



บริษัท นอร์ทอีสต์ รีบเบอร์ จำกัด (มหาชน)

NORTH EAST RUBBER PUBLIC COMPANY LIMITED



**ANNUAL REPORT 2024
(FORM 56-1 ONE REPORT)**



North East Rubber Public Company Limited, or “NER”, was established and registered on June 12, 2006. The company manufactures and sells Standard Thai Rubber 20 (STR20), Ribbed Smoked Sheet (RSS), and Mixtures Rubber for sale to manufacturers in the automotive industry and to intermediaries both domestically and internationally. Key export markets include China, Singapore, Japan, India, and Hong Kong. In 2022, NER conducted research and development on finished rubber products to further expand its production capabilities and enhance its business potential sustainably.



Production Capacity:
515,600
tons per year



Number of Employees:
941
people



Market Capitalization:
8,536.79
million Baht



Total Revenue:
27,496.16
million Baht



Customer Relationship
Management Satisfaction:
96.29%





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VISION & MISSION

NER





PURPOSE

"CREATING VALUE BEYOND RUBBER"

VISION

"TO BE A GLOBAL FRONTRUNNER IN NATURAL RUBBER SOLUTIONS,
CREATING LASTING VALUE AND A REGENERATIVE FUTURE FOR ALL
THE COMMUNITIES WE ARE PART OF."

MISSION

"WE ARE COMMITTED TO DELIVERING PREMIUM, COST-EFFECTIVE NATURAL RUBBER PRODUCTS THAT MEET THE EVOLVING NEEDS OF THE MARKET. THROUGH CONTINUOUS RESEARCH AND INNOVATION, WE STRIVE TO CREATE DIVERSE PRODUCTS AND EFFICIENT OPERATIONS THAT SUPPORT THE TRANSITION TO A LOW-CARBON SOCIETY, NURTURE THE ENVIRONMENT, ENHANCE WELL-BEING, AND GENERATE FAIR OPPORTUNITIES AND LONG-TERM VALUE FOR ALL OUR STAKEHOLDERS AND THE COMMUNITIES WE ARE PART OF."

T

TOGETHER

R

RESPONSIBILITY

U

UPLIFT

S

SAFETY

T

TRANSPARENCY



OUR PRODUCTS



RIBBED SMOKED SHEET (RSS)

Ribbed Smoked Sheet: RSS / Compressed Smoked Rubber Sheet, is a primary natural rubber product, that has been processed into sheets through heat and relying on smoke combustion to coat the surface of the rubber, which are done at the same time. Afterwards, the rubber is graded according to widely used requirements, for example, contamination, air bubbles, color and color consistency, and other contaminants including mold. In all, there are three quality grade rubber sheets that are popularly used in the downstream market, which are: rubber sheets class 2, 3 and 4, from the highest to lowest quality grade respectively.



STANDARD THAI RUBBER (STR20)

Standard Thai Rubber: STR / Compressed Standard Thai Rubber, is a primary natural rubber product that is obtained from the process of chopping, grinding, shredding of cup lump rubber, crepe rubber, scrap rolled rubber sheets and other natural rubber scraps, combined into one substance. It is then heat treated by baking into a rectangular shape that has a size according to the standard set by the Rubber Division, hence where the name "Standard Thai Rubber" comes from. Sorting rubber quality grades of Standard Thai Rubber has more detailed variables than rubber sheets, and will have an exact testing value according to the standard set by the Department of Agriculture.



MIXTURES RUBBER

Mixtures Rubber is a primary semi-natural rubber product. It is made from the addition of synthetic rubber and/or chemicals into natural rubber, according to the features or special characteristics specified by the customer, hence the name “Mixtures Rubber”. Mixtures rubber has testing standards similar to Standard Thai Rubber; the difference is in the testing variable according to the ingredients. The product packaging process is similar to that of Compressed Standard Thai Rubber, but it has a different color code.

It is divided into 2 types according to the production process:

1. Wet Process: Raw materials are processed through washing, chopping, crushing, and drying.
2. Dry Process: Dried raw materials are ground and mixed using a Prebreaker.



FINISHED PRODUCTS RUBBER FLOORING SHEETS (RUBBERFLEX)

Rubber flooring sheets under the RubberFlex brand is made from natural rubber, meets all usage requirements and has passed international standard property tests. Whether used in the livestock industry to improve livestock hygiene and farm management efficiency, or to reduce injuries from pressure sores in dairy cows, which is another factor that helps increase milk production, the company continues to develop products to expand the use of rubber flooring in the pet industry, factories, and buildings.



AWARDS AND ACHIEVEMENTS



EcoVadis Sustainability Rating

Achieved a Bronze Medal from EcoVadis, the international rater of supply chain sustainability, for the fifth consecutive year.



SET ESG Ratings

Rated A in the SET ESG Ratings 2024 from the Stock Exchange of Thailand for the third consecutive year



CAC Certification

Certified as a member of the Thai Private Sector Collective Action Against Corruption at a 2-Star level.



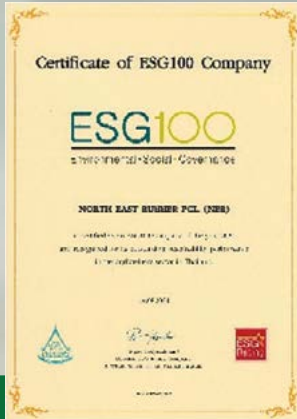
Excellent CG Scoring

Received an 'Excellent' CG scoring in the Corporate Governance Report of Thai Listed Companies from the Thai Institute of Directors Association (IOD) for the fourth consecutive year



AGM Checklist

Achieved a full score of 100 points in the assessment of the quality of the annual general meeting of shareholders of listed companies for 2024, conducted by the Thai Investors Association and the Federation of Thai Capital Market Organizations.



ESG100
Selected as one of the ESG100 companies excelling in environmental, social, and governance practices for 2024 by the Thailand Institute of Directors for the sixth consecutive year.



Green Industry Award 2024
Received the Green Industry Award Level 3 (Green System) for 2024 from the Ministry of Industry, for the eighth consecutive year.



Standard on Prevention and Solution to Drugs Problems in an Establishment
Received a certification of the Standard on Prevention and Solution to Drugs Problems in an Establishment for 2024 from the Buriram Provincial Labor Protection and Welfare Office.



Environmental and Safety Governance Award
Received the Environmental and Safety Governance Award 2024 from the Ministry of Industry.



CSR-DIW Continuous Award 2024
Received a CSR-DIW Continuous award for 2024 as an industrial factory that has continuously applied the CSR-DIW standard practices under the program promoting industrial factories to be responsible for the society and community by the Department of Industrial Works, for the second consecutive year.



IAA AWARDS for Listed Companies 2024
Received the Best CEO award in the Agriculture and Food Industry category, honoring executives with outstanding potential and excellence in business management according to corporate governance, awarded by the Investment Analysts Association (IAA) and the Stock Exchange of Thailand, for the second time.



Mr.Chanitr Charnchainarong
Chairman



MESSAGE FROM CHAIRMAN

The year 2024 remains a challenging year for the global economy and the Thai economy. We continue to face various fluctuations and uncertainties, both from the uneven recovery of the economy and the ongoing geopolitical conflicts. These factors directly impact overall economic growth, including our rubber industry.

Additionally, climate change and stricter environmental regulations are also significant factors affecting the industry, particularly this year. The El Niño phenomenon has severely impacted the rubber industry, with decreased rainfall and drought occurring in many areas, resulting in a significant decline in rubber production. This has led to rubber prices rising by about 40% compared to 2023, as demand for rubber remains high, especially in the automotive industry, which is recovering and increasing its demand for rubber. The enforcement of international environmental standards (European Union regulations on products free from deforestation (EUDR)) is another factor that has caused rubber prices to increase sharply compared to the previous year. Various factors directly affect the raw material costs of the company.

However, despite facing challenges from various external factors, the company remains committed to continuous adaptation and development. In 2024, the company continues to maintain satisfactory performance, having seen continuous growth since it was listed on the stock exchange in 2018. The company has achieved consistent revenue growth, with an average annual growth rate of 18.22%, and has maintained profitability every year with a growth rate of 22.61%. This demonstrates financial stability, profitability, and the ability to sustainably provide valuable returns to shareholders.

The company is well aware that sustainable growth must be accompanied by the creation of value for society and the environment. Over the years, the company has undertaken various projects focusing

on community development, promoting the use of clean energy, and continuously reducing environmental impacts. Such as the NER project supporting sustainable agricultural practices, NER for sustainable supply chain development, green markets, health checks for vulnerable community groups, and supporting and enhancing the education of schools in nine communities, among many others. Additionally, the company has encouraged partners to participate in the Low Emission Support Scheme (LESS) and has invited them to join in the declaration of intentions with the anti-corruption coalition, demonstrating that the company values good governance practices that are transparent and accountable, which are fundamental to building trust with shareholders and all stakeholders.

Through its commitment to responsible business operations concerning social and environmental impact, as well as adherence to principles of good governance, the company has received prestigious awards such as being listed in the SET ESG Ratings for sustainable stocks at an “A” level for three consecutive years, obtaining the Excellent CG Scoring in corporate governance for four consecutive years, and receiving certification as a member of the Anti-Corruption Coalition (CAC Certification) in 2024, reflecting transparent and ethical business practices grounded in sustainable operational principles. The company has also been rated at the bronze level by EcoVadis, a globally recognized evaluator of sustainability in business value chains, for five consecutive years, and has received several environmental awards. These accolades affirm the company’s commitment to conducting business sustainably.

On behalf of the Board of Directors, I would like to thank all shareholders for their trust and support of the company throughout. We pledge to continue our efforts with full capability to create valuable returns for shareholders and to provide enduring value to society and communities.



Mr. Chuwit Jungtanasomboon
Chief Executive Officer



MESSAGE FROM CHIEF EXECUTIVE OFFICER

The year 2024 has proven to be exceptionally challenging for the global business sector, including Thailand's rubber industry. The fluctuating global economic conditions driven by external factors such as trade wars, inflation, and rising interest rates have significantly impacted demand for rubber and caused volatility in selling prices. Additionally, domestic drought conditions have affected rubber production volumes, putting pressure on the company's operations.

However, through effective cost management, innovative product development, and strategic market expansion, the company has achieved a sales revenue target of 27.448 billion baht, a 10% growth, and a net profit of 1.652 billion baht, a 7% increase compared to 2023, which is a satisfactory result under unfavorable market conditions.

Looking ahead to the economic outlook for 2025, uncertainties are expected to persist; however, with government economic stimulus policies and the recovery of the global automotive industry, demand for rubber is anticipated to gradually improve, with an expected average price of 70 baht per kilogram, which will contribute to ongoing revenue growth for the company.

Regarding the impact of the trade war between the U.S. and China, some Chinese manufacturers have moved their production facilities to Thailand, presenting an opportunity to expand the domestic customer base. Nonetheless, the company remains vigilant regarding various risk factors, including outbreaks of emerging diseases, changes in government policies, exchange rate fluctuations, and regulations related to agriculture and international trade. The company has meticulously

planned and managed risks to ensure long-term business sustainability.

To support future growth, the company has investment plans to expand rubber production capacity by an additional 320,000 tons from 2025 to 2026, bringing total production capacity to 835,600 tons per year, up from the current 515,600 tons, representing a growth rate of 62%. This will strengthen the company's competitiveness in the global market.

In addition to business growth, the company is committed to sustainable growth alongside society, adhering to the mission "NER creates more value than rubber" and the vision "We are a leading global producer of natural rubber committed to creating value and a sustainable future for every community we are part of." The company aims to be a leader in the production of high-quality natural rubber that is internationally recognized, conducting its business with integrity, transparency, and fairness while considering the impact on the environment and society.

I firmly believe that "sustainable growth can only occur when all sectors collaborate to create a better society," and I promise that "the company will grow sustainably and provide valuable returns to all shareholders while simultaneously creating value for society."

"The management team and employees of the company would like to thank our shareholders and all stakeholders for traveling with us in trust and support. We will strive to continue our vision to deliver outstanding returns and create sustainable value for society and communities."



FINANCIAL HIGHLIGHTS

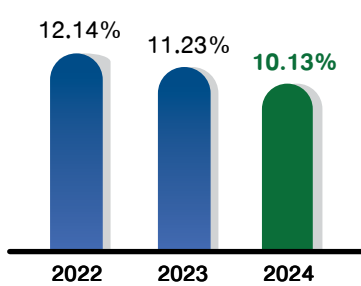
Unit: Million Baht

	Y2022	Y2023	Y2024
Financials Position:			
Current Assets	14,232	14,627	17,268
Non- Current Assets	2,074	2,212	2,189
Total Assets	16,306	16,839	19,457
Current Liabilities	4,505	4,281	5,533
Non-Current Liabilities	5,213	5,090	5,436
Total Liabilities	9,718	9,371	10,969
Total Shareholders' Equity	6,588	7,468	8,488
Authorized share capital	1,005	1,005	1,078
Issued and fully paid-up share capital	924	924	924
Financial Performance:			
Sales Revenue	25,172	25,045	27,448
Total Revenue	25,208	25,066	27,496
Cost of sales	22,116	22,232	24,669
Gross Profit	3,056	2,813	2,779
Profit from Operating Activities (EBIT)	2,223	2,070	2,177
Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA)	2,407	2,269	2,409
Net Profit	1,748	1,546	1,652
Cash Flows:			
Net Cash Flows Provided by (Used in) Operating Activities	1,258	367	(68)
Net Cash Flows Used in Investing Activities	(430)	(309)	(196)
Net Cash Flows Provided by (Used in) Financing Activities	28	(1,393)	424
Cash and Cash Equivalents at End of Year	1,396	61	221

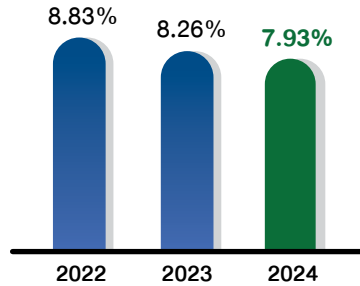


Financial Ratios

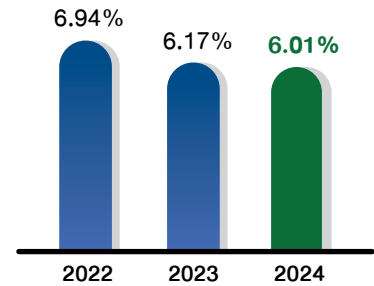
GROSS PROFIT MARGIN (GPM)



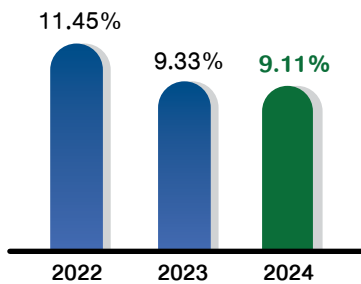
OPERATING PROFIT MARGIN (OPM)



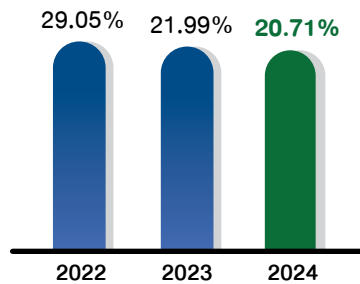
NET PROFIT MARGIN (NPM)



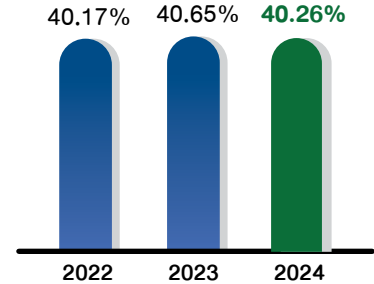
RETURN ON ASSETS (ROA)



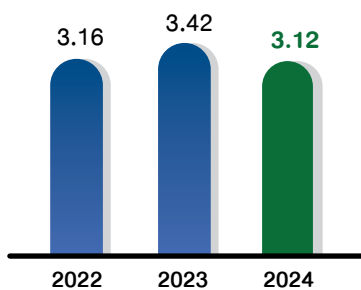
RETURN ON EQUITY (ROE)



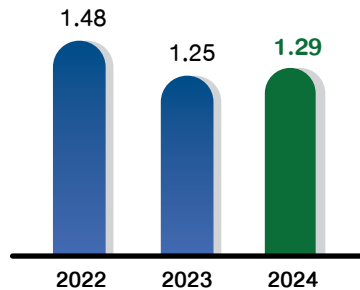
DIVIDEND PAYOUT RATIO



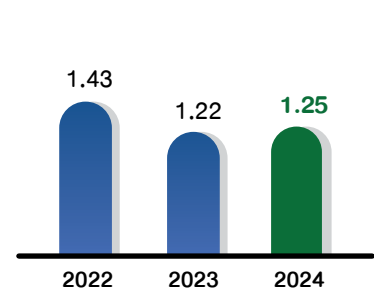
CURRENT RATIO (TIMES)



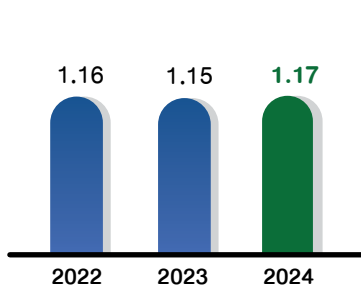
DEBT TO EQUITY RATIO (D/E RATIO)
(TIMES)



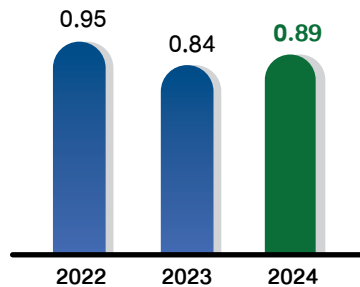
INTEREST-BEARING DEBT TO
EQUITY RATIO (IBD/E RATIO)
(TIMES)



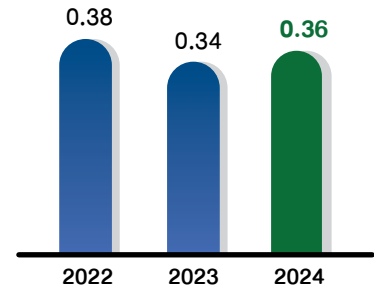
NET DEBT TO EQUITY RATIO
(TIMES)



EARNINGS PER SHARE (BAHT)



DIVIDEND PER SHARE (BAHT)





Part 1

Business Operations and Performance

1

COMPANY STRUCTURE AND OPERATIONS

Northeast Rubber Public Company Limited (“the Company” or “NER”) was established and registered on June 12, 2006 by Mr. Chuwit Jungthanasomboon with an initial registered capital of 20 million baht. The objective is to operate the business of producing and distributing Ribbed Smoked Sheet (RSS) and rubber products. In 2009, the company began to increase the production and distribution of Mixtures Rubber and in 2013, the company began to produce Standard Thai Rubber 20 (STR20) to distribute to manufacturers in the automotive industry and middlemen both domestically and internationally, such as the People’s Republic of China, Singapore, Japan, India, and Hong Kong.

With determination and intention, the company has expanded its business to become one of the top natural rubber entrepreneurs in the country. The company has promoted knowledge to rubber farmers through the Rubber Authority of Thailand, rubber grower cooperatives, and rubber farmers throughout Thailand, as well as developed products to expand into downstream businesses.

The company currently manufactures and distributes products divided into 4 groups according to product type, consisting of:

- 1) Ribbed Smoked Sheet : RSS product group
- 2) Standard Thai Rubber 20 : STR20 product group
- 3) Mixtures Rubber product group
- 4) Finished products rubber flooring sheets (RubberFlex)

The company is licensed to be a manufacturer and exporter of rubber outside the Kingdom and is a provider of rubber quality testing and analysis under the Rubber Control Act B.E. 2542. With many years of experience, the company has grown continuously and is a manufacturer and distributor of high-quality smoked rubber sheets,

block rubber, and mixtures rubber, including pre-fabricated rubber flooring.

The company is committed to producing products that meet international standards, continuously developing quality and services to create customer satisfaction, and has been certified with ISO 9001:2015 for the Quality Management System and growing its business without impacting the environment in accordance with ISO14001:2015 for the Environmental Management System, as well as in terms of quality certification in accordance with the policy of ISO 45001:2018 for Occupation & Health and Safety Management System. In addition, the company has been certified as a laboratory according to ISO/IEC 17025:2017 standards to confirm and build confidence for customers, as well as to create competitive potential, be accepted internationally, and respond to the needs and expectations of stakeholders.

The company has implemented projects to demonstrate its Corporate Social Responsibility (CSR) and environmental stewardship. This includes systematic environmental management, with ongoing monitoring, evaluation, and review for continuous improvement. As a result, the company has received the “Green Industry” certification at Level 3, Green System, from the Ministry of Industry. In 2024, the company received the CSR-DIW Award for the third consecutive year, demonstrating its commitment to conducting business alongside environmental and social responsibility, adhering to good corporate governance principles. The company has also been awarded a Bronze Medal by EcoVadis, a globally recognized sustainability rating platform for business value chains, for the fifth consecutive year. Furthermore, it has been selected as one of the listed companies included in the SET ESG Ratings at the “A” level for



sustainable stocks. Additionally, the company has been certified as a member of the Thai Private Sector Collective Action Against Corruption (CAC Certification) at the 2-star level.

1.1. BUSINESS POLICY AND OVERVIEW

Northeast Rubber Public Company Limited aims to “Creating value beyond rubber” or “We create value beyond rubber” as a commitment of the company to create value in every dimension in order for the company’s growth to be sustainable and create benefits for all parties involved. The company has set the vision, mission, goals and operational plans as follows:

1.1.1. VISION, MISSION, GOALS AND OPERATIONAL STRATEGIES

VISION

“TO BE A GLOBAL FRONTRUNNER IN NATURAL RUBBER SOLUTIONS, CREATING LASTING VALUE AND A REGENERATIVE FUTURE FOR ALL THE COMMUNITIES WE ARE PART OF.”

The company aims to be a world-class natural rubber producer that produces high-quality natural rubber that is internationally recognized, with high production capacity that can meet global demand, conducts business with honesty, transparency and fairness, while taking into account the impact on the environment and society so that the business can grow sustainably in the long term. The company places importance on every related community, whether it is the community where the factory is located, the rubber farmer community or other communities that are affected by the business operations.



MISSION

“WE ARE COMMITTED TO DELIVERING PREMIUM, COST-EFFECTIVE NATURAL RUBBER PRODUCTS THAT MEET THE EVOLVING NEEDS OF THE MARKET. THROUGH CONTINUOUS RESEARCH AND INNOVATION, WE STRIVE TO CREATE DIVERSE PRODUCTS AND EFFICIENT OPERATIONS THAT SUPPORT THE TRANSITION TO A LOW-CARBON SOCIETY, NURTURE THE ENVIRONMENT, ENHANCE WELL-BEING, AND GENERATE FAIR OPPORTUNITIES AND LONG-TERM VALUE FOR ALL OUR STAKEHOLDERS AND THE COMMUNITIES WE ARE PART OF.”

OBJECTIVES AND STRATEGIES FOR OPERATIONS

The Company has business strategies to achieve the organization's goals in 2025 as follows:

1. Focus on expanding production capacity to meet the continuously increasing demand for natural rubber products, delivering quality products on time, supporting market expansion and increasing purchase orders through investment in expanding production capacity to the third factory in the current factory area of the Company to achieve a production capacity of 835,600 tons per year.
2. Focus on expanding and increasing distribution channels to new markets around the world that have potential and growth opportunities and tend to continuously increase purchasing power, such as countries in East Asia, South Asia and Africa, etc.
3. Focusing on expanding and increasing distribution channels to new markets worldwide that have potential and growth opportunities, with a continuous upward trend in purchasing power, such as countries in Asia and America.
4. Promote social responsibility and participation in surrounding communities, support the implementation of various projects to develop and improve the quality of life of the community, care for society and the environment.
5. The company emphasizes the focus on the use of renewable energy in the production process by increasing the use of renewable energy in production, including conservation and responsible use of resources to reduce greenhouse gas emissions, as well as focusing on increasing the value of waste or unused materials to maximize benefits in line with the Circular Economy to aim for carbon neutrality that is friendly to the environment and communities around the factory.
6. Promote employee well-being, create a safe working environment and appropriate occupational health for a good quality of life and create organizational commitment.
7. Continuously develop personnel in various aspects, both in terms of attitude and knowledge and skills.
8. Emphasize the application of technology and innovation to increase productivity, production capacity, speed and accuracy in production, and encourage people in the company to jointly think and develop innovations for use in the factory in order to reduce production costs and maximize the use of resources.



MEDIUM-TERM AND LONG-TERM OPERATIONAL GOALS

The Company places importance on research and development of new products to meet consumer demand by adding new products with the goal of expanding the business to finished products made from natural rubber. The Company aims for revenue from the sale of finished products made from natural rubber to account for 10 percent of total revenue by 2027 and has a target to reduce greenhouse gas emissions with the goal of achieving carbon neutrality by 2030.



1.1.2. SIGNIFICANT CHANGES AND DEVELOPMENTS

Year	Details
2006	<ul style="list-style-type: none"> June 2006, established with initial registered capital of 20 million baht. The objective is to produce and distribute rubber products in the form of Ribbed Smoked Sheet (RSS) for domestic sales.
2007	<ul style="list-style-type: none"> The company expanded its distribution of Ribbed Smoked Sheet (RSS) compressed rubber products to manufacturers in the tire industry both domestically and internationally.
2009	<ul style="list-style-type: none"> May 2009 received Bridgestone certification for the quality of Ribbed Smoked Sheet RSS#3 and RSS#4 which is accepted for delivery to Bridgestone worldwide. The company built a factory and purchased production machinery for Mixtures Rubber products.
2010	<ul style="list-style-type: none"> The company started to produce and export Mixtures Rubber products both domestically and internationally. December 2010 received the ISO9001:2008 certification for Quality Management System.
2013	<ul style="list-style-type: none"> The company started producing rubber block products by building a factory and adding production machinery for Standard Thai Rubber20: STR20 products.
2014	<ul style="list-style-type: none"> The company started producing and exporting Standard Thai Rubber20: STR20 products both domestically and internationally. August 2014 received ISO14001:2004 Environmental Management System certification and OHSAS 18001:2007 Occupational Health & Safety Management System certification for all production processes including Ribbed Smoked Sheets (RSS), Standard Thai Rubber (STR) and Mixtures Rubber.
2015	<ul style="list-style-type: none"> The Company has started a biogas production project using complete fermentation tank technology to produce biogas from energy crops, combined with microorganisms left over from the Company's rubber factory wastewater treatment system, which has an electricity generation capacity of approximately 4 megawatts, as an alternative energy source to reduce the Company's electricity costs. August 2015 received a certificate of honor as an establishment with commitment to implementing the Safe Workplace Project in honor of Her Royal Highness Princess Maha Chakri Sirindhorn from the Ministry of Labor. August 2015, the Company received a license to be a manufacturer of STR rubber under the Rubber Control Act B.E. 2542 from the Department of Agriculture, Ministry of Agriculture and Cooperatives, and was granted a license to be a manufacturer of STR rubber using the code CZ.
2016	<ul style="list-style-type: none"> April 2016 The company received the Green Industry Level 3 certification for systematic environmental management.
2017	<ul style="list-style-type: none"> February 2017, the Company received ISO 9001:2015 certification for Quality Management System. June 2017, the company received ISO 9001:2015 certification for Quality Management System and received OHSAS18001:2007 certification for Occupational Health & Safety Management System July 2017, the company received ISO 14001:2015 certification for Environmental Management System
2018	<ul style="list-style-type: none"> January 2018, the company received a certificate from Bridgestone for the quality of Ribbed Smoked Sheet RSS#2. June 2018 The Company registered to transform from a limited company to a public limited company and changed its name to North East Rubber Public Company Limited. November 2018 The Company's common shares began trading on the Stock Exchange of Thailand (SET) in the Agriculture and Food Industry Group, Agriculture Business Category. December 2018, the Company received the International Innovation Awards 2018 in Macau, China for the production innovation of Mixtures Rubber Processes Innovation

Year	Details
2019	<ul style="list-style-type: none"> May 2019, the Company received the ISO/IEC17025 laboratory testing certificate, enabling it to test and certify products for both domestic and international customers without having to undergo certification from other agencies. The test results are in line with academic standards. June 2019, the Company received the National Leader Award for Rural Development and Poverty Eradication. July 2019, the Company began recognizing revenue from the expansion of another product line with a total production capacity of 60,000 tons/year. The Company has received a construction permit to expand the second STR20 factory with a production capacity of 172,800 tons/year upon completion of the project. The Company has been selected as one of the ESG 100 securities companies with outstanding performance in the field of environment, society and governance (ESG) in the agricultural business group by the Thaipat Institute.
2020	<ul style="list-style-type: none"> May 2020, the company has been certified for quality, industrial product standards ISO 17025 for laboratory standards in testing operations. June 2020 The Company's first warrant (NER-W1) in the amount of 307,999,935 units began trading on the Stock Exchange of Thailand July 2020, the second STR20 factory, total production capacity of the factory is 465,600 tons/year. October 2020, the Company issued and offered for sale the Company's debentures No. 1/2020, due for redemption in 2022, totaling 700.00 million baht. December 2020 Receiving additional shares of Northeast Rubber Public Company Limited (NER) <ul style="list-style-type: none"> From the original capital of 770,000,000 baht, divided into 1,540,000,000 ordinary shares New capital of 807,339,453 baht, divided into 1,614,678,906 ordinary shares (from the exercise of warrants (NER-W1) in the amount of 74,678,906 units) The Company has been selected as one of the ESG 100 securities companies with outstanding performance in the field of environment, society and governance (ESG) in the agricultural business group by the Thaipat Institute for the second consecutive year.
2021	<ul style="list-style-type: none"> January 2021 The company installed a solar power generation system (Solar Rooftop) with a production capacity of 1 MW. March 2021, N.E. Power Co., Ltd. was established with an initial registered capital of 1 million baht to operate the business of producing and selling electricity from biogas. The company holds a 99.97 percent stake in N.E. Power Co., Ltd. April 2021, the Company issued and offered for sale the Company's debentures No. 1/2021, due for redemption in 2023, totaling 1,300.00 million baht. June 2021 Receiving additional shares of Northeast Rubber Public Company Limited (NER) <ul style="list-style-type: none"> From the original capital of 807,339,453 baht, divided into 1,614,678,906 ordinary shares Is the new capital of 822,655,473 baht, divided into 1,645,310,946 ordinary shares (from the exercise of the rights of the warrant (NER-W1) in the amount of 30,632,040 units) June 2021, the Company received ISO 9001:2015 certification for Quality Management System. June 2021, the Company received ISO 14001:2015 certification for the Environmental Management System. June 2021, the Company has been certified with ISO 45001:2018 for Occupational Health & Safety Management System. November 2021, the Company issued and offered for sale the Company's debentures No. 2/2021, series 1 due in 2025, series 2 due in 2026, in which the issuer has the right to redeem the debentures before the maturity date (Series 2 debentures) with a total value of 2,000.00 million baht. December 2021, the receipt of additional shares of Northeast Rubber Public Company Limited (NER) from the original capital of 822,655,473 baht, divided into 1,645,310,946 ordinary shares, to new capital of 880,317,528 baht, divided into 1,760,635,056 ordinary shares (from the exercise of the rights of the warrant (NER-W1) in the amount of 115,324,110 units) December 2021, N.E. Power Co., Ltd., a subsidiary in which the Company holds a 99.99 percent stake, registered for company dissolution with the Department of Business Development, Ministry of Commerce, due to no transactions in the business of generating and selling electricity from biogas. The Company has participated in the Corporate Governance Report (CGR) survey project of listed companies by the Thai Institute of Directors Association (IOD) and received an evaluation result at the "Excellent" or "5 stars" level. The Company has been selected as one of the ESG 100 securities companies with outstanding performance in the field of environment, society and governance (ESG) in the agricultural business group by the Thaipat Institute for the third consecutive year.



Year	Details
2022	<ul style="list-style-type: none"> • May 2022, the receipt of additional capital of North East Rubber Public Company Limited (NER) from the original capital of 880,317,528 baht, divided into 1,760,635,056 ordinary shares, new capital of 923,894,874 baht, divided into ordinary shares 1,847,789,748 shares (from the exercise of 87,154,692 warrants (NER-W1)) • August 2022 The company received a certificate of drug prevention and solution standards in the workplace, August 2022 – August 2025 from the Department of Labor Protection and Welfare, Buriram Province. • August 2022, the Company received the CSR-DIW Award 2022 in the project to promote industrial factories to be responsible for society and communities sustainably (CSR-DIW to achieve SDGs) for the year 2022 from the Department of Industrial Works. • August 2022, received a certificate in the Carbon Footprint for Organization (CFO) project for the year 2021, organized by the Greenhouse Gas Management Organization (Public Organization) or TGO. • September 2022, the Company installed an additional 2 MW solar rooftop power generation system, totaling 3 MW of total plant capacity. • September 2022, the Company issued and offered its debentures No. 1/2022, set 1 with a maturity in 2027 and set 2 with a maturity in 2029, with the issuer having the right to redeem the debentures prior to maturity. The total value amounted to 2,814.30 million baht. • October 2022, the Company was selected for the 2022 Thailand Sustainability Investment (THSI) list in the agricultural and food industry business group by the Stock Exchange of Thailand. • October 2022, the Company received the Corporate Governance Report (CGR) assessment results for 2022 by Thai Institute of Directors (IOD) at the “Excellent” or “5-star” level for the second consecutive year. • The Company has been selected as one of the ESG 100 securities companies with outstanding performance in the field of environment, society and governance (ESG) in the agricultural business group by the Thaipat Institute for the 4th consecutive year. • The Company has installed an additional rubber oven for the second STR20 factory, which can increase production capacity by another 50,000 tons/year. • The Company has installed a machine to produce rubber sheets for livestock bedding and has started to generate revenue from the sale of finished products.
2023	<ul style="list-style-type: none"> • April 2023 The Company installed an additional 2 MW solar rooftop power generation system, totaling 5 MW in the factory, and plans to install another 1 MW in 2024. • April 2023 Expand innovations by launching a new group of finished products for newborn and porker farms under the name Pig Comfort • May 2023 The Company received a bronze medal from the sustainability ranking by Ecovadis • July 2023, the Company was selected as one of the ESG100 securities companies with outstanding performance in the field of environment, society and governance (ESG) in the agricultural business group by the Thaipat Institute for the 5th consecutive year. • August 2023, the Company received a certificate of participation in the workshop on the development of economic mechanisms for carbon pricing and investment to reduce greenhouse gas emissions, Phase 3, by Creagy Co., Ltd., a project consultant hired by the Greenhouse Gas Management Organization (Public Organization). • September 2023, the Company received the CSR-DIW Award 2023 in the CSR-DIW Continuous Award category in the project to promote industrial factories to be responsible to society and communities for sustainable development goals (CSR-DIW to achieve SDGs) for the year 2023 from the Department of Industrial Works. • September 2023 The Company received the award for the establishment that passed the assessment criteria for corporate governance in 2023 from the Ministry of Industry. • November 2023, the Company received the Corporate Governance Report (CGR) assessment results for 2022 by Thai Institute of Directors (IOD) at the “Excellent” or “5-star” level for the third consecutive year. • November 2023, the Company received the SET ESG Rating for the year 2023 sustainability assessment at the level of “A” in the agricultural and food industry business group from the Stock Exchange of Thailand.

Year	Details
2024	<ul style="list-style-type: none"> January 2024, the company installed an additional 1 MW of solar rooftop power generation system, bringing the total plant capacity to 6 MW. April 2024, the Company registered an increase in capital to support the issuance of warrants to purchase the Company's ordinary shares (NER-W2) amounting to 307,964,958 shares. As of December 31, 2024, the Company's registered capital was 1,077,877,353 baht. May 2024 The Company's 2nd Warrant (NER-W2) in the amount of 307,955,103 units began trading on the Stock Exchange of Thailand August 2024, the Company received a full score of 100 points (5 coins) for the assessment of the Annual General Meeting of Shareholders (AGM Checklist) "Excellent and exemplary" from Thai Institute of Directors. September 2024, the Company registered a subsidiary company named "North East Rubber Cote d'Ivoire" or "NER-CI" in Cote d'Ivoire to operate the business of manufacturing and distributing RRS, STR20 and mixtures rubber, with a registered capital of 10,000,000 FCFA or 0.60 million baht, in which the Company holds a 100 percent stake. September 2024, the Company was certified as a member of the Thai Private Sector Collective Action Against Corruption (CAC Certification) at the 2-star level. November 2024, the company received the CSR-DIW Award 2024 in the CSR-DIW Continuous Award category, for the project promoting industrial factories to have social and community responsibility for sustainable development goals (CSR-DIW to achieve SDGs) for the year 2024 from the Department of Industrial Works, for the second consecutive year. November 2024, the company received the results of the survey project on corporate governance of listed companies (Corporate Governance Report: CGR) for the year 2023 by the Thai Institute of Directors Association (IOD) at the "Excellent" or "5-star" level for the fourth consecutive year. December 2024, the company received the 2024 annual sustainability assessment result, SET ESG Rating level "A" in the agricultural and food industry group from the Stock Exchange of Thailand, for the third consecutive year. December 2024, the Company issued and offered secured debentures of North East Rubber Public Company Limited No. 1/2024, due in 2029, with a value of 1,500.00 million baht.

1.1.3. OBJECTIVES OF USING THE FUNDS RAISED FROM THE FUNDRAISING

1) USE OF PROCEEDS FROM THE OFFERING OF DEBT INSTRUMENTS

For the Debenture value as of December 31, 2024, the total outstanding amount is 6,314.30 million baht, with details of the use of funds as follows:

On November 4, 2021, North East Rubber Public Company Limited issued and offered its debentures, series 2/2021, set 1 with a redemption date in 2025 and set 2 with a redemption date in 2026. The issuer has the right to redeem the debentures before the maturity date. The total value of the debentures is 2,000.00 million baht, to be used for the following purposes:

Purpose of using the funds	Estimated amount of funds used	Estimated period of time used of funds	Details
Used as working capital in the business to support the expansion of the Company's production capacity under operations at Factory 1 and Factory 2.	2,000.00 million baht	Within the year 2022-2023	The Company used the funds as working capital to purchase raw materials and the Company's remaining stock for RSS, STR20, mixed STR20 and mixtures rubber to support the Company's production capacity expansion under the operations of Factory 1 and Factory 2.

On September 8, 2022, North East Rubber Public Company Limited issued and offered its debentures, series 1/2022, set 1 with a redemption date in 2027 and set 2 with a redemption date in 2029. The issuer has the right to redeem the debentures before the maturity date. The total value of the debentures is 2,814.30 million baht, to be used for the following purposes:



Purpose of using the funds	Estimated amount of funds used	Estimated period of time used of funds	Details
Use as working capital in business.	2,814.30 million baht	Within the year 2023-2024	The company used the funds as working capital to purchase raw materials and/or remaining stock.

On December 20, 2024, North East Rubber Public Company Limited issued and offered secured debentures No. 1/2024, due in 2029, with a value of 1,500.00 million baht, to be used for the following purposes:

Purpose of using the funds	Estimated amount of funds used	Estimated period of time used of funds	Details
Repay other debts	1,500 million baht	Within April 2025	The company will use the funds to repay debts to various banks, such as Bangkok Bank, Bank of China (Thailand), Sumitomo Mitsui Bank, Kasikornbank, Islamic Bank of Thailand and Land and Houses Public Company Limited, with repayments to be made in installments from January to April 2025. *The company may use some of the funds to manage and reduce the interest burden that must be paid while waiting for the money to be used for its intended purpose.

If the Company is unable to raise sufficient funds for the stated purposes of use of the funds, the Company has short-term credit facilities with financial institutions and is in the process of requesting an increase in the credit facilities with financial institutions.

The terms and conditions and applicable laws shall be governed by and construed in accordance with the laws of Thailand.

1.1.4. OBLIGATION

- None -

1.1.5. GENERAL INFORMATION OF THE COMPANY

Company Name (Thai)	บริษัท นอร์ทอีส รับเบอร์ จำกัด (มหาชน)
Company Name (English)	North East Rubber Public Company Limited
Company Registration Number	0107561000242
Security Abbreviation	NER
Business Description	Produce and distribute rubber products including Ribbed Smoked Sheet (RSS), Standard Thai Rubber 20 (STR20) and Mixtures Rubber for distribution to automotive industry manufacturers and Trader both domestically and internationally.
Head office location	No. 398 Moo. 4, Khok Ma Subdistrict, Prakhon Chai District, Buriram Province 31140

Branch/sales office location	<ul style="list-style-type: none"> - No. 388 Moo. 4, Khok Ma Subdistrict, Prakhon Chai District, Buriram Province 31140 - No. 388/1 Moo. 4, Khok Ma Subdistrict, Prakhon Chai District, Buriram Province 31140 - No. 158 Moo. 3, Takotapi Subdistrict, Prakhon Chai District, Buriram Province 31140 - No. 589/156 Central City Tower Building, 28th Floor, Theparat Road, Bang Na Nuea Subdistrict, Bang Na District, Bangkok 10260 (Sales Office) - No. 254 Moo. 4, Khok Ma Subdistrict, Prakhon Chai District, Buriram Province 31140
Telephone (Head Office)	(66) 4466 6928 / (66) 4466 6929
Fax (Head Office)	(66) 4466 6212 / (66) 4466 6213
Website (URL)	www.nerubber.com
Registered Capital	1,077,877,353 THB
Issued and Paid-up Capital	923,894,874 THB
Number of Issued and Paid-up Ordinary Shares	1,847,789,748 Shares
Par Value per Share	0.50 THB

1.2 BUSINESS DESCRIPTION

Northeast Rubber Public Company Limited operates a business in manufacturing and distributing natural rubber products, consisting of Ribbed Smoked Sheet (RSS), Standard Thai Rubber (STR20), Mixtures Rubber, and finished products such as Livestock Rubber Mattress. The company maintains the quality of its products to create stability for existing customers and expands its business market to new customer groups both domestically and internationally.



RSS



STR20



Mixtures Rubber



Finished products rubber flooring sheets
(RubberFlex)



1.2.1. REVENUE STRUCTURE

The main products that the company produces and distributes include Ribbed Smoked Sheet (RSS), Standard Thai Rubber (STR20), Mixtures Rubber, and Finished products rubber flooring sheets (RubberFlex), with the proportion of income as follows:

REVENUE STRUCTURE BY PRODUCT TYPE

Revenue	2022		2023		2024	
	Million baht	%	Million baht	%	Million baht	%
1) Ribbed Smoked Sheet (RSS)	3,666.12	14.54	3,576.93	14.27	4,017.94	14.61
2) Standard Thai Rubber (STR20)	11,689.99	46.37	13,283.31	52.99	14,302.27	52.02
3) STR-Mixtures Rubber	6,093.06	24.17	5,135.20	20.49	5,850.38	21.28
4) RSS-Mixtures Rubber	3,720.12	14.76	3,045.47	12.15	3,274.64	11.91
5) Finished products rubber flooring sheets (RubberFlex)	2.77	0.01	4.26	0.02	3.10	0.01
Total Sales Revenue	25,172.06	99.86	25,045.17	99.92	27,448.34	99.83
Other Revenue	36.17	0.14	20.54	0.08	47.83	0.17
Total Revenue	25,208.23	100.00	25,065.71	100.00	27,496.16	100.00

1.2.2. PRODUCT INFORMATION

(1) PRODUCT AND SERVICE CHARACTERISTICS AND INNOVATION DEVELOPMENT

The Company is a manufacturer and distributor of four types of natural rubber products, namely:

- 1) Ribbed Smoked Sheet : RSS
- 2) Standard Thai Rubber : STR
- 3) Mixtures Rubber

Under the NER brand for distribution to automotive manufacturers and middlemen both domestically and internationally, it is considered an important primary processed rubber production that is used as raw materials for the production of various types of finished rubber products. In particular, it is used as an important raw material for the production of automobile tires, which is an industry that is important to the Thai and global economies.

- 4) Finished products rubber flooring sheets (RubberFlex)

1. RIBBED SMOKED SHEET : RSS

Ribbed Smoked Sheet (RSS) is made by washing raw rubber sheets with water and drying them using heat and smoke from controlled combustion at appropriate temperatures. RSS can be classified into 5 grades, with grade 1 being the highest quality and grade 5 being the lowest. After grading, the rubber is compressed into blocks and then talc is applied to the surface of the blocks to prevent mold, moisture, and sticking during transport.

Ribbed Smoked Sheet : RSS that the company produces and distributes are mainly RSS grade 2, RSS grade 3, RSS grade 4, and RSS grade 5. The company distributes them as Ribbed Smoked Sheet Bale,

which are Ribbed Smoked Sheet with the same quality grade, pressed into square blocks with dimensions of approximately 50x60x50 centimeters and weighing 111.11 ± 0.50 kilograms when combined with the flour on the rubber block.

Ribbed Smoked Sheet : RSS can be classified according to their quality and physical characteristics according to the International Standard of Quality and Packing for Natural Rubber Grades (The Green Book) of the National Bureau of Agricultural Commodity and Food Standards, Ministry of Agriculture and Cooperatives, as follows:

- 1) **Ribbed Smoked Sheet grade 1 (RSS#1)** is a dry rubber sheet with firm, hard, clear, clean texture. The sheet is complete and has a uniform color. It does not allow swollen rubber, bubble rubber, old and smoked rubber, old and burnt rubber, burnt rubber, too little smoked rubber, raw rubber, greasy rubber, the sheet surface has defects.
- 2) **Ribbed Smoked Sheet grade 2 (RSS#2)** is a dry rubber sheet with firm, hard, clear, uniform texture. The surface of the sheet may have slight defects and small air bubbles. It is not allowed to have too much smoked rubber, too little smoked rubber, raw rubber, greasy rubber, soft rubber, old and burnt rubber.
- 3) **Ribbed Smoked Sheet grade 3 (RSS#3)** is a dry rubber sheet with firm, hard, with a little wood chips, slight defects on the surface of the sheet, slight black spots, small air bubbles, excessive smoked rubber, too soft smoked rubber, raw rubber, greasy rubber, soft rubber, old fire rubber, burnt rubber, swollen rubber
- 4) **Ribbed Smoked Sheet grade 4 (RSS#4)** is a rubber sheet that may have dry mold or rust mold in the area between the wrapped sheet and the surface of the block not exceeding 20 percent of the delivered rubber. It's dry rubber sheet, firm and hard texture, sheet surface has defects, medium black

color, slightly dark color, slightly over-smoked rubber is allowed. Under-smoked rubber, raw rubber, greasy rubber, old and burnt rubber, burnt rubber, swollen rubber is not allowed.

- 5) **Ribbed Smoked Sheet grade 5 (RSS#5)** is dry, hard rubber sheets with slightly larger wood chips are allowed. Slightly over-smoked and under-smoked rubber is allowed. Raw rubber, greasy rubber, soft rubber, old rubber, burnt rubber are not allowed.

2. STANDARD THAI RUBBER : STR

STR also known as Standard Thai Rubber (STR), derived from cup lump rubber, is a product produced from fresh or dry rubber, such as raw rubber sheets and cup lump rubber, which Malaysia invented and developed using the criteria for determining the rubber grade from examining the properties of the rubber to meet the standards. Since Ribbed Smoked Sheet is a visual classification, which may give uncertain results and quality, for this reason, most rubber industries today have started to switch to using STR as a raw material for production instead. Because STR has a more consistent quality than Ribbed Smoked Sheet and has been tested to classify its quality based on academic principles, mainly considering the amount of impurities in the rubber, as well as considering other variables such as ash content, plasticity retention index (PRI), and others. Currently, STR production in Thailand is produced according to the Technically Specified Rubber standard, which uses international standards for quality control, certified by the International ISO Standard, which is a type of production that is generally accepted in the rubber consumer community, called STR (Standard Thai Rubber).

STR sold by the company is made from cup lump rubber, include STR 20 which is STR with impurities not exceeding 0.16 percent, ash not exceeding 0.80 percent, nitrogen not exceeding 0.60 percent, volatile matter not exceeding 0.80 percent, initial flexibility not less than 30 and a flexibility index



not less than 40. It is compressed into blocks with a size of approximately 330x670x180 millimeters and a weight of 33.33 kilograms or 35.00 kilograms according to the standard. In addition, the company can also produce STR 10. STR can be used as raw materials for the production of car wheels, motorcycle wheels, various belt products, rubber floor products, etc.

The company's production and distribution of STR after production is complete must be tested every time before delivering products to customers by randomly collecting samples to test the quality every 6th block of production. The collected rubber samples must be at least 2 pieces. When collecting the rubber samples, they are tested for the standard quality of the rubber by comparing the tested rubber properties with STR grade standards. The tests are as follows:

- 1) **Dirt Content** means the amount of substance obtained from filtration with a 325 mesh (mesh) or 44 micron sieve. The filtered substance consists of soil, bark, leaves, etc. The amount and type of impurities in rubber are very important for the processing and quality of rubber.
- 2) **Ash Content** Ash is an indicator of the amount of minerals present in the rubber. It is an inorganic salt, such as potassium phosphate, magnesium, calcium and other elements. It may also be silica or silicates in the rubber, as well as substances that are mixed from outside.
- 3) **Nitrogen Content** Nitrogen in raw rubber is in the form of protein. Therefore, the nitrogen content is an indicator of the protein content in the rubber.
- 4) **Volatile Matter Content : VM** Volatile matter in rubber refers to the moisture in the rubber. If the moisture content in the rubber is high, the rubber will easily become moldy, have a bad smell, and cause problems during the transformation process into products. In the process of producing STR, there are several steps of rolling, cutting, washing, and cleaning of rubber. The rubber will be cut into small pieces to be dried and then packaged. Therefore, the amount of volatile matter in STR will be less than the amount of volatile matter in general raw rubber.
- 5) **Original Wallace Plasticity and Plasticity Retention Index : Po and PRI** The Original Wallace Plasticity (Po) is a value used to estimate the size of the rubber molecules. Rubber with a high Po value indicates a large rubber molecule size, while heavily oxidized rubber is soft and has a low Po value. The Plasticity Retention Index is a value that indicates the resistance of the tested rubber to oxidation at 140 °C for 30 minutes or it indicates the resistance of the raw rubber to molecular fracture at high temperatures.
- 6) **Rubber color** STR produced from latex have a classification which is specified in the rubber classification standard by comparing the intensity of the rubber color with the color of Lovibond. Standards such as the intensity of the rubber color is lower than the color of Lovibond No. 6, it means that it is STR grade STR5L. If the intensity of the rubber color is higher than the color of Lovibond No. 6, it means that STR produced is classified as STR grade STR5, etc.
- 7) **Mooney Viscosity** Viscosity is a physical property of rubber, where the viscosity of rubber is related to the molecular weight of the rubber. Rubber with high molecular weight will have high viscosity.

The STR manufacturer will use the "STR" mark to sell STR that is produced. The STR rubber standard certificate must be issued every time it is produced before being sold. The STR manufacturer must send STR to the standard testing room for testing according to the STR rubber standard. They can request to issue the STR rubber standard quality certificate from 2 types: the STR rubber standard testing room of

the Rubber Research Institute, Department of Agriculture and the private STR testing room that is authorized to be an STR rubber laboratory by the Department of Agriculture. However, the company can test STR by itself because there is STR testing room that is authorized by the Rubber Division, Department of Agriculture, Ministry of Agriculture and Cooperatives. After the test results are in accordance with the standard, the product will be packed in a plastic bag with the Code (CZ) and the product color type specified by STR standard.

3. MIXTURES RUBBER

Mixtures Rubber or Compound Rubber is a natural rubber product that is mixed with synthetic rubber and/or chemicals in a specific formula under a heat of 120 degrees to be used as raw materials for producing finished products. Mixtures Rubber can be molded into various rubber products, such as tire wheels, Rubber Bearing Pad, rubber pipes, rubber bands, etc. The Mixtures Rubber that the company currently produces can be divided into 2 types as follows:

- 1) Mixtures Rubber that is produced by using sheet rubber in production is called RSS-Mixtures Rubber
- 2) Mixtures Rubber that is produced by using STR rubber in production is called STR-Mixtures Rubber

4. FINISHED PRODUCTS RUBBER FLOORING SHEETS (RUBBERFLEX)

Rubber flooring sheets under the RubberFlex brand is made from natural rubber, meets all usage requirements and has passed international standard property tests. Whether used in the livestock industry to improve livestock hygiene and farm management efficiency, or to reduce injuries from pressure sores in dairy cows, which is another factor that helps increase milk production, the company continues to develop products to expand the use of rubber flooring in the pet industry, factories, and buildings.

(2) MARKETING AND OF COMPETITION

(A) MARKETING OF PRODUCTS AND SERVICES

MARKETING POLICY

The company has a policy to produce products with high quality and standards that meet customer needs. The company emphasizes on checking the quality of products at every step before shipping, maintaining machinery in the production process, investing in machinery to develop finished products, and creating maximum customer satisfaction and has set customer satisfaction as the main indicator of the company's operations in order to develop and improve the quality of products and services to be even better.

The sales and marketing department will be responsible for receiving advice, suggestions, and complaints from customers to communicate with all relevant departments. In the case of complaints, the company will respond to customers about the cause and solutions within 2 business days after receiving the information to ensure that customers receive a quick response and maximum satisfaction.

• NATURAL RUBBER PRODUCTS

MARKETING STRATEGY

1. PRODUCT STRATEGY

The company has set up a factory in the Northeast, which is a major rubber plantation area in the southern part of northeastern Thailand, so it can control the cost of raw materials and procure sufficient raw materials. Since the Northeast has a large rubber plantation area of 6 million rai, the environment is suitable for rubber plantation, resulting in high-quality and clean latex. The company emphasizes the production of quality products and standards with modern machinery. The production plan with potential in 2023-2024, the company has a total production capacity of 515,600 tons of Ribbed Smoked Rubber Sheet, Standard Thai Rubber20, and Mixtures Rubber per year, enabling it to meet the demand for quantity and quality of customers in the tire industry both



domestically and internationally according to the set target. In 2025, the company has a plan to construct a block rubber plant, Phase 3, to expand production capacity by another 320,000 tons, which is expected to start production and generate revenue in 2026 to support the expansion of purchasing volume from existing and new customers.

In terms of various certification standards, the company has been certified for quality standards (ISO 9001: 2015), environmental management system standards in manufacturing plants (ISO 14001: 2015), occupational health and safety management system standards (ISO 45001: 2018), as well as being certified for laboratory competence according to **ISO/IEC 17025:2017 (Certificate Of Testing Laboratory Accreditation)** and the rules, regulations and conditions for laboratory competence certification of the Bureau of Laboratory Administration and Accreditation, Department of Science Service. The said laboratory has also received a license from the Department of Agriculture for testing the quality of rubber before distribution, **Standard Thai Rubber Certificate NO. L64 (Certification Trade Mark STR 20 CZ)** in accordance with the Rubber Control Act B.E. 2542 and the Department of Agriculture regulations on the criteria for granting permission to STR rubber laboratories B.E. 2542.

In 2023, the Company expanded the scope of its Quality Standards (ISO 9001:2015), Environmental

Management System Standards in Manufacturing Facilities (ISO 14001:2015) and Occupational Health and Safety Management System Standards (ISO 45001:2018) to include finished products.

In addition, the company has also been certified for the EcoVadis sustainability management system to confirm its social and environmental responsibility (CSR: Corporate Social Responsibility) operations and the CSR-DIW Continues Award 2024, which is continuously received in the project to promote industrial factories to be responsible towards society and communities for sustainable development goals (CSR-DIW to achieve SDGs) from the Department of Industrial Works. With such reliable product quality and certification standards, the company has gained trust and confidence from customers in continuously ordering products.

In addition, the production process of the factory is a Zero Waste production or zero production loss rate, such as reusing unqualified rubber for remanufacturing and wastewater treatment. Therefore, the company can reduce the amount of waste to the environment and can control the costs from production very well.

2. SALES STRATEGY

For natural rubber products, the Company uses the strategy of matching the purchase order between the raw material purchase volume and the product sales volume in each period to be

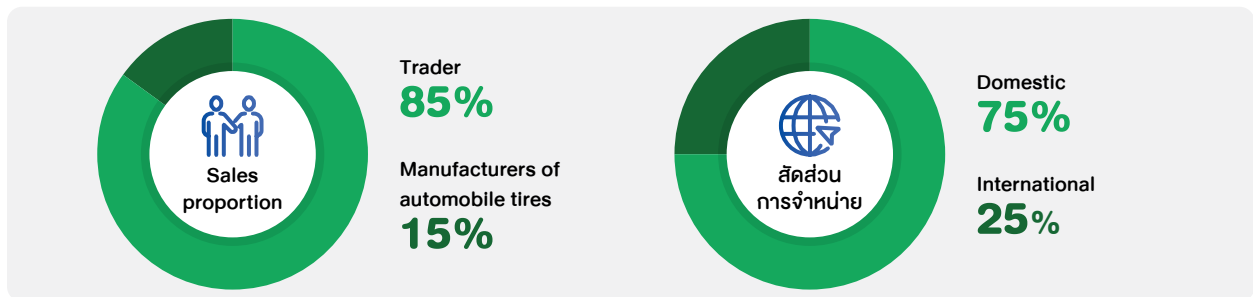


consistent in order to prevent the risk from the volatility of rubber prices. The marketing department will set the product sales price based on the cost of raw materials, production costs, and add the Cost Plus Margin rate, along with considering the prices of the Singapore Commodity Exchange (SICOM) and the Shanghai Futures Exchange (SHFE) to be used as information for considering the price of sales to customers.

For selling products, the types of sales are divided into 2 parts: Long-term contract sales, which are contracts made annually and have monthly delivery schedules as agreed, and spot contract sales.

DISTRIBUTION CHANNELS AND TARGET CUSTOMER GROUPS

Distribution channels are divided into 2 types: selling products at the factory and selling products to the customer's specified location. In 2024, the Company's sales proportion to Trader and tire industry manufacturers (Manufacturer) accounted for 85 percent and 15 percent, respectively. The domestic and international sales proportion accounted for 75 percent and 25 percent, respectively.



The main customer groups are China, Singapore, Japan, India and Bangladesh. In 2024, the company achieved its target by expanding its customer base to major tire manufacturers, increasing by 1 customer from the target of 1 customer, and expanding new customers in Asia by 7 customers from the target of 5 customers. In 2025, the company will continue to expand its customer base in line with the original target in order to create stable growth in its customer base.

CUSTOMER RELATIONSHIP MANAGEMENT AND RESPONSIBILITY

Northeast Rubber Public Company Limited is committed to producing and delivering quality products to customers within the specified time frame, as well as building good relationships to achieve maximum satisfaction. This leads to the creation of a sustainable customer base, with an emphasis on the aforementioned issues, which are disclosed in Section 3: Driving Business for Sustainability.

• FINISHED PRODUCTS

MARKETING STRATEGY

1. PRODUCT STRATEGY

In 2024, the company will continue to focus on research and development, including expanding existing products that are not only used in pig, dairy and beef farms, but can also be used in other types of livestock farms. There are also many other products that are planned to be available in 2025, such as rubber sheets for anti-slip and shock absorption, rubber sheets for dog beds and rubber sheets for lifts.



Examples of original products that can be expanded to other livestock such as RubberFlex rubber sheet, CattleFlex Pro model that is distributed to racehorse farms and retired racehorses to increase the health care of the horses' joints to be strong from using such products, as well as helping to make the management of the horse farm easier and more hygienic.



Images of RubberFlex rubber sheet, CattleFlex Pro model used in racehorse farms

RubberFlex livestock rubber flooring mats, produced and sold by the company, are available in 5 models tailored to the specific needs of our customers, detailed below:

Features	cattleFlex Pro	cattleFlex Move	cattleFlex Calf	Pig Comfort (40 x 120 cm.)	Pig Comfort (120 x 120 cm.)
Size (W x L)	120 x 180 cm.	120 x 180 cm.	30 x 115 cm.	40 x 120 cm.	120 x 120 cm.
Thickness	1.70 cm.	1.80 cm.	1.30 cm.	0.75 cm.	0.75 cm.
Weight	50 kg	55.5 kg	4 kg	6 kg	18 kg
Material	Natural rubber 100%	Natural rubber 100%	Natural rubber 100%	Natural rubber 100%	Natural rubber 100%
Highlights	Premium model, suitable for the sleeping area of dairy cows, beef cows and horses, helps prevent pressure sores.	Suitable for walkways, milking stations, semen extraction stations, helps reduce impact, shear force, and injury when cows stand and move.	Help protect calves and reduce the incidence of umbilical cord inflammation.	For newborn piglets, it helps to increase warmth and reduce the mortality rate caused by the sow crushing the newborn piglets.	For fattening piglets in piglet nursery, it helps to increase warmth. For breeding pigs, it helps to reduce stress during insemination.

SALES STRATEGY

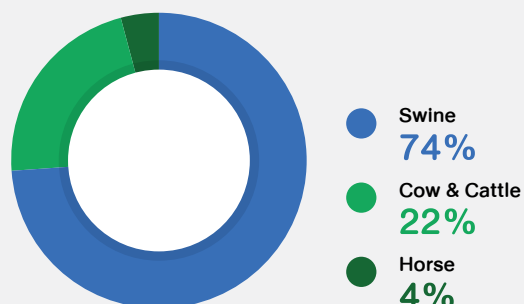
The company focuses on marketing and public relations both domestically and internationally to make products and brands more well-known. By focusing on opening public relations booths at trade shows related to the company's products, such as the National Dairy Farming Fair in Thailand, J AGRI TOKYO 2024 in Japan, etc. including public relations through online channels such as the TikTok application.



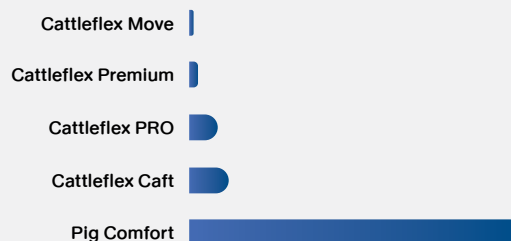
Image of product promotion at the J AGRI TOKYO 2024 trade fair in Japan.

As a result of public relations through various channels and the sales team presenting products to customers at the farm, sales of the products have expanded to a more diverse livestock group. In 2024, the sales proportion of livestock types was divided into pigs at 74 percent, cattle at 22 percent, and horses at 4 percent. And the sales proportion by product type was divided into Pig Comfort at 80 percent, cattleFlex Calf at 10 percent, cattleFlex Pro at 7 percent, cattleFlex Premium at 2 percent, and cattleFlex Move at 1 percent.

Percentage of Sales by Animal Type in 2024



Percentage of Sales by Product in 2024





DISTRIBUTION CHANNELS AND TARGET CUSTOMER GROUPS

The company distributes livestock mats mainly through distributors by selling products directly to livestock farms, focusing on international and domestic customers, divided by consumer group types for the target customer groups of RubberFlex livestock mats. The company has selected domestic and international distributors who are primarily specialized in livestock, can manage products and are experienced in that area, and are able to distribute products through various channels quickly, including having good relationships with farms in the area.

The company emphasizes product quality and comprehensive customer service, including pre-sales and post-sales support by a team of experts in installing livestock mats who pay attention to details in installing livestock mats, which emphasizes both the health and safety of livestock on the farm and the durability of using CattleFlex mats to help reduce costs for farm owners.

(B) COMPETITIVE SITUATION

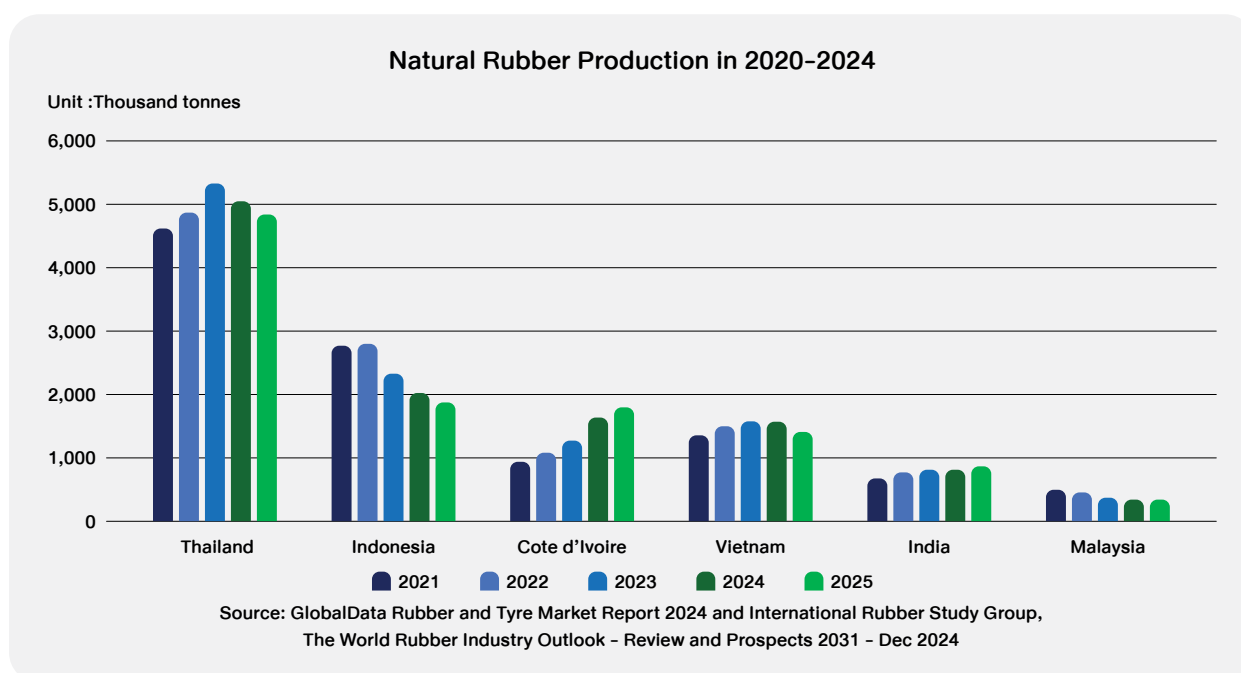
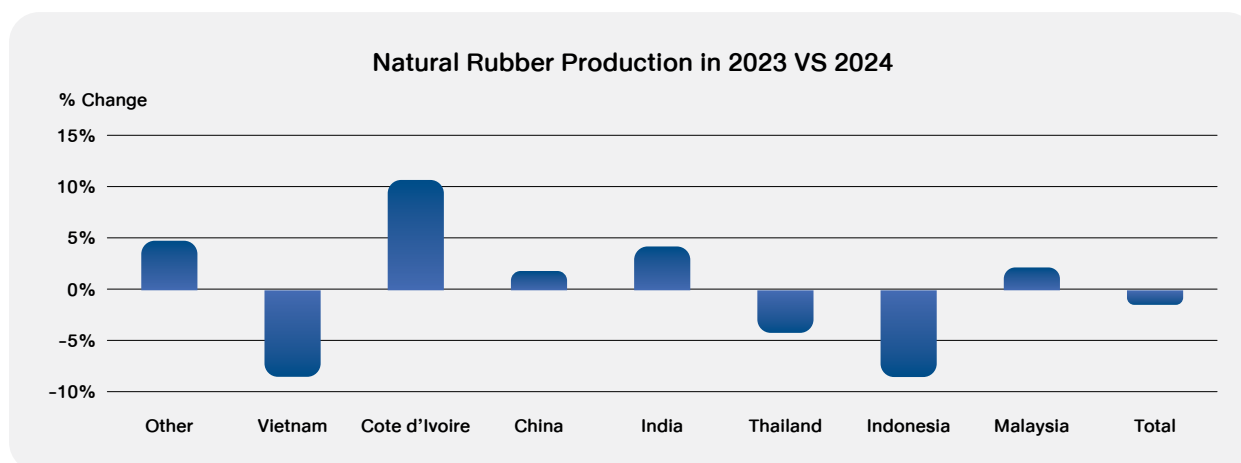
• NATURAL RUBBER PRODUCTS

- Competitive situation of natural rubber producing countries

In 2024, global natural rubber production was 13.9 million tons, down 1.3 percent compared to 2023. While global consumption is expected to grow by 1.9 percent to 14.4 million tons, indicating a deficit of approximately 500,000 tons. In 2025, higher rubber prices are expected to boost tapping, leading to a 2.8 percent increase in global production to 14.3 million tons. While global consumption is expected to grow at a slower pace to 1.4 percent to 14.6 million tons, this means that the market deficit will narrow to approximately 320,000 tons. For the long-term outlook, with demand expected to grow faster than supply, The global deficit, which may persist until 2029, is projected to increase to -0.5 million tons by 2039. With the global deficit projected beyond 2029, the deficit factor is driving up rubber prices, encouraging increased tapping and new rubber plantations in the long run.



Although the overall natural rubber production has declined, especially in traditional rubber producing regions in Southeast Asia, there is still a positive trend from the expected increase in production in the Mekong Basin (Cambodia, Laos, Myanmar) and Côte d'Ivoire, which are the new centers of natural rubber production, which may significantly affect the competitive situation of natural rubber producing countries in the future.



The natural rubber industry in Côte d'Ivoire grew significantly in 2024, with production growing by 10.6% over 2023, reaching an estimated 1.8 million tons. The Association of Natural Rubber Professionals of Cote d'Ivoire (APROMAC) has identified four main strategies to enhance global competitiveness:



1. Use georeferencing to create a database of rubber producers and support compliance with international regulations, such as the EU Deforestation-free Regulation (EUDR).
2. Improve access to finance for farmers.
3. Promote investment in the finished or semi-finished rubber product industry, such as automobile tires and technical parts, to increase economic value.
4. Develop processing and logistics infrastructure.

At current growth rates, Côte d'Ivoire is on track to overtake Indonesia and become the world's second largest producer of natural rubber by 2030.

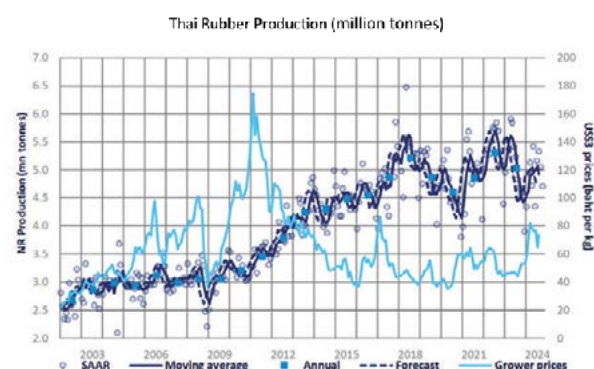
Continued growth in the Greater Mekong region, Cambodia, Laos and Myanmar Rubber production increased by about 3.34 percent in 2024 and is likely to continue. Cambodia is likely to continue its expansion after its production increased by 5.1 percent in 2023, supported by favorable weather conditions and investment in plantations. Laos continues to develop its rubber industry, with investments from China and Vietnam helping to expand plantations. Myanmar faces challenges from political uncertainty and economic sanctions, which have affected production and exports.

Another country that is growing as a major producer is India, which although in 2023 the production increased by a small 0.71 percent due to climatic conditions. However, in 2024 the production of India increased significantly by around 5.38 percent to reach 9 million tons. This is mainly due to the favorable climatic conditions and improved agricultural practices. The Indian government is promoting the cultivation of natural rubber, especially in Tripura and the Northeast, with the aim of making India self-sufficient in natural rubber by 2047.

OVERVIEW OF THE THAI RUBBER INDUSTRY 2024

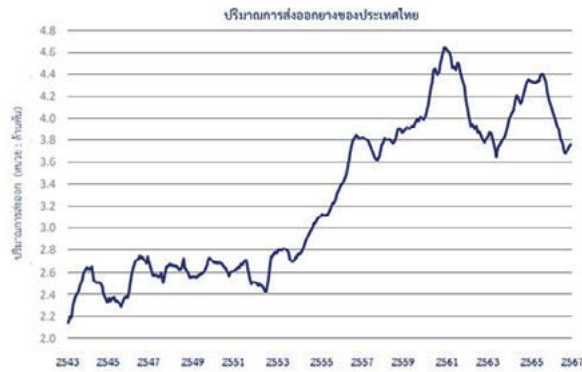
The Rubber Authority of Thailand said flash floods following heavy rains severely impacted rubber tapping, reducing natural rubber production by more than 300,000 tons. This reduced production in 2024 by 4 percent from 2023, but it still remains the world's number one natural rubber producer, with production still standing at almost 5 million tons.

As the European Union Deforestation Regulation (EUDR) comes into force, efforts to improve the sustainability and traceability of rubber supply chains in Thailand are underway as of March 2024. The Rubber Authority of Thailand (RAOT) has registered over 1.6 million farmers, farmer groups and rubber processing units as part of a project to collect geo-location data and agricultural practices to comply with EUDR requirements.



Source: GlobalData Rubber and Tyre Market Report 2024

Thailand, the region's largest producer and exporter, continued to maintain high levels of exports after strong growth in 2023, with exports increasing by 17 percent, although growth rates have begun to slow. Thailand's commercial vehicle tire exports (CV Tyre) declined slightly over the same period.



Export volume is expected to expand by 2.5-3.5% per year, higher than the global demand for intermediate rubber, which is expected to expand by an average of 0.5-1.5% per year. Results from 1) Production in the downstream industries, especially automobiles and automotive parts (both combustion and electric engines) in China, the United States, Japan and Europe. Results from laws in some developed countries that require cars to change tires within a specified period. The expansion of new cities that increase travel and support the use of electric vehicles (EVs) 2) The increasing demand for medical equipment, especially rubber gloves, medical rubber tools, and rubber equipment for hygiene in the aging society. 3) The problem of labor shortages, climate change, and the outbreak of rubber leaf fall disease, which have caused the supply from competitors to decrease, especially Indonesia, Malaysia, and the Philippines, which have turned to planting oil palm and durian instead. 4) The global crude oil price direction, which remains volatile under ongoing geopolitical tensions, continues to drive an increasing proportion of natural rubber demand as a substitute for synthetic rubber in the industry. For export trends by product, details are as follows:

RSS : Export volume tends to expand at a low rate of 2.5-3.5% per year. Although Thai Ribbed Smoked Sheet is still recognized for its high standard and quality, and the continuous industrial trend in trading partner countries is expected to grow in line with the economic recovery, including the recovery of the Chinese market from the country's greater opening, but the growth rate may not be

high due to the loss of Thailand's competitiveness and market share to neighboring countries (Cambodia, Lao PDR, Myanmar, and Vietnam) in order.

STR : Export volume tends to grow by 2.0-3.0% per year, following the continuous recovery of the industry. Especially automobiles, tires and automotive parts, which are important downstream industries. In addition, the production and use of electric vehicles are accelerating, especially in the Chinese market, which is a major trading partner of Thailand. It is expected that the Chinese market will have a great demand for STR to produce automobiles, tires and automotive parts for electric vehicles, as well as production for vehicle maintenance, following the recovery of the tourism sector, freight transport and public transport services.

Latex Concentrate : Export volume tends to expand by 1.0-2.0% per year, following the growth of the medical industry, rubber gloves, and various medical rubber products in trading partner countries, which still have continuous demand due to supporting factors such as the increase in the elderly population, access to more comprehensive medical services, the increasing rate of both communicable and non-communicable diseases, and the growth of the use of hygiene products to prevent the risk of emerging diseases that are likely to occur from time to time. The main market is still Malaysia, which is a major importer of Thai concentrated latex and a major producer of rubber gloves in the world. However, the business tends to grow limitedly due to stricter trade barriers of some countries, such as some US states that still have laws prohibiting the use of natural gloves in the restaurant service business and the medical service industry^{20/} to avoid allergic reactions to protein coatings that may occur to consumers.

Compound rubber : Export volume tends to grow at a slower rate of 0.5-1.5% per year, following the production sectors of major trading partners such



as India, the United States, China, and Europe, which tend to gradually recover. In addition, the production costs and prices of compound rubber, which are still high compared to other types of rubber that can be used as a substitute in downstream industries, are factors that continue to pressure the growth rate of demand in foreign markets.

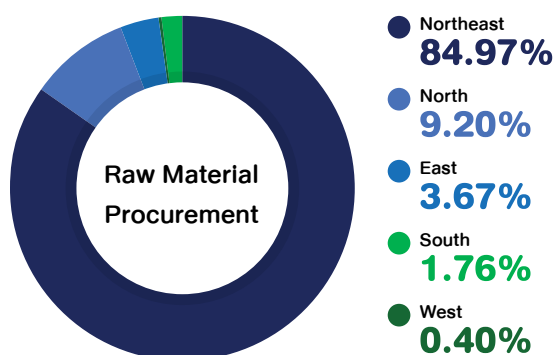
Mixtures Rubber : Export volume is projected to grow by 3.5-4.5% annually, driven by increasing demand in the automotive, tire, and automotive parts manufacturing industries, particularly for electric vehicle (EV) tires, which utilize a higher proportion of compound rubber. Furthermore, compound rubber can be formulated to suit various manufacturing applications, including daily necessities, electronics, aerospace, mining, transportation, construction, machinery, batteries, and chemicals. Consequently, the demand for compound rubber is expected to expand in line with the economic recovery of trading partner countries. However, China, the main market, may experience slower growth due to Thailand's loss of competitiveness and market share to neighboring countries (Cambodia, Laos, Myanmar, and Vietnam).

Domestic sales volume is expected to expand by 2.5-3.5% per year, driven by 1) increasing demand in downstream industries, especially the automotive and parts industry, such as cars, tires, and automotive parts, from the chip shortage problem that has gradually eased in line with increased investment in chip production worldwide and increased BEV production under the EV 3.0 and 3.5 support measures, as well as an increase in rubber demand in the construction sector, in line with infrastructure development, especially transportation routes, which are expected to accelerate, especially infrastructure investment in the Eastern Economic Corridor (EEC), including the gradual recovery in the private real estate sector, especially factory and commercial building construction projects, and 2) government measures

and projects to absorb rubber production and expand market channels, such as the establishment of the Southern Economic Corridor of Rubber Innovation (SECRi), the development of carbon credit management projects, the establishment of Thai rubber reference prices, rubber auctions via Digital Platform Thai Rubber Trade (TRT), and the implementation of projects that comply with EUDR rules.

