according to the world market price and is determined by the demand and supply of natural rubber. There are many factors affecting the price of rubber, including supply and demand in the market, the quantity of natural rubber raw materials that depend on the weather and production season, the price of crude oil that affects the price of synthetic rubber that can be used to replace natural rubber, the price of agricultural futures in the Singapore market that the Company uses as a starting price for purchasing raw materials each day, the intense competition from neighboring countries.

##### Risk-related consequences

- The amount of rubber production, which is the Company's main raw material, may decrease due to farmers turning to other crops that yield higher returns and the changing weather conditions that are not conducive to the growth of rubber trees. As a result, the Company may not have enough raw materials for production. When demand and supply are not balanced, the price of rubber will increase, affecting the Company's costs and income may not be as targeted, which will

affect the Company's performance.

- Trading in the agricultural futures market causes the price of rubber to fluctuate, both in terms of price and quantity of raw materials, which have a significant impact on the Company's performance.

#### **Risk management measures**

The Company has developed and increased the capabilities of the department responsible for purchasing and sourcing rubber raw materials to find quality raw materials from various sources sufficiently by diversifying the purchasing sources and increasing the number of raw material producer networks, planning and ordering a minimum of 3 to 5 months in advance of raw materials for production to prevent risks of raw material shortages and fluctuations in rubber prices, and managing raw material inventory to be at an appropriate level and sufficient for production throughout the year.

The Company has been closely monitoring rubber prices in the world market and domestic central market, as well as comprehensive rubber news from various sources to quickly analyze the raw material situation. This enables the Company to determine the appropriate rubber price for purchasing and setting the selling price of products. In addition, the Company has collaborated with business partners to sign purchase and delivery contracts in advance to help procure raw materials on time at an appropriate cost.

#### **Risk 2 Risk from Water Shortage**

Related risk factors : Operational Risk  
• Impact on the environment

ESG risk factors : Yes

#### **Risk characteristics**

The production and processing of rubber products requires water as a key factor in every step. With the increase in production capacity, the demand for water has also increased. In addition, climate change in the Northeastern region, which is an area with high water stress, has caused water resources to be scarce at certain times or have changing water quality. If there is no efficient water usage plan and sustainable water resource management, there may be a risk of water shortages, which will directly affect the company's production process and product quality.

#### **Risk-related consequences**

Business operations may be disrupted by drought, and water volume may not be sufficient to meet production needs.

#### **Risk management measures**

In order for the business to grow continuously, the Company realizes the importance of efficient water resource management, focusing on the maximum benefit of water usage. The company has developed Water Recycling & Reuse and has upgraded water conservation measures to help reduce water loss in factories and offices, manage water usage in the production process and control the amount of water usage to be appropriate for production without affecting the quality of products. In addition, to create water security for the production process without relying on water from external public water sources, the Company has arranged a total of 5 ponds in the company's area. There are 3 ponds with a total capacity of 326,368 cubic meters to store rainwater for use in the factory area. And another 2 ponds with a total capacity of 89,361 cubic meters to store treated water for reuse in the production process. In addition, the company closely monitors the quality and quantity of water. In the event of a drought, the company can still use all of its reserve water in the production process for approximately 2.2 years.

#### **Risk 3 Risks of human rights violations in the supply chain**

Related risk factors : Operational Risk  
• Impact on human rights

ESG risk factors : Yes

#### **Risk characteristics**

In the rubber industry, risks of human rights violations can arise from various factors in the supply chain, such as the use of child and illegal migrant labor, unsafe and inappropriate working conditions, such as lack of health and safety care at work or substandard wages, and land rights violations, such as forced relocation of communities to expand rubber plantations. There is also the risk of unsafe chemicals used in the production process, which may affect the health of workers and surrounding communities.

#### **Risk-related consequences**

May cause health impacts to workers and surrounding communities and the payment of damages/fines or the suspension or termination of business operations.

#### **Risk management measures**

To prevent and reduce such risks, the Company has established a code of conduct for business partners that complies with the law and the **UN Guiding Principles on Business and Human Rights** and the **ILO Conventions**. The Company assesses and inspects its business partners in the supply chain on various issues, including labor, health and safety, land acquisition, and environmental management, to ensure that the business partners with whom the Company conducts business are socially and environmentally responsible and do not engage in any actions that directly or indirectly violate human rights. The Company conducts regular inspections of its business partners in the supply chain, and trains its employees and business partners on labor rights and the prevention of child labor, as well as establishes a comprehensive Human Rights Due Diligence process within the organization and in the supply chain, establishes channels for complaints, disputes, or human rights issues, and operates transparently and fairly for all parties.

### **Risk 4 Risk from High Competition in the Rubber Industry**

Related risk factors : **Strategic Risk**  
• Competition risk

ESG risk factors : Yes

#### **Risk characteristics**

Rubber products, especially Ribbed Smoked Sheet (RSS), Standard Thai Rubber20 (STR20), STR Mixtures Rubber, and RSS Mixtures Rubber are important raw materials for the tire manufacturing industry and automotive parts manufacturing industry. Therefore, the demand for rubber has increased in line with the expansion of the automotive industry. Although Thailand is still the world's number one rubber exporter, the supply from other rubber producing countries has decreased, causing tire manufacturers to look for raw materials from other countries besides Thailand, such as rubber from Africa and rubber from the CLMV countries (Cambodia, Laos, Myanmar, Vietnam) where Chinese investors have invested in expanding rubber plantations during 2006-2012 and the products have started to enter the market more. This has caused Chinese customers to have less demand for imports and to reduce their dependence on Thai rubber.

#### **Risk-related consequences**

May cause the Company to face higher competition in the rubber industry and may lose market share to competitors, especially for block rubber products.

#### **Risk management measures**

The Company focuses on enhancing its competitiveness with high-quality products at competitive prices, maintaining product quality to meet international standards and developing them to be more acceptable to customers, as well as upgrading production standards to be more efficient by developing personnel to be experts in production and business operations. The Company provides modern, accurate and precise production and analysis equipment and has received certification for rubber product quality from the Rubber Research Institute, Department of Agriculture, Ministry of Agriculture and Cooperatives. The Company has established a research and development unit for continuous product development, enabling it to produce products according to customer needs and deliver products on time. In addition, the Company has adjusted its strategic plan to aggressively expand its market both domestically and internationally in order to spread the risk from competition in the current market.

### **Risk 5 Executive Level Manpower Risk**

Related risk factors : **Operational Risk**  
• Reliance on employees in key positions

ESG risk factors : Yes

#### **Risk characteristics**

The Company is managed by defining responsibilities by line of work, with the Vice President of each line of work reporting directly to the Chief Executive Officer (CEO). Therefore, personnel in executive positions are important to the company. If there are changes or adjustments, or there is a shortage of personnel, or the position is vacant for a long period of time, the company may face problems in doing business in the future. In addition, the Company also relies on

personnel with expertise in the rubber industry as another way, because the production of processed rubber has agricultural product standards, which the company must have experts in inspecting the quality of products to sell to customers to meet the standards and meet customer needs, including rubber quality testing, which the company must obtain a license to be an organizer of rubber quality analysis or testing from the Rubber Research Institute, Department of Agriculture, Ministry of Agriculture and Cooperatives. And the testing personnel must receive a certificate of training in rubber testing in order to be able to issue product quality certificates to customers for sale.

#### **Risk-related consequences**

The Company may not be able to recruit capable individuals to support the Company's future growth plans, which could have a material adverse effect on the Company's business and results of operations.

#### **Risk management measures**

The Company has adopted a more professional management approach. Duties and responsibilities have been clearly assigned to other executives and employees of each department, including the organization structure and the hierarchy of approval authority for the Company's operations in order to decentralize management authority. There is a clear and appropriate balance of power and management structure that is divided according to the knowledge and abilities of each employee in each position for efficient current and future operations. The Company has established Succession Planning to ensure that the succession of key executive positions is consistent with the organization's mission, vision, objectives and business goals, and is in accordance with the plan.

#### **Risk 6 Risk from unexpected rubber demand**

Related risk factors	:	<u>Operational Risk</u>
		• Climate change and disasters
ESG risk factors	:	Yes

#### **Risk characteristics**

The Company is engaged in the business of manufacturing and distributing products from natural rubber and rubber processing. The main raw materials used in production are rubber. These raw materials are rubber commodities, which are agricultural products obtained from rubber plantations. The yield depends on the following related factors:

1. Climate change If in any year the weather is very dry or there is heavy rain and flooding in the rubber area, the production will decrease. The natural phenomenon of storms affects the amount of rainfall that occurs, which affects the amount of rubber that can be tapped, causing the rubber production to be insufficient to meet the demand, resulting in a higher price of natural rubber.
2. Yielding of rubber trees Rubber trees have a period of no yield, which is between March and May (when the rubber trees shed their leaves) or the period when stop tapping rubber. For rubber farmers, they stop tapping rubber, which reduces the rubber yield during that period, resulting in a decrease in the amount of rubber released to the market.

#### **Risk-related consequences**

- May cause the rubber plantation area to decrease, resulting in lower production because farmers turn to other crops that produce better yields and have higher economic value.
- May cause rubber production to be insufficient to meet demand. When demand and supply are not balanced, the price of natural rubber may increase. The company may have higher production costs and income may not be as targeted. All factors that affect the quantity or price of raw rubber are significant to the company's performance.

#### **Risk management measures**

The Company is aware of the risk of unpredictable demand for rubber. The Company has a policy of storing raw materials sufficient for production planning in order to deliver products to customers on time and has ordered raw materials for production for a period of 3-5 months according to sales that must be delivered in the future as planned in advance to prevent the risk of raw material shortages and fluctuations in the Company's raw material costs, as well as The Company has followed up on news from various agencies in forecasting weather conditions and rubber production volume in the market regularly. In addition, the Company has spread its risk by purchasing rubber from many sellers from many areas, not limited to the Northeast.