(3) PRODUCT OR SERVICE PROCUREMENT RAW MATERIAL PROCUREMENT

The company has established a responsible raw material procurement policy, committed to conducting business with transparency, fairness, and responsibility towards all stakeholders. This is to ensure that business operations between the company and its partners comply with relevant laws and regulations in areas such as labor and human rights, and to provide a framework for promoting sustainability throughout the supply chain. For the raw material purchase price policy, the company will reference purchase prices from international futures markets, such as SICOM (Singapore Commodity Exchange), and the domestic market. The procurement department will announce the daily purchase price at 11:00 AM every day through the company's Line Application and Website.



The main raw material for the company's products is rubber, which can be divided into cup lump/crepe rubber, raw sheet rubber, smoked sheet rubber, and finished STR20. In 2024, it accounted for 99.40 percent of the total purchase

of raw materials. The rubber that the company purchases can be classified by source according to the regions of Thailand as follows

Rank No.	Regions in Thailand	Proportion of purchase of rubber raw materials (percent)
1	Northeast	84.97
2	North	9.20
3	East	3.67
4	South	1.76
5	West	0.40

Rubber from the Northeast is cleaner than rubber from the South because the government promotes and provides knowledge about rubber planting to farmers in the Northeast. This makes farmers have good knowledge of the rubber production processes and procedures, resulting in low levels of impurities and good quality rubber.

For the company's main raw material procurement, it is divided into 3 types with details as follows:

1. Purchasing raw materials that sellers bring to sell at the factory is the purchase of raw materials from small-scale farmers who bring raw materials to sell directly to the factory. In 2023 and 2024, the Company purchased raw materials from small-scale farmers, accounting for 3 and 5 percent, respectively, of the total purchase of rubber raw materials. The proportion of raw material purchases from smallholder farmers is trending upward.

2. Purchasing raw materials from Trader Purchasing raw materials from large raw material sellers by agreeing on the quantity to be purchased between each other, purchasing raw materials from rubber traders will allow the

Company to obtain a larger quantity of rubber than purchasing from small farmers. However, the purchase price from rubber traders is still based on the daily purchase price at the factory. In 2023 and 2024, the Company purchased raw materials from Trader, accounting for 92 percent of the total purchase of rubber raw materials.

3. Purchasing raw materials from auctions from cooperatives is the purchase of raw materials from rubber auctions in various cooperatives, such as the Nikhom Kandong Cooperative in Buriram Province, the Rubber Plantation Aid Fund Office in Buriram Province, and the Rubber Plantation Aid Fund Office in Surin Province, etc., which will have the volume and the average price opened for auction to participate in the said rubber auction. In 2023 and 2024, the Company purchased raw materials from auctions in cooperatives, accounting for 5 and 3 percent, respectively, of the total purchase of rubber raw materials.

In terms of purchasing raw materials from sellers who bring them to sell at the factory and from Trader, the raw materials will be delivered directly to the factory. However, in terms of purchasing raw materials from auctions from cooperatives, after the auction results are known that the company has won the auction, the auction point will prepare a rubber purchase-sale contract document to confirm the quantity and value sent to the company. The company will then take the truck to pick up the tires at the auction point. The auction tires must be weighed to match the quantity specified in the contract before transporting them back to the company. However, the payment terms include both cases where the payment is made before the tires are loaded on the truck and cases where the payment is made when the tires arrive at the factory. The payment is divided according to the group of rubber sellers as follows:



- Sellers of small-scale farmers who bring products to sell in front of the factory, the company pays by bank transfer. Payment period 1 business day after delivery date.
- Sellers of Trader, the company pays by bank transfer. Payment period 3 days after delivery of products in accordance with the contract.
- Sellers of cooperative groups, central rubber markets, Rubber Authority of Thailand or other rubber farmer groups, payment terms will refer to the rubber auction contract that has been agreed upon.

The Company does not rely on any one supplier for more than 30 percent of the total purchase of raw materials. Because the Company can purchase raw materials from multiple suppliers through the 3 types of purchasing channels mentioned above. This allows the Company to purchase the best quality raw materials from each supplier. And if the raw materials from any raw material supplier do not meet the Company's specifications, the Company can purchase raw materials from other suppliers.

The proportion of raw material purchases used in the company's production in 2022 – 2024 is as follows:

Raw material purchase amount	2022		2023		2024	
	Million baht	%	Million baht	%	Million baht	%
Crepe rubber/ Cup lump rubber	15,076.65	67.73	15,994.94	68.00	16,821.43	63.72
Raw rubber sheet	534.94	2.40	1,735.64	7.38	1,532.06	5.80
RSS	5,705.61	25.63	3,507.70	14.91	5,287.53	20.03
STR20	635.39	2.86	2,009.61	8.55	2,601.79	9.85
Other raw materials	306.88	1.38	272.84	1.16	158.06	0.60
Total	22,259.47	100.00	23,520.73	100.00	26,400.88	100.00

Note : Other raw materials such as acids and various solutions, packaging, liquefied petroleum gas, diesel, etc.

PRODUCTION CAPACITY AND PRODUCTION CAPACITY UTILIZATION

The company has 3 factories in total: 1 factory for producing Ribbed Smoked Sheet and 2 factories for producing Standard Thai Rubber and Mixtures Rubber, which are located in the same area. The production of Ribbed Smoked Sheet consists of 4 main departments: washing pond, smoking room, quality selection and block pressing. The production of Standard Thai Rubber and Mixtures Rubber consists of 2 main departments: machinery and oven. The production of Ribbed Smoked Sheet works 1 shift per day, 8 working hours, starting from 8AM to 5PM. The production of Standard Thai Rubber and Mixtures Rubber works 3 shifts per day, starting from 6AM to 2PM / 2PM to 10 PM and 10PM to 6AM. The machines operate 24 hours a day.

Details of production capacity by product type in 2024, the Company has a total production capacity of 515,600 tons per year.

Production capacity by product type				
Product type	Unit	2022	2023	2024
RSS ^{/1}				
Capacity	Tons/year	60,000	60,000	60,000
Utilization	Tons/year	59,696	66,194	51,999
Capacity utilization rate (%)	%	99.49	110.32 ^{/2}	86.67
STR and STR Mixtures ^{/3}				
Capacity	Tons/year	345,600	395,600	395,600
STR - Utilization	Tons/year	203,673	233,594	199,751
STR-Mixtures - Utilization	Tons/year	104,981	114,017	90,643
Total 2 products : STR and STR-Mixtures ^{/4}	Tons/year	308,654	347,611	290,394
Capacity utilization rate (%)	%	89.31	87.87	73.41
RSS-Mixtures				
Capacity	Tons/year	60,000	60,000	60,000
Utilization	Tons/year	58,621	53,501	44,130
Capacity utilization rate (%)	%	97.70	89.17	73.55
Summary of production capacity and capacity utilization rate	Unit	2022	2023	2024
Total natural rubber products				
Capacity	Tons/year	465,600	515,600	515,600
Utilization	Tons/year	427,244	467,306	386,523
Capacity utilization rate (%)	%	91.76	90.63	74.97

Note :

^{/1} Calculation formula for the production capacity of RSS:

RSS production capacity = [(Rubber weight/box)*(Number of boxes/smoke room)]*Number of smoke rooms
*[Number of working days per year/Smoke period (days) = Rubber weight/smoke room*Number of smoke rooms*[Number of working days per year/Smoke period (days)]

^{/2} The capacity utilization rate is over 100 percent because the Company purchases ready-made RSS and compresses them into blocks. Therefore, there are some steps that do not need to be performed and result in the actual production volume being higher than the production capacity.

^{/3} Calculation formula: The production capacity of STR rubber and STR-Mixtures rubber is calculated from the number of working days per year*tons per hour*number of working hours.

^{/4} STR and STR-Mixtures are in the same production line.

PRODUCT STANDARDS

The product standards that the Company has implemented to achieve the specified product standards will adhere to two standards for use in product production: the standards of the Rubber Research Institute, Department of Agriculture, and standards based on customer needs.

In addition, the Company also complies with the Agricultural Standards TAS 5906-2556, Good Manufacturing Practices for Ribbed Smoked Sheet of the National Bureau of Agricultural Commodity and Food Standards, Ministry of Agriculture and Cooperatives, which is an agricultural standard covering the requirements of good practices for the production of Ribbed Smoked Sheet, from the raw material receiving process to the production process of Ribbed Smoked Sheet until transportation for sale, in



order to obtain quality Ribbed Smoked Sheet, taking into account the welfare of workers and the environment as important factors. For STR that the company produces, they will comply with the Thai rubber block standard, which is under the supervision and responsibility of the Rubber Institute, Department of Agricultural Extension, Ministry of Agriculture and Cooperatives, which has specified various properties of STR according to the STR standard manual, including STR testing. The Company has received quality certifications from the following institutions:



Cert No. 60Q18751

Quality Management System : Quality Management System Standard (ISO9001:2015) for the production of Ribbed Smoked Sheets (RSS), Standard Thai Rubber (STR), Mixtures Rubber, Rubber Mat and Other Rubber Product.

Accreditation Institute

GCL INTERNATIONAL Accreditation Institute, assessed and accredited by UKAS

Year of certification/renewal

April 22, 2024

Latest Expiration Year

June 18, 2027



Cert No. 41Q22245

Quality Management System : Quality Management System Standard (ISO9001:2015) for Production of electricity from biogas and solar cell

Accreditation Institute

GCL INTERNATIONAL Accreditation Institute, assessed and accredited by UKAS

Year of certification/renewal

July 31, 2023

Latest Expiration Year

July 31, 2026



Cert No. 22E18751

Environment Management System : Environmental Management System Standard (ISO14001:2015) for the production of Ribbed Smoked Sheets (RSS), Standard Thai Rubber (STR), Mixtures Rubber, Rubber Mat and Other Rubber Product.

Accreditation Institute

GCL INTERNATIONAL Accreditation Institute, assessed and accredited by UKAS

Year of certification/renewal

April 22, 2024

Latest Expiration Year

June 16, 2027



Occupational Health & Safety Management System : Occupational Health and Safety Management System Standard (ISO45001:2018) for the production of Ribbed Smoked Sheets (RSS), Standard Thai Rubber (STR), Mixtures Rubber, Rubber Mat and Other Rubber Product.

Accreditation Institute

GCL INTERNATIONAL Accreditation Institute

Year of certification/renewal

June 06, 2024

Latest Expiration Year

June 09, 2027



TESTING
No.0186

Has successfully undergone assessment according to ISO/IEC 17025:2017 Certificate of competence of testing laboratory according to ISO/IEC17025:2017

Accreditation Institute

Accreditation Institute that have been assessed and certified by Laboratory Administration and Accreditation Office, Department of Science Service

Year of certification / renewal

January 26, 2023

Latest Expiration Year

January 25, 2027

(4) ASSETS USED IN BUSINESS OPERATIONS

4.1 MAIN FIXED ASSETS

As of December 31, 2024, the Company's main fixed assets used in its business operations had a net book value after accumulated depreciation, as shown in the Company's consolidated financial statements, of 1,683.21 million baht, or 8.63 percent, as detailed below.

**Table showing the Company's assets used in business operations as of December 31, 2024,
Unit: million baht**

Assets Types	Ownership characteristics	Liabilities	Net book value (million baht)	Utilization
Land and land improvements	Own	Mortgage with financial institutions	60.23	Used as the location of the 1st and 2nd factories and the company's head office building
Buildings and building improvements	Own	Mortgage with financial institutions	467.55	For business use
Machinery and factory equipment	Own	Mortgage with financial institutions	858.21	For business use
Napier grass and corn fields	Own	None	0.98	For business use
Fixtures and office equipment	Own	None	18.86	For business use
Vehicles	Own	None	33.34	For business use
Construction work and machinery during installation	Own	None	244.04 ^{/1}	For business use
Total			1,683.21	

**Note :**

^{/1} Improving efficiency and increasing production capacity of the second STR factory, 94.15 million baht, Biogas power generation project, 67.14 million baht, land improvement and water storage pond 30.21 million baht, installing additional solar power generation system 22.14 million baht, QA laboratory building renovation 19.00 million baht, construction and decoration of new office building 11.40 million baht.

4.2 INTANGIBLE ASSETS USED IN BUSINESS OPERATIONS

As of December 31, 2024, the Company has intangible assets used in business operations with a net value of THB 3.70 million (equity value of THB 6.14 million and accumulated amortization of THB 2.44 million), consisting of computer software.

4.3 INVESTMENT PROMOTION CARD

The Company has a policy to practice in all business groups to apply for investment promotion in businesses eligible for investment promotion because the Company operates transparently in accordance with the principles of good corporate governance and is confident that it will be able to comply with all conditions of the Board of Investment.

The Company has been promoted for investment by the Board of Investment (BOI) with tax privileges and benefits such as import duty exemption for imported machinery and equipment and corporate income tax exemption for net profit for a period of 3, 6 and 8 years from the date of first income or as per the conditions of the investment promotion card.

INVESTMENT PROMOTION CARD

Project/Business Type	Promotion Card Number	Date of Approval of Promotion Card	End of 3-year, 6-year, 8-year income tax exemption	End of 5-year income tax reduction
Natural rubber product manufacturing business (STR manufacturing)	1921(2)/2557	May 14, 2014	Aug 03, 2022	03 Aug 2027
Utilities and basic services business (electricity generation from biogas)	59-1605-0-00-2-0	June 13, 2016	No income yet	No income yet
Primary rubber processing business (producing STR-Mixtures Rubber)	62-0126-1-00-1-0	Jan 07, 2019	Jul 02, 2025	-
Primary rubber processing business (producing STR and Mixtures Rubber)	63-0045-1-00-1-0	Oct 22, 2019	Jul 07, 2026	-
Natural rubber product manufacturing business (producing finished rubber sheets from natural rubber)	65-0062-1-00-1-0	Jan 14, 2022	No income yet	No income yet
Primary rubber processing business (producing STR and Mixtures Rubber)	66-0381-1-00-1-0	Mar 17, 2023	No income yet	No income yet
Primary Rubber Processing Business, Natural Rubber Products (Producing Mixtures Rubber) Measures to Improve Efficiency in Using Digital Technology	67-1500-2-22-1-0	Jul 16, 2024	Jul 15, 2027	-

Primary Rubber Processing Business (Producing Ribbed Smoked Sheets) Measures to promote investment for community and social development (CSR)	68-0249-2-37-1-0	Dec 09, 2024	Dec 08, 2027	-
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Note:

The company can deduct the annual losses incurred during that period from the net profits incurred after the tax exemption period for a period not exceeding 5 years from the date of expiration of the exemption period from including dividends from the business in the calculation of income tax throughout the period of promotion, can deduct transportation costs, electricity costs and water costs twice the amount of such expenses for a period of 10 years from the date of commencement of income, can deduct investment in the installation or construction of facilities at 25 percent of the investment in addition to the normal depreciation deduction.

4.4 INVESTMENT POLICY IN SUBSIDIARIES AND ASSOCIATED COMPANIES

The Company has an investment policy to create sustainable growth in the rubber industry by expanding the rubber production base in new production areas with high potential to increase production volume and respond to global market demand, focusing on sustainable and environmentally friendly investment to create stability for the Company in the long term. Investment and/or joint venture will be in accordance with the favorable situation according to the economic situation at that time. The management policy of subsidiaries and/or affiliated companies is specified by the Company in the investment policy and supervision of subsidiaries and affiliated companies, with details as follows:

Investment Policy in Subsidiaries and Associated Companies

The Company has a policy to invest in companies that are in line with the Company's goals, visions and growth strategies, which must go through a detailed analysis of the feasibility and risks of investing in subsidiaries or associated companies to ensure that the investment will generate good returns with acceptable risks, which must be agreed and/or approved by the Company's Executive Committee, Board of Directors or Shareholders' Meeting (as the case may be).

In requesting approval for investment in such subsidiaries and/or affiliated companies, it must comply with the relevant announcements of the Capital Market Supervisory Board and the announcements of the Stock Exchange of Thailand. In addition, the Company has established direct and indirect measures and mechanisms to enable the Company to effectively control and supervise the management and take responsibility for the operations of subsidiaries and affiliated companies at an appropriate level and to monitor and supervise the management of subsidiaries and affiliated companies to ensure compliance with the specified measures and mechanisms as if they were a unit of the Company in order to take care of the benefits of the Company's investments, which will help increase confidence among the Company's shareholders in accordance with the principles of good corporate governance.



In addition, the Company has disclosed its investment and governance policies for associated companies and subsidiaries on the Company's website (www.nerubber.com) under the "Key Policies" section or via QR Code.

(5) WORK NOT YET DELIVERED

- None -

1.3 SHAREHOLDING STRUCTURE OF THE COMPANY GROUP

1.3.1 SHAREHOLDING STRUCTURE OF THE COMPANY GROUP



The Company's core business is the production of natural rubber, including Ribbed Smoked Sheets (RSS), Standard Thai Rubber 20 (STR20), Mixtures rubber and Finished products rubber flooring sheets (RubberFlex). As of December 31, 2024, the Company has 1 subsidiary. The Board of Directors' meeting on June 8, 2024 resolved to approve the establishment of a subsidiary, which the Company has already registered. The details are summarized as follows:

Company	Country	Business	Shareholding	Paid-up Capital
NORTH EAST RUBBER COTE D'IVOIRE or abbreviated as "NER-CI"	Cote d'Ivoire	Engage in agricultural industry business <ul style="list-style-type: none"> Produce rubber tree seedlings Create and manage industries for processing the company's products - Purchase and sell all types of agricultural products Purchase and sell agricultural machinery, import and export 	Held 100% by North East Rubber Public Company Limited.	10,000,000 CFA francs or 564,600 baht (Refer to the exchange rate as of 12 September 2024)

Information of legal entities in which North East Rubber Public Company Limited holds shares of 10 percent or more of the total number of issued shares of that legal entity. As of December 31, 2024, the Company has only one subsidiary company, details as follows:

Registered under the name: "NORTH EAST RUBBER COTE D'IVOIRE" or abbreviated as "NER-CI"

Type of legal entity: Limited company with only one shareholder Date of establishment: September 12, 2024

Business type: Agriculture, industry

Place of establishment: Cocodi Riviera, Acuedo, entrance opposite Jules Verne School; 04 BP 1341 Abidjan 04
ABIDJAN COCODY RIVIERA AKOUEDO, ENTRÉE FACE A L'ECOLE JULES VERNE
; 04 BP 1341 ABIDJAN 04

Email : jirayut.ju@nerubber.com

Type of stock : Common stock

1.3.2 PERSONS WHO MAY HAVE CONFLICTS OF INTEREST HOLD SHARES IN SUBSIDIARIES OR AFFILIATED COMPANIES EXCEEDING 10%

- None -

1.3.3 RELATIONSHIP WITH MAJOR SHAREHOLDER BUSINESS GROUPS

- None -

1.3.4 SHAREHOLDERS/TOP 10 SHAREHOLDERS

List of major shareholders as of December 30, 2024

List of Shareholders : Top 10 Shareholders			
No.	Name – Surname of Shareholders	Number of Shares (shares)	Proportion (%)
1	Group of Jungthansomboon	588,518,600	31.85
1)	Mr. Chuwit Jungthansomboon ^{/1}	405,135,800	21.93
2)	CITIBANK NOMINEES SINGAPORE PTE LTD-A/C UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED-CHUWIT JUNGTHANASOMBOON ^{/4}	100,000,000	5.41
3)	Mr. Jirayut Jungthanasomboon	64,164,500	3.47
4)	Ms. Mathucha Jungthanasomboon	11,665,900	0.63
5)	Ms. Phanida Jungthanasomboon ^{/2}	5,376,000	0.29
6)	Ms. Wilasinee Jungthanasomboon	2,050,000	0.11
7)	Ms. Ketnaree Chongchotisirikul ^{/3}	126,400	0.01
2	Thai NVDR Co., Ltd.	75,460,853	4.08
3	Mr. Apisak Theppadungporn	24,115,900	1.31
4	Mr. Chaiyarat Tanchachawal	19,510,000	1.06
5	Mr. Manit Wattanasen	18,710,000	1.01
6	Mrs. Supaporn Chanseiwittaya	18,020,000	0.98
7	Mr. Kiatsak Traitrunghatsana	17,550,000	0.95
8	Mr. Nattachat Kamsirtrakul	16,630,099	0.90
9	Mr. Naris Jirawongprapa	12,000,000	0.65
10	Mr. Aiem Achawakulthep	9,577,000	0.52
11	Allianz Ayudhya Life Assurance Public Company Limited	9,265,000	0.50
12	Other shareholders	1,038,432,296	56.20
Total		1,847,789,748	100.00



Note : /1, /2,/3,/4

Mr. Chuwit Jungthanasomboon, Ms. Phanida Jungthanasomboon, Ms. Kesnaree Jongchotisirikul and CITIBANK NOMINEES SINGAPORE PTE LTD-A/C UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED-CHUWIT JUNGTHANASOMBOON are considered the same group of shareholders. Because they are related shareholders according to Section 258 of the Securities and Exchange Act B.E. 2535 and are shareholders under the same controlling person.

- ^{/1} Mr. Chuwit Jungthanasomboon is a director of the company, authorized signatory, chairman of the executive board, and chief executive officer of the company.
- ^{/2} Ms. Phanida Jungthanasomboon is an executive director and deputy chief executive officer of the company's procurement and warehouse division.
- ^{/3} Ms. Ketnaree Chongchotisirikul is an executive director and deputy chief executive officer of the company's marketing and quality control division.
- ^{/4} CITIBANK NOMINEES SINGAPORE PTE LTD-A/C UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED-CHUWIT JUNGTHANASOMBOON

1.4. REGISTERED AND PAID-UP CAPITAL

As of December 31, 2024, the Company has a registered capital of THB 1,077,877,353. It has issued and paid-up capital of THB 923,894,874, consisting of 1,847,789,748 ordinary shares with a par value of THB 0.50 per share, which are listed and traded on the Stock Exchange of Thailand (SET).

1.5. ISSUANCE OF OTHER SECURITIES

1.5.1. DEBENTURE

As of December 31, 2024, the Company has a total outstanding Debenture of 6,314.30 million baht, with details as follows:

1. Northeast Rubber Public Company Limited's debentures No. 2/2021, Series 1, due in 2025, in which the issuer has the right to redeem the debentures before the maturity date. And Series 2, due in 2026, in which the issuer has the right to redeem the debentures before the maturity date.

Topic	Details
Debenture name	<ol style="list-style-type: none"> 1) North East Rubber Public Company Limited's debentures No. 2/2021, Series 1, due in 2025, with the issuer having the right to redeem the debentures before the maturity date ("Debenture Series 1") (NER25NA) 2) North East Rubber Public Company Limited's debentures No. 2/2021, Series 2, due in 2026, with the issuer having the right to redeem the debentures before the maturity date ("Debenture Series 2") (NER26NA)
Instrument type	name-registered, unsubordinated, and unsecured debentures with a Debentureholders' Representative. The issuer has the right to redeem the debentures before the maturity date
Type of offering	Offered for sale to institutional investors and/or large investors
Offering Value and Outstanding	2,000 million baht, consisting of: <ol style="list-style-type: none"> 1) Debenture Series 1, 1,000 million baht 2) Debenture Series 2, 1,000 million baht
Interest Rate	<ol style="list-style-type: none"> 1) Debenture Series 1, fixed interest rate of 5.25 percent per annum 2) Debenture Series 2, fixed interest rate of 6.00 percent per annum
Company Credit Rating	BBB-/Stable by Tris Rating Co., Ltd.
Par Value per Unit	1,000 baht

Topic	Details
Issue Date	November 4, 2021
Maturity	1) Debenture Series 1, 4 years from the date of issuance 2) Debenture Series 2, 5 years from the date of issuance
Maturity Date	1) Debenture Series 1 will mature on November 4, 2025 2) Debenture Series 2 will mature on November 4, 2026
Interest Payment Period	Pay interest on the debentures at the specified rate every 3 months on February 4, May 4, August 4 and November 4 of each year throughout the debenture term. The first interest payment will start on February 4, 2022 and the final interest payment will be made on the maturity date of each debenture series.
Financial Ratio Maintenance Requirements	The issuer will maintain the ratio of “net debt” to “equity” (Net Debt to Equity Ratio) according to the annual consolidated financial statements of the issuer at a ratio not exceeding 2.5:1 at the end of each accounting period throughout the life of the debenture (details in the terms and conditions, Section 7.3 (a) on financial conditions).
Early Redemption	The issuer has the right to redeem the first series of debentures and/or the second series of debentures from the due date of 3 years from the date of issuance of the debentures, which is November 4, 2024.

2. Northeast Rubber Public Company Limited’s debentures No. 1/2022, Series 1, due in 2027, in which the issuer has the right to redeem the debentures before the maturity date. And Series 2, due in 2029, in which the issuer has the right to redeem the debentures before the maturity date.

Topic	Details
Debenture name	1) North East Rubber Public Company Limited’s debentures No. 1/2565, Series 1, due in 2570, in which the Issuer has the right to redeem the debentures before the maturity date (“Debenture Series 1”) (NER279A) 2) North East Rubber Public Company Limited’s debentures 1/2565, Series 2, due in 2572, in which the Issuer has the right to redeem the debentures before the maturity date (“Debenture Series 2”) (NER299A)
Instrument type	Long-term debentures, name-registered, unsubordinated, and unsecured debentures with a Debenture-holders’ Representative. The issuer having the right to redeem the debentures before the maturity date
Type of offering	Offered to institutional investors and/or major investors
Offering Value and Outstanding	2,814.30 million baht, consisting of 1) Debenture Series 1, 1,161.50 million baht 2) Debenture Series 2, 1,652.80 million baht
Interest Rate	1) Debenture Series 1, fixed interest rate of 5.65 percent per annum 2) Debenture Series 2, fixed interest rate of 6.40 percent per annum
Company Credit Rating	BBB-/Stable by Tris Rating Co., Ltd.
Par Value per Unit	1,000 baht
Issue Date	September 8, 2022
Maturity	1) Debenture Series 1, 5 years from the date of issuance 2) Debenture Series 2, 7 years from the date of issuance
Maturity Date	1) Debenture Series 1 matures on September 8, 2027 2) Debenture Series 2 matures on September 8, 2029
Interest Payment Period	Pay interest on the debentures at the specified rate every 3 months on March 8, June 8, September 8 and December 8 of each year throughout the debenture term, starting with the first interest payment on December 8, 2022 and the final interest payment on the maturity date of each debenture series.



Topic	Details
Financial Ratio Maintenance Requirements	The Issuer shall maintain the ratio of “Net Debt” to “Equity” (Net Debt to Equity Ratio) according to the annual consolidated financial statements of the Issuer at a ratio not exceeding 2.5:1 as of the end of each accounting period throughout the life of the debenture (details in the Terms and Conditions, Section 7.3 (a) on Financial Conditions).
Early Redemption	The issuer has the right to redeem the first series of debentures and/or the second series of debentures from the due date of 2 years from the date of issuance of the debentures, which is on September 8, 2024.

3. Secured debentures of North East Rubber Public Company Limited No. 1/2024, due for redemption in 2029.

Topic	Details
Debenture name	Secured debentures of Northeast Rubber Public Company Limited No. 1/2567 Due in 2029 (NER29DA)
Instrument type	Long-term, registered, non-subordinated, guaranteed (CGIF) debentures with a debentureholder's representative.
Type of offering	Offered to institutional investors and/or major investors
Offering Value and Outstanding	1,500 million baht
Interest Rate	Fixed interest rate of 3.41% per annum
Debenture Credit Rating	AAA Stable credit rating outlook by Tris Rating Co., Ltd. (Referencing the credit rating of CGIF, the bond guarantor.)
Company Credit Rating	BBB- Stable credit rating outlook by Tris Rating Co., Ltd.
Par Value per Unit	1,000 baht
Issue Date	December 20, 2024
Maturity	5 years from the date of issuance
Maturity Date	December 20, 2029
Interest Payment Period	Pay interest on the debentures at the specified rate every 6 months on June 20 and December 20 of each year throughout the life of the debentures. The first interest payment will start on June 20, 2025 and the final interest payment will be made on the maturity date of the debentures.
Financial Ratio Maintenance Requirements	The Issuer shall maintain the ratio of “Net Debt” to “Equity” (Net Debt to Equity Ratio) according to the annual consolidated financial statements of the Issuer at a ratio not exceeding 2.5:1 as of the end of each accounting period throughout the life of the debenture (details in the Terms and Conditions, Section 7.3 (a) on Financial Conditions).
Early Redemption	-None-

1.6 DIVIDEND PAYMENT POLICY

NORTHEAST RUBBER PUBLIC COMPANY LIMITED

The Company has a policy to pay dividends to shareholders at a rate of not less than 40 percent of the Company's net profit after deducting taxes and legal reserves and other reserves (if any) as specified in the Company's regulations and by law, unless there is no other necessity. However, the payment of dividends will not have a significant impact on the Company's normal operations.

However, the payment of such dividend may be subject to change. It will depend on the operating results, financial position, liquidity, the need for working capital for operations, investment plans and future business expansion, market conditions, appropriateness and other factors related to the Company's operations and management. Subject to the condition that the Company must have sufficient cash for its operations and such operations must result in the highest benefit to shareholders as the Board of Directors and/or the Company's shareholders deem appropriate. The resolution of the Board of Directors approving the payment of dividends must be proposed for approval at the

shareholders' meeting, except for interim dividend payments, which the Board of Directors has the authority to approve the payment of interim dividends and report to the shareholders' meeting at the next meeting.

In 2024, the Company had a net profit of 1,652.47 million baht. The Board of Directors' Meeting No. 1/2025 on February 19, 2025 resolved to approve the payment of dividends for the operating results for 2024 at the rate of 0.36 baht per share, totaling approximately 665.20 million baht. This represents a dividend payout ratio of 40.26 percent of net profit after deducting legal reserves. After deducting the interim dividend for the operating results for the first 6 months of 2024 at the rate of 0.05 baht per share, totaling 92.39 million baht, which was paid on September 6, 2024, the remaining dividend for the operating results for 2024 to shareholders is 0.31 baht per share, totaling approximately 572.81 million baht. This is paid from all profits that have been promoted. and the dividend payment date is set for May 9, 2025. This matter will be presented for approval at the next general meeting of shareholders.

THE COMPANY'S DIVIDEND PAYMENT INFORMATION FROM 2018 TO 2024 IS AS FOLLOWS:

Payment of dividends from the operating results of the year	Number of shares	Net profit (Baht/share)	Dividend paid (Baht/share)	Total dividend paid (Baht)	Dividend payout ratio to net profit (percent)
2024	1,847,789,748	0.89	0.36	665,204,309	40.26%
2023	1,847,789,748	0.84	0.34	628,248,514	40.65%
2022	1,847,789,748	0.95	0.38	702,160,104	40.17%
2021	1,760,635,056	1.13	0.43	749,000,386	40.49%
2020	1,614,678,906	0.53	0.21	339,082,570	40.89%
2019	1,540,000,000	0.35	0.14	215,600,000	42.12%
2018	1,540,000,000	0.32	0.13	200,200,000	43.33%

Note : Dividend payout ratio = Dividend payout / Net profit

DIVIDEND POLICY OF SUBSIDIARIES

The dividend payment policy of the Company's subsidiaries does not specify a minimum dividend payment rate. However, the board of directors of the subsidiaries and/or shareholders of the subsidiaries will consider paying dividends from the annual net profit after deducting income tax and legal reserves. By considering the appropriateness of the business conditions, such as considering investment plans for business expansion, operating results and financial position, and liquidity of the subsidiaries, etc.



2

RISK MANAGEMENT**2.1 RISK MANAGEMENT POLICY AND PLAN**

With the current global situation where economic, financial, trade and investment factors, geopolitics, laws and social interests are complex, volatile and rapidly changing, creating challenges for business growth and sustainability. Risk management is therefore very important to the company. Because if there is ineffective risk and crisis management, in addition to affecting the company financially and non-financially, it can also have many impacts on stakeholders and the environment, such as pollution and loss of natural resources, health and safety hazards to employees and society, or human rights violations, which may cause the company to lose confidence from stakeholders, damage its reputation and corporate image, or may lose future business opportunities.

Northeast Rubber Public Company Limited realizes and places importance on risk management under changes from internal and external factors that may affect the business in order to drive the organization to grow and expand the business with stability, have a strong financial position, and be able to generate returns for shareholders at an appropriate level. Therefore, the Company has systematically managed risks in accordance with international standards and integrated them into the organization's business operations in accordance with 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) as guidelines for managing the organization's risks. It has been adjusted to be appropriate for the company's business operations in order to manage risks at all levels and link them throughout the organization. In addition, risk management is an important element of every process in the company's business operations and must be linked at all levels. Therefore, the organization's governance, risk management, and compliance systems (Governance, Risk and Compliance: GRC) have been integrated, including the determination of a risk management policy throughout the organization that all employees must adhere to. In addition, The Enterprise Risk Management Committee (ERMC) has also been established to oversee overall risk management to achieve maximum efficiency and effectiveness, and to supervise compliance with corporate regulations and laws.

In addition, the Company has systematic risk management through the Risk Management Committee to allow all executives and employees in the Company to participate in managing the organization's risks through the appointment of a Risk Management Working Group consisting of 27 representatives from all departments. Mr. Natthaphon Inprakhon, Assistant Vice President, Purchasing and Warehouse Management Division, is the Chairman of the Risk Management Working Group. The group has a role and duty to jointly identify and assess all types of significant risks throughout the organization and monitor the results of operations according to risk management and control measures to summarize and report the results of operations to the Risk Management Committee on a monthly basis.

In addition, the Company has arranged for the internal control system and risk management system efficiency review and risk identification in the internal work process by external third-party internal auditors. Mrs. Phirada Tonahongsa, Assistant Vice President of Corporate Development, is responsible for coordination. The Company arranges for the internal control system to be reviewed regularly every quarter.

To be a guideline for internal practices in the company, including supervision and support for successful risk management in various aspects, the company has integrated risk management alongside the preparation of a risk management plan in order for the risk management plan to be effective and efficient, in accordance with policies, objectives, and consistent with the organization's goals and strategies, and with an acceptable level of risk. However, operational risks are under the supervision of the executives responsible for the operations. It is the responsibility of every department to manage and control risks to an acceptable level, which is clearly specified in the regulations and adhered to in every department by promoting and

instilling in all employees at all levels an awareness and understanding of the importance of risk management and being able to apply it to create an organizational culture.

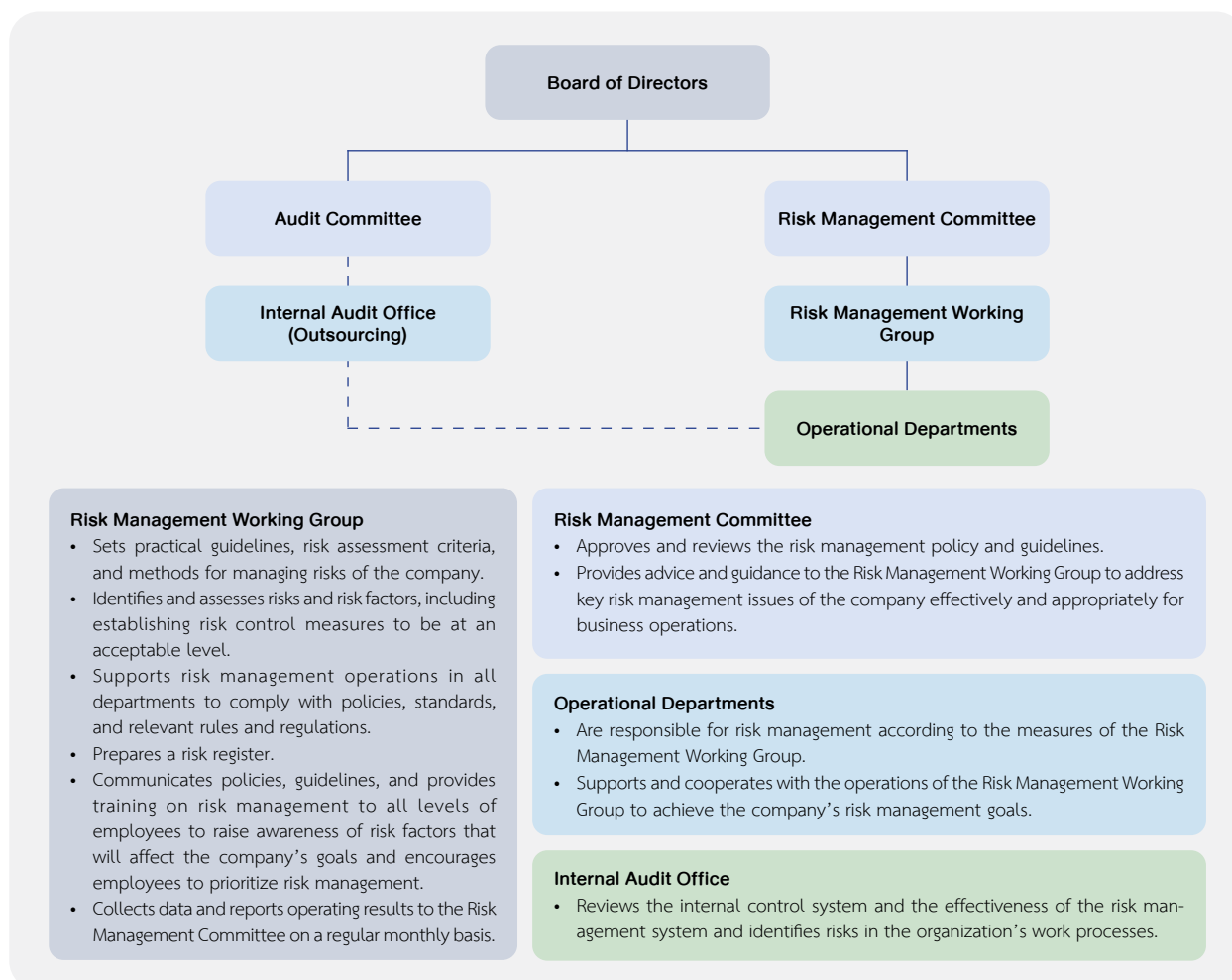
At the same time, the Company has applied various risk management tools, such as Risk Appetite, Risk Map, Mitigation Plan, and Value at Risk: VaR. In addition, changes in important external factors, including Emerging Risk, are monitored in order to prepare proactive risk management measures before they affect the Company's operations in a timely manner.

However, the Company has a risk management culture by instilling risk management awareness in all employees, including creating an atmosphere and culture for risk management. The Company focuses on allocating resources and providing appropriate support in various areas, integrating them with important work processes to promote effective risk management, and to be consistent with the current environment. The Company has established a working group to perform operations in a timely manner.



STRUCTURE, ROLES AND RESPONSIBILITIES OF RISK MANAGEMENT

The Company has established a risk management structure diagram as shown in this diagram.



The Board of Directors has appointed the Risk Management Committee to act as the body responsible for setting the risk management policy for the organization to follow., including providing operational guidelines to the Risk Management Working Group to ensure efficiency and effectiveness and to report to the Risk Management Committee regularly every month to monitor, control and prevent risks that may occur. The Company has assigned the Audit Committee to review the risk management system and have the Risk Management Committee report its performance to the Board of Directors every quarter.

RISK MANAGEMENT PLAN

The Company manages corporate risk by setting a process that is consistent with the operational framework of the international standards COSO ERM 2017 and COSO ESG 2018, focusing on risk management covering all 4 main types of risks: strategic, operational, financial, compliance and corruption and expand the scope of risk management to cover environmental, social and ESG-related risks and emerging risks that may affect the achievement of the Company's objectives and goals in the short, medium and long term, with the following risk management processes:



1. Internal environment of the organization
 - The organization's environment is an important element in determining the risk management framework and is an important foundation in determining the direction of the organization's risk management framework. It consists of many factors, such as organizational culture, executive policies, personnel work practices, work processes, information systems, etc.
2. Determining objectives
 - Identify the objectives of the plan or project, organizational level indicators that are consistent with the plan or project and various activities under each plan or project, and the control objectives of each main activity.
 - Manage risks in line with business strategies and goals.
 - Set assessment criteria and acceptable risk levels that are consistent with industry standards and ethical standards.
3. Event identification
 - Identify risks in all departments and all levels of the organization.
 - Analyze risks for each recorded main activity to identify risk factors, significant impacts, types of risks, and risk characteristics.
 - Identify risk factors caused by internal and external factors that may cause the organization to fail to achieve its objectives or goals in the short, medium, and long term.
4. Risk Assessment
 - Analyze risks based on the criteria of assessing the probability, opportunity and severity of impact to prioritize risks.
5. Risk Response
 - Consider risk management using methods of reducing, avoiding, transferring risks and accepting risks.
 - Select risk response methods appropriate to the risks by considering the cost-effectiveness, returns and impacts on the business as a whole.
6. Control Activities
 - Monitor the efficiency and effectiveness of risk management measures using Key risk indicators: KRI as a tool to monitor and assess risk status to determine



effective management measures, allocate resources and provide support in other areas appropriately.

- Review risks, risk levels and re-evaluate regularly or when there are significant changes both inside and outside the organization.

7. Information and Communication

- Prepare risk reports to executives according to the governance hierarchy and disclose to stakeholders.
- Communicate risk management information and promote knowledge throughout the organization regularly.
- Utilize technology to track risks in a timely and current manner.

8. Monitoring and Evaluation

- Conduct lesson analysis after risk events, determine methods to improve, correct and prevent recurrence.
- Review and improve policies Risk strategies, operational frameworks, and risk management practices to suit the changing business environment.

The Company reviews the organization's key risks at least once a year to consider new risks or existing risks that change according to the environment and context of the industry, such as economic changes, regulations or technology. This will provide executives with sufficient information to set strategies and make informed decisions. Evaluating the effectiveness of risk management and monitoring the risk management results of all departments to ensure that risk management is carried out effectively and efficiently, supporting the Company to achieve its objectives and goals.

PERFORMANCE IN 2024

In 2024, the Risk Management Committee held a total of 12 performance monitoring meetings, with the following key points of its duties:

- Consider and screen risk management policies, consider risk management plans, assess the company's business risks, including determining measures to prevent and resolve risks, and monitor results regularly and continuously to reduce or support the impact of risks.
- Review the Risk Management Manual for 2024
- Review the Risk Management Committee Charter annually
- Communicate and report risk management performance to the Audit Committee and the Board of Directors for acknowledgement and additional comments on a quarterly basis.
- Monitor the performance of the Executive Committee and Risk Management Working Group in identifying and assessing various risks comprehensively by analyzing external factors and the Company's performance data and developing appropriate risk management measures to reduce risk levels to an acceptable level.
- Follow up on the preparation of the Emergency Response Plan (ERP) as a guideline for dealing with emergencies or crises that, if uncontrollable, may result in business processes having to stop operating, and prepare a Business Continuity Plan (BCP) to reduce the impact of disruptions and mitigate damages to an acceptable level.

RISK FACTORS AFFECTING THE COMPANY'S OPERATIONS AND RISK MANAGEMENT

The Company has assessed key risks and prepared a risk management plan that may occur, focusing on strategic risks that may have a significant impact on the business and operational risks. It has been set as a process that is consistent with the international standard framework COSO ERM 2017 and COSO ESG 2018, which will focus on risk management covering all 4 main types of risks: strategic, operational, financial, compliance and corruption. The Company has also expanded the scope of risk management to cover environmental, social and ESG-related risks and

emerging risks, such as new risks from the European Union Deforestation Regulation (EUDR) and risks from the transition to a low-carbon society, etc.

2.2 RISK FACTORS FOR THE COMPANY'S BUSINESS OPERATIONS

The Company has identified and assessed the significant risks to the Company's operations, analyzed both internal and external environments, including economic, social, political, technological, environmental, competitor industry trends, and others. The Company adheres to the risk management framework and is consistent with the sustainable development issues in environmental, social and governance risks to determine the corporate risk factors, which are divided into 4 groups as follows:

2.2.1 RISKS TO THE COMPANY'S AND ITS SUBSIDIARIES' OPERATIONS BOTH CURRENT AND POTENTIAL IN THE NEXT 3-5 YEARS

STRATEGIC RISKS

RISK FROM FLUCTUATIONS IN RAW MATERIAL SITUATIONS

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.

IMPACT

- 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 FROM HIGH COMPETITION IN THE RUBBER INDUSTRY

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.

IMPACT

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.

EXECUTIVE LEVEL MANPOWER RISK

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.

IMPACT

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.

OPERATIONAL RISK**RISK FROM PRODUCTION AND BUSINESS INTERRUPTION**

Since the nature of the company's business is to produce by taking natural rubber through the production process until it becomes a product for distribution, therefore, machinery is used to produce products every day. Each type of product, such as taking raw materials into the rubber digestion process, rubber grinding, rubber washing, rubber drying, and then into the rubber block pressing process, results in every production process being very important. If the production process is disrupted or stopped, whether from external factors such as natural disasters, severe epidemics, force majeure, or from internal factors such as machinery failure, public utilities such as electricity, water, or labor shortages. If any

production process is disrupted, it may cause damage to the company's overall production line.

IMPACT

- The Company is not affected by any crisis or natural disaster that would cause the Company and its factories to be significantly disrupted.

RISK MANAGEMENT MEASURES

The Company has prepared a Business Continuity Plan (BCP) that covers the operations of the Company's key departments, which is a backup plan that will ensure that the business continues in times of crisis or emergency that may cause disruption to business operations. Therefore, the Company needs to prepare a continuity plan to prepare in advance for dealing with such crises or emergencies. However, this does not mean that the plan will allow the organization to operate everything as in normal situations, but it must be sufficient to allow the business to continue with minimal damage.

The company is aware of the risk of production and business interruption and has strictly followed the procedures and methods of operation. There is a plan to maintain machinery and equipment according to the time frame and spare parts are prepared in case of replacement within the appropriate period before damage occurs to ensure continuous production without interruption.

RISK FROM UNEXPECTED RUBBER DEMAND

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.

IMPACT

- 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.

CYBER THREATS AND DATA SECURITY RISKS

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.

IMPACT

- 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 cyberattacks 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.

FINANCIAL RISK

RISK FROM EXCHANGE RATE FLUCTUATION

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.

IMPACT

- 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.

RISKS FROM COMPLIANCE WITH LAWS, REGULATIONS, RULES

LEGAL, REGULATORY AND CORRUPTION RISKS

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.

IMPACT

- 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.

2.2.2 ENVIRONMENTAL, SOCIAL AND GOVERNANCE RISKS

2.2.2.1 ENVIRONMENTAL RISKS

RISK FROM WATER SHORTAGE

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.

IMPACT

- 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.

WATER POLLUTION RISK

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.

IMPACT

- 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.

HEALTH RISKS FROM AIR POLLUTION

Rubber processing, especially in the drying, smoking and wastewater treatment processes, can generate air pollutants such as sulfur dioxide (SO₂), nitrogen oxides (NOx), 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.

**IMPACT**

- 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.

2.2.2.2 SOCIAL RISKS**RISKS OF HUMAN RIGHTS VIOLATIONS IN THE SUPPLY CHAIN**

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.

IMPACT

- 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.

2.2.2.3 CORPORATE GOVERNANCE RISK

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.

IMPACT

- 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.

2.2.3 EMERGING RISKS

RISKS FROM FOREIGN INVESTMENT

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.

IMPACT

- 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

The Company has conducted risk assessments, closely monitored overseas investment operations, the environment, and changes in relevant laws and regulations both domestically

and internationally to assess opportunities, obstacles, and appropriate operational approaches to minimize potential negative impacts on the Company.

RISKS OF INDUSTRIAL TECHNOLOGICAL CHANGES

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.

IMPACT

- 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.

RISKS FROM THE TRANSITION TO A LOW-CARBON SOCIETY

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.

**IMPACT**

- 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.

RISKS FROM THE EU DEFORESTATION REGULATION (EUDR)

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.

IMPACT

- 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 committed to conducting business in accordance with EUDR laws to support environmental conservation and reduce deforestation. The Company has therefore established an EUDR Working Group to manage risks and support projects related to compliance with this regulation. This includes collecting data, verifying relevant data, and supporting activities necessary to effectively comply with EUDR measures. This includes promoting knowledge to raw material suppliers and farmers who must comply with these guidelines.

2.2.4 INVESTMENT PROJECT RISK**INVESTMENT RISK**

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.

IMPACT

- 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.

2.2.5 INVESTMENT RISKS FOR SECURITIES HOLDERS**RISKS FROM MANAGEMENT RELYING ON KEY EXECUTIVES AND MAJOR SHAREHOLDERS**

The Company has a main executive, Mr. Chuwit Jungthanasomboon, 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 Jungthanasomboon 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, Jungthanasomboon 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.

IMPACT

- The Company may face problems in conducting business in the future if there is a change in key executives.



RISK MANAGEMENT

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.



An aerial photograph of a lush green forest. A winding river flows through the center of the image. In the middle of the river, there is a small island with several palm trees. The forest is dense and vibrant green, with some areas showing lighter green foliage. The river is a light blue color, contrasting with the surrounding greenery.

**DRIVING
BUSINESS
TOWARDS
SUSTAINABILITY**



3

DRIVING BUSINESS TOWARDS SUSTAINABILITY

3.1 SUSTAINABLE DEVELOPMENT POLICY AND GOALS

The company is committed to delivering high-quality natural rubber products that are produced with environmental friendliness and mindful use of natural resources. This supports the transition to a low-carbon society while ensuring fair treatment of all stakeholders. The company promotes increased income and an improved quality of life for rubber farmers and local communities in every area where it conducts business, aiming to create long-term benefits and shared value.

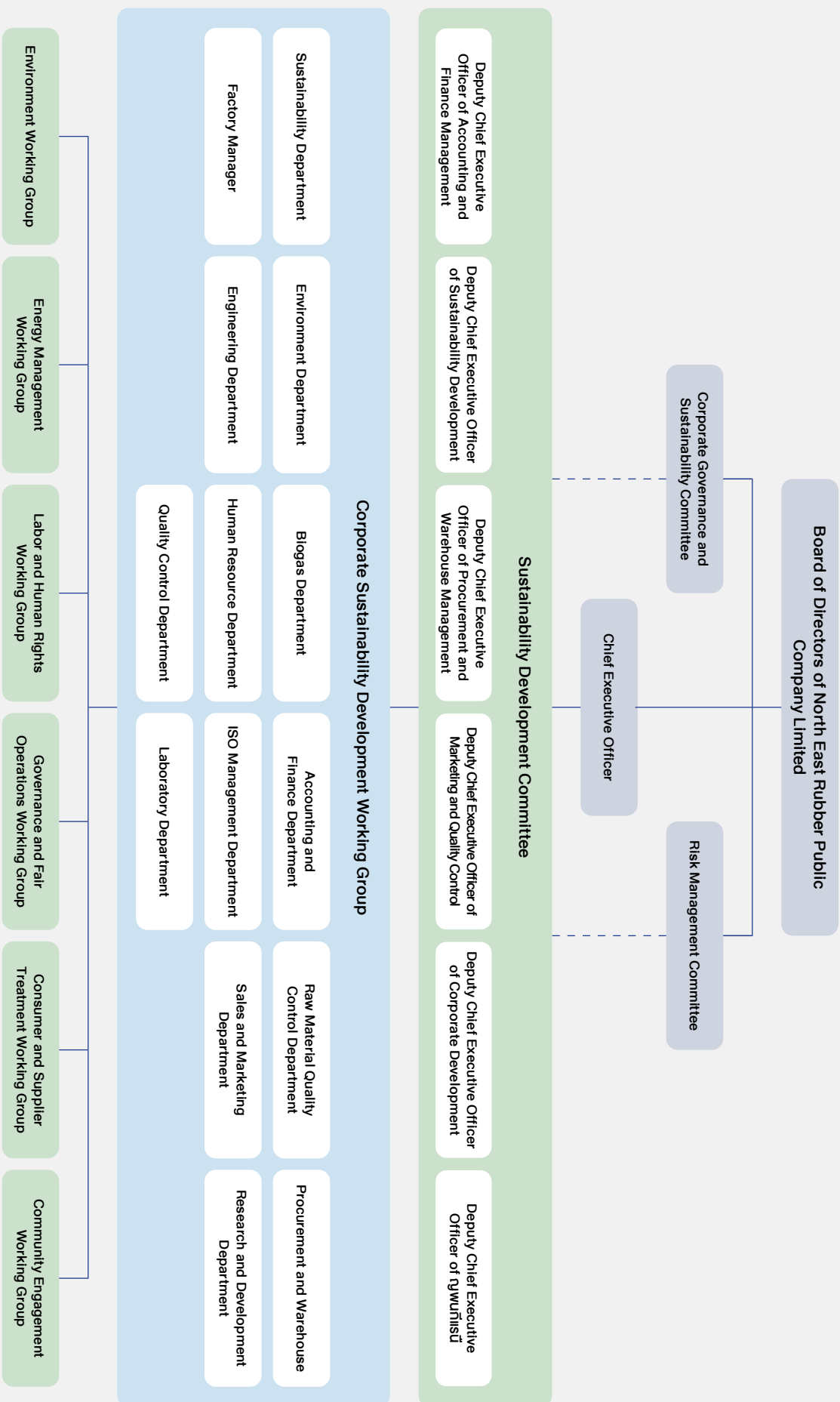
The company has established a “**Management and Sustainability Development Policy**” to serve as the guiding principles and framework for driving responsible business growth while managing impacts and risks across economic, social, environmental, and governance dimensions. This policy aims to appropriately 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.



Learn more about the Management and Sustainability Development Policy at: www.nerubber.com or scan QR Code

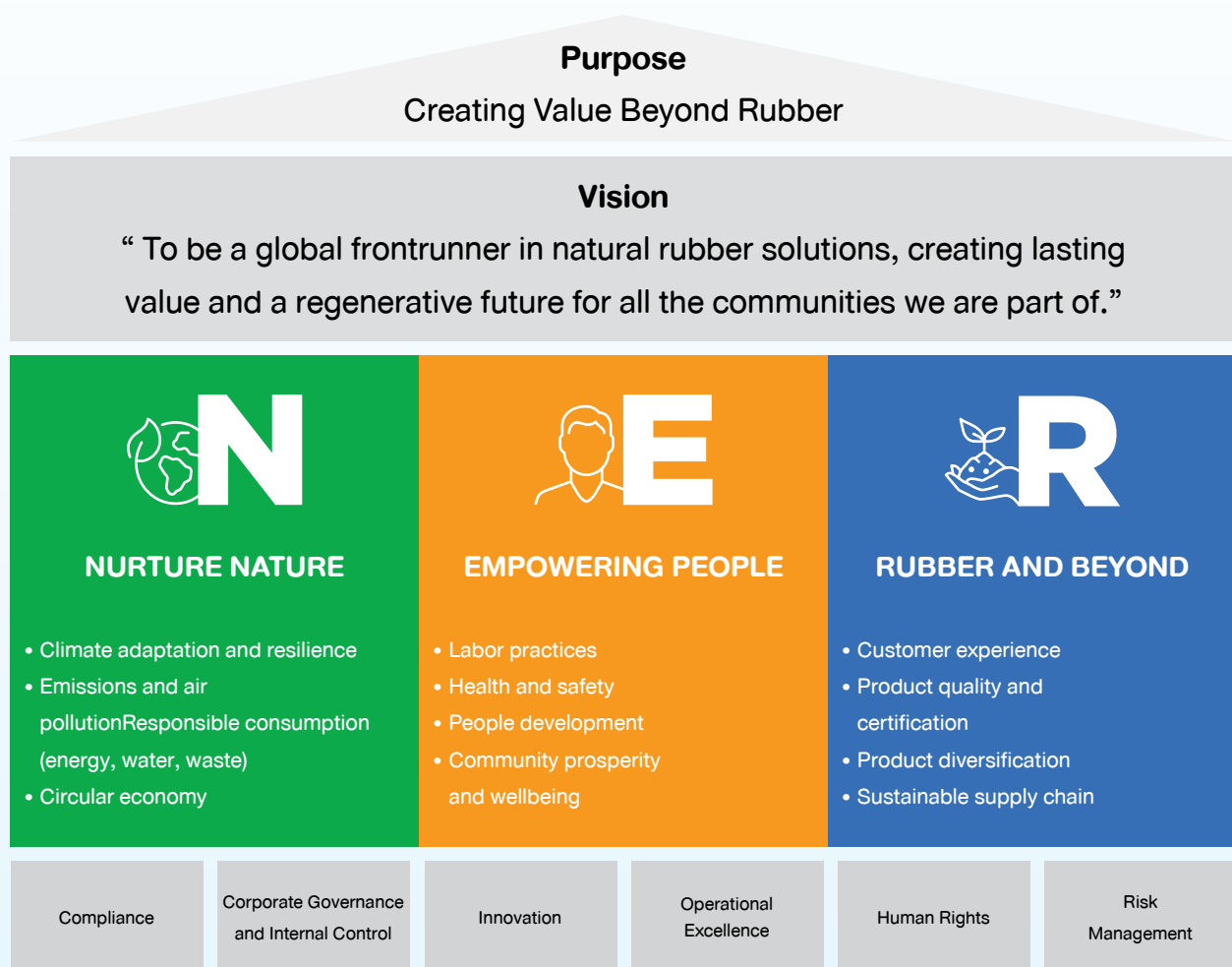
The company is committed to driving its sustainability operations in accordance with its policies, emphasizing the engagement of all parties within the organization, from the Board of Directors and executives to operational staff. Therefore, the company has established a governance structure for the operations and sustainability development that are interconnected at all levels and encompasses all dimensions, including economic, social, and environmental aspects. The Board of Directors has delegated the task to the **Corporate Governance and Sustainability Committee** to establish the sustainability policies, strategies, and framework, as well as to oversee the management’s adherence to the established guidelines. Additionally, the **Risk Management Committee** is responsible for monitoring progress and risk management performance of the organization, which includes environmental, social, and governance (ESG) risks.

The Corporate Sustainability Development Committee consists of six executives at the Deputy Chief Executive Officer level from v business units, with the Chief Executive Officer serving as the Chairperson of the committee. The **Corporate Sustainability Development Working Group** includes representatives from all business units of the company, totaling 56 members, and is led by Miss Py Attpisarn, the Deputy Chief Executive Officer of Sustainability Development. The committee is responsible for implementing the defined strategies and guidelines, monitoring progress and performance against set goals, assessing risks arising from global changes and economic, social, and environmental challenges, as well as the impacts from the company’s operations. This enables them to develop measures and manage key issues to reduce impacts and risks while also creating business opportunities. In addition, the working group emphasizes open and sincere communication and interaction with all stakeholder groups to foster understanding and lay the foundation for sustainable collaboration.





The company has established a “**Sustainability Framework**” to serve as a guideline for managing critical issues across all dimensions. The operations in all areas must be based on principles of corporate governance, compliance with laws and regulations, effective risk management, respect for human rights throughout the supply chain, innovation management, and operational excellence. This sustainability framework enables the company to set clear goals in each area and develop appropriate strategies and action plans to support long-term business growth while creating value for local communities and stakeholders in alignment with the company’s purpose and vision. The details are as follows:



SUSTAINABILITY STRATEGY AND GOAL

In 2024, the company identified strategic priorities related to sustainability and integrated these sustainability issues into its business strategy. A new strategy was established, referred to as the “4Ds” Strategy (4 Good Strategy), along with both short-term and long-term goals as follows:



**Strategy D1 : D (Good) Product**

Produce and develop a wide range of high-quality rubber products through innovation and competitive cost advantages to create sustainable economic value and establish a trusted brand.



Goals	NER's Approaches
<ul style="list-style-type: none"> Increase revenue and market share 	<ul style="list-style-type: none"> Market penetration – existing market New frontier expansion – new markets and customers Invest in research and development of natural rubber products to increase added value and diversify offerings that meet the needs of target industries.
<ul style="list-style-type: none"> Manage costs effectively 	<ul style="list-style-type: none"> Improve production efficiency through innovation and technology. Reduce waste generation rates. Maximize resources used.
<ul style="list-style-type: none"> Become a trustworthy brand Customer satisfaction score exceeding 95% No violations of laws related to economy, society, or environment 	<ul style="list-style-type: none"> Improve processes and standard certifications to enhance confidence in quality and safety. Provide a positive customer experience in purchasing both products and services. Disclose information transparently and ensure it is verifiable. Comply with laws and regulations, both domestically and internationally. Implement systematic and effective corporate governance. Promote stakeholder engagement for improvements and development.
<ul style="list-style-type: none"> Comprehensive and effective risk management across the entire organization (100%) 	<ul style="list-style-type: none"> Develop an enterprise risk management system that encompasses business risks and ESG Risks.

Strategy D2 : D (Good) Supplier

Develop a supply chain that is transparent, fair, flexible, and aligned with international quality standards.



Goals	NER's Approaches
<ul style="list-style-type: none"> Elevate product quality to meet global standards. 	<ul style="list-style-type: none"> Promote the use of raw materials from certified environmentally friendly sources, such as the EU Deforestation Regulation (EUDR) and the Forest Stewardship Council (FSC). Obtain various certifications that demonstrate responsibility and a commitment to sustainable rubber business practices in accordance with international standards. Reduce raw material contamination. Ensure the stability of raw material supply.
<ul style="list-style-type: none"> Increase the proportion of raw materials from small suppliers to exceed 20% of total production. 	<ul style="list-style-type: none"> Promote raw materials sourcing from small suppliers. Develop the accurate and transparent raw material procurement process for the benefit of small suppliers.
<ul style="list-style-type: none"> Achieve 100% product traceability by 2027. 	<ul style="list-style-type: none"> Develop a data process and system to trace back the origin of raw
<ul style="list-style-type: none"> No human rights violations in the supply chain 	<ul style="list-style-type: none"> Develop a comprehensive supplier risk assessment system that covers economic, social, environmental, and governance risks. Regularly assess and monitor supplier risks.

Strategy D3: D (Good) Environment

Reduce carbon footprint and promote the reuse of resources in all processes of the company, extending the scope to the entire supply chain.



Goals	NER's Approaches
<ul style="list-style-type: none"> Become Carbon Neutrality by 2030. Reduce greenhouse gas emissions (Scope 1 & 2) by 22.5% compared to the baseline year of 2021 by 2030. Reduce greenhouse gas emissions (Scope 3) by 25% compared to the baseline year of 2021 by 2030. 	<ul style="list-style-type: none"> Reduce greenhouse gas emissions in the production process. Reduce greenhouse gas emissions from transportation. Encourage suppliers to reduce greenhouse gas emissions within the supply chain. Increase the production and proportion of renewable energy and biomass energy to replace fossil fuel energy. Seek certification for greenhouse gas emissions reduction targets in accordance with Science Based Targets Initiative (SBTi).
<ul style="list-style-type: none"> Zero Waste to Landfill 	<ul style="list-style-type: none"> Develop a reusing process for waste from the production process. Increase the waste recycling rate. Collaborate with suppliers to develop environmentally friendly packaging. Improve a document working process from a paper-based system to an online system to reduce time and paper usage.
<ul style="list-style-type: none"> Use 100% recycled water in production. Reduce water intensity by 20% compared to the baseline year of 2023 by 2028. 	<ul style="list-style-type: none"> Develop water management technology to reduce water consumption in the production process. Enhance the efficiency of advanced wastewater treatment systems to maximize the reuse of treated water.

Strategy D4: D (Good) Society

Promote the development and engagement of everyone in the workplace and in the local community for the safety and well-being of all.

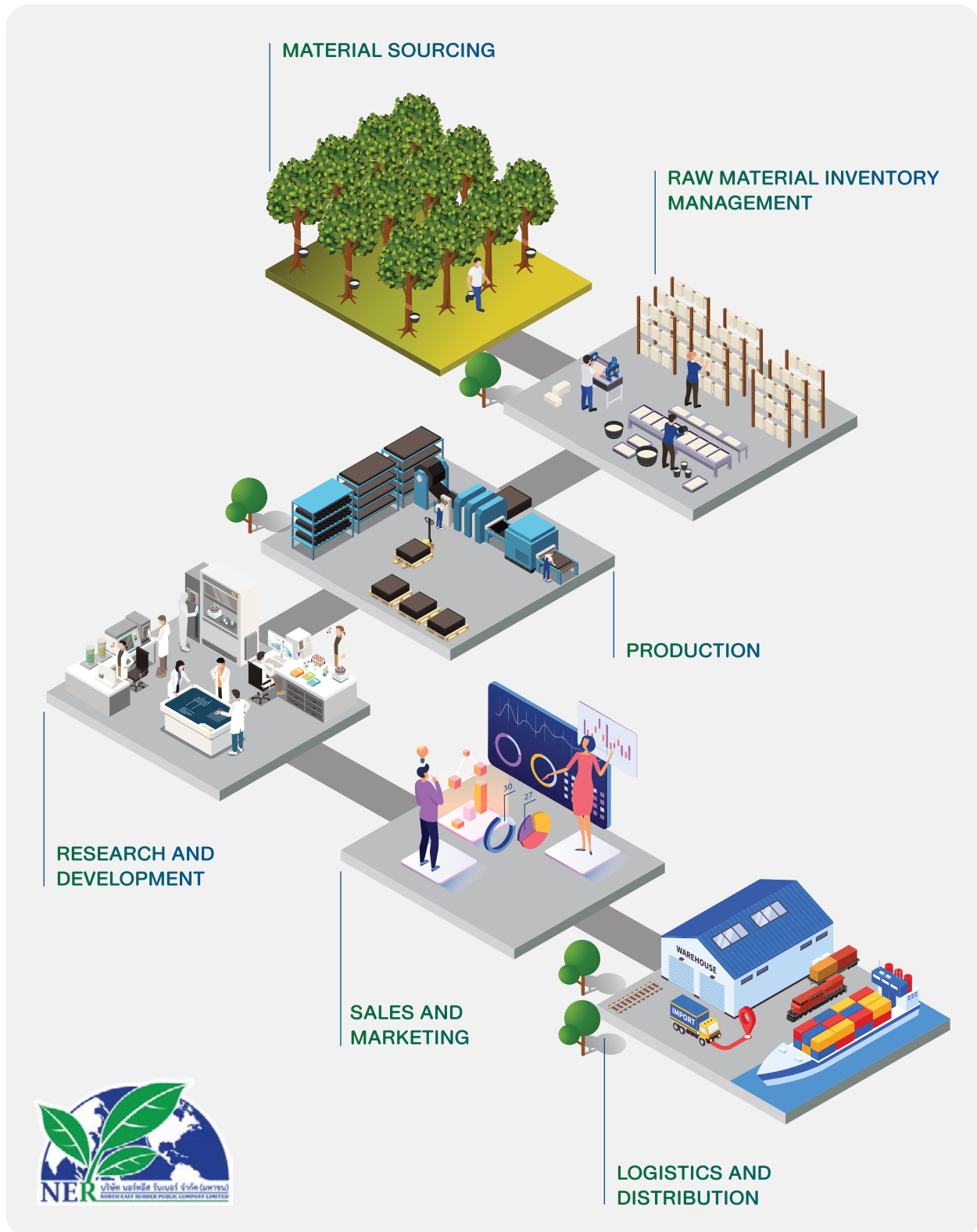


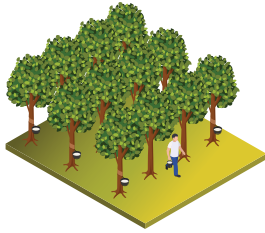
Goals	NER's Approaches
<ul style="list-style-type: none"> Have sufficient employees in both number and capability to support future business expansion. Average training hours not less than 25 hours per person per year by 2028. 	<ul style="list-style-type: none"> Implement a Talent Development Program for high-potential employees. Create Individual Development Plans (IDPs) for employees at all levels. Develop employees' soft skills in addition to their technical knowledge and expertise.
<ul style="list-style-type: none"> Employee engagement score not less than 90% by 2028. Voluntary turnover rate of less than 5% by 2028. 	<ul style="list-style-type: none"> Strengthen employee engagement and involvement. Develop activity programs to promote the quality of life and well-being of employees.
<ul style="list-style-type: none"> Zero rate of fatalities or disabilities from workplace accidents (Zero major accidents). Zero occupational illnesses. Zero Lost Time Injury Frequency Rate (LTIFR). 	<ul style="list-style-type: none"> Develop a risk assessment system for work processes and establish effective risk management and prevention measures. Foster a safety culture (Safety DNA) and ensure compliance with various procedures and measures among employees.
<ul style="list-style-type: none"> No complaints regarding air pollution from the community or regulators. Community engagement score exceeding 90% by 2028. Satisfaction score of exceeding 90% for community engagement activities by 2028. Improve the well-being and quality of life of community members. 	<ul style="list-style-type: none"> Monitor and assess the impacts of business operations on the community. Promote environmentally friendly agricultural practices among rubber farmers to produce high-quality, clean rubber and encourage the use of non-hazardous chemicals. Initiate and implement community development projects to enhance the potential and well-being of local residents, such as creating job opportunities, promoting health and wellness, supporting education, and preserving cultural traditions. Build partnerships with non-profit organizations to amplify positive social impacts.



3.2 MANAGEMENT OF IMPACT ON THE STAKEHOLDERS IN THE BUSINESS VALUE CHAIN

3.2.1 BUSINESS VALUE CHAIN





MATERIAL SOURCING

1. Establishing security of raw materials to ensure sufficient and continuous procurement
2. Management of risks from fluctuations in rubber prices
3. Promoting local sourcing of raw materials and developing agricultural partners to obtain clean and high-quality raw materials
4. Monitoring compliance with regulations and human rights of suppliers in the supply chain
5. Environmentally friendly procurement, free from hazardous chemicals or substances on prohibited lists

Stakeholder

- Employees
- Suppliers
- Creditors
- Regulators
- Competitors



RESEARCH AND DEVELOPMENT

1. Development of a system for traceability of raw materials.
2. Improvement of existing product quality
3. Development of new and finished products
4. Development of the production process

Stakeholders

- Employees
- Customers
- Suppliers
- Community



RAW MATERIAL INVENTORY MANAGEMENT

1. Selection and inspection of raw materials to ensure quality relative to price
2. Systematic management of raw material reception areas
3. Ensuring safety in raw material storage and maintaining raw material quality
4. Preventing and mitigating environmental, community, and social impacts from raw material storage

Stakeholders

- Employees
- Suppliers
- Community

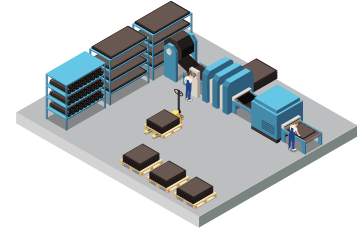


LOGISTICS AND DISTRIBUTION

1. Inspection of products according to standards before delivery
2. Effective and systematic inventory management
3. Orderly storage of goods for easy packaging
4. Efficient and safe transportation management

Stakeholders

- Employees
- Customers
- Suppliers
- Community

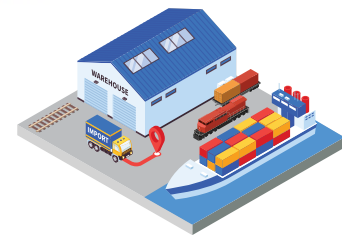


PRODUCTION

1. Efficient management of resources used in the production process and reduction of waste generation
2. Quality control and product standards
3. Effective energy management utilizing renewable energy and biomass
4. Innovation management in processes for production excellence
5. Maintenance of machinery and equipment
6. Management of impacts on nearby communities

Stakeholders

- Employees
- Community
- Regulators



SALES AND MARKETING

1. Setting appropriate selling prices
2. Expansion of existing and new markets
3. Development of finished products
4. Management of customer relationships and handling complaints
5. Management of communication channels with customers and providing accurate information
6. Analyzing the needs of current and potential customers for accurate responses

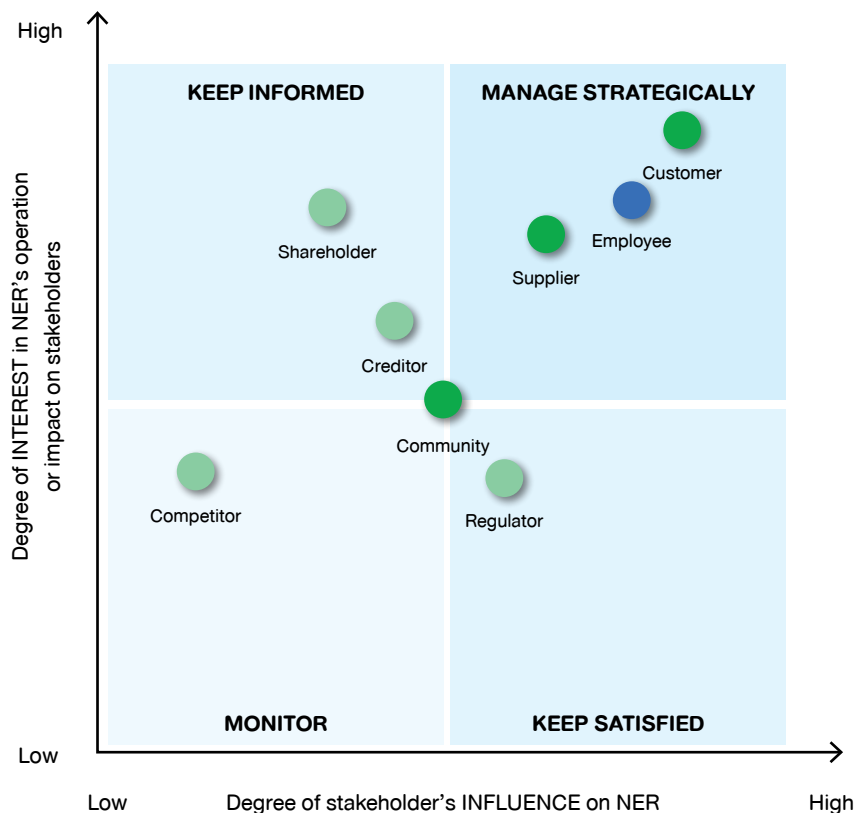
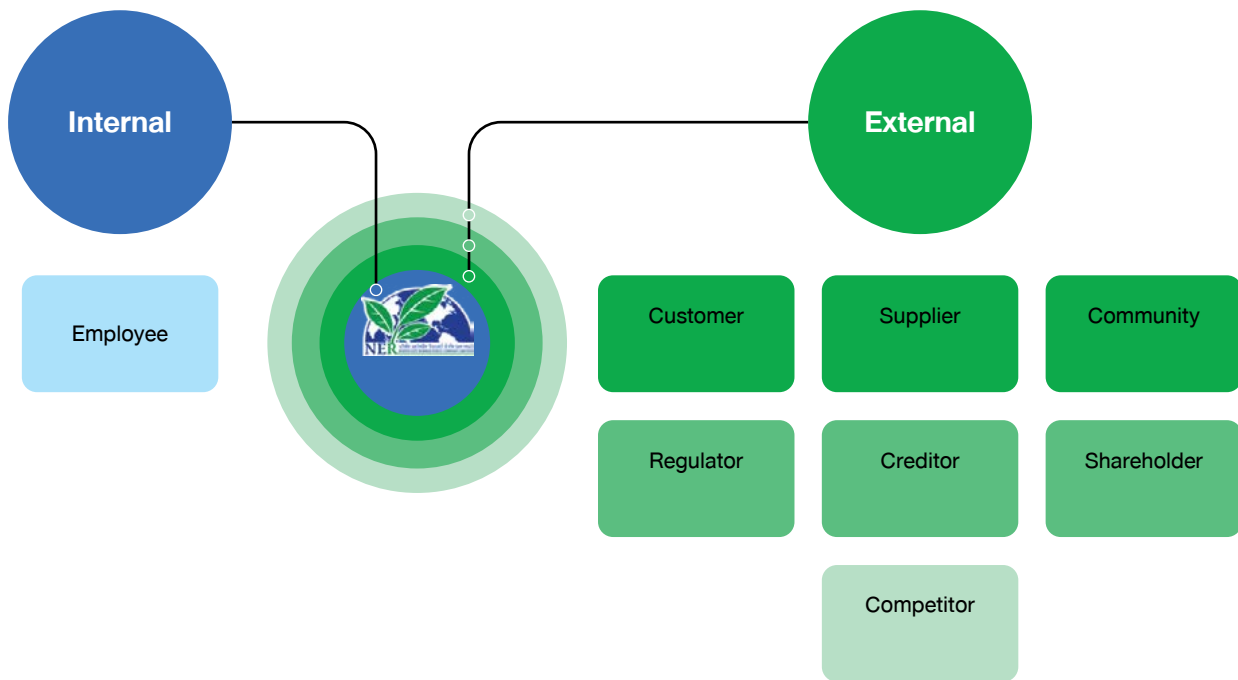
Stakeholders

- Employees
- Customers
- Competitors
- Shareholders



3.2.2 STAKEHOLDER ANALYSIS IN THE BUSINESS VALUE CHAIN

The company classifies its stakeholders in the value chain into eight groups, namely: employees, customers, 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.



The company 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. In 2024, the company engaged and responded to stakeholders as follows:

Employees		
Engagement Channels and Methods	Needs / Expectations	NER's Responses
1) Daily employee meetings before the start of work. 2) Monthly Executive Committee meetings and departmental meetings. 3) Quarterly Welfare Committee meetings. 4) Employee engagement surveys that are conducted twice a year. 5) Monthly Safety Committee meetings. 6) Monthly Risk Management Working Group meetings. 7) Communication through online media, intranet, and email. 8) Whistleblower and complaint reporting channels via online media, email, and a Red Box for collecting complaints and feedback within the company.	Fair compensation and benefits	<ul style="list-style-type: none"> 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. Enhance additional benefits, ensuring they align with the company's business performance, economic and social conditions. Provide allowances and benefits suitable for roles and responsibilities, such as meal allowances, attendance bonuses, funeral assistance, get-well gifts, group life and accident insurance, provident fund contributions, uniforms, traveling and accommodation expenses, etc. Ensure that benefits and various entitlements are provided appropriately, benchmarking against other companies in the same or similar industries, and in compliance with legal requirements. Link performance evaluations to various compensation aspects fairly and appropriately, considering each employee's knowledge, skills, experience, position, responsibilities, and performance.
	Transparent and fair performance evaluation	<ul style="list-style-type: none"> Improve the performance evaluation process to ensure transparency by using clear assessment criteria, averaging evaluations with input from supervisors at levels +1 and +2. Provide employees with the opportunity to receive feedback on their evaluations and seek clarification from their supervisors.
	Treatment of employees with respect for dignity, rights, and principles of human rights	<ul style="list-style-type: none"> Promote awareness of human rights and fundamental labor practices to executives and employees at all levels.
	Job security and opportunities for career advancement	<ul style="list-style-type: none"> Establish clear career path plans for various positions within the company. Encourage employees to enhance their skills and knowledge while providing opportunities to showcase their abilities.