#### **Risk 7 Cyber threats and data security risks**

Related risk factors : Operational Risk  
• Information security and cyber-attack  
ESG risk factors : Yes

#### Risk characteristics

The company aims to become a high-performance, data-driven organization to enhance competitiveness and decision-making in a complex and uncertain business world. This has led to the increasing adoption of digital technology and the use of the **Internet of Things (IoT)** in work, meetings, production, cloud storage, or the use of software to design and manage supply chains, as well as to control internal data. Meanwhile, cyberattacks have continuously developed techniques and cyber fraud has also increased, which may cause disruption of production systems or business operations or leakage of important data in operations.

#### Risk-related consequences

May cause business disruption due to cyberattacks, system failures or sensitive data leaks.

#### Risk management measures

The Company operates to reduce risks from cyber threats and data security by improving its infrastructure, establishing an IT security management system in accordance with international standards, and reviewing IT work processes to reduce the chances of occurrence, such as installing a firewall to prevent cyber-attacks via the Internet, defining access rights to each level of confidentiality and the necessity of using computer equipment, and defining passwords for all employees. The Company automatically backs up data and backs up storage space both inside and outside the organization. The Company also controls access to and from data storage locations, and defines access rights to the database for each level of employees.

In addition, the Company monitors and monitors new threats in both the office and factory systems, and regularly assesses the system to be able to plan proactive defenses before being attacked. The Company has a plan to deal with cyber threats and an IT system recovery plan that is reviewed and regularly practiced to be able to deal with incidents in a timely manner and reduce the severity of the damage that occurs. The Company creates cybersecurity awareness among employees and threats to keep up with the situation and new forms of attacks, and instills in employees to be more careful in using IT systems and using data in the organization.

### Risk 8 Risk from Exchange Rate Fluctuation

Related risk factors : Financial Risk  
• Fluctuation in exchange rates, interest rates, or the inflation rate  
ESG risk factors : Yes

#### Risk characteristics

The Company has revenue from exporting products abroad, accounting for 25 percent of revenue from sales. The main currency used for trading is the US dollar. The fluctuation of the exchange rate on the day of payment for the products will result in a difference from the exchange rate, which may cause the Company to gain or lose or experience severe fluctuations. Therefore, the fluctuation of the exchange rate may have a significant impact on the Company's revenue inevitably.

#### Risk-related consequences

May cause the Company's costs, expenses and operating results to fluctuate significantly. Exchange rate fluctuations may therefore have a significant impact on the Company's revenue.

#### Risk management measures

The Company closely monitors exchange rate changes and sets a policy to reduce the risk of exchange rate fluctuations by entering into forward contracts. Every time products are sold abroad in a proportion of not less than 60-100 percent of foreign sales, the Company also controls and monitors the period of making forward contracts to be appropriate. In addition, the Company has tried to distribute sales to more foreign currencies, considering the suitability of each customer group and each country. In determining the trading currency, the Company will discuss closely with each customer. The Company does not have a policy of speculating on exchange rates.

## Risk 9 Legal, regulatory and corruption risks

Related risk factors : Operational Risk  
• Corruption  
Compliance Risk  
• Change in laws and regulations

ESG risk factors : Yes

### Risk characteristics

The Group's business operations are subject to various laws, rules and regulations both domestically and internationally, which requires the Company to comply with laws and regulations in many countries. Therefore, failure to comply with or partially comply with laws, rules and regulations, including policies of each country, as well as corruption within the Company, may affect the Company's reputation and lead to penalties, fines or loss of business opportunities. The legal process may be lengthy and expensive, and there is a possibility that these regulations and/or social practices may become more stringent in the future.

The rubber industry faces increasingly complex international trade barriers. Various domestic and international regulations and rules require companies to comply with laws and regulations in many countries. Therefore, failure to comply or partially comply with laws and regulations or policies of each country, as well as internal corruption of the company, may affect the company's reputation. In addition, tariff measures, such as the imposition of import taxes on rubber in some countries to protect domestic producers, cause exporting countries such as Thailand to compete fiercely on price. In addition, non-tariff measures also play an important role, such as health and environmental measures that specify chemical residues in rubber products, or labor and sustainability requirements, including quality standards such as the European REACH standard and the FSC standard for sustainable rubber. This forces exporters to adapt to meet the requirements, resulting in increased production costs and creating barriers to accessing important global markets.

### Risk-related consequences

- May affect the Company's reputation and lead to penalties, fines or loss of business opportunities, where legal proceedings may be lengthy and expensive. In addition, it is possible that these regulations and/or social practices may become more stringent.
- May result in significant costs or fines or affect the Company's performance.