Employees		
Engagement Channels and Methods	Needs / Expectations	NER's Responses
	Health and safety in the workplace	<ul style="list-style-type: none"> Improve the work environment to meet standards and promote good health and well-being. Enhance workplace safety by assessing risk factors and improving equipment and the work environment, conducting safety training, and providing adequate PPE (Personal Protective Equipment) according to job nature. Organize activities that promote both physical and mental well-being for employees.
	Open communications and feedback	<ul style="list-style-type: none"> Create manuals, records, or documents to communicate policies and significant changes through Morning Talk and various communication channels, including bulletin boards, internal emails, intranet, Line Open Chat, and short video clips, to ensure communication is easy to understand, clear, and transparent. Develop a systematic and clear process for handling complaints and suggestions that is easily accessible and communicates the results to employees.

Customers		
Engagement Channels and Methods	Needs / Expectations	NER's Responses
1) Meetings/customer Visits 2) Customer satisfaction surveys every 6 months 3) Customer relations activities/marketing events 4) Communication through online media, email, and telephone 5) Channels for reporting complaints to the company	Products that meet quality standards and customer requirements	<ul style="list-style-type: none"> Organize customer visits to the factory to audit and gain confidence in the production processes and product quality. Develop products and services that meet customer needs. Ensure transparency in operational disclosures.
	Timely delivery of products	<ul style="list-style-type: none"> Enhance systems for seamless integration across the organization to effectively plan sales, production, and delivery.
	Flexibility in adhering to trade agreements	<ul style="list-style-type: none"> Adhere to trade agreements while maintaining some flexibility in certain cases.
	High-quality and efficient service	<ul style="list-style-type: none"> Upskill the customer service team to provide comprehensive support with care and accountability towards customers. Communicate, provide information, or respond to customer inquiries promptly and accurately. Improve communication channels and complaint handling processes to effectively address customer complaints.
	Maintenance of business confidentiality	<ul style="list-style-type: none"> Strictly adhere to the company's Code of Conduct and policies.

Communities		
Engagement Channels and Methods	Needs / Expectations	NER's Responses
1) Communication through online media, email, and telephone 2) Meetings with community representatives held once a year 3) Dialogues to gather feedback from the community held once a year 4) Survey on community satisfaction and engagement conducted once a year 5) Channels for reporting complaints to the company	Development of community economy and improvement of quality of life	<ul style="list-style-type: none"> Develop and support projects that enhance the quality of life and economic development of the local community. Organize activities/projects to support the community during disasters or other social initiatives, such as donations for the community's traditional events. Build collaborative networks with other stakeholders to jointly develop the local community and society.
	Job creation and employment opportunities for local residents	<ul style="list-style-type: none"> Promote the company's employment opportunities for local residents. Promote and provide opportunities for local community members to access education and skill development to enhance their capabilities. Provide knowledge on how to utilize by-products to create job opportunities for community members.
	Road safety	<ul style="list-style-type: none"> Establish measures for transporting raw materials for suppliers and rubber farmers to ensure road safety. Organize basic safe driving awareness activities for the community and stakeholders around the company.
	Environmental quality in the community.	<ul style="list-style-type: none"> Strictly comply with environmental laws, regulations, and practices. Monitor and control pollution measurement to ensure compliance with legal requirements. Regularly assess environmental impacts on the community. Disclose information regarding environmental and pollution management transparently.



Suppliers		
Engagement Channels and Methods	Needs / Expectations	NER's Responses
1) Joint meetings with suppliers and rubber farmers held twice a year 2) Regular visits to suppliers' premises every month 3) Communication through online media, email, and telephone 4) Channels for reporting complaints to the company	A transparent and fair procurement process	<ul style="list-style-type: none"> Establish guidelines, measures, and procedures for procurement that are transparent, open, and verifiable. Conduct procurement activities transparently in accordance with the procurement policy and the anti-corruption policy to ensure fairness for all parties involved. Develop a raw material procurement system that treats both large and small suppliers equitably.
	Compliance with laws and agreements	<ul style="list-style-type: none"> Comply with relevant laws and regulations, as well as the procurement policy and contracts or agreements between parties.
	Timely and complete payments	<ul style="list-style-type: none"> Ensure payments are made according to the specified terms or credit terms outlined in the contract, adhering to principles of accuracy, transparency, and efficiency.
	Development of capabilities and knowledge of suppliers	<ul style="list-style-type: none"> Develop programs to educate suppliers about the rubber quality and productivity improvement, as well as principles of human rights and new regulations, both domestic and international, that affect the rubber business.

Shareholders		
Engagement Channels and Methods	Needs / Expectations	NER's Responses
1) Annual General Meeting of Shareholders and Extraordinary General Meeting of Shareholders 2) Quarterly Analyst Meetings with securities analysts and fund managers 3) Quarterly Opportunities Day activities of the Stock Exchange of Thailand 4) Quarterly company Snapshot updates on the Stock Exchange of Thailand's website 5) Investor meetings at least once a year 6) Business sites visit at least once a year 7) Communication through online media, email, and telephone 8) Channels for reporting complaints to the company	Accurate and transparent disclosure of the company's performance in accordance with the rules of the Stock Exchange of Thailand and disclosure standards	<ul style="list-style-type: none"> Disclose information in periodic reports, including quarterly and annual financial statements, Management Discussion and Analysis (MD&A), summaries of the company's performance and that of its subsidiaries (Form F45), and the 56-1 One Report, among others. Prepare and disclose business operations, performance, and financial status transparently. Disclose information on significant events, such as shareholder meetings, asset acquisitions and disposals, related parties' transactions, and various investments.
	Maintaining financial stability and security of the company	<ul style="list-style-type: none"> Conduct business operations with caution while aligning with financial goals. Closely monitor and oversee the company's financial status.
	Treating all shareholders equitably	<ul style="list-style-type: none"> Provide information on performance and overall business growth to shareholders through accessible channels for all shareholders.

Shareholders		
Engagement Channels and Methods	Needs / Expectations	NER's Responses
	Achieving business growth and strong performance for good returns	<ul style="list-style-type: none"> • Develop the business to maintain competitive costs and operational efficiency. • Enhance competitiveness through innovative products and new business ventures to ensure continuous revenue generation. • Seek and engage in joint investments with business partners to expand investment opportunities and build flexibility in operations.
	Good corporate governance	<ul style="list-style-type: none"> • Strictly comply with laws and regulations. • Operate with transparency and active anti- corruption. • Enhance effectiveness of the corporate governance and risk management structure and systems.

Creditors		
Engagement Channels and Methods	Needs / Expectations	NER's Responses
1) Meetings with creditors. 2) Business sites visit activities. 3) Communication through online media, email, and telephone.	Effective risk management	<ul style="list-style-type: none"> • Manage risks comprehensively, including economic, social, environmental, and human rights risks that may impact the company's financial position. • Implement important internal control policy and procedures related to creditor transactions, as well as comply with auditors regarding the regular confirmation of balances during the accounting period. • Manage capital to maintain a suitable structure that supports the company's business operations and preserves trust among creditors. • Communicate and disclose the company's performance accurately and clearly.
	Compliance with the terms of the loan and bond agreements / Repayment of debts according to the stipulated conditions.	<ul style="list-style-type: none"> • Rigorously adhere to contracts and conditions, upholding accuracy, transparency, and timeliness. • Commit to maintaining sustainable relationships with creditors and fostering mutual trust.



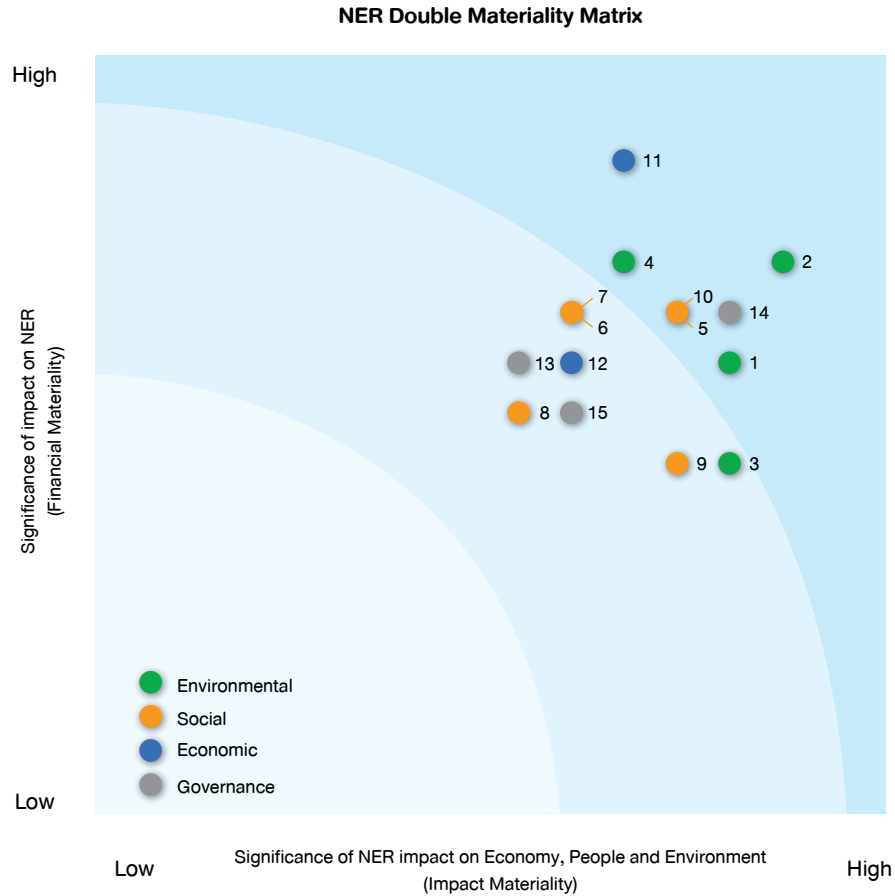
Regulators		
Engagement Channels and Methods	Needs / Expectations	NER's Responses
1) Participation in government-organized seminars related to the industry 2) Business sites visit activities 3) Communication through online media, email, and telephone	Collaboration and support for regulators.	<ul style="list-style-type: none"> Participate in meetings, seminars, or government programs that benefit the company, customers, and investors.
	Compliance with laws and regulations.	<ul style="list-style-type: none"> Strictly comply with laws, regulations, and rules relevant to the industry.
	Effective management of safety and environment in the factory.	<ul style="list-style-type: none"> Maintain environmental quality that exceeds legal requirements. Prepare measures to respond to emergencies.
	Commitment to social and environmental responsibility, coexisting sustainably with the community.	<ul style="list-style-type: none"> Build relationships with the community and regulators through various projects and activities aimed at social and environmental development. Monitor and address the negative impacts that the community may experience from the company's operations.
	Good corporate governance.	<ul style="list-style-type: none"> Ensure that operations across all departments are conducted correctly, transparently, and are auditable.
	Disclosure of the company's business performance.	<ul style="list-style-type: none"> Produce accurate business reports and publicly disclose them according to established timelines or provide information as requested by government agencies.

Competitor		
Engagement Channels and Methods	Needs / Expectations	NER's Responses
1) Meetings and gatherings at organizations or agencies related to the industry.	Fair competition	<ul style="list-style-type: none"> Conduct business with ethics. Treat competitors fairly within the framework of good competition practices and fairness.

3.2.3 MATERIALITY

In 2024, the company reviewed the material topics based on the GRI Universal Standards 2021, specifically GRI 3: Material Topics 2021, while considering the principles of the OECD Due Diligence Guidance for Responsible Business Conduct and the Double Materiality approach of the European Sustainability Reporting Standards (ESRS). This evaluation assessed significant sustainability issues based on their impact on stakeholders, society, and the environment (Impact materiality), as well as their significant implications for the company in terms of financial performance and future business value creation (Financial materiality).

The company identified a total of 15 materiality issues, which were prioritized using a Materiality Matrix. Among these, 7 topics were categorized as having critical impacts. Details on the management of all 15 materiality issues are disclosed in the 2024 Sustainability Report, which was prepared according to the GRI Standards.



Critical Impact Materiality Issues	Moderate Impact Materiality Issues
1. Climate adaptation and resilience	3. Energy
2. Emissions and air pollution	6. Customer responsibility
4. Waste	7. Labor practices and human rights in the supply chain
5. Water and effluent	8. Employee retention and development
10. Local communities	9. Occupational health and safety
11. Sustainable supply chain	12. Innovation and technology
14. Law and regulatory compliance	13. Corporate governance and business integrity
	15. Data privacy and security



3.3 ENVIRONMENTAL SUSTAINABILITY MANAGEMENT

3.3.1 ENVIRONMENTAL POLICIES AND PRACTICES

The company has established an environmental management policy, along with other policies, which encompasses all significant environmental issues to mitigate both existing and potential negative impacts, whether direct or indirect. This proactive approach aims to manage the environment for prevention and to optimize resource utilization in accordance with the principles of a circular economy. The environmental policies include:

- Climate Change Management Policy
- Energy Management and Conservation Policy
- Industrial Waste Management Policy
- Sustainable Water Resource Management Policy



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The company operates under the aforementioned policies with environmental goals and operational guidelines as follows:

Environmental Issues	SDG Targets	Management Approaches	Long-term Goals	2024 Goals
Climate adaptation and resilience	2.4 6.3 6.4 9.4 11.B 12.2 13.1 13.2 15.1	Assess risks and establish measures to mitigate risks from climate change and regulation and legal transition requirements both domestically and internationally that must be adhered to. Additionally, implement greenhouse gas emission reductions in alignment with international best practices.	<ul style="list-style-type: none"> • Become Carbon Neutrality by 2030. • Seek certification for greenhouse gas emissions reduction targets in accordance with Science Based Targets Initiative (SBTi) • Reduce greenhouse gas emissions (Scope 1 & 2) by 22.5% compared to the baseline year of 2021 by 2030. • Reduce greenhouse gas emissions (Scope 3) by 25% compared to the baseline year of 2021 by 2030. 	<ul style="list-style-type: none"> • Reduce greenhouse gas emissions (Scope 1 & 2) by 7% compared to the baseline year of 2021 • Reduce greenhouse gas emissions (Scope 3) from sourcing raw materials by 10% compared to the baseline year of 2021
Energy management	7.2 7.3 8.4 12.2 13.1 13.2	Maximize energy efficiency within the organization, reduce reliance on fossil fuel, and increase the production and consumption of renewable energy. Additionally, encourage and support suppliers to manage energy efficiently to reduce greenhouse gas emissions throughout the supply chain.	<ul style="list-style-type: none"> • Reduce energy intensity by 30% compared to the baseline year of 2023 by 2027. • Use renewable energy for at least 50% of total energy consumption by 2027. 	<ul style="list-style-type: none"> • Reduce energy intensity by 20% compared to the baseline year of 2023 • Use renewable energy for at least -35% of total energy consumption

Environmental Issues	SDG Targets	Management Approaches	Long-term Goals	2024 Goals
Air quality management	3.9 11.6 12.4	Control and manage pollution at the source in all processes, starting from reducing the use of chemicals, promoting the use of high-quality raw materials with low contaminants, treating air with technology, and monitoring by installing air quality monitoring stations around the factory area.	<ul style="list-style-type: none"> No complaints regarding air pollution from the community or regulators 	<ul style="list-style-type: none"> No complaints regarding air pollution from the community or regulators
Waste management	11.6 12.2 12.4 12.5	Reduce waste and by-products as much as possible, increase the proportion of waste that is reused based on circular economy principles, and promote stakeholder collaboration across the supply chain to ensure understanding of waste management processes, including collection, sorting, and recycling.	<ul style="list-style-type: none"> Zero waste to landfill Recycle 100% of total waste by 2028 	<ul style="list-style-type: none"> Reduce waste to landfill to not exceeding 5% of the total waste Recycle 95% or more of total waste
Water management	3.9 6.3 6.4 12.2 12.4 13.1 13.2	Utilize water sustainably without negatively impacting the environment and community rights by reducing and optimizing water consumption, treating effluent in accordance with standards, systematically recycling water for reuse in production processes, and promoting and protecting water resources throughout the value chain.	<ul style="list-style-type: none"> Reuse 100% of treated water within the company. Reduce water intensity by 20% compared to the baseline year of 2023 by 2028. 	<ul style="list-style-type: none"> Reuse 100% of treated water within the company. Reduce water intensity by 10% compared to the baseline year of 2023.

3.3.2 ENVIRONMENTAL PERFORMANCE

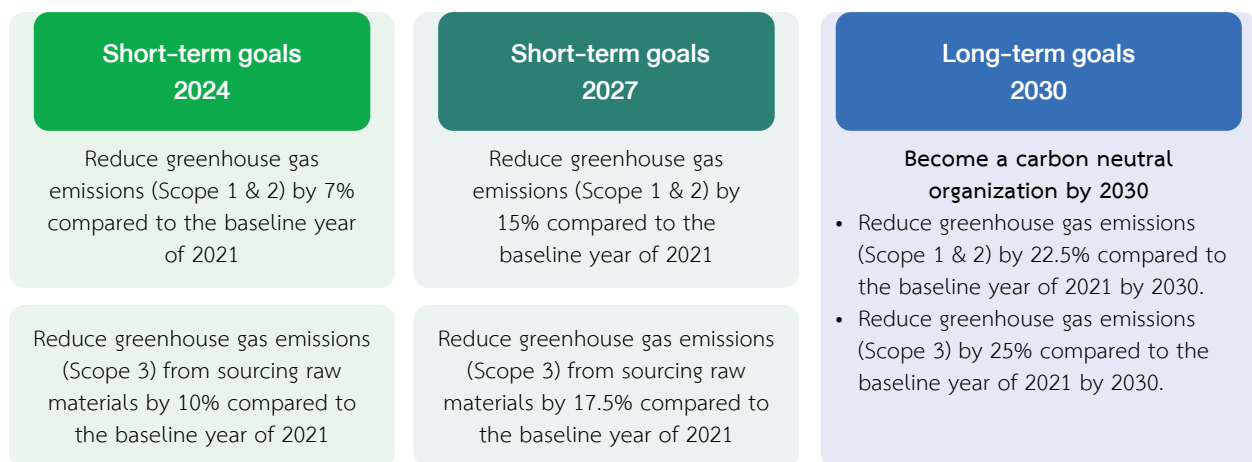
1. CLIMATE ADAPTATION AND RESILIENCE

The escalating and unavoidable changes in climate conditions have impacts not only on the company but also on stakeholders throughout the supply chain. The rubber industry relies heavily on natural raw materials and utilizes thermal and electrical energy as fundamentals while facing pressures and expectations from society and consumers regarding environmental responsibility.



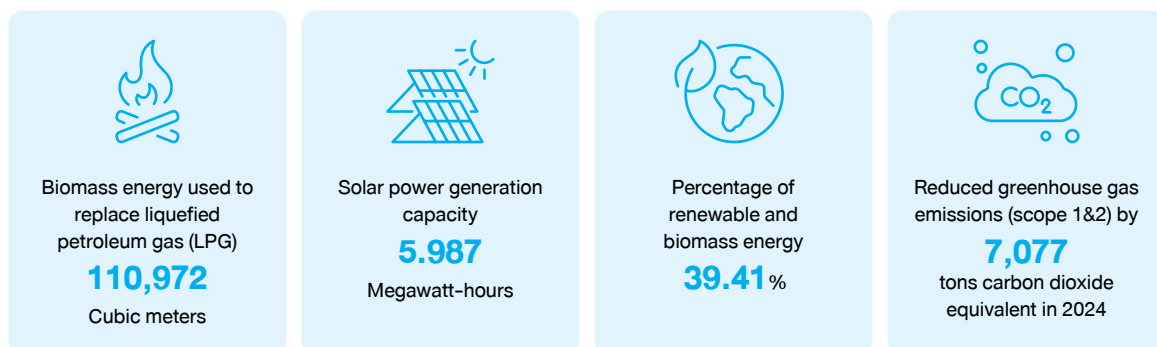
Consequently, the company places significant importance on overseeing and managing risks or opportunities related to climate change. It has established a “**Climate Change Management Policy**” and has assigned the Corporate Governance and Sustainability Development Committee to oversee operations that address climate change and the resulting business opportunities. The Committee is responsible for assessing risks associated with climate change, defining preventive measures, and mitigating physical risks from climate change and transition risks due to compliance with legal regulations both domestically and internationally. Additionally, the company is setting targets for reducing greenhouse gas emissions in line with international best practices.

The company is committed to becoming carbon neutrality by 2030 and has set goals and action plans for 2024 as follows:



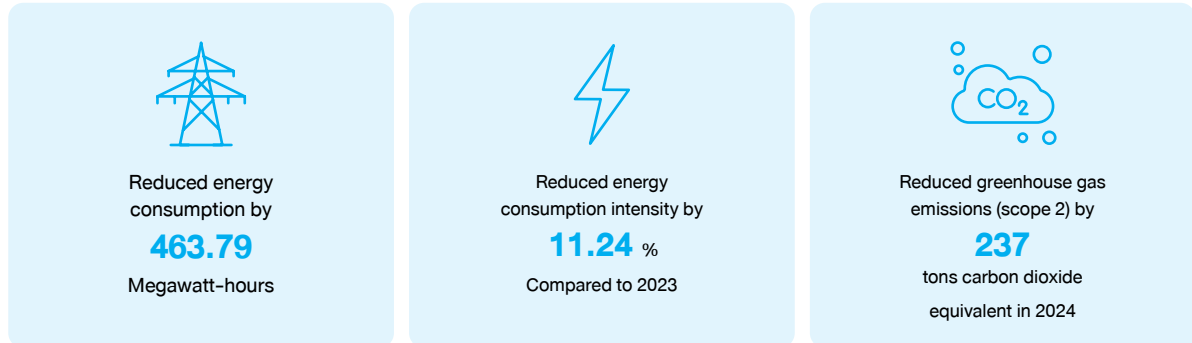
1) INCREASING THE PROPORTION OF RENEWABLE AND BIOMASS ENERGY CONSUMPTION

The company expanded production capacity and the use of renewable energy, biomass, and solar energy to reduce reliance on fossil fuels and electricity from non-renewable sources.



2) INCREASING ENERGY EFFICIENCY IN THE PRODUCTION PROCESS

The company inspected and improved machinery and production processes to enhance the efficiency of electricity consumption.



3) PROMOTING COLLABORATION IN THE SUPPLY CHAIN

- Sustainable supply chain management:**

The company sourced and selected suppliers using sustainability assessment criteria in addition to business evaluation criteria to select suppliers who have policies for reducing greenhouse gas emissions, utilize renewable energy in their operations, disclose greenhouse gas emission data, and support collaborative efforts to achieve greenhouse gas reduction goals. In 2024, 104 suppliers met the sustainability evaluation criteria, representing 11% of the total number of suppliers.

- Transportation and logistics**

The company supported the transportation of goods or rubber materials by utilizing a more efficient logistics system, such as rail or water transport, which emits fewer greenhouse gases compared to air transport. Additionally, the company employed electric trucks for transportation and consolidated shipments by using trucks for rubber material delivery instead of pickups in order to reduce transportation cycles and enhance delivery efficiency. In 2024, the company implemented changes to transport rubber containers for export, with a distance of approximately 377 kilometers from the factory to the Laem Chabang Port in Chonburi. By using a diesel-powered container truck, only one container could be transported at a time. In contrast, using rail transport allowed for the simultaneous transportation of up to 60 containers in a single trip. Throughout 2024, the company transported a total of 4,970 containers by rail, resulting in a reduction of greenhouse gas emissions from transportation by approximately 16,120 tons of carbon dioxide equivalent.

4) RESOURCE MANAGEMENT AND WASTE MANAGEMENT

- The company reduced waste generation in the production process that requires disposal by incineration or landfilling by 107.62 tons.
- The company increased the proportion of raw materials containing recycled material, and adjusted the use of rubber raw materials with a lower greenhouse gas emission factor, accounting for 0.18% of total raw materials.
- The company decreased electricity consumption in the wastewater treatment process by 23,748 kilowatt-hours in 2024 through improved water efficiency and reduced wastewater generation



from the production process before entering the wastewater treatment system.

- The company sorted recyclable waste to reduce the amount of waste sent to landfills by 471.56 tons.



Recycled
29.36 %
of total waste in 2024



Reduced greenhouse gas
emissions (scope 3) by
16,474.49
tons carbon dioxide equivalent

5) GREEN TECHNOLOGY RESEARCH AND DEVELOPMENT

The company is currently studying the use of clean technology to reduce greenhouse gas emissions in the production process, such as renewable energy, efficient production technologies, and energy management systems. It is anticipated that these technologies will be implemented in 2025.

6) RESTORATION AND CONSERVATION OF NATURAL RESOURCES

The company supported tree planting initiatives to absorb carbon dioxide, which is a key strategy for mitigating the impacts of climate change and enhancing ecosystem balance. In 2024, the company engaged in the “Jor-Por Charity Planting” project, aiming to expand and restore green areas of 2 rais within the NER’s premises. Trees planted included 15 Ironwood trees, 15 Pterocarpus macrocarpus trees, 15 Yellow Meranti trees, 15 Teak trees, 15 Rubber trees, 10 Senna siamea trees, and 15 Indian Gooseberry trees.

ORGANIZATIONAL GREENHOUSE GAS EMISSIONS DATA

The company has conducted an annual Carbon Footprint for Organization (CFO) report, following the calculation methods outlined by the Thailand Greenhouse Gas Management Organization (Public Organization). The reporting scope is limited to the

company’s establishment located in Prakhonchai District, Buriram Province.

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.

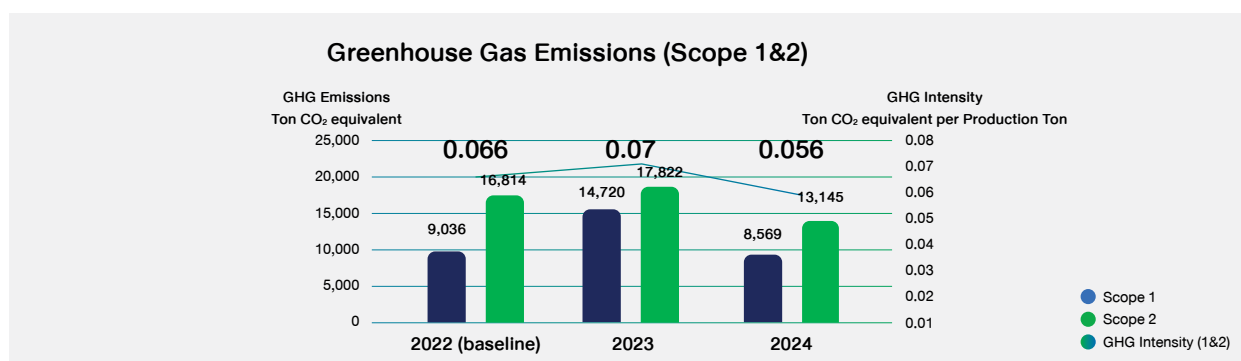


The company has prepared a report on greenhouse gas emissions and absorption for the period from January 1 to December 31, 2024, which was verified by ECEE Co., Ltd., an accredited auditor. The company is currently in the process of seeking certification and registration of its carbon footprint from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

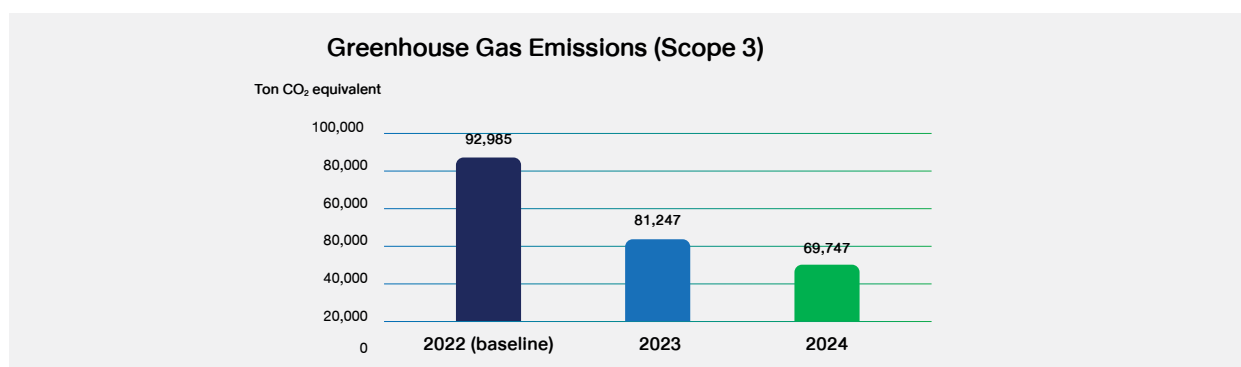
In 2024, the company emitted a total of 91,461 tons of carbon dioxide equivalent from its operations. This includes direct greenhouse gas emissions (Scope 1) of 8,569 tons of carbon dioxide equivalent and indirect emissions from the use of purchased electricity (Scope 2) of 13,145 tons of carbon dioxide 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.



The company reported indirect greenhouse gas emissions in the supply chain (Scope 3) totaling 69,747 tons of carbon dioxide equivalent, representing a reduction of 14.15% compared to 2023 and a 24.99% decrease compared to the baseline year of 2021.



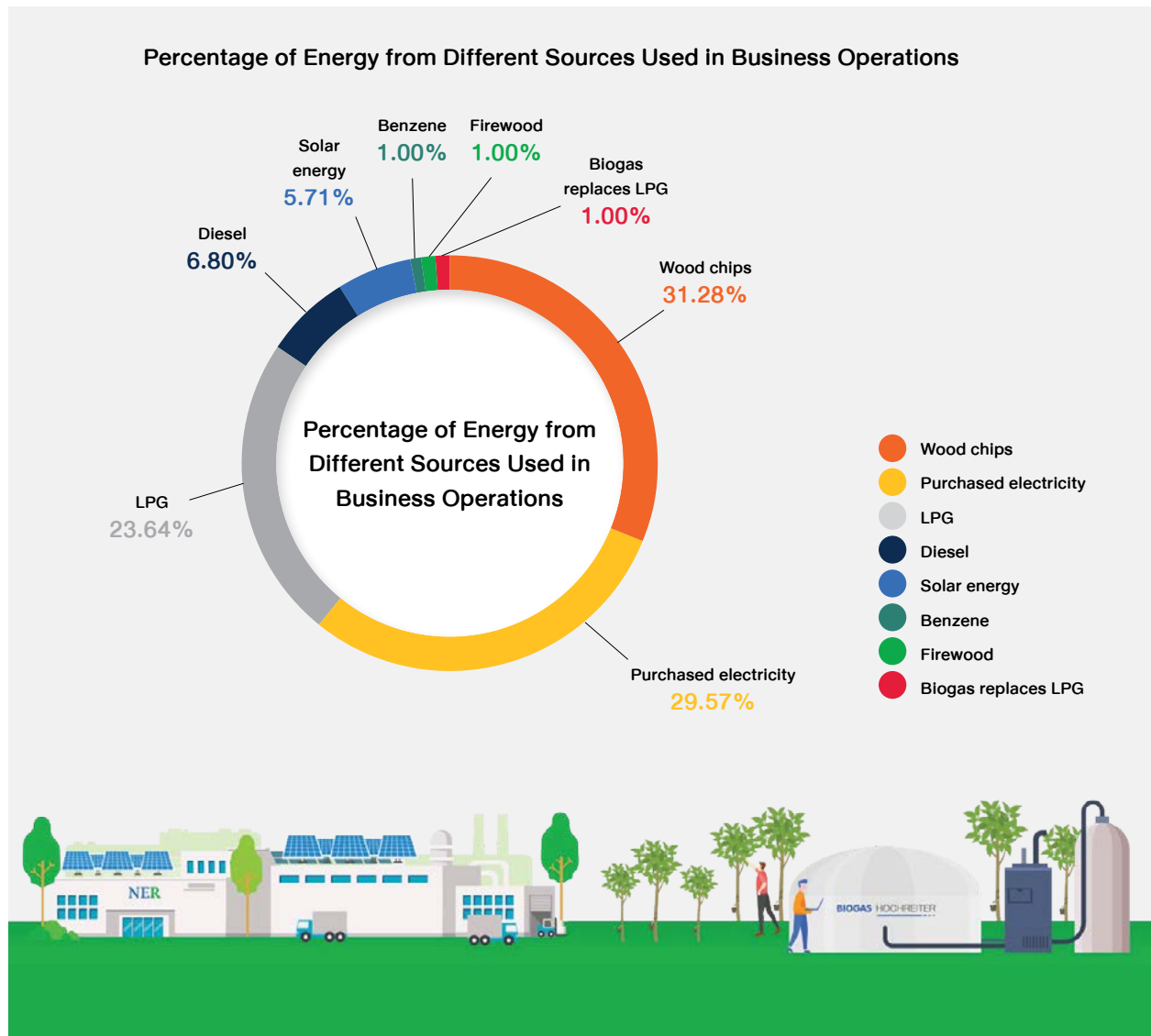


The company identified that four activities in the supply chain contributing the most to other indirect greenhouse gas emissions were as follows: sourcing of raw materials (60%), transportation and distribution of products outside the organization (24%), transportation from raw material producers (9%), and activities related to fuel and energy (4%). Therefore, the company planned to provide training and support for operations of its rubber farmers and transportation suppliers to collaboratively reduce greenhouse gas emissions in Scope 3 in 2025.

2. ENERGY MANAGEMENT

The rubber industry is a business that requires a considerable amount of energy throughout its supply chain, both in the production process and in the transportation of raw materials and products. Therefore, the company is committed to maximizing energy efficiency within the organization, reducing reliance on fossil fuel, and increasing the production and consumption of renewable energy. The company also promotes and supports its suppliers in effectively managing energy. The company has established an energy management approach based on the PDCA (Plan-Do-Check-Act) principle, focusing on systematic analysis and improvements in energy efficiency. This includes assessing the potential of significant machinery and equipment to determine appropriate energy conservation measures.

	Long-term Goals 2027	2024 Goals	2024 Performance
Energy intensity compared to the baseline year of 2023	30% reduction	20% reduction	21.75% reduction
Percentage of renewable energy consumption to total energy consumption	No less than 50%	No less than 35%	39.41 %



IMPROVING ENERGY EFFICIENCY IN THE PRODUCTION PROCESS

In 2024, the company implemented six projects and measures to enhance energy efficiency in the production process. These included upgrading equipment on the production lines to achieve greater energy savings, controlling lighting usage during daylight hours in production areas, warehouses, and throughout the factory, optimizing the operation of the wastewater treatment system, and replacing chillers with cooling towers. As a result of these initiatives, the company reduced electricity consumption by a total of 463,790.62 kilowatt-hours, equivalent to 1,669.63 gigajoules, which corresponds to a reduction in greenhouse gas emissions of 237 tons of carbon dioxide equivalent. Additionally, the total savings from all projects amounted to 1,947,922 THB.



ENERGY CONSERVATION IN OFFICES

The company has promoted awareness among all employees at both the headquarters in Buriram and the Bangkok office about the importance of energy conservation and the responsible use of natural resources. The following actions were implemented:

- The company adjusted the office air conditioning temperature to no lower than 25 degrees Celsius. Furthermore, the company promoted the practice of keeping doors and windows closed when air conditioning is in use and not bringing in hot or humid items into air-conditioned rooms.
- The company encouraged refraining from using air conditioning before working hours and turning off the air conditioning for one hour during the lunch break.
- The company promoted turning off all office lights during the lunch break.
- The company encouraged employees to use stairs instead of elevators.
- The company ensured that computer screens were turned off when not in use.
- The company encouraged employees to unplug electrical devices after use and chose appliances with a “5-star” energy efficiency label.
- The company transitioned to energy-saving lighting by replacing 46-watt fluorescent bulbs with 18-watt LED bulbs.
- The company plans for regular maintenance and cleaning of air conditioning units at least twice a year.

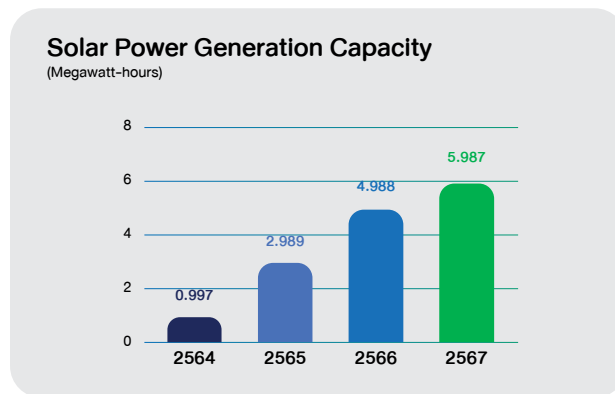
In 2024, the total electricity consumption of the company’s two offices was 234,992 kilowatt-hours, representing a reduction of 13.20% compared to 2023.



RENEWABLE ENERGY CONSUMPTION IN THE PRODUCTION PROCESS

The company promotes the production of renewable energy within its operations, including solar energy and biomass, to replace fossil fuel energy in various activities and processes. This approach not only reduces energy costs but also helps mitigate environmental impacts by lowering greenhouse gas emissions.

The company has been operating the NER 360 Degree Clean Energy project since 2021, aiming to generate electricity from solar panels installed on rooftops. In 2024, the company expanded its solar energy production capacity by installing an additional 0.999 megawatts for the Phase 2 (STR2) rubber production process. As a result, the total solar energy production capacity has now reached 5.987 megawatts (MWp). Currently, the company can generate solar electricity, which substitutes a total of 5,036,445 kilowatt-hours of electricity in the production process, accounting for 16.08% of the total electricity consumption in production. This initiative has led to a reduction of indirect greenhouse gas emissions from purchased electricity (Scope 2) by 2,518 tons of carbon dioxide equivalent per year.



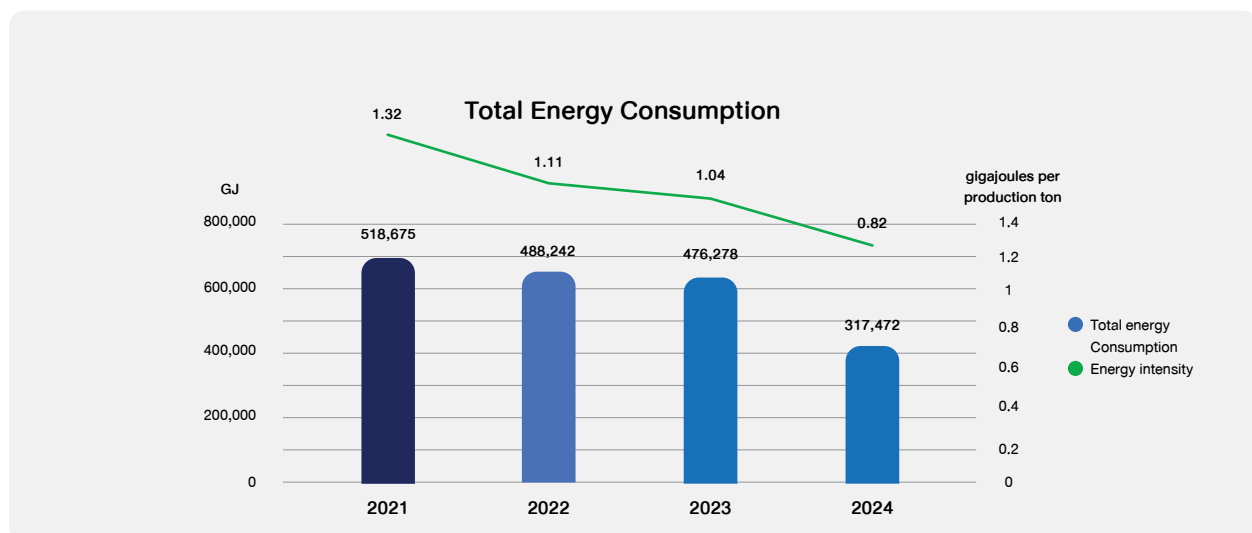
Additionally, the company has implemented the NER 360 Degree Zero Waste project to produce and use biogas from Napier grass as a substitute for liquefied petroleum gas (LPG) in the rubber drying process. The biogas is produced through fermentation technology, and Napier grass is recognized as a highly potential energy crop for biogas production due to its high methane yield and low cultivation costs. It can be harvested up to three times a year from a single planting, providing continuous yields for 4-5 years, and it propagates easily and quickly. The company has expanded its Napier grass cultivation area to 961 rais to ensure sufficient raw materials for operations. A maintenance plan for machinery has been developed, along with continual system improvements to enhance operational efficiency and achieve adequate biogas production for internal use.

In 2024, the company produced a total of 110,972 cubic meters of biogas, which was utilized as fuel in the production of STR rubber, replacing the use of liquefied petroleum gas (LPG). This initiative resulted in a reduction of greenhouse gas emissions by 825 tons of carbon dioxide and cut production costs totaling 1,803,486 THB.



In 2024, the company utilized a total of 317,471.94 gigajoules of energy across all processes, including production and office operations, representing a reduction of 34.98% compared to 2023. This decrease can be attributed not only to the implementation of energy efficiency projects and measures throughout the year but also to improvements in production processes that significantly reduced overall production capacity, including a notable decrease in the production of biogas from Napier grass.

Despite the reduction in total energy consumption, the energy intensity for 2024 was recorded at 0.82 gigajoules per ton of production, reflecting a decrease of 21.75% compared to 2023. This indicates more efficient energy usage in the production process. Additionally, the proportion of renewable energy consumption to total energy consumption was 39.41%, in line with the targets set for 2024.



3. AIR QUALITY MANAGEMENT

Managing odors and air quality from production processes is a critical factor that impacts the trust of the surrounding community, reflecting the company's commitment to environmental responsibility and the health of the community. The company adheres strictly to its environmental management policy by implementing its operations strategy of "Control, Maintain, Improve, and Monitor." This approach emphasizes the integration of modern technology and appropriate innovations to enhance

air pollution control. Efforts include reducing the use of chemicals that may contribute to odors or pollution, promoting the use of high-quality raw materials with low contaminants, treating air pollution with advanced technologies, and installing air quality monitoring stations around the factory area. These initiatives aim to assess outcomes and provide transparent information to the community.

	Long-term goal 2028	2024 Goal	2024 Performance
Complaints regarding air pollution from the community and regulators	0	0	0
Average air pollutants emissions below the legal standards.	At least 90%	At least 90%	95.87%

The company has conducted a comprehensive assessment of air quality risks, taking into account various factors that may have direct and indirect impacts from its business operations, including unpleasant odors, dust, chemicals, and various contaminants that may arise from production processes, transportation, or storage of raw materials. Based on this assessment, the company has established preventive and corrective measures as follows:

Risk Factor	Preventive and Corrective Measures
1. Dust from the production process emitted through exhaust vents	<ul style="list-style-type: none"> • Install a wet scrubber system to filter dust and air emissions from the production process. • Transition from fossil fuels to clean energy. • Regularly monitor air quality for contaminants in air emitted from exhaust vents. • Conduct regular inspections and maintenance of the air duct conveyance system to prevent the accumulation of dirt, enhance the efficiency of the scrubber systems, and reduce the emission of dust and odors.
2. Chemicals/VOCs/Odors from the production process emitted through exhaust vents	<ul style="list-style-type: none"> • Install a wet scrubber system to filter volatile organic compounds (VOCs), chemicals, and odors emitted from the production process. • Install a bio-scrubber system at the rubber oven to improve the removal of VOCs and treat high-intensity odors. • Consistently monitor air quality for contaminants in air emitted from exhaust vents. • Conduct regular inspections and maintenance of the air duct conveyance system to prevent the accumulation of dirt, enhance scrubber system efficiency, and reduce odor emissions.
3. Odor from latex transportation vehicles.	<ul style="list-style-type: none"> • Develop policies for rubber suppliers and transport vehicles to install drainage and collection tanks for leachate from cup lump rubber on transport vehicles, preventing leakage. In 2024, all suppliers selling rubber to the company (100%) successfully installed the drainage systems and tanks on transport vehicles per the company's specifications. • Provide a designated parking area for suppliers that can accommodate up to 200 vehicles, equipped with drainage systems to collect leachate from cup lump rubber for treatment.
4. Odor from the accumulation of rubber stack.	<ul style="list-style-type: none"> • Upgrade storage buildings to closed systems for raw material storage. • Regularly spray wood vinegar and organic deodorizers around the rubber stack area three times a day to control odors.
5. Odor from wastewater treatment	<ul style="list-style-type: none"> • Improve wastewater treatment systems to utilize an anaerobic fermentation process, which is a closed system, to minimize odor dispersal and facilitate biogas production. • Spray the fresh rubber leachate collecting areas with organic substances to reduce unpleasant odors.



After implementing all measures, in 2024, the company conducted annual measurements of dust and chemical levels from exhaust vents at various points, carrying out checks at a total of 24 exhaust locations associated with the production process. These measurements were performed by an accredited external agency with laboratory analysis standards. In addition to the annual checks, the company requires operating staff to perform weekly inspections and cleanings of the air treatment system according to the established plan to monitor and control air quality emissions throughout the year. The company found that the measured air quality values were below the standards set forth by the Ministry of Industry in all categories, with an average result lower than the standard by 95.87%. In 2025, the company plans to install continuous automatic air monitoring equipment to enhance the efficiency of tracking air quality resulting from its operations.

The measurements of pollutant levels in the air emitted from the company's flues were conducted on August 20-24 and September 9-10, 2024, with the following average results:

F1 Oven Flue Monitoring Point (Lock Wood Chips AB)	Unit	Standard values	Measured values
Total Suspended Particulate Matter (TSP)	mg/m ³	<320	31.66
Sulfur dioxide (SO ₂)	ppm	<60	<0.01
Nitrogen dioxide (NO ₂)	ppm	<200	<0.01
Carbon monoxide (CO)	ppm	<690	<0.01
Hydrogen sulfide (H ₂ S)	ppm	<80	<0.01

F1 Oven Flue Monitoring Point (Lock Wood Chips AB)	Unit	Standard values	Measured values
Total Suspended Particulate Matter (TSP)	mg/m ³	<320	25.11
Sulfur dioxide (SO ₂)	ppm	<60	<0.01
Nitrogen dioxide (NO ₂)	ppm	<200	<0.01
Carbon monoxide (CO)	ppm	<690	1
Hydrogen sulfide (H ₂ S)	ppm	<80	<0.01

In addition, the company recognizes the concerns of stakeholders regarding this matter and has actively monitored the potential health impacts on employees and the surrounding community. Annual health check-ups for employees and support for health screenings in the community have been organized. It was found that there were no respiratory diseases associated with air pollution, dust, or odors among employees at risk or among the vulnerable groups in the four surrounding villages, totaling 4,413 people. This aligns with the company's goal of minimizing air pollution impacts to the lowest possible levels or eliminating them altogether, ensuring that the community has confidence in the company's commitment to responsible business practices.

Through the implementation of policies and serious measures to prevent and mitigate air quality impacts, the company received no complaints regarding odors or air pollution from the community or regulators in 2024. Furthermore, air quality measurements from all monitoring points throughout the year were below the legal standards established.

4. WASTE MANAGEMENT

The company has established a policy requiring all departments to strictly adhere to relevant laws and regulations concerning waste management. It is committed to minimizing waste generation and maximizing the recycling and reuse of materials by employing circular economy principles. The goal is to reduce the volume of waste sent to landfills for disposal to zero, while also promoting stakeholder collaboration throughout the supply chain to enhance understanding of waste management processes, including collection, segregation, and recycling. This initiative aims to foster sustainability in operations.

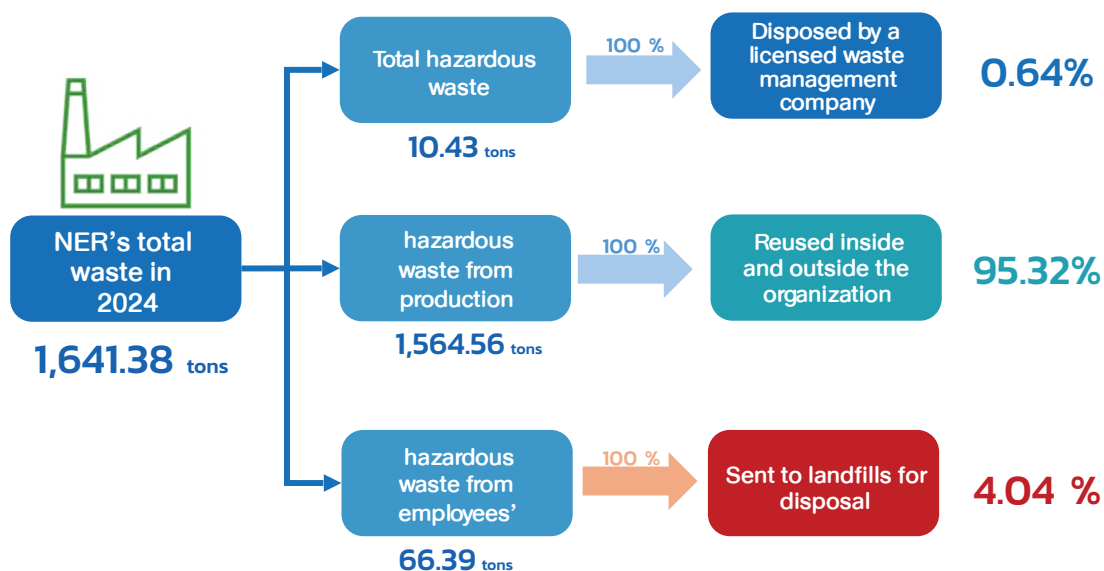
	Long-term goal 2028	2024 Goal	2024 Performance
Percentage of waste to landfill to total waste	0%	Not exceeding 5%	4.04%
Percentage of recycled waste to total waste	100%	More than 95%	95.32%

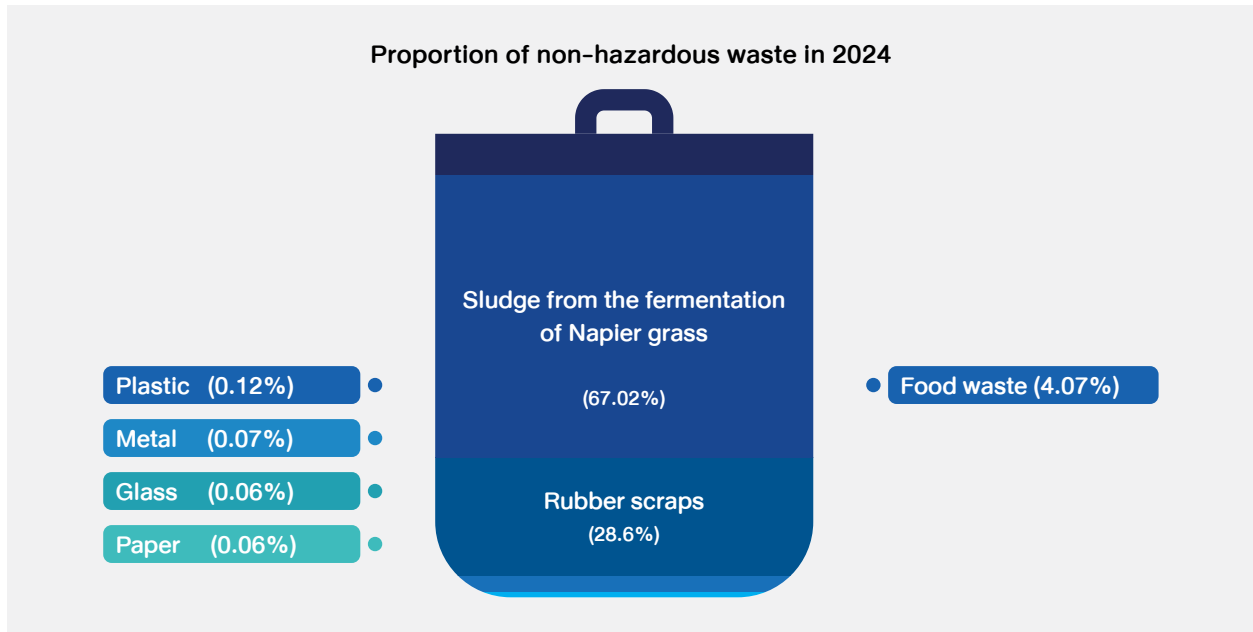
The company adopts the principles of a circular economy and the “5Rs” approach, which include Reduce, Reuse, Recycle, Refuse, and Renewable. This is implemented under **the 4Rs strategy—Re-assess, Restrain, Refine, and Replace**—to systematically manage waste and reduce the risks of impacts on both the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



The total waste generated from the company's operations can be categorized by type of waste, including hazardous and non-hazardous waste, and by source of generation, which includes waste from production processes and offices, and waste from employee consumption. In 2024, the company generated a total of 1,641.38 tons of waste, representing an 83.55% reduction from 2023. This comprises 10.43 tons of hazardous waste and 1,630.95 tons of non-hazardous waste, accounting for 0.63% and 99.37% of the total waste, respectively.

	From production processes and offices (tons)	%	From employee consumption	%
Hazardous waste	10.43	0.66	0	0
Non-hazardous waste	1,564.56	99.34	66.39	100
Total	1,574.99	100	66.39	100





All hazardous waste includes chemicals used to treat rubber, contaminated cloth gloves and rags, oil from machinery changes, and metal shavings (100%), which were sent for disposal outside the organization. The disposal of all hazardous waste was carried out by a licensed waste management company with a Type 106 factory permit, ensuring that the disposal was done in compliance with legal requirements. The company also prepared shipping documentation in accordance with the regulations set by the Department of Industrial Works. Additionally, the company meticulously selected and evaluated the operations of its contractor suppliers to ensure that hazardous waste was disposed of correctly, following standard methods and legal regulations.

In 2024, the total amount of non-hazardous waste was 1,630.95 tons. This includes waste from production processes and offices totaling 1,564.56 tons, all of which the company separated as recyclable waste or waste that can be reused, resulting in a recovery rate of 100%. Among this, the majority consisted of sludge from the fermentation of Napier grass, amounting to 1,093 tons, followed by rubber scraps at 466.44 tons, and plastic at 2 tons, with metal at 1.12 tons, and paper and glass at 1 ton each. The company utilized the sludge from the fermentation process as a soil conditioner (100%), while all rubber scraps were reused in the production process (100%). As for plastic, metal, paper, and glass, the company sold these materials to external organizations classified as Type 105 factories for further management and also contributed to various projects, such as the production of monk ceremonial robes or PPE suits and the creation of interlocking pavement bricks.

Additionally, total waste generated from employee consumption amounted to 66.39 tons, including food waste and contaminated packaging that could not be reused. This waste was disposed of by sanitary landfill methods by the Khok Ma Subdistrict Municipality, accounting for 4.04% of the total non-hazardous waste disposed of through landfill in 2024.



REDUCING WASTE GENERATION IN THE PRODUCTION PROCESS

The company uses a significant amount of plastic in the packaging process for rubber products. In 2023, it was found that 7.9 tons of plastic waste was generated from packaging. To address this, the company resized the rubber cushioning plastic sheets to appropriate dimensions to reduce trimming waste, resulting in a reduction of plastic usage in the production process by 18 grams per piece, or a 12.38% decrease in the original plastic weight. As a result, in 2024, the company successfully reduced plastic waste from packaging by 3.16 tons, which translates to a cost savings of 145,360 THB.

REUSING WASTE IN THE PRODUCTION PROCESS

- The production process generates rubber scraps during the rubber shredding and washing stages before the rubber drying process. Employees collect these scraps in baskets and reintegrate them into the production process as components for new rubber products. This practice not only reduces resource waste but also effectively adds value to the waste generated. In 2024, a total of 466.44 tons of rubber scraps were produced, with 100% being reused. This enabled the company to save on the cost of purchasing new raw materials by 26,176,612 THB and generated value from production amounting to 1,413,314 THB.
- The project for producing biogas from Napier grass through a biological fermentation process generates waste in the form of sludge totaling 1,093 tons per year. The company conducted a study on utilizing this sludge as a soil conditioner for agricultural purposes. Analyzing the quality of the sludge across 19 parameters revealed that all items had toxicity levels below the standards set by the Ministry of Industry regarding the management of waste materials. Additionally, tests for

nitrogen, phosphorus, and potassium minerals in the soil after using the sludge indicated a significant increase in these minerals. Consequently, the company utilized 1,093 tons of sludge from Napier grass as a soil conditioner for planting Napier grass on 961 rais of company land, resulting in the improvement of soil quality, increased moisture retention, and faster growth with better weight. This also allowed the company to reduce costs and save on expenses for purchasing various soil nutrients by an amount of 182,159 THB.



DEVELOPMENT OF NEW RESOURCE-EFFICIENT PRODUCTS

The company is committed to maximizing resource efficiency and has adopted the principles of a circular economy in the design and development of new downstream products. This includes manufacturing high-quality natural rubber mats for livestock pens or animal bedding, made entirely from 100% natural rubber. These products exceed the quality of other bedding materials, ensuring adherence to animal welfare standards, and can be fully recycled into raw materials for new production once they reach the end of their lifespan. The company continues to focus on ongoing research and development of innovations to create groundbreaking products and enhance product quality, ensuring they meet customer demands while being environmentally friendly.

PROMOTING PARTICIPATION IN WASTE MANAGEMENT WITHIN THE ORGANIZATION

The company prioritizes raising awareness and promoting knowledge about waste and waste management among employees. In 2024, the following activities were conducted:

- The company conducted educational activities for 200 employees to raise awareness of proper waste segregation and promote the reduction of plastic bag usage by encouraging the use of cloth bags.
- The company organized a quiz event with prizes on World Environment Day and World Recycling Day, focusing on household waste management, the segregation of different types of waste, and methods to reduce plastic bag usage.
- The company provided training for all new employees to instill knowledge about the importance of environmental issues and the company's related policies, both directly and indirectly, with 173 new employees (100% of all new hires) successfully participating and completing the training.
- The company conducted additional training sessions on the proper management of industrial waste for employees from production, organizational development, marketing and quality control, and sustainability departments, totaling 2 sessions with 100 participants. This training aimed to equip employees with the knowledge and skills needed for appropriate industrial waste management, reduce disposal costs, and increase opportunities for resource recycling.



• “NER UNITED FOR SUSTAINABLE PLASTIC WASTE REDUCTION AND SEPARATION” PROJECT

The company initiated this project after finding that plastic waste generated from employees' consumption was quite substantial, accounting for 13.82% of the total waste produced by staff. In response, the company organized campaigns, including activities for World Environment Day and World Recycling Day in 2024, to promote waste segregation, establishing classified waste bins, and reducing the use of single-use plastic bags. All employees showed increased interest and concern for the environment, leading to a shift towards using cloth bags, personal lunch boxes, and reusable water bottles. As a result of these activities throughout the year, the company managed to reduce plastic waste from employee consumption by 0.23 tons in 2024, representing a decrease of 23.53% compared to 2023.

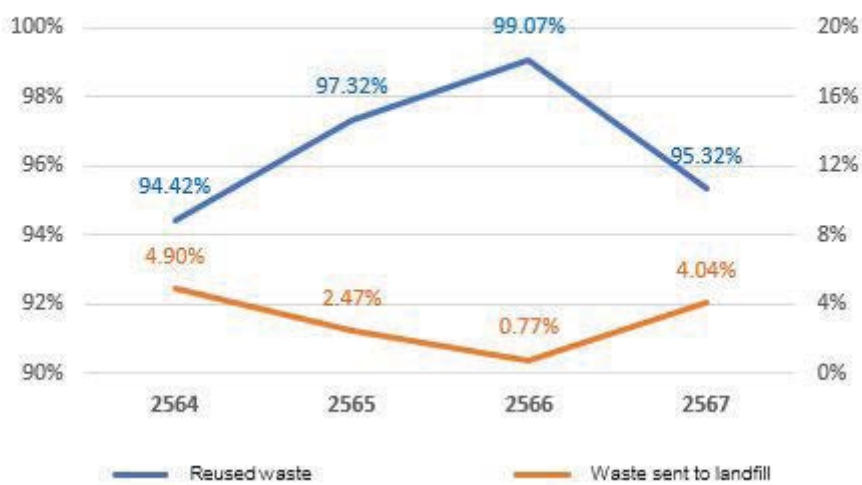


SHARING KNOWLEDGE AND CREATING BENEFITS IN WASTE MANAGEMENT FOR THE COMMUNITY AND SOCIETY

The company is determined to share knowledge and create benefits in waste management for the local community and society. In 2025, it plans to implement initiatives to continuously support knowledge sharing and provide benefits to the community, focusing on projects related to waste management. This includes managing waste in the community to promote waste segregation at the source and creating jobs from waste, such as recycling reusable materials to add value and generate income for community members. These efforts aim to foster collaboration between the company and the surrounding community, enabling them to gain practical knowledge and skills to manage waste effectively.



Percentage of waste management to total waste generation



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 capacity 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.

Throughout its operations in 2024, the company did not encounter any legal violations or complaints regarding its waste management practices.

5. WATER MANAGEMENT

The rubber industry is one that consumes significant amounts of water, making it essential to manage both water consumption and effluent appropriately and comprehensively throughout the supply chain—from cultivation and transportation to the production process. This ensures a stable water supply for business operations while minimizing negative impacts on the environment and local communities. Therefore, the company has established a policy for sustainable water use to promote and protect water resources throughout the value chain, as well as to strictly comply with the Factory Act of 1992, the effluent discharge standards set by the Pollution Control Department, and the environmental standards of ISO 14001:2015. Additionally, the company's facilities are located in Buriram Province, a high water-stress area. The company has assessed water resource risks using the Aqueduct Water Risk Atlas provided by the World Resources Institute (WRI) and has implemented risk management measures, such as improving water use efficiency in the production process, ensuring wastewater treatment meets standards, and systematically recycling water for reuse in production processes.

	Long-term goal 2028	2024 Goal	2024 Performance
Reuse treated water within the company*	100%	100%	100%
Reduce water intensity compared to the baseline year of 2023	20%	10%	14.44%

*Only water used in the company's premises in Buriram

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, as follows:

**WATER RESOURCE MANAGEMENT STRATEGY****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.

In 2024, the company sourced water from various sources for its offices and production facility in Buriram Province, including surface water and groundwater, with the following distribution:

Water Withdrawn from Water Sources	Amount (Cubic meter)	Percentage of Water Consumption (%)
Surface water	1,338,301	99.80
Ground water	2,657	0.20
Total water withdrawal	1,340,958	100

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, as follows:

- Enhancing water use efficiency of equipment and fixtures: The company selected fixtures designed for water conservation. Additionally, float valves were installed in all water tanks to control water levels and prevent overflow issues.
- Inspecting and repairing water leaks in equipment and piping systems: The company conducted weekly inspections of equipment and piping systems. All employees were encouraged to actively monitor and report any water leaks within the company, such as dripping faucets or restroom fixtures, enabling immediate corrective actions.
- Educating and raising awareness among employees about water consumption and

conservation: The company organized awareness campaigns to inform employees about water-saving measures for both the office and production processes. A total of 230 employees participated in these activities, and team leaders were assigned to communicate with those who could not attend to ensure everyone was informed. Furthermore, the company developed awareness signage to remind employees to turn off taps when not in use and to regularly check for leaks. Employees were also encouraged to use containers for washing dishes and cleaning equipment instead of running water directly from faucets, thereby reducing unnecessary water waste.



RECYCLE: WASTEWATER MANAGEMENT AND RECYCLING

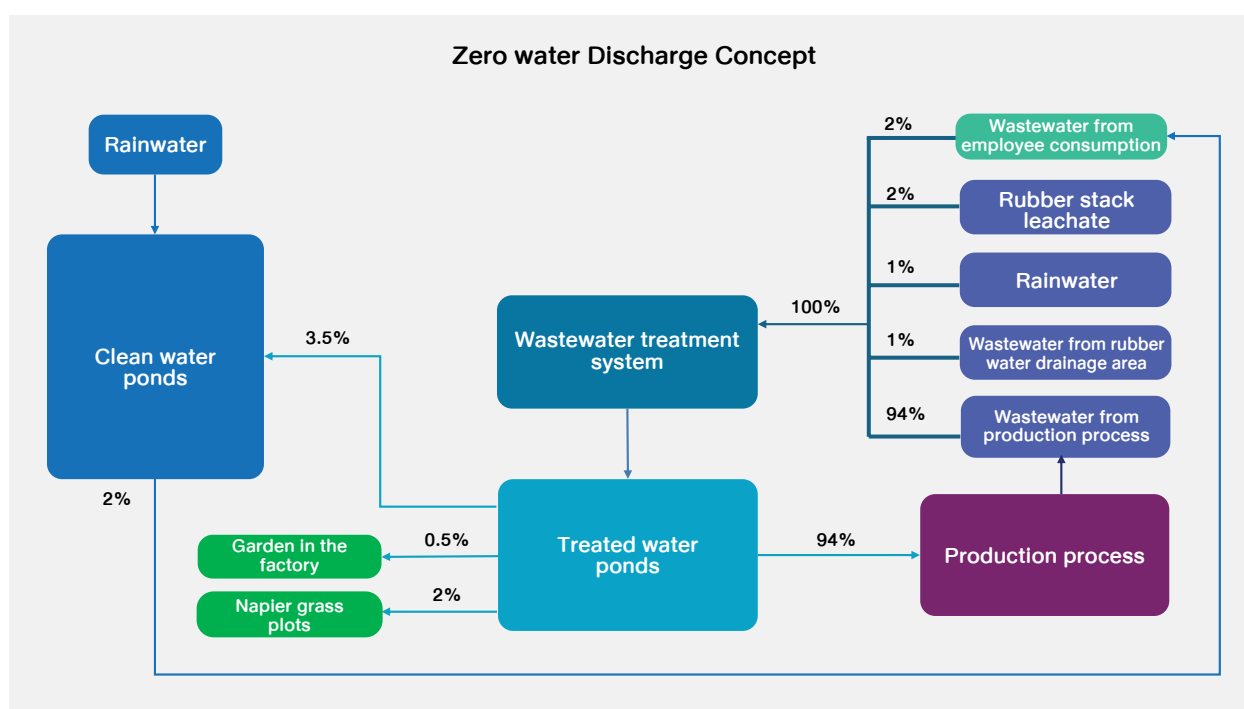
The company recognizes the environmental and community risks associated with wastewater management. Therefore, it has implemented a comprehensive collection system for wastewater from all operations within its responsibility, including wastewater from the washing of raw cup lump rubber, wastewater from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

The company conducts monitoring to control the quality of treated wastewater to ensure that the treatment system remains effective and that the treated water can be reused without impacting production efficiency and product quality. The treated water is tested daily by the company's internal laboratory and audited monthly by external accredited agencies. In 2024, the average Chemical Oxygen Demand (COD) of the treated water was recorded at 76 milligrams per liter, and the Biochemical Oxygen Demand (BOD) was 15.4 milligrams per liter, both of which are below the legal standards of 120 milligrams per liter and 20 milligrams per liter, respectively, throughout the year.



In 2024, the company utilized a total of 1,340,958 cubic meters of water, a decrease of 610,993 cubic meters, or 31.34%, from the previous year. This reduction is attributed not only to the implementation of water consumption reduction projects and the full utilization of recycled water throughout the year, but also to improvements in the production process that significantly lessen water consumption. Furthermore, the company achieved a water intensity of 3.57 cubic meters per ton of production, reflecting a reduction of 14.44% compared to 2023. This rate aligns with the established goal and demonstrates a more efficient use of water in production processes.

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.



Furthermore, the company has collaborated with the surrounding community to jointly monitor and address potential wastewater leakage points from its operations that could contaminate local water sources or land. To facilitate rapid response to community concerns, the company has established a complaint channel through the Open Chat Line group, allowing for prompt problem resolution. In the event of any reported issues, the environment working group will visit the site to analyze the source and causes of the problem to determine whether it is related to the company's activities. They will collect samples for preliminary testing and communicate the findings to community leaders or representatives, discussing the causes of the issue as well as possible remedies and preventive measures for the future. This initiative aims to build confidence within the surrounding community. In 2024, the company did not receive any complaints from the community or regulators regarding wastewater issues or latex spills from transport vehicles that caused disturbances to the community.





3.4 SOCIAL SUSTAINABILITY MANAGEMENT

3.4.1 SOCIAL POLICIES AND PRACTICES

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



For more information on social policies

and practices, please visit: www.nerubber.com or scan QR Code

The company operates under these policies with the following social goals and operational guidelines:

Social Issues	SDG Targets	Management Approaches	Long-term Goals	2024 Goals
Labor practices and human rights in the supply chain	5.2 8.5 8.7 10.3 16.2	Evaluate human rights risks throughout the supply chain and establish control measures, while regularly monitoring and auditing the operations of all departments and suppliers in the supply chain.	<ul style="list-style-type: none"> No salient human rights complaints No use of child labor or forced labor in the supply chain 	<ul style="list-style-type: none"> No salient human rights complaints No use of child labor or forced labor in the supply chain
Customer responsibility	8.2 16.6	Deliver high-quality products and services that continuously meet customer needs, while managing customer relationships through sincere communication, providing accurate and clear information, and addressing issues efficiently and timely.	<ul style="list-style-type: none"> Customer satisfaction score exceeding 95%. 	<ul style="list-style-type: none"> Customer satisfaction score exceeding 95%.
Employee retention and development	4.4 4.5 8.3 8.5 8.8 10.3	Treat employees equitably and in accordance with relevant laws and regulations, focusing on developing employee competency in critical and desired roles. Care for and respond to employees appropriately to ensure they maintain good physical and mental health, experience job satisfaction, and enjoy a high quality of life.	<ul style="list-style-type: none"> Average training hours not less than 25 hours per person per year. Employee engagement score not less than 90%. Voluntary employee turnover rate not exceeding 5%. 	<ul style="list-style-type: none"> Average training hours not less than 15 hours per person per year. Employee engagement score not less than 85%. Voluntary employee turnover rate not exceeding 10%.
Occupational health and safety	3.4 3.6 3.9 8.8 16.1	Strictly oversee operations in compliance with laws and safety standards, assess work-related risks, and define risk mitigation measures. Promote and support activities related to workplace safety and foster a culture of safety within the organization.	<ul style="list-style-type: none"> Zero Lost Time Injury Frequency Rate (LTIFR) Zero rate of fatalities or disabilities from workplace accidents (Zero major accidents) Zero occupational illnesses 	<ul style="list-style-type: none"> Zero Lost Time Injury Frequency Rate (LTIFR) Zero rate of fatalities or disabilities from workplace accidents (Zero major accidents) Zero occupational illnesses
Sustainable supply chain	2.3, 3.9 5.2, 8.3 8.7, 8.8 10.3, 12.4 15.1, 16.2 16.5, 16.6	Manage suppliers in the supply chain in alignment with international practices and standards to mitigate risks associated with suppliers, while developing them to enhance efficiency and elevate their quality.	<ul style="list-style-type: none"> All critical suppliers are assessed for sustainability risks. Increase the proportion of raw materials from small suppliers to exceed 20% of total raw materials used in production. 	<ul style="list-style-type: none"> 50% of critical suppliers are assessed for sustainability risks. Increase the proportion of raw materials from small suppliers to exceed 5% of total raw materials used in production.



Social Issues	SDG Targets	Management Approaches	Long-term Goals	2024 Goals
Local communities	1.1 2.3 3.6 3.9 8.3 8.5 17.17	Accountable for the negative social and environmental impacts on the community, promoting local community engagement and development to ensure the safety and well-being of the community.	<ul style="list-style-type: none"> Community engagement score exceeding 90%. Satisfaction score for community engagement activities exceeding 90%. No significant complaints from the community and local government agencies 	<ul style="list-style-type: none"> Community engagement score exceeding 80%. Satisfaction score for community engagement activities exceeding 80%. No significant complaints from the community and local government agencies
Data privacy and security	16.3 16.10	Assess risks related to data breaches and cyberattacks, focusing on reducing the likelihood of occurrence and mitigating the severity of impacts. Continuously improve and develop information technology infrastructure and security systems, while raising awareness among executives and employees regarding data confidentiality and cybersecurity to keep pace with new threats and attack trends.	<ul style="list-style-type: none"> No complaints regarding breaches of personal data and business confidentiality No incidents of damage from cyberattacks The proportion of employees at the supervisory level and above who have received training on data security is 100%. 	<ul style="list-style-type: none"> No complaints regarding breaches of personal data and business confidentiality No incidents of damage from cyberattacks The proportion of employees at the supervisory level and above who have received training on data security is 100%.

3.4.2 SOCIAL PERFORMANCE

1. HUMAN RIGHTS IN THE SUPPLY CHAIN

The company recognizes the importance of respecting the human rights of stakeholders in all activities throughout the supply chain. Therefore, it conducts business in accordance with international practices related to respecting the human rights of stakeholders, including rights concerning natural resources and the environment. This ensures that the company's operations are conducted with careful consideration and prudence, treating all stakeholder groups equally and without discrimination based on gender, race, religion, or different opinions, while avoiding any actions that may lead to direct or indirect human rights violations.

The company has established a Human Rights Policy and a Human Rights Practices Handbook that align with the United Nations Guiding Principles on Business and Human Rights (UNGP), the OECD Due Diligence Guidance For Responsible Business Conduct, the Universal Declaration of Human Rights (UDHR), as well as relevant laws in Thailand and abroad concerning business operations. These documents serve as guidance for the Board of Directors, executives, and employees at all levels to treat all stakeholder groups in all activities throughout the supply chain in accordance with human rights principles and to respect human dignity, rights, and freedoms equally.



Learn more about Human Rights Policy and a Human Rights Practices Handbook at www.nerubber.com or scan QR Code

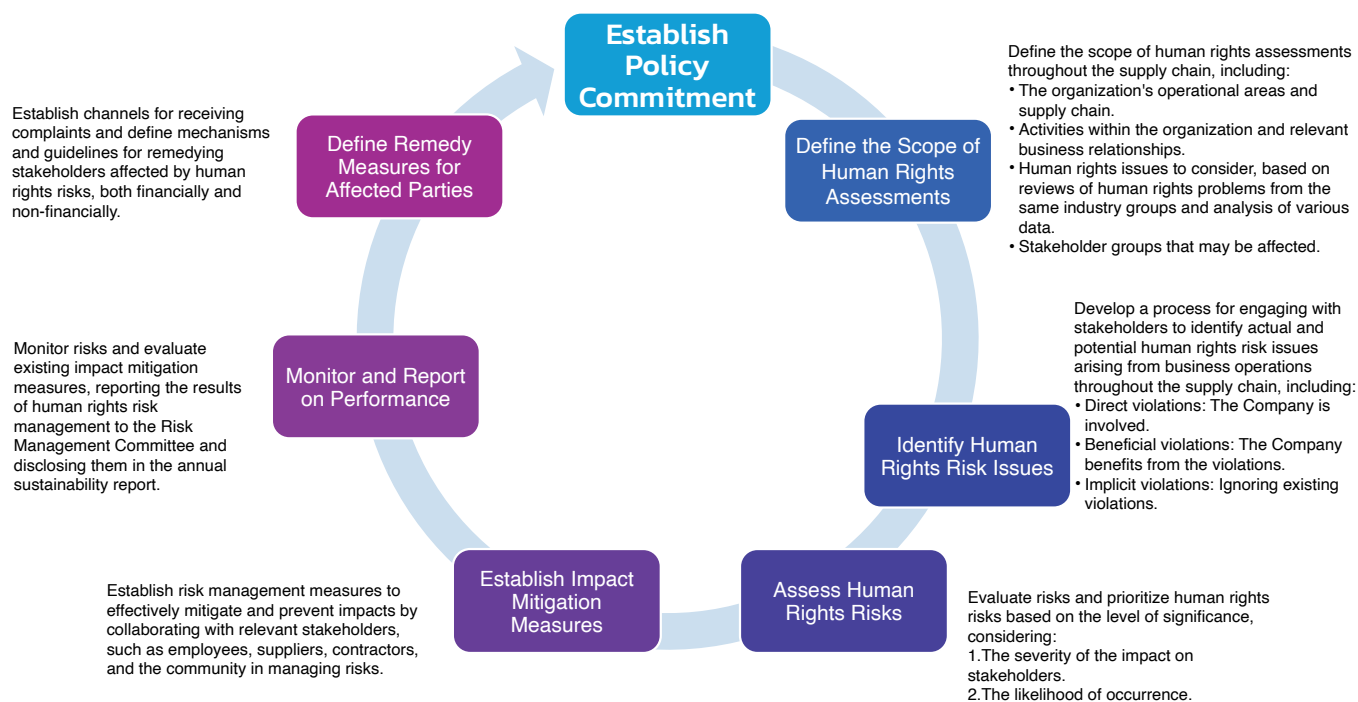
	Long-term goal 2028	2024 Goal	2024 Performance
Number of salient human rights complaints	0	0	0
Use of child labor or forced labor in the supply chain (cases)	0	0	0





HUMAN RIGHTS RISK ASSESSMENT

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 (UNGP) and the principles of Free, Prior, and Informed Consent (FPIC) for Indigenous Peoples. The comprehensive Human Rights Due Diligence process includes the following steps:



In 2024, the company conducted a comprehensive human rights risk assessment covering 100% of its operational areas. The assessment scope extended to the supply chain and related business activities through business relationships, such as activities of raw material suppliers. The company identified human rights risk issues by integrating them into the risk assessment process undertaken by various departments in line with their responsibilities. This included analyzing environmental impacts and addressing environmental issues according to the standards of the Environmental Management System (ISO 14001:2015) and assessing safety risks in accordance with the Occupational Health and Safety Management System (ISO 45001:2018).

SALIENT HUMAN RIGHTS RISKS

The company has identified human rights issues that impact each key stakeholder group, both actual and potential risk issues. This encompasses all activities conducted by the company and by entities with business relationships throughout the value chain. Various methods were employed to collect data for analysis to identify human rights risks. The company found a total of 11 human rights risks related to the operations across the supply chain. The company assessed the level of human rights risks using criteria that evaluate the severity of the impacts on stakeholders based on the level of impact (scale), the number of affected individuals (scope), and the potential for remedying those impacts (irremediable character), along with criteria for the likelihood of occurrence.