### Risk management measures

The Company has established a unit responsible for inspecting, monitoring, and controlling changes in relevant laws and regulations, including assessing and monitoring corruption risks within the organization to analyze the impacts and factors related to the Company. After that, report to the management and relevant departments to be aware of the actions in accordance with the specified laws. In addition, the Company has established various policies and practices to supervise the business in accordance with relevant laws and regulations, such as the preparation of a manual on good corporate governance and business ethics, the establishment of an anti-corruption policy, and the complaint and whistleblowing process, as well as the annual assessment of compliance with laws and regulations to ensure that the Company conducts its business in full compliance with the laws and regulations, including close monitoring of trade requirements and laws of the importing country, analyzing the impacts and making recommendations for preparation, along with communicating with relevant agencies in both the public and private sectors, including overseas trading partners, to exchange information and opinions. This will help the Company to be informed of comprehensive information on changes in laws and regulations in a timely manner, in order to analyze and develop work processes, controls, and prevention, so that it can conduct business in accordance with the changed standards and requirements.

The company also focuses on developing innovations and production processes that are environmentally friendly and highly safe to reduce the impact of trade measures and create long-term competitiveness in the global market.

## Risk 10 Water Pollution Risk

Related risk factors : Operational Risk  
• Impact on the environment

ESG risk factors : Yes

### Risk characteristics

The rubber industry generates a large amount of wastewater from the cleaning of raw materials and the company's production process, including latex from raw materials that may leak during the transportation of raw materials by trading partners. If there is no proper management, it may lead to environmental impacts such as contamination of water

sources, soil, and surrounding ecosystems and odors that disturb surrounding communities.

#### **Risk-related consequences**

Loss of image, reputation from conducting business that is not environmentally friendly, and may incur costs from claims for damages from communities or those affected, or fines from related regulations and laws.

#### **Risk management measures**

The Company therefore places importance on controlling the quality of wastewater and has implemented strict measures to treat wastewater in accordance with legal standards and environmental regulations by using efficient technologies such as the Anaerobic Wastewater Treatment System, which is effective in reducing dirt by more than 50 percent, and the Aerobic Wastewater Treatment System, as well as closely monitoring the quality of wastewater and treated water. In addition, the Company has implemented preventive measures to reduce the amount of wastewater at the source, such as increasing water efficiency, reusing water, and developing production technologies that reduce water usage, along with monitoring and regularly inspecting the quality of wastewater and reporting to the Risk Management Working Group every month to ensure that water released into the environment is of safe quality and complies with regulations and prevents possible impacts on the surrounding community and ecosystem.

#### **Risk 11 Health risks from air pollution**

Related risk factors : Operational Risk  
• Safety, occupational health, and working environment  
• Impact on the environment

ESG risk factors : Yes

#### **Risk characteristics**

Rubber processing, especially in the drying, smoking and wastewater treatment processes, can generate air pollutants such as sulfur dioxide, nitrogen oxides, volatile organic compounds (VOCs) and particulate matter (PM2.5, PM10), which can lead to health problems for factory workers and the surrounding community, such as respiratory diseases, allergies and circulatory problems if exposed over a long period of time. In addition, the odors from rubber piles, the production process and wastewater treatment can affect the quality of life of employees and the surrounding community and it can affect the relationship between the factory and the community if not managed well.

#### **Risk-related consequences**

It may affect the relationship between the factory and the community if it is not managed well and may lose its image from operating unfriendly businesses and business expansion.

#### **Risk management measures**

To alleviate the impact of air pollution and odor, the Company has implemented various measures, such as installing air pollution control systems, such as dust collectors, air filters, and toxic gas removal systems. The Company has implemented production technologies that reduce emissions, such as improving the rubber drying process and air circulation system in the oven, using clean energy, and developing technologies to reduce chemical evaporation, controlling and treating odors at the source. This includes improving the storage area of raw materials to be tightly closed, using odor absorbents for raw materials, and using a closed system to treat wastewater. In addition, the Company monitors the health of its employees and communities by organizing annual health checkups and providing opportunities for communities to participate in reporting problems and jointly solving problems transparently.

#### **Risk 12 Corporate Governance Risk**

Related risk factors : Compliance Risk  
• Corporate Governance

ESG risk factors : Yes

#### **Risk characteristics**

The Company operates its business with a sense of responsibility towards the community, society, the environment and all stakeholders. If the Company is unable to maintain the level of operations as expected by stakeholders, it will affect the Company's reputation. Therefore, the Company manages stakeholders through continuous review, improvement and development of operations by pushing for operations to create stakeholder participation in accordance with international standards that specify key issues for stakeholders and respond to issues that stakeholders want and give importance to,

including collecting and analyzing the needs and expectations of stakeholders. Once the key issues are summarized, the Company will create regulations for relevant units in the Company to adhere to and continuously monitor the results of operations.

#### **Risk-related consequences**

May affect the Company's reputation and reduce the confidence of all stakeholders, significantly affecting the Company's business operations.