	Areas Assessed for Human Rights Risks	Proportion of Areas Identified with Human Rights Risks	Proportion of Areas with Human Rights Risks that Have Established Prevention and Impact Mitigation Measures
Total activities in the company's own operations	100%	100%	100%
Tier-1 suppliers	19.39% (96 suppliers)	100%	100%

The results of the assessment and prioritization of human rights risks throughout the supply chain are illustrated in the following table:





HUMAN RIGHTS RISK MANAGEMENT

The company identified one high-level human rights risk issue, which is the health and safety of its employees, as well as four medium-level risk issues. Consequently, the company has established management measures to mitigate impacts and prevent future occurrences, along with appropriate remediation for the affected individuals. This process involves collaboration with stakeholders who have been or may be directly affected, such as employees, suppliers, customers, and local communities, to determine effective, appropriate, and sufficient measures. The company has implemented the following various measures:

Scope	Salient Human Rights Risk	Affected Stakeholder Group	NER's Corrective, Preventive & Remedial Action
Activities in the company's operations	Labor Rights:		
	Discrimination in the workplace and violations of personal rights	Employee	<ul style="list-style-type: none"> Establish a human rights policy and practices that ensure equal treatment and non-discrimination for employees. Train employees to be aware of and respect rights related to equality and non-discrimination. Provide whistleblowing channels, including an effective complaint management process and appropriate remedies.
	Unfair employment	Employee	<ul style="list-style-type: none"> Set a clear employment policy and practices that offer equal opportunities. Establish a remuneration and benefits structure that is appropriate and complies with legal minimums.
	Freedom of expression and association	Employee	<ul style="list-style-type: none"> Support the formation of a welfare committee with members elected by employees, who meet with management to improve benefits and propose suggestions that are beneficial to employees.
	Health and safety of employees	Employee	<ul style="list-style-type: none"> Conduct risk assessments and Job Safety Analysis (JSA) to identify causes and proactively prevent accidents. Provide appropriate and sufficient personal protective equipment. Improve the workplace environment and occupational health within the organization, such as installing adequate clean drinking water stations for the workforce. Conduct safety training throughout the organization. Organize activities to campaign for reducing workplace accidents to zero. Foster a safety culture within the company and promote a Safety DNA to instill employee awareness and engagement in assessing and managing work risks, such as daily safety morning talk and Kiken Yoshi Training (KYT) before starting work to prepare for safe operations.



Scope	Salient Human Rights Risk	Affected Stakeholder Group	NER's Corrective, Preventive & Remedial Action
	Employee data privacy and security	Employee	<ul style="list-style-type: none"> Establish a policy and practices regarding the protection of employees' personal data. Develop a secure information technology system and conduct regular testing. Raise awareness about cybersecurity, the confidentiality and security of information. Monitor and track incidents of personal data breaches.

Scope	Salient Human Rights Risk	Affected Stakeholder Group	NER's Corrective, Preventive & Remedial Action
	Community Rights		
	Health and safety of communities	Community	<ul style="list-style-type: none"> Establish a policy and practices regarding social responsibility and environmental stewardship that may impact the community. Monitor and assess the effects on surrounding communities, and develop measures to remediate, prevent, and mitigate environmental impacts in collaboration with the community. Promote health care and provide annual health check-ups for the community. Install a complaint box at the front of the factory or allow submissions through the security team at the factory entrance.
	Supplier Rights		
	Supplier discrimination	Supplier	<ul style="list-style-type: none"> Establish a policy and a procurement manual as guidelines for engaging with suppliers for company employees. Treat suppliers with equity, fairness, transparency, and non-discrimination. Train employees and monitor compliance with the procurement policy and manual. Provide complaint channels and an effective complaint management process, along with appropriate remedies.
	Supplier data privacy and security	Supplier	<ul style="list-style-type: none"> Establish a policy and practices regarding the protection of suppliers' personal data. Develop a secure information technology system and conduct regular testing. Separate the management system for the protection of suppliers' personal data from employee data to prevent breaches of business confidentiality. Define levels of confidentiality and access rights to the data.



Scope	Salient Human Rights Risk	Affected Stakeholder Group	NER's Corrective, Preventive & Remedial Action
	Customer Rights		
	Customer data privacy and security	Customer	<ul style="list-style-type: none"> Establish a policy and practices regarding the protection of customers' personal data. Develop a secure information technology system and conduct regular testing. Define levels of confidentiality and access rights to the data.

Scope	Salient Human Rights Risk	Affected Stakeholder Group	NER's Corrective, Preventive & Remedial Action
Activities in the supply chain	Labor Rights in the Supply Chain		
	The use of forced labor or child labor by suppliers	Workers of raw material suppliers, suppliers, and contractors	<ul style="list-style-type: none"> Require suppliers to strictly comply with labor laws and regulations. Communicate policies and the supplier code of conduct related to human rights, as well as procurement practices that include labor practices, ensuring that suppliers are informed and adhere to these regulations rigorously. Verify the labor licenses of suppliers and contractors before conducting transactions with the company. Conduct regular assessments of labor practices, including self-assessments and on-site audits at the premises or rubber plantations of raw material suppliers, suppliers, and contractors.
	Health and safety of suppliers' workers	Workers of raw material suppliers, suppliers, and contractors	<ul style="list-style-type: none"> Communicate the safety-related policies and ethical standards to suppliers, ensuring their awareness and strict adherence to regulations. Provide safety training to contractors before the start of each project. Verify the readiness of equipment and the health of contractors providing labor before each type of work. Conduct regular safety assessments, including self-assessments and on-site audits at the establishments or rubber plantations of raw material suppliers, suppliers, and contractors.

Scope	Salient Human Rights Risk	Affected Stakeholder Group	NER's Corrective, Preventive & Remedial Action
	Community Rights		
	Health and safety of communities	Community	<ul style="list-style-type: none"> Require suppliers to strictly comply with safety laws and regulations. Monitor the operations of suppliers and contractors regarding labor and environmental practices to prevent human rights violations. Mandate that suppliers and contractors implement measures to prevent and be accountable for potential impacts arising from human rights violations. Oversee that suppliers and contractors have appropriate remedies in place in cases where their actions lead to human rights violations against the community.
	Community environmental management	Community	<ul style="list-style-type: none"> Require suppliers to strictly comply with environmental laws and regulations. Monitor the operations of suppliers and contractors regarding environmental management to prevent adverse impacts on the community.

MONITORING AND EVALUATION

The company requires a review of human rights risk issues to be conducted regularly, at least once a year, as the human rights risks associated with the company's business operations may change due to different activities and stakeholder groups. Additionally, the company monitors and evaluates the effectiveness of corrective and preventive measures by establishing indicators to serve as tools for tracking and assessing the effectiveness of the risk management measures employed. The details are as follows:

Human Rights Issues	Indicator	2024 Target	2024 Performance
Labor Rights	Percentage of employees trained on human rights.	100%	59.62%
	Number of complaints or lawsuits related to labor rights violations for which the organization is at fault.	0	0
	Lost Time Injury Frequency Rate (LTIFR).	0	2.93
	Rate of fatalities or disabilities due to work-related accidents (Major Accidents).	0	0
	Turnover rate of employees caused by human rights violations.	0	0
Community Rights	Number of significant complaints from the community related to human rights violations.	0	0
Supply Chain	Percentage of suppliers signing to acknowledge the company's Supplier Code of Conduct.	100%	100%
	Percentage of critical tier-1 suppliers who have received training on human rights.	100%	12.32%



Additionally, the company has monitored human rights risks by providing accessible complaint channels for all stakeholder groups. These include feedback boxes in various areas of the company, an online complaint system via Red QR Code, email, intranet, Line Chat Group, complaints through representatives of the welfare committee, or human resources management staff. External stakeholders can submit complaints via written letters, the company's website, social media channels, a complaint box installed at the front of the factory or directly submit documents to the security team at the factory entrance, or through community representatives.

The company has established a systematic and fair process for investigating complaints and mechanisms for remedying affected parties in the event of human rights violations. This process includes considering appropriate remedies for affected individuals in both financial and non-financial forms, tailored to the nature and severity of each case, as well as implementing effective measures to prevent recurrence. Communication with stakeholders and long-term monitoring and evaluation are also integral to this process.

COMMUNICATION AND TRAINING ON HUMAN RIGHTS

The company conducts training to promote awareness of human rights among executives, employees, and suppliers, with the aim of fostering an understanding of the fundamental concepts and principles of human rights. This training enhances awareness of the respect for rights and human dignity, cultivates an organizational culture that supports equality and diversity, and promotes peaceful and effective collaboration within the organization. In the year 2024, the company implemented the following activities:

1. Human Rights Training for Employees

- All new employees in 2024, totaling 289 individuals (100%), underwent initial training

on the company's human rights policy to understand practices that align with international standards, including employees' rights and responsibilities in respecting human rights as part of the orientation training program.

- Training was provided to employees across all departments, totaling 308 employees, which represents 59.62% of the total workforce of 941 employees. This training aimed to review knowledge related to human rights issues concerning labor law compliance, privacy rights, prevention of discrimination, respect for diversity in the workplace, and building understanding and awareness of various indicators that may lead to forced labor violations and legal labor protections. It also included managing situations of human rights violations, with training conducted by company instructors in collaboration with Mr. Chamnan Kiatiwongnuk, a legal expert from the Department of Labour Protection and Welfare in Buriram Province.

2. Human Rights Training for Suppliers

- In 2024, the company initiated a special lecture for its natural rubber suppliers for the first time, to promote sustainability and transparency within the supply chain. The focus was on raising awareness, fostering understanding, and encouraging collaboration in accordance with international human rights standards and Thai labor laws. A total of 61 suppliers participated in the training, representing 22.85% of the total 267 natural rubber suppliers, held on December 26, 2024.

3. Internal Communication on Human Rights

- The company conducted activities and communicated information on human rights through various channels, such as newsletters, intranet, and information boards, to raise awareness and understanding of human rights among employees at all levels. Additionally,

the company organized participatory activities, such as workshops and discussions on human rights, to provide opportunities for employees to express their opinions, share experiences, and recognize their important role in adhering to the human rights policy.

4. Establishment of a Welfare Committee

- The company supported and promoted employees' rights and freedoms to establish a welfare committee within the workplace to present opinions and engage in discussions with employer representatives regarding the development of additional benefits beyond those required by law, ensuring that they were appropriate and aligned with employees' needs. Therefore, an election for the welfare committee at the company's workplace was held on July 16, 2024, to replace the previous committee whose term had expired. A total of 17 employees applied to participate in the election for the welfare committee and 13 were selected as committee members. A total of 608 employees voted, representing 64.61% of the total workforce.

5. Occupational Health and Safety Training and Development for Employees

- Employee health and safety is a significant risk issue; therefore, the company supports the enhancement of knowledge and skills regarding workplace safety for employees at all levels. This includes organizing training focused on accident prevention and reducing risks arising from numerous factors, such as working in environments that pose health risks, lack of expertise in job performance, and insufficient skills and knowledge to effectively handle emergencies. Training also includes proper use of tools and equipment suitable for the specific tasks. Additionally, the company provides health services and annual health check-ups to monitor and prevent health issues.

6. Collaboration on Labor and Human Rights with External Organizations

- The company has established a network of collaboration on labor and human rights with both government and private sectors in the province, supporting knowledge sharing and participation in significant activities related to labor and human rights. For example, by participating in Labor Day events or sending staff from the company to serve as speakers on safety and basic knowledge regarding work in transportation and storage facilities as part of the 'Driving Safety in Transportation' initiative organized by the Safety Officers Association of Buriram Province at the meeting room of the Buriram Provincial Labour Protection and Welfare Office.



**PROMOTION OF DIVERSITY, EQUITY, AND INCLUSION (DEI)**

The company places great importance on promoting diversity and treats all employees with respect and equity in every aspect of its operations. It is committed to creating a fair and discrimination-free working environment, focusing on employment, skill development, and providing opportunities for career advancement. The company has implemented the following concrete practices:

- Employment, compensation, training, promotions, and termination processes are conducted equitably.
- Selection and compensation decisions are primarily based on competence and suitability for the position, adhering to the principle of equity.
- Equal pay is provided for work of similar nature, regardless of gender or age.
- The personal rights of employees to follow their beliefs, faiths, or personal needs, such as race, religion, or gender differences, are respected, as long as these activities do not impact job performance, coworkers, or the organization.
- Any expressions or behaviors that constitute oppression, intimidation, sexual harassment, or exploitation of employees are strictly prohibited, and ethical violations are not tolerated within the organization. Disciplinary actions for violations are outlined in the company's work regulations.
- No coercion is placed on women regarding pregnancy tests or contraception, and care for pregnant women is provided as required by law to create a work environment that supports labor rights equitably.
- Career paths are established, and the development of employee's competency is equally supported through individual development plans and opportunities for diverse training and skill enhancement.
- Performance and competencies are assessed transparently, such as through evaluations of performance, competencies, and appropriate behaviors.

Throughout 2024, the company did not encounter any cases of human rights violations within the organization or in the supply chain, and did not receive any significant complaints related to human rights violations from any stakeholder group.

2. EMPLOYEE CARE, DEVELOPMENT, AND RETENTION

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.

	Long-term Goals 2028	2024 Goals	2024 Performance
Average training hours per employee per year	Not less than 25 hours	Not less than 15 hours	23.68 hours
Employee engagement score	Not less than 90%	Not less than 85%	85.88%
Voluntary turnover rate*	Not exceeding 5%	Not exceeding 10%	7.23%

* Employees refer specifically to permanent staff who receive a monthly salary.

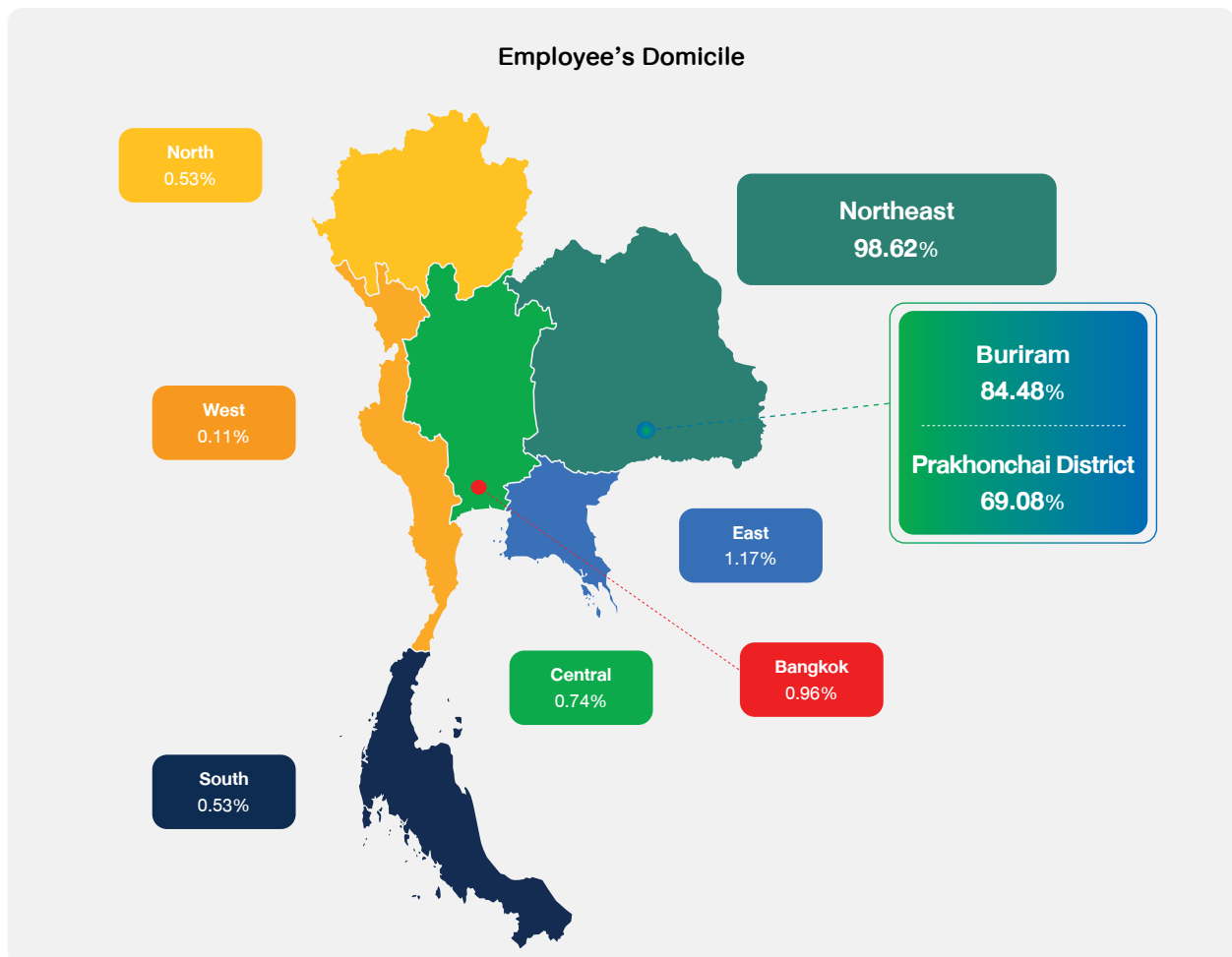
RECRUITMENT AND EMPLOYMENT

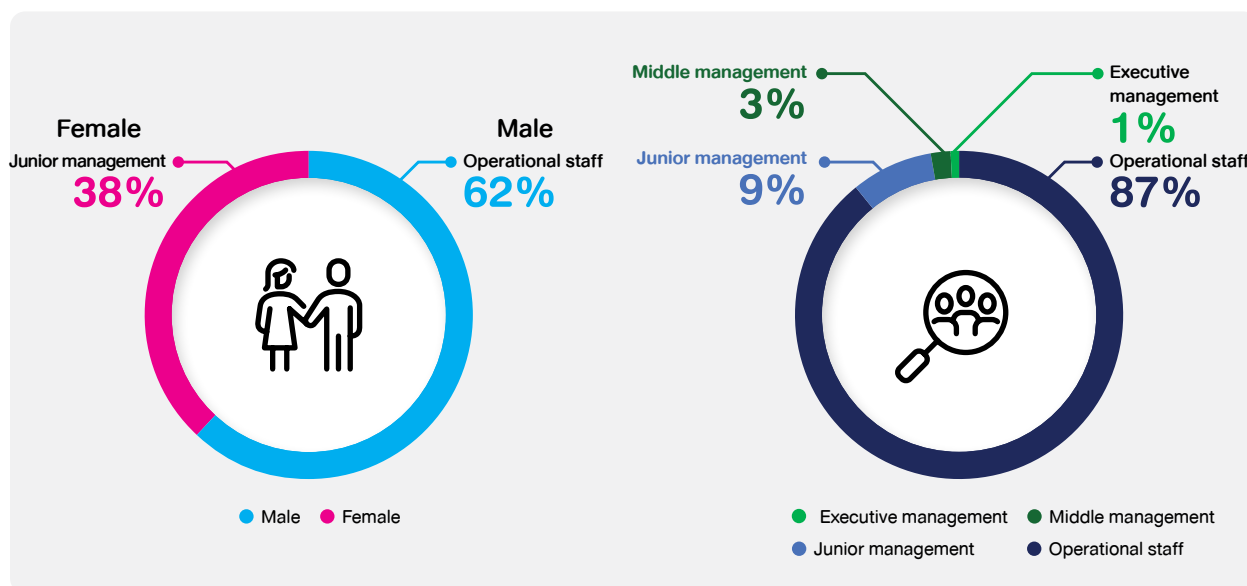
The company places great importance on the recruitment and selection process, ensuring transparency, fairness, and compliance with relevant laws and regulations. Employment is conducted equitably, free from discrimination, primarily based on knowledge, skills, and suitability for the position. The company 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.





Although the company has regulations regarding retirement, which sets the retirement age at 55 years old, it recognizes the skills, knowledge, and experience of retirees who still have the ability to work. Therefore, the company offers employees the opportunity to continue working under a voluntary post-retirement hiring policy, based on their willingness and readiness to work. This allows them to count their years of service continuously and receive compensation that is not less than their pre-retirement salary. For employees who do not wish to continue working, they will receive compensation as stipulated in the Labor Protection Act B.E. 2541. In 2024, there were 34 employees who retired, of which 31 expressed a desire to continue working after retirement.

EMPLOYEE CARE

1. PERFORMANCE EVALUATION

The company has established clear and systematic criteria and methods for evaluating the performance of the Chief Executive Officer, senior executives, and employees. Evaluations are conducted twice a year, and the results of individual performance assessments are used to determine annual compensation. Furthermore, the criteria and methods for performance evaluation are communicated to employees at all levels to ensure transparency. The evaluation method consists of three components, each weighted differently based on the level of the employee, which includes:

1. Evaluation using Corporate Key Performance Indicators (KPIs).
2. Evaluation of departmental success using Department Key Performance Indicators (KPIs).
3. Individual performance evaluation that encompasses expertise, knowledge and skills, competencies, and work behaviors that align with the organizational culture.

In 2024, the company upgraded the performance indicators for the Chief Executive Officer and senior executives to better align with the company's strategy and operational direction as follows:

Indicator	Chief Executive Officer	Senior Executive	Employee
Financial indicators			
• Total revenue from sales	/	/	/
• Net operating profit	/	/	/
Sustainability indicators			
• Management of Carbon Footprint for Organization	/	/	/
• Customer satisfaction with product and service quality	/	/	/
• Management of safety and occupational health (Accident-Free and Occupational Disease-Free)	/	/	/
• Employee engagement	/	/	-
• Community satisfaction	/	/	/
• Average training hours per employee per year	/	/	-
Knowledge, Skills, and Work Behaviors			
• Job knowledge and skills	/	/	/
• Leadership	/	/	-
• Strategic planning	/	/	-
• Decision making	/	/	/
• Communication and coordination	/	/	/
• Team management	/	/	/
• Budget management	/	/	/
• Risk management	/	/	-
• Change management	/	/	-

In 2024, all executives and employees underwent performance evaluations (100%). The Human Resources department analyzed the evaluation results to establish Individual Development Plans and to further develop employee behaviors in alignment with the values and culture of the organization.

2. COMPENSATION MANAGEMENT

The results of the performance evaluations for all employees at the end of the year are used as a basis for compensation management, such as considering annual salary adjustments, annual bonuses, and promotions, as well as recognizing outstanding employees. This is done with fairness,

appropriate to the knowledge, skills, and performance outcomes based on clear criteria, without discrimination, to motivate employees and enhance their appreciation of their work.

The company has established a salary structure for employees by analyzing the job value of each level and regularly surveying salary structures from various organizations and sources. This data is reviewed to continuously improve the salary structure to ensure fair compensation for job values at each level. This approach helps retain talented employees and attract potential candidates while maintaining competitiveness in the current labor market.



3. RIGHTS AND BENEFITS

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.

4. PROMOTION OF A GOOD QUALITY OF LIFE

The company places great importance on the physical and mental well-being of employees at

all levels, offering annual health check-ups tailored to their age, job natures, and various risk factors. The company also ensures the availability of qualified medical staff and medical supplies to provide services at the workplace 24 hours a day. Additionally, the company organized mobile dental health check-ups and various activities promoting both physical and mental health, including sports competitions with local communities and government agencies, monthly merit-making activities on employees' birthdays, meditation training, and stress management. The company also facilitated recreational activities such as team-building events, outing, walking competitions, and cultivating plants for household consumption in vacant factory spaces.

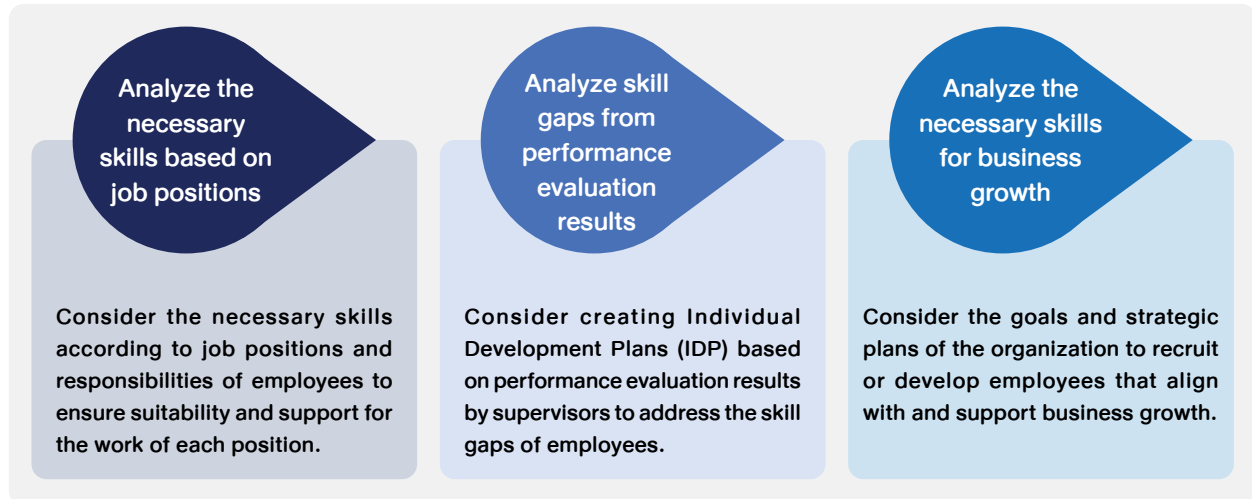
5. COMPLAINTS AND GRIEVANCES

The company provides channels for employees to express their opinions and file complaints, such as suggestion boxes located at various points, including the security guard post at the front of the factory, the cafeteria, restrooms, and relaxation areas, as well as an online complaint system via Red QR Code, email, intranet, and Line Chat Group. Complaints can also be submitted through the welfare committee and the human resources department. The company has established a systematic process for managing complaints with clear timelines for addressing them, as well as methods for investigating the facts while maintaining confidentiality. When the human resources department receives a complaint, it will assess which committee is relevant to the issue and then forward the complaint to that committee for consideration, fact-finding, corrective actions, and reporting back to management.

In 2024, the company received a total of two suggestions and complaints from employees, both of which were addressed and resolved, resulting in a 100% resolution rate. These included improving the drinking water dispensers to ensure they meet the needs of the employees and enhancing the cleanliness of tables, chairs, and the entire cafeteria area.

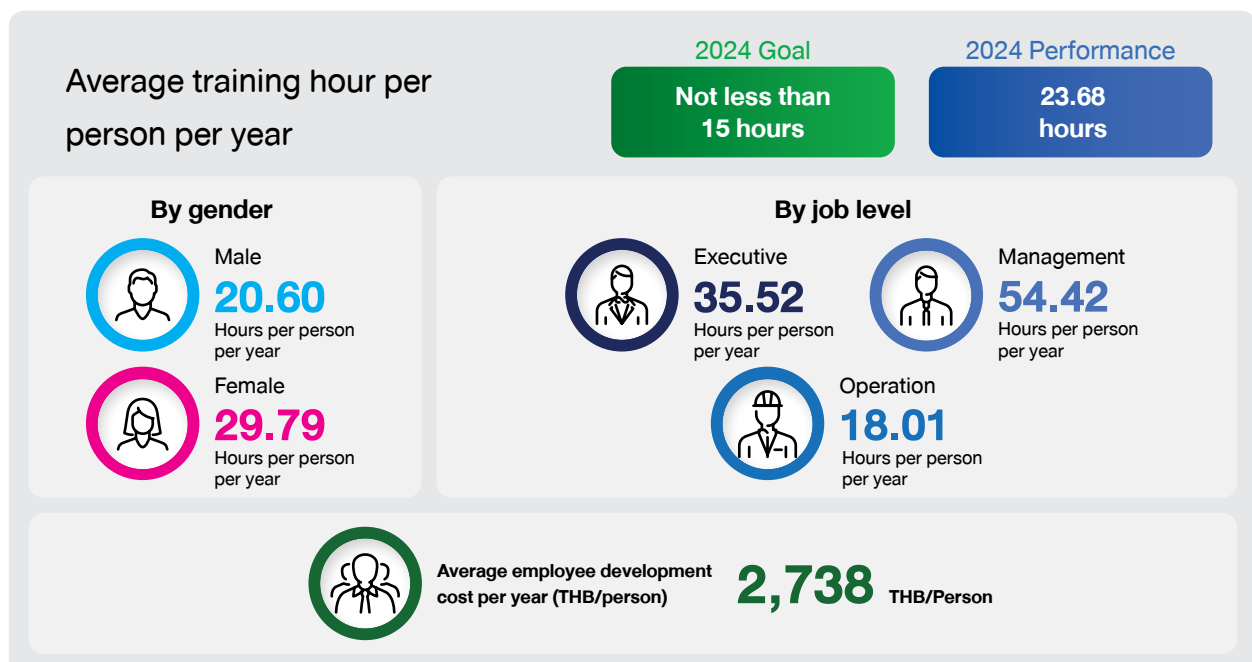
EMPLOYEE DEVELOPMENT

The company focuses on developing a variety of skills that align with the business direction and unlock the potential within individuals, enabling employees to grow in their careers. The company has established a framework for analyzing the development needs of employees that encompasses both technical skills and other social skills or soft skills to ensure that employees can effectively apply them in their work and align with the business direction. The key areas of focus are as follows:



1. EMPLOYEE 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.





2. CAREER ADVANCEMENT COUNSELING

The company has established a Mentorship Program to provide guidance and support for the career development of employees at all levels. Participants receive advice and insights from experienced individuals both within and outside the organization to serve as guidelines for management, as well as for developing skills and knowledge, as well as teamwork skills. The program focuses on effective communication, collaborative problem-solving abilities, and working together with cross-functional teams.

3. SCHOLARSHIP

The company supports further education for high-potential talents at the undergraduate and master's levels to develop specialized skills that can be applied in their respective job functions since 2018. In 2024, two employees received scholarships at the undergraduate level in the fields of Industrial Engineering and Logistics from Pathum Thani University, and Agricultural Engineering from the Institute of Technology Isan. Currently, a total of two employees have benefited from the company's scholarships, amounting to a total of 129,000 THB, and both employees continue to work with the company.

4. TALENT DEVELOPMENT

The company has selected talented employees from each department to join the 'Talent Pool,' based on their performance results and growth potential for the future. The selection committee, composed of senior executives, advisors, and representatives from the human resources department, chose a total of 8 employees in 2024 to participate in a special training program lasting 8 months, set to conclude in July 2025. The company has engaged consultants to develop the special program, which features a blended learning format, including both classroom instruction and online systems, as well as hands-on practice and collaborative organizational development projects between departments.

The results of these projects must be presented to senior management, who will assess the quality of the program in conjunction with the consultants.

5. PROMOTION AND CAREER ADVANCEMENT (CAREER PATH)

The company provides opportunities for promotion or transfer to suitable positions based on employees' knowledge and skills, and it supports and encourages them to demonstrate their potential in various opportunities and to continuously develop themselves in their roles and responsibilities. The company has established clear methods and criteria as guidelines for considering promotions to ensure fairness and transparency, and has developed career advancement plans for each department, aiming to retain these employee groups while creating a system that supports career advancement so that employees can achieve job security and grow alongside the organization. In 2024, a total of 46 employees were promoted.

BUILDING EMPLOYEE ENGAGEMENT

In addition to employee care and development, the company also emphasizes the importance of employee feedback and participation, which brings about creativity, collaboration, and employee engagement with their work and the organization. The company provides opportunities for employees to participate in decision-making within the organization, such as joining committees or working groups in various fields, suggesting improvements to work processes, and expressing their opinions through satisfaction surveys or direct discussions with management to provide suggestions for development and improvements. This allows every employee to feel a sense of engagement and effectively reduces the gap between management and employees. Moreover, the company has implemented programs to encourage employee participation in various activities, reducing issues related to information

dissemination and enhancing internal communication effectiveness. For example, the NER Points program saw participation from all employees, totaling 941 individuals (100%).

The company has developed and improved the assessment of employee engagement to reflect factors influencing work within the organization by designing questions that cover key dimensions important to employee engagement, such as trust in management, pride in the organization, work-life balance, and motivation for development. The assessment of employee engagement is conducted by the labor and human rights working group in collaboration with the human resources department and is established as organizational goals. The company conducts two engagement surveys per year via three communication channels: the company's online

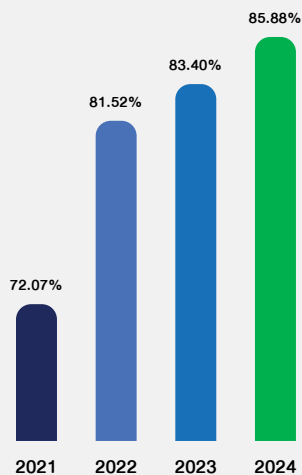
system, public announcements during Morning Talk, and distributing surveys directly to employees.

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.

Employee Engagement Score

2024

score
85.88%



Voluntary Employee Turnover Rate

Number (Person)

Year
2024

237

%

25.19

Permanent
employee (monthly)

68

%

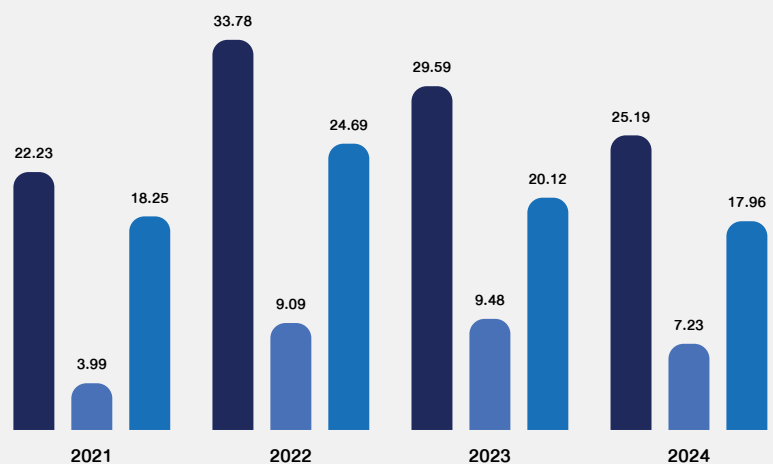
7.23

Permanent employee
(Daily/Contract)

169

%

17.96



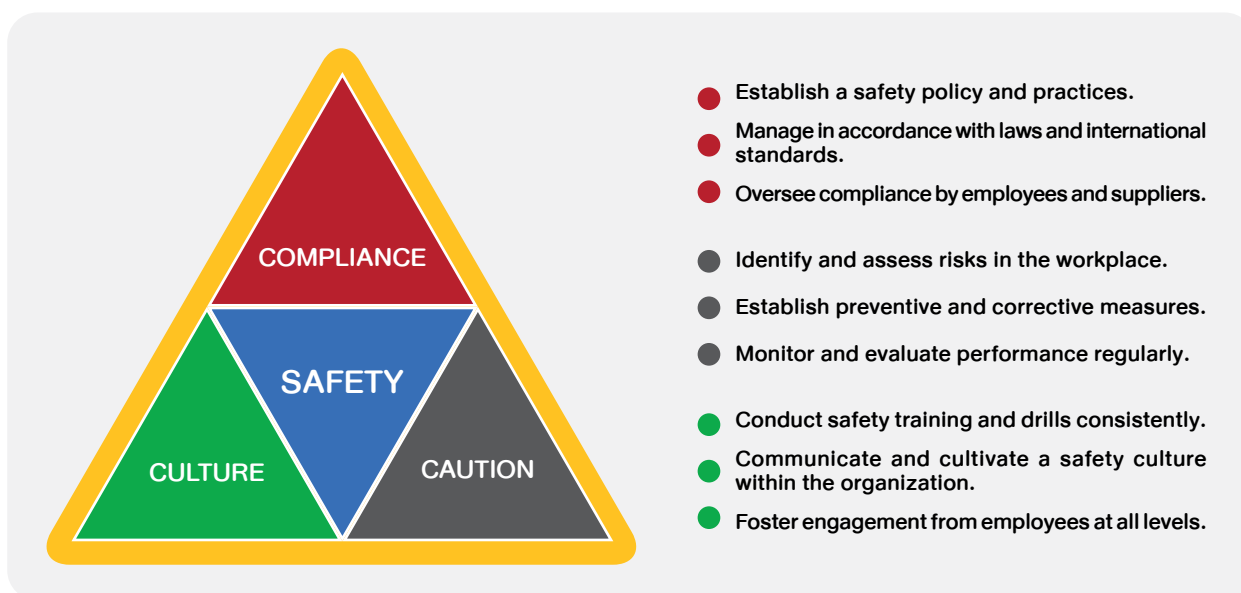
In 2024, the company had a voluntary employee turnover rate of 25.19%. This includes a turnover rate of 7.23% for monthly permanent employees, which is below the target set for 2024 of no more than 10%. For daily or hourly permanent employees, who have different working conditions compared to monthly employees, the voluntary turnover rate was 17.96%. Both types of employees have seen a continuous decrease in voluntary turnover rates since 2023. The company will continue to improve and develop employee care in all aspects, promoting engagement and enhancing employee commitment to retain quality employees as a vital asset for the company moving forward.

3. OCCUPATIONAL HEALTH AND SAFETY IN WORKPLACE

The company is committed to instilling a safety consciousness among employees and managing risks that affect employee safety in a systematic manner. It has established a policy requiring all executives and employees to comply with relevant laws and regulations, and has developed operational guidelines that align with both national and international safety laws, requirements, and standards. In addition, the company supports and promotes activities related to workplace safety to foster a safety culture within the organization as a fundamental aspect of its operations.

	Long-term Goals 2028	2024 Goals	2024 Performance
Lost Time Injury Frequency Rate (LTIFR)	0	0	2.93
Rate of fatalities or disabilities from workplace accidents (Major accidents)	0	0	0
Occupational illnesses)	0	0	0

The company employs the 3Cs strategy: ‘Compliance, Caution, Culture’ to manage and ensure the safety of employees and the labor of suppliers working in the company’s facilities as follows:



IDENTIFICATION AND ASSESSMENT OF HEALTH AND SAFETY RISKS IN THE WORKPLACE

The company has designated the Occupational Safety and Health Department to identify hazards and assess health and safety risks in collaboration with relevant departments. This assessment encompasses all types of activities related to the company’s operations, including regular activities and specific

tasks performed by employees and contractors within the company's premises. The risk assessment considers the tasks involved in the work process, job natures, work areas, and the surrounding environment to identify potential hazards associated with each activity. It also analyses the nature of occurrences, related causes, and the impacts that could cause harm to life and property.

The company uses the information obtained to evaluate the likelihood and severity of potential risks to determine strategies and develop risk control measures or plans that will be implemented for all employees and contractors working within the company. Department heads or relevant stakeholders are required to jointly review the risk assessment results at least once a year or when changes occur that affect the occupational health and safety management system, such as changes in work processes, the use of new equipment, or changes in relevant external factors. This is aimed at ensuring the safety of employees and contractors while minimizing the risk of work-related hazards, as well as promoting the development of a safe working environment that meets occupational health standards in the long term.

From the assessment of occupational health and safety risks, categorized by the nature of work types and work locations in various processes of the company in 2024, it was found that there were three significant risks that could have a substantial impact on workers and the company: accidents involving machinery and equipment, chemical accidents, and fire incidents. Therefore, the company has established measures to control risk levels to acceptable limits and reduce the likelihood of these occurrences as follows:

Risk Issue	Risk Factor	Preventive and Controlling Measure
Accidents involving machinery and equipment	<ul style="list-style-type: none"> Operators lack knowledge and expertise in the use of machinery and equipment, such as pivot points, pinch points, and conveyor systems. 	<ul style="list-style-type: none"> Develop a safety manual for working with machinery and equipment. Provide training on the use and operation of machinery.
	<ul style="list-style-type: none"> Machinery and equipment are old, damaged, or not operational. 	<ul style="list-style-type: none"> Inspect and maintain machinery and equipment according to the established maintenance schedule.
	<ul style="list-style-type: none"> Operators do not have appropriate and sufficient personal protective equipment. 	<ul style="list-style-type: none"> Supply quality personal protective equipment that is appropriate and sufficient for each position working with machinery.
	<ul style="list-style-type: none"> Operators are negligent. 	<ul style="list-style-type: none"> Regularly supervise and inspect employee operations and establish guidelines for managing employees who do not comply with regulations.
	<ul style="list-style-type: none"> Risk management measures are not sufficiently effective. 	<ul style="list-style-type: none"> Arrange for the review and certification of the effectiveness of risk management related to machinery and equipment by an external party at least once a year.



Risk Issue	Risk Factor	Preventive and Controlling Measure
Chemical accidents	<ul style="list-style-type: none"> Improper and inadequate storage of hazardous chemicals 	<ul style="list-style-type: none"> Conduct an inspection and review of chemicals and hazardous materials used at the factory at least once a year. Have knowledgeable experts store chemicals to prevent reactions between substances. Improve the chemicals storage area to minimize potential hazards.
	<ul style="list-style-type: none"> Inappropriate or insufficient personal protective equipment for chemical use 	<ul style="list-style-type: none"> Provide personal protective equipment and ensure that emergency shower and eyewash stations are operational in areas where chemicals are used.
	<ul style="list-style-type: none"> Chemical leaks or spills 	<ul style="list-style-type: none"> Develop an emergency plan for chemical spills. Prepare chemical recovery equipment in the work area.
	<ul style="list-style-type: none"> Lack of employee knowledge and understanding regarding the handling of specific chemicals 	<ul style="list-style-type: none"> Create a safety manual for working with chemicals and hazardous materials. Train employees on procedures related to chemicals and hazardous materials and assess their understanding to ensure that workers can perform their tasks correctly and safely.
Fire incidents	<ul style="list-style-type: none"> Condition of electrical machinery and equipment, including old or damaged wiring 	<ul style="list-style-type: none"> Regularly inspect electrical wiring and machinery according to the maintenance plan.
	<ul style="list-style-type: none"> Inadequate location and method for storing flammable chemicals 	<ul style="list-style-type: none"> Improve the storage area for flammable solvents WS-200 to ensure it is located outside the building and has proper ventilation. Use explosion-proof electrical systems throughout to enhance safety in the flammable chemical storage area.
	<ul style="list-style-type: none"> Insufficient or unserviceable fire prevention and suppression equipment 	<ul style="list-style-type: none"> Regularly inspect fire prevention and suppression equipment at least once a month to ensure it is always operational. Review the layout showing the installation points and register for fire prevention and suppression equipment at least every six months. Install comprehensive fire prevention measures, such as a heat detection system and 15-pound fire extinguishers (6A20B standard).
	<ul style="list-style-type: none"> Employees lack knowledge and experience in basic fire extinguishing procedures 	<ul style="list-style-type: none"> Establish an advanced firefighting team within the company. Prepare firefighting kits with equipment for emergency response. Train and drill all employees annually to ensure basic firefighting knowledge.

REPORTING AND INVESTIGATION OF IRREGULAR INCIDENTS OR ACCIDENTS OCCURRING DURING WORK

In the event of an accident or irregular incident occurring during work that nearly results in an accident (near miss), the company requires that the affected person or the supervisor report the incident in writing. A thorough investigation and analysis of the accident or irregular incident will be conducted

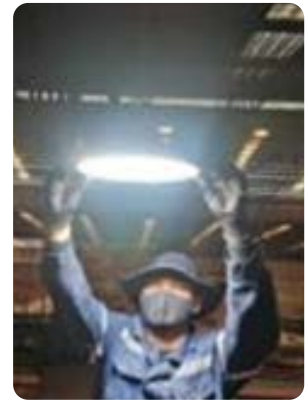
by the Occupational Safety and Health department in collaboration with the relevant department heads to identify the causes and establish corrective and preventive measures to avoid similar incidents in the future. Additionally, the results of the investigation and recommendations will be communicated to other departments to enhance learning and increase vigilance.

HEALTH SERVICES RELATED TO WORK

The company places great importance on the health and safety of employees, recognizing that overall well-being—both physical and mental—directly impacts work efficiency. Therefore, the company conducts risk assessments in the workplace by measuring environmental conditions in various areas, including assessing light intensity, noise levels, heat, dust, and chemicals, and makes improvements to the work environment to meet standards. This ensures that all workers have a safe working environment that is not harmful to their health. Additionally, the company provides appropriate and sufficient personal protective equipment for workers.

1. Improvement of Lighting in the Work Area

In 2024, the company continuously improved the lighting system in various areas to enhance visibility and reduce the risk of accidents at the workplace. This involved replacing old light bulbs with LED lighting and installing translucent roofing sheets in the STR rubber production building to increase the amount of natural light in the production area. Additionally, after the installation, the company conducted an inspection of the light intensity in the area and found that the results were at appropriate levels and in accordance with the established standards. This improvement helps reduce eye fatigue and further enhances employee work efficiency.



2. Improvement of the Hot Work Laboratory

The rubber quality testing room, or hot work laboratory, is a workspace with temperatures reaching 37 to 40 degrees Celsius, which significantly impacts the health of employees working in this area, leading to issues such as fatigue, fainting, rapid pulse, and skin diseases. Therefore, the company undertook improvements by designing an efficient ventilation system equipped with modern technology and appropriately allocating space usage. As a result, the temperature within the hot work laboratory has been reduced to 25 to 31 degrees Celsius, making employees feel much more comfortable and allowing them to work effectively.





3. Employee Health Check-Up Before Starting Work

The company requires new employees to undergo a health check-up based on risk factors within 30 days before starting work. This includes a physical examination and mental health assessment according to occupational medicine methods to determine the employees' health suitability and any potential impacts on their health when working with risk factors. The Occupational Safety and Health department assesses the risk factors for each job and establishes a Health Check-Up Matrix, which includes tests conducted by occupational physicians, such as hearing assessments for those working in noisy areas, lung function tests for those exposed to dust or chemicals, and blood chemical level assessments, among others. If any abnormalities are found during the examinations, the company will inform the employee of the results and provide initial guidance from professional nurses and safety officers. The examination results will also be reviewed by an occupational physician to assess the suitability of the employee for the assigned duties. If it is determined that the employee's health is not suitable for the type of work, the company will adjust their job responsibilities to align with the employee's physical condition.

4. Annual Employee Health Check-Up

The company provides annual health check-ups for employees according to risk factors to monitor health impacts associated with work. In 2024, a total of 872 employees (91.98%) participated in the annual health check-up. In cases where abnormalities are detected, the company will notify employees of their health check results within 3 days and will refer them for further testing or treatment at specialized medical facilities as appropriate. A detailed healthcare plan will be developed, and health outcomes will be continuously monitored. The company will also consider reassigning employees to

different duties to reduce impacts or risks that could affect their treatment or health recovery, promoting safety and improving the quality of life for employees in the long term.



PARTICIPATION AND COMMUNICATION IN OCCUPATIONAL HEALTH AND SAFETY

The company believes that communication and participation in safety are key factors in enhancing awareness and instilling safety behaviors among employees at all levels to ensure understanding and correct practices. Therefore, the company has established a Safety, Occupational Health, and Environmental Committee, comprising 19 members from various departments, to promote and support safety activities, as well as to provide advice and guidance to all employees, contractors, and individuals working within the company. This is aimed at facilitating knowledge exchange and sharing experiences in safety through activities such as Kiken Yoshi Training (KYT) and a campaign project to reduce work-related accidents to zero. Additionally, there are communication activities to raise awareness and provide critical safety information before starting work, including safety talk sessions, daily safety morning talk, Safety Day

activities, and the installation of safety promotion signs and warnings about various hazards to ensure that all employees are aware of safety both in the workplace and in their daily lives.

In 2024, the company held a total of 52 activities with 941 participants.



TRAINING AND DEVELOPMENT OF EMPLOYEE SKILLS IN OCCUPATIONAL HEALTH AND SAFETY

The company enhances safety knowledge and skills in workplace for employees at all levels. Therefore, the company organized training programs that focus on accident prevention and reducing risks arising from several factors, such as lack of expertise in job performance and insufficient knowledge and skills to effectively handle emergency situations. This includes training in the proper use of tools and equipment relevant to job natures, enabling employees to

work more safely and with greater confidence. The activities and training courses for 2024 were as follows:

- Training on Basic Fire Fighting
- Annual Fire Drill and Evacuation Exercise (Day/Night) on May 30, 2024
- Emergency Response Drill for Chemical Spills and Gas Leaks on September 14, 2024, and November 25, 2024, respectively
- Training on Electrical Safety and First Aid for Electric Shock Victims
- Training on Lock Out Tag Out (LOTO) Hazard Prevention Measures



- Training on Hazard Identification and Risk Assessment (Risk Assessment) and Job Safety Analysis (JSA)
- Training on Hearing Conservation Measures
- Training for the Safety Committee
- Safety Training for Working with Overhead Cranes
- Safety Training for Working with Chemicals and Responding to Chemical Spills
- Safety Re-Training Program on Occupational Safety and Health

PROMOTION OF EMPLOYEE HEALTH BEYOND WORK

The company provides care and promotes good health, both physical and mental, and well-being of employees as well as the prevention of various diseases beyond workplace injuries and occupational illnesses. A nursing room has been established to offer health services to employees and contractors, staffed by professional nurses 24 hours a day, with sufficient medications and supplies for appropriate services. The company also monitors and prevents outbreaks of diseases, such as controlling dengue mosquito larvae, organizing cleaning activities according to the 5S principle, and routinely spraying insecticides to eliminate mosquito larvae, along with educating employees on practices to maintain hygiene and good health.



The company organizes various programs that support exercise and help reduce stress for employees, promoting both physical and mental well-being. For example, the NER For Health program, “Step, Walk, Run for Health,” had 160 participating employees. As a result of this program, 11.87% of participating employees showed a decrease in health risk, as measured by Body Mass Index (BMI), with employees who were overweight losing an average of 4 kilograms each. There was also an increase in health-conscious behavior, with 47.64% of participants exercising more frequently, 2–3 times per week, and 8.31% reducing their intake of sweet, fatty, and salty foods. Additionally, mental health scores among employees increased, with happiness ratings in the application recorded at 80% after participating the program, compared to 69% before the program started.

Furthermore, the company has provided a space for female employees who wish to breastfeed or store breast milk in a hygienic and private area, along with information and understanding regarding breastfeeding from professional nurses.

SAFETY AND OCCUPATIONAL HEALTH OF CONTRACTORS AND SUPPLIERS

The company has outlined safety and health standards for contractors in its code of conduct, requiring that contractors ensure the safety of their workers and provide a hygienic working environment. This includes educating and training on emergency response plans so that contractors’ workers understand and can act correctly and safely.





Furthermore, the company places importance on the safety of contractor employees who work within the company's controlled areas. As such, contractors must acknowledge and strictly adhere to the company's rules and regulations to reduce risks and prevent various hazards that may occur during their work. Contractors are required to care for their own workers and provide appropriate and sufficient personal protective equipment. Additionally, contractor employees working in high-risk areas must undergo specific health checks, such as respiratory and cardiovascular examinations when working in confined spaces. Before starting work, blood pressure measurements must also be taken to prevent incidents that could impact the safety of individuals and the company's property.

In 2024, the company organized 74 training sessions to provide knowledge and understanding to contractors, with training conducted twice a week to introduce safety regulations and other requirements set by the company, ensuring they

can be followed correctly. A total of 421 contractors participated in the training.

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.

	2022	2023	2024
Lost Time Injury Frequency Rate (LTIFR) per 1 million working hours			
• Employee	4.46	7.50	2.93
• Contractor	0	0	0
Rate of Fatalities or Disabilities from Work-Related Accidents (Major Accidents)			
• Employee	0	2	0
• Contractor	0	0	0
Occupational Illnesses among Employees	0	0	0

4. CREATING VALUE FOR THE COMMUNITY AND SOCIETY

The company aims to operate in the rubber industry in a way that creates value for every community where its facilities are located, encompassing economic value, improved quality of life for people in society, and a healthy environment within the community. To achieve this, it has established the 4Ds strategy: “D (Good) Society,” which promotes development and participation from everyone in the workplace and in the local community, ensuring safety and well-being for all.

	Long-term Goals 2028	2024 Goals	2024 Performance
Community engagement score	At least 90%	At least 80%	88%
Satisfaction score for community relationship activities	At least 90%	At least 80%	86.3 %
Significant complaints from the community and local government agencies	0	0	0

The company has established a “Corporate Social Responsibility Policy” to ensure that all operations adhere strictly to relevant laws and guidelines for environmental and social management. This is aimed at preventing and controlling potential impacts that may arise from the company's activities, which could pose risks or adversely affect society, the environment, safety, and health. 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

Strategy: Focusing on healthcare and promoting the quality of life for community members, particularly vulnerable groups residing within 5 kilometers from the factory.

Management Approach: Managing the impacts of the company's operations that may affect the health of community residents includes organizing health check-up activities and providing preventive healthcare for vulnerable groups, such as the elderly, children, and individuals with pre-existing health conditions. This initiative aims to ensure that the community members maintain their health and can live quality lives.

• Odor Pollution Management Program

Through feedback and consultations with community representatives, in 2024, the community expressed concerns regarding odor management stemming from the production process and raw material storage, fearing it could impact the health of local residents. In response to these concerns, the company has implemented the following measures:

- Installed odor barrier curtains around the raw material storage building and implemented the use of natural extract odor neutralizers with high safety standards to prevent and reduce odors from raw material storage.
- Managed the wastewater treatment system to ensure compliance with legal standards.
- Installed three consecutive odor treatment systems for rubber production, including a cooling blower system, a wet scrubber

system, and a bio filter system, to effectively prevent and treat odors generated from the rubber production process.

Following the management of odor issues related to the rubber raw material storage, the company received no complaints from community members. Furthermore, the health check results for vulnerable groups in the community revealed that there were five individuals experiencing respiratory problems or lung abnormalities, diagnosed by a medical specialist as having causes related to smoking. No individuals were found to be adversely affected by health issues related to the company's odor pollution.

• Health Check-Up Program for Vulnerable Groups in the Community (Second Year)

The company organized proactive health check-ups in four communities surrounding the factory: Ban Chai Phatthana and Ban Bat in Takotaphi sub-district, Ban Krasang in Prathatbu sub-district, and Ban Khok Phet in Khok Ma sub-district, which are the primary target groups. A team of doctors and medical technicians offered a total of 17 health check-up services, including blood pressure measurements, blood glucose tests, and chest X-rays, as well as consultations and health advice. Additionally, health education was provided on daily healthcare, disease prevention, and health promotion for the elderly and vulnerable groups.



• Community Health Service Station

To address the healthcare needs of the community, the company has designated space within its organization to serve as a health service center in collaboration with various government agencies, including the National Health Security Office (NHSO). They established a cervical cancer screening station utilizing the HPV DNA Test to identify genetic risks for cervical cancer on September 14, 2024. Additionally, the company collaborated with the Thai Red Cross on a mobile blood donation project, promoting this initiative to local community members and employees through the company's online channels. In 2024, awareness of these services was relatively low as it was the initial phase of the project. Therefore, the company plans to expand health check-up services in various formats and increase outreach through local community leaders, sub-district administrative organizations, schools, temples, and public announcements via community loudspeakers in 2025. This approach aims to better meet the community's healthcare needs and strengthen the company's role as a central health hub for the local area, while also fostering strong partnerships with government entities to

collectively promote the health and well-being of the community.

• Volunteer Activities

The company has encouraged employees to participate in volunteer activities to assist the community in various ways. This includes a blood donation project in collaboration with Prakhonchai Hospital, which is organized monthly to support the supply of blood products for patients in need. A total of 366 participants, including employees and community members, participated in the blood donation drive, collecting 153,000 cc of blood. Additionally, there were volunteer activities for Ban Krasang School and Wat Prachasomnuk in Buriram Province, where the company engaged employees in enhancing the landscaping of the school and improving the aesthetics of the temple. Activities included painting, cleaning, and waste collection.

• Monetary and In-Kind Donations

The company has donated funds and drinking water to support organizations working on social development and various assistance projects, such as local hospitals, the Buriram



Provincial Transport Office, and disaster relief initiatives in the northern region to aid affected communities and individuals. Additionally, the company has donated essential consumables such as food, clothing, books, and educational supplies to educational institutions, the Buriram Provincial Red Cross, local municipalities, and various foundations. This effort aims to enhance opportunities and promote equity in access to basic services for local residents, with a total value of 930,828 THB.

2. YOUTH EDUCATION AND LEARNING DEVELOPMENT

Strategy: Promoting learning and skill development for youth in the community within 5-7 kilometers

Management Approach: Organizing learning enhancement activities such as training sessions, workshops, or support for educational equipment for students and youth in the community to increase opportunities for skill and knowledge development, enabling them to build stable careers in the future.

• NER Project: Extracurricular Skills and Knowledge Competition

The company has launched a project to promote human resource development in the local community by supporting the enhancement of teaching and learning at nine schools within the community. This initiative positively impacts the knowledge and skills development of both lower and upper primary students. The participating schools include Ban Khok Phet School, Wat Ban Khok Klang School, Wat Ban Talung Kao School, Ban Krasang School, Wat Ban Prathatbu School, Ban Bat School, Wat Ban Takotaphi School, Wat Ban Khok Yang School, and Ban Nong Muang School. The project features competitive activities in the form of games, providing both educational value and entertainment. These activities effectively enhance skills in problem-solving, creativity, analytical thinking, and teamwork among participants.

• Scholarships

The company supported education for youth in the area by providing scholarships to students from Grade 1 to Grade 9, totaling 60 scholarships with a sum of 90,000 THB. This initiative was implemented during the National Children's Day event in 2024 at various schools and municipalities within 5 kilometers. The aim is to alleviate the financial burden on parents, support learning, and create educational opportunities for youth, who will grow to become key contributors to the sustainable development of the community and society in the future.

3. SUSTAINABLE AGRICULTURE AND COMMUNITY ECONOMY

Strategy: Supporting sustainable agriculture and community economic development by creating supplementary income for farming groups within the community, particularly through the utilization of resources available within the company.

Management Approach: Implementing initiatives to promote organic farming practices and supporting local community members with channels to sell their produce grown using organic residues from the company's factory. This includes organizing an internal market within the company where employees can purchase produce directly from local farmers.

• LOCAL EMPLOYMENT

The company places significant importance on developing the economy and income of communities in all areas where it operates, aiming to enhance the quality of life for local residents. As part of this commitment, the company has a policy to prioritize hiring employees and workers from the local community, supporting local residents to work close to home, reducing migration, increasing rates of return to their hometowns, and promoting family cohesion.

As of December 31, 2024, the company employed 100% Thai staff, with 95.96% being from the Northeastern region and 795 individuals from Buriram Province, accounting for 84.48% of the workforce. The company offers wages that are equal to or exceed the minimum wage set for Buriram Province.

• Community Farmer Development Program to Enhance Raw Material Value

Rubber production is a significant source of income for the farming communities, making competitiveness and compliance with trade standards crucial. Therefore, the company has implemented community farmer development projects to enhance the value of natural rubber raw materials and prepare them for international standards. This includes three sub-projects for rubber farmers in Buriram Province, who are suppliers to the company. A total of 117 farmers participated in FSC-FM standard training, 1,346 in the European Union Deforestation Regulation (EUDR) training, and 61 in training for high-quality rubber production from 16 districts in Buriram Province.

Post-training evaluations indicated that participants had increased knowledge and understanding, with a satisfaction score of 85% for the projects. Additionally, the contamination rate of supplied raw materials decreased from 10% in 2023 to 7%. Farmers who received training in EUDR and FSC standards passed all evaluation criteria (100%), covering an area of 13,055 rais and an expected annual yield of 3,773 tons. The company has been purchasing raw materials that meet various standards, including those with low contamination, at prices higher than conventional raw materials to incentivize suppliers to develop their production processes in accordance with international standards, while being socially and environmentally responsible. This also helps improve product quality and strengthen the local economy sustainably.

• Green Market Project

The surrounding community near the company's establishment primarily consists of non-rubber farmer residents. Therefore, the company promotes sustainable agriculture practices that help restore environmental quality and improve the health of farmers. This includes supporting knowledge dissemination on the cultivation of

chemical-free vegetables using napier grass residues, a by-product of biogas production, which is certified for quality by the Central Laboratory (Thailand) as an alternative to chemical fertilizers. Additionally, the company has established a "Green Market" project as a continuation of the NER initiative, aimed at promoting sustainable community agriculture that was implemented in 2023. This project provides an channel for local farmers to increase their income by allocating space in front of the factory for them to sell their products which include chemical-free vegetables, agricultural yields, and a variety of environmentally friendly local products. This initiative not only provides supplementary income for farmers but also improves their health by reducing the risk of exposure to contaminants from chemical fertilizers. Moreover, the majority of buyers at the market are company employees, who also benefit from consuming safe, chemical-free produce.

4. LOCAL CULTURES AND TRADITIONS

Strategy: Participation in and support for various cultural and religious activities of the community and educational institutions, encompassing both religious and traditional cultural aspects.

Management Approach: Participation in various cultural events organized by the community, educational institutions, or community members, such as the Buddhist Lent festival, funerary rites for community members, Children's Day events, etc.

Preserving local cultural traditions is an expectation from the community for the company to participate in and support, serving as a way to build strong relationships with the community. Engaging in activities that reflect local culture and traditions is essential for promoting understanding and a close relationship between the company and the community. In 2024, the company participated in significant religious and cultural events alongside the local community and supported the conservation and promotion of positive cultural practices, such as providing candles



for the Buddhist Lent festival at nine temples in the Prakhonchai District, including Wat Klang, Wat Ta Dan, Wat Sai Yong, Wat Ban Khok Phet, Wat Ban Chanple, Wat Ban Bat, Wat Ban Prathat Bu, Wat Prachasanuk, and the Chai Phatthana Meditation Center. Additionally, the company participated in annual Kathina robe offering ceremonies to help uphold traditional religious practices at 10 temples and meditation centers, including Phichit Samakkee Tham Shelter, Chai Phatthana Shelter, Khok Phet Shelter, Keti Charoen Shelter, Ban Chanple Wat Sai Yong, Wat Prachasanuk, Wat Pa Khok Klang, Ban Bat Temple, and Khao Hin Kong Temple.

Moreover, the company has engaged in various other activities, such as organizing merit-making events to promote unity within the community and hosting Children's Day events that focus on creating happiness and inspiration for the youth in the community. Participation in these activities reflects the company's genuine intention to be a true part of the community, not only supporting the conservation of cultural traditions but also enhancing goodwill and trust between the company and the community.



MONITORING AND EVALUATING PERFORMANCE

The company places great importance on monitoring and evaluating the various projects undertaken to utilize the gathered data for developing and improving initiatives that genuinely meet the community's needs. The Sustainability Development department and the community engagement working group have been assigned to conduct community satisfaction surveys through interviews and questionnaires. Surveys are conducted following the completion of projects to assess their effectiveness and identify areas for improvement, as well as to evaluate which projects received positive feedback or created significant social impacts warranting continuation in the future. The surveys are conducted by the community engagement working group using various methods, such as interviews and online questionnaires that can be easily accessed via QR codes. The questionnaires utilize a 5-point rating scale for evaluation and include open-ended questions for respondents to provide additional comments.

The survey results indicated that participants in the company's activities rated their satisfaction with the various projects at an average of 86.33%, exceeding the community project satisfaction target set at a minimum of 80%. Participants also expressed a desire for the company to continue its projects to monitor changes within the community, particularly regarding healthcare for vulnerable groups in the community.

INVESTMENTS AND EXPENSES FOR COMMUNITY AND SOCIAL DEVELOPMENT

In 2024, the company implemented a total of seven main community development and engagement projects, along with nine activities, within the target community area encompassing a radius of 10 kilometers (including 8 sub-districts, 43 villages, 24 schools, and 37 temples), with a total population of 58,883 people. A total of 24,931 participants from the community took part

in these activities, representing 42.34% of the target group.

Details	Com munity (sub- districts)	Popu lation (per- sons)	Vulner- able popu lation (per- sons)
Number of target communities and population	8	58,883	469
Number of communities and population participating in the programs/activities	8	24,931	405
Proportion of communities and population participating in the programs/activities within the target group	100%	42.34%	86.35%

The company allocated a budget of 5.5 million THB for community development projects and social investments throughout 2024.

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

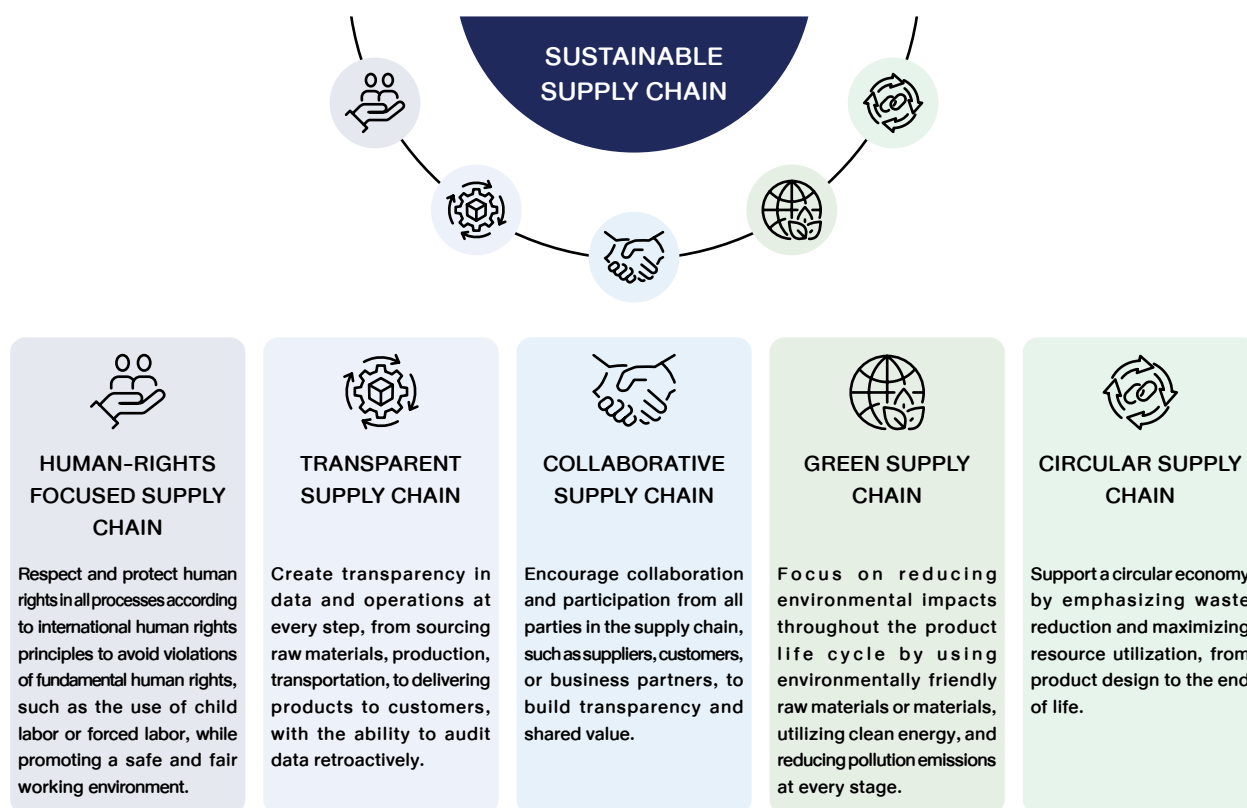
community, playing a significant role in supporting and improving the quality of life for local residents. The engagement score from the community towards the company was recorded at 88%, which meets the established target.

5. SUSTAINABLE SUPPLY CHAIN MANAGEMENT

The company emphasizes responsible and sustainable supply chain management to mitigate risks from suppliers that may impact the business, as well as the environment and the human rights of various stakeholders. It is focused on developing a supply chain that is transparent, fair, flexible, and aligned with international quality standards.

	Long-term Goals 2028	2024 Goals	2024 Performance
All critical suppliers are assessed for sustainability risks.	100%	50%	51%
Increase the proportion of raw materials from small suppliers to the total raw materials used in production.	More than 20%	5%	5.16%

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. The company has implemented strategies to develop a sustainable supply chain as follows:



SUPPLIER CODE OF CONDUCT

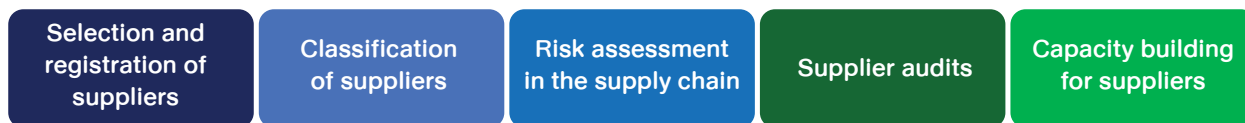
The company has developed a supplier code of conduct that aligns with its code of conduct and international best practice standards. Training and communication efforts have been implemented to ensure that suppliers understand the importance of conducting business responsibly concerning the environment and society, as well as adhering to good governance practices. This code serves as a guideline for suppliers to align their operations with the company's practices. It is mandated that all direct suppliers (Tier-1 suppliers) and new suppliers sign acknowledgement of the code from the start of the registration process. The company has established a process to monitor supplier operations and evaluate their performance to ensure compliance with the supplier code of conduct. Suppliers must be able to demonstrate adherence upon request. To assess compliance, the company employs various methods based on the risk levels of the suppliers, such as requiring suppliers to self-certify their adherence to the code, conducting on-site audits, or utilizing questionnaires.

In 2024, the company communicated the code of conduct to suppliers and facilitated their signing of the supplier code of conduct as follows:

Supplier Code of Conduct	2024
Tier-1 Suppliers	
• Communicated	100%
• Signing acknowledgement	100%
New suppliers	
• Signing acknowledgement	100%



The company follows operational guidelines to develop a sustainable supply chain as follows:



SELECTION AND REGISTRATION OF NEW SUPPLIERS

The company has established guidelines for the consideration, selection, and registration of new suppliers by conducting preliminary assessments of suppliers and contractors before procurement. This is done using a questionnaire that evaluates four key qualification areas and verifies relevant quality certification documents. Additionally, all new suppliers must undergo a sustainability risk assessment encompassing environmental, social, community rights, health and safety, and governance aspects using a self-assessment form prior to registration.

When a new supplier achieves a passing score and demonstrates no economic, social, environmental, or governance risks, and signs the supplier code of conduct, the company will proceed with the registration of the new supplier. However, if the score does not meet the evaluation criteria or if there are identified risks, the supplier must implement corrective measures or develop preventive actions and a clear monitoring plan to achieve an acceptable score before being registered as a new supplier with the company.

In 2024, the company registered a total of 161 new suppliers, all of whom passed the selection process outlined, representing 100% of all new suppliers.

CRITICAL SUPPLIER GROUP

In 2024, the company had a total of 495 suppliers and contractors in the supply chain that did business directly with the company (Tier-1 suppliers). Among these, there were 267 raw material suppliers, accounting for 53.93% of the total number of suppliers. The company analyzed and identified key supplier groups from the total suppliers and contractors that provided goods and services in the supply chain, using criteria based on suppliers with annual procurement values exceeding 2 million THB, suppliers that sold over 3,000 tons of natural rubber (the company's primary raw material) annually, or those that are few in number in the market and cannot provide substitute products.

The analysis revealed that there are 100 critical tier-1 suppliers that do business directly with the company, representing 20.20% of all suppliers. These suppliers account for 49% of the total procurement value. Among these critical suppliers, 44 are raw material suppliers, making up 44% of all key suppliers that do business directly with the company.

Additionally, there are 1,628 critical non-tier 1 suppliers, among which 1,346 are raw material suppliers, accounting for 82.67%.

Tier-1 suppliers ► **495** suppliers ► **100** % of total suppliers ► **100** % Proportion to total procurement value

Critical tier-1 suppliers ► **100** suppliers ► **20.20** % of total suppliers ► **49** % Proportion to total procurement value

Critical non-tier 1 suppliers ► **1,628** suppliers



RISK ASSESSMENT IN THE SUPPLY CHAIN

The company conducts risk assessments of suppliers that may impact its business operations as well as society and the environment at least once a year. This is achieved through supplier assessments, interviews, and document verification, covering economic risks such as quality, timeliness, consistency of delivery, and sourcing; environmental risks including compliance with environmental laws, management, and prevention of impacts on the environment and natural resources; social risks like labor practices, respect for community rights, and safety; as well as governance issues such as fair competition and anti-corruption measures.

The company has established additional operational guidelines for suppliers based on risk levels, such as document-based evaluations, on-site audits, and the development of corrective action plans for suppliers.

In 2024, the company assessed tier-1 suppliers with purchasing values exceeding 1 million THB, totaling 96 suppliers, which accounts for 19.39% of all suppliers. No suppliers were found to have economic or governance-related risks. However, two suppliers, representing 0.40% of all suppliers, were identified as having high environmental risks related to odor management and the use of chemicals in cultivation. The company responded by conducting document-based evaluations and immediate on-site audits for these suppliers,

providing guidance on managing odors and training suppliers on chemical usage and potential hazards, along with ongoing monitoring and performance evaluation.

Additionally, there were 39 suppliers identified with high risks, accounting for 7.88% of all suppliers. Among these, there were 20 suppliers with high environmental risks related to issues such as odor management and waste, and 19 suppliers with high social risks concerning occupational health and safety, including the use of personal protective equipment (PPE). The company has required these suppliers to develop operational improvement plans within specified timeframes and has included relevant risk-related conditions in supplier contracts, such as penalties for non-compliance, the right to terminate contracts if excessive risks are identified, and the establishment of contingency plans in the event of suppliers failing to deliver products/services. As of 2024, the company has not terminated any business relationships with assessed suppliers (0%).





In 2024, the company conducted assessments of the rubber plantations of its raw material suppliers in accordance with the European Union Deforestation Regulation (EUDR). Suppliers were required to perform a comprehensive risk assessment (Due Diligence System: DDS) on their own through the Agridence Rubber Platform. A total of 1,346 suppliers completed this assessment, representing 82.67% of key partners who do not engage in direct business with the company (Critical non-tier 1 Suppliers).

SUPPLIER AUDITS

The company conducts on-site audits of suppliers that cover economic, environmental, social, and governance issues (On-site ESG Audit). The criteria and frequency of these evaluations are based on the risk levels of the suppliers, with the purchasing department and requesters responsible for the execution. The company will prepare a plan for evaluating each type of supplier and will send a notice requesting the audit, specifying the visit date, time, and relevant documents related to the evaluation criteria in advance.

Risk Level	Operational Guidelines for Controlling and Monitoring Risks
Low	<ul style="list-style-type: none"> Annual document-based evaluations of suppliers.
Moderate	<ul style="list-style-type: none"> Document-based evaluations and on-site audits every two years.
High	<ul style="list-style-type: none"> Document-based evaluations and on-site audits every year. Requirement to develop an operational plan for corrective actions within a specified timeframe.
Critical	<ul style="list-style-type: none"> Immediate document-based evaluations and on-site audits. Requirement for immediate corrective actions.

In 2024, the company had 41 suppliers that required on-site audits, and all 41 suppliers were successfully audited, representing 100% of the

total number of suppliers that needed to be evaluated.

	2024
The total number of suppliers that need to be audited on-site according to the criteria:	41
• Critical tier-1 suppliers	17
• Non-critical tier-1 suppliers	24
• New suppliers	0
The number of suppliers that have completed the on-site audit in the reporting period:	41
• Critical tier-1 suppliers	17
• Non-critical tier-1 suppliers	24
• New suppliers	0

CAPACITY BUILDING FOR SUPPLIERS AND FARMERS

Developing a sustainable supply chain that aligns with international standards or various regulations requires significant knowledge and engagement from suppliers, particularly those supplying key raw materials in the production process. The company focuses on raising awareness among raw material suppliers about responsible business practices, providing education on the quality and productivity of rubber, along with guidelines that comply with human rights principles and new regulation changes both domestically and internationally that affect the rubber industry.

The company has assigned the purchasing department to survey the cultivation areas of raw material suppliers and to engage with farmers, addressing their concerns related to rubber cultivation. Key issues of high interest and significant impact to farmers—such as economic factors, health and safety, and environmental considerations—were identified. These issues are then incorporated into training programs aimed at educating farmers on these topics. In 2024, the company implemented various initiatives to develop its suppliers as follows:



• FSC-FM Standards Training Program

The Forest Stewardship Council (FSC) is a significant certification standard for the natural rubber industry, providing certification for sustainable forest management and responsible supply chain practices, such as ethical labor practices and transparency within the supply chain. Obtaining FSC certification helps prevent deforestation, protect biodiversity, and support fair labor practices, while also enhancing traceability from the planting area to the final product.

Currently, FSC certification has become increasingly important in addressing environmental, social, and economic challenges within the value chain of the natural rubber industry, creating both risks and business opportunities for the company due to shifting global customer demands. Therefore, the company emphasizes the use of FSC-certified raw materials and aims to increase the proportion of FSC-certified Forest Management (FM) resources to ensure that forests are managed in a way that preserves biodiversity, benefits local communities, and maintains ecological balance.

The company has participated in training programs to develop knowledge on registration and obtaining FSC-FM certification, as well as promoting sustainable forestry management. The company has applied this knowledge in collaboration with the Non Suwan Rubber Fund Cooperative to pursue FSC-FM registration. A total of 117 employees and farmers participated in the training, representing 100% of the farmers who received FSC-FM certification. This initiative covers a rubber plantation area of 3,056.12 rais, with 362.23 rais owned by the company, accounting for 11.85% of the total rubber plantation area. The company is currently working on increasing the proportion of FSC-FM certified raw materials used in production.

• Low Emission Support Scheme (LESS)

The company has plans to reduce other greenhouse gas emissions (Scope 3), which primarily originate from the transportation of raw materials from suppliers. To address this, the company has sought and selected suppliers who are committed to adapting to climate conditions and have approaches to reducing greenhouse gas emissions. Recognizing that suppliers may not fully understand this issue, the company focuses on enhancing the capacity of local suppliers to learn and understand how to reduce greenhouse gas emissions in their operations as a priority. The company promotes participation in the Low Emission Support Scheme (LESS) run by the Thailand Greenhouse Gas Management Organization (Public Organization), offering consulting support to suppliers in preparing and verifying data related to greenhouse gas reduction activities. These activities may include reducing electricity usage, waste segregation, decreasing chemical fertilizer use in agriculture, reducing fuel consumption for transportation, and tree planting.



In 2024, 32 suppliers participated in the LESS program, with five being awarded certificates, representing 15.63% of all participating suppliers. The activities contributed to an estimated reduction of approximately 40 tons of carbon dioxide equivalent emissions. The company aims to support raw material suppliers in obtaining carbon footprint certification for their products in the future, enabling the calculation of other greenhouse gas emissions (Scope 3).

• NER for Sustainable Supply Chain Development Project - Year 3

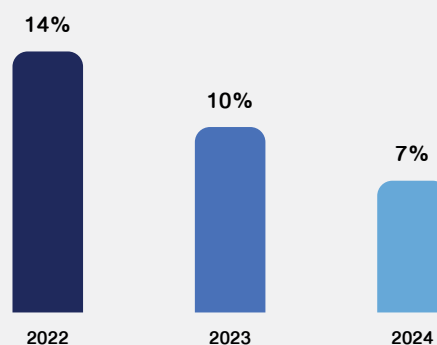
The company has continued the “NER for Sustainable Supply Chain Development” project for the third consecutive year, training farmer suppliers in 16 districts of Buriram Province, totaling 61 participants. The training provided knowledge about rubber production, including achieving high-quality rubber, identifying contaminants, factors affecting tapping and latex yields, the sourcing of latex, and product delivery. The aim is for farmer suppliers to produce high-quality raw materials that can increase income for smallholders, supplier groups, and middlemen in the main sourcing areas.

As a result of developing farmer suppliers under this project, the quality of raw materials has improved, reducing the contamination of the materials entering the company’s production system. This also fosters responsible rubber production processes that are accepted in international markets, such as transitioning to the use of formic acid as a coagulant for latex, which poses less health risk than sulfuric acid. Additionally, data recording has been implemented to enable traceability of raw material sources through

coding on raw rubber sheets and smoked rubber sheets, as well as GPS tracking on cup lump rubber. Farmers can apply the knowledge gained to improve the quality of their products and increase their value. Furthermore, the company actively communicates updates and information about changing market dynamics and trends to prepare farmer suppliers to adapt and respond effectively to sustainable rubber trading industry practices.

Throughout 2024, training participants rated their satisfaction with the project at 85%. These trained participants supplied 87.99% of the total raw materials purchased by the company. The company found that the raw materials received from suppliers had a contamination rate of 7%, a decrease from 10% in 2023, indicating a continuous improvement in the quality of local farmer rubber production. Additionally, 38 supplier suppliers have implemented coding to enable traceability, resulting in 10.26% of products produced being traceable.

Proportion of Contaminated Raw Materials to Total Amount of Raw Materials





• Supplier Development Program for EUDR (EU Deforestation Regulation)

The European Union has currently enacted the EU Deforestation Regulation (EUDR), which aims to reduce deforestation in the supply chain of rubber and wood products. This regulation mandates that products exported to the EU must be deforestation-free and have clear traceability back to their sources. As a result, this creates potential risks in the supply chain, such as increased costs related to reporting and tracing the supply chain, or small suppliers potentially losing their competitive edge by failing to meet EUDR criteria or being unable to comply.

In response, the company has initiated a project to develop suppliers toward EUDR compliance to prepare its raw material suppliers and smallholders in the supply chain. The program encompasses knowledge and understanding of the EUDR and its impacts on the agricultural sector, along with practical guidelines for compliance with EUDR requirements, traceability, conservation of natural resources, and obtaining relevant certifications and international standards, along with the benefits or returns from participating in the program.





In 2024, a total of 1,346 rubber farmers participated in the EUDR program, all of whom are raw material suppliers for the company and include significant suppliers who do not engage in direct business with the company (Critical non-tier 1 Suppliers), representing 82.67% of such key suppliers. The company conducted assessments of raw material suppliers' plantations according to EUDR standards, in addition to the regular evaluations. Suppliers were asked to self-assess through the Agridence Rubber Platform. It was found that all 1,346 suppliers passed the assessment (100%), corresponding to 13,055 rais of rubber plantation area that met EUDR criteria, with an expected annual yield of 3,773 tons. The company supports its suppliers by purchasing raw materials that meet the EUDR standards at prices higher than those of conventional raw materials, incentivizing suppliers to develop their production processes in line with international standards while simultaneously creating value for society and the environment.

FAIR AND TRANSPARENT SOURCING OF RAW MATERIALS

In addition to promoting the operations of its suppliers and supporting the procurement of raw materials from environmentally certified sources, such as the Forest Stewardship Council (FSC) standard and the EU Deforestation Regulation (EUDR), the company also undertakes initiatives to instill confidence among stakeholders in its sourcing of raw materials.

The company is committed to conducting the procurement of raw materials with integrity and fairness, establishing criteria, measures, and practices that are open, transparent, and verifiable. It places importance on all suppliers without discrimination and has developed a raw material procurement system that ensures equitable benefits between large and small suppliers. The procurement policy is communicated to all distributors and rubber farmers to ensure widespread understanding.

In 2024, the company implemented the following initiatives:

- In the procurement of rubber, buyers typically assess the rubber content through estimation or visual assessment, which can affect the calculation of raw material costs and may result in farmers not receiving accurate income from the sale of rubber. The company has therefore developed scientific methods and standards for analyzing the quality of rubber to ensure transparency and verifiability. This involves analyzing the rubber content, known as Dry Rubber Content (DRC), in a laboratory accredited under the ISO/IEC 17025:2017 standard. This test yields more accurate and reliable results that ensure fairness to suppliers.
- The company announces prices in advance through various channels so that suppliers are informed before making decisions to sell raw materials. The purchasing price is based on the central market price set by the Rubber Authority of Thailand or verified prices from credible sources, and these prices are updated regularly to reflect the current market conditions.
- Procurement of local raw materials not only enhances business efficiency through stable sourcing but also reduces costs and energy consumption during transportation. Additionally, it contributes to the sustainable development of local communities, economies, and environments. The company is committed to supporting local economic development, especially grassroots economies, by purchasing rubber from smallholder farmers and local small enterprises without limiting itself to any specific group. It also provides appropriate weighing and measuring equipment according to the size of suppliers to ensure accurate weight measurement of raw materials, without unfairly disadvantaging small farmers or favoring large producers. The company's genuine intention and sincerity in promoting

straightforward business relations with smallholder farmers have resulted in a continuous increase in the number of small suppliers, in line with its goal to raise the proportion of rubber raw materials sourced from small suppliers relative to the total rubber used in production.

	2022	2023	2024
Proportion of raw material procurement from local sources (Thailand)	100%	100%	100%
Proportion of raw material procurement from local sources (Northeastern region)	N/A	58.80%	84.97%
Proportion of raw material procurement from local sources (Buriram Province)	N/A	14.32%	23%
Proportion of rubber raw materials from smallholder suppliers relative to the total rubber used in production	10.33%	5.39%	5.16%

PROMOTING GOOD LIQUIDITY FOR SUPPLIERS

with suppliers to promote liquidity in cash management and capital management for both

suppliers and the company itself. Therefore, it has established a policy and practices for making payments for goods and services to suppliers in a fair, correct, transparent, and timely manner, adhering to the payment schedule or credit terms specified in the contractual conditions. This policy has been communicated to ensure understanding from the time suppliers are registered. However, the payment timelines may not always align with the policy due to the specific constraints of each business and various factors that need to be considered, such as the nature of the products and services and the duration specified in contracts with suppliers.

The average payment period to suppliers for the company over the year is detailed as follows:

	According to Policy	2023	2024
Average payment terms for raw material suppliers	2 business days	1 day	1 day
Average payment terms for general suppliers	15-30 business days	30 day	30 day

VERIFICATION OF RAW MATERIAL ACQUISITION

The verification of the sourcing of rubber is a critical process in the company's operations that helps create transparency throughout the supply chain. This ensures that the sourced materials comply with standards in terms of quality, legality, and ethics, while also preventing potential issues related to procurement. The company has implemented the following approaches:

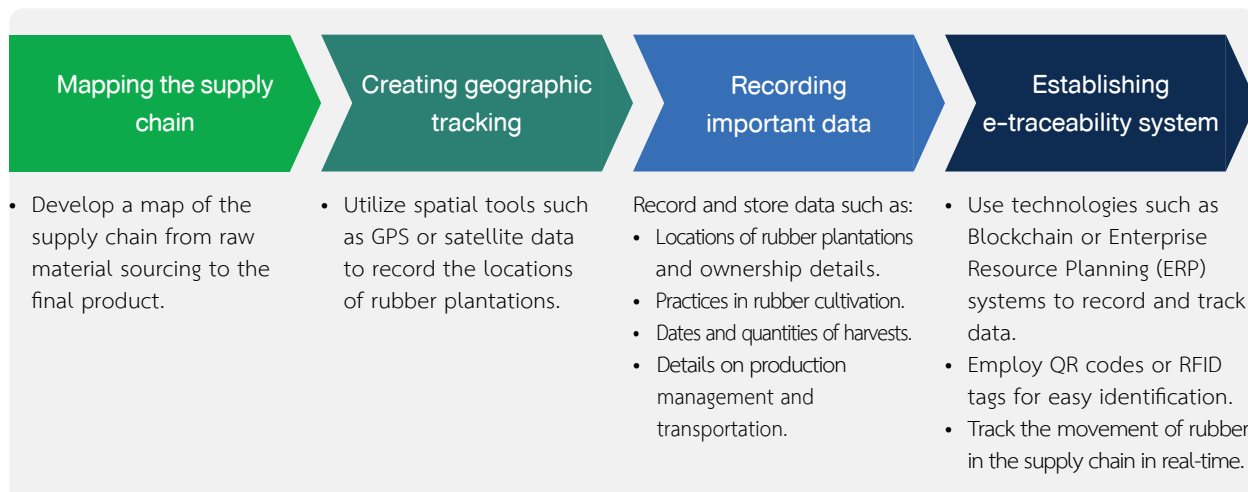
Approaches	NER's Actions
1. Inspection of the source of raw materials	The Company conducts verification and documentation collection related to raw material acquisition, such as licenses, certificates of quality, or documents confirming the legality of suppliers, to validate the source documents. It also assesses the sustainability of rubber, ensuring that rubber plantations do not encroach on reserved forest areas or adversely affect the environment. For instance, certification systems such as FSC (Forest Stewardship Council) or PEFC (Program for the Endorsement of Forest Certification) are utilized.
2. Transparency audit in the procurement process	The Company announces the purchasing prices for rubber through online communications, email, Line, and the Company website, enabling suppliers to verify buying prices and analyze them against market rates to ensure transparency. Additionally, the Company has implemented an ordering and reservation program for trading rubber, along with a purchasing tracking system to monitor every step from procurement, transportation, to payment.



Approaches	NER's Actions
3. Raw material quality inspection	Quality assessments of the raw materials are performed prior to acceptance, including checking the quantity of contaminants present with the raw materials. Samples of rubber are taken from incoming suppliers for quality testing, including the assessment of cup lump rubber to determine the dry rubber content (DRC). The quality of sheet rubber is verified against the raw rubber standards set by the Rubber Authority of Thailand within an accredited laboratory.
4. Legal compliance audit	The Company also verifies legal compliance of documents such as tax invoices, export licenses (in cases of imports or exports), and checks the regulations of the exporting country, including environmental regulations or export prohibitions, to reduce the risk of legal violations.
5. Monitoring safe and sustainable sourcing processes	A traceability system is implemented for the rubber from suppliers, tracking information from the production source to delivery points, and the suppliers are evaluated on sustainability issues.
6. Ethical and human rights assessment	The Company conducts assessments and evaluations of suppliers 1-2 times a year, focusing on labor treatment issues, including the use of child labor, forced labor, or human rights violations, as well as adverse impacts on local communities.
7. Support for data verification with certified agencies	External auditing firms are employed to ensure transparency and credibility in the raw material sourcing process, such as certification organizations for FSC, ISO auditors, or other accredited agencies.
8. Training and development of the purchasing team	The Company supports the development of its employees to enhance their knowledge and expertise in conducting audits and developing skills in quality assessment of raw materials and document verification, ensuring correct and credible operations.
9. Complaint management and reporting	Various channels for receiving complaints are established, such as written complaints, Line, and the website, along with a systematic complaint management process, which involves notifying relevant stakeholders, reporting audit results, and disseminating information about the raw material procurement process to ensure transparency.

TRACEABILITY THROUGHOUT THE SUPPLY CHAIN

The company has set a goal for all products (100%) to be traceable back to their sources by the year 2028. In 2024, the proportion of products with traceability reached 10.26% of total products sold. The company is in the process of gathering information and developing processes and systems to ensure traceability of raw materials throughout the supply chain in accordance with international standards such as the EU Deforestation Regulation (EUDR) and the Forest Stewardship Council (FSC).



6. CREATING A POSITIVE CUSTOMER EXPERIENCE

Customers are key stakeholders who play a significant role in leading the company towards success. Building strong relationships and providing positive experiences for customers is essential for fostering trust, loyalty, and long-term business opportunities. Therefore, the company is committed to developing methods to effectively and efficiently meet customer needs while adhering to policies and principles of equal treatment, honesty, transparency, and fairness, as outlined in the company's code of conduct. This commitment also includes delivering high-quality products and services that meet customer expectations.

	Long-term Goals 2028	Long-term Goals 2028	2024 Performance
2024 Performance	Exceeding 95%	Exceeding 95%	Exceeding 95%
Number of customer complaints regarding product quality	0	0	0

The company has established strategies to create a positive customer experience as follows:

- 1 Deliver high-quality products**
 Focus on producing high-quality products that meet international standards, are safe, and environmentally friendly.
- 2 Develop innovations for diversity**
 Conduct research and development to create new products that address all needs and enhance the value of finished products to meet downstream industry demands.
- 3 Communicate and serve sincerely**
 Provide accurate information in a timely manner, communicate clearly and transparently, and serve sincerely across all channels while being receptive to feedback and resolving issues quickly.
- 4 Be responsible for society and the environment**
 Aim for carbon neutrality to support international environmental goals and take responsibility for social and environmental impacts throughout the supply chain.
- 5 Build sustainable relationships**
 Foster customer engagement and manage relationships effectively to build commitment and trust as partners in business success for mutual growth.

DEVELOPMENT OF PRODUCT QUALITY AND STANDARDS

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.

In 2024, customer demand for rubber products compliant with the EU Deforestation Regulation (EUDR), which requires specific characteristics as mandated by the law, significantly increased. In response, the company has enhanced its raw material sourcing and supplier verification processes to ensure responsible labor and environmental practices. This includes obtaining sustainability management



standards, such as the Forest Stewardship Council (FSC) certification, along with additional documentation to enable traceability back to the sources of raw materials as required by EUDR.

Furthermore, the company has tasked employees to conduct surveys in the field to collect geographic coordinates to assess and verify the status of rubber plantations supplying raw materials to the company, ensuring that all necessary documentation and operations are in compliance. Approximately 12,900 rais of area was surveyed. The company also participated in bidding for EUDR-compliant rubber materials with the Rubber Authority of Thailand to produce and supply according to customer demand.

Several customers place significant importance on reducing greenhouse gas emissions in the supply chain. As a provider of raw materials, the company has conducted a carbon footprint for organization assessment and developed a greenhouse gas reduction plan aimed at achieving carbon neutrality to meet customer requirements effectively.

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.



ENHANCING SERVICE QUALITY AND COMMUNICATION

The company is focused on enhancing service quality and the skills of sales personnel, as well as coordinating and facilitating the reception of customers visiting from abroad. This ensures that customers derive maximum benefit from their visit and achieve their objectives with a positive impression of the factory tour. Additionally, the company provides various communication channels tailored to customers from different countries to address issues or complaints quickly and effectively. These channels include LINE, WeChat, and WhatsApp.

Providing accurate and reliable information to customers is crucial for building trust. Therefore, the company has established credible information sources to ensure employees receive the most accurate and up-to-date news and data related to the rubber industry. These sources include GlobalData for information on the demand volumes of various types of tires globally, Sublime China Information (CSI) for data on rubber usage and pricing in China, the International Rubber Study Group (IRSG) for climate conditions and factors affecting global rubber supply, and Bloomberg for updates on global economic conditions, exchange rates, and oil prices that impact selling prices.

CUSTOMER RELATIONSHIP MANAGEMENT

The company regularly attends rubber association events in China, Singapore, and Thailand each year. This helps maintain relationships with existing customers and establish connections with target customers. As a result, in 2024, the company gained one more customer in the automotive tire industry. Additionally, the company recognizes that the quality of its products and services significantly impacts its customers' business operations. Therefore, it invites both current and prospective customers to visit its production process, from raw material intake to manufacturing and packaging storage. This allows customers to understand and trust the production processes, assuring them that the products delivered meet international quality standards and are socially and environmentally responsible throughout the supply chain. The close interaction with customers enables the company to gather feedback and insights regarding its products and services, which assists in enhancing the current offerings. Furthermore, it enables the company to track trends and changes in customer demands, ensuring readiness to meet future needs.

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.





7. DATA PRIVACY AND SECURITY

The business information and personal data of the company's stakeholders are critical assets that must be protected. If this information is leaked—whether due to negligence or cyber threats—it can significantly impact system security, the company's reputation and image, as well as stakeholder confidence.

Therefore, the company has established a policy and guidelines for overseeing and managing information technology and personal data protection. These measures ensure that directors, executives, and employees at all levels adhere to proper data retention, access, and usage protocols, particularly for information sensitive to the company or its stakeholders. This is in accordance with the Cybersecurity Act B.E. 2562 and the Personal Data Protection Act B.E. 2562.

	Long-term Goals 2028	2024 Goals	2024 Performance
Number of complaints regarding breaches of personal data and business confidentiality	0	0	0
Incidents resulting in damage from cyberattacks	0	0	0
*Proportion of supervisory-level employees and above who have undergone data security training	100%	100%	100%
* Proportion of Operational-Level Employees Who Have Completed Data Security Training	100%	100%	81.98%

* Only supervisory-level and operational-level employees are permitted to use the company's information systems.

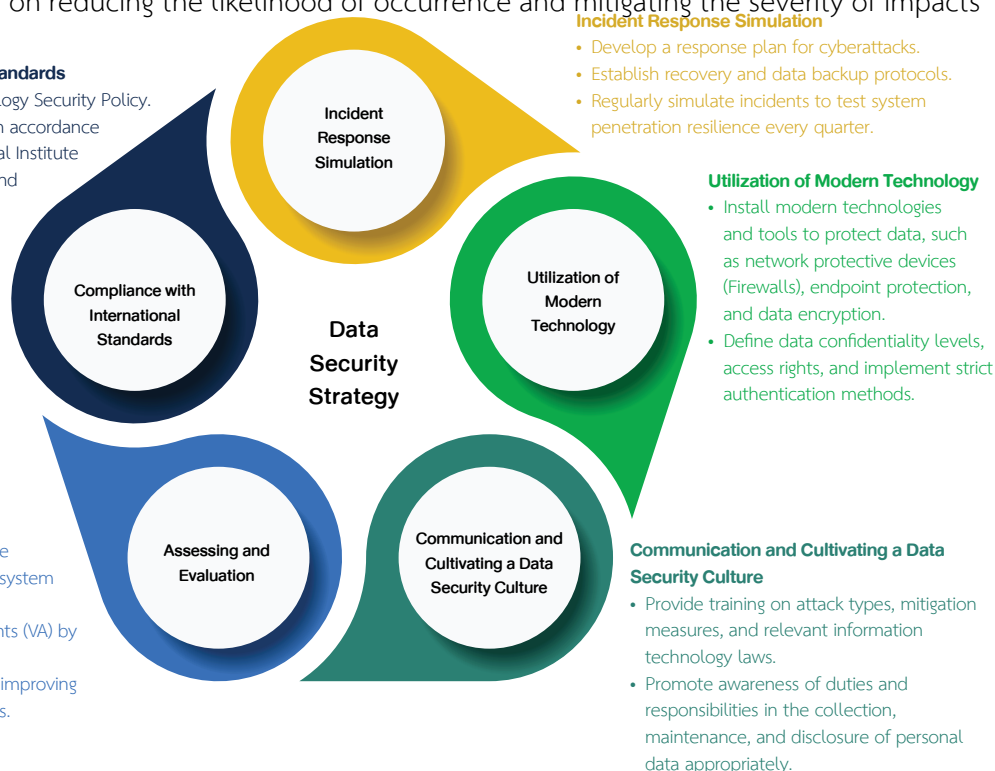
The company has established operational strategies to control the risks of data breaches and cyberattacks, focusing on reducing the likelihood of occurrence and mitigating the severity of impacts

Compliance with International Standards

- Establish an Information Technology Security Policy.
- Define operational frameworks in accordance with ISO/IEC 27001, NIST (National Institute of Standards and Technology), and relevant asset security practices.
- Designate departments and personnel responsible for overseeing cybersecurity and personal data protection.
- Continuously monitor changes in relevant laws and regulations.

Assessing and Evaluation

- Regularly assess and evaluate the effectiveness of equipment and system continuity.
- Conduct Vulnerability Assessments (VA) by external experts.
- Analyze data for the purpose of improving and developing various measures.



PREVENTION OF CYBERATTACKS

The company identifies and assesses risks related to cybersecurity to establish appropriate risk management measures. These include Access Control Management, data encryption, Multifactor Authentication (MFA), and the installation of antivirus software (Endpoints) to protect against cyberattacks on all computers and electronic devices within the organization. Additionally, the company maintains backup data and conducts regular assessments of backup data availability every quarter to prepare for potential cyberattacks or actions from malicious individuals, as such incidents could disrupt operations. Therefore, the company has developed a Business Continuity Plan (BCP) and a Recovery Plan to ensure preparedness in the event of a crisis.

The company continuously develops its information technology infrastructure and security systems, monitoring and tracking emerging threats resulting from the rapid evolution of technology in both office and factory systems. This proactive planning enables the company to anticipate and prevent

attacks while regularly reviewing its cyber threat response systems and conducting drills for restoring information systems.

DATA MANAGEMENT AND DATA ACCESS

The company has established measures for the security of personal data in compliance with legal requirements and international operational standards. A Data Protection Officer (DPO) has been appointed to play a crucial role in overseeing and monitoring activities related to personal data within the organization, ensuring adherence to the principles of the Personal Data Protection Act. The DPO also provides consultation, oversight, and coordination both internally and externally to ensure proper management of personal data. In addition to utilizing modern technology to protect data from cyberattacks or unauthorized intrusions, the company has implemented a system for managing critical data and documents, as well as controlling access to information within the organization. This approach aims to maximize the security and privacy of data.

MANAGEMENT OF COMPLAINTS REGARDING DATA BREACHES

The company has established channels for stakeholders to report incidents of confidential information or personal data breaches. There is a process in place for fact-finding investigations. In cases of complaints regarding personal data, the Data Protection Officer will review the matter and report to management accordingly.

Complaint Channels

Postal mail:

Human Resources Division, North East Rubber Public
Company Limited

398 Moo.4 Kok Ma Sub-district, Prakhonchai District,
Buriram 31140

Telephone: 044- 666-928 / 044-666-929

Email: hr@nerubber.com

Website: <https://www.nerubber.com>





EMPLOYEE COMMUNICATION AND TRAINING

In 2024, the company implemented various programs and activities to educate and raise awareness among employees at all levels about cyber threats, confidentiality, privacy, and data security. This was accomplished through multiple communication channels, including the company's website, intranet, electronic bulletin boards, and LINE, ensuring that employees receive sufficient information to understand the importance of safeguarding data and the correct use of digital devices and technologies. Special emphasis was placed on employees in supervisory roles and above who utilize information systems such as email and the company's ERP system.

In 2024, the company conducted two training sessions, both in-office and online. Employees participating in the training were required to pass a data security skills assessment with a score of 80% or higher. A total of 72 supervisors and above successfully completed the training, while 91 operational staff members able to use the company's information systems represented

100% and 81.98%, respectively, of the total employees in those groups. The proportion of trained supervisors met the goals for 2024, although not all operational staff could be trained within that year. In 2025, the company plans to implement additional training and communication strategies regarding data security for new employees during orientation, as well as review sessions for current employees through Morning Talk activities to ensure everyone understands and can correctly adhere to data safety protocols.

As a result of strict adherence to policies and measures, the company experienced no incidents of cyberattacks or data breaches in 2024, and there were no complaints regarding the breaches of personal or business confidential information. However, in addition to employee training and regular system audits, the company has planned to conduct penetration testing and vulnerability assessments by certified external experts in 2025 to enhance security efficacy and keep pace with technological advancements.



4

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

FINANCIAL STATEMENT SUMMARY TABLE

FINANCIAL STATUS AND PERFORMANCE SUMMARY TABLE

(1) STATEMENT OF FINANCIAL POSITION: NORTHEAST RUBBER PUBLIC COMPANY LIMITED

(Unit: million baht)

Statement of financial position	As of December 31, 2024		As of December 31, 2023		As of December 31, 2022	
	Audited Financial Statement		Audited Financial Statement		Audited Financial Statement	
	Million Baht	%	Million Baht	%	Million Baht	%
Assets						
Current Assets						
Cash and cash equivalents	220.92	1.14%	61.18	0.36%	1,395.82	8.56%
Trade and other receivables						
- Related parties	0.25	0.001%	2.08	0.01%	0.23	0.001%
- Other parties	804.57	4.13%	688.21	4.09%	989.99	6.07%
Inventories	16,213.26	83.33%	13,842.28	82.20%	11,821.79	72.50%
Biological assets	0.22	0.00%	0.65	0.00%	0.27	0.00%
Other current financial assets	29.18	0.15%	32.48	0.19%	24.21	0.15%
Total current assets	17,268.40	88.75%	14,626.88	86.86%	14,232.31	87.28%
Non-current assets						
Restricted deposits at bank	478.92	2.46%	424.12	2.52%	355.20	2.18%
Investments in subsidiary accounted for using the cost method	0.56	0.00%	-	-	-	-
Property, Plant and Equipment- net	1,683.21	8.65%	1,764.15	10.48%	1,688.58	10.36%
Rights to use assets - net	12.83	0.07%	13.88	0.08%	19.93	0.12%
Intangible assets - net	3.70	0.02%	2.94	0.02%	2.95	0.02%
Deferred tax assets	7.50	0.04%	1.46	0.01%	2.47	0.01%
Other non-current assets-deposits and guarantees	2.68	0.01%	5.69	0.03%	5.10	0.03%
Total non-current assets	2,189.40	11.25%	2,212.24	13.14%	2,074.23	12.72%
Total assets	19,457.80	100.00%	16,839.12	100.00%	16,306.54	100.00%

**CURRENT LIABILITIES**

(Unit: million baht)

Statement of financial position	As of December 31, 2024		As of December 31, 2023		As of December 31, 2022	
	Audited Financial Statement		Audited Financial Statement		Audited Financial Statement	
	Million Baht	%	Million Baht	%	Million Baht	%
Liabilities and Shareholders' Equity						
Current Liabilities						
Short-term borrowings from financial institutions	4,060.40	20.87%	3,860.30	22.92%	2,694.67	16.53%
Trade and other payables						
- Related parties	1.23	0.01%	1.80	0.01%	1.28	0.01%
- Other parties	246.52	1.27%	212.02	1.26%	281.77	1.73%
Current portion of lease liabilities	5.69	0.03%	5.31	0.03%	8.32	0.05%
Current portion of long-term loans from financial institutions	148.15	0.76%	149.44	0.89%	154.57	0.95%
Current portion of long-term debentures	1,000	5.14%	-	-	1,300.00	7.97%
Income tax payable	18.93	0.10%	40.26	0.24%	35.75	0.22%
Other current financial liabilities						
- Liabilities from purchase contract obligations	-	-	-	-	16.97	0.10%
- Others	52.48	0.27%	11.48	0.07%	11.82	0.07%
Total current liabilities	5,533.40	28.44%	4,280.61	25.42%	4,505.15	27.63%
Non-current liabilities						
Lease liabilities - net	5.68	0.03%	7.29	0.04%	10.59	0.06%
Long-term borrowings from financial institutions-net	136.77	0.70%	280.07	1.66%	418.24	2.56%
Debentures - net ^{/1}	5,256.55	27.02%	4,779.23	28.38%	4,764.62	29.22%
Deferred tax liabilities	7.12	0.04%	4.15	0.03%	3.29	%0.02
Liability for post-employment benefits	30.32	0.16%	19.17	0.11%	16.81	0.10%
Total non-current liabilities	5,436.44	27.94%	5,089.91	30.22%	5,213.56	31.97%
Total liabilities	10,969.84	56.38%	9,370.52	%55.64	9,718.71	59.60%

(Unit: million baht)

Statement of financial position	As of December 31, 2024		As of December 31, 2023		As of December 31, 2022	
	Audited Financial Statement		Audited Financial Statement		Audited Financial Statement	
	Million Baht	%	Million Baht	%	Million Baht	%
Shareholders' equity						
Share capital ^{1/2}						
- Authorized share capital						
2,155,754,706 shares in 2024 and 2,009,467,890 shares in 2021 - 2023, par value of 0.50 baht per share	1,077.87	5.54%	1,004.73	5.97%	1,004.73	6.16%
- Issued and fully paid-up share capital						
1,847,789,748 shares in 2022 - 2024 and 1,760,635,056 shares in 2021, par value of 0.50 baht per share	923.89	4.75%	923.89	5.49%	923.89	5.67%
Premium on shares	1,571.73	8.08%	1,571.73	9.33%	1,571.73	9.64%
Retained earnings						
- Appropriated for legal reserve	107.79	0.55%	100.47	0.60%	100.47	0.62%
- Unappropriated	5,884.55	30.24%	4,872.51	28.94%	3,991.73	24.48%
Total shareholders' equity	8,487.96	43.62%	7,468.60	44.36%	6,587.83	40.40%
Total liabilities and shareholders' equity	19,457.80	100.00%	16,839.12	100.00%	16,306.54	100.00%

Note :

- ^{1/1} - On November 4, 2021, the Company issued two series of registered, unsecured and unsubordinated debentures to institutional investors and major investors with a total value of 2,000 million baht, totaling 2,000,000 units, with a par value of 1,000 baht per unit. The first series of debentures has a term of 4 years, an interest rate of 5.25 percent, and is due for redemption on November 4, 2025, and the second series of debentures has a term of 5 years, an interest rate of 6.00 percent, and is due for redemption on November 4, 2026. The said debentures are due for interest payment every 3 months.
- On September 8, 2022, the Company issued two series of name-registered, unsubordinated, and unsecured debentures to institutional investors and major investors, totaling 2,814.30 million baht, totaling 2,814,300 units, with a par value of 1,000 baht per unit. The first series of debentures has a term of 5 years, an interest rate of 5.65 percent, and is due for redemption on September 8, 2027. And the second series of debentures has a term of 7 years, an interest rate of 6.40 percent per annum, and is due for redemption on September 8, 2029. These debentures are subject to interest payment every 3 months.
 - On December 20, 2024, the Company issued name-registered, unsubordinated, and unsecured debentures to institutional investors and major investors, totaling 1,500 million baht, totaling 1,500,000 units, with a par value of 1,000 baht per unit. The debentures have a term of 5 years, an interest rate of 3.41 percent, and are due for redemption on December 20, 2029. The debentures are due for interest every 6 months.
 - All debentures of the Company have important conditions which the Company must comply with, namely maintaining the debt-to-equity ratio at a rate not exceeding 2.5:1. In addition, the Company is obliged to comply with the terms and conditions of various agreements made with CGIF.



- ¹² - At the annual general meeting of shareholders on 7 April 2022, shareholders approved the extension of the allocation period of General Mandate not exceeding 161,467,890 shares with a par value of 0.50 baht per share for offering to Private Placement for another 1 year.
- At the annual general meeting of shareholders on 10 April 2023, shareholders approved the extension of the General Mandate allocation period of no more than 161,467,890 shares with a par value of 0.50 baht per share for offering to Private Placement for another 1 year.
- At the annual general meeting of shareholders on April 10, 2024, shareholders resolved to reduce the Company's registered capital from the original 1,004,733,945 baht to 923,894,874 baht by cutting the ordinary shares allocated to support the issuance and offering of additional ordinary shares under the general power of attorney in the amount of 161,678,142 shares with a par value of 0.50 baht per share (total 80,839,071 baht) to be offered for sale to Private Placement and increasing the Company's registered capital from the original 923,894,874 baht (divided into ordinary shares 1,847,789,748 shares, par value of 0.50 baht per share) by issuing 307,964,958 new ordinary shares, par value of 0.50 baht per share, totaling 153,985,479 baht to support the exercise of rights under the Company's common stock purchase warrants issued to existing shareholders. The Company has registered this capital increase with the Ministry of Commerce on April 18, 2024.

**(2) STATEMENT OF COMPREHENSIVE INCOME: NORTHEAST RUBBER PUBLIC COMPANY LIMITED**

(Unit: million baht)

Comprehensive Income Statement	2024		2023		2022	
	Audited Financial Statement		Audited Financial Statement		Audited Financial Statement	
	Million Baht	%	Million Baht	%	Million Baht	%
Sales Revenue – Net	27,448.33	99.83%	25,045.17	99.92%	25,172.06	99.86%
Gain on valuation of fair value of derivatives	-	-	8.61	0.03%	5.53	0.02%
Gain on exchange rate	28.60	0.10%	-	-	-	-
Other income	19.23	0.07%	11.93	0.05%	30.64	0.12%
Total Revenue	27,496.16	100.00%	25,065.71	100.00%	25,208.23	100.00%
Cost of sales	24,668.52	89.72%	22,231.93	88.69%	22,116.16	87.73%
Distribution costs	368.37	1.34%	566.39	2.26%	601.46	2.39%
Administrative expenses	232.85	0.85%	152.16	0.61%	164.33	0.65%
Loss on valuation of fair value of derivatives	49.53	0.18%	-	-	-	-
Loss on exchange rate	-	-	45.42	0.18%	103.36	0.41%
Total expenses	25,319.27	92.08%	22,995.89	91.74%	22,985.31	91.18%
Profit from Operating Activities	2,176.89	7.92%	2,069.82	8.26%	2,222.92	8.82%
Financial Cost	469.12	1.71%	439.83	1.76%	421.07	1.67%
Profit Before Income Tax Expense	1,707.77	6.21%	1,629.99	6.51%	1,801.85	7.15%
Income Tax Expense	55.30	0.20%	84.39	0.34%	53.85	0.21%
Profit for the Year	1,652.47	6.01%	1,545.60	6.17%	1,748.00	6.94%
Other Comprehensive Income (Loss) for the Year	(4.85)	(0.02%)	0.37	0.001%	-	-
Total Comprehensive Income for the Year	1,647.62	5.99%	1,545.97	6.17%	1,748.00	6.94%
Basic Earnings Per Share (Baht/Share)	0.89		0.84		0.96	

**(3) CASH FLOW STATEMENT: NORTH EAST RUBBER PUBLIC COMPANY LIMITED**

(Unit: million baht)

Cash flow statement	2024	2023	2022
	Audited	Audited	Audited
Cash flow from operating activities			
Profit for the year	1,652.47	1,545.60	1,748.00
<u>Adjustments</u>			
Income tax expense	55.30	84.39	53.85
Depreciation and amortization	232.21	198.77	183.86
Expense on post-employment benefits	9.15	2.81	2.16
Unrealized loss on exchange rate	3.10	5.37	3.63
Gain on valuation of biological assets	(4.61)	(5.55)	(7.14)
Decreases in allowance for diminution in value of inventories	-	(9.77)	9.77
Loss (gain) on sales of equipment	0.38	(2.14)	-
Unrealized loss (gain) on valuation of fair value of derivatives	36.32	(13.21)	(4.60)
Loss on written-off assets	0.07	1.00	0.33
Loss (reversal of loss) from purchase commitment of inventories	5.37	(16.97)	16.97
Gain on termination of lease	-	(0.06)	-
Interest income	(11.56)	(3.50)	(24.22)
Interest expense	469.12	439.77	418.30
Operating assets decreased (increased)			
Trade and other receivables	(118.00)	272.80	(166.81)
Inventories	(2,365.95)	(2,005.55)	(757.07)
Cash back from withholding tax	6.65	24.06	-
Other current financial assets	(3.35)	(19.12)	(10.72)
Other non-current assets	0.77	(13.66)	(0.06)
Increase (decrease) in operating liabilities			
Trade and other payables	40.15	(61.74)	(180.72)
Other current liabilities	(0.68)	(0.34)	4.88
Post-employment benefit liabilities	(4.06)	-	(0.07)
Net cash provided by (used in) operations	2.85	422.96	1,290.34
Interest received	7.54	22.35	-
Income tax paid	(78.50)	(78.10)	(31.99)
Net cash provided by (used in) operating activities	(68.11)	367.21	1,258.35



Cash flow statement	2024	2023	2022
	Audited	Audited	Audited
Cash flow from investing activities			
Increase in restricted deposits at banks	(54.80)	(68.91)	(97.78)
Additions to plant and equipment	(145.19)	(245.82)	(331.47)
Additions in intangible assets	(1.56)	(0.59)	(2.79)
Proceeds from sales of equipment	1.12	3.66	–
Interest received	4.35	2.91	1.71
Net cash flow used in investing activities	(196.08)	(308.75)	(430.33)
Cash flow from financing activities			
Increase in short-term borrowings from financial institutions	200.10	1,165.63	(1,152.86)
Long-term borrowings from financial institutions	–	–	210.00
Repayment of long-term borrowings from financial institutions	(144.58)	(143.31)	(107.06)
Payment of lease liabilities	(5.91)	(7.20)	(8.51)
Issuance of debentures	1,500.00	–	2,814.30
Redemption of debentures	–	(1,300.00)	(700.00)
Debentures Issuance costs	(34.46)	–	(26.16)
Dividends paid	(628.25)	(665.20)	(763.17)
Interest paid	(462.97)	(443.02)	(395.67)
Cash received from capital increase	–	–	156.88
Net cash flow provided by (used in) financing activities	423.93	(1,393.10)	27.75
Cash and cash equivalents increase (decrease)–Net	159.74	(1,334.64)	855.77
Cash and cash equivalents at beginning of year	61.18	1,395.82	540.05
Cash and cash equivalents at end of year	220.92	61.18	1,395.82

**(4) FINANCIAL RATIOS: NORTH EAST RUBBER PUBLIC COMPANY LIMITED**

Financial ratios	Unit	2024	2023	2022
		Audited	Audited	Audited
Liquidity Ratio				
Liquidity ratio	times	3.12	3.42	3.16
Quick ratio	times	0.18	0.17	0.52
Cash flow liquidity ratio	times	(0.01)	0.08	0.26
Account receivable turnover	times	38.75	31.86	30.35
Average collection period	Day	10	12	13
Inventory turnover	times	1.64	1.73	1.93
Average sales period	Day	223	211	189
Account payable turnover	times	443.08	393.11	225.10
Debt payment period	Day	1	1	2
Cash Cycle	Day	231	222	200
Profitability Ratio				
Gross profit margin	%	10.13%	11.23%	12.14%
Operating profit margin	%	7.93%	8.26%	8.83%
Cash to profit ratio	%	(3.13%)	17.74%	56.61%
Net profit margin	%	6.01%	6.17%	6.94%
Return on equity	%	20.71%	21.99%	29.05%
Efficiency Ratio				
Return on assets	%	9.11%	9.33%	11.45%
Return on fixed assets	%	109.34%	101.04%	120.39%
Asset turnover	times	1.52	1.51	1.65
Financial Policy Ratio				
Debt to Equity Ratio	times	1.29	1.25	1.48
Interest Coverage Ratio	times	5.24	5.30	6.06
interest bearing debt to EBITDA ratio	times	4.43	4.03	3.93
Interest Bearing Debt to Equity : IBD/E	times	1.25	1.22	1.43
Dividend payout ratio ^{/1}	%	40.26% ^{/4}	40.65% ^{/3}	40.17% ^{/2}

Note :

^{/1} - Dividend payout ratio = Dividend payout / Net profit

^{/2} - At the Board of Directors' meeting on August 8, 2022, the Board of Directors unanimously approved the payment of an interim dividend from the operating results for the six-month period ended June 30, 2022 to shareholders at the rate of THB 0.07 per share, totaling approximately THB 129.34 million, to be paid from all profits received from investment promotion. The Company paid such dividend to shareholders on September 7, 2022.

- The Board of Directors' Meeting No. 2/2023 on 17 February 2023 resolved to approve the dividend payment for the 2022 operating results at the rate of 0.38 baht per share, totaling approximately 702.16 million baht. After deducting the interim dividend for the first 6 months of 2022 at the rate of 0.07 baht per share, totaling 129.34 million baht, which was paid on 7 September 2022. The remaining dividend to be paid this time is at the rate of 0.31 baht per share, totaling 572.81 million baht, which is the dividend payment from the net profit exempted from tax from the investment promotion privileges (BOI). The Company will determine the list of shareholders entitled to receive the dividend (Record date) on 21 April 2023 and set the dividend payment date on 9 May 2023.
- ^{/3} - At the Board of Directors' meeting on August 11, 2023, the Board of Directors unanimously approved the payment of an interim dividend from the operating results for the six-month period ended June 30, 2023 to shareholders at the rate of 0.05 baht per share, totaling approximately 92.39 million baht, to be paid from all profits received from investment promotion. The Company paid such dividend to shareholders on September 8, 2023.
- The Board of Directors' Meeting No. 1/2024 on 27 February 2024 resolved to approve the dividend payment for the operating results for the year 2023 at the rate of 0.34 baht per share, totaling approximately 628.25 million baht. After deducting the interim dividend for the operating results for the first 6 months of 2023 at the rate of 0.05 baht per share, totaling 92.39 million baht, which was paid on 8 September 2023, the remaining dividend to be paid this time is at the rate of 0.29 baht per share, totaling 535.86 million baht. This dividend payment is made from net profit exempted from tax from the investment promotion privileges (BOI). The Company will determine the list of shareholders entitled to receive the dividend (Record date) on 23 April 2024 and set the dividend payment date on 9 May 2024. The dividend payment is subject to approval from 2024 Annual General Meeting of Shareholders.
- ^{/4} - At the Board of Directors' meeting on August 9, 2024, the Board of Directors unanimously approved the payment of an interim dividend from the operating results for the six-month period ended June 30, 2024 to shareholders at the rate of 0.05 baht per share, totaling approximately 92.39 million baht, to be paid from all profits received from investment promotion. The Company paid such dividend to shareholders on September 6, 2024.
- The Board of Directors' Meeting No. 1/2025 on February 19, 2025 resolved to approve the payment of dividends for the operating results for the year 2024 at the rate of 0.36 baht per share, totaling approximately 665.20 million baht. After deducting the interim dividend for the operating results for the first 6 months of 2024 at the rate of 0.05 baht per share, totaling 92.39 million baht, which was paid on September 6, 2024, the remaining dividend to be paid this time is 0.31 baht per share, totaling 572.81 million baht. This is a dividend payment from net profit exempted from tax from investment promotion privileges (BOI). The Company will determine the list of shareholders entitled to receive dividends (Record date) on April 25, 2025 and set the dividend payment date on May 9, 2025. The payment of such dividends is subject to approval by the 2025 Annual General Meeting of Shareholders.



FINANCIAL RATIO CALCULATION FORMULA

Liquidity Ratio		
Liquidity Ratio	times	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
Quick ratio	times	$\frac{\text{Cash and bank deposits} + \text{Marketable securities} + \text{Trade receivables and notes receivable}}{\text{Current liabilities}}$
Cash flow liquidity ratio	times	$\frac{\text{Cash Flow from Operations}}{\text{Average Current Liabilities}}$
Trade receivable turnover	times	$\frac{\text{Net Sales}}{\text{Trade Receivables Before Doubtful Accounts} + \text{Trade Notes Receivable (Average)}}$
Average collection period	Day	$\frac{365}{\text{Accounts receivable turnover}}$
Inventory turnover	times	$\frac{\text{Cost of Goods Sold}}{\text{Inventory (Average)}}$
Average sales period	Day	$\frac{365}{\text{Inventory Turnover Ratio}}$
Payable turnover	times	$\frac{\text{Purchase or Cost of Goods Sold}}{\text{Trade Payables} + \text{Trade Notes Payable (Average)}}$
Debt payment period	Day	$\frac{365}{\text{Trade Payable Turnover}}$
Cash Cycle	Day	$\text{Average collection period} + \text{Average sales period} - \text{Average debt payment period}$

**Profitability Ratio**

Gross Profit Margin	%	<u>Gross Profit</u>
		Net Sales
Operating Profit Margin	%	<u>Operating Profit</u>
		Net Sales
Other Profit Margin	%	<u>Non-operating profit</u>
		Total revenue
Cash to Profit Margin	%	<u>Cash flow from operations</u>
		Operating profit
Net Profit Margin	%	<u>Net profit</u>
		Total revenue
Return on equity (ROE)	%	<u>Net Profit</u>
		Equity (Average)

Efficiency Ratio

Return on Assets (ROA)	%	<u>Net Profit</u>
		Total Assets (Average)
Return on Fixed Assets	%	<u>Net Profit + Depreciation</u>
		Net Fixed Assets (Average)
Asset Turnover	times	<u>Total Revenue</u>
		Total Assets (Average)

Financial Policy Ratio

Debt to Equity Ratio	times	<u>Total Liabilities</u>
		Shareholders' Equity
Interest Coverage Ratio	%	<u>Profit Before Interest, Taxes, Depreciation and Amortization</u>
		Interest Expense
Interest bearing debt to EBITDA ratio	%	<u>Total Interest-Bearing Debt</u>
		Profit Before Interest, Taxes, Depreciation and Amortization
Interest-bearing debt to equity ratio	times	<u>Interest-Bearing Debt</u>
		Shareholders' Equity
Dividend payout ratio	%	<u>Dividends</u>
		Net Profit



OPERATING RESULTS

The Company's operating results for 2024 ending on December 31, 2024, the Company had total revenue of 27,496.16 million baht. Divided into sales revenue of 27,448.33 million baht, exchange rate profit of 28.60 million baht, and other income of 19.23 million baht, or 99.83 percent, 0.10 percent, and 0.07 percent of total revenue, respectively. When compared to the year 2023, the Company had total revenue of 25,065.71 million baht, divided into sales revenue of 25,045.17 million baht, profit from fair value measurement of derivative instruments of 8.61 million baht, and other revenue of 11.93 million baht, or 99.92 percent, 0.03 percent, and 0.05 percent of total revenue, respectively.

The table shows sales revenue by product as follows:

(Unit: million baht)

Sales revenue by product						
Product type	2024		2023		The difference increases (decreases)	
	Million Baht	%	Million Baht	%	Million Baht	%
1) RSS	4,017.94	14.61	3,576.93	14.27	441.01	12.33%
2) STR	14,302.27	52.02	13,283.31	52.99	1,018.96	7.67%
3) STR-Mixtures Rubber	5,850.38	21.28	5,135.20	20.49	715.18	13.93%
4) RSS-Mixtures Rubber	3,274.64	11.91	3,045.47	12.15	229.17	7.52%
5) Finished products ()	3.10	0.01	4.26	0.02	(1.16)	(27.23%)
Sales revenue	27,448.34	99.83	25,045.17	99.92	2,403.17	9.60%
Other revenue	47.83	0.17	20.54	0.08	27.29	132.86%
Total revenue	27,496.16	100.00	25,065.71	100.00	2,430.45	9.70%

PERFORMANCE ANALYSIS

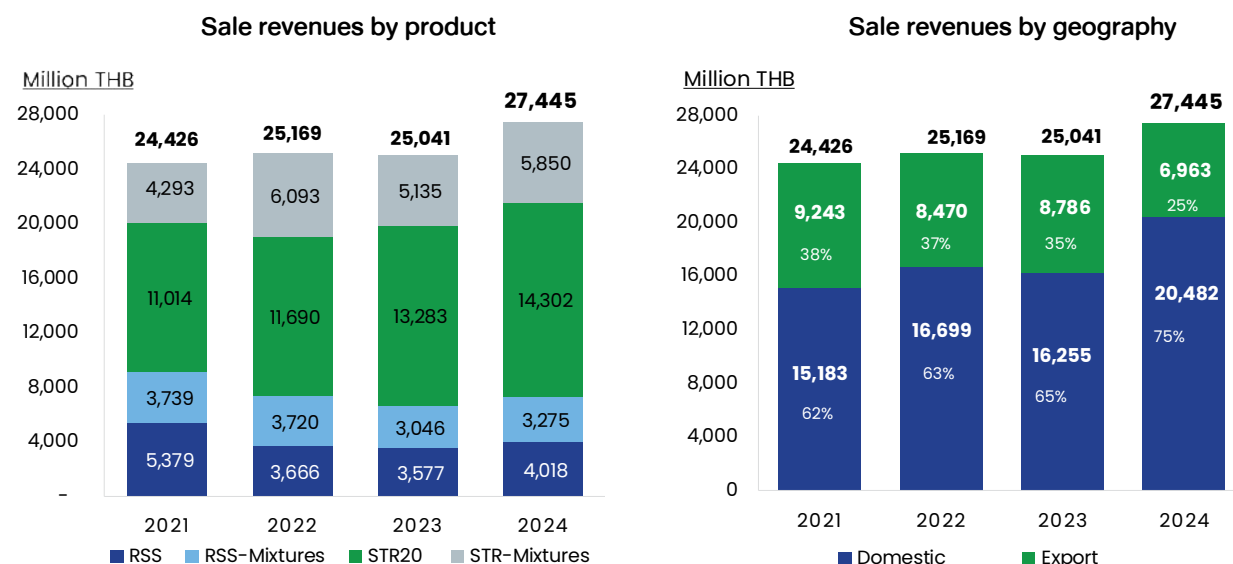
(Unit: million baht)

Statement of Comprehensive Income						
	2024		2023		The difference increases (decreases)	
	Million Baht	%	Million Baht	%	Million Baht	%
Sales volume (tons)	439,179		497,053		(57,874)	(11.64%)
Domestic sales revenue	20,485.05	74.63%	16,259.49	64.92%	4,225.56	25.99%
Overseas sales revenue	6,963.28	25.37%	8,785.68	35.08%	(1,822.40)	(20.74%)
Total sales revenue	27,448.33	100.00%	25,045.17	100.00%	2,403.16	9.60%
Cost of sales	24,668.52	89.87%	22,231.93	88.77%	2,436.59	10.96%
Gross profit	2,779.81	10.13%	2,813.24	11.23%	(33.43)	(1.19%)
Distribution costs	368.37	1.34%	566.39	2.26%	(198.01)	(34.96%)
Administration expenses	232.85	0.85%	152.16	0.61%	80.70	53.03%

	2024		2023		The difference increases (decreases)	
	Million Baht	%	Million Baht	%	Million Baht	%
Unrealized loss (profit) from valuation of derivatives	49.53	0.18%	(8.61)	(0.03%)	58.14	(675.42%)
Operating profit	2,129.05	7.76%	2,103.30	8.40%	25.75	1.22%
Finance cost	469.12	1.71%	439.83	1.76%	29.29	6.66%
Profit before other income	1,659.94	6.05%	1,663.48	6.64%	(3.54)	(0.21%)
Other income	19.22	0.07%	11.93	0.05%	7.29	61.08%
Profit (Loss) on Exchange Rate	28.60	0.10%	(45.42)	(0.18%)	74.02	162.98%
Profit Before Income Tax	1,707.77	6.21%	1,629.99	6.51%	77.78	4.77%
Income Tax Expense	55.30	0.20%	84.39	0.34%	(29.09)	(34.47%)
Other Comprehensive Income for the Year	(4.85)	(0.02%)	0.37	0.00%	(5.22)	(1,426.98%)
Comprehensive Income for the Year	1,647.62	5.99%	1,545.97	6.17%	101.65	6.58%

Operating results for 2024 ending on December 31, 2024 compared to 2023, sales volume was 439,179 tons, down 57,874 tons or 11.64 percent. Total sales revenue was 27,448.33 million baht, up 2,403.16 million baht or 9.60 percent, divided into domestic sales revenue of 20,485.05 million baht or 74.63 percent of total sales, up 4,225.56 million baht or 25.99 percent, revenue from overseas sales was 6,963.28 million baht or 25.37 percent of total sales, down 1,822.40 million baht or 20.74 percent.

For sales revenue, it can be separated by comparative products between 2024 and 2023 as follows:



REVENUE BY PRODUCT TYPE

The Company's products for the rubber processing business can be divided into 3 types: Ribbed Smoked Rubber products, Standard Thai Rubber20 products, and Mixtures Rubber products. In addition,

the Company also has a finished goods business, namely Livestock Rubber Mattress products, which will start generating revenue in 2022. The Company recognizes revenue from sales when it is probable that economic benefits will be received from the



transaction and can reliably measure the value of the revenue and related costs. In addition, sales are recognized as revenue net of discounts when delivery is made, the customer accepts the goods and transfers the significant risks and rewards of ownership of the goods to the buyer.

For 2023, the Company's revenue from sales by product type was 14 percent for RSS, 53 percent for STR, 21 percent for STR-Mixtures Rubber, and 12 percent for RSS-Mixtures Rubber. When compared to 2022, the Company's revenue from sales by product type was as follows: Smoked Rubber Sheets (RSS) decreased by 3 percent, Block Rubber (STR) increased by 14 percent, Mixed Rubber (STR-Mixtures Rubber) decreased by 16 percent, and Mixed Rubber Sheets (RSS-Mixtures Rubber) decreased by 18 percent, respectively.

In 2024, the Company's revenue from sales by product type was 15 percent for RSS, 52 percent for STR, 21 percent for STR-Mixtures Rubber, and 12 percent for RSS-Mixtures Rubber. When compared to 2023, the Company has a proportion of sales revenue by product type as follows: Smoked Rubber Sheet (RSS) increased by 12 percent, Block Rubber (STR) increased by 8 percent, Mixed Rubber (STR-Mixtures Rubber) increased by 14 percent, and Mixed Rubber Sheet (RSS-Mixtures Rubber) increased by 8 percent, respectively.

Income details by product type are as follows:

1) REVENUE FROM SALES OF RIBBED SMOKED SHEET : RSS

The Company began producing and distributing RSS since 2006 with an initial production capacity of approximately 40,000 tons per year. After that, the production capacity has been continuously expanded until the current production capacity is approximately 60,000 tons per year. The Company's RSS have received a promotion card (BOI) from the Board of Investment under the Investment Promotion Act B.E. 2520. The investment promotion was granted and income began to be

generated since November 12, 2007. As a result, the Company is exempted from corporate income tax for 100 percent of net profit from the business operation for 8 years from the date of first income generation and receives a 50 percent reduction in corporate income tax for 5 years from the completion of the 8-year period. The Company is currently using the privileges under the promotion card for efficiency development for a period of 3 years, starting from February 2, 2021 - February 1, 2024.

For 2022, the Company's revenue from sales of smoked rubber sheets decreased by 1,713.22 million baht, or 31.85 percent, compared to the previous year, due to a decrease in sales volume of 41,256 tons, or 41.07 percent, from domestic sales of 44,819 tons and international sales of 14,382 tons. In terms of average selling price compared to the previous year, the average selling price increased from 53.55 baht per kilogram in 2021 to 61.93 baht per kilogram in 2022.

For 2023, the Company's revenue from sales of smoked rubber sheets decreased by 89.19 million baht or 2.43 percent compared to the previous year due to an increase in sales volume of 5,385 tons or 9.10 percent from domestic sales of 49,262 tons and international sales of 15,324 tons. In terms of average selling price compared to the previous year, the average selling price decreased from 61.93 baht per kilogram in 2022 to 55.38 baht per kilogram in 2023.

For 2024, the Company's revenue from sales of smoked rubber sheets increased by 441.01 million baht, or 12.33 percent, compared to the previous year, due to a decrease in sales volume of 10,263 tons, or 15.89 percent, from domestic sales of 48,234 tons and foreign sales of 6,089 tons. In terms of average selling price compared to the previous year, the average selling price increased from 55.38 baht per kilogram in 2023 to 73.96 baht per kilogram in 2024.

2) REVENUE FROM SALES OF STANDARD THAI RUBBER: STR20

The Company added STR20 in 2013, completed construction of the factory and was able to sell STR20 in 2014 with a production capacity of approximately 72,000 tons per year and increased the production capacity of STR20 to approximately 79,200 tons per year. The Company's STR20 products received a promotion card from the Board of Investment (BOI) under the Investment Promotion Act B.E. 2520, and received investment promotion and began to generate income since August 4, 2014. As a result, the Company received a 100% corporate income tax exemption for net profit from the business operation for 8 years from the date of first generating income and received a 50% corporate income tax reduction for 5 years.

In addition, the Company increased the production capacity of the second STR factory in late 2019, completed construction of the plant, and was able to distribute STR and STR-Mixtures Rubber in 2020 with a production capacity of approximately 172,800 tons per year. In 2023, the Company increased the production capacity of STR in the second factory by another 50,000 tons, resulting in a total production capacity of STR in the second factory of 222,800 tons in 2023, which received a promotion card from the Board of Investment (BOI) under the Investment Promotion Act B.E. 2520. The investment promotion was granted and the Company began to receive such income since July 8, 2020, resulting in the Company being exempted from corporate income tax on 100 percent of net profit from the business for 6 years from the date of first income.

In 2022, the Company had revenue from sales of STR20 rubber, including both factories, totaling 11,689.99 million baht, an increase of 676.21 million baht or 6.14 percent compared to the previous year, due to an increase in sales volume of 1,708 tons or 0.79 percent from domestic sales

of 183,976 tons and international sales of 33,042 tons. In terms of average selling price compared to the previous year, the average selling price increased from 51.15 baht per kilogram in 2021 to 53.87 baht per kilogram in 2022.

For 2023, the Company's revenue from sales of STR increased by 1,593.22 million baht, or 13.63 percent, compared to the previous year. This was due to an increase in sales volume of 54,822 tons, or 25.26 percent, from domestic sales of 197,893 tons and overseas sales of 73,947 tons. This increase in sales volume was due to increased purchase orders both domestically and internationally, and from increased production capacity at the second STR factory. In terms of average selling price compared to the previous year, the average selling price decreased from 53.87 baht per kilogram in 2022 to 48.86 baht per kilogram in 2023.

For 2024, the Company's revenue from sales of STR increased by 1,018.96 million baht, or 7.67 percent, compared to the previous year. This was due to a decrease in sales volume of 27,824 tons, or 10.24 percent, from domestic sales of 208,454 tons and international sales of 35,652 tons. This decrease in sales volume was due to the situation of rubber prices that increased compared to 2023. In terms of average selling prices compared to the previous year, the average selling price increased from 48.86 baht per kilogram in 2023 to 58.61 baht per kilogram in 2024.

3) REVENUE FROM SALES OF MIXTURES RUBBER

The Company started to produce and distribute Mixtures Rubber, seeing the opportunity to produce STR-Mixtures Rubber and RSS-Mixtures Rubber products. The production method of Mixtures Rubber starts from grinding cup lump rubber and crepe rubber and compressing them into blocks, just like STR rubber blocks. And in 2017, the Company improved the production process of Mixtures Rubber to be able to use the same machinery in the production line as the



rubber block product. In the production of Mixtures Rubber, the process of mixing rubber with the desired chemicals will only be added in one more step. Therefore, the idea was to improve the Mixtures Rubber production machinery to be able to produce RSS-Mixtures Rubber again in 2019. Because of the market opportunity and the value of the investment in the original machinery with the additional production capacity of 60,000 tons per year, and in late 2019, the company started to recognize revenue from the sale of RSS-Mixtures Rubber products again, which were all domestic sales through traders. However, the primary processed Mixtures Rubber products are popularly processed into products that require high physical properties, such as aircraft tires.

The Company's Mixtures Rubber products have received a BOI promotion certificate from the Board of Investment under the Investment Promotion Act B.E. 2520. The Company started earning income since July 21, 2010, which resulted in the Company being exempted from corporate income tax on 100 percent of net profit from the operation for 8 years from the date of first earning income and receiving a 50 percent reduction in corporate income tax for 5 years. In 2019, the Company received a BOI promotion certificate from the Board of Investment under the Investment Promotion Act B.E. 2520 for the production of Mixtures Rubber. The Company started earning income since July 4, 2019, which resulted in the Company being exempted from corporate income tax on 100 percent of net profit from the operation for 6 years from the date of first earning income as mentioned above.

In 2022, the Company had revenue from sales of Mixtures Rubber as 9,813.18 million baht, an increase of 1,780.64 million baht or 22.17 percent compared to the previous year. In terms of sales volume, the increase was 33,161 tons or 24.26 percent, with the proportion of this increase coming from the increase in sales of STR-Mixtures

Rubber. Revenue from sales of Mixtures Rubber is divided into 1) STR-Mixtures Rubber at 6,093.06 million baht and 2) RSS-Mixtures Rubber 3,720.12 million baht. As for the average selling price in 2022, it was similar to 2021.

For 2023, the Company had revenue from the sale of Mixtures Rubber totaling 8,180.66 million baht, a decrease of 1,632.52 million baht or 16.64 percent compared to the previous year due to a decrease in sales volume of 9,244 tons or a decrease of 5.44 percent. Revenue from the sale of Mixtures Rubber is divided into 1) STR-Mixtures Rubber at 5,135.20 million baht and 2) RSS-Mixtures Rubber 3,045.46 million baht. In terms of average selling price in 2023, domestic sales were 68,869 tons and international sales were 101,002 tons. In terms of average selling price compared to the previous year, the average selling price decreased from 57.77 baht per kilogram in 2022 to 50.93 baht per kilogram in 2023.

For 2024, the Company had revenue from the sale of Mixtures Rubber totaling 9,125.02 million baht, an increase of 944.35 million baht or 11.32 percent compared to the previous year due to a decrease in sales volume of 19,787 tons or 12.31 percent. Revenue from the sale of mixed rubber is divided into 1) STR-Mixtures Rubber at 5,850.38 million baht and 2) RSS-Mixtures Rubber 3,274.64 million baht. In terms of average selling price in 2024, domestic sales were 68,869 tons and international sales were 71,971 tons. In terms of average selling price compared to the previous year, the average selling price increased from 50.93 baht per kilogram in 2023 to 64.79 baht per kilogram in 2024.

COST OF SALES

In 2022, 2023 and 2024, the Company had cost of sales of 22,116.16 million baht, 22,231.93 million baht and 24,668.52 million baht, respectively, or a ratio of cost of sales to sales revenue of 87.86 percent, 88.77 percent and

89.87 percent, respectively. The Company's cost of sales consists of 3 main types as follows:

- 1) Cost of rubber sales is the cost of sales in the normal business from the sale of processed rubber, which consists of the cost of raw materials and consumables used, direct labor costs, and production expenses.
- 2) Agricultural production costs (energy crops) are the operating costs of energy crop projects used as raw materials to feed into the Company's biogas projects.
- 3) Cost of biogas, where the Company operates a biogas project from energy crops to use gas from the project as fuel to reduce the Company's gas cost for production.

	2024		2023		The Difference Increase/ (Decrease)
	Million Baht	%	Million Baht	%	Million Baht
Sales volume (tons))	439,179		497,053		(57,873)
Total sales revenue	27,448.33	100.00%	25,045.17	100.00%	2,403.16
Cost of sales	24,668.52	89.87%	22,231.93	88.77%	2,436.59
Raw materials and consumables used	23,961.45	87.30%	21,410.11	85.49%	2,551.34
Labor costs	147.18	0.54%	177.76	0.71%	(30.58)
Manufacturing costs	347.88	1.27%	460.59	1.84%	(112.71)
Depreciation and amortization expenses	212.01	0.77%	183.46	0.73%	28.55
Gross profit	2,779.81	10.13%	2,813.24	11.23%	(33.43)

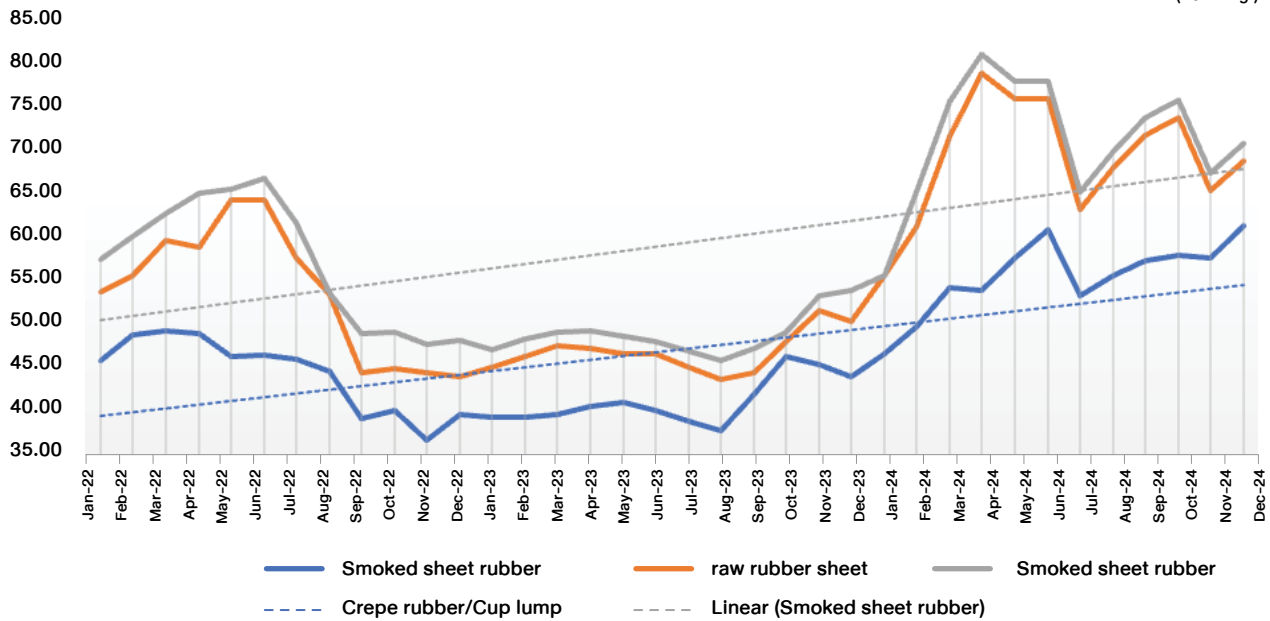
In 2024, the Company had a cost of sales of 24,668.52 million baht, or 89.87 percent of sales revenue. Divided into the cost of raw materials and consumables used at 23,961.45 million baht, or 87.30 percent of sales revenue. When compared to 2023, Raw materials and consumables used to increase by 11.92 percent, with the Company's raw material costs increasing due to the volatility of rubber prices in 2024, which directly affected the proportion of rubber raw material costs compared to revenue, resulting in higher costs. Considering the information on rubber purchases and the Company's average rubber selling prices, as follows:





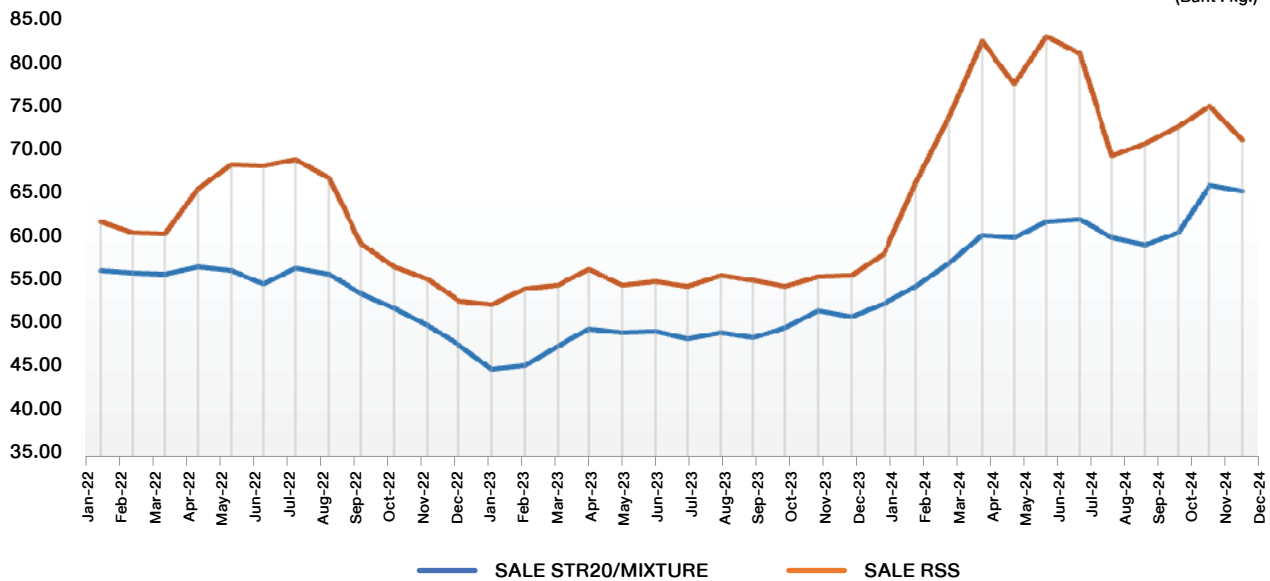
Comparison of raw material purchase prices (average) year 2022-2024

(Baht : kg.)



Comparison of selling prices (average) year 2022-2024

(Baht : kg.)



For labor costs in 2024, it was 147.18 million baht, or 0.54 percent. When compared to 2023, Labor costs decreased by 30.58 million baht, or 17.20 percent of sales revenue, due to wage payments based on reduced production volume.

For production costs in 2024, 347.88-million-baht, accounting for 1.27 percent of sales revenue, compared to 2023, production costs decreased by 112.71 million baht or 24.47 percent. This is due to the decrease in energy prices, which affects the production costs of LPG, fuel and electricity. This is a decrease in costs that are related to the decrease in production volume.

When comparing the cost of sales for 2024 with 2023, the Company's cost of sales in 2024 increased from 88.77 percent to 89.87 percent of sales revenue, resulting in a decrease in gross profit of 33.43 million baht, or a decrease in gross profit of 1.19 percent, which is a decrease in gross profit margin from 11.23 percent in 2023 to 10.13 percent in 2024.

DISTRIBUTION COSTS

In 2022, the cost of distribution was 601.46 million baht, or 2.39 percent of total sales. When compared to 2021, the cost decreased by 91.43 million baht, or 13.20 percent. This is divided into a decrease in the rubber plantation aid fund of 40.85 million baht, a increase in transportation costs of 19.61 million baht, and a decrease in sales expenses of 70.18 million baht. This decrease in cost proportion was due to lower shipping rates in the fourth quarter of 2022 and was consistent with a decrease in foreign sales volume.

In 2023, the cost of distribution was 566.39 million baht, or 2.26 percent of total sales. When compared to 2022, the cost of distribution decreased by 35.07 million baht, or 5.83 percent. This was divided into a decrease in outbound freight rates of 103.39 million baht, or 61.53

percent, from a decrease in freight costs. And the cost of the Rubber Plantation Aid Fund increased by 66.40 million baht from higher foreign sales volume compared to the previous year.

For 2024, the cost of distribution was 368.37 million baht, or 1.34 percent of total sales. When compared to 2023, the cost of distribution decreased by 198.02 million baht, or 34.96 percent. This was divided into a decrease of 128.23 million baht in the rubber plantation assistance fund, a decrease of 42.91 million baht in freight costs, and a decrease of 26.87 million baht in other sales-related expenses. The decrease in distribution costs was related to a decrease in overseas sales volume.

ADMINISTRATIVE EXPENSES AND OTHER EXPENSES

In 2022, administrative expenses were 164.33 million baht, or 0.65 percent of total sales. When compared to 2021, expenses increased by 29.66 million baht, or 22.03 percent, due to the recognition of losses from purchase contract obligations under Accounting Standard No. 37, which is a rubber purchase contract that the company made with raw material suppliers in December 2022, compared to the local rubber market price as reported by the Thai Rubber Association, resulting in a loss of 20.91 million baht, and salary and welfare expenses increased by 10.32 million baht.

In 2023, administrative expenses were 152.16 million baht, or 0.61 percent of total sales. When compared to 2022, expenses decreased by 12.17 million baht, or 7.41 percent, due to the reversal of the recognition of losses from purchase contract obligations in accordance with Accounting Standard No. 37, totaling 16.69 million baht. CSR activity expenses increased by 1.10 million-baht, bank fees increased by 1.08 million baht, and product research and development expenses increased by 2.28 million baht. Salary and welfare expenses increased by 12.70 million baht.

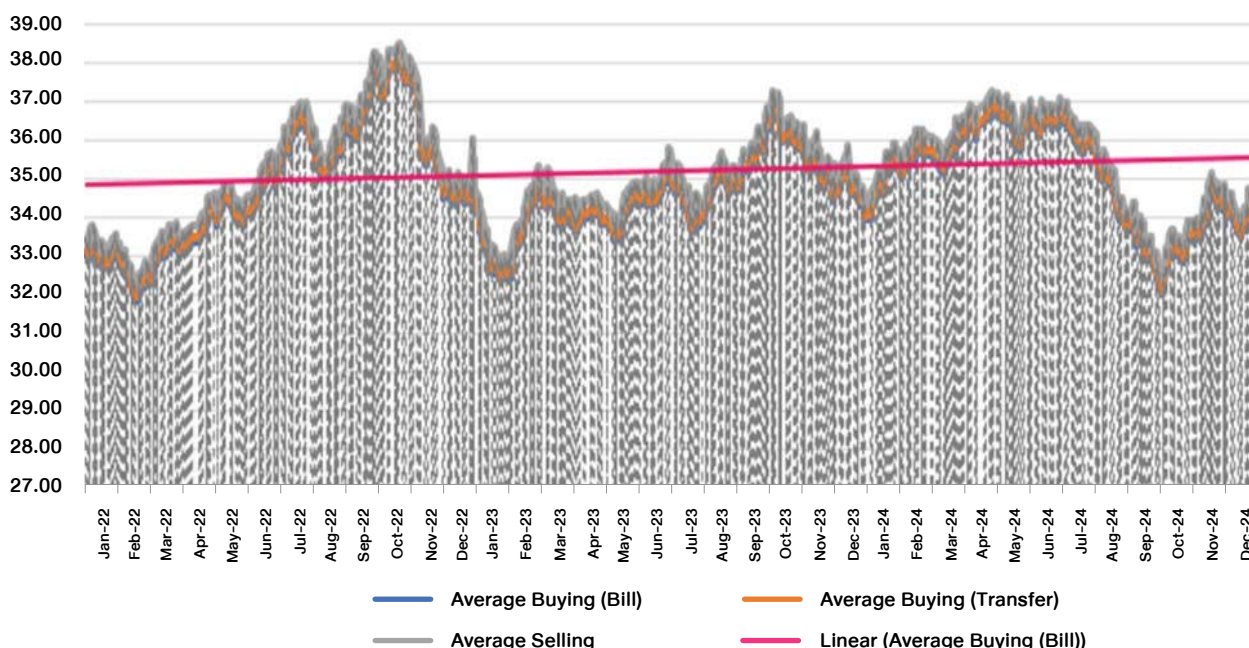


For 2024, administrative expenses were 232.85 million baht, or 0.85 percent of total sales. When compared to 2023, expenses increased by 80.69 million baht, or 53.03 percent, due to an increase in CSR activity expenses of 17.92 million baht, an increase in training and seminar expenses of 2.77 million baht, an increase in bank fees of 1.50 million baht, an increase in product research and development expenses of 2.16 million baht, an increase in salary and welfare expenses of 11.47 million baht, and an increase in employee retirement reserves of 7.36 million baht. The Company recorded a loss on purchase contract obligations in accordance with Accounting Standard No. 37 of 5.34 million baht in 2024.

Profit from exchange rate in 2024 was 28.60 million baht or 0.10 percent of total sales revenue. When compared to 2023, it increased by 74.02 million baht or 162.97 percent. This increase in proportion was due to the payment of debts from foreign trade receivables at the exchange rate according to the forward foreign exchange contract with financial institutions to better manage exchange rate risk. The exchange rate volatility situation is as follows:

Graph showing the trend of exchange rates for the day of January 1, 2022– December 31, 2024.

(Baht : 1 USD)



FINANCIAL COST

In 2022, the financial cost was 421.07 million baht, an increase of 90.04 million baht or 27.20 percent from the interest paid on the additional debentures that the Company issued in 2022 to be used as working capital. As of December 31, 2022, the Company had a total outstanding debenture value of 6,114.30 million baht.

In 2023, financial costs were 439.83 million baht, an increase of 18.76 million baht or 4.46 percent

from interest payments on additional debentures issued by the Company in September 2022 to be used as working capital. As of December 31, 2023, the Company had a total outstanding debenture value of 4,814.30 million baht.

In 2024, the financial cost was 469.12 million baht, an increase of 29.29 million baht or 6.66 percent from the interest paid on the additional debentures that the Company issued in December 2024 to be used as working capital. As of 31

December 2024, the Company had a total outstanding debenture value of 6,314.30 million baht.

In 2022, other income was 30.64 million baht. Most of it came from interest compensation that the company participated in the revolving fund support project of the Rubber Authority of Thailand, 22.35 million baht, income from scrap sales of 2.84 million baht, income from energy crop projects of 2.26 million baht, and interest income from fixed deposits of 1.87 million baht.

In 2023, other income was 11.93 million baht. Most of it came from income from scrap sales of 3.89 million baht, income from energy crop projects of 3.27 million baht, and interest income from fixed deposits of 3.50 million baht.

In 2024, other income was 19.23 million baht, Most of from income from renewable energy support projects of 1.59 million baht, interest compensation support projects of 7.54 million baht, income from scrap sales of 1.58 million baht, income from energy crop projects of 2.89 million baht and interest income from fixed deposits of 4.02 million baht.

In 2022, corporate income tax expenses were 53.85 million baht, an increase of 17.52 million baht from 2021. This was due to the Company recording adjustments to assets and liabilities in the deferred tax account of 9.37 million baht.

In 2023, corporate income tax expense was 84.39 million baht or 0.34 percent of sales revenue. It increased by 30.54 million baht from 2022 due to the expiration of the investment promotion privileges for RSS and STR-Mixtures Rubber products of Factory 1.

In 2024, corporate income tax expense was 55.30 million baht or 0.20 percent of sales revenue. It decreased by 29.09 million baht from 2023, as the Company received investment promotion card privileges.