#### **Risk management measures**

The Company adheres to the principles of good governance and focuses on developing the sustainability of the organization by conducting business to cover the expectations of stakeholders that continuously change according to the situation in order to respond to the needs of stakeholders quickly and reduce the risks that affect the organization's reputation. The groups of stakeholders that are analyzed include employees, executives, the board of directors, shareholders, business partners such as customers, raw material suppliers, competitors, trade creditors, as well as community, social and environmental groups, including consideration of the expectations of the organization's stakeholders to create clarity and reduce the impact on the organization's operations.

Board of Directors and Shareholders The Company operates in accordance with expectations of good corporate governance, transparent and verifiable disclosure of information, compliance with business ethics, and creation of investment returns by increasing profits.

Customers The Company delivers quality products to customers on time, fairly complies with agreements, and manages the risk of relying on key customers by defining the authority to approve sales of products to each customer both domestically and internationally.

Partners The Company has measures to check and screen its business partners, such as raw material suppliers and various contractors, as well as support business with partners who operate fairly. The Company does not violate human rights and is aware of its social responsibility. The Company has an annual monitoring plan and summarizes the results for partners to comply with the Company's business partner code of conduct. For the procurement of main raw materials for natural rubber production, partners are divided into 3 main groups: large sellers who deliver in large quantities, small farmers, and cooperative groups. There is risk management to prevent shortages of raw materials by setting a policy for paying for raw materials to prevent large traders from having financial liquidity problems and to create incentives to procure more raw materials.

Special rates for operating fees are set for large traders in addition to the price of rubber purchased at the factory. Payment of such operating fees will occur after the goods have been delivered, and the payment period for raw materials is clearly specified, including communication to partners in the form of written documents to acknowledge on the date the partners register as new partners.

Trade Creditors The Company is committed to maintaining sustainable relationships with creditors and maintaining mutual trust, repaying debts on schedule, reporting financial status accurately, transparently and verifiably.

Competitors The Company does not intentionally damage the reputation of its competitors. The Company considers all companies as business partners and regularly attends meetings of the Thai Rubber Association to show a common stance with other companies doing business in the same industry.

Employees The Company regularly evaluates the performance and advancement of its employees, provides fair and appropriate compensation in various aspects based on knowledge, ability, experience, job position, and responsibility, promotes training to develop employees' potential and the performance of each employee, taking into consideration the Company's business performance, economic and social environment, and provides appropriate welfare and benefits to employees, comparable to other companies in the same or similar business.

Community and Social Affairs The company promotes the development of a corporate social responsibility (CSR) process model, supports and promotes activities that preserve good traditions and cultures, and acts as a good religious person in consistently supporting religious activities.

Other organizations are invited and given opportunities to work together. The company also recognizes the importance of local education. The company campaigns for the love of reading by improving the quality of libraries and books so that children in schools have access to them. In addition, other aspects of the school are improved to encourage local youth to have a sense of love for their hometown and be ready to develop their own communities in the future.

Government Agencies the Company strictly complies with the law and supports various government projects that benefit the public.

Media The Company discloses information correctly, to the point, with morality, ethics, and up-to-date information and continuously publicizes.

Environmental The company has a policy to make the company a green factory by starting a campaign on waste separation and sending the separated waste to external agencies to be processed into various products. There is also a policy to increase green areas in the province by being a joint reforestation project with Buriram Province in the near future.

#### Risk 13 Investment Project Risk

##### Investment Risk

Related risk factors : Financial Risk  
• Insufficient sources of funding  
• Liquidity risk

ESG risk factors : No

##### Risk characteristics

The Company has an investment plan to increase competitiveness, create long-term business growth and sustainability. The Company places importance on investment-related risk management, including investment project selection, investment value assessment, technology selection, and resource management. The current economic situation is uncertain, both from global and domestic economic factors, inflation, and rising interest rates, making the Company's investment more challenging, both in terms of allocating investment funds in line with the Company's goals and strategic direction.

##### Risk-related consequences

The Company's investment may face challenges in allocating investment funds in line with the Company's goals and strategic directions.

##### Risk management measures

The Company has set measures to manage investment risks by considering investment allocation and guidelines in line with the Company's goals and strategic directions. This can generate good returns, increase investment capabilities, and maintain financial liquidity carefully and tightly, covering everything from seeking investment opportunities to requesting investment approvals in accordance with the Company's investment supervision process through the Audit Committee. For large-scale investment projects that require high investment, the Risk Management Committee will jointly consider, provide opinions, and provide recommendations on the adequacy of risk assessments and risk management measures to be used as supporting information for the Company's Board of Directors' consideration of investment approvals, systematically monitor project progress to ensure that the Company's investment projects can proceed as planned, and evaluate completed projects to continuously improve the Company's project management. For the development of other future projects, including the analysis of Sustainability issues, such as environmental technology perspectives and reducing greenhouse gas emissions, to increase investment opportunities in businesses with long-term growth and sustainability, creating good investment returns through investment in formats that are appropriate for the situation and New Normal Trend.