NET PROFIT

For 2022, the Company's net profit was 1,748.00 million baht or 6.94 percent of sales revenue. Compared to 2021, the Company's net profit decreased by 102.19 million baht or 5.52 percent. The decrease in net profit was due to the increase in the proportion of average cost of sales.

For 2023, the Company's net profit was 1,545.60 million baht or 6.17 percent of sales revenue. Compared to 2022, the Company's net profit decreased by 202.40 million baht or 11.58 percent. This decrease in net profit was due to a decrease in average selling price compared to the previous year, with an average selling price decreasing from 56.42 baht per kilogram in 2022 to 50.38 baht per kilogram in 2023.

For 2024, the Company's net profit was 1,652.47 million baht or 6.01 percent of sales revenue. Compared to 2023, the Company's net profit increased by 106.87 million baht or 6.91 percent.



FINANCIAL POSITION

Statement of Financial Position						
	December 31, 2024		December 31, 2023		The Difference Increase/(Decrease)	
	Million Baht	%	Million Baht	%	Million Baht	%
Current Assets	17,268.40	88.75%	14,626.88	86.86%	2,641.52	18.06%
Non-Current Assets	2,189.40	11.25%	2,212.24	13.14%	(22.84)	(1.03%)
Total Assets	19,457.80	100.00%	16,839.12	100.00%	2,618.68	15.55%
Total Liabilities	10,969.84	56.38%	9,370.52	55.64%	1,599.32	17.07%
Shareholders' Equity	8,487.96	43.62%	7,468.60	44.36%	1,019.36	13.65%
Total Liabilities and Shareholder's Equity	19,457.80	100.00%	16,839.12	100.00%	2,618.68	15.55%

The Company's total assets as of December 31, 2024 amounted to 19,457.80 million baht, an increase of 2,618.68 million baht or 15.55 percent from December 31, 2023, as summarized below:

For 2024, current assets increased by 2,641.52 million baht or 18.06 percent from the following items:

- Cash and cash equivalents increased by 159.73 million baht or 261.07 percent, in line with increased sales revenue.
- Trade and other current receivables increased by 114.54 million baht or 16.59 percent, in line with increased sales volume.

(Unit: million baht)

Trade and other receivables			
	Dec 31, 2024	Dec 31, 2023	Increase/(Decrease)
Trade receivables	769.61	647.25	122.36
Prepaid expenses	33.59	39.09	(5.50)
Accrued interest	0.79	1.13	(0.34)
Other receivables	0.58	2.56	(1.98)
Total trade and other receivables - net	804.57	690.03	114.54

- Inventories increased by 2,370.98 million baht or 17.13 percent from purchasing rubber to ensure that the stock is sufficient to meet purchase orders according to the production capacity of STR.

(Unit: million baht)

Inventory			
	Dec 31, 2024	Dec 31, 2023	Increase/ (Decrease)
Finished Goods	515.74	912.94	(397.20)
Goods in Process	138.58	76.99	61.59
Raw Materials	15,528.96	12,823.44	2,705.52
Factory Materials	29.98	28.91	1.07
Net Inventory	16,213.26	13,842.28	2,370.98

Non-current assets decreased by 22.84 million baht or 1.03 percent, changing from a decrease of 80.94 million baht in net land, buildings and equipment, and an increase of 54.80 million baht in fixed deposits used as collateral by the Company.

For the company's depreciation policy, the important details are as follows:

Asset Types	Number of years of depreciation
Land Improvements	5 - 20
Buildings and Building Improvements	5 - 20
Machinery and Equipment	3 - 20
Napier Grass and Corn	10
Furniture, Fixtures and Office Equipment	3 - 5
Vehicles	5 - 10

Note : The Company does not depreciate land and assets under construction and installation

SOURCES OF FUNDS

The Company's total liabilities as of December 31, 2024 amounted to 10,969.84 million baht, an increase of 1,599.32 million baht or 17.07 percent from December 31, 2023, mainly due to:

Current liabilities increased by 1,252.80 million baht or 29.27 percent from the following items:

- Overdrafts and short-term loans from financial institutions increased by 200.10 million baht or 5.18 percent as the Company required more working capital due to higher rubber prices compared to the previous year.

(Unit: million baht)

Short-term loans from financial institutions			
Type	Dec 31, 2024	Dec 31, 2023	Increase (Decrease)
Packing Credit Loan	2,425.40	2,587.60	(162.20)
Promissory Note Loan	1,635.00	1,272.70	362.30
Total	4,060.40	3,860.30	200.10



- Trade and other payables increased by 34.49 million baht or 16.27 percent because the Company has more contracts to purchase rubber raw materials, which have payment terms when receiving the raw materials in the agreed quantity.

(Unit: million baht)

Trade creditors and other creditors			
	Dec 31, 2024	Dec 31, 2023	Increase (Decrease)
Advance deposit payment	15.54	0.92	14.62
Trade creditors	59.37	51.98	7.39
Accrued interest	42.77	43.74	(0.97)
Accrued expenses	117.95	98.72	19.23
Accrued creditors for purchase of fixed assets	10.87	16.65	(5.78)
Accrued dividends	0.01	0.01	-
Total	246.51	212.02	34.49

- The debentures due within 1 year increased by 1,000.00 million baht, which will be due for redemption in November 2025.

(Unit: million baht)

Debentures (net)		
	Dec 31, 2024	Dec 31, 2023
Debentures	6,314.30	4,814.30
<u>Deduct</u> Expenses directly related to the issuance of Debentures pending amortization	(57.74)	(35.07)
Net	6,256.55	4,779.23
<u>Deduct</u> Portion due within one year	1,000.00	-
Debentures - Net	5,256.55	4,779.23

Non-current liabilities increased by 346.51 million baht or 17.07 percent from additional debentures issued by the Company in December 2024 to be used as working capital.

The Company's shareholders' equity as of December 31, 2024 amounted to 8,487.96 million baht, an increase of THB 1,019.36 million or 13.65 percent from December 31, 2023, resulting from the following significant items:

- Increased from net profit for 2024 of THB 1,652.47 million
- Decreased from the payment of dividends twice: the first payment from the operating results for 2023 in accordance with the resolution of the general meeting of shareholders on April 10, 2024 at the rate of 0.29 baht per share, totaling 535.86 million baht on May 9, 2024; and the second payment from the Company's operating results for the first 6 months of 2024 at the rate of 0.05 baht per share on September 6, 2024, totaling 92.39 million baht.

FINANCIAL RATIOS

CURRENT RATIO

As of December 31, 2024, the Company's liquidity ratio was 3.12 times, down from 3.42 times in 2023. The reason for the decrease in the liquidity ratio was due to the Company's current assets increasing mainly from increased inventories, while current liabilities increased from the debentures due for redemption in November 2025.

CASH CYCLE

Cash Cycle as of December 31, 2024, the Company had a cash cycle of 231 days, an increase from 2023, which had a cash cycle of 222 days. The cash cycle increased because the Company had an average sales period of 211 days to 223 days, from keeping sufficient raw materials and remaining products for sales and delivery plans to customers. This is to prevent risks from fluctuations in rubber prices.

RETURN ON ASSETS "ROA"

As of December 31, 2024, the Company had a return on assets of 9.11 percent, down from 9.33 percent as of December 31, 2023. This is because the Company has increased total assets from cash and inventory. The increase in inventory is to support increased production capacity and sales volume.

RETURN ON EQUITY "ROE"

As of December 31, 2024, the Company had a return on equity of 20.71 percent, down from 2023, which was 21.99 percent. This is because the Company had an increase in net profit and an increase in average shareholders' equity from retained earnings.

DEBT TO EQUITY RATIO "D/E"

As of December 31, 2024, the Company's debt to equity ratio was 1.29 times, an increase from 1.25 times in 2023. This was due to an increase in shareholders' equity from increased retained earnings from the Company's net profit and an increase in total liabilities from debentures due for redemption in November 2025, resulting in an increase in the debt to equity ratio.

INTEREST BEARING DEBT TO EQUITY RATIO : IBD/E RATIO

The interest-bearing debt to equity ratio as of December 31, 2024 was 1.25 times, an increase from 1.22 times in 2023. The increase was due to increased interest-bearing debt from short-term loans from financial institutions and the Company's shareholders' equity increased from retained earnings, resulting in an increase in the interest-bearing debt to equity ratio.



(Unit: million baht)

Cash flow		
	Dec 31, 2024	Dec 31, 2023
Net cash provided by (Used In) operating activities	(68.11)	367.21
Net cash used in investing activities	(196.08)	(308.75)
Net cash provided by (used in) financing activities	423.93	(1,393.10)
Cash and cash equivalents increase (decrease) - Net	159.73	(1,334.64)
Cash and cash equivalents at beginning of period	61.18	1,395.82
Cash and cash equivalents at end of period	220.92	61.18

As of December 31, 2024, the Company had cash flow used in operating activities of 68.11 million baht due to higher raw material prices compared to the previous year.

Cash flow used in investing activities of 196.08 million baht, mainly from investment in the project to improve the production line to increase the production capacity of block rubber and the renovation of the laboratory building.

Cash flow from financing activities of 423.98 million baht due to additional debentures issued by the Company in December 2024 to be used as working capital.

INVESTMENT EXPENSES

The Company's investment expenses in 2024 totaled 146.75 million baht, down from 2023, which had investment expenses of 246.41 million baht. The investment in 2024 included significant items such as renovation of the laboratory building for 19 million baht, improvement of efficiency and increase of production capacity of the rubber block factory for 94.15 million baht, land and water storage pond improvement for 30.21 million baht, and installation of additional solar power generation systems for 3.39 million baht.

(Unit: million baht)

Investment Expenses			
	Dec 31, 2024	Dec 31, 2023	The Difference (Decrease)
Expenses for investment in fixed assets	146.75	246.41	(99.66)

OBLIGATIONS OTHER THAN THOSE SPECIFIED IN THE FINANCIAL STATEMENTS

As of December 31, 2024, the Company has liabilities as follows:

- Obligations from (1) construction work including the procurement and installation of machinery and equipment for various project works totaling approximately 107.8 million baht; and (2) the procurement and installation of intangible assets of the computer program type totaling approximately 6.3 million baht.
- The Company's letter of guarantee issued by a domestic bank to two government agencies totaling approximately 15.4 million baht, which is secured by the Company's savings deposits

with the same bank totaling approximately 2.4 million baht.

- Obligations under rubber purchase contracts with unrelated sellers totaling approximately 90.3 million baht
- Debenture guarantee agreement with Credit Guarantee & Investment Facility (CGIF), whereby the Company is obliged to pay a guarantee fee to CGIF at the rate agreed upon in the said agreements;

FACTORS THAT MAY AFFECT FUTURE OPERATIONS OR FINANCIAL POSITION IMPACT OF EVENTS AFTER THE ACCOUNTING PERIOD

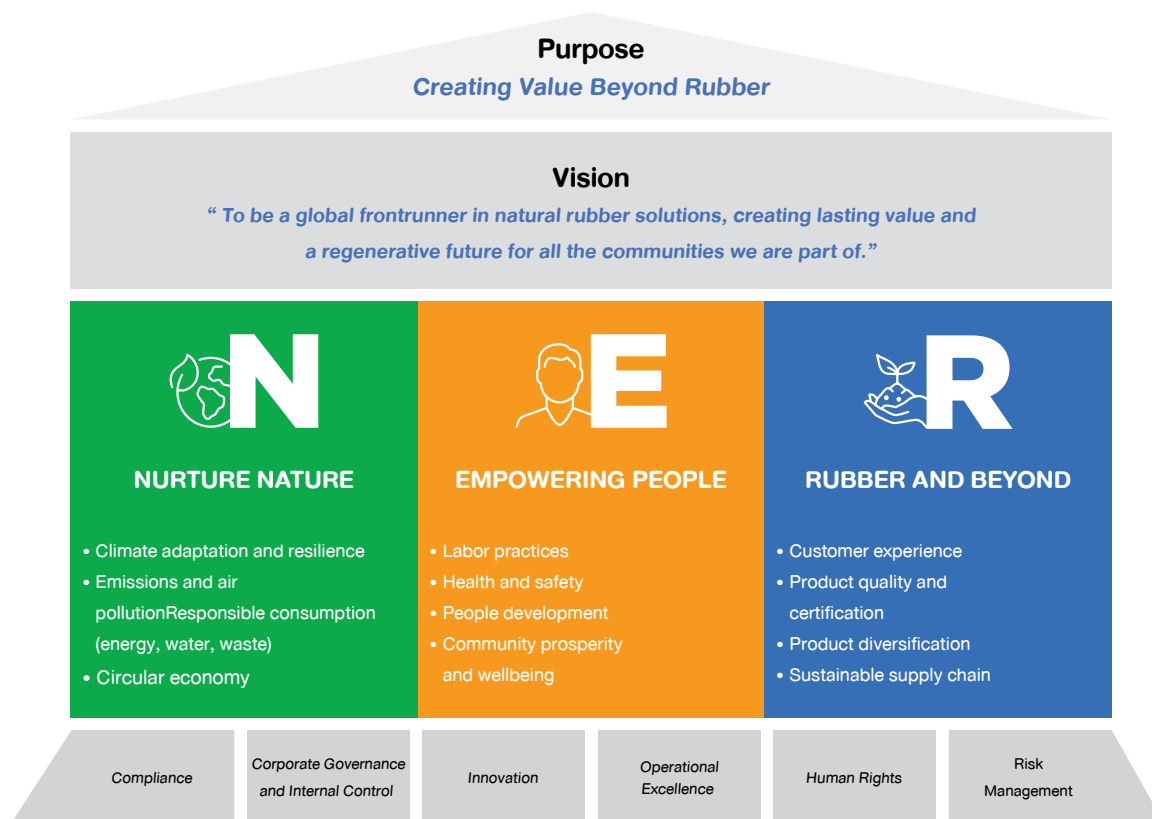
At the Board of Directors' Meeting No. 1/2025 on 19 February 2025, the Board of Directors resolved to approve the following important matters to be proposed for approval at the 2025 Annual General Meeting of Shareholders:

Payment of the final dividend for the 2024 operating results to shareholders at the rate of 0.31 baht per share, totaling approximately 572.8 million baht, paid from all profits promoted by investment, and the dividend payment date is May 9, 2025.

THE COMPANY'S SUSTAINABILITY DEVELOPMENT PERFORMANCE

In 2024, the Company reviewed Material topics based on the principles of GRI Universal Standards 2021 GRI 3: Material Topics 2021, in conjunction with consideration of the principles of OECD Due Diligence Guidance For Responsible Business Conduct and the Double Materiality approach of the European Sustainability Reporting Standards (ESRS) that assesses sustainability materiality from the significant impact on stakeholders, society, and Impact materiality and Financial materiality.

In addition, the Company has established a "Sustainability Management and Development Policy" to demonstrate its commitment to conducting business ethically, focusing on developing the business to grow responsibly, and managing to appropriately meet the needs of all stakeholders, covering economic, social, and environmental dimensions. The Company has also established a "Sustainability Operations Framework" to be used as a guideline for managing issues that are important in each dimension. The operations of all issues must be based on Corporate Governance, Compliance, Effective Risk Management, Human Rights, throughout the supply chain, Innovation Management, and Operational Excellence. The establishment of a sustainability operation framework enables the Company to develop appropriate strategies and action plans for stable business growth in the long term, while creating value for local communities and stakeholders in line with the Company's goals and vision.



For the Company’s performance in terms of sustainability related to environmental, social and corporate governance operations, it consists of:

ENVIRONMENTAL

- The Company has registered for Carbon Footprint for Organization (CFO) with the Greenhouse Gas Management Organization (Public Organization) or TGO.
- The Company is committed to achieving carbon neutrality by 2030, compared to the base year of 2021, through setting long-term targets to reduce greenhouse gas emissions from Scope 1, 2 and 3 by increasing the share of renewable energy and biomass, increasing the efficiency of electricity use in the production process, promoting cooperation in the supply chain, resource and waste management, research and development of green technologies, and restoring and conserving natural resources.
- The Company received the Green Industry Award, Level 3 of Green System for 2024 from the Ministry of Industry for the 8th consecutive year.
- The Company participated in the training courses “Carbon Footprint for Organization: CFO” and “Carbon Footprint of Product: CFP” organized by the Greenhouse Gas Management Organization (Public Organization) and the Energy Research and Development Institute, Nakornping, Chiang Mai University (ERDI).
- The Company has a plan to reduce other greenhouse gas emissions (Scope 3) by promoting partners to join the Low Emission Support Scheme or LESS project together with partners. There are 32 partners who have participated and received certificates of honor from the Greenhouse Gas Management Organization, 5 of which are 15.62 percent of the total number of farmers who participated in the project. The results of the activities can reduce greenhouse gas emissions by approximately 40 tons of carbon dioxide equivalent.

SOCIAL

- The Company has been certified for the standard of prevention and solution of drug problems in the workplace in 2024 by the Office of Welfare and Labor Protection, Buriram Province.
- The Company was selected as an organization promoting the employment of disabled persons in the workplace in 2024 by the Ministry of Social Development and Human Security, Buriram Province.
- The Company has set a policy for recruitment and employment that focuses on providing career opportunities to Thais, especially those in Buriram Province, to help develop the community economy for the better from working with stable income. This will allow local people to work close to home and not have to move to find work in other regions. The Company has recruited suitable personnel through various channels, both on the website and social networks, including proactively recruiting employees by going to communities around the factory to publicize through community leaders, village headmen, sub-district administrative organizations, Buriram Provincial Municipality, and the Friends Refer Friends project.
- The Company builds employee engagement and develops the potential of its personnel to grow with the Company. Not only does it have a positive effect on the success of the business, but it also helps create a positive impact on the local economy, such as increasing employment opportunities, reducing unemployment and migration of new-generation workers. It also improves the quality of local human resources, which helps attract talented personnel to work with the Company and its network of cooperation in various developments. In 2024, the performance was in line with the targets in terms of employee training and development, employee engagement, and employee turnover rates compared to the Company's targets, as shown in the following table.





	Long-term goals for 2028	Goals for 2024	Performance in 2024
Average training hours per person per year	More than or equal to 25 hours	More than or equal to 15 hours	23.68 hours
Employee engagement score	More than or equal to 90%	More than or equal to 85%	85.88%
Voluntary employee turnover rate*	Less than or equal to 5%	Less than or equal to 10%	7.23%

*Employee means a permanent employee who receives monthly compensation only.

- The Company organized proactive health check-ups in 4 communities around the factory through the Vulnerable Group Health Check-up Project (Year 2) for Ban Chai Phatthana, Takotapi Subdistrict, Ban Bat, Takotapi Subdistrict, Ban Krasang, Prathat Bu Subdistrict, and Ban Khok Phet, Khok Ma Subdistrict, totaling 405 people, with a team of doctors and medical technicians providing a total of 17 health check-ups.
- The Company supports and develops teaching and learning in schools in the community through the NER project, a competition in knowledge and skills outside the classroom, by promoting the development of knowledge and skills of students in the lower and upper primary levels in 9 schools, namely Ban Khok Phet School, Wat Ban Khok Klang School, Wat Ban Talung Kao School, Ban Krasang School, Wat Ban Prathat Bu School, Ban Bat School, Wat Ban Takotapi School, Wat Ban Khok Yang School, and Ban Nong Muang School.



- The Company has set up a Green Market project as a channel to increase income for farmers from communities surrounding the factory by allocating space in front of the factory for farmers to bring their products to sell, which include organic vegetables, agricultural products, and a variety of environmentally friendly local products.



GOVERNANCE & ECONOMIC

The Company has been ranked in the bronze level by ecovadis, an internationally recognized assessment and rating agency for sustainability in the supply chain for the 5th consecutive year.

- The company received the award for the establishment that passed the environmental governance assessment criteria in 2024 from the Ministry of Industry.
- The company received the award for the industrial factory that has continuously applied the practices of the CSR-DIW standard under the project to promote industrial factories to be responsible towards society and the community from the Department of Industrial Works for the second consecutive year.
- The company has been certified as a member of the Thai Private Sector Collective Action Against Corruption at the 2-star level.
- The Company has been selected to be on the list of sustainable stocks in the SET ESG Ratings for 2024 at the “A” level from the Stock Exchange of Thailand for the third consecutive year.
- The Company has implemented the “NER for the Development of the Supply Chain Towards Sustainability” project for the third consecutive year by organizing training for 61 main trading partners who are farmers in 16 districts of Buriram Province to provide knowledge about overall rubber production, from producing rubber to obtain good quality, checking for contaminants in rubber, factors affecting rubber tapping and the amount of latex, obtaining latex to delivering products, etc.





5

GENERAL INFORMATION AND OTHER IMPORTANT DATA

5.1 GENERAL INFORMATION

Name of company (Thai)	บริษัท นอร์ทอีส รับเบอร์ จำกัด (มหาชน)
Name of company (English)	North East Rubber Public Company Limited
Property initial	NER
Type of business	Manufacture and sale of rubber products, including Ribbed Smoked Sheet (RSS), Standard Thai Rubber 20 (STR20), and Mixture Rubber for distribution to both domestic and international manufacturers in the automotive industry and the intermediaries.
Head office address	No. 398 Moo 4, Kok Ma Sub-district, Prakhonchai District, Buriram 31140
Branch/ Sale office address	<ul style="list-style-type: none"> - No. 388 Moo 4, Kok Ma Sub-district, Prakhonchai District, Buriram 31140 - No. 388/1 Moo 4, Kok Ma Sub-district, Prakhonchai District, Buriram 31140 - No. 158 Moo 3, Takotaphi Sub-district, Prakhonchai District, Buriram 31140 - No. 589/156 28th Floor, Central City Tower, Debaratana Road, Bang Na Nuea Sub-district, Bang Na District, Bangkok 10260 (Sale office) - No. 254 Moo 4, Kok Ma Sub-district, Prakhonchai District, Buriram 31140
Telephone (Head office)	(66) 4466 6928 / (66) 4466 6929
Fax (Head office)	(66) 4466 6212 / (66) 4466 6213
Website (URL)	www.nerubber.com

MAP OF HEAD OFFICE LOCATION



5.2 OTHER IMPORTANT INFORMATION

Information or other referred person	
Auditor	MR & Associates Co., Ltd. Room 706, Chaophraya Tower, 89 Soi Wat Suan Plu, Charoen Krung Road, Bangrak, Bangrak, Bangkok 10500 Telephone: (66) 2630 7500 Fax: (66) 2630 7506
Internal Auditor	AIM TO PROPORITY CO.,LTD. 499 Soi Charan Sanitwong 75, Bang Phlat, Bang Phlat, Bangkok 10700 Telephone: (66) 8589 7594
Financial Advisor	Asset Pro Management Co., Ltd. 999/9 The Offices at Central World, 10th Floor, Room 1011-1012, Rama 1 Road, Pathumwan, Pathumwan, Bangkok 10330 Telephone: (66) 2264 5678 Fax: (66) 2264 5679
Securities Registrar	Thailand Securities Depository Co., Ltd. (TSD) The Stock Exchange of Thailand Building, 1st Floor, Tower B (Next to the Embassy of the People's Republic of China), 93 Ratchadaphisek Road, Din Daeng, Din Daeng, Bangkok 10400 Telephone: (66) 2009 9000 Fax: (66) 2009 9991 TSD Call center: (66) 2009 9999

5.3 LEGAL DISPUTE

As of December 31, 2024, the company has no legal disputes as follows:

- 1) Cases that may have a negative impact on the company's assets exceeding 5% of the company's shareholders' equity.
- 2) Cases that significantly affect the company's business operations but cannot be quantified in numerical terms.
- 3) Cases that do not arise from the company's normal business operations.

5.4 SECONDARY MARKET

The company is listed on the Stock Exchange of Thailand (SET) as the only market, with no secondary market registered on the stock exchanges of other countries.



5.5 REGULARLY CONTACTED FINANCIAL INSTITUTIONS (FOR BOND)

Contacted Financial institutions/Securities industry	
Debenture registrar (Debenture of NER25NA, NER26NA, NER279A, NER299A)	Bank of Ayudhya Public Company Limited 1222 Rama III Road, Bang Phongphang Sub-district, Yannawa District, Bangkok Metropolis 10120 Telephone : (66) 2296 5715
Debenture registrar (Debenture No.NER29DA)	CIMB Thai Bank Public Company Limited 44 Langsuan Road, Lumpini Sub-district, Patumwan District, Bangkok Metropolis, 10330 Telephone : (66) 2638 800, (66) 2657 333
☞Bondholders' Representative (Debenture No. NER25NA, NER26NA, NER29DA)	Asia Plus Securities Company Limited 175 Sathorn City Tower, 3/1 Floor South Sathorn Road, Thung Maha Mek Sub-district, Sathorn District, Bangkok Metropolis 10120 Telephone : (66) 2680 1111
Bondholders' Representative (Debenture No.NER279A, NER299A)	DAOL SECURITIES (THAILAND) PUBLIC COMPANY LIMITED 87/2 CRC Tower, 18 th Fl., All Seasons Place, Wireless Road, Lumpini Sub-district, Pathumwan District, Bangkok Metropolis, 10330 Telephone : (66) 2351 1800



Part 2

Corporate Governance



6

CORPORATE GOVERNANCE POLICY**6.1 OVERVIEW OF CORPORATE GOVERNANCE POLICIES AND PRACTICES**

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.

Details can be found at:

www.nerubber.com

[https://investor.nerubber.com/](https://investor.nerubber.com/storage/downloads/cg-policy/)

[storage/downloads/cg-policy/](https://investor.nerubber.com/storage/downloads/cg-policy/)

[ner-corporate-governance-and-](https://investor.nerubber.com/storage/downloads/cg-policy/)

[business-code-of-conduct-handbook-th.pdf](https://investor.nerubber.com/storage/downloads/cg-policy/)

Alternatively, you can scan the QR code.



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

6.1.1 POLICIES AND PROCEDURES REGARDING THE COMMITTEE**SCOPE OF AUTHORITY AND RESPONSIBILITIES OF THE BOARD**

The Board of Directors has conducted business operations in accordance with the objectives and efficiently, utilizing knowledge, expertise, caution, integrity, and diligence to safeguard the interests of the company and comply with laws, objectives, and regulations of the company. This includes participating in the establishment of key policies for business operations, as well as regularly reviewing and approving the company’s vision, strategies, and goals every year. The Board of Directors operates independently in decision-making for the best interests of the company and all shareholders, both in terms of performing duties responsibly and exercising careful consideration before making decisions based on honesty, transparency, and ethics, while also taking into account the interests of stakeholders. Additionally, the Board has a crucial role in monitoring the implementation of the company’s strategies. In Board meetings, it is mandated to report on performance and the execution of the company’s strategies quarterly to achieve the set goals effectively and for the utmost benefit of the company and its shareholders.

Furthermore, the company has delineated the roles, duties, and responsibilities among the Board of Directors, the Audit Committee, the Risk Management Committee, the Nomination and Remuneration Committee, the Corporate Governance and Sustainable Development Committee, and the Executive Committee, as specified in the charter of each committee.

In the fiscal year 2024, the 8th Board meeting on November 7, 2024, reviewed the vision, mission, and business objectives for the year 2024 of the company (details are provided in the annual information disclosure/annual report (Form 56-1 One Report) on pages 16-17). Additionally, a budget and funding limits for approving investments and various expenses have been established. There has been a review of the corporate governance policy, the corporate governance manual, business ethics, and important policies such as the anti-corruption policy, risk management policy, human rights policy, and sustainability development policy, among others. The environmental policy has been upgraded to an environmental policy and practice, with comprehensive environmental practices and goals added. The company has communicated this information to its boards, executives and employees through the Intranet system and internal training sessions. Furthermore, the board of directors closely monitors, supervises, and audits the executives' operations to ensure that all directors, executives, and employees comply with the established policies, aiming to achieve the company's objectives. The company has also disclosed information regarding important policies on its website under the section "Good Corporate Governance" and "Important Policies" (<https://investor.nerubber.com/th/corporate-governance/policy/other-policies>).

6.1.2 POLICIES AND PRACTICES RELATED TO SHAREHOLDERS AND STAKEHOLDERS

The company has established and reviewed its corporate governance guidelines to comply with the principles of good corporate governance for listed companies as set forth by the Stock Exchange of Thailand. These guidelines are divided into five categories: 1) Rights of shareholders 2) Equal treatment of shareholders 3) Role of stakeholders 4) Disclosure of information and transparency 5) Responsibilities of the board of directors. This is to ensure alignment with the current business environment and to create sustainable value for the enterprise. The details are as follows.

• CHAPTER 1 RIGHTS OF SHAREHOLDERS

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.

(1) Right to receive profit sharing in the form of dividends

The company has a cautious dividend payment policy, taking into account its financial status, operational results, cash flow, appropriateness, and other factors related to its operations and management. This is under the condition that the company must have sufficient cash for business operations, and such actions must provide maximum benefits to shareholders



as resolved by the board of directors and/or the shareholders. The company has set a dividend payment policy for shareholders at a rate of no less than 40% of the net profit from the company's financial statements after tax and legal reserves, as well as other reserves (if any).

(2) Right to participate in shareholder meetings

The company has organized an annual general meeting of shareholders in accordance with the regulations of the Stock Exchange of Thailand, complying with the criteria for conducting shareholder meetings set by the Securities and Exchange Commission (SEC), and encourages shareholders to fully exercise their rights within appropriate limits and in accordance with the requirements of the stock exchange at all stages, both before, during, and after the meeting. The company has carried out all procedures correctly, resulting in the company receiving a full score of 100 in the assessment of the quality of the annual general meeting of listed companies for the year 2024 AGM Checklist.

ANNUAL GENERAL MEETING OF SHAREHOLDERS 2024

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. Shareholders were able to submit questions via mail addressed to the Company Secretary Department, No. 398, Moo 4, Koke Ma Subdistrict, Prakhon Chai District, Buriram Province 31140, or via email at investor@nerubber.com, or by fax at 044-666-212-3.

Additionally, the company has prepared an

invitation letter for the Annual General Meeting of Shareholders 2024, along with the opinions of the Board of Directors, as well as supporting documents for various agenda items and guidelines on how to participate in the meeting, both in Thai and English, sufficiently and comprehensively to facilitate shareholders and provide information for consideration of voting on various agenda items in advance. The company has published this information through the Stock Exchange's news system and the company's website since March 8, 2024, at <https://investor.nerubber.com/th/downloads/shareholders-meeting?year=2024>. The company has assigned Thailand Securities Depository Co., Ltd., as the securities registrar, to send the invitation letters to shareholders by registered mail starting from March 22, 2024.

In 2024, the company will hold the Annual General Meeting of Shareholders in a hybrid format to support and increase participation options for shareholders. Shareholders are able to attend the meeting in person (Physical Meeting) and/or participate via electronic media (E-Meeting) in accordance with the Royal Decree on Electronic Meetings B.E. 2563 and the company's regulations, as well as other relevant laws and regulations regarding both in-person and electronic meetings. The purpose of organizing the hybrid meeting is to facilitate and encourage more shareholders to participate. The meeting will be attended by the Chairman of the Board, the Board of Directors, and the company's legal advisors. At the meeting, Mr. Chanit Chanchaianrong, the Chairman of the Board of Directors, presided over the shareholders' meeting, ensuring that the meeting was conducted in accordance with the company's regulations and appropriately allocating time for each agenda item specified in the notice of the meeting. During the meeting, all shareholders were given the opportunity to express their opinions and ask questions related to the company. The Annual General Meeting of Shareholders for the year

2024 was held on April 10, 2024, from 10:00 AM to 12:17 PM, in a hybrid format, with the meeting being conducted and broadcast live from the first-floor conference room of the company's headquarters located at 398 Moo 4, Kok Ma Subdistrict, Prakhon Chai District, Buriram Province 31140. Seven out of the total seven board members participated in the meeting, representing 100% of the entire board. Additionally, auditors and legal advisors attended the meeting to listen to shareholders' opinions and respond to their inquiries.

Shareholders attended the meeting in person and by proxy, and the company encouraged the exercise of voting rights for shareholders who could not attend by appointing proxies to participate in the meeting. Proxy forms were sent to shareholders, allowing them to specify their voting directions, which were included as attachments to the invitation to the shareholders' meeting and published on the company's website. The company proposed two independent directors to receive proxies and provided sufficient background information on the proxy directors as part of the meeting documents to offer options and ensure transparency in the proxy process for shareholders.

Furthermore, the company utilized the e-Proxy Voting service provided by the Stock Exchange of Thailand, which is an electronic proxy service for shareholders' meetings. This new method allows shareholders to appoint proxies electronically, with the system connected to the electronic tax payment system (e-Stamp) of the Revenue Department. Shareholders can pay for e-Stamp on the proxy form electronically, such as through QR Code or Internet Banking, which facilitates the process, reduces time, and lowers costs. In addition, shareholders do not need to attach documents or send proxy letters by mail to the company, as the company will retrieve information from the system for use in the shareholders'

meeting on the voting system closure date. Individual shareholders who are members of the IVP and have verified their identity with NDID (National Digital ID) can access the service through the Investor Portal (IVP). For funds managed by asset management companies and foreign legal entities overseen by custodians, access can be made through the e-Proxy Voting for Intermediaries system. The system will be available from the day the invitation letter is mailed until 5:00 PM on the business day before the meeting. Shareholders can access the service at <https://www.set.or.th/th/tsd/services/investors/e-services/e-proxy-voting>.

(3) Rights to Ask Questions and Express Opinions at the Meeting

The company provided shareholders the opportunity to propose agenda items and nominate individuals in advance for appointment as directors, as well as to submit questions beforehand. During the meeting, the company allowed shareholders to participate in asking questions and expressing their opinions. The company thoroughly addressed shareholders' inquiries on key issues related to each agenda item before voting on those items. In the 2024 annual meeting, the company published the questions and suggestions from shareholders in the minutes of the shareholders' meeting in both Thai and English through the news system of the Stock Exchange of Thailand on April 24, 2024, and on the company's website under the section "Shareholders' Meeting" (<https://investor.nerubber.com/th/downloads/shareholders-meeting?year=2024>).

(4) 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.

After the conclusion of the annual shareholders’ meeting, the company published the resolutions of the shareholders’ meeting and the voting results for each agenda item through the news system of the Stock Exchange of Thailand and the company’s website on April 10, 2024, which was the same day as the shareholders’ meeting. Additionally, the company recorded audio and video of the meeting, which was disseminated through the company’s website. The company also prepared the annual shareholders’ meeting report for 2024, containing all essential information in both Thai and English, which was published

through the news system of the Stock Exchange of Thailand on April 24, 2024, and on the company’s website under the section “Shareholders’ Meeting” (<https://investor.nerubber.com/th/downloads/shareholders-meeting?year=2024>)

• CHAPTER 2 EQUAL TREATMENT OF SHAREHOLDERS

The company places great importance on shareholders by safeguarding their interests at all levels, whether they are individual, retail, institutional, or foreign shareholders, ensuring that they are treated equally and fairly. All shareholders receive dividends at the same rate, and the company provides opportunities for shareholders to propose agenda items for meetings and nominate qualified individuals for election as directors at least 90 days prior to the annual general meeting, with the criteria for exercising such rights published on the company’s website.

Shareholders have the right to appoint others to attend meetings and vote on their behalf. They are entitled to receive documents and guidance for legally appointing proxies. Once a proxy is submitted to the directors at the meeting, the proxy has the same rights to participate and vote as any shareholder. Shareholders may also appoint independent directors of the company to attend meetings and vote on their behalf. Shareholders have the right to receive complete and appropriate biographies and work information of each independent director for consideration.

The company accurately and comprehensively records meeting minutes and submits reports to the Stock Exchange of Thailand. The company emphasizes the importance of disclosing information accurately, completely, timely, and transparently to shareholders, with current information made available through the company’s website and various media to keep shareholders

informed of significant changes, including information disclosed by the company as required by various regulatory agencies on the company's website. Additionally, retail shareholders can directly contact the company secretary for information via email at investor@nerubber.com or by phone at 082-264-5189, 044-666-928, or 044-666-929 ext. 126.

In 2024, the company strictly adheres to policies and places importance on treating shareholders equally, ensuring that there are no violations or failures to comply with guidelines regarding preventing shareholders from communicating with the company in any way.

PREVENTION OF INSIDER INFORMATION MISUSE

The company places great importance on the accurate and timely disclosure of significant information in accordance with good corporate governance principles. This is documented in the corporate governance manual and the business ethics manual to prevent the misuse of information for trading the company's securities or for improper benefits. The company provides information that can be disclosed to shareholders equally and consistently within the timeframe and responsibilities set by the company. Customers, shareholders, investors, or interested parties can access the company's information or request additional information through the company's website. The company has assigned the investor relations team and/or the company secretary to be responsible for providing information or answering inquiries regarding general information and to serve as a central point of coordination with relevant personnel. The company has a policy on information disclosure and data that outlines restrictions on the use of insider information, limiting it to management levels from middle to senior executives within the department or company only. Audited financial statements are kept with the Senior executives of Accounting and Finance. Other confidential

information is to be used only for consultations with individuals at the managerial level and above. The company has penalties for individuals involved if insider information is used in a way that causes harm.

In 2024, the company strictly adhered to its policy and placed importance on the use of insider information, resulting in no violations or non-compliance with the company's insider information usage guideline.

REGULATION OF SECURITIES TRADING

The company has established oversight regarding the use of insider information in accordance with laws and principles of good corporate governance. The company has a policy that requires the board of directors, executives, and employees (including spouses and minor children) who have access to insider information that may affect the company's stock price, as well as the company's performance, to refrain from trading the company's securities from the date they become aware of the information until it has been publicly disclosed. Additionally, they are prohibited from using undisclosed insider information to manipulate the price of securities, particularly during the one-month period prior to the public release of financial statements, unless they are confident that they do not possess any material non-public information.

Furthermore, the company's board of directors and executives must disclose and report any changes in their holdings of the company's securities each time there is a trade or transfer of securities to the Office of the Securities and Exchange Commission in accordance with Section 59 of the Securities and Exchange Act B.E. 2535 (1992). They must also acknowledge the penalties under the Securities and Exchange Act B.E. 2535 (1992), including changes in securities holdings by spouses and minor children. Directors and executives can report changes in their securities



holdings through the SEC's website immediately after registering and completing their personal information for identity verification, and they are able to do so within three days after making changes to their stock holdings or by accessing the link <https://market.sec.or.th/public/idisc/th/r59>. The company has assigned the company secretary to provide guidance and support for reporting to the board and executives who require assistance in completing various processes.

All board members and executives have signed to acknowledge their responsibilities in reporting their securities holdings in the company, including those of their spouses and minor children.

In 2024, the company secretary's office notified relevant individuals via email about the blackout period for trading securities, which is one month prior to the announcement of financial statements. It was found that no directors, executives, or related employees engaged in securities trading during the period designated by the company for trading restrictions, and there were no other violations related to this matter.

REPORTING OF INTERESTS BY DIRECTORS AND EXECUTIVES

The company requires directors and executives to report their interests and conflicts of interest, as well as those of related persons, whenever they enter into any transactions with the company, upon their initial appointment, and to report any changes in their interests during their tenure. Additionally, an annual report is required at the end of each year. The secretary has been assigned the responsibility of collecting and storing these reports and submitting them to the chairman of the board and the chairman of the audit committee for review and control of the interests of directors and executives in accordance with good corporate governance principles.

REPORTING CONFLICTS OF INTEREST AND RELATED TRANSACTIONS

To prevent conflicts of interest, the company has established a conflict of interest prevention policy as a key policy, which is reviewed regularly, at least once a year. In 2024, the policy was approved for review at the 8th board meeting of 2024 on November 7, 2024, to ensure transparency and compliance with good corporate governance principles.

The company places great importance on considering various transactions transparently and beneficially for the company. Therefore, the company has established guidelines for directors, executives, and employees to prioritize the prevention of transactions that may lead to conflicts of interest, related transactions, or transactions between the company and its stakeholders. The key guidelines are as follows:

1. Directors and executives must inform the company of any relationships or transactions in business that may give rise to conflicts of interest.
2. Avoid engaging in transactions related to company directors, executives, or related parties that may create a conflict of interest with the company. In cases where transactions must occur, they should be presented to the Audit Committee through the company secretary for consideration and opinion before being submitted for approval to the Board of Directors and/or the shareholders' meeting of the company (as applicable) according to the criteria for related party transactions set by the Stock Exchange, the Securities and Exchange Commission, and the principles of good corporate governance.
3. Executives and employees must adhere to the company's regulations and business ethics, which are considered essential to uphold strictly, ensuring that the company

is trustworthy and reliable to all stakeholders and providing transparency in the understanding of employee conduct throughout the company.

In managing transactions that may lead to conflicts of interest, the company has established written procedures for approving related party transactions. In cases where a director has a vested interest in any agenda, that director shall not have the right to vote on that agenda.

In approving transactions between parties, the responsible department will summarize the details of the transaction and prepare all relevant information to present to the company secretary. This will then be presented according to the established procedures and approval processes, with executives and directors who have a vested interest excluded from the approval of such transactions. Additionally, the Audit Committee will jointly oversee these transactions to ensure they are necessary, reasonable, and conducted at fair prices. Details of transactions with parties that may have conflicts of interest occurring in the fiscal year 2023 and the fiscal year 2024, as of December 2024, are outlined in the 56-1 One Report under section 9.2.2 Related Party Transactions.

In the past year 2024, the company strictly adhered to the policy and placed significant importance on it, thus no violations of the company's conflict of interest policy were found

• CHAPTER 3 : ROLE TOWARDS STAKEHOLDERS

The company recognizes and values the rights of all stakeholder groups, whether they are internal stakeholders such as employees, personnel, and executives of the company, or external stakeholders such as partners, including those involved in raw materials, customer groups, shareholders or investors of the company, various financial institutions that provide support,

government agencies with which the company interacts, as well as the surrounding communities. The company is well aware of its responsibilities towards the aforementioned stakeholders and has established policies and practices regarding the non-violation of intellectual property rights, such as copyrights, patents, and trademarks. Stakeholders will be protected by the company according to the rights provided by relevant laws. The company will not engage in any actions that violate the rights of stakeholders under the law or any agreements in place. The company has considered implementing processes to promote stakeholder participation according to their roles and responsibilities in enhancing the company's performance, ensuring that the company's business operations run smoothly, while also creating sustainable stability for the business and generating fair benefits for all parties involved. Additionally, the company has established a policy for handling complaints and provides channels for stakeholders to communicate, make suggestions, or report information to the audit committee.

In 2024, the company's board of directors reviewed and improved the policies and practices towards various stakeholder groups to consider processes that promote cooperation between the company and stakeholders in creating financial stability and sustainability for the business. The company has guidelines regarding stakeholders, detailed as follows.

1. **Shareholders:** the company recognize the importance of fundamental rights of shareholders by establishing principles for fair treatment of shareholders in accordance with the law at all times. This includes the right to buy, sell, and transfer shares, the right to receive dividends, the right to access company information, the right to participate in shareholder meetings, the right to vote on various agenda items, the right to appoint proxies to attend meetings on their behalf,



the right to appoint directors and auditors, the right to express opinions and ask questions to directors at shareholder meetings, and the right to propose meeting agendas and nominate directors in advance, among others. The company ensures that shareholders receive these rights strictly and does not engage in any actions that violate or infringe upon the rights of shareholders. It maintains reliable accounting and financial systems, creating satisfaction among shareholders while considering the long-term growth of the company and providing a reasonable and continuous return.

2. **Employees:** The company values employees at all levels by treating them equally and fairly, providing compensation that is appropriate to each employee's knowledge and abilities, alongside a focus on developing their potential and skills. There is a performance management system in place, with organizational-level key performance indicators (Corporate KPIs) based on the principles of the Balanced Scorecard. The company has an effective performance evaluation system and places importance on maintaining a conducive working environment, prioritizing safety and quality of life for employees. Additionally, the company has established compensation policies for employees that align with the organization's performance and link to employee performance outcomes, both in the short and long term.

Short-term compensation: The company has established a compensation structure that is appropriately comparable to the general pay rates of other organizations in the same business and industry to maintain and enhance its competitive capability in human resources. Additionally, the company has set annual bonuses based on performance and operational

results, referencing the company's performance evaluation and key performance indicators (KPIs).

Long-term compensation: The company has established performance measurement and employee potential assessment criteria. It will provide appropriate compensation to high-skilled employees and facilitate career growth in alignment with the company's succession plan. There are also programs between employers and employees to create incentives for long-term growth within the company.

In addition to compensation, the company ensures appropriate welfare benefits for employees by regularly reviewing various benefits to align with changing economic and social conditions. This includes annual health check-ups, travel expenses, and a provident fund to provide financial security and assurance for employees after their employment ends or upon retirement.

The company provides communication and training to the board of directors, executives, and employees regarding anti-corruption policies through orientation courses for the board, executives, and employees, as well as various seminars within the company as appropriate. This aims to promote employee integrity and responsibility in their duties, ensuring that business operations adhere to ethical principles and business ethics. Communication will be facilitated through the company's bulletin board and website.

3. **Partners:** The company has a procurement policy that involves selecting partners and purchasing goods and services from them based on commercial terms. It adheres strictly to contractual agreements and complies with laws and regulations established together, in order to foster relationships that will yield long-term

benefits for both parties, grounded in ethical standards. The company promotes fair, equal, and transparent procurement practices that are auditable. Additionally, the company has established a business code of ethics to guide partners in conducting their business in alignment with the company's ethical standards and business practices. There are also sustainability supply chain projects with partners aimed at creating added value and increasing income for them, as well as contributing to social and environmental development, to achieve mutual growth and sustainability.

4. **Competitors:** The company promotes and supports ethical, transparent business practices and competition based on equality and fairness with competitors. It adheres to good competition frameworks without engaging in any actions that violate laws. The company does not seek confidential information from competitors through dishonest or inappropriate means, nor does it damage competitors' reputations through negative allegations.
5. **Customers:** The company is attentive and responsible towards its customers, ensuring accountability by producing quality products and services that meet standards, delivering goods on time to enhance customer satisfaction. It aims to build good and sustainable relationships while emphasizing fair and equitable pricing under its pricing policy. Furthermore, the company is committed to continuously improving the quality of its products and services, as well as disclosing information on community, social, and environmental projects and activities as a communication channel to maximize customer satisfaction. The company conducts customer satisfaction surveys to consider improvements in product and service quality, ensuring greater customer satisfaction, and has established guidelines for employees. Additionally, there is a policy in place to maintain customer confidentiality, with all relevant employees being informed.
6. **Creditor:** The company conducts its business with caution, treating creditors fairly and repaying debts on time as scheduled. It strictly adheres to the terms and conditions of financial agreements and ensures that funds are used for their intended purposes as communicated to creditors or financial institutions. The company has a repayment plan in place, manages asset quality, and undertakes any other actions agreed upon with creditors and other lenders. It provides accurate, transparent, and verifiable information to creditors. In cases where changes to the stipulated conditions are necessary, the company will promptly inform creditors to collaboratively consider reasonable solutions. The company is committed to maintaining sustainable relationships with creditors and fostering mutual trust to prevent any harm. Historically, the company has consistently met its debt repayment obligations on time.
7. **Government agencies and related organizations:** the company strictly complies with laws, regulations, rules, and directives from relevant government bodies in various areas, including environmental protection, safety, labor, management, taxation, finance, and accounting, as well as any related government announcements.
8. **Community, Society, and Environment:** The company places great importance on the safety, environment, and quality of life of the public, as well as its responsibility towards the neighboring community and society. It supports community welfare



activities and works to improve the community and social environment for a better quality of life, considering appropriateness in each case.

The company has prioritized the neighboring community by engaging with it through employment, purchasing raw materials, and organizing other community development activities. It also provides knowledge, promotes, and supports local communities, while continuously monitoring the progress of projects undertaken in collaboration with the community each year.

For the year 2024, the company has been continuously implementing various projects in collaboration with the community and society, such as:

- The NER Learning Library project, which has been ongoing since 2022 and is now in its third year. The NER Electronic Learning Library project (a continuation of the Learning Library project) will also be supported in 2024. The company will continue to support and enhance the teaching and learning processes of schools in the community through the NER project, which includes a competition to develop knowledge and skills outside the classroom for primary school students at nine schools: Ban Khok Phet School, Wat Ban Khok Klang School, Wat Ban Talung Kao School, Ban Krasang School, Wat Ban Pratad Bu School, Ban Bat School, Wat Ban Tako Ta Pi School, Wat Ban Khok Yang School, and Ban Nong Muang School.
- The NER project promotes sustainable community agriculture through the Green Market initiative, providing a channel for increasing income for farmers from communities surrounding the factory. Space in front of the factory is allocated for farmers to sell their products, which include pesticide-free vegetables, agricultural produce, and various environmentally friendly local products.
- The health check project for vulnerable community groups (Year 2) is organized by the company to conduct proactive health screenings in four communities around the factory: Ban Chai Phatthana, Takotapi Sub-district, Ban Bat, Takotapi Sub-district, Ban Krasang, Pratad Bhu Sub-district, and Ban Khok Phet, Khok Ma Sub-district, with a total of 405 people. A team of doctors and medical technicians provided health check services covering 17 items.

Additionally, the company's board recognizes the importance of caring for society and the environment by promoting knowledge and training for employees to instill a sense of social and environmental responsibility at all levels. Employees are encouraged to participate in various activities, including those related to the environment, safety, occupational health, and labor practices, such as ISO 14001:2015 requirements and internal audits, as well as environmental measurement and evaluation.

ANTI-CORRUPTION AND ANTI-BRIBERY POLICY

The company places great importance and is committed to combating corruption and bribery at all times. A policy against corruption and regulations in accordance with the anti-corruption and anti-bribery policy, as well as a written whistleblowing policy, have been established. Emphasis is placed on combating corruption and bribery through clear policies and practices, compliance, monitoring, and reporting results. There are measures for complaints and channels for whistleblowing, along with protective measures for those who report information or whistleblowing on misconduct or corruption. Whistleblowers or complainants will be cared for and their information will be kept confidential. Reports of whistleblowing will be subjected to careful, thorough, and fair investigation processes.

The company has disseminated the anti-corruption measures and whistleblowing guidelines through internal electronic communication systems (E-Mail, Line). Additionally, this information has been published on the company's website under the section "Good Corporate Governance/Anti-Corruption Policy/Whistleblowing and Complaint Policy" <https://investor.nerubber.com/th/corporate-governance/policy/whistleblowing-policy>

Furthermore, the company promotes awareness and values in combating corruption and bribery among the board of directors, executives, and employees by ensuring strict compliance with relevant laws, announcements, and regulations. The company has also declared its intention and commitment to continuous participation in the fight against bribery and corruption, so that partners, business stakeholders, investors, and those with a vested interest in the business are aware of the company's stance.

COMPLAINT NOTIFICATION AND WHISTLEBLOWING REPORT ON VARIOUS MATTERS

The Board of Directors has established channels for stakeholders to contact, file complaints, and report information regarding issues that may cause harm to the company, violations of laws, human rights abuses, breaches of regulations and business ethics, including bribery, fraud, and corruption, which may lead to reputational damage and loss of assets. Complaints or reports can be made through the five channels provided by the company, which are as follows:

1. **Postal Mail :** "Chairman of the Audit Committee"
North East Rubber Public Company Limited
398 Moo 4, Kok Ma Subdistrict, Prakhon Chai District, Buriram Province 31140
"Company Secretary"

North East Rubber Public Company Limited
398 Moo 4, Kok Ma Subdistrict, Prakhon Chai District, Buriram Province 31140

2. **Contact Phone :** Chairman of the Audit Committee, Phone: 089-767-4222

Company Secretary,
Phone: 082-264-5189,
044-666928-9 ext. 126

3. **Email :** To "Chairman of the Audit Committee" at email cac@nerubber.com

4. **Website :** Complaints can be submitted through the company's website <https://investor.nerubber.com/th/corporate-governance/anti-bribery-and-anti-corruption>

5. Complaint or whistleblowing drop box established by the company

Complainants or whistleblowers may submit complaints through more than one channel and are not required to disclose their identity. However, if the identity is disclosed, the company will be able to inform the complainant of the results of the actions taken or provide additional details regarding the complaint.

The company has established measures for reporting tips, protecting whistleblowers, safeguarding those who are complained against, the process for fact-checking, and the protection of individuals who provide information or tips regarding misconduct or corruption. The consideration of penalties, prevention, and evaluation will be conducted by the company's internal audit department, which will initially review complaints before presenting them to the



audit committee. All complaint information and tips will be protected and kept confidential. The audit committee will investigate and seek solutions, subsequently reporting to the company's board of directors, as outlined in the anti-corruption and whistleblowing manual published on the company's website: <https://investor.nerubber.com/th/corporate-governance/policy/whistleblowing-policy>

In 2024, the company elevated its participation as a partner in the fight against corruption by signing the declaration of intent as a signatory, certifying its membership in the Thai Private Sector Collective Action against Corruption (CAC) on September 30, 2024. This includes promoting and encouraging the company's business partners to also declare their intent to become members of the Thai Private Sector Collective Action against Corruption (CAC) to enhance their role as a CAC Change Agent, continuing into 2025.

CHAPTER 4: DISCLOSURE OF INFORMATION AND TRANSPARENCY

The company places great importance on information disclosure. The Board of Directors reviews and considers the policy on information disclosure and the appropriateness of disclosing and utilizing the company's significant information. The company ensures that the disclosure of important information related to the company, including business operations and financial information, is accurate, complete, timely, and transparent, in accordance with the regulations related to information disclosure of the Stock Exchange of Thailand and the Securities and Exchange Commission. This information is presented in an easily understandable format through the annual information statement/annual report (Form 56-1 One Report) on the company's website, which is accessible, equitable, and reliable. The important information is managed by the Investor Relations department, which prepares an annual investor relations plan and is

responsible for providing effective channels and information to communicate with investors, shareholders, and securities analysts. Various communication channels are used, including sending summaries of meeting dimensions, summarizing the company's performance along with explanations and analyses from management, in accordance with the criteria of the Stock Exchange and the SEC, on a quarterly basis. Information is disseminated through the system of the Stock Exchange of Thailand, the IPOS system of the SEC, and the company's website www.nerubber.com, as well as disclosed in the company's annual report (56-1 One Report).

The company ensures the quality of financial reports to be accurate, in compliance with financial reporting standards, and audited by independent auditors certified by the Securities and Exchange Commission.

The company discloses a clear shareholding structure, including the shareholdings of directors and executives of the company, both directly and indirectly. Additionally, there is a policy requiring directors to disclose reports of securities trading each time.

The company has consistently presented its performance to analysts and investors through various formats such as Opportunity Day, Analyst Meetings, Company Visits, Site Visits, as well as participating in meetings with domestic and international investors and analysts organized by various institutions. This includes activities organized by the Stock Exchange of Thailand for listed companies to meet with investors, press conferences, and newsletters that present the company's financial status. Senior executives has participated in these activities alongside the investor relations team. The main activities organized by the company in 2024 are summarized as follows:

Table of Activities in 2023 – 2024

Activity	2023 (Time)	2024 (Time)
Executive meetings with investors (Opportunity Day)	4	4
Analyst meetings (Analyst Meeting)	4	4
Investor meetings for information sharing (Company Visit / electronic meetings)	2	3
Shareholders and investors visiting the company's operational areas (on-site)	-	1
Press conferences / newsletters presenting the company's financial status	1	1
Total	11	13

CHAPTER 5 RESPONSIBILITIES OF THE BOARD OF DIRECTORS

The Board of Directors represents the shareholders and performs its duties to achieve the objectives set for the maximum benefit of the business and stakeholders. The Board understands its role and is aware of its responsibilities as leaders in overseeing the organization to ensure good governance. They must perform their duties with responsibility, caution, and integrity towards the organization to maintain the company's best interests and avoid conflicts of interest. They comply with laws, regulations, objectives of the business, board resolutions, and shareholder meeting resolutions, and ensure that information is disclosed accurately, completely, transparently, and timely to shareholders, regulatory agencies, and stakeholders.

The Board of Directors clearly separates the roles and responsibilities of the board and management. The Board is responsible for setting policies and overseeing at the policy level to ensure that business operations align with the established objectives or goals, while management is responsible for day-to-day operations in various areas according to the established policies, with integrity, transparency, efficiency, and effectiveness, within the authority delegated by the Board of Directors.

The board of directors is responsible for defining the main objectives and goals of the business operations, establishing strategies, operational policies, fostering organizational culture, and ensuring good corporate governance. This includes determining the structure and responsibilities of the board, recruiting, developing, setting compensation, and evaluating the performance of senior executives, as well as establishing the compensation structure for senior executives.

In matters where the board collaborates with management, this includes developing organizational strategies that align with the vision, mission, objectives, or main goals of the business and sustainable development, managing enterprise-level risks, defining appropriate authority for management responsibilities, allocating resources and budgets, monitoring and evaluating performance, and disclosing financial and non-financial information.

The board also plays a crucial role in corporate governance by establishing guidelines such as the structure of the board, the roles, duties, and responsibilities of the board of directors, and the subcommittees of the company. Additional information can be found in the 56-1 One Report under the section "Corporate Governance



Structure” and important information regarding the board, subcommittees, executives, employees, and others.

Furthermore, the board mandates regular monitoring of compliance with corporate governance policies and best practices, and ensures that all employees are informed about these policies and practices through the internal information system. This information is also made available to the public via the company’s website (www.nerubber.com) under the section “Good Corporate Governance.”

6.2 BUSINESS ETHICS

The company’s board of directors has established a written code of business ethics to demonstrate its intention to conduct business in accordance with the principles of good corporate governance. This focuses on creating sustainable benefits for shareholders while considering the interests of all stakeholders. The code encompasses ethical standards and practices for the board, executives, and employees at all levels of the company, ensuring that they perform their duties with integrity, ethics, compliance with laws and regulations, transparency, accountability to stakeholders, and a commitment to shareholders, customers, partners, employees, the community, society, and the environment.

The company reviews and updates its business ethics regularly every year and promotes adherence to these guidelines consistently. This includes communication and raising awareness of business ethics among directors, executives and employees at all levels to ensure that all employees understand the business ethics.

In 2024, there were no violations related to the organization’s business ethics.

Additionally, the company has made its business ethics handbook available on its website (www.nerubber.com) under the section “Good Corporate Governance Principles / Business Ethics”

Details can be found at:

www.nerubber.com
<https://investor.nerubber.com/storage/downloads/cg-policy/ner-corporate-governance-and-business-code-of-conduct-handbook-th.pdf>



Alternatively, you can scan the QR code.

The business ethics of the company include, for example,

THE ETHICS REGARDING RESPONSIBILITY TO SHAREHOLDERS.

The company places great importance on protecting the rights of shareholders and will not engage in any actions that would violate or diminish those rights. It treats all shareholders fairly and equally and promotes and supports shareholders in exercising their rightful entitlements. The company is committed to conducting business that thrives and creates sustainable and stable added value for shareholders in the long term.

CODE OF ETHICS REGARDING CUSTOMER RELATIONSHIPS

The company is committed to creating satisfaction and confidence for customers by providing quality products and services that meet standards at reasonable prices. We strictly adhere to the contracts and various conditions with customers. Additionally, the company places great importance on maintaining customer confidentiality and fostering good relationships to ensure sustainability with customers. Furthermore, the company has established management and channels for customers to inquire and file complaints regarding

products and services, responding to customers promptly.

CODE OF ETHICS REGARDING RELATIONSHIPS WITH BUSINESS PARTNERS AND COMPETITORS

The company values the selection of business partners, considering those with potential who produce quality products and provide services that meet standards and are suitable for the respective missions. We treat partners equally and fairly, strictly adhering to various conditions in a transparent, ethical, and verifiable manner. In cases where conditions cannot be met, the company will have a management approach to promptly inform partners in advance to acknowledge and collaboratively find appropriate solutions to the issues.

The company also promotes free and fair competition, competing within the framework of the law, and does not attempt to damage the reputation of competitors through false and unfair statements.

In 2024, the company had no disputes or lawsuits with competing companies or partners.

CODE OF ETHICS REGARDING TREATMENT OF CREDITORS

The company has policies and guidelines for treating creditors with honesty, integrity, responsibility, transparency, and equality, strictly adhering to the conditions and requirements of contracts. We do not conceal information or facts that could harm creditors.

In cases where we cannot meet the conditions, requirements, contracts, or debt obligations, the company has a corrective approach to promptly inform creditors to collaboratively find solutions.

CODE OF ETHICS REGARDING RESPONSIBILITY TO EMPLOYEES

The company places great importance on human resources by promoting and supporting, as well as providing equal and consistent opportunities for employees. This includes developing potential, enhancing knowledge and skills, and providing fair compensation based on performance evaluations, promotions, rewards, and disciplinary actions, without discrimination, in an equitable and appropriate manner. Additionally, the company listens to feedback and suggestions from employees at all levels equally and fairly, and strictly adheres to laws and regulations related to employees.

CODE OF ETHICS REGARDING RESPONSIBILITY TO SOCIETY AND THE ENVIRONMENT

The company has policies and guidelines for conducting business with a sense of awareness and responsibility towards society and the environment. This includes complying with laws and cooperating to ensure strict adherence to various standards, utilizing resources to their fullest potential to minimize impacts or harm to society and the environment. The company also fosters a sense of social and environmental responsibility within the organization continuously and supports activities and projects that benefit society and the environment.

Furthermore, the company promotes, supports, and emphasizes the importance of partners regarding social and environmental responsibility, including policies and practices related to energy conservation, the use of renewable energy, efficient energy use, waste management, and reducing greenhouse gas emissions. The company values participation in community and social activities to foster development in the community, society, and environment.

**CODE OF ETHICS REGARDING RESPECT FOR HUMAN RIGHTS**

The company treats employees equally and fairly based on the dignity of human beings and respects personal freedoms. It also promotes adherence to international human rights principles and strictly does not support human rights violations.

CODE OF ETHICS ON POLITICAL NEUTRALITY

The company has a policy of political neutrality and will not provide support or engage in actions that favor any political party, either directly or indirectly. However, the company respects the rights and freedoms of individuals to exercise their political rights in accordance with the law as responsible citizens and within a democratic framework.

CODE OF ETHICS ON CHARITABLE DONATIONS AND FINANCIAL SUPPORT

The company has a clear policy regarding charitable donations and financial support. Donations must be made to foundations, public health organizations, temples, hospitals, healthcare facilities, or reputable organizations, and must be conducted in the name of the company only. This must be done transparently, in accordance with the company's regulations, to ensure that the donated funds are used for the public benefit or in line with the purpose of the donation, and not for any dishonest purposes.

CODE OF ETHICS ON GIVING OR RECEIVING GIFTS, PROPERTY, OR OTHER BENEFITS

The company has established guidelines regarding the giving or receiving of gifts, property, or other benefits in its operations to align with anti-corruption policies and to ensure that operations are conducted with orderliness and transparency.

CODE OF ETHICS ON CONFLICTS OF INTEREST

The company places importance on considering various matters transparently and in a manner beneficial to the company. Therefore, the company emphasizes the prevention of matters that may lead to conflicts of interest. Related transactions or transactions between the company must be conducted for the utmost benefit of the company and its shareholders, and any actions that may create conflicts of interest should be avoided.

CODE OF ETHICS ON INTELLECTUAL PROPERTY RIGHTS

The company prioritizes the protection of intellectual property and will not engage in any actions that infringe upon the intellectual property rights of others. It will comply with all laws, regulations, and contractual obligations related to the intellectual property rights of others, including patents, copyrights, trade secrets, and other proprietary information, strictly.

In addition to establishing a code of ethics, various policies have been set to align with the business ethics to serve as guidelines for the organization.

6.3. SIGNIFICANT CHANGES AND DEVELOPMENTS IN POLICIES, PRACTICES, AND CORPORATE GOVERNANCE SYSTEMS OVER THE PAST YEAR

6.3.1. SIGNIFICANT CHANGES AND DEVELOPMENTS REGARDING THE REVIEW OF POLICIES, PRACTICES, AND CORPORATE GOVERNANCE SYSTEMS OR COMMITTEE CHARTERS OVER THE PAST YEAR

In 2024, the company's board of directors reviewed and updated key policies during the 8th board meeting of 2024 concerning good corporate governance, the good corporate governance manual, related party transaction policies, conflict of interest prevention policies, and reporting of interests, sustainability development policies, and social and environmental policies and practices. This was done to enhance the effectiveness of governance and elevate the company's corporate governance standards, with an announcement made for everyone to be informed and adhere to these practices, including monitoring compliance, reporting results, and evaluating adherence to the aforementioned policy manual to create sustainable value for the company. During the 3rd board meeting of 2024 on May 9, 2024, a resolution was passed to appoint a new sub-committee to replace the previous sub-committee from the original nomination and sustainability development committee, establishing two new sub-committees: the "Nomination and Remuneration Committee" and the "Good Corporate Governance and Sustainable Development Committee," along with the approval of the charters for both new sub-committees.

Additionally, the company reviewed the board of directors' charter and the charters of the sub-committees, which include: 1) the Audit

Committee, 2) the Nomination and Remuneration Committee, 3) the Risk Management Committee, 4) the Good Corporate Governance and Sustainable Development Committee, and 5) the Executive Committee, to ensure alignment with the Good Corporate Governance Principles for Listed Companies 2017 (CG Code) and to enhance the company's sustainable development operations in all dimensions according to international standards. This demonstrates the company's ongoing commitment to sustainability development for stakeholders or those related to or associated with the organization, particularly in overseeing community, social, and environmental operations.

6.3.2. PRACTICES REGARDING OTHER MATTERS IN ACCORDANCE WITH GOOD CORPORATE GOVERNANCE PRINCIPLES

MONITORING COMPLIANCE

The company has established guidelines for good corporate governance to serve as a framework for the board of directors, executives and employees in complying with relevant laws, regulations, and rules. All levels of management within the organization are responsible for ensuring that employees under their supervision are informed of and adhere to the good corporate governance manual and the company's code of business ethics seriously (details of the good corporate governance practices and the company's code of business ethics can be found on the company's website www.nerubber.com). If any board member, executive, or employee violates the principles of good corporate governance and the code of business ethics as stipulated, they will face disciplinary action, and if there are actions believed to be in violation of laws, regulations, and state rules, the company will refer the matter to the relevant authorities for further action.



If employees witness any illegal actions, violations of good corporate governance principles, and/or breaches of the code of business ethics as defined, they should report complaints or allegations to the chairman of the audit committee. The company will conduct an investigation while keeping the whistleblower's identity confidential to protect against potential repercussions that may arise for the whistleblower.

MATTERS NOT PRACTICED

According to the Securities and Exchange Commission, the Corporate Governance Code for listed companies was issued in 2017 with the objective of enhancing good corporate governance by focusing on the application of principles to ensure that practices are appropriate and beneficial for creating sustainable value for the company.

In 2024, the board of directors reviewed compliance with the principles of good corporate governance, and there were certain aspects where the company adopted alternative measures or approaches based on the company's appropriate circumstances, resulting in the company not adhering to the good corporate governance principles in the following topics and for the reasons stated.

1. Disclosure of the Chief Executive Officer (CEO) Compensation Details

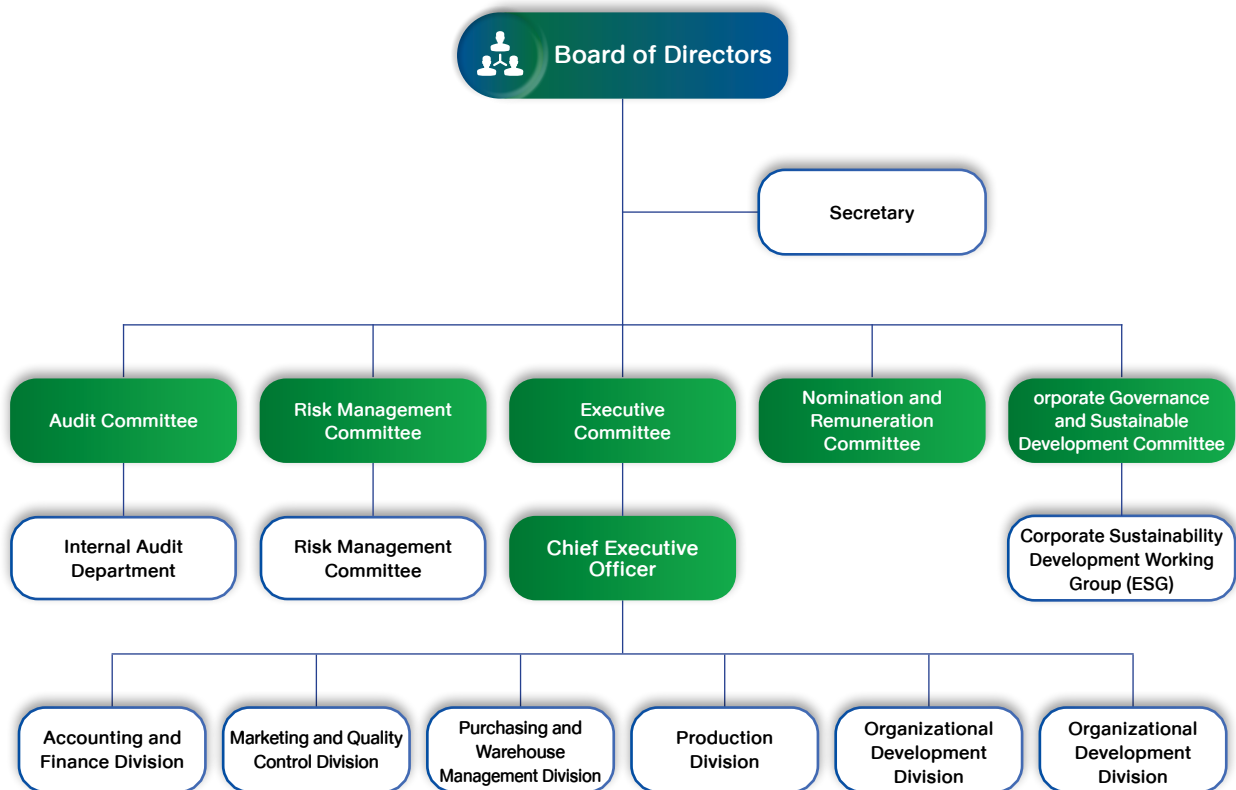
Reason: The company's board believes that compensation disclosure should be presented in monetary terms, as this is a practical issue that affects the labor market. The company has already disclosed compensation in the form of a group of senior executives. As for the disclosure of the Chief Executive Officer (CEO) compensation, the company will consider it as appropriate going forward.



7

CORPORATE GOVERNANCE STRUCTURE AND IMPORTANT INFORMATION ABOUT THE BOARD, SUBCOMMITTEES, EXECUTIVES, EMPLOYEES, AND OTHERS

7.1. CORPORATE GOVERNANCE STRUCTURE





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**

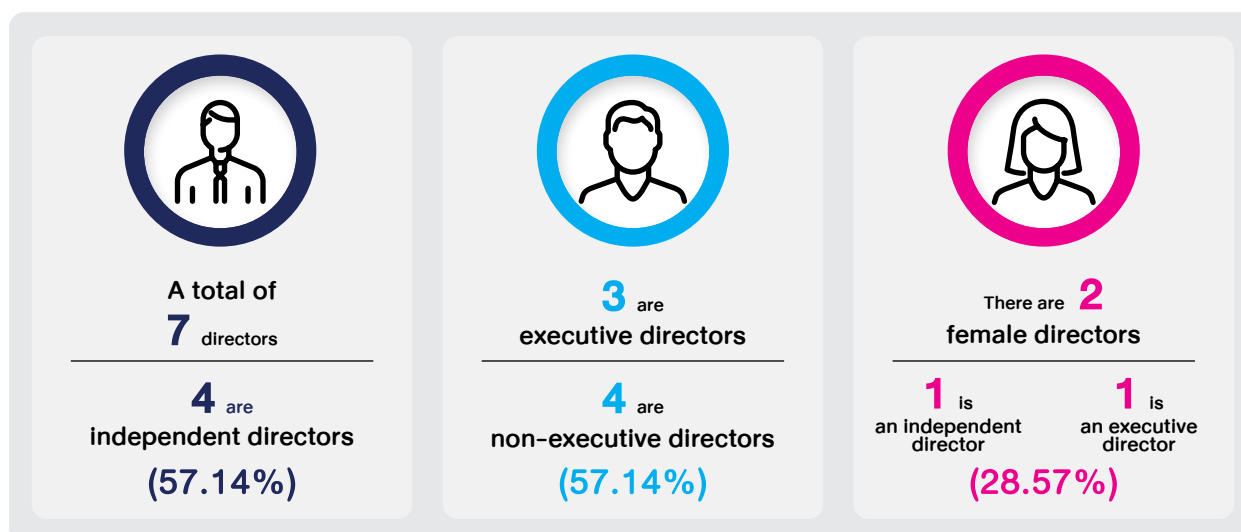
BOARD DIRECTOR /
RISK MANAGEMENT
COMMITTEE /
EXECUTIVE COMMITTEE

**MISS PY
ATTPISARN**

BOARD DIRECTOR /
EXECUTIVE COMMITTEE

7.2. INFORMATION ABOUT THE BOARD OF DIRECTORS

7.2.1. COMPOSITION OF THE COMPANY'S BOARD OF DIRECTORS



The company's board of directors consists of personnel with knowledge, expertise, skills, and experience in various fields that can be utilized to continuously benefit and develop the company. They also possess integrity, honesty, ethics, and moral principles in conducting business, and are able to dedicate time to fulfilling their duties to the company. They meet all qualifications and are suitable, with no disqualifying characteristics under the law. As of December 31, 2024, the company's board consists of 7 directors as follows.

Board of directors

No	List of directors	Position
1.	Mr.Chanitr Charnchainarong	Director / Chairman of the Board / Audit Committee / Chairman of the Corporate Governance and Sustainable Development Committee / Independent Director
2.	Mr. Ronachit Jinadit	Director / Chairman of the Audit Committee / Nomination and Remuneration Committee / Corporate Governance and Sustainable Development CommitteeIndependent / Director
3.	Mr.Tepkul Poonlarp	Director / Risk Management Committee / Independent Director
4.	Mrs.Chanatip Weerasubpong	Director / Chairman of Nomination and Remuneration Committee / Audit Committee / Risk Management Committee / Corporate Governance and Sustainable Development Committee / Independent Director
5.	Mr.Chuwit Jungtanasomboon,	Director/Chairman of the Executive Committee /Risk Management Committee/ Nomination and Remuneration Committee / Corporate Governance and Sustainable Development Committee / Chief Executive Officer
6.	Mr.Sakchai Jongsthapongpun	Director / Risk Management Committee / Executive director
7.	Miss Py Attpisarn	Director / Executive director



- The company's board of directors consists of 7 members, including 4 non-executive directors, accounting for 57.14%, and 3 executive directors, accounting for 43.86%. Ms. Nongyao Sikiow serves as the secretary of the board.
- The board includes at least one-third independent directors, with a minimum of 3 members. Currently, there are 4 independent directors, representing 57.14%, which exceeds half of the total number of directors according to good corporate governance principles.
- The chairman of the board is an independent director with no vested interests in the company and does not hold any shares in the company.
- The chairman of the board is an independent director and is not the same person as the Chief Executive Officer.
- The board has ensured an appropriate number of directors relative to the size of the business. Currently, the company has 7 directors, of which 2 are women, representing 28.57% (as listed in positions 4 and 7).
- There were no changes to the board during the year, only a restructuring of governance, which involved separating one existing subcommittee from the Nomination and Sustainability Development Committee into two committees: (1) the Nomination and Remuneration Committee and (2) the Good Corporate Governance and Sustainability Development Committee.
- New directors must undergo orientation to understand the main objectives, vision, mission, culture, characteristics, and business operations, relevant regulations, good corporate governance policies, and other necessary information that will aid in performing their duties effectively.
- Directors must have knowledge and understanding of their roles and responsibilities and must complete at least one training course from the Thai Institute of Directors

(IOD) regarding directors, such as the Director Accreditation Program (DAP) or the Director Certification Program (DCP), or equivalent, to enhance their skills and capabilities in performing their duties consistently

7.2.2 AUTHORIZED SIGNATORIES

The authorized signatories representing/binding the company are Mr. Chuwit Jangthanasomboon, Mr. Sakchai Jongsthapongpun, or Ms. Pari Arthapaisal. Any two of these three directors must sign together and affix the company's official seal, except for financial transactions with financial institutions, which require Mr. Chuwit Jangthanasomboon to sign together with either Mr. Sakchai Jongsthapongpun or Ms. Pari Arthapaisal, totaling two persons, and affix the company's official seal.

7.2.3. ROLES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

SCOPE, AUTHORITY, AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

The Board of Directors has reviewed the company's good corporate governance policy, including the scope, authority, and responsibilities of the Board of Directors, during the 8th Board meeting of 2024 held on November 7, 2024, which is defined as follows:

THE ROLES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS AS ORGANIZATIONAL LEADERS WHO CREATE SUSTAINABLE VALUE FOR THE BUSINESS:

1. Perform duties with responsibility, caution, prudence, integrity, and care for the company's interests, while complying with laws, objectives, company regulations, resolutions of the Board of Directors, and resolutions of shareholders.
2. Set the vision, goals, policies, and operational direction of the company that align with sustainable value creation for the company, customers, stakeholders, and society as a

whole, and review them annually or when significant changes occur.

3. Oversee, control, and monitor the evaluation of operational performance to ensure that the company's operations align with and support the established vision, goals, and policies effectively and efficiently, maximizing economic value for the company and shareholders while being fair to all stakeholder groups.
4. Regularly be accountable to shareholders, operate while safeguarding shareholder interests, and disclose essential information to investors accurately, completely, transparently, and in a timely manner.
5. Establish a charter for the Board of Directors and its subcommittees, as well as review and amend the Board's charter to ensure it is current, appropriate to regulations, rules, and changing circumstances, and oversee the operations of various subcommittees in accordance with the established charter, reviewing the Board's charter at least once a year.
6. Define the authority and approval levels for transactions and various operations related to the company's work for committees or individuals as appropriate, ensuring compliance with relevant laws by creating an operational authority manual, which should be reviewed at least once a year.

ESTABLISHING OBJECTIVES AND MAIN GOALS FOR SUSTAINABLE OPERATIONS

7. Review the budget, targets, work plans, and policies for business operations in collaboration with management, as well as develop the company's capabilities to compete at an international level. This includes overseeing the management and administration to ensure compliance with the budget, targets, work plans, business policies, and business strategies for sustainability,

aimed at maximizing benefits for the company and its shareholders.

ENHANCING AN EFFECTIVE BOARD OF DIRECTORS

8. Regularly define and review the board structure annually, including the number of directors, the proportion of independent directors, and diverse qualifications, to ensure they are suitable and necessary for guiding the organization towards its defined objectives and goals.
9. Supervise the process of recruiting and electing individuals as company directors transparently by creating a Board Skills Matrix to define the desired qualifications of directors appropriately, considering the company's business strategy. Additionally, establish appropriate compensation for the board of directors and subcommittees to be presented for approval at the shareholders' meeting. In considering the compensation for the board, various factors must be taken into account, such as alignment with the company's short-term and long-term strategies and goals, experience, responsibilities, scope and role of responsibilities, compensation standards for directors in the same industry, and the expected benefits from each director, among others.
10. Dedicate sufficient time to perform duties, attend board meetings and shareholders' meetings, unless there are unavoidable circumstances. Directors unable to attend a meeting must notify the chairman or the company secretary in advance of the meeting.
11. The performance of the company's board of directors shall be evaluated regularly every year, including an assessment of the board's performance, the performance of subcommittees, and individual directors. Additionally, the results of the evaluations



of the board and subcommittees shall be monitored for collective consideration by the board and used for the ongoing development of their duties.

12. The board of directors shall oversee that both the board and each director have a clear understanding of their roles and responsibilities, the nature of the business operations, and the laws related to business activities. Furthermore, it shall encourage all directors to continuously develop their knowledge and capabilities in their roles by attending training or participating in courses related to their duties as directors or in seminars that enhance their operational knowledge.
13. The company shall appoint a company secretary and define the scope of the secretary's powers and duties in accordance with the laws governing securities and the stock market, to be responsible for operations and assist the board in various tasks, ensuring that the company's business operations comply with relevant laws, announcements, and regulations.

RECRUITMENT AND DEVELOPMENT OF SENIOR EXECUTIVES AND HUMAN RESOURCE MANAGEMENT

14. Consider the organizational structure, the development plan for senior executives, and the important succession plan, and oversee the regular annual performance evaluation of senior executives to ensure effectiveness. This includes reviewing the compensation structure for senior executives to ensure it is appropriate and aligned with responsibilities and performance outcomes, thereby creating incentives for both the short and long term, and allowing for comparisons with compensation standards in the same industry.
15. Oversee the establishment of an appropriate compensation structure and evaluation system, and monitor the management and

development of personnel to ensure they possess the right quantity, knowledge, skills, experience, and motivation.

16. 1Ensure that internal agreements within the family business, shareholder agreements, or other related agreements do not hinder the performance of duties, and implement the disclosure of any agreements that may impact the business (if any).

PROMOTION OF INNOVATION AND RESPONSIBLE BUSINESS PRACTICES

17. the implementation of the company's strategies and business plans, and track the performance measurement of management by requiring regular reporting on the company's performance, including policies for the development and improvement of business operations.
18. Ensure that management conducts business responsibly towards society and the environment, reflected in the operational plan, to guarantee that all parties within the organization operate in alignment with the company's objectives, key goals, and strategic plans, as well as the development of the company's personnel.
19. Emphasize and support the creation of innovations that add value to the business while also benefiting all stakeholders.
20. Oversee the conduct of business and operations ethically, in accordance with governance principles, and provide a written code of ethics as a standard for the operations of directors, executives, and company employees, while also ensuring compliance with the code of ethics.
21. Oversee the management of information technology and the security measures for information technology systems.

ENSURING AN APPROPRIATE RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM.

22. Establish a risk management policy that

- covers the entire organization and oversee effective risk management across the organization, including regular reviews and assessments of the risk management system.
23. Set up an audit committee and a risk management committee that can perform their duties effectively and independently.
 24. Ensure there is a process for the regular assessment of the adequacy of the internal control systems of the company and its subsidiaries to reduce the risk of fraud and misuse of power, as well as to prevent illegal activities.
 25. Oversee, control, prevent, monitor, manage, and address potential conflicts of interest that may arise between the company's stakeholders, management, the board of directors, or shareholders. Ensure measures are in place to prevent the improper use of the company's assets and transactions with related parties.
 26. Establish and adhere to corporate governance policies and promote communication at all levels within the company to ensure awareness and compliance. Additionally, oversee and develop the company's governance to meet international standards as a guideline for business operations, ensuring adherence to corporate governance principles and business ethics.
 27. Review, approve, and/or provide opinions on transactions that significantly impact the business, including the acquisition or disposal of the company's assets, related party transactions between the company or its subsidiaries and related persons as defined in the Securities and Exchange Act and relevant regulations of the Stock Exchange of Thailand ("SET") and the Capital Market Supervisory Board. Also, consider and provide opinions on various transactions of the company (if the transaction value does not meet the criteria requiring consideration and approval by the shareholders' meeting) to ensure compliance with laws, announcements, regulations, and related rules.
 28. Review and/or provide opinions on the establishment, merger, or dissolution of subsidiaries within the framework of applicable laws, announcements, regulations, and rules.
 29. Oversee the investment and operations of subsidiaries and joint ventures by establishing both direct and indirect measures and mechanisms, enabling the company to effectively control and manage the operations of subsidiaries and joint ventures at an appropriate level. This includes monitoring the management of subsidiaries and joint ventures to ensure compliance with the company's policies, plans, and objectives, as if they were part of the company itself, while adhering to the legal framework, announcements, regulations, and related rules. This oversight aims to protect the company's investment interests, thereby enhancing shareholder confidence.
 30. Ensure there are processes and channels for receiving and managing complaints from those wishing to report tips or stakeholders effectively, including mechanisms for receiving complaints and addressing cases where tips are provided.
- MAINTAINING FINANCIAL CREDIBILITY AND INFORMATION DISCLOSURE**
31. Approve the proposal for the appointment of auditors and review the annual audit fees to be presented to shareholders for approval.
 32. Oversee the establishment of accounting systems, the preparation of financial reports, and the auditing or review of financial statements in accordance with relevant rules, standards, and guidelines.
 33. Monitor the adequacy of financial liquidity and debt repayment capacity, as well as plans or mechanisms for problem resolution, with careful consideration of stakeholder rights.



34. Prepare sustainability reports as appropriate, which may be disclosed in the annual information statement/annual report as a single source under the One Report principle, revealing information according to guidelines set by the Securities and Exchange Commission and the Stock Exchange, or through the preparation of a Sustainability Report (SD Report).
35. Ensure appropriate disclosure of information to shareholders and stakeholders, including the accurate, sufficient, complete, appropriate, and timely disclosure of important information, while promoting the use of information technology in disseminating information.
36. Report the board's responsibility for preparing financial statements alongside the auditor's report in the annual report, covering significant matters in accordance with the principles of good practice for directors of listed companies on the Stock Exchange of Thailand.

SUPPORT FOR SHAREHOLDER ENGAGEMENT AND COMMUNICATION

37. 37. Ensure that shareholders are involved in decision-making on important matters of the company.
38. Ensure that the proceedings on the day of the shareholders' meeting are conducted smoothly, transparently, efficiently, and facilitate shareholders in exercising their rights.
39. Ensure that the disclosure of resolutions from the shareholders' meeting and the preparation of the meeting minutes are done accurately and comprehensively, respecting the rights and treating all shareholders, both major and minor, as well as all stakeholders, fairly and transparently.

The Board of Directors has the authority to approve matters including:

1. The vision, mission, core objectives of the business, and the short-term, medium-term, and long-term strategic plans.
2. The annual budget and operational plans.
3. Investments, various project investments, and significant contracts of the company.
4. The appointment of committees formed during the year and the appointment of sub-committees.
5. The determination of the list of directors authorized to bind the company.
6. Significant related party transactions.
7. Monitoring and evaluating performance to ensure it aligns with the established plans.
8. Self-assessment of performance and that of the sub-committees.

The Board of Directors collaborates with management on the following matters:

1. Considering the direction, strategy, policies, and important annual plans to align with the vision, mission, and core objectives of the business.
2. Ensuring the adequacy of the risk management and internal control systems.
3. Defining appropriate authority for actions that align with management's responsibilities.
4. Monitoring and evaluating performance to ensure it aligns with the strategies, plans, and budgets approved by the Board of Directors.
5. Ensuring the disclosure of financial and non-financial information, such as financial statements and various disclosures, according to the criteria set by regulatory agencies through various channels.

The Board of Directors should not engage in the following matters:

1. Managing in accordance with the strategies, policies, and plans approved by the Board. The Board should allow management to be

responsible for operational decision-making, procurement, hiring personnel, etc., within the established policy framework and monitor the results without interfering in decision-making unless absolutely necessary.

2. Matters with prohibitive requirements, such as the approval of transactions in which directors have a vested interest or transactions that may create a conflict of interest with the company.

SCOPE, AUTHORITY, AND RESPONSIBILITIES OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

The Board of Directors has reviewed the roles and responsibilities of the Chairman of the Board of Directors, and according to the resolution of the Board of Directors meeting No. 8/2024 on November 7, 2024, the Chairman of the Board of Directors is assigned the following roles and responsibilities:

1. To approve the agenda for the Board of Directors meetings by consulting with the Chief Executive Officer, the Company Secretary, and the Audit Committee, ensuring that important matters are included in the meeting agenda.
2. To lead the Board of Directors and preside over Board meetings.
3. To lead the shareholders' meetings in accordance with the agenda, the company's regulations, and the law, allocating appropriate time and providing equal opportunities for shareholders to express their opinions, while ensuring that shareholders' questions are answered appropriately and transparently.
4. To oversee the effective functioning of the Board of Directors, supporting, advising, and assisting the management in operating within the authority granted by the Board.
5. To allocate sufficient time for Board meetings for management to present matters and for directors to discuss important issues thoroughly, while supporting, advising, and

assisting the management in operating within the authority granted by the Board.

6. To foster good relationships between the Board of Directors and management, supporting the performance of the Chief Executive Officer and management in accordance with the company's policies.
7. To promote and ensure that directors adhere to their scope of authority, responsibilities to shareholders and stakeholders, in accordance with good corporate governance principles, ethical standards, and the code of conduct of the company.
8. To oversee the disclosure of information and management in a transparent manner in cases of conflicts of interest.

Furthermore, the Chairman of the Board must not be the same individual as the Chief Executive Officer.

7.3. INFORMATION ABOUT THE SUBCOMMITTEES

The Board of Directors has appointed five subcommittees, namely: (1) Audit Committee, (2) Executive Committee, (3) Risk Management Committee, (4) Nomination Committee and Compensation Consideration, and (5) Good Corporate Governance and Sustainable Development Committee. During the 8th Board of Directors meeting of the year 2567 (2024) held on November 7, 2567, the Board reviewed and revised the scope, authority, and responsibilities of the five subcommittees to ensure compliance with good corporate governance principles as follows:

(1) AUDIT COMMITTEE

The Board of Directors has appointed the Audit Committee to oversee the operations and management of the company, ensuring that they are conducted in a correct, transparent, and standardized manner to maximize benefits for all stakeholders. As of December 31, 2567, the Audit Committee consists of three members, as follows:

**Audit Committee**

Name – Surname		Position in audit committee	Position in board of director
1. Mr. Ronachit	Jinadit	Chairman	Independent Director
2. Mr. Chanitr	Charnchainarong	Director	Chairman of the Board/ Independent Director
3. Mrs.Chanatip	Weerasubpong	Director	Independent Director

The Audit Committee is responsible for overseeing risk management, operational oversight, and internal controls. The Audit Committee Charter stipulates that the committee must consist of at least three independent directors appointed by the Board of Directors, with at least one member possessing sufficient knowledge or experience in accounting or finance to review the reliability of the financial statements. The Audit Committee member with expertise in reviewing the reliability of financial statements is Ms. Chanatip Veerasipong, who holds a Master's degree in Accounting, a Master's degree in Political Science from Thammasat University, and a Bachelor's degree in Accounting from Thammasat University and a Bachelor's degree in Law from Ramkhamhaeng University. Ms. Pirada Tonhongsak serves as the secretary of the Audit Committee.

SCOPE, AUTHORITY, AND RESPONSIBILITIES OF THE AUDIT COMMITTEE:)

1. Review financial reports to ensure accuracy and reliability, including adequate disclosure of information, by coordinating with external auditors and executives responsible for preparing quarterly and annual financial reports. The Audit Committee may recommend that the auditors review or examine any items deemed significant and necessary during the company's audit.
2. Review the internal control system and internal audit to ensure they are appropriate and effective according to generally accepted international methods and standards. The committee may suggest reviews or examinations of any items considered necessary and important, along with proposing recommendations for improving significant and necessary internal control systems to the Board of Directors, in collaboration with external auditors and internal auditors.
3. Review compliance with securities and stock market laws, or regulations of the stock exchange, as well as policies, rules, regulations, and other laws related to the company.
4. Consider the disclosure of the company's information in cases of related transactions, acquisition or disposal of assets, or transactions that may have conflicts of interest for the company, in accordance with the law and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand, to ensure that such transactions are reasonable and in the best interest of the company.
5. Review to ensure that the company has an appropriate and effective risk management system, work processes, controls, governance in operations, and information technology that comply with international standards.
6. Oversee the establishment of a policy for handling complaints regarding fraud and misconduct that is sufficiently appropriate for the company's business operations, and review the results of fraud investigations and penalties, establish internal preventive measures, as well as review the company's internal processes related to whistleblowing and complaint handling.
7. Consider the selection, proposal for appointment, and termination of individuals who are independent and approved auditors by the Securities and Exchange Commission to serve as the

company's auditors, including reviewing the compensation of the company's auditors and evaluating the auditors' performance before presenting to the board of directors.

8. Review the company's internal audit plan according to generally accepted methods and standards, including approving the appointment, transfer, or termination of the head of internal audit and evaluating the performance of the internal audit department.
9. Consider the independence of the internal audit department by reviewing its duties and various reports, including the reporting line, and ensure that there is an evaluation of the internal audit performance according to international standards.
10. Review and provide opinions on the operations of the internal audit department and coordinate with the auditors by organizing joint meetings with the auditors without management participation at least once a year to receive updates on the quarterly financial statement review, annual financial statement audit results, internal audit findings, and discuss any issues or obstacles that may arise from the auditors' or internal auditors' operations.
11. Regularly report to the Board of Directors to keep them informed of the activities of the Audit Committee and prepare an operational report to be submitted to the Board of Directors at least once a year.
12. Prepare the Audit Committee's report, which should be disclosed in the company's annual report. This report must be signed by the Chairman of the Audit Committee and include opinions on various matters as required by the regulations of the Stock Exchange of Thailand.
13. The Audit Committee must evaluate the overall performance of the Audit Committee and its own performance regularly every year, including reviewing the Audit Committee's charter at least once a year to present to the Board of Directors for approval.
14. Perform any other duties as required by law or as assigned by the Board of Directors within the scope of the Audit Committee's duties and responsibilities.

In carrying out its duties, the Audit Committee has the authority to call upon management, executives, or relevant employees of the company to provide opinions, attend meetings, or submit documents deemed relevant or necessary, as well as the authority to hire professional consultants to provide independent opinions or advice when deemed necessary. The hiring process must comply with the company's procedures.

In 2024, the Audit Committee held a total of 9 meetings in accordance with the powers, duties, and responsibilities specified in the charter and as assigned by the Board of Directors. They also regularly reported their activities to the Board of Directors and prepared a report for shareholders in the 56-1 One Report form.

(2) RISK MANAGEMENT COMMITTEE

The Board of Directors has appointed a Risk Management Committee to consider the establishment of policies and risk management practices as guidelines for the company. The committee supports the monitoring and assessment of risks to ensure confidence and credibility among stakeholders. As of December 31, 2024, the Risk Management Committee consists of 5 members as follows:

**Risk Management Committee**

Name – Surname		Position
1. Mr. Tepkul	Poonlarp	Chairman of Risk Management Committee / Independent Director
2. Mrs. Chanatip	Weerasubpong	Risk Management Committee / Independent Director
3. Mr. Chuwit	Jungtanasomboon	Risk Management Committee / Chief Executive Officer (CEO)
4. Mr. Sakchai	Jongsthapongpun	Risk Management Committee / Executive Committee
5. Mr. Natthapon	Inprakon	Risk Management Committee / Chairperson of the Risk Management Working Group

The composition of the Risk Management Committee consists of 2 independent directors, 1 Chief Executive Officer, and 2 executives. The term of office is 3 years at a time or until the term ends due to the expiration of the director's position, resignation, a resolution by the Board of Directors to remove from office, loss of qualifications as an Audit Committee member or independent director according to this charter, or according to the regulations of the Securities and Exchange Commission or the Stock Exchange of Thailand, or by court order, or death.

SCOPE, AUTHORITY, AND RESPONSIBILITIES OF THE RISK MANAGEMENT COMMITTEE

1. Consider the establishment of policies, strategies, risk management frameworks, prevention plans, guidelines, or measures for risk management, and oversee the risk management of the risk management working group. This includes reviewing the risk and risk management processes across the organization (Enterprise Risk Management Framework), ensuring effective working processes, controls, and governance in operations, as well as information technology and data security that comply with international standards. Present the policies and risk management frameworks to the Board of Directors for approval.
2. Monitor the results of risk management, key risk issues and information, risk trends, and overall risk, as well as assess the effectiveness of risk management and evaluate risk management outcomes. This is to ensure that risk management is conducted efficiently and effectively, can identify unexpected risks or crises, and can appropriately and timely mitigate losses, damages, and impacts, both financial and on the organization's image and reputation, while considering the acceptable level of risk (Risk Appetite), the feasibility of implementation at a reasonable cost, and alignment with established guidelines and principles of good corporate governance and checks and balances.
3. Oversee the continuous development and adherence to risk management policies and frameworks to ensure that the company has an effective risk management system throughout the organization and that compliance is maintained consistently.
4. Coordinate with the Audit Committee regarding significant risk issues and have the internal audit unit review to ensure that the company has an appropriate internal control system for risk management, including the proper application of the risk management system across the organization.
5. Consider appointing additional or replacement personnel in the risk management working group and/or related working groups as appropriate, as well as defining roles and responsibilities to facilitate the achievement of objectives.
6. Provide advice and consultation to the risk management working group and/or the executive

committee and/or the working group related to risk management, including considering appropriate approaches related to the development of the risk management system.

7. Promote and support communication regarding the importance of risk management, the transmission of knowledge, and the sharing of experiences in risk management within the organization on a regular basis. Serve as a role model in risk management to foster understanding and instill in employees a sense of ownership of risks, as well as collaborative risk management within the scope of responsibilities, especially when significant events or changes occur within the organization. Additionally, encourage the inclusion of risk-related agenda items in the company's main meetings.
8. Review and revise the charter of the risk management committee at least once a year and present it to the board of directors for approval.
9. Review the risk management reports and policies at least once a year to ensure that the organization has adequate and appropriate management of policies and risk management frameworks in line with the overall business operations of the company.
10. Report to the board of directors and the audit committee on the performance of the risk management committee, including any other matters that are necessary, appropriate, and should be brought to the attention of the board of directors.
11. Carry out any other operations related to risk management as assigned by the board of directors.

In this regard, executives and/or the risk management working group and/or relevant departments and/or working groups related to risk management must report or present relevant information and documents to the risk management committee to achieve the objectives and responsibilities assigned.

In 2024, the risk management committee held a total of 12 meetings in accordance with the powers, duties, and responsibilities specified in the charter and as assigned by the board of directors, while regularly reporting its activities to the board of directors and preparing a report for shareholders in the 56-1 One Report form.

(3) NOMINATION AND REMUNERATION COMMITTEE

The company's board of directors has appointed a nomination and remuneration committee to establish policies regarding recruitment and compensation. This committee is responsible for reviewing and filtering suitable candidates for directors and/or senior executives, as well as considering the criteria for determining the compensation of directors and senior executives to ensure appropriateness and alignment with objectives. As of December 31, 2024, the nomination and remuneration committee consists of three directors as follows:

Nomination and Remuneration Committee

Name – Surname	Position
1. Mrs. Chanatip Weerasubpong	Chairman of Nomination and Remuneration Committee/ Independent Director
2. Mr. Ronachit Jinadit	Nomination and Remuneration Committee /Independent Director
3. Mr. Chuwit Jungtanasomboon	Nomination and Remuneration Committee / Chief Executive Officer

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.



The charter of the Nomination and Remuneration Committee stipulates that the committee must consist of at least three members, with at least one member being an independent director. The term of office must align with the tenure of the company's board of directors.

SCOPE, AUTHORITY, AND RESPONSIBILITIES OF THE NOMINATION AND REMUNERATION COMMITTEE:

1. To consider the structure, size, composition of the board of directors, and the qualifications of individuals suitable for the position of director, ensuring they are appropriate for the size, type, nature of the business, and complexity of the organization.
2. To establish criteria and processes for the recruitment, selection, and nomination of suitable candidates for the positions of company director, sub-committee directors, Chief Executive Officer, Deputy Chief Executive Officer, and other executives as assigned by the board of directors, ensuring transparency and adherence to guidelines, for presentation to the board of directors and/or the shareholders' meeting for consideration and appointment.
3. To determine the criteria for evaluating the performance of the Chief Executive Officer and present it to the board of directors for consideration.
4. To assess the performance of the Chief Executive Officer by reviewing annual or more frequent performance results, using this information to consider and improve various operational aspects, while also promoting further training and knowledge enhancement in relevant fields, and presenting this to the board of directors for further consideration.
5. To establish criteria for determining the remuneration, salary adjustments, and other benefits for directors and sub-committee directors, ensuring alignment with the company's performance, and presenting this to the shareholders' meeting for approval.
6. To review and amend the charter of the Nomination and Remuneration Committee and present it to the board of directors for approval.
7. To perform any other duties as assigned by the board of directors.

In 2024, the Nomination and Remuneration Committee held four meetings to fulfill its duties as outlined in the charter and as assigned by the board of directors, while also reporting the committee's performance results to the board of directors and summarize the proposal to shareholders in the 56-1 One Report.

(5) THE COMMITTEE ON CORPORATE GOVERNANCE AND SUSTAINABLE DEVELOPMENT

At the 3rd Board of Directors meeting of 2024, held on May 9, 2024, a resolution was passed to appoint a new sub-committee to replace the previous sub-committee from the original Nomination and Sustainability Development Committee. Two new sub-committees were established: the "Nomination and Remuneration Committee" and the "Corporate Governance and Sustainable Development Committee." The charters for both new sub-committees were approved.

The Good Corporate Governance and Sustainable Development Committee is responsible for promoting, supporting, and establishing policies related to good corporate governance and sustainable development to enhance the standards of corporate governance practices and develop the business sustainably, considering stakeholders throughout the value chain of the business, as well as various practices of the company to align with the principles of good corporate governance and sustainable development that publicly listed companies should adhere to. This includes encouraging the company

to consider risk issues in business operations to ensure that management is conducted transparently, efficiently, and can be audited, covering environmental, social, and governance dimensions. Additionally, it promotes the disclosure of corporate governance and sustainable development information to reflect true value and worth, fostering a culture within the organization that builds confidence among shareholders, investors, stakeholders, and all related parties. As of December 31, 2024, the Good Corporate Governance and Sustainable Development Committee consists of 4 members: 3 independent directors and 1 Chief Executive Officer, with the independent director serving as the chair of the Good Corporate Governance and Sustainable Development Committee.

Corporate Governance and Sustainable Development Committee

Name – Surname		Position
1. Mr. Chanitr	Charnchainarong	Chairman of Corporate Governance and Sustainable Development Committee
2. Mr. Ronachit	Jinadit	Corporate Governance and Sustainable Development Committee
3. Mrs. Chanatip	Weerasubpong	Corporate Governance and Sustainable Development Committee
4. Mr. Chuwit	Jungtanasomboon	Corporate Governance and Sustainable Development Committee

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.

DUTIES AND RESPONSIBILITIES OF THE CORPORATE GOVERNANCE AND SUSTAINABILITY DEVELOPMENT COMMITTEE

DUTIES AND RESPONSIBILITIES REGARDING CORPORATE GOVERNANCE

1. Consider and establish objectives, goals, strategies, and management frameworks, along with providing policies and operational guidelines to align with the company’s goals and strategies, as well as applicable laws, regulations, and practices both domestically and internationally, with a review conducted annually.
2. Recommend best practices, provide advice and consultation on good corporate governance, operational risk management, and internal controls, compliance with laws, organizational regulations, as well as measures against corruption and fraud, according to the principles of good corporate governance to the board of directors and management, to be established as organizational policies and practices in compliance with relevant laws, regulations, criteria, and both domestic and international standards and best practices.
3. Establish policies and frameworks for governance, support, and monitoring to ensure the implementation of good corporate governance practices, operational risk management, internal controls, compliance with laws, organizational rules, and anti-corruption measures, including the handling of complaints, reporting of fraud, and non-compliance with laws and organizational regulations, and report to the board.

**SUSTAINABILITY DEVELOPMENT DUTIES AND RESPONSIBILITIES**

4. Consider establishing strategic policies and reviewing and improving the company's sustainability development goals, covering environmental, social, economic, and governance dimensions (Environmental, Social and Governance: ESG) according to principles and standards for sustainability development at both local and international levels as appropriate, to achieve the vision, core objectives, and business strategies, while considering the company's long-term growth and factors affecting sustainability, including opportunities and risks related to the company's business operations, and present to the board of directors.
5. Monitor and oversee the operations of management and the sustainability working group to ensure compliance with sustainability policies for the organization's sustainability. This includes organizing meetings to track progress, inquire about information, provide direction and recommendations to management, incorporating these issues into the annual strategy and work plan, establishing appropriate success indicators that reflect the implementation of business strategies for sustainability, and setting a timeline for monitoring to improve operational approaches and define future work plans.
6. Consider reviewing and appropriately and consistently improving sustainability practices and presenting them to the board of directors to achieve the organization's goals in the short, medium, and long term, taking into account resources throughout the business value chain, technology, innovation, adaptation to change, and key factors driving strategy, to promote and support the creation of values and organizational culture in both operational and ethical aspects, and to meet the expectations of stakeholders comprehensively, ensuring alignment with business operations and consistency with international practices and those of the Stock Exchange of Thailand.
7. Support and promote knowledge and skills for the board of directors and various subcommittees to enhance the knowledge and expertise of the board and subcommittees through various formats, focusing on the organization's sustainability operations.
8. Regularly report progress and performance results to the board of directors.
9. Review and amend the charter of the corporate governance and sustainability committee annually, and if there are significant improvements, present them to the board of directors for approval.
10. Oversee the disclosure of information regarding good corporate governance and sustainability through the annual report and/or prepare the report of the corporate governance and sustainability committee to be included in the company's annual report.
11. Perform other duties as assigned by the board of directors.

In 2024, the corporate governance and sustainability committee held three meetings to fulfill its duties within the scope of authority and responsibilities outlined in the charter and as assigned by the board of directors, while also reporting the performance results of the corporate governance and sustainability committee to the board of directors and summarizing them for shareholders in the 56-1 One Report format.

(6) EXECUTIVE COMMITTEE

The board of directors has appointed an executive committee to support the operations of the board in accordance with the company's policies, goals, business strategies, and operational plans to achieve maximum efficiency and benefits in all aspects. As of January 31, 2025, the executive committee consists of 7 members as follows:

Executive Committee

Name – Surname		Position in the Executive Committee
1. Mr. Chuwit	Jungtanasomboon	Chairman of the Executive Committee
2. Mrs. Phanida	Jungtanasomboon	Executive Committee
3. Mr. Sakchai	Jongsthapongpun	Executive Committee
4. Miss Kesnaree	Jongchotsirikul	Executive Committee
5. Miss Py	Attpisarn	Executive Committee
6. Miss Suhailee	Yitaso	Executive Committee
7. Mrs. Jarunee	Jongwatthanasak	Executive Committee

Remark : Mrs.Jarunee Jongwatthanasak has been appointed as the acting chair of the executive committee, replacing Mr. Parinya Leenatham, who resigned on January 21, 2025.

SCOPE, AUTHORITY, AND RESPONSIBILITIES OF THE EXECUTIVE COMMITTEE

1. Perform duties within the scope of the law, the company's objectives, and regulations, as well as resolutions of the board and shareholders' meetings, with integrity (Duty of Loyalty), caution (Duty of Care), accountability, and ethics, while considering the interests of shareholders equally and fairly towards all stakeholders.
2. Define the vision, mission, strategies, goals, policies, and business operation plans of the company that align with sustainable value creation for the company, to be presented to the board of directors, and to be reviewed annually or when significant changes occur.
3. Oversee the management's operations by continuously monitoring and evaluating the management's performance to ensure alignment with the established policies, vision, mission, strategies, and goals, aimed at developing the organization for sustainable growth, while considering the environment, society, governance, and stakeholders.
4. Consider the delegation of authority and approval levels for individuals appropriately and ensure the separation of duties that may lead to fraud, including establishing procedures and methods for transactions with major shareholders, directors, executives, or related parties appropriately to prevent conflicts of interest, and present to the board of directors for principle approval, as well as control compliance with the approved principles.
5. Review the company's annual budget, investment projects, and investment budgets according to the authority in the operational authority manual to present to the board of directors, and oversee expenditures according to the budget approved by the board of directors, reporting the operational results to the board of directors.
6. Manage the company's business and investments to achieve the objectives, regulations, vision, mission, strategies, and policies of the board of directors, in accordance with the law, conditions, regulations, and the company's rules, as well as relevant regulatory agencies.
7. Promote innovation development in all areas and commit to research and development to enhance the diversity of finished products, driving business growth sustainably.
8. Consider approving financial transactions with financial institutions for opening and closing accounts, borrowing, withdrawing funds from all company accounts, providing loans, utilizing various financial services, as well as using the company's securities as collateral for such debts, whether registered or unregistered, for the benefit of the company's operations. This includes determining the



authorized signatories and the limits in the company's bank account payment authorization procedures.

9. Authority to approve legal transactions, submit applications, proposals, contact, and engage in legal acts with government agencies as required by regulations or related matters, to acquire various rights of the company and/or any actions related to the aforementioned matters until completion within the specified limits and/or according to the powers, duties, and responsibilities assigned and/or applicable laws and regulations and/or the company's regulations.
10. Responsible for ensuring that the company has sufficient important information to support the decision-making of the board of directors and shareholders, including preparing reliable financial reports that meet good standards and transparency.
11. Consider the company's profits and losses and propose the payment of annual dividends or interim dividends to the board of directors.
12. Consider new business operations, business restructuring, establishing subsidiaries, joint ventures, divestments, mergers and acquisitions (M&A), and present these to the board of directors.
13. Consider approving matters that require the board of directors' approval, except for activities that the board has already delegated to other subcommittees.
14. Regularly report significant operational results to the board of directors, including important issues that the board should be informed of, as well as any resolutions or significant actions within the scope of the executive committee's responsibilities for the board's acknowledgment in the next board meeting.
15. Ensure that executives, employees, and relevant individuals attend executive committee meetings or provide information related to matters discussed in the executive committee meetings, including having the authority to request information from various departments of the company to support further consideration of various issues.
16. Approve the appointment of various sub-committees to support the duties of the Executive Committee, granting the sub-committees the authority, responsibilities, and obligations as outlined in their charters.
17. Approve the appointment of qualified representatives to act on behalf of the company in accordance with the relevant regulations and laws.
18. Procure consultants or individuals with independent opinions to provide insights or recommendations as necessary and appropriate for various departments or projects.
19. Conduct annual self-assessments of performance to allow the committee to jointly review results and make improvements, leading to sustainable organizational development.
20. Carry out any other actions within the authority and responsibilities or as assigned by the Board of Directors.

The delegation of authority and responsibilities of the Executive Committee as mentioned above does not include the authority and/or delegation of authority to approve any items in which they or the delegated representatives or individuals may have a conflict of interest (as defined in the announcement by the Securities and Exchange Commission) that conflicts with the company. Such approvals must be presented to the Board of Directors and/or the shareholders' meeting (as applicable) for consideration and approval in accordance with the company's regulations or relevant laws.

EXECUTIVE BOARD



**MR. CHUWIT
JUNGTANASOMBOON**

CHIEF EXECUTIVE OFFICER
(CEO)

**MR. SAKCHAI
JONGSTAPONGPUN**

DEPUTY CHIEF EXECUTIVE
OFFICER OF ACCOUNTING
AND FINANCE (CFO)

**MISS PY
ATTPISARN**

DEPUTY CHIEF EXECUTIVE
OFFICER OF SUSTAINABILITY
DEVELOPMENT

**MRS. PHANIDA
JUNGTANASOMBOON**

DEPUTY CHIEF EXECUTIVE
OFFICER OF PROCUREMENT
AND WAREHOUSE



**MISS KESNAREE
JONGCHOTSIRIKUL**

DEPUTY CHIEF EXECUTIVE
OFFICER OF MARKETING
AND QUALITY CONTROL

**MISS SUHAILEE
YITORSOR**

DEPUTY CHIEF EXECUTIVE
OFFICER OF PRODUCTION

**MRS. JARUNEE
JONGWATTANASAK**

ACTING DEPUTY CHIEF
EXECUTIVE OFFICER OF
CORPORATE DEVELOPMENT

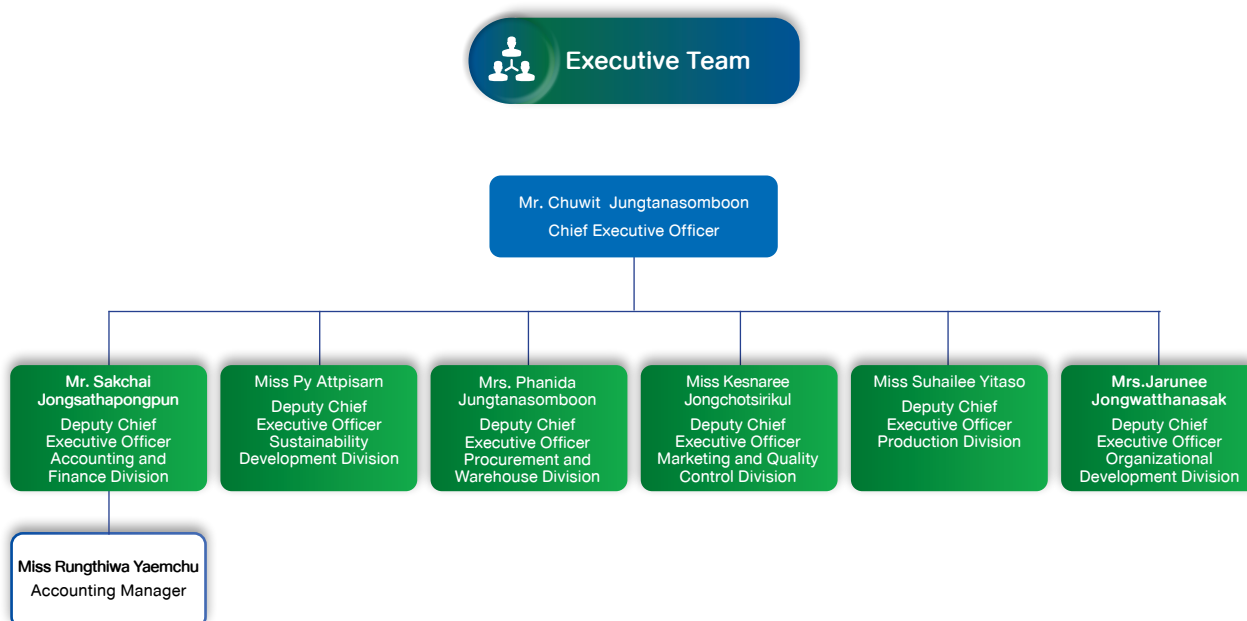
**MISS RUNGTIWA
YAMCHOO**

ACCOUNTING
MANAGER



7.4. INFORMATION ABOUT EXECUTIVES

7.4.1. EXECUTIVE TEAM



As of January 31, 2025, the executive committee consists of 8 members as follows:

Executive Team

Name – Surname		Position
1. Mr. Chuwit	Jungtanasomboon	Chief Executive Officer (CEO)
2. Mr. Sakchai	Jongsthapongpun	Deputy Chief Executive Officer of Accounting and Finance (CFO)
3. Miss Py	Attpisarn	Deputy Chief Executive Officer of Sustainability Development
4. Mrs. Phanida	Jungtanasomboon	Deputy Chief Executive Officer of Procurement and Warehouse
5. Miss Kesnaree	Jongchotsirikul	Deputy Chief Executive Officer of Marketing and Quality Control
6. Miss Suhailee	Yitaso	Deputy Chief Executive Officer of Production
7. Mrs. Jarunee	Jongwatthanasak	Acting Deputy Chief Executive Officer of Corporate Development
8. Miss Rungthiwa	Yaemchu	Accounting Manager

Remark :

- The executive committee refers to the positions of Chief Executive Officer/Deputy Chief Executive Officer, including the Accounting Manager. None of the 8 executives mentioned above have any disqualifying characteristics as follows:
 - No criminal record related to property offenses committed in good faith.
 - No history of transactions that may create a conflict of interest with the company in the past year.
- Ms. Jarunee Jongwattanasak has been appointed as the acting member of the executive committee to replace Mr. Parinya Leenatham, who resigned on January 21, 2025.

SCOPE, AUTHORITY, AND RESPONSIBILITIES OF THE CHIEF EXECUTIVE OFFICER (CEO)

1. Manage the company in accordance with the policies set by the Board of Directors, including considering improvements to the company's business plan to ensure it aligns with the vision, mission, goals, and objectives of the business.
2. Define the vision, mission, goals, objectives of the business, business strategies, and business plans as proposed by the Chief Executive Officer, taking into account relevant business factors, to present and seek approval from the Board of Directors.
3. Consider the determination of authority and approval levels for each individual to be appropriate and ensure the separation of duties that may lead to fraud, including establishing procedures and methods for transactions with major shareholders, directors, executives, or related parties appropriately to prevent the transfer of benefits, and present to the Board of Directors for principle approval, as well as control compliance with the approved principles.
4. Review the company's annual budget, investment projects, and investment budgets according to the authority in the operational authority manual, to propose to the Board of Directors and oversee expenditures according to the budget approved by the Board of Directors, and report the operational results to the Board of Directors.
5. Consider and approve the normal business transactions according to the approved investment budget or budget from the Board of Directors, with the amount for each item as specified in the authority manual.
6. Consider and approve the regulations, rules, management policies, and business operations of the company, or any actions that are binding on the company.
7. Consider contracts that bind the company according to the authority in the authority manual.
8. Ensure that the company has sufficient important information to support the decision-making of the Board of Directors and shareholders, including the preparation of reliable financial reports that meet good standards and transparency.
9. Consider the company's profits and losses and propose the annual dividend or interim dividend to the Board of Directors.
10. Consider new business operations, business termination, establishment of subsidiaries, joint ventures, divestments, mergers and acquisitions (M&A), and present them to the Board of Directors.
11. Consider and approve the operational manual to ensure that various operations are conducted systematically.
12. Procure consultants or individuals with specific expertise or independent advisors to provide necessary opinions or recommendations as appropriate.
13. Supervise the procedures for employees to report any unusual incidents or illegal actions to the Executive Board in a timely manner, and in cases where such incidents have significant impacts, they must be reported to the Audit Committee and the Board of Directors for consideration and rectification within a reasonable timeframe.
14. Report to the Board of Directors on the performance of the Executive Board, including any other matters that are necessary, appropriate, and should be presented to the Board of Directors for acknowledgment.
15. Take any actions to support the aforementioned operations or as per the opinions of the Board of Directors or as authorized by the Board of Directors.



The delegation of powers and responsibilities of the aforementioned executive committee shall not include the authority and/or delegation of authority to approve any items in which they or the delegated representatives or individuals who may have a conflict of interest (as defined in the announcement of the Securities and Exchange Commission) have a stake or any other conflicting interests with the company. The approval of such items must be presented to the board of directors and/or the shareholders' meeting (as the case may be) for consideration and approval in accordance with the company's regulations or applicable laws.

7.4.2 POLICY ON COMPENSATION FOR THE CHIEF EXECUTIVE OFFICER AND EXECUTIVES

The board of directors has established a compensation policy for the Chief Executive Officer and executives to ensure appropriateness under clear and transparent criteria. The Nomination and Sustainability Development Committee will review both short-term and long-term compensation to propose to the board of directors for approval, establishing corporate key performance indicators (Corporate KPIs) based on the principles of the Balanced Scorecard. This will consider performance results aligned with the company's goals in both the short and long term, business strategy, and the company's operational performance that will lead the organization toward sustainability in all dimensions, including economic aspects such as revenue, profit, customer satisfaction, and personnel development, as well as social and environmental aspects such as community and societal engagement, the use of renewable energy in factories, reduction of greenhouse gas emissions, etc. Additionally, it aims to enhance competitiveness and sustainable business operations in the long term, leading to sustainable success under transparent criteria and the scope of responsibilities of the positions that reflect the associated risks and competitive capabilities.

In addition, the company's board of directors, specifically the independent directors, has established an evaluation form for the performance of the Chief Executive Officer (CEO) and executives on an annual basis, referencing evaluation criteria based on the organization's Key Performance Indicators (Corporate KPIs). This evaluation data is compiled, analyzed, and presented to the Nomination and Sustainability Development Committee to inform their consideration of appropriate compensation adjustments. In 2024, the non-executive board members evaluated the performance of the CEO, and the results indicated that the CEO and executives met the targets set by the board of directors.

The evaluation results of the CEO and executives' performance will be considered carefully, clearly, and transparently, taking into account the appropriateness and alignment with the scope of responsibilities of the directors, as well as comparisons with similar businesses or industries at comparable levels. Additionally, considerations will include the company's business expansion and profit growth, which must be sufficient to attract and retain qualified directors. These results will be presented to the board of directors for approval and subsequently submitted to the annual general meeting of shareholders for further consideration and approval.

Furthermore, the board of directors has a policy that the CEO will evaluate the performance of the executives by establishing criteria and factors for performance evaluation, including the development of criteria and factors for performance evaluation for the entire organization.

7.4.3. TOTAL COMPENSATION AMOUNT

For the fiscal year ending December 31, 2024, the company has paid compensation to the executive team, with details as follows:

Total compensation for executives

Unit : Baht

Compensation	2022	2023	2024
Salary	12,781,426.00	16,650,076.00	20,119,068.00
Bonus and others	3,904,815.00	3,723,443.98	4,900,939.82
Contributions to the provident fund	456,215.00	506,604.00	685,419.00
Social security	37,800.00	64,500.00	72,000.00
Total	17,180,256.00	20,944,623.98	25,777,426.82

Remark: The executive team refers to the positions of Chief Executive Officer/Deputy Chief Executive Officer, including the Accounting Manager. In the years 2022, 2023, and 2024, there were 6, 8, and 8 individuals, respectively

7.5. EMPLOYEE INFORMATION

As of December 31, 2024, the company has a total of 941 executives and employees.

Number of Employees (persons)

Level	2022	2023	2024
Executive Level	5	7	7
Management Level	27	26	24
Supervisor Level	70	84	88
Operational Level	943	917	822
Total	1,045	1,034	941

SIGNIFICANT CHANGES IN THE NUMBER OF EMPLOYEES OVER THE PAST 3 YEARS

Due to the company's adjustment of its workforce plan to align with management operations, aiming for sustainable development in all aspects, the company had 941 employees in 2024, compared to 1,034 employees in 2023 and 1,045 employees in 2022.

EMPLOYEE COMPENSATION

The company has a policy to provide appropriate compensation to employees, which is also aligned with performance results both in the short term, such as bonuses linked to the company's performance, and in the long term, such as the provident fund, which serves as a financial security benefit for employees.



Employees receive compensation in the form of salaries, shift allowances, night shift allowances, overtime pay, travel allowances, attendance bonuses, special performance bonuses, and other benefits. Additionally, employees have the right to apply for membership in the “Company Employee Provident Fund.” In 2024, a total of 441 employees joined the provident fund, accounting for 46.18% of all employees. The summary of employee compensation from 2022 to 2024 is as follows.

7.6. OTHER IMPORTANT INFORMATION

Employee Compensation

Unit : Baht

Compensation	2022	2023	2024
Salary	171,712,951.35	194,423,013.85	179,530,235.66
Over time	1,484,754.00	2,161,550.00	854,155.38
Bonus	16,389,338.00	16,915,238.17	15,003,786.59
Contributions to the provident fund	1,425,740.00	1,845,642.00	2,190,747.00
Social security	5,080,952.00	7,656,462.00	6,092,057.00
Total	196,093,735.35	223,001,906.02	203,670,981.63

7.6.1. LIST OF INDIVIDUALS ASSIGNED RESPONSIBILITY AS FOLLOWS.

(1) COMPANY SECRETARY

In accordance with the Securities and Exchange Act, Sections 89/15 and 89/19 of the Public Company Act B.E. 2535, the Board of Directors is required to appoint a Company Secretary responsible on behalf of the company or the Board of Directors. At the 7th Board of Directors meeting of the year 2023, it was resolved to appoint Ms. Nongyao Seekiew to the position of Company Secretary, effective from November 6, 2566, onwards. Details of her biography are included in Attachment 1.

ROLES, DUTIES, AND RESPONSIBILITIES OF THE COMPANY SECRETARY

According to the provisions of Section 89/15 of the Public Company Act B.E. 2535, the Board of Directors must appoint a Company Secretary responsible on behalf of the company or the Board of Directors. The roles, duties, and responsibilities of the Company Secretary are as follows:

1. Perform duties with responsibility, caution, and integrity, and comply with the law, objectives, company regulations, resolutions of the Board of Directors, as well as shareholders' resolutions, and refrain from any actions that conflict with the interests of the company.
2. Prepare and maintain the following documents:
 - (1) Register of Company Directors
 - (2) Notices of meetings and minutes of the Board of Directors meetings, including the company's annual report
 - (3) Notices of shareholders' meetings and minutes of shareholders' meetings
3. Ensure that the directors and executives prepare reports on their own interests and those of related parties in accordance with legal requirements, maintain such reports, and provide copies to the Chairman of the Board and the Chairman of the Audit Committee.
4. Coordinate and carry out various activities for the organization of Board of Directors meetings and shareholders' meetings, adhering to the principles of good corporate governance, regulations,

company bylaws, and other relevant laws, as well as ensuring compliance with the resolutions of the Board of Directors and shareholders' meetings.

5. Ensure the disclosure of various information complies with the requirements of the Stock Exchange of Thailand, the Office of the Securities and Exchange Commission, and other relevant regulatory agencies, as well as the principles of good corporate governance.
6. Provide information and ensure that the board of directors complies with laws, regulations, and rules related to good corporate governance, maintaining the status of a registered company on the Stock Exchange of Thailand, and various regulations concerning listed companies, while monitoring compliance accurately and consistently, including the responsibility to keep track of new regulations relevant to the company.
7. Support the arrangement for directors and/or executives to gain knowledge and participate in training courses related to the duties of company directors and subcommittees.
8. Organize evaluations of the performance of the board of directors and all subcommittees, including self-assessments, and report the evaluation results to the board of directors.
9. Communicate with shareholders and stakeholders to keep them informed about company news and the rights of shareholders and stakeholders.
10. Continuously undergo training and develop knowledge in areas such as law, accounting, or the duties of a company secretary.
11. Oversee the activities of the board of directors and carry out other matters as required by law, as assigned by the board of directors, or as stipulated by the Securities and Exchange Commission.

IN THE EVENT THAT THE COMPANY SECRETARY IS REMOVED FROM OFFICE OR UNABLE TO PERFORM THEIR DUTIES

In the event that the company secretary is removed from office or unable to perform their duties

1. The board of directors shall appoint a new company secretary within 90 days from the date the previous company secretary is removed from office or unable to perform their duties.
2. The board of directors has the authority to delegate one of its members to perform the duties temporarily during the period when the company secretary is removed from office or unable to perform their duties.
3. The chairman of the board shall notify the Securities and Exchange Commission of the name of the company secretary within 14 days from the date a responsible person is appointed to that position.
4. Notify the Securities and Exchange Commission of the location where documents are stored.

(2) THE PERSON ASSIGNED DIRECT RESPONSIBILITY FOR OVERSEEING ACCOUNTING

The company has assigned Ms. Rungtiwa Yamchoo, the accounting manager, to be directly responsible for overseeing the accounting from November 6, 2023. Details of her background are provided in Attachment 1.

(3) THE POSITION OF HEAD OF INTERNAL AUDIT OF THE COMPANY

In the board of directors meeting No. 1/2024 on February 27, 2024, the meeting resolved to appoint Mr. Paisarn Phuratcharoenchai, managing director of Success Company Limited, which is an external audit office (Outsource) that is independent and possesses knowledge, expertise, and experience in internal audit operations of the company according to good corporate governance principles, risk



assessment, internal control, and reporting to ensure transparency and build confidence among the company's shareholders. Details of his background are provided in Attachment 3. In the internal audit of the company, Mrs. Pirada Tonahongsa, assistant deputy chief executive officer of organizational development/secretary of the audit committee, has been assigned to coordinate the internal audit of the company.

The consideration and approval of the appointment, change, or removal of the person holding the position of head of internal audit of the company must be approved by the audit committee and the board of directors.

7.6.2 LIST OF INVESTOR RELATIONS OFFICERS

The company has assigned Ms. Asra Numnuansri to the position of Investor Relations. In case investors and related parties have inquiries or need to ask questions, they can contact her at phone number 065-992-2388 or via email: investor@nerubber.com

Investor Relations is responsible for communicating important information to shareholders, investors, and securities analysts. The company places great importance on disclosing accurate, complete, transparent, and equitable information, including informing investors about the company's performance regularly every quarter through the Opportunity Day event organized by the Stock Exchange of Thailand. Information is also disseminated through the company's website (www.nerubber.com) under the Investor Relations section <https://investor.nerubber.com/th/home>, as well as through the annual information statement/annual report and other published documents

7.6.3. AUDITOR COMPENSATION

AUDITOR COMPENSATION (AUDIT FEE)

The company has paid audit fees to MR & Associates Co., Ltd., which is the annual auditor for the fiscal year 2024 and has been approved by the Securities and Exchange Commission. The auditing firm and the auditor have no relationship or conflict of interest with the company, its executives, major shareholders, or related parties.

The total audit fees for the annual financial statements and the quarterly financial statement reviews for the company, as well as the annual financial statements for the fiscal year 2024, amount to 2,500,000 Baht, detailed as follows:

Auditor Compensation			Unit : Baht
Compensation	2022	2023	2024
Quarterly financial statement review fees for the company	990,000	990,000	990,000
Annual financial statement audit fees for the company	1,400,000	1,400,000	1,510,000
Total	2,390,000	2,390,000	2,500,000

OTHER SERVICE FEES (NON-AUDIT FEE)

- None -

8

REPORT ON KEY PERFORMANCE IN CORPORATE GOVERNANCE**8.1. SUMMARY OF THE BOARD'S PERFORMANCE IN THE PAST YEAR**

The company's board of directors is committed to promoting the company as an efficient organization in business operations, corporate governance, and excellent management. The focus is on creating sustainable benefits for shareholders while considering all stakeholders. The board emphasizes ethical business practices, transparency, and accountability. Therefore, it has established a policy for good corporate governance in accordance with the principles and practices outlined in the Corporate Governance Code (CG Code) of the Securities and Exchange Commission, as well as the regulations of other relevant agencies.

In 2024, the company's board of directors participated in defining the medium to long-term vision and mission of the company. The company has short-term and medium-term plans to expand the production capacity of the rubber sheet factory, Phase 3, and to research and develop a diverse range of finished rubber products that can be expanded to various customer groups. Additionally, there are plans for investment abroad. In 2024, the company established a subsidiary in Côte d'Ivoire named NORTH EAST RUBBER COTE D'IVOIRE, abbreviated as "NER-CI," with the objective of expanding the production base of rubber in new, high-potential production areas, increasing the company's production capacity, and better meeting global market demands. The focus is on developing the business to grow sustainably for all stakeholders to enhance competitiveness and create long-term value for the company. The company also supports the implementation of its strategies across all departments and reports to the board of directors. Furthermore, there is an emphasis

on driving an ethical corporate culture and conducting business according to principles of good governance and oversight. The structure and responsibilities of the board of directors and various subcommittees have been defined through a review of each committee's charter to ensure greater appropriateness. In 2024, during the third board meeting of the year on May 9, 2024, a resolution was passed to appoint a new subcommittee to replace the previous one from the Nomination and Sustainability Development Committee. Two new subcommittees were established: the "Nomination and Remuneration Committee" and the "Governance and Sustainable Development Committee," which elevate the standards of good governance and sustainable development. The roles and responsibilities regarding good governance and sustainable development are clearly and comprehensively outlined in the charters. In addition, the company has reviewed and improved its corporate governance policy, the corporate governance manual, the related party transaction policy, the conflict of interest prevention policy, and the reporting of interests policy, as well as the human rights due diligence (HRDD) policy, environmental policies and practices, social policies and practices, sustainability development policy, and enhanced the company's sustainable development operations in all dimensions according to international standards. This demonstrates that the company continues to prioritize and is committed to sustainable development for stakeholders or those related to or associated with the organization, particularly in overseeing operations related to community, society, environment, and governance (Environmental Social and Governance: ESG). In preparing the annual information disclosure form for 2024 (56-1 One Report) and the 2024 sustainability report, the company has elevated



its information disclosure by referencing the GRI Standard.

The company continues to review and improve various important policies to enhance efficiency and elevate the standards of corporate governance. The company has also announced these policies to the board of directors, executives, and employees, ensuring they are acknowledged and adhered to. This includes monitoring performance, reporting results, and evaluating compliance with the policy guidelines. Additionally, the company reviews and approves the authority manual for the board and management as appropriate, ensuring that any delegation of authority to management does not allow them to consider or approve matters in which they have a vested interest or a conflict of interest.

In addition to disclosing performance results according to the principles of good corporate governance for listed companies in 2017 (CG Code), the company has also disclosed information on its adherence to good corporate governance principles, including the annual sustainability assessment for 2024 SET ESG Rating in the agriculture and food industry sector from the Stock Exchange of Thailand, the quality assessment of the annual general meeting of shareholders (AGM Checklist) from the Thai Investor Association, and the disclosure of information under the project promoting industrial factories to be socially and community responsible sustainably (CSR-DIW to achieve SDGs) for the year 2024 from the Department of Industrial Works.

Based on the evaluation results in 2024, the company received various awards for transparent disclosure of organizational operations, including:

1. The Corporate Governance Report (CGR) assessment award with an “Excellent” rating (5 stars) for the fourth consecutive year.
2. Recognition for meeting sustainability

evaluation criteria and being listed in the 2024 SET ESG Ratings under the Agriculture and Food Industry category (rated “A”) by the Stock Exchange of Thailand.

3. A perfect score of 100 points (5 shields) in the AGM Checklist for annual general meetings, with the distinction of “Outstanding and Exemplary,” awarded by the Thai Investors Association.
4. The CSR-DIW Award 2024 in the CSR-DIW Continuous Award category for promoting sustainable social and community responsibility in industrial factories (CSR-DIW to achieve SDGs).
5. Certification as a member of the Thai Private Sector Collective Action Against Corruption (CAC Certification).

8.1.1. RECRUITMENT, DEVELOPMENT, AND EVALUATION OF THE PERFORMANCE OF THE COMMITTEE

(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.

/1 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.

POLICY ON DIVERSITY OF BOARD STRUCTURE (BOARD DIVERSITY)

North East Rubber Public Company Limited (“the Company”) recognizes the importance of diversity in the composition of the board of directors (Board Diversity) and believes that diversity in the board structure is a key factor that enhances the balance of ideas, quality of work, and decision-making efficiency of the board, which benefits the Company’s operations. The objectives are:

1. To promote increased discussion in board meetings.
2. To foster creative initiatives from the board that benefit the Company.
3. To enhance the effectiveness of the board’s performance.
4. To serve as criteria for the selection of board members.

Therefore, the Company has established that the board of directors should consist of individuals with knowledge, skills, experience, and diverse expertise that align with the Company’s business strategy, as well as ethics and integrity, a positive attitude towards the organization, leadership qualities, a broad vision, and the ability to dedicate sufficient time. There are no restrictions

based on gender, race, religion, experience, knowledge, professional skills, or other specific expertise. Additionally, the Company has defined the necessary skill qualifications for selecting board members (Board Skill Matrix) across ten areas as follows:

- 1) Rubber industry
- 2) Marketing and competition strategy
- 3) Economics, financial accounting, and banking
- 4) International marketing
- 5) Business-related laws
- 6) Risk management
- 7) Crisis management
- 8) Good corporate governance
- 9) Information technology and innovation
- 10) Sustainability

Therefore, the company has established the composition of the board of directors to include individuals with diverse knowledge, skills, experience, and expertise that align with the company’s business strategy, as well as ethics and integrity, a positive attitude towards the organization, leadership qualities, a broad vision, and the ability to dedicate sufficient time. This is regardless of gender, race, religion, experience, knowledge, professional skills, or other specialized expertise.

Additionally, the company has defined the necessary skill qualifications for the recruitment of directors by creating a Board Skills Matrix consisting of 10 areas, which includes at least one person with legal knowledge and at least one person with accounting and finance knowledge. The evaluation results are shown in the table.



List of Directors		1. Rubber Industry	2. Marketing and Competitive Strategy	3. Economics, Financial Accounting, and Banking	4. Business-Related Laws	5. Risk Management	6. International Marketing	7. Crisis Management	8. Good Corporate Governance	9. Information Technology and Innovation	10. Sustainable Development
1. Mr. Chanitr	Charnchainarong		✓	✓		✓			✓		✓
2. Mr. Ronachit	Jinadit	✓	✓	✓	✓	✓	✓	✓	✓		✓
3. Mrs.Chanatip	Weerasubpong	✓		✓	✓	✓		✓	✓	✓	✓
4. Mr.Tepkul	Poonlarp	✓	✓			✓			✓		✓
5. Mr.Chuwit	Jungtanasomboon	✓	✓		✓	✓	✓	✓	✓		✓
6. Mr. Sakchai	Jongsthapongpun	✓	✓	✓		✓	✓	✓	✓		✓
7. Miss Py	Attpisarn	✓			✓	✓		✓	✓		✓
Total		6	5	4	4	7	3	5	7	1	7

In 2024, the company provided an opportunity for shareholders to propose qualified individuals for consideration to be elected as directors. However, no shareholders proposed anyone for consideration for election as directors. Therefore, the Nomination and Sustainability Development Committee considered directors whose terms were due, taking into account their educational qualifications, skills, work experience, and performance in the past year, as well as their commitment, time dedication, and devotion to the board, along with the consideration of various qualifications that align with the company's business strategy.

Furthermore, in the event that the company needs to recruit additional new directors, the company will consider the qualifications, knowledge, skills, and necessary experience of the desired directors according to the Board Skills Matrix, including the use of a professional search firm or a director pool as part of the consideration for recruiting new directors.

APPOINTMENT OF THE CHIEF EXECUTIVE OFFICER

The Nomination and Sustainability Development Committee is responsible for selecting the Chief Executive Officer (CEO) through the following recruitment process and criteria:

1. The CEO shall be nominated by the Executive Committee, selecting from individuals who are currently members of the Executive Committee at the time of selection, to be presented to the Board of Directors for approval of the appointment of the nominated individual as the CEO.
2. The qualifications of the CEO must include knowledge, skills, and experience in managing the company, as well as experience in the company's core business operations. The individual should

possess specialized expertise beneficial to the company's business and align with the company's business strategy, without discrimination based on gender, age, race, or religion.

3. The CEO must demonstrate leadership qualities, have a broad vision, possess ethics and morals, and maintain a positive attitude towards the organization. The individual should be able to dedicate sufficient time beneficial to the company's business operations.

TERM OF OFFICE FOR DIRECTORS

The Board of Directors, responsible for managing the company's business operations, shall have a term of office as stipulated in the company's regulations. Specifically, at each annual general meeting of shareholders, one-third (1/3) of the directors in office shall retire. If the number of directors cannot be evenly divided into three parts, the closest number to one-third (1/3) shall retire. Directors who have retired may be re-elected to serve again. The Board of Directors has established a policy that independent directors may serve for a maximum of 3 consecutive years, not exceeding 9 years from the date of their first appointment as independent directors.

In addition to retiring by term, a director shall vacate their position upon:

- Death
- Resignation
- Loss of qualifications or having disqualifying characteristics under the Public Limited Companies Act and the Securities and Exchange Act
- A resolution by the shareholders' meeting to remove them
- A court order for removal

If a director's position becomes vacant for reasons other than the expiration of their term, the Board of Directors shall select an individual

who meets the qualifications and does not have disqualifying characteristics under the Public Limited Companies Act and the Securities and Exchange Act to fill the vacancy at the next Board meeting. Unless the term of the outgoing director is less than two months remaining.

TERM OF OFFICE FOR THE AUDIT COMMITTEE

The Audit Committee has a term of office of three years. Here, one year refers to the period from the date of the annual general meeting of shareholders in the year of appointment until the date of the annual general meeting of shareholders in the following year. An Audit Committee member who has completed their term may be nominated and reappointed to serve again. In addition to the completion of the term as mentioned above, an Audit Committee member shall cease to hold office when:

- 1) They resign.
- 2) They are no longer in office as a company director.
- 3) The board of directors resolves to remove them from office.
- 4) They no longer meet the qualifications of an Audit Committee member or an independent director as per this charter or according to the regulations of the Securities and Exchange Commission or the Stock Exchange of Thailand.
- 5) A court orders their removal.
- 6) They pass away.

Any Audit Committee member wishing to resign must submit a resignation letter to the chairman of the board of directors, providing reasonable advance notice in writing along with the reasons for resignation, so that the board of directors can consider appointing another qualified individual to replace the resigning member.

In the event that an Audit Committee member resigns or is removed from office before the completion of their term, the company must



immediately notify the Stock Exchange and send a copy of the resignation letter to the Stock Exchange, as well as provide information to the Office of the Securities and Exchange Commission (SEC) to update the database in the list of directors and executives accurately.

If the entire Audit Committee is removed from office, the outgoing Audit Committee must continue to act in their position to carry out their duties until the new Audit Committee takes office.

In cases where the position of the Audit Committee is vacated for reasons other than the completion of the term, the board of directors must appoint a qualified individual without disqualifying characteristics to fill the position within 90 days from the date the number of members is insufficient, to ensure that the Audit Committee has the required number of members as stipulated by law and the board of directors, and to maintain continuity in the operations of the Audit Committee. The individual appointed to replace the Audit Committee member may

only serve for the remaining term of the member they are replacing.

POLICY ON THE POSITIONS OF COMPANY DIRECTORS AND CHIEF EXECUTIVE OFFICER

The Board of Directors has established a policy regarding the positions of company directors, including the Chief Executive Officer, allowing them to hold positions in no more than 5 other listed companies. Additionally, the company has a policy that permits the Chief Executive Officer to hold other positions in subsidiary companies and joint ventures, provided that it does not hinder the performance of their duties or create conflicts of interest. Any proposal for holding positions in other companies will be submitted for approval by the Board of Directors.

ORIENTATION FOR NEW DIRECTORS

The company has organized an orientation for new directors, which includes presentations and visits to the company's operations. The presentations cover essential topics such as organizational structure and executives, the roles



and responsibilities of directors, business operations, regulations, relevant laws, good corporate governance policies, as well as requirements from the Securities and Exchange Commission and the Stock Exchange of Thailand. This is to ensure that the new directors understand the company's operations and are aware of their roles and responsibilities as directors or independent directors, with the company secretary coordinating the process.

DEVELOPMENT OF DIRECTORS AND EXECUTIVES

The Board of Directors supports and promotes continuous knowledge enhancement for all board members, senior executives, and the company secretary by encouraging participation in training related to corporate governance. This includes both internal training and programs from external institutions such as the Stock Exchange of Thailand, the Securities and Exchange Commission, or the Thai Institute of Directors (IOD).

As of now, 4 directors have completed the Directors Certification Program (DCP) and 3 directors have completed the Director Accreditation Program (DAP) organized by the Thai Institute of Directors (IOD), totaling 7 out of 7 directors, which represents 100%. Furthermore, in 2024, the company directors will participate in training programs aimed at enhancing their operational knowledge from the Thai Institute of Directors and other institutions, summarized as follows.

Development of Directors and Executives

Name	Position	Lists	Organized by
Mr. Chanitr Charnchainarong	Board Director / Chairman of the Board / Chairman of the Corporate Governance and Sustainable Development Committee / Audit Committee / Independent Director	The Role of Directors, Executives, and Employees in Combating Corruption	Thai CAC / Thai Institute of Directors @North East Rubber Public Company Limited
Mr. Ronachit Jinadit	Board Director / Chairman of the Audit Committee / Nomination and Remuneration Committee / Corporate Governance and Sustainable Development Committee / Independent Director	ESG in the Boardroom: A Practical Guide for Board; ESG 1/2024 (On – Site)	Thai Institute of Directors
		Strategic Board Master Class (SBM) Class 14/2024	Thai Institute of Directors
		The Life Long Lens (LLL 2024) Starting Right for Transformation	DCC SYNERGY Limited
		The Role of Directors, Executives, and Employees in against Corruption	Thai CAC / Thai Institute of Directors @North East Rubber Public Company Limited
		When AI Dominates the World, How Will Humanity Survive?	Prof.Dr. Worsak Kanok-Nukulchai (Royal Society) @North East Rubber Public Company Limited



Name	Position	Lists	Organized by
Mrs.Chanatip Weerasubpong	Board Director/ Chairman of the Nomination and Remuneration Committee / Audit Committee / Risk Management Committee / Corporate Governance and Sustainable Development Committee / Independent Director	ESG in the Boardroom: A Practical Guide for Board; ESG 1/2024 (On – Site)	Thai Institute of Directors
		Ethical Leadership Program (ELP) Class 35/2024	Thai Institute of Directors
		The Role of Directors, Executives, and Employees in againsting Corruption	Thai CAC / Thai Institute of Directors @North East Rubber Public Company Limited
		Phillar 2 Global Anti-Base Erosion Model Rules(Global Minimum Tax)	NYC MANAGEMENT CO.,LTD.
Mr.Tepkul Poonlarp	Board Director/ Chairman of the Risk Management Committee / Independent Director	ESG in the Boardroom: A Practical Guide for Board; ESG 1/2024 (On – Site)	Thai Institute of Directors
		The Role of Directors, Executives, and Employees in againsting Corruption	Thai CAC / Thai Institute of Directors @North East Rubber Public Company Limited
Mr.Chuwit Jungtanasomboon	Board Director / Chief Executive Officer / Risk Management Committee / Nomination and Remuneration Committee / Corporate Governance and Sustainable Development Committee / Chairman of the Executive Committee	High-Level Executive Relief Course (DTP-BS) Class 1	Sunnatavihara Foundation Military Education Innovation Center National Defence Studies Institute
		CEO Learning Through Experience Course Class 5	Digital Economy Promotion Agency (DEPA)
		National Security Management Course (NSMC) Class 17	National Intelligence Agency By Intelligence Institute
		The Role of Directors, Executives, and Employees in againsting Corruption	Thai CAC / Thai Institute of Directors @North East Rubber Public Company Limited
		When AI Dominates the World, How Will Humanity Survive?	Prof.Dr. Worsak Kanok-Nukulchai (Royal Society) @North East Rubber Public Company Limited



Name	Position	Lists	Organized by
Mr. Sakchai Jongsthapongpun	Board Director/ Risk Management Committee / Deputy Chief Executive Officer of Accounting and Finance (CFO)	Insight in Set Class 1/67	The Stock Exchange of Thailand
		The Role of Executives and Employees in againsting Corruption	Thai CAC / Thai Institute of Directors
		ESG in the Boardroom: A Practical Guide for Board (ESG) Class 3/2024	Thai Institute of Directors
		Phillar 2 Global Anti-Base Erosion Model Rules(Global Minimum Tax)	NYC MANAGEMENT CO.,LTD.
		Yuanta Thailand's Investment Insights	YUANTA SECURITIES (THAILAND) COMPANY LIMITED
		When AI Dominates the World, How Will Humanity Survive?	Prof.Dr. Worsak Kanok-Nukulchai (Royal Society) @North East Rubber Public Company Limited
Miss Py Attpisarn	Board Director / Deputy Chief Executive Officer of Sustainability Development	Digital Jumpstart Course Class 1	Digital Economy Promotion Agency
		SET Sustainability Forum 2/2024: Scaling up Synergies and Solutions for Net-Zero	The Stock Exchange of Thailand
		Strategic Supply Chain	The Stock Exchange of Thailand
		ESG Risk Management	The Stock Exchange of Thailand
		Climate Action Training	Thai Institute of Directors
		GRI Standards 2021 Reporting Standards	MTP Solution Company Limited
		The Role of Directors, Executives, and Employees in againsting Corruption.	Thai CAC / Thai Institute of Directors @North East Rubber Public Company Limited
		Readiness and Survival of the Thai Industry under EUDR	The Federation of Thai Industries
		E-learning ESG DNA: ESG101	The Stock Exchange of Thailand
		E-learning ESG DNA: P01	The Stock Exchange of Thailand
		When AI Dominates the World, How Will Humanity Survive?	Prof.Dr. Worsak Kanok-Nukulchai (Royal Society) @North East Rubber Public Company Limited



Name	Position	Lists	Organized by
Miss Kesnaree Jongchotsirikul	Deputy Chief Executive Officer of Marketing and Quality Control	Training Course for CEOs: Learning Through Experience, Class 5 LTE 5/2024	Digital Economy Promotion Agency, Ministry of Digital Economy and Society, in collaboration with Noname IMC Co., Ltd.
		Training Course: ESG Risks Management Workshop	The Stock Exchange of Thailand
Miss Suhailee Yitaso	Deputy Chief Executive Officer of Production	Live Seminar: Risk Management “Corporate Value Enhancement via Risk Management)”	The Stock Exchange of Thailand
		Leadership Development Program	Speaker: Dr. Amnat Watchinda @ North East Rubber Public Company Limited
		Risk Management is the process of applying an organization’s risk management service to risk related to the environment, society, and governance (ESG)	Speaker: Mr. Decha Sirisutthidecha Certificate no. 240504
		ESG Integration for Sustainable Business Success	The Stock Exchange of Thailand
		The Role of Directors, Executives, and Employees in againsting Corruption.	Thai CAC / Thai Institute of Directors @North East Rubber Public Company Limited
		Course: How to Develop a Risk Management Plan HRP, Class 40/2024	Thai Institute of Directors
		Training Topic: How to Manage for Sustainability (GRI Standard Reporting)	Speaker: Assistant Professor Phonchan MPT SOLUTION CO., LTD.
		Training Course: Guidelines for Annual Energy Management Assessment 2024	Speaker: Associate Professor Dr. Jenchira Piamdee Piam Energy Conservation Co., Ltd.
		E-learning ESG DNA: ESG101	The Stock Exchange of Thailand
		E-learning ESG DNA: P01	The Stock Exchange of Thailand
		When AI Dominates the World, How Will Humanity Survive?	Prof.Dr. Worsak Kanok-Nukulchai (Royal Society) @North East Rubber Public Company Limited



Name	Position	Lists	Organized by
Mr. Parinya Leenatham	Deputy chief executive officer of Organizational Development	Thailand HR Strategy Conference 2024	PMAT & TAS Consulting Partner
		Occupational Safety, Health, and Environmental Committee of Enterprises	Safe Siri (Thailand) Co., Ltd.
		Live Seminar: "Preventing and Combating Inappropriate Behavior of Listed Companies"	The Stock Exchange of Thailand
		ESG Integration for Sustainable Business Success	Thai Institute of Directors (IOD)
		Live Seminar: Risk Management "Creating Organizational Value Through Risk Management (Corporate Value Enhancement via Risk Management)"	The Stock Exchange of Thailand
		Risk Management	Mr. Decha Sirisutthidecha @ North East Rubber Public Company Limited
		E-learning ESG DNA: ESG101	The Stock Exchange of Thailand
		E-learning ESG DNA: P01	The Stock Exchange of Thailand
		Course on Applying AI in Work	HRD MAX Co., Ltd
		E-learning: Value and Resilience Through Risk Management	The Stock Exchange of Thailand
		E-learning: CFO02 Carbon Footprint for Organization	The Stock Exchange of Thailand
		Sustainability Report (GRI & One Report)	BSI Academy
		The Role of Directors, Executives, and Employees in againsting Corruption.	Thai CAC / Thai Institute of Directors @North East Rubber Public Company Limited
		E-learning: S01 Setting Sustainable Development Goals for Business	Ignifier Co., Ltd. (Assistant Professor Phonchan)
		Sustainability In Action	Ignifier Co., Ltd. (Assistant Professor Phonchan)
		When AI Dominates the World, How Will Humanity Survive?	Prof.Dr. Worsak Kanok-Nukulchai (Royal Society) @North East Rubber Public Company Limited



Name	Position	Lists	Organized by
Mrs.Jarunee Jongwatthanasak	Acting Deputy chief executive officer of Organizational Development	The Role of Directors, Executives, and Employees in against Corruption.	Thai CAC / Thai Institute of Directors @North East Rubber Public Company Limited
		E-learning ESG DNA: ESG101	The Stock Exchange of Thailand
		E-learning ESG DNA: P01	The Stock Exchange of Thailand
		When AI Dominates the World, How Will Humanity Survive?	Prof.Dr. Worsak Ka- nok-Nukulchai (Royal Society) @North East Rubber Public Company Limited

EVALUATION OF THE PERFORMANCE OF THE BOARD OF DIRECTORS AND SUBCOMMITTEES

• SELF-ASSESSMENT OF THE BOARD

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.

The company secretary collects the assessment results and presents them to the board of directors for consideration of the evaluation results and to use as a guideline for improving operational efficiency. In 2024, the summary of the evaluation results of the board of directors and subcommittees is as follows:

Evaluation results of the board and subcommittees

Board of Directors / Subcommittee	Evaluation results of the board as a whole (As a Whole)	Self-assessment results (Self-assessment)
Board of Directors	98.96%	99.68%
Audit Committee	98.75%	99.24%
Risk Management Committee	99.65%	100.00%
Nomination and Remuneration Committee	98.68%	100.00%
Corporate Governance and Sustainable Development Committee	97.92%	99.43%





- **Evaluation of the performance of the Chief Executive Officer and executives**

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.

1. **Business performance** such as the increase in revenue/sales of the company.
2. **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.
3. **Customer-related aspects** comparing against the established targets, such as customer satisfaction.
4. **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.

SUCCESSION PLAN FOR THE CHIEF EXECUTIVE OFFICER AND SENIOR EXECUTIVES.

The company places importance on sustainable corporate governance; therefore, the Board of Directors has developed a succession plan policy to serve as a guideline for organizational practice.

OBJECTIVES OF THE SUCCESSION PLAN:

- 1) To ensure continuity in operations and organizational management.
- 2) To prepare for workforce readiness and reduce the impact of workforce shortages in critical operations of the organization.
- 3) To prepare personnel in terms of knowledge, skills, and necessary capabilities to hold key positions within the organization.

PROCEDURES AND CRITERIA OF THE SUCCESSION PLAN.

The company recognizes the importance of effective and efficient management, as well as the continuous operation of its business. Therefore, it has established a policy to create a succession plan for the Chief Executive Officer and senior executives. The company has set criteria and procedures for selecting personnel to take on key executive positions within the organization, ensuring that the process is appropriate and transparent. This is to ensure that the company has executives with the necessary qualifications, skills, experience, and capabilities, as assessed by the Nomination and Sustainability Development Committee and the Board of Directors.

The process for determining the qualifications of senior executives is transparent and considers knowledge, abilities, experience, and ethics. In selecting successors for these positions, the company will choose a Chief Executive Officer and executives who possess the following knowledge, skills, and abilities:

1. Necessary knowledge and skills in the business, including knowledge of business processes, strategic planning, project management, budget management, marketing and sales management, risk and crisis management, accounting and finance, human resource management, organizational development and innovation, and information technology management, among others.
2. Core competencies desired by the organization, including a commitment to fulfilling responsibilities in line with the organization's expectations, the ability to manage customer needs and satisfaction, adherence to fairness and ethics, a collaborative team spirit, and a focus on the company's best interests.
3. Management capabilities, including the ability to plan, allocate, and manage various resources appropriately, problem-solving and decision-making skills, and the ability to manage change.

8.1.2. PARTICIPATION IN MEETINGS AND INDIVIDUAL BOARD MEMBER COMPENSATION

Board of Directors meetings

According to the company's regulations, the minimum number of attendees required for a quorum must not be less than half. However, to support the company in adhering to good corporate governance principles, the Board has established the following practices:

1. Board meetings shall be conducted in accordance with legal requirements and the company's regulations.
2. The company shall hold board meetings at least once every three months and no fewer than six times a year. Each meeting will have a clearly defined agenda set in advance, and there may be special meetings to consider important or urgent matters. In determining the meeting agenda and considering items for inclusion, the Chairman of the Board and the Chief Executive Officer will jointly review and ensure that important matters are included in the meeting agenda.
3. The Chairman of the Board is responsible for calling board meetings. When calling a board





meeting, the Chairman or a designated person must send a notice of the meeting to the directors at least seven days prior to the meeting date, or as specified in the company's regulations. However, in urgent cases to protect the rights or interests of the company, notice may be given by other means, and the meeting date may be set sooner. The Chairman or the designated director will determine the date, time, and location of the board meeting, which may be held at a location other than the headquarters if two or more directors request a meeting. The Chairman must set the meeting date within 14 days from the date of the request.

4. The Chairman of the Board serves as the meeting chair, overseeing the board meetings in accordance with the agenda and encouraging all directors to participate, such as by asking questions or making observations, providing advice, and offering suggestions to executives, or supporting the company's business operations.
5. The board must ensure that minutes are recorded and meeting reports are prepared, and that meeting documents are stored. This supports the board in fulfilling its duties in accordance with the law, regulations, and resolutions of the shareholders' meeting, as well as coordinating with relevant parties.
6. In each year's board meetings, an average of at least 80% of directors should participate, and each director should attend at least 75% of the total meetings held throughout the year. In cases where a director cannot attend a meeting for any reason, that director must inform the Chairman of the Board of the reason prior to the meeting.