#### Risk 14 Risks from management relying on key executives and major shareholders

Related risk factors : Strategic Risk  
• Corporate ownership structure risk

ESG risk factors : No

##### Risk characteristics

The Company has a main executive, Mr. Chuwit Junghanasomboon, who was the founder of the Company since 2006 until now. He holds the position of Director, authorized signatory, Chief Executive Officer and major shareholder of the Company, holding 27.34 percent of the total number of shares sold. Mr. Chuwit Junghanasomboon has been the Company's main executive for 18 years. He is knowledgeable, experienced and has expertise in the business. He has a vision and is directly responsible for determining the Company's main business policy. Therefore, if there is a change in the main executive, the Company may face problems in its future business operations.

In addition, Junghanasomboon family is a major shareholder of the Company, holding 31.35 percent of the total issued shares. Therefore, the said shareholders may be able to exercise their rights to object or disapprove the resolutions in the shareholders' meeting on matters that the Company's regulations or related laws stipulate that no less

than three-quarters of the total votes of the shareholders attending the meeting and having the right to vote must be received.

#### **Risk-related consequences**

The Company may face problems in conducting business in the future if there is a change in key executives.

#### **Risk management measures**

The company has adopted a professional management approach, with clear assignment of duties and responsibilities to other executives and employees of each department. A manual of approval authority has been prepared, which provides a hierarchy of approvals for various operations of the company in order to decentralize management authority. There is a clear balance of authority and management structure that is divided according to the knowledge and abilities of each employee. In addition, the company has established Succession Planning to ensure that the succession of key executive positions is in line with the organization's mission, vision, objectives, and business goals, so that the company can continue its business.

### **Risk 15 Emerging Risks**

#### **Risks from Foreign Investment**

Related risk factors : Strategic Risk  
• New business risk

ESG risk factors : No

#### **Risk characteristics**

The Company conducts business and investments abroad. Therefore, the Company is exposed to risks related to business activities from situations such as inflation, interest rates and overall economic conditions, unrest, military conflicts, terrorism, political changes and general security conditions, changes in laws and regulations, changes in import duties and other tax rates, natural disasters, prohibitions on foreign exchange or capital transfers, or expropriation or confiscation of private businesses, or seizure of private property or assets, etc.

#### **Risk-related consequences**

May affect the Company's business activities, changes in laws and regulations, changes in import duties and other tax rates, natural disasters, foreign exchange restrictions or capital transfer restrictions, or expropriation or confiscation of private enterprises or seizure of private property or assets, significantly affect the Company's operations.

#### **Risk management measures**

May affect the Company's business activities, changes in laws and regulations, changes in import duties and other tax rates, natural disasters, foreign exchange restrictions or capital transfer restrictions, or expropriation or confiscation of private enterprises or seizure of private property or assets, significantly affect the Company's operations.

### **Risk 16 Emerging Risks Risks of Industrial Technological Changes**

Related risk factors : Strategic Risk  
• Changes in technologies

ESG risk factors : Yes

#### **Risk characteristics**

The major changes resulting from the introduction of Disruptive Technology in various industries, which caused the original business models to adapt or lose their competitiveness, and the rapid changes in innovation and Disruptive Technology are becoming more influential because every business is using new technologies to increase the efficiency of various operations to create more competitive potential. This makes it necessary for entrepreneurs to adapt to such developments, including the quality of products, services, and the knowledge and skills of personnel to keep up with the changes. In addition, technological advancements are starting to play an increasingly important role in the natural rubber industry. Especially production technology that allows entrepreneurs to have lower costs in the long run, resulting in a competitive advantage from the ability to set lower prices than competitors in the market, including reducing the use of low-skilled labor that can be replaced by technology, which may have a wide impact. However, the development of technology in the Company's operations still takes into account the potential impacts on the environment, communities, and society.

#### **Risk-related consequences**

The Company's operating results may decline significantly due to price competitive disadvantages from competitors in the market having lower product costs.

#### **Risk management measures**

The Company has a continuous management plan for technology development and innovation in operations and production to increase competitive efficiency (production efficiency and cost reduction) under the principles of promoting sustainability in operations and being environmentally friendly, using resources efficiently, and creating added value for products. The company also emphasizes on planning to develop the potential of employees to keep up with technological changes, including developing skills, general knowledge and specialized knowledge in the position they are responsible for, along with creating awareness of social and environmental responsibility in employees.

#### **Risk 17 Emerging Risks Risks from the transition to a low-carbon society**

Related risk factors : Operational Risk  
• Impact on the environment  
ESG risk factors : Yes

#### **Risk characteristics**

Climate change, which has a clear impact on the environment, society and economy around the world, has led to calls for cooperation from all sectors to jointly solve the problem of climate change in a tangible way. Governments and businesses around the world, including Thailand, have set policies and targets to reduce greenhouse gas emissions and set operational guidelines to move towards a low-carbon society by using renewable energy, using clean technology and efficiently recycling resources in the value chain. This has resulted in new regulations and rules related to reducing greenhouse gas emissions, such as the Carbon Tax, Emission Trading System: ETS and carbon footprint regulations that may be used to set standards in many industries. The implementation of measures such as the Carbon Border Adjustment Mechanism: CBAM, which may affect exports of goods abroad, is a challenge that the rubber industry faces. In addition, there are changes in consumer behavior and market trends that require environmentally friendly products, an increase in initial business costs from investment in low-carbon technologies, and a change in the use of environmentally friendly energy or raw materials, which may increase initial costs but are long-term preparation for entering a sustainable low-carbon society.

#### **Risk-related consequences**

May affect exports to foreign countries as a challenge for the rubber industry and changes in consumer behavior and market trends that require environmentally friendly products, increases in initial business costs from investment in low-carbon technologies, and changes in the use of environmentally friendly energy or raw materials.

#### **Risk management measures**

The company has set a target to reduce greenhouse gas emissions from the base year of 2021 and aims to be carbon neutral by 2030. Therefore, it has implemented improvements and adjustments to processes, equipment, and technology to increase production efficiency and energy use, including research and development to reduce greenhouse gas emissions from the production process, reduce the proportion of fossil fuel use by increasing the use of renewable energy from sunlight and bioenergy, including creating a network of cooperation between the company and its partners to set targets to reduce greenhouse gas emissions throughout the supply chain, as well as assist and develop partners to have the potential to operate according to the set targets.

#### **Risk 18 Emerging Risks**

##### **Risks from the EU Deforestation Regulation (EUDR)**

Related risk factors : Compliance Risk  
• Change in laws and regulations  
ESG risk factors : Yes

#### **Risk characteristics**

The Company is a manufacturer and processor of rubber products, which are products that must comply with the EU Deforestation Regulation (EUDR). Since the European market is a major export market that is important to the Thai economy, the amendment of the EU regulations has a significant impact on rubber exports. The EUDR is a regulation that focuses on the conservation and protection of forest areas, and doing business must rely on and give importance to efficient supply chain management for the continuity of delivering main raw materials for the production of both raw rubber sheets and rubber cup lumps. If the Company lacks appropriate management processes, such as relying on large or single raw material traders, engaging in business and planting that affect the environment and violate laws such as the EU Deforestation Regulation: EUDR, or having Conflict of Interest between raw material traders and the Company's representatives. It will cause the Company to face a higher risk in supply chain management, which will result in a risk

to the Company if it is unable to comply with such regulations, both in terms of income and costs that may increase.

#### **Risk-related consequences**

The Company may lose its image or be penalized for its business partners' illegal and environmentally harmful cultivation activities.

Customers should not purchase products that are found to be at risk of not complying with the EU Deforestation Regulation: EUDR.

#### **Risk management measures**

The Company is a manufacturer and processor of rubber products, which are products that must comply with the EU Deforestation Regulation (EUDR). Since the European market is a major export market that is important to the Thai economy, the amendment of the EU regulations has a significant impact on rubber exports. The EUDR is a regulation that focuses on the conservation and protection of forest areas, and doing business must rely on and give importance to efficient supply chain management for the continuity of delivering main raw materials for the production of both raw rubber sheets and rubber cup lumps. If the Company lacks appropriate management processes, such as relying on large or single raw material traders, engaging in business and planting that affect the environment and violate laws such as the EU Deforestation Regulation: EUDR, or having Conflict of Interest between raw material traders and the Company's representatives. It will cause the Company to face a higher risk in supply chain management, which will result in a risk to the Company if it is unable to comply with such regulations, both in terms of income and costs that may increase.

### **Information on business continuity plan (BCP)**

#### **Business Continuity Plan (BCP)**

Business Continuity Plan (BCP) : Yes

The company has implemented Business Continuity Management (BCM), which consists of an Emergency Response Plan (ERP) and a Business Continuity Plan (BCP). These plans focus on preparing for strategies, processes, and various resources, as well as having systems in place to support potential crises such as fire emergencies or accidents in the factory. This includes preparing firefighting equipment and personnel evacuation plans. Furthermore, there is coordination with the Provincial Electricity Authority to receive advance notice regarding power outages, which helps in efficient planning and management of operations. Additionally, there are plans for scheduled maintenance of machinery and equipment, along with preparing spare parts in case of damage, to ensure that the production process can continue without interruption.

## Sustainable supply chain management

### Information on sustainable supply chain management policy and guidelines

#### Sustainable supply chain management policy and guidelines

Company's sustainable supply chain management policy and guidelines : Yes

### Information on sustainable supply chain management plan

#### Sustainable supply chain management plan

Company's sustainable supply chain management plan : Yes

The company has established a set of procurement policies and regulations with clear operational guidelines under relevant laws and regulations. A dedicated working group for supplier practices has been assigned the responsibility of implementing these policies to achieve the defined goals. This group manages suppliers within the supply chain in alignment with international practices and standards to mitigate risks associated with suppliers, enhance efficiency and quality, increase value, and reduce costs for the company. Additionally, the company has developed and disseminated a supplier code of conduct to communicate its commitment to conducting business ethically, transparently, and with social and environmental responsibility throughout the supply chain.

### Information on new suppliers undergoing sustainability screening criteria

#### New suppliers undergoing sustainability screening criteria

Does the company use sustainability screening criteria with new suppliers? : Yes

	2022	2023	2024
Percentage of new suppliers undergoing sustainability screening criteria over the past year (%)	N/A	100.00	100.00

### Information on supplier code of conduct

#### Supplier code of conduct

Supplier code of conduct : Yes

### Information on key suppliers acknowledging compliance with the supplier code of conduct

#### Key suppliers acknowledging compliance with the supplier code of conduct

Does the company require key suppliers to acknowledge compliance with the supplier code of conduct? : Yes

	2022	2023	2024
Percentage of key suppliers acknowledging compliance with the supplier code of conduct over the past year (%)	100.00	100.00	100.00

## Innovation development

## Information on innovation development policy and guidelines in an organizational level

## Research and development policy (R&D)

Company's research and development (R&D) policy : Yes

### Research and development (R&D) expenses over the past 3 years

	2022	2023	2024
Research and development (R&D) expenses over the past 3 years (Million Baht)	1.50	2.28	4.44

Additional explanation for research and development (R&D) expenses over the past 3 years

## Innovation Product Development

The company is committed to developing and creating finished products to meet diverse needs and expand its business into other industries. In 2024, the company successfully developed a new product: general-purpose rubber flooring made from natural rubber under the brand name Rubberflex. This initiative adds value to the natural rubber, which is the company's primary raw material. The product has been tested for use in livestock farms, including cow, pig, and lamb pens, to ensure its durability, softness, and weight-bearing properties. It has also been certified by the Industrial Standards Institute in accordance with the Thai Industrial Standard TIS 2377 – 2016.

## Information on organization's innovation culture development and promotion process

## Process of developing and promoting the company's innovation culture

Process of developing and promoting the company's innovation culture : Yes

## Management Guidelines

The company places importance on the development of production processes and new products that can generate benefits for both the company and its stakeholders. Therefore, it focuses on fostering a culture that encourages creativity among all employees, along with developing knowledge, skills, and expertise in innovation and technology. This is to enable employees to create high-quality and efficient work. The company does not support all aspects of research and development, production, and management. Instead, it aims to create an ecosystem that supports the development and promotion of innovation that benefits society and the environment. The company has a policy to apply modern innovation and technology in the production process to increase operational efficiency, reduce resource consumption, and build long-term sustainability in business operations that are responsible to society and the environment.

The following 5 operational frameworks have been established to ensure consistent development throughout the ecosystem:

1. Business collaboration with external partners (Open Innovation)
2. Creating environmentally friendly products, creating value for users, and being competitive in the market (Product Development)
3. Research and development, innovation, and technology
4. Production process improvement
5. Building a culture of innovation for creativity within the organization (Closed Innovation)

To ensure that operations in each area are efficient and systematic, the company has assigned the following 5 departments to drive the development of new production processes and products using innovation and technology:

Responsible Party	Responsibilities
R&D Team	<ul style="list-style-type: none"> <li>- Study and research to present new products that meet market demands.</li> <li>- Collect and analyze data to be used in the design of new products.</li> <li>- Test the feasibility of actual production in collaboration with the Engineering and Production Teams.</li> </ul>
Engineering Team	<ul style="list-style-type: none"> <li>- Design and develop production technology to increase operational efficiency and</li> </ul>

production costs.

- Improve and develop machinery/equipment suitable for product

production.

- Test and adjust production processes in collaboration with the

Production Team.

**Production Team**

- Implement developed technology in actual || production processes.

- Oversee production processes to ensure maximum efficiency and benefits.

- Conduct trial production and product || quality testing.

**Human Resources (HR) Team** - Organize training and skill development in innovation and technology for employees.

- Create an organizational culture that promotes continuous creativity and development.

**Environmental and Safety Management Team**

- Inspect developed innovations and technologies to ensure the safety of employees and the environment.

## Information on innovation development benefits and research and development (R&D) expenses

### Benefits of innovation development

#### Financial benefits

Does the company measure the financial benefits from : Yes  
innovation development?

	2022	2023	2024
Revenue or sales generated from the innovations development of product, service, or process (Baht)	2,768,614.57	4,262,683.49	3,097,631.69

#### Non-financial benefits

Does the company measure the non-financial benefits from : Yes  
innovation development?

	2022	2023	2024
Number of people benefiting from innovation development (Persons)	0.00	0.00	10.00
Reduction in the organization's greenhouse gas emissions (Metric tonnes of carbon dioxide equivalent)	0.00	0.00	300.00

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