Participation in the company board meetings includes meetings conducted via electronic media organized by the company, allowing directors who are not in the same location to consult and express their opinions with one another.

7. The board of directors may invite relevant parties, such as legal advisors, financial consultants, business advisors, and/or other related individuals, to attend meetings for discussions, clarifications, or to answer inquiries.

Additionally, the company has prepared a meeting schedule in advance for the entire year and has informed the board of directors to allocate time for participation in meetings. This also allows the board to monitor operational performance and provide feedback on matters related to operations, vision, mission, strategy, important policies, risks, and other issues for implementation. In 2024, there will be a total of 9 board meetings as follows:

Board Meeting Attendance Schedule for the Year 2024

(Unit: Times)

Director Name	Position	Attendance at Company Board Meetings			Attendance at the Annual General Meeting of Shareholders 2024
		Total	In Person (Onsite)	Via Electronic Media	
1. Mr.Chanitr Charnchainarong	Chairman	9/9	4	5	1/1
2. Mr. Ronachit Jinadit	Director	9/9	7	2	1/1
3. Mrs.Chanatip Weerasubpong	Director	9/9	4	5	1/1
4. Mr.Tepkul Poonlarp	Director	9/9	2	7	1/1
5. Mr.Chuwit Jungtanasomboon	Director	9/9	4	5	1/1

6. Mr. Sakchai Jongsthapongpun	Director	9/9	9	-	1/1
7. Miss Py Attpisarn	Director	9/9	8	1	1/1
Summary of Attendance Rates for Committees in 2024			100%		100%

Remark: The company has set a policy that the board meetings each year should have an average attendance of no less than 80%. In 2024, the board of directors attended meetings at a rate of 100%.

Attendance Schedule for Subcommittee Meetings for the Year 2024

(Unit: Times)

Director Name	Audit Committee	Nomination and Sustainability Development Committee	Risk Management Committee	Compensation and Remuneration Committee	Corporate Governance and Sustainable Development Committee
1. Mr.Chanitr Charnchainarong	9/9				3/3
2. Mr. Ronachit Jinadit	9/9	4/4		4/4	3/3
3. Mrs.Chanatip Weerasubpong	9/9	4/4	12/12	4/4	3/3
4. Mr.Tepkul Poonlarp			12/12		
5. Mr.Chuwit Jungtanasomboon		4/4	12/12	4/4	3/3
6. Mr. Sakchai Jongsthapongpun			12/12		
Summary of Attendance Rates for Subcommittees in 2024	100%	100%	100%	100%	100%

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.

Meeting of Non-Executive Directors

The company has organized a meeting among the non-executive directors without the management team present, to discuss various issues and important management matters, and to provide an opportunity for non-executive directors to express their opinions freely without the management’s participation. In 2024, there was one meeting of the board of directors without the executive directors present, held on December 12, 2024, to discuss the approach to reviewing financial statements, intercompany transactions, internal audit guidelines, and inventory counting methods of the company. The results of the meeting were communicated to the Chief Executive Officer for acknowledgment.

COMPENSATION FOR COMPANY DIRECTORS

The Nomination and Sustainability Development Committee has established a compensation policy for the company’s board of directors and subcommittees, considering practices used by listed companies in the same industry, as well as principles of good corporate governance, business expansion, business size, performance results, company growth, and the responsibilities of the board in the past year. Economic growth data has also been taken into account in the considerations. The payment of directors’ compensation must be approved by the annual general meeting of shareholders of the company.



(1) Monetary Compensation

The annual general meeting of shareholders for 2024, held on April 10, 2024, approved the monthly compensation rates for the chairman of the board, the board of directors, and meeting allowances for the chairman of the board and subcommittees. Additionally, the total compensation for directors was set at no more than 7,000,000 baht per year, which is the same rate as in 2023 until the board proposes and seeks approval from the shareholders' meeting for any changes. Directors assigned additional duties and responsibilities will receive increased compensation to reflect those responsibilities. Furthermore, directors involved in management have opted not to receive compensation (meeting allowances), with details as follows.

Compensation Rates for the Company's Board of Directors and Subcommittees (Unit: Times)

Director Compensation	Company Board of Directors		Audit Committee	Risk Management Committee	Nomination and Sustainability Development Committee	Nomination and Compensation Committee	Corporate Governance and Sustainable Development Committee
	Monthly Compensation	Meeting Allowance (paid per meeting)	Meeting Allowance (paid per meeting)	Meeting Allowance (paid per meeting)	Meeting Allowance (paid per meeting)	Meeting Allowance (paid per meeting)	Meeting Allowance (paid per meeting)
Chairman	60,000	50,000	40,000	40,000	40,000	40,000	40,000
Director	40,000	45,000	35,000	35,000	35,000	35,000	35,000

Remarks :

- Directors involved in management have waived their right to receive annual director compensation for the year 2024.
- 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.

Individual Director Compensation for the year 2024 (Unit: Times)

Director Name	Board of Directors		Audit Committee	Risk Management Committee	Nomination and Sustainability Development Committee	Nomination and Compensation Committee	Good Corporate Governance and Sustainable Development Committee	Total
	Total Monthly Compensation	Meeting Allowance						
Mr.Chanitr Chamchainarong	720,000	450,000	315,000	-	-	-	120,000	1,605,000
Mr.Ronachit Jinadit	480,000	405,000	360,000	-	140,000	140,000	105,000	1,630,000
Mrs.Chanatip Weerasubpong	480,000	405,000	315,000	385,000	160,000	160,000	105,000	2,010,000
Mr.Tepkul Poonlarp	480,000	405,000	-	440,000	-	-	-	1,325,000
Total	2,160,000	1,665,000	990,000	825,000	300,000	300,000	330,000	6,570,000

Remarks :

- The company has a total of 7 directors, of which 3 directors involved in management have waived their right to receive director compensation for the year 2024.
- At the company board of directors meeting No. 3/2567 on May 9, 2024, a resolution was passed to appoint new subcommittees to replace the previous ones. The former Nomination and Sustainability Development Committee was replaced by two new subcommittees: the "Nomination and Remuneration Committee" and the "Corporate Governance and Sustainability Development Committee." The charters for these two new subcommittees were approved, effective May 10, 2024, onwards.

(2) Other Compensation

The company has provided group health and accident insurance for its directors.

8.1.3. OVERSIGHT OF SUBSIDIARIES AND ASSOCIATED COMPANIES

As of December 31, 2024, the company has only one subsidiary, which was registered on September 12, 2024, under the name “North East Rubber Côte d’Ivoire” or abbreviated as “NER-CI.” 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.

Additionally, the company has disclosed its investment policy and governance of associated companies and subsidiaries on its website (www.nerubber.com) under the section on important policies.

8.1.4. MONITORING COMPLIANCE WITH POLICIES AND PRACTICES IN CORPORATE GOVERNANCE

The company's board of directors, upon the recommendation of the Nomination and Sustainability Development Committee, has reviewed the implementation of the Corporate Governance Code for Listed Companies 2017 (CG Code). The company secretary presented this to the board of directors at the 7th meeting of 2024 on November 7, 2024, for the board to review, consider, and acknowledge the roles, responsibilities, and importance of adhering to the CG Code.

The company places significant importance on good corporate governance by establishing relevant policies and practices in its corporate governance and business ethics policies, while also promoting genuine implementation to build trust among all stakeholders. Over the past year, the company has monitored compliance with good corporate governance in four additional areas as follows:

(1) Prevention of Conflicts of Interest

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.

(2) Use of insider information for personal gain

The company has established a policy for the disclosure of information and data as a preventive measure against the improper use of insider information by related persons, which includes the Board of Directors, senior executives of the company, and employees in departments related to the information (including spouses and minor children of such individuals).

1. Individuals involved are prohibited from trading the company's securities within one month prior to the disclosure of quarterly and annual financial statements and within 24 hours after the disclosure of such financial statements (Blackout Period). Additionally, individuals who have received insider information are prohibited from disclosing that information to external parties or individuals who do not have relevant duties, in order to prevent the misuse of insider information.
2. The board of directors and executives, as well as the company's auditors, must report any changes in their securities holdings, as well as those of their spouses and underage children, to the Office of the Securities and Exchange Commission 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. Furthermore, directors and executives must submit a copy of such reports to the company on the same day they report to the SEC, which requires notification within three business days, to be submitted to the company secretary and reported to the board of directors' meeting.

3. Confidential information and/or insider information of the company must not be disclosed or used for personal gain or for the benefit of any other party, whether directly or indirectly, and regardless of whether any compensation is received.

In the past year of 2024, there were no instances where directors, executives, and related parties, including employees in departments related to financial statement information or information that may impact the price of securities, engaged in trading the company's securities during the periods designated by the company as trading restrictions.

(3) Anti-Corruption

The company has always placed importance on combating corruption and bribery. A written anti-corruption policy and guidelines have been established, emphasizing the fight against corruption in terms of operational processes, monitoring and reviewing, complaint measures, and channels for reporting misconduct, along with protective measures for whistleblowers. Whistleblowers or complainants will receive care and their information will be kept confidential. Reports received will be subjected to careful, thorough, and fair investigation processes. The anti-corruption policy and whistleblowing guidelines have been disseminated through the organization's internal electronic communication system (e-mail). Additionally, they have been published on the company's website (www.nerubber.com) under the section on Good Corporate Governance/Anti-Corruption and Whistleblowing Guidelines <https://investor.nerubber.com/th/corporate-governance/policy/whistleblowing-policy>.



The company has established a framework for monitoring and evaluating compliance with the guidelines to prevent involvement in corruption as follows:

1. An internal audit department is established to review the internal control system, risk management, and good corporate governance, providing continuous recommendations by conducting audits according to the annual audit plan approved by the audit committee. Significant audit findings and recommendations will be reported to the audit committee.
2. If an investigation reveals that information from the audit or complaints contains evidence that reasonably suggests there are items or actions that may significantly impact the company's financial position and operational results, including violations of laws or doubts in financial reports or internal control systems, the audit committee will report to the board of directors for corrective action within a timeframe deemed appropriate by the audit committee.

In 2024, the company encountered two cases of employee corruption. One case involved the use of company assets for personal purposes, and the other involved the sale of company assets to external parties. The company conducted an investigation and gathered evidence in collaboration with the organizational development department and government officials. It was found that the offenses were indeed committed. Consequently, the company took legal action and immediately terminated the employment of the involved employees in both cases.

(4) Whistleblowing and Complaint Reporting

The company's board of directors has established channels for stakeholders to contact, file complaints, and report tips regarding issues that may cause harm to the company, violations of the law, human rights abuses, as well as breaches of the company's regulations and business ethics that could lead to reputational damage and loss of assets. Complaints or reports can be made through the channels provided by the company, specifically at <https://investor.nerubber.com/th/corporate-governance/policy/whistleblowing-policy> or by emailing the chairman of the audit committee at cac@nerubber.com.

The company has set measures for handling tip reports, protecting whistleblowers, investigation procedures, consideration of penalties, and prevention. The company has a policy to protect those who file complaints or reports or provide tips, ensuring that such information is kept confidential. Additional information is available on the company's website at www.nerubber.com under the section on good corporate governance.

In 2024, the company received reports of employee corruption involving embezzlement in two cases, as previously mentioned in section (3) on anti-corruption measures. The company has implemented preventive measures to reduce the risk of such employee corruption. These measures include strict monitoring of entry and exit points, reducing the number of entry points from two to one, and installing CCTV cameras at various locations around the company to mitigate the risk of asset theft. Additionally, security personnel are required to inspect the belongings of visitors, employees, and the surrounding areas 24 hours a day. Furthermore, the company has communicated additional information to ensure that employees are aware of and adhere to the anti-corruption policy, including disciplinary actions for violations, to ensure strict compliance.

8.2. REPORT ON THE PERFORMANCE OF THE AUDIT COMMITTEE AND OTHER SUBCOMMITTEES

8.2.1 ANNUAL REPORT OF THE AUDIT COMMITTEE FOR 2024

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. Chanitr 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 Chiwaraengroth, 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

8.2.2 REPORT OF THE RISK MANAGEMENT COMMITTEE FOR THE YEAR 2024

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.

Mr.Tepkul Poonlarp

Chairman of the Risk Management Committee

8.2.3 Report of the Nomination and Remuneration Committee for the Year 2024

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 Jongsthapongpun, 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.

Mrs. Chanatip Weerasubpong
Chairman of the Nomination and
Remuneration Committee

8.2.4 REPORT OF THE 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 Jungtanasomboon, and Mrs. Chanatip Weerasubpong as committee members, and Ms. Warunee Sihanant 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.

Mr. Chanitr Charnchainarong

Chairman of the Corporate Governance and Sustainable Development Committee

8.2.5 Report of the Executive Committee for the Year 2024

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.

Mr. Chuwit Jungtanasomboon

Chief Executive Officer



8.3 Report on changes in securities holdings of the Board of Directors and executives.

Changes in shareholding of directors and executives, both direct and indirect.

List of Directors and Executives		Number of Shares					
		As of December 31, 2023		As of December 31, 2024		Increase/ (Decrease)	% of Shareholding
		Direct	Indirect	Direct	Indirect		
Mr. Chanitr	Charnchainarong	-	-	-	-	-	-
Mr. Ronachit	Jinadit	-	-	-	-	-	-
Mrs. Chanatip	Weerasubpong	500,000	-	500,000	-	-	0.03%
Mr. Tepkul	Poonlarp	960,000	-	960,000	-	-	0.05%
Mr. Chuwit	Jungtanasomboon	505,135,800	-	505,135,800	-	-	27.34%
Mr. Sakchai	Jongsthapongpun	-	-	-	-	-	-
Miss Py	Attpisarn	-	-	-	-	-	-
Mrs. Phanida	Jungtanasomboon	5,376,000	-	5,376,000	-	-	0.29%
Miss Kesnaree	Jongchotsirikul	126,400	-	126,400	-	-	0.01%
Miss Suhailee	Yitaso	-	-	-	-	-	-
Mrs. Jarunee	Jongwatthanasak	-	-	-	-	-	-
Miss Rungthiwa	Yaemchu	-	-	-	-	-	-



9

INTERNAL CONTROL AND RELATED PARTIES TRANSACTION**9.1 INTERNAL CONTROL**

North East Rubber Public Company Limited operates internal control in accordance with international standards set by The Committee of Sponsoring Organizations of the Treadway Commission (COSO) to achieve the objectives of internal control in three areas: Operations, Reporting, and Compliance with laws and regulations related to the company's business operations.

North East Rubber Public Company Limited has considered and approved the appointment of an internal auditor from Aim To Prosperity Company Limited, which is an external audit firm (Outsource). Aim To Prosperity Company Limited has assigned Mr. Paisarn Phuratcharoenchai as the internal auditor of the company to perform the internal control system audit. The internal auditor will present the internal audit report to the Audit Committee and prepare an annual internal audit plan for the Audit Committee's consideration and approval, to be used for monitoring and verifying the accuracy of operations in accordance with the operational plan and policies set by the company. The Audit Committee believes that Aim To Prosperity Company Limited has the appropriate qualifications to serve as the internal auditor of the company due to its history and experience in auditing companies listed on the stock exchange and its credibility. Details regarding the head of the internal audit and the head of operational oversight of the company are in Attachment 3.

The board of directors conducts an annual review of the adequacy of the internal control system. In 2024, during the 8th board meeting of the year 2024 on November 7, 2024, the board considered the adequacy of the company's internal control system based on the assessment form from the Securities and Exchange Commission (SEC) as

applied by the executives and reviewed by the Audit Committee, which concluded that the company's internal control system is adequate and appropriate, with no significant deficiencies that could impact the achievement of the organization's main objectives. The company has established sufficient processes and personnel to ensure that operations under the internal control system are effective, and the reports generated are accurate and reliable. The operation of the company is conducted in accordance with applicable laws and regulations, and protects the company's assets from misuse by the board of directors, executives, and employees.

In 2024, the company has developed operational procedures and various systems to enhance internal control and facilitate the auditing process to identify problems or risks more effectively and quickly. The key points are summarized according to the components of internal control based on the international COSO standards as follows:

1. CONTROL ENVIRONMENT

The board of directors and executives support a corporate culture that emphasizes integrity and ethical conduct in operations, while overseeing the company's business activities to align with its vision and mission. There is a good and sufficiently appropriate internal control environment for the efficiency and effectiveness of business operations, as follows:

- The board of directors and executives have established policies for good corporate governance and business ethics, ensuring that operations comply with laws, regulations, and have policies and practices to combat fraud and corruption. The company has mandated that all executives and employees must be aware of and strictly adhere to these policies.



- The company raises awareness and understanding of ethics and business conduct among executives and employees through internal training courses, employee orientation, emails, public relations, and various activities. For example, communication regarding business ethics and good corporate governance culture is provided to employees in each department by senior executives of that department. Additionally, information about good corporate governance and business ethics is published on the company's website to promote awareness among stakeholders, including partners and investors, encouraging them to conduct business ethically.
- The board of directors is responsible for overseeing the overall business operations and providing insights into the company's strategic direction to serve as a guideline for developing business plans and operational plans. They also monitor the company's performance and the performance of specific committees regularly to ensure that the company's operations can achieve the set goals. Additionally, the company is committed to driving sustainable business practices in the long term, placing importance on environmental, social, and governance (ESG) factors alongside the principles of a circular economy, in line with the Sustainable Development Goals. In 2024, the company has set goals and established guidelines to enhance the quality of life by transitioning towards carbon neutrality by 2030.
- The company has structured its organization by business type and function with shared goals to ensure effective management and alignment across the entire organization. There is a review process to maintain agility, appropriateness, and alignment with current circumstances. Key functions are separated to create a balance of power, and responsibilities

are clearly defined and delegated appropriately according to the organizational structure, ensuring that all employees are aware of their roles, powers, and responsibilities.

- The company defines the qualifications for each position as criteria for recruiting and developing personnel who align with the organization's values. There is a succession plan for key positions, a standardized and systematic performance evaluation process, and encouragement for regular discussions. Performance against goals is tracked quarterly, and goals can be reviewed to ensure fair rewards and motivation for personnel in their work. The company aims to be a learning organization and promotes skill and knowledge development for all employees.
- The company incorporates concepts of governance, risk management and internal control, as well as compliance with laws and regulations, into its operations to ensure confidence that operations are conducted effectively and efficiently.

2. RISK ASSESSMENT

The board of directors and executives have prioritized risk management to build confidence in guiding the organization toward both short-term and long-term goals. Therefore, a Risk Management Committee has been established, appointed by the board of directors, along with a risk management working group that reports directly to the Risk Management Committee to enhance agility in direct management and closely monitor various situations. This risk management structure is designed to ensure that the company's risk management is conducted appropriately, efficiently, and effectively. The Risk Management Committee is tasked with reviewing the risk management policy and supporting operations to align with business strategies and goals by analyzing risks

based on both internal and external factors related to the company. All types of risks that may impact business operations are identified and analyzed. Risk is a crucial component of every business process and must be interconnected at all levels. Therefore, a risk management policy and risk management manual have been established to ensure that all executives and employees are informed and comply with them. An organizational-level risk assessment is conducted, identifying and analyzing all relevant risks for each department, including existing controls and additional controls to reduce the acceptable level of risk (Risk Appetite). Risks are continuously monitored, and risk reports are provided to enable management to implement preventive measures in a timely manner.

- The company has a systematic and continuous integrated risk management policy across the organization, referencing risk management guidelines based on operational frameworks and internationally recognized practices. Risk assessments consider changes from both current and future risk factors related to business operations, as well as emerging risk factors and opportunities for fraud and corruption. Additionally, risk management strategies are established to keep risks at acceptable levels, with regular processes for reviewing risks and monitoring the implementation of risk management measures. To enable the organization to achieve its short-term and long-term goals, the company has linked Key Risk Indicators (KRI) with Key Performance Indicators (KPI) to assess the effectiveness of its short-term and long-term strategies and to monitor changes in various risk factors. Additionally, it has established supplementary measures to respond promptly to these changes. In 2024, the company will improve its Risk Matrix to clarify the prioritization of risks, as well as refine the criteria for assessing the likelihood and

impact of risks to evaluate the risks associated with achieving business and strategic objectives in 2024.

3. CONTROL ACTIVITIES

- The company has established control activities, taking into account the principles of good internal control, such as the segregation of duties and a systematic delegation of approval authority to employees. This ensures that there is a system of checks and balances in place, along with policies and practices related to transactions that may have or could have conflicts of interest, conducting transactions transparently, audibly, and fairly, with approvals considering the best interests of the company.
- The company has created charters, policies, requirements, manuals, and procedures in writing, clearly defining the scope of authority and responsibilities of the Chief Executive Officer, the Deputy Chief Executive Officer, executives, and employees at each level, as well as the operational procedures. This serves as a guideline for operations, and there is a regular review of compliance with regulations, policies, requirements, and various operational manuals.
- The company has established controls for the security of information technology systems in accordance with the standards of information security management systems or frameworks and practices that are internationally recognized. It also reviews and updates the requirements regarding information security policies to ensure they are current and cover significant activities. Furthermore, training and communication are regularly provided to employees about risks and the prevention of new information technology threats, aiming to elevate the organization's information security standards in line with changing circumstances.



4. INFORMATION & COMMUNICATION

The company places great importance on the quality of its information and communication technology systems, which are crucial for ensuring effective internal controls. The management approach for information and communication is as follows:

- The company manages data by defining levels of data confidentiality, establishing guidelines for the storage of important documents and controlled documents, as well as information used in operations both internally and externally. This ensures that critical information related to the company's business operations is accurate, complete, sufficient for operational needs, and timely for use. The company has implemented software to process business data, helping to reduce data redundancy across the numerous existing information systems, and enabling quick reporting to executives.
- The company requires that significant content related to its performance and meeting documents be sent to the board of directors in advance of board meetings. This allows the board to analyze the information adequately before making decisions. The board is able to request additional information from relevant management to support their considerations.
- The company ensures effective communication throughout the organization so that employees receive complete information through various channels, such as the company website, announcements, communications from executives and supervisors to employees at all levels, and email. This fosters a unified direction and emphasizes the importance of performing duties to their fullest potential, thereby enhancing an organizational culture that promotes collaboration.

- The company provides multiple channels for communication with stakeholders, such as the website, Facebook, and Line, to ensure that customers, partners, shareholders, investors, and the general public receive important updates about the company regularly. These channels also serve as a means of communication for inquiries or suggestions, facilitating accurate, swift, and comprehensive communication. The company has established a system for receiving feedback, suggestions, complaints, and reports of fraud through designated complaint channels, with the confidentiality of the complainants' information maintained according to the company's policies. In addition, measures have been established to protect whistleblowers who act in good faith, which serves as a tool to help detect violations or non-compliance with the company's policies, regulations, laws, rules, and business ethics.

5. MONITORING ACTIVITIES

The company has a process for monitoring and assessing the adequacy of internal controls, along with guidelines for development and improvement to ensure that the company's internal control system is effective and efficient as follows:

- The company evaluates the enterprise-level internal control system and assesses the process-level internal controls through annual evaluations conducted by external agencies. There is a review of the adequacy and appropriateness of these evaluations, which is reported to the audit committee, along with recommendations for improvement if any deficiencies in internal controls are found. Additionally, internal auditors from external agencies have a process for reporting identified deficiencies to management in a timely manner, including follow-up to ensure that corrections are completed within the specified

timeframe. The external internal audit agency operates independently and is confident that the existing internal controls are adequate, appropriate, and consistently implemented. They have examined and assessed the effectiveness of internal controls for various activities according to the audit plan approved by the audit committee. This audit plan aligns with the company's strategic direction and the significant risks affecting operations, while also providing recommendations to support internal controls. Management is informed and required to make corrections based on these recommendations and regularly reports the audit results to the audit committee every quarter. In the area of accounting and finance, audits and reviews are conducted by external auditors, who present the audit and review results to the audit committee for quarterly and annual consideration.

- The company has continuously monitored and reported on compliance with laws, regulations, and rules to improve these processes through various assessment for Miss In 2024, evaluations will be conducted at the process level, and relevant legal, regulatory, and rule-related information will be compiled to serve as a database and guideline for employees to study and apply in their work.
- The company has been certified as a member of the Thai Private Sector Collective Against Corruption (CAC) and has established a working group to promote anti-corruption measures to evaluate anti-corruption practices.



9.2 RELATED PARTIES TRANSACTION

9.2.1 RELATIONSHIP

The company has transactions with individuals who may have conflicts of interest. The Related Parties Transactions that occurred involve dealings with directors and/or executives and/or major shareholders, as well as related companies where individuals with conflicts of interest serve as directors and/or executives and/or major shareholders of the company. These transactions took place in the accounting period of 2023, ending December 31, 2023, and in the accounting period of 2024, ending December 31, 2024. The details are as follows:

Company / Individuals who may have conflicts of interest	Relationship	Related Parties Transaction (Yes = ✓ / No = ✕)	
		2023	2024
<p>1. N.E. Agitech Company Limited Engaged in the wholesale of agricultural machinery and equipment and provides agricultural machinery repair services.</p> <p>The company has one director, Miss Sirinya Jungtanasomboon (sister of Mr. Chuwit Jungtanasomboon)</p>	<ul style="list-style-type: none"> Mr. Jirayut Jungtanasomboon (son of Mr. Chuwit Jungtanasomboon) holds an 86.67% stake in the registered/paid-up capital of N.E. Agitech Company Limited and is a shareholder of the company with a 3.47% stake in the paid-up capital of the company on December 31, 2024. Mr. Narin Jungtanasomboon (father of Mr. Chuwit Jungtanasomboon) holds an 8.00% stake in the registered/paid-up capital of N.E. Agitech Company Limited. Mrs. Chum Jungtanasomboon (mother of Mr. Chuwit Jungtanasomboon) holds a 5.33% stake in the registered/paid-up capital of N.E. Agitech Company Limited Miss Sirinya Jungtanasomboon (sister of Mr. Chuwit Jungtanasomboon) is a director of the company. 	✓	✓
<p>2. S.K. Petroleum Company Limited operates a fuel service station.</p> <p>The company has one director such as Miss Wilasini Jungtanasomboon</p>	<ul style="list-style-type: none"> Miss Wilasini Jungtanasomboon (daughter of Mr. Chuwit Jungtanasomboon) is a director and holds 90% of the registered/paid-up capital of S.K. Petroleum Company Limited. Miss Wilasini Jungtanasomboon holds 0.11% of the paid-up capital of the company on December 31, 2024, Mr. Jirayut Jungtanasomboon (son of Mr. Chuwit Jungtanasomboon) holds 5% of the registered/paid-up capital of S.K. Petroleum Company Limited. Mr. Jirayut Jungtanasomboon holds 3.47% of the paid-up capital of the company on December 31, 2024, Miss Mathucha Jungtanasomboon (daughter of Mr. Chuwit Jungtanasomboon) holds 5% of the registered/paid-up capital of S.K. Petroleum Company Limited. Miss Mathucha Jungtanasomboon holds 0.63% of the paid-up capital of the company on December 31, 2024, 	✓	✓

Company / Individuals who may have conflicts of interest	Relationship	Related Parties Transaction (Yes = ✓ / No = ✕)	
		2023	2024
<p>3. Chuwit Farm (2019) Public Company Limited</p> <p>Engages in the business of broiler chicken farming.</p> <p>The company has 7 directors, which are:</p> <ol style="list-style-type: none"> 1) Miss Sarinya Jungtanasomboon 2) Miss Mathucha Jungtanasomboon 3) Mr. Churat Jungtanasomboon 4) Mrs. Sirirak Khawchaimaha 5) Mr. Tepakul Poonlarp 6) Mr. Amnat Yousukh 7) Mr. Chanon Chingchayanurak <p>Chuwit Farm (2019) Public Company Limited was established from the merger of 4 companies on December 19, 2019, as follows:</p> <ol style="list-style-type: none"> 1. Chuwit Farm Company Limited 2. Thanasomboon Farm Company Limited 3. North East Poultry Business Company Limited 4. Vichayut Poultry Company Limited 	<ul style="list-style-type: none"> • Miss Mathucha Jungtanasomboon (daughter of Mr. Chuwit Jungtanasomboon) is a director of the company and holds 40.89% of the registered/paid-up capital of Chuwit Farm (2019) Public Company Limited. Miss Mathucha Jungtanasomboon holds 0.63% of the paid-up capital of the company on December 31, 2024 • Miss Sarinya Jungtanasomboon (sister of Mr. Chuwit Jungtanasomboon) is a director of the company and holds 0.72% of the registered/paid-up capital of Chuwit Farm (2019) Public Company Limited. • Mr. Chuwit Jungtanasomboon holds 3.59% of the registered/paid-up capital of Chuwit Farm (2019) Public Company Limited. Mr. Chuwit Jungtanasomboon holds 27.34% of the paid-up capital of the company on December 31, 2024, • Mrs. Phanida Jungtanasomboon (spouse of Mr. Chuwit Jungtanasomboon), who is an executive director and Deputy Chief Executive Officer of Supply Chain of the company, holds 3.11% of the registered/paid-up capital of Chuwit Farm (2019) Public Company Limited and holds 0.29% of the paid-up capital of the company on December 31, 2024. • Miss Wilasini Jungtanasomboon (daughter of Mr. Chuwit Jungtanasomboon) holds 12.51% of the registered/paid-up capital of Chuwit Farm (2019) Public Company Limited. Miss Wilasini Jungtanasomboon holds 0.11% of the paid-up capital of the company on and as of December 31, 2024 • Mr. Jirayut Jungtanasomboon (son of Mr. Chuwit Jungtanasomboon) holds 12.51% of the registered/paid-up capital of Chuwit Farm (2019) Public Company Limited. Mr. Jirayut Jungtanasomboon holds 3.47% of the paid-up capital of the company on December 31, 2024. • Mr. Narin Jungtanasomboon (father of Mr. Chuwit Jungtanasomboon) holds 0.72% of the registered/paid-up capital of Chuwit Farm (2019) Public Company Limited. • Mrs. Chum Jungtanasomboon (mother of Mr. Chuwit Jungtanasomboon) holds 0.72% of the registered/paid-up capital of Chuwit Farm (2019) Public Company Limited. • Mr. Churat Jungtanasomboon (younger brother of Mr. Chuwit Jungtanasomboon) is a director of Chuwit Farm (2019) Public Company Limited. 	✓	✓
<p>4. N.E.Hemp Company Limited</p> <p>engaged in the import, production, and sale of hemp products.</p> <p>The company has 2 directors:</p> <ol style="list-style-type: none"> 1) Mr. Chuwit Jungtanasomboon 2) Mr. Pirasak Saririnrachai 	<ul style="list-style-type: none"> • Mr. Chuwit Jungtanasomboon holds 74.00% of the registered/paid-up capital of N.E.Hemp Company Limited, and Mr. Chuwit Jungtanasomboon holds 27.34% of the paid-up capital on December 31, 2024. 	✕	✕



Company / Individuals who may have conflicts of interest	Relationship	Related Parties Transaction (Yes = ✓ / No = ✕)	
		2023	2024
5. Buriram Beef Farm Co.,Ltd. Engaged in livestock/cattle farming. Registered on April 11, 2024. egistered on April 11, 2024. The company has 2 directors: 1) Mr. Chuwit Jungtanasomboon 2) Mrs. Phanida Jungtanasomboon	<ul style="list-style-type: none"> Mr. Chuwit Jungtanasomboon is a director and holds 30.00% of the registered/ paid-up capital of Buriram Beef Farm Company Limited, and Mr. Chuwit Jungtanasomboon holds 27.34% of the paid-up capital as on December 31, 2024. Mrs.Phanida Jungtanasomboon is a director and holds 25.00% of the registered/ paid-up capital of Buriram Beef Farm Company Limited, and Mr. Chuwit Jungtanasomboon holds 0.29% of the paid-up capital on December 31, 2024. Miss Wilasini Jungtanasomboon (daughter of Mr. Chuwit Jungtanasomboon) holds 15% of the registered/paid-up capital of Buriram Beef Farm Company Limited, and Miss Wilasini Jungtanasomboon holds 0.11% of the paid-up capital on December 31, 2024. Mr. Jirayut Jungtanasomboon (son of Mr. Chuwit Jungtanasomboon) holds 15% of the registered/paid-up capital of Buriram Beef Farm Company Limited, and Mr. Jirayut Jungtanasomboon holds 3.47% of the paid-up capital on December 31, 2024. Miss Mathucha Jungtanasomboon (daughter of Mr. Chuwit Jungtanasomboon) holds 15% of the registered/paid-up capital of Buriram Beef Farm Company Limited, and Miss Mathucha Jungtanasomboon holds 0.63% of the paid-up capital as of December 31, 2024. 	✕	✓
6. North East Rubber Cote d'Ivoire (NER-CI) Engaged in agriculture and agricultural industry The board of directors consists of 5 members: 1) Mr. Chuwit Jungtanasomboon 2) Mr. M'BAYE PAPA SOULEYE 3) Mr. NIAMKE MOSSOU IGNACE 4) Miss Kesnaree Jongchotsirikul 5) Mr. Jirayut Jungtanasomboon	<ul style="list-style-type: none"> North East Rubber Cote d'Ivoire (NER-CI) is a subsidiary of North East Rubber Public Company Limited, holding 100% of the registered capital on December 31, 2024. Mr. Chuwit Jungtanasomboon is a director of North East Rubber Cote d'Ivoire (NER-CI) and holds 27.34% of the paid-up capital on December 31, 2024. Miss Ketanaree Jongchotisirikul is a director of North East Rubber Cote d'Ivoire (NER-CI) and holds 0.007% of the paid-up capital on December 31, 2024. Mr. Jirayut Jungtanasomboon is a director of North East Rubber Cote d'Ivoire (NER-CI) and holds 3.47% of the paid-up capital on December 31, 2024. 	✕	✓
7. Mr. Chuwit Jungtanasomboon	Board of Director, Authorized Director, Chief Executive Officer, and shareholder of the company holding 27.34% of the paid-up capital on December 31, 2024.	✓	✓
8. Mr. Churat Jungtanasomboon	Younger brother of Mr. Chuwit Jungtanasomboon and shareholder of the company holding 0.007% of the paid-up capital on December 31, 2023.	✕	✕
9. Mrs. Srikorn Jinadit	Spouse of Mr. Ronachit Jinadit, who is the Chairman of the Audit Committee/Independent Director of the company, and Mrs. Srikorn Jinadit is a shareholder of the company holding 0.03% of the paid-up capital on December 31, 2024.	✓	✓

Company / Individuals who may have conflicts of interest	Relationship	Related Parties Transaction (Yes = ✓ / No = ✕)	
		2023	2024
10. Mr. Jirayut Jungtanasomboon	Son of Mr. Chuwit Jungtanasomboon and shareholder of the company holding 3.47% of the paid-up capital on December 31, 2024.	✕	✕
11. Miss Mathucha Jungtanasomboon	Daughter of Mr. Chuwit Jungtanasomboon and shareholder of the company holding 0.63% of the paid-up capital on December 31, 2024.	✕	✓
12. Miss Wilasini Jungtanasomboon	Daughter of Mr. Chuwit Jungtanasomboon and shareholder of the company holding 0.11 % of the paid-up capital on December 31, 2024.	✕	✕
13. Mrs. Phanida Jungtanasomboon	Spouse of Mr. Chuwit Jungtanasomboon and Executive Director, Deputy Chief Executive Officer of the Purchasing and Warehouse Division, and shareholder of the company holding 0.29% of the paid-up capital on December 31, 2024.	✕	✕
14. Mr. Sakchai Jongsathapongpan	Director of the company, Authorized Director, Executive Director, and Deputy Chief Executive Officer of the Accounting and Finance Division.	✕	✕
15. Miss Py Attpisarn	Director of the company, Authorized Director, Executive Director, and Deputy Chief Executive Officer of the Sustainability Development Division.	✕	✕
16. Miss Kesnaree Jongchotsirikul	Executive Director and Deputy Chief Executive Officer of the Marketing and Quality Control Division, and shareholder of the company holding 0.007% of the paid-up capital on December 31, 2024.	✕	✕





9.2.2 DETAILS OF RELATED PARTIES TRANSACTION

The company has transactions with individuals who may have conflicts of interest, which are related party transactions involving directors and/or executives and/or major shareholders, as well as affiliated companies that have individuals with conflicts of interest serving as directors and/or executives and/or major shareholders of the company. These transactions occurred in the fiscal year 2023, ending December 31, 2023, and in the fiscal year 2024, ending December 31, 2024. The details are as follows.

Individuals who may have conflicts of interest	Related Parties Transaction	Related Parties Transaction Values (Million Baht)		Necessity and Reasonableness
		2023	2024	
1. N.E. Agitech Company Limited	Buy Vehicles	4.27	-	The company has terminated the lease agreement for 5 vehicles, canceling it before the lease expiration date, and has purchased them as company assets at a price agreed upon by comparing with market prices. <u>Opinion of the Audit Committee</u> opined that the transaction is reasonable, with price references compared to the local market, and is in the interest of the company's business operations.
	Lease Expense Write-off	1.15	-	The company has leased 5 vehicles for the purpose of transporting executives and employees, as well as for transporting raw materials, at a price agreed upon by comparing with market prices. <u>Opinion of the Audit Committee</u> The Audit Committee has reviewed and opined that this transaction is a mutual lease with normal pricing and conditions, and the company has a policy not to engage in further leasing in the future.
	CSR Activity Expenses	-	16.25	The company purchased a tractor at a price comparable to market prices, which is the same as the price for general public transactions, to donate to a rubber plantation cooperative participating in the community and social development project under the investment promotion measures for community and social development. https://www.boi.go.th/upload/content/1_2567.pdf <u>Opinion of the Audit Committee</u> The Audit Committee has reviewed and opined that this transaction is a purchase of goods aimed at maximizing business benefits in supporting the company's CSR activities, conducted as part of normal business operations. The products purchased by the company from related companies align with the needs and business operations of the company. The purchase price from related companies is consistent with the terms agreed upon in the contract, which provides commercial benefits to both the company and the related companies without any intention of transferring benefits between them or any special transactions.



Individuals who may have conflicts of interest	Related Parties Transaction	Related Parties Transaction Values (Million Baht)		Necessity and Reasonableness
		2023	2024	
1. N.E. Agitech Company Limited (Continue)	Agricultural Machinery Repair Expenses	1.27	0.023	The company utilizes repair services for agricultural tractors to ensure that these assets are properly maintained and operate at full efficiency. The repair costs are at standard pricing and payment terms, consistent with services from other providers.
	- Repair service costs for agricultural tractors, as the company has purchased tractors from N.E. Agitech Company Limited and requires repairs when the tractors are damaged.			
	Maintenance costs for equipment and tools	0.05	0.008	
	Vehicle rental expenses	-	0.032	
	Other operating expenses	-	0.022	
2. S.K. Petroleum Company Limited	Other payables	0.73	0.015	The company rents vehicles along with fuel costs for business operations in cases where the available vehicles are insufficient, at an agreed price. <u>Opinion of the Audit Committee</u> The Audit Committee has reviewed and opined that the use of repair and maintenance services for agricultural tractors from N.E. Agitech Company Limited is necessary and reasonable, with pricing and service terms being standard and payment conditions similar to those of other providers, serving the interests of the company's business operations.
	- Outstanding payables for spare parts and maintenance of vehicles			
	Fuel Costs	22.40	15.35	
	Fuel and Toll Costs			
	- Fuel costs for vehicle travel and operations	0.002	-	
	Other Consumable Materials Costs			<u>Opinion of the Audit Committee</u> The Audit Committee has reviewed and opined that the purchase of vehicle fuel from SK Petroleum Co., Ltd. is reasonable, with prices being standard and payment terms not differing from others, and it serves the business interests of the company.
	- Purchase cost of gasoline for the lawnmower	0.008	-	
	Other Creditors			
	- Outstanding creditors from fuel transactions	1.02	0.59	



Individuals who may have conflicts of interest	Related Parties Transaction	Related Parties Transaction Values (Million Baht)		Necessity and Reasonableness
		2023	2024	
3. Chuwit Farm (2019) Public Company Limited	Lease-related expenses	0.31	-	The company is undertaking a biogas production project and needs to procure raw materials to be used as a mixture for biogas fermentation at an agreed price, which is the farm gate price excluding transportation costs. <u>Opinion of the Audit Committee</u> The Audit Committee has reviewed and opined that the aforementioned items are reasonable, with prices not differing significantly from general market prices and with payment terms that are standard and customary, serving the interests of the company's business operations.
	Assets under lease awaiting accounting – net	0.36	-	
	Liabilities under lease – net	0.37	-	
	Other creditors			
	- Outstanding creditors from vehicle rental expenses	0.03	-	
	Costs of raw materials for biogas and transportation:-			
4. Buriram Beef Farm Co., Ltd.	- Purchase cost of biogas raw materials (chicken manure, sawdust)	6.25	-	The company sells Napier grass to Buriram Beef Farm Company Limited at market prices charged to external parties. <u>Opinion of the Audit Committee</u> The Audit Committee has considered and opined that the transaction is reasonable, with price references compared to the local market, and is in the interest of the company's business operations.
	- Transportation service fees for chicken manure and sawdust	0.86	-	
	Other Income	-	2.32	
	- Income from the sale of agricultural products			



Individuals who may have conflicts of interest	Related Parties Transaction	Related Parties Transaction Values (Million Baht)		Necessity and Reasonableness
		2023	2024	
5. Mr.Chuwit Jungtanasomboon	Buy Vehicles	2.85	-	The company has terminated the lease agreement for 2 vehicles on July 31, 2023, canceling it before the lease's expiration date and purchasing them as company assets at an agreed price compared to market value. <u>Opinion of the Audit Committee</u> The Audit Committee has reviewed and opined that this transaction is reasonable, referencing market prices for comparison, and is in the interest of the company's business operations.
	Lease Expense Write-off	0.49	0.41	As the company is undertaking an energy crop planting project to use as raw materials for the biogas project, it is necessary to secure land for planting Napier grass. The company has leased land from Mr. Chuwit Jungtanasomboon for planting Napier grass in three plots: 60 rai, 160 rai, and 181 rai, with the rental rates being in accordance with market rates, referencing rental prices in nearby areas. <u>Opinion of the Audit Committee</u> The Audit Committee has reviewed and opined that this transaction is reasonable, referencing market prices in nearby areas from external parties, and is in the interest of the company's business operations.
	Assets under lease agreement - net			
	Liabilities under lease agreement - net	0.92 0.86	0.51 0.44	The company sells finished rubber sheets to Mr. Chuwit Jungtanasomboon's cattle farm at market prices applicable to external customers, with payment terms identical to those for general customers. <u>Opinion of the Audit Committee</u> The Audit Committee has reviewed and opined that this transaction is reasonable, with selling prices and payment terms not differing from those for general customers, and is in the interest of the company's business operations.
	Revenue from the sale of finished rubber products			
	- Revenue from the sale of finished rubber sheets (cow bedding)	1.25	-	



Individuals who may have conflicts of interest	Related Parties Transaction	Related Parties Transaction Values (Million Baht)		Necessity and Reasonableness
		2023	2024	
5. Mr.Chuwit Jungtanasomboon (Continue)	Revenue from the sale of agricultural products			The company rents vehicles for the transportation of executives and employees at an agreed price compared to market rates. The company sells tractors to Phanomrung Beef Farm (Mr. Chuwit) at an agreed price based on market comparisons, which were originally tractors rented by the company. <u>Opinion of the Audit Committee</u> - The Audit Committee has reviewed and opines that the transactions are reasonable, with price references compared to the local market, and are in the interest of the company's business operations.
	- Revenue from the sale of chopped Napier grass	3.27	-	
	Other receivables			
	- From the sale of chopped Napier grass	1.05	-	
	- From the sale of finished rubber sheets (cow bedding)	0.48	-	
	Other payables			
	Outstanding payables from vehicle rental expenses	0.46	-	
	Other Income			
	- Income from the sale of tractors	0.41	-	
	- Rental of Tractors (Apr.-Jun. 2023)	0.11	-	
Income from Executive Housing Rent			The company has provided the Chief Executive Officer with a lease for land and buildings, which consists of a three-story single-family house located at 398, Moo 4, Kok Ma Subdistrict, Prakhon Chai District, Buriram Province 31140, within the factory premises owned by the company for residential use. The rental rate is 22,500 baht per month for a lease term of 3 years, with the rental rate based on the appraised value of the property by an appraiser listed among the asset valuation companies in the capital market and principal appraisers approved by the Securities and Exchange Commission. <u>Opinion of the Audit Committee</u> The Audit Committee has reviewed and opined that the transaction is necessary and reasonable, as the rental rate has been compared with market prices, which were prepared by the appraiser listed among the asset valuation companies in the capital market and principal appraisers approved by the Securities and Exchange Commission	
- Income from renting land with buildings for use as residence for the Chief Executive Officer.	0.27	0.27		



Individuals who may have conflicts of interest	Related Parties Transaction	Related Parties Transaction Values (Million Baht)		Necessity and Reasonableness
		2023	2024	
6. Mrs.Srikorn Jinadit	Purchase of Bonds: The company issued bonds for the first time in 2022, Series 1, with a maturity of 5 years and an interest rate of 5.65% per annum. Ms. Srikorn purchased bonds from the company amounting to 3.00 million Baht. - Bond Interest - Accrued Bond Interest	3.0	3.0	The company issued bonds for the first time in 2022 with a maturity of 5 years and an interest rate of 5.65% per annum, with a total offering value of 1,161.50 million Baht. These bonds were offered to institutional investors and/or major investors. Mr. Srikorn, who is classified as a major investor according to the definition of the Securities and Exchange Commission, purchased bonds from the first issuance of 2022, Series 1, amounting to 3.00 million, which has the same price, interest rate, and other conditions as those offered to other general investors. <u>Opinion of the Audit Committee</u> The Audit Committee considered and opined that the transaction is reasonable, priced according to market rates, and the other conditions are not different from those of other bond subscribers.
7. Miss Mathucha Jungtanasomboon	Purchase of Cup Rubber Raw Materials	-	0.69	The company is purchasing cup rubber raw materials - EDUR for use in the production of rubber blocks by the company, with prices in accordance with the announced purchasing prices for rubber and payment terms that are not different from those of general customers, aimed at benefiting the company's business operations <u>Opinion of the Audit Committee</u> The Audit Committee has considered and opined that the purchase of the aforementioned raw materials is intended to maximize benefits for business operations and aligns with the company's business needs. Furthermore, the purchasing price is not different from market prices, and the payment terms are standard, making this a reasonable transaction.
8. North East Rubber Cote d'Ivoire (NER-CI)	Investment in Subsidiary	-	0.565	The company registered the establishment of its subsidiary NER-CI on September 12, 2024, to engage in the production and sale of smoked sheet rubber, block rubber, and compounded rubber. It was established and registered as a limited company under the laws of Côte d'Ivoire, with a registered capital of 10 million CFA francs (565,400 baht). <u>Opinion of the Audit Committee</u> The Audit Committee has reviewed and opined that the registration of the subsidiary will be a transaction conducted in the ordinary course of business as usual, with no special items involved. There is no transfer of benefits between the company, the subsidiary, related companies, and shareholders, which is disclosed in related party transactions in accordance with the regulations of the Securities and Exchange Commission, as well as in compliance with accounting standards regarding the disclosure of information related to related parties or entities.

Investors can review the information on related party transactions as detailed in the financial statements and the notes to the financial statements under the section on transactions with related individuals and companies.



9.2.3 OPINION OF THE AUDIT COMMITTEE

The company's audit committee has considered and provided opinions regarding Related Parties Transactions of the company with other companies or with individuals who may have conflicts of interest, have vested interests, or may have future conflicts of interest, in accordance with the announcement from the Securities and Exchange Commission. In the meeting, it was concluded that the various Related Parties Transactions are reasonable and comply with fair commercial terms, treated similarly to transactions with unrelated parties in general, and there is no transfer of benefits between the company.

9.2.4 MEASURES AND PROCEDURES FOR APPROVING RELATED PARTIES TRANSACTIONS

In cases where there are Related Parties Transactions of the company with individuals who may have conflicts of interest, have vested interests, or may have future conflicts of interest, these transactions should be conducted in a manner similar to what a prudent person would do with general counterparties in the same circumstances. This should be done with bargaining power free from influence due to the status of being a director, executive, or related person, and under normal trading conditions or market prices, within reasonable terms that can be verified and do not result in the transfer of benefits. The executives of the company are able to proceed normally under the principles that the Board of Directors has considered and approved, and prepare a summary report to inform the Audit Committee on a quarterly basis.

In cases where there are Related Parties Transactions that are not ordinary commercial transactions, the company will provide an opinion from the Audit Committee regarding the necessity and appropriateness of such transactions. If the Audit Committee lacks expertise in considering

potential Related Parties Transactions, the company will consider appointing an independent appraiser, a specialized independent expert, or an auditor to provide opinions on the Related Parties Transactions to the Audit Committee. This is to assist the Audit Committee in making decisions and providing opinions to the Board of Directors or shareholders, as the case may be, for the approval of such transactions before they are executed. Furthermore, the consideration and approval of Related Parties Transactions must comply with the laws on securities and the stock market, as well as the regulations, announcements, orders, or requirements of the Stock Exchange of Thailand, whereby those who may have conflicts of interest or vested interests in the Related Parties Transactions will not have the right to vote on those transactions.

9.2.5 FUTURE POLICIES OR TRENDS REGARDING RELATED PARTIES TRANSACTIONS

In the future, if the company needs to engage in Related Parties Transactions with individuals who may have conflicts of interest with the company, the company will establish various conditions to align with normal business practices and market prices that can be referenced and compared with the terms or prices occurring in similar businesses that the company conducts with external parties. The company will have the Audit Committee provide opinions regarding the price, compensation rates, as well as the necessity and appropriateness of such Related Parties Transactions. In cases where the Audit Committee lacks expertise in evaluating potential Related Parties Transactions, the company will consider having an independent appraiser, a specialized independent expert, or the company's auditor provide opinions regarding the Related Parties Transactions to assist the Audit Committee in making decisions and providing opinions to the Board of Directors or shareholders as appropriate. The company will disclose Related Parties Transactions in the notes

to the financial statements audited by the company's auditor, as well as disclose such Related Parties Transactions in the annual information report/annual report (Form 56-1 One Report) in accordance with the regulations and laws concerning securities and the stock market, and the rules, announcements, orders, or requirements of the Stock Exchange of Thailand.

Potential Related Parties Transactions in the future must comply with the criteria set by the Office of the Securities and Exchange Commission of Thailand, and directors must not approve any transactions in which they or individuals who may have conflicts of interest in any other manner with the company are involved. They must disclose such transactions to the Board of Directors for consideration. The company must comply with the laws concerning securities and the stock market, as well as the rules, announcements, orders, or requirements of the Stock Exchange of Thailand, including adherence to the requirements regarding the disclosure of related party transactions and the acquisition or disposal of the company's assets, and comply strictly with the accounting standards set by the Association of Accountants. Additionally, the company will not engage in related party transactions with affiliated companies that are not part of the company's normal business operations.

9.2.6 INVESTOR PROTECTION MEASURES

To protect investors, in the future, if there are Related Parties Transactions of the company with individuals who may have conflicts of interest, have vested interests, or may have future conflicts of interest, the company will ensure that such transactions are presented at the Audit Committee meeting and the Board of Directors meeting, which includes the participation of the Audit Committee members (except for Related Parties Transactions that have commercial agreements with general trading conditions, which the Board of Directors has already approved in principle to allow executives to proceed). This is to ensure that Related Parties Transactions are conducted fairly and that there is a policy for setting appropriate prices, with the Board of Directors required to perform its duties in accordance with the laws on securities and the stock market, as well as the regulations, announcements, and requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand. This includes strict compliance with disclosure requirements regarding related transactions and the acquisition or disposal of significant assets of listed companies. Additionally, the company discloses Related Parties Transactions in the notes to the audited financial statements.



Part 3

Financial Statements



STATEMENT OF BOARD OF DIRECTORS RESPONSIBLE FOR THE FINANCIAL STATEMENT

The board of directors is responsible for the financial statements of Northeast Rubber Public Company Limited and its subsidiaries, including the financial information presented in the annual information disclosure/report for the year 2024 (Form 56-1 One Report) and the financial statements for the year ending December 31, 2024. These financial statements have been prepared in accordance with generally accepted accounting standards, using appropriate accounting policies that have been consistently applied. The board has exercised caution and used reasonable estimates in their preparation, as well as provided sufficient disclosure of significant information in the notes to the financial statements to accurately and transparently reflect the financial position, performance, and cash flows, which is beneficial to shareholders and general investors. The financial statements have been audited by a certified auditor from M.R. & ASSOCIATES COMPANY LIMITED. During the audit, the company provided support in terms of information and various documents to enable the auditor to conduct the audit and express an opinion in accordance with auditing standards.

The board of directors recognizes its duty and responsibility to prepare financial reports effectively, thus establishing and maintaining a risk management system, internal control systems related to operations and information systems, internal audits, and appropriate and effective governance to ensure that accounting information is accurate, complete, and sufficient to safeguard the company's assets and prevent risks, as well as to avoid significant fraud or irregular activities. The board has appointed an audit committee to assist in overseeing and reviewing the reliability and accuracy of financial reports, the review of internal control systems, internal audits, and risk management systems, as well as considering the complete and appropriate disclosure of related party transactions. The opinions of the audit committee are included in the report from the audit committee, which is presented in the annual report, reflecting the oversight and practices mentioned above. The board of directors believes that the overall internal control system of the company is adequate and appropriate, and it can reasonably assure that the financial statements of the company and its subsidiaries for the year ending December 31, 2024, are accurate and reliable, in accordance with generally accepted accounting standards and in compliance with all relevant laws and regulations.

Mr. Chanitr Charnchainarong
Chairman



NORTH EAST RUBBER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Financial Statements

For the Year Ended December 31, 2024

and Report of Certified Public Accountant

M.R. & ASSOCIATES CO., LTD.
Certified Public Accountants



REPORT OF CERTIFIED PUBLIC ACCOUNTANT

To the Shareholders and the Board of Directors of North East Rubber Public Company Limited

Opinion

I have audited the consolidated financial statements of North East Rubber Public Company Limited (“the Company”) and its subsidiary, which comprise the consolidated statement of financial position as at December 31, 2024, and the consolidated statement of comprehensive income, the consolidated statement of changes in shareholders’ equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies. In addition, I have also audited the separate financial statements of North East Rubber Public Company Limited, which comprise the separate statement of financial position as at December 31, 2024, and the separate statement of comprehensive income, the separate statement of changes in shareholders’ equity and the separate statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies.

In my opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of North East Rubber Public Company Limited and its subsidiary as at December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended, and the accompanying separate financial statements present fairly, in all material respects, the financial position of North East Rubber Public Company Limited as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the “Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements and the Separate Financial Statements” section of my report. I am independent of the Company and subsidiary in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (“the Code of Ethics for Professional Accountants”) that are relevant to my audit of the consolidated financial statements and the separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated financial statements and the separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated financial statements and the separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.



Accuracy, Completeness and Proper Cutoff of Revenue from Sales of Goods

Risk Description

Revenue from sales of goods is the increase in economic benefits in form of inflows or enhancements of assets triggered by the Company's performance obligation on transfers of control in goods to the customers that is attributable to the Company's core business activities. Revenue from sales is directly significant to the Company's financial performance and its amount is material to the financial statements. In addition, the Company's sales of goods in each year comprise voluminous number of entries. Accordingly, the assurance is required to ensure that the Company's sales were accounted for with accuracy, completeness and proper cutoff.

Material accounting policies and other information relating to revenue from sales of goods were disclosed in Notes 3, 12, 21, and 24 to the financial statements.

Responses to the Risk

I have performed the following key audit procedures as responses to the identified and assessed significant risk in order that such risk shall be managed to the appropriate and acceptable level and enable the consolidated financial statements and the separate financial statements to be free from material misstatement:

- Read, inquire and gather understanding in the Company's revenue streams and revenue recognition policies on the Company's sales of goods.
- Test and assess efficiency, effectiveness and reliability of the design and operations of internal controls relating to revenue streams.
- Perform analytical reviews of information relating to sales of goods.
- Perform substantive test on sales of goods e.g. vouching of supporting documents for sales of goods, circularization, reconciliation of records between accounting and tax reporting, cutoff test both before and after yearend on sales of goods whether they were recorded in the proper period.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Registration Statement and the Annual Report, but does not include the consolidated financial statements and the separate financial statements as well as my auditor's report thereon. The aforesaid other information is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated financial statements and the separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated financial statements and the separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements and the separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the aforesaid other information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance in order that they shall acknowledge and arrange the correction on such misstatement as appropriate.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements and the Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements and the separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements and the separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the separate financial statements, management is responsible for assessing the Company and its subsidiary ability to continue as a going concern, disclosing, as applicable, the matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and its subsidiary or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of the Company and its subsidiary.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and the Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated financial statements and the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and separate financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company and its subsidiary.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and subsidiary's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated financial statements and the separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company and subsidiary to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the separate financial statements, including the disclosures, and whether the consolidated financial statements and the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and its subsidiary to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the audit on the Company and its subsidiary. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated financial statements and the separate financial statements of the current period and are, therefore, the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

(Mr. Akadet Pliensakul)
Certified Public Accountant
Registration No. 5389

M.R. & ASSOCIATES CO., LTD.
Bangkok
February 19, 2025



NORTH EAST RUBBER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024 AND 2023

ASSETS

	Note	In Baht		
		Consolidated	The Company Only	
			2024	2024
CURRENT ASSETS				
Cash and cash equivalents		220,918,688	220,918,688	61,184,924
Trade and other receivables				
- Related parties	4, 5	253,023	253,023	2,082,850
- Other parties	5	804,570,028	804,570,028	688,205,587
Inventories	6	16,213,258,677	16,213,258,677	13,842,279,288
Biological assets		223,860	223,860	647,515
Other current financial assets		29,178,569	29,178,569	32,475,743
Total Current Assets		17,268,402,845	17,268,402,845	14,626,875,907
NON-CURRENT ASSETS				
Restricted deposits at banks	11, 15, 27	478,916,458	478,916,458	424,117,621
Investment in subsidiary accounted for using the cost method	7	-	564,600	-
Property, plant and equipment - net	4, 8, 11, 15	1,683,212,796	1,683,212,796	1,764,155,445
Right-of-use assets - net	4, 9, 13	12,832,740	12,832,740	13,878,702
Intangible assets - net	10	3,693,994	3,693,994	2,939,059
Deferred tax assets	21	7,503,328	7,503,328	1,460,588
Other non-current assets - deposits and guarantees		2,675,154	2,675,154	5,687,565
Total Non-Current Assets		2,188,834,470	2,189,399,070	2,212,238,980
TOTAL ASSETS		19,457,237,315	19,457,801,915	16,839,114,887

The accompanying notes are an integral part of these financial statements.



NORTH EAST RUBBER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024 AND 2023

LIABILITIES AND SHAREHOLDERS' EQUITY

	Note	In Baht		
		Consolidated	The Company Only	
		2024	2024	2023
CURRENT LIABILITIES				
Short-term borrowings from financial institutions	11	4,060,400,000	4,060,400,000	3,860,300,000
Trade and other payables				
- Related parties	4	662,406	1,227,006	1,796,473
- Other parties	12	246,516,876	246,516,876	212,025,290
Current portion of long-term borrowings from financial institutions	15	148,155,054	148,155,054	149,435,744
Current portion of lease liabilities	4, 13	5,690,660	5,690,660	5,309,730
Current portion of debentures	14	1,000,000,000	1,000,000,000	-
Income tax payable		18,929,572	18,929,572	40,258,565
Other current financial liabilities	25	52,488,983	52,488,983	11,481,732
Total Current Liabilities		5,532,843,551	5,533,408,151	4,280,607,534
NON-CURRENT LIABILITIES				
Long-term borrowings from financial institutions - net	15	136,765,861	136,765,861	280,067,232
Lease liabilities - net	4, 13	5,682,752	5,682,752	7,293,019
Debentures - net	4, 14	5,256,554,032	5,256,554,032	4,779,234,814
Deferred tax liabilities	21	7,118,357	7,118,357	4,153,948
Liability for post-employment benefits	16	30,306,465	30,306,465	19,162,793
Total Non-Current Liabilities		5,436,427,467	5,436,427,467	5,089,911,806
Total Liabilities		10,969,271,018	10,969,835,618	9,370,519,340
SHAREHOLDERS' EQUITY				
Share capital - common shares, Baht 0.50 par value				
Authorized share capital - 2,155,754,706 shares, Baht 0.50 par value in 2024 and 2,009,467,890 shares, Baht 0.50 par value in 2023	17	1,077,877,353	1,077,877,353	1,004,733,945
Issued and fully paid-up share capital - 1,847,789,748 shares, Baht 0.50 par value		923,894,874	923,894,874	923,894,874
Premium on shares	17	1,571,731,024	1,571,731,024	1,571,731,024
Retained earnings				
- Appropriated for legal reserve	19	107,787,735	107,787,735	100,473,395
- Unappropriated		5,884,552,664	5,884,552,664	4,872,496,254
Total Shareholders' Equity		8,487,966,297	8,487,966,297	7,468,595,547
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		19,457,237,315	19,457,801,915	16,839,114,887

The accompanying notes are an integral part of these financial statements.

NORTH EAST RUBBER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	Note	In Baht	
		Consolidated and The Company Only	The Company Only
		2024	2023
REVENUES			
Sales	4, 12, 21, 24	27,448,332,689	25,045,169,928
Gain on valuation of fair value of derivatives		-	8,607,352
Gain on exchange rate		28,604,954	-
Other income	4	19,223,881	11,934,448
Total Revenues		27,496,161,524	25,065,711,728
EXPENSES			
Cost of sales	4, 22	24,668,524,260	22,231,932,469
Distribution costs		368,374,576	566,385,310
Administrative expenses	4, 10, 22	232,850,794	152,155,450
Loss on valuation of fair value of derivatives		49,528,324	-
Loss on exchange rate		-	45,418,563
Total Expenses		25,319,277,954	22,995,891,792
Profit from Operating Activities		2,176,883,570	2,069,819,936
Finance Costs	4, 13	469,116,884	439,829,023
PROFIT BEFORE INCOME TAX EXPENSE		1,707,766,686	1,629,990,913
Income Tax Expense	21	55,299,894	84,389,384
PROFIT FOR THE YEAR	21	1,652,466,792	1,545,601,529
Other Comprehensive Income (Loss) for the Year			
<i>Item that will not be reclassified subsequently to profit or loss</i>			
Actuarial gain (loss) on remeasurement of liability for post-employment benefits (net of income tax effect Baht 1,211,882 in 2024 and Baht 91,326 in 2023)	16, 21	(4,847,528)	365,304
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		1,647,619,264	1,545,966,833
Basic Earnings per Share	18	0.8943	0.8365
Diluted Earnings per Share	18	0.8943	0.8365

The accompanying notes are an integral part of these financial statements.



NORTH EAST RUBBER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

Consolidated (2024) and The Company Only (2024 and 2023) - In Baht						
	Note	Issued and Fully		Retained Earnings		Total Shareholders' Equity
		Paid-up Share Capital	Premium on Shares	Appropriated for Legal Reserve	Unappropriated	
Beginning Balance as at January 1, 2023		923,894,874	1,571,731,024	100,473,395	3,991,733,730	6,587,833,023
Dividends paid	23	-	-	-	(665,204,309)	(665,204,309)
Total comprehensive income for the year		-	-	-	1,545,966,833	1,545,966,833
Ending Balance as at December 31, 2023		923,894,874	1,571,731,024	100,473,395	4,872,496,254	7,468,595,547
Appropriated for legal reserve	19	-	-	7,314,340	(7,314,340)	-
Dividends paid	23	-	-	-	(628,248,514)	(628,248,514)
Total comprehensive income for the year		-	-	-	1,647,619,264	1,647,619,264
Ending Balance as at December 31, 2024		923,894,874	1,571,731,024	107,787,735	5,884,552,664	8,487,966,297

The accompanying notes are an integral part of these financial statements.



NORTH EAST RUBBER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	In Baht	
	Consolidated and	
	The Company Only	The Company Only
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the year	1,652,466,792	1,545,601,529
<i>Adjustments</i>		
Income tax expense	55,299,894	84,389,384
Depreciation and amortization	232,214,113	198,772,901
Expenses on post-employment benefits	9,146,282	2,806,073
Unrealized loss on exchange rate	3,095,189	5,373,593
Decrease in allowance for diminution in value of inventories	-	(9,771,268)
Gain on valuation of biological assets	(4,605,280)	(5,549,123)
Loss (gain) on sales of equipment	383,204	(2,139,240)
Unrealized loss (gain) on valuation of fair value of derivatives	36,317,581	(13,210,743)
Loss on written-off assets	69,825	995,720
Loss (reversal of loss) on purchase commitment of inventories	5,366,245	(16,968,433)
Gain on cancellation of leases	-	(57,006)
Interest income	(11,556,319)	(3,502,708)
Interest expense	469,116,884	439,773,475
<i>Decrease (increase) in operating assets</i>		
Trade and other receivables	(118,001,158)	272,797,181
Inventories	(2,365,950,454)	(2,005,550,035)
Proceeds from value-added tax receivable	6,646,879	24,063,299
Other current financial assets	(3,349,705)	(19,117,837)
Other non-current assets	767,645	(13,658,151)
<i>Increase (decrease) in operating liabilities</i>		
Trade and other payables	40,154,465	(61,742,218)
Other current financial liabilities	(676,575)	(342,696)
Employee benefits paid	(4,062,020)	-
Net cash flows provided by operations	2,843,487	422,963,697
Interest received	7,538,550	22,347,117
Income tax paid	(78,495,336)	(78,099,214)
Net Cash Flows Provided by (Used in) Operating Activities	(68,113,299)	367,211,600
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase in restricted deposits at banks	(54,798,837)	(68,912,689)
Additions to plant and equipment	(145,191,174)	(245,818,498)
Additions to intangible assets	(1,558,965)	(594,062)
Proceeds from sales of equipment	1,121,495	3,663,551
Interest received	4,346,437	2,908,159
Net Cash Flows Used in Investing Activities	(196,081,044)	(308,753,539)



NORTH EAST RUBBER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF CASH FLOWS (Continued)
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	In Baht	
	Consolidated and	
	The Company Only	The Company Only
	2024	2023
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings from financial institutions	200,100,000	1,165,630,000
Repayments of long-term borrowings from financial institutions	(144,582,061)	(143,305,080)
Payments of lease liabilities	(5,909,173)	(7,198,789)
Issuance of debentures	1,500,000,000	-
Redemption of debentures	-	(1,300,000,000)
Debenture issuance costs	(34,461,524)	-
Dividends paid	(628,246,755)	(665,202,653)
Interest paid	(462,972,380)	(443,019,956)
Net Cash Flows Provided by (Used in) Financing Activities	423,928,107	(1,393,096,478)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	159,733,764	(1,334,638,417)
Cash and Cash Equivalents at Beginning of Year	61,184,924	1,395,823,341
CASH AND CASH EQUIVALENTS AT END OF YEAR	220,918,688	61,184,924
Supplementary disclosures of cash flow information:		
a. Cash and cash equivalents at end of year:		
Cash in hand	35,000	35,000
Current accounts at banks	14,081,106	8,672,038
Savings deposits at banks	206,802,582	52,477,886
Total	220,918,688	61,184,924
b. Non-cash transactions:		
Increase (decrease) in payables on purchase of fixed assets (other payables)	5,786,534	(1,191,969)
Interest on loans capitalized as cost of fixed assets	4,666,754	9,189,736
Transfer of biological assets to inventories	5,028,935	5,171,975
Dividends payable	1,759	1,656
Transfer of deposits and guarantees to fixed assets	2,244,766	12,326,443
Increase in right-of-use assets and lease liabilities from the new leases	1,641,095	-
Increase (decrease) in right-of-use assets and lease liabilities from cancellation of leases and re-measurement of lease liabilities	3,038,742	(1,481,971)
Increase in investment in subsidiary by means of payable (for the company only)	564,600	-

The accompanying notes are an integral part of these financial statements.

NORTH EAST RUBBER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
Notes to Financial Statements
December 31, 2024 and 2023

1. GENERAL

North East Rubber Public Company Limited (“the Company”) (juristic entity number 0107561000242) has been listed in the Stock Exchange of Thailand since November 7, 2018. The Company is engaged in manufacturing and sales of rubber smoked sheets, skim block rubbers and other rubber products for both domestic and international markets and its registered office addresses are as follows:

- Head office is located at 398 Moo 4 Khok Ma, Prakhon Chai, Buri Ram.
- Branch office (1) is located at 388 Moo 4 Khok Ma, Prakhon Chai, Buri Ram.
- Branch office (2) is located at 388/1 Moo 4 Khok Ma, Prakhon Chai, Buri Ram.
- Branch office (3) is located at 158 Moo 3 Tako Taphi, Prakhon Chai, Buri Ram.
- Branch office (4) is located at 589/156 Condo Tower 1 Office Tower 29th Floor, Debaratna Rd., Bangna Nuea, Bangna, Bangkok.
- Branch office (5) is located at 254 Moo 4 Khok Ma, Prakhon Chai, Buri Ram.

As at December 31, 2024 and 2023, the Company’s major shareholders, with the portion totalling approximately 29.85% and 36.35%, respectively, were four individuals in the Jungtanasomboon family.

2. BASIS FOR THE FINANCIAL STATEMENT PREPARATION

The accompanying financial statements are prepared in Thai Baht, which are the core functional currency, and in the Thai language in accordance with the financial reporting standards in Thailand including interpretations and guidelines promulgated by the Federation of Accounting Professions (“TFAC”), applicable rules and regulations of the Securities and Exchange Commission as well as announcement of the Department of Business Development. Accordingly, the accompanying financial statements are intended solely to present the financial position, financial performance, and cash flows in accordance with the financial reporting standards in Thailand.

Except as otherwise disclosed in the material accounting policies, the accompanying financial statements have been prepared under the historical cost convention.

The consolidated financial statements for the year ended December 31, 2024 included the accounts of the Company and its subsidiary (“the Group”) in which the Company has the controlling power or direct / indirect shareholding (see Note 7).

Significant intercompany transactions between the Company and its subsidiary were eliminated in the preparation of the consolidated financial statements.



NORTH EAST RUBBER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to Financial Statements (Continued)

December 31, 2024 and 2023

Starting from January 1, 2024, the Group adopted Thai Accounting Standards (TAS), Thai Financial Reporting Standards (TFRS), and accounting guidance that were revised by TFAC and became effective for the accounting period starting on or after January 1, 2024. In overall, this revision was made for TAS / TFRS to be more explicit and appropriate. The adoption of such revised TAS / TFRS and accounting guidance did not have any material effect to the Group's financial statements. However, certain revised TAS and TFRS feature significant changes as follows:

TAS 1 (Presentation of Financial Statements), TFRS 7 (Financial Instruments: Disclosures), and TAS 34 (Interim Financial Reporting) from change relating to disclosures on accounting policies

In this part there are changes in provisions from previously disclosing significant accounting policies to disclosing material accounting policies instead. In addition, the new provisions also give guidelines for practical use on the definition of being material to influence decisions for the disclosed information. Thus, the effect on the financial statements is disclosures on accounting policies and other related matters in the notes to financial statements (both annual and interim), from 2024 and onwards, will be fewer and more concise.

In addition, TFAC revised certain TAS / TFRS and also issued the new TFRS 17 "Insurance Contracts" to supersede TFRS 4 that have become effective for the accounting period starting on or after January 1, 2025. About the revision, it was made for more clarity and appropriateness of the standards which is briefly summarized as shown below:

- TAS 1 => relating to situation, information, and substance of rights used in determining the classification of liabilities as current or non-current, including non-current liabilities with covenants.
- TAS 7, TFRS 7 => relating to additional disclosures about Supplier Finance Agreements that will enhance understanding of cash flows and liquidity risk.
- TFRS 16 => relating to lease liability in a sale and leaseback with certain revision by adding subsequent measurement requirements for sale and leaseback transactions.

Aforesaid revised or new TAS and TFRS have no material effect on the financial statements of the Group.

The Company and its subsidiary disclosed information for the year ended December 31, 2023 for being the comparative information in the financial statements for the year ended December 31, 2024 in the form of corresponding figures.

For convenience of the readers, an English translation of the financial statements has been prepared from the Thai language statutory financial statements that are issued for domestic financial reporting purposes.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Consolidation

Subsidiary are those companies controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies as well as the variable returns from a company so as to obtain benefits from its activities. The financial statements of subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases. Accounting policies of the subsidiary were necessarily transformed for uniformity with the Company's policies.

NORTH EAST RUBBER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to Financial Statements (Continued)

December 31, 2024 and 2023

Any changes in a parent's ownership interest in a subsidiary that do not result in the loss of control are accounted for within equity. When an entity loses control of a subsidiary, investment retained in the former subsidiary is measured at its fair value while any gain or loss is recognized in the statement of comprehensive income.

Use of Estimates

In order to prepare financial statements in conformity with the Thai financial reporting standards, management needs to make estimates and set assumptions that affect income, expenditure, assets and liabilities in order to disclose information on the valuation of assets, liabilities and contingent liabilities. Actual outcomes may, therefore, differ from the estimates used.

The estimates and underlying assumptions used in the preparation of these financial statements are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The significant estimates and underlying assumptions used in preparation of these financial statements which may be affected by significant uncertainty are as follows:

- Net realizable value of inventories
- Useful lives and residual values of plant and equipment, right-of-use assets and intangible assets
- Consideration on cancellation or renewal option of leases and discount rates of lease liabilities
- Expected amount and periods that deferred tax assets will be utilized
- Assumptions and parameters used in calculation of liability for post-employment benefits
- Assessment of and estimates for the fair values of financial assets and financial liabilities.

Cash and Cash Equivalents

Cash and cash equivalents are carried at cost that include cash on hand and cash at financial institutions.

Restricted deposits at banks are carried at cost and presented as a separate item under non-current assets.

Trade / Other Receivables and Allowance for Impairment for Expected Credit Loss

Trade and other receivables are carried at original invoice amount or at the accrued amount net of expected credit loss (if any).

The Company and its subsidiary provide allowance for impairment for expected credit loss in accordance with the policies discussed in the section of financial instruments.

Inventories

Inventories are valued at the lower of cost net realizable value. Cost is calculated and determined using the weighted average method.



NORTH EAST RUBBER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to Financial Statements (Continued)

December 31, 2024 and 2023

Property, Plant and Equipment

Land is stated at cost less allowance for impairment (if any). Plant and equipment are stated at cost less accumulated depreciation and allowance for impairment (if any).

Depreciation is charged to the statement of comprehensive income on a straight-line method over the useful lives of each part of an item separately for each significant part of the assets. The useful lives of the assets are as follows:

	<u>No. of Years</u>
Land improvements	5 - 20
Buildings and building improvements	5 - 20
Machinery and equipment	3 - 20
Plots of Napier grass	10
Furniture, fixtures and office equipment	3 - 5
Vehicles	5 - 10

Right-of-use Assets

Right-of-use assets are measured at cost less accumulated depreciation and allowance for impairment (if any) with adjustment pertaining to re-measurement of lease liabilities.

Depreciation is charged as expense in profit or loss and calculated by the straight-line method attributable to the related lease terms as follows:

	<u>No. of Years</u>
Land for cultivation	5-10
Office space	2-4
Vehicles and equipment	4-5

Intangible Assets

Intangible assets are computer programs that are stated at cost net of accumulated amortization and allowance for impairment (if any). Amortization is made on a straight-line method over the useful lives of 3 years.

Impairment of Non-Financial Assets

The carrying amounts of the assets of the Company and its subsidiary are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts (the higher of asset's fair value less costs to sell or value in use) shall be estimated. The review is made for individual assets or for the cash-generating unit.

In case that the carrying amount of an asset exceeds its recoverable amount, the Company and its subsidiary recognizes the impairment losses by reducing the carrying amount of the asset to its recoverable amount and by recording the devaluation in the statement of comprehensive income. The reversal of the recognized impairment losses is recorded as part of other income when there is an indication that the impairment losses recognized for the assets no longer exist or have decreased. The reversal of the impairment losses shall not exceed the carrying amount of the asset, net of depreciation or amortization, that would have been determined had no impairment losses been recognized for the asset in prior years.

NORTH EAST RUBBER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

Trade and Other Payables

Trade and other payables are stated at cost.

Lease Liabilities

At the commencement date, the Company and its subsidiary measure lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company and its subsidiary use the incremental borrowing rates (average interest rates on borrowings with similar term and characteristics to the underlying asset).

After the commencement date, the Company and its subsidiary measure the lease liability by (1) increasing the carrying amount to reflect interest on the lease liability (if any), (2) reducing the carrying amount to reflect the lease payments made and (3) re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments (if any). Interest on lease liability and variable lease payments not included in the measurement of lease liability is charged as expense in profit or loss.

The estimated discount rates that are used on the lease liabilities for land for cultivation, office space, vehicles and equipments are 4.05-5.00%, 4.05-4.77%, 4.05-4.61% p.a., respectively.

Lease fees attributable to short-term lease (not exceeding 12 months from commencement date) and lease of low-value asset (based on physical characteristics of the asset as if a new one) are charged as expense in profit or loss on the straight-line method over the related lease terms.

Employment Benefits

Short-term benefits

Salaries, wages, bonuses and contributions to social security fund are recognized as an expense upon their occurrences and on an accrual basis.

Post-employment benefits

Obligations on defined contribution plan which is the provident fund are recognized as an expense in the statement of comprehensive income when contribution to the fund on an accrual basis.

Obligations on post-employment benefits which are defined benefit plan that will be settled to the employees upon retirement or termination are calculated by estimating the amount of future benefits that employees have earned in return for their service in the prior and current periods. The benefits are discounted using the project unit credit method to determine present value of obligations. The calculation is annually performed, or at least every three years, by the qualified actuary. Expenses from the estimated liability for post-employment benefits comprise current service cost, part service cost and interest cost, which are recognized as profit or loss whereas actuarial gain/loss on measurement is recognized as other comprehensive income or loss in the statement of comprehensive income.



NORTH EAST RUBBER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to Financial Statements (Continued)

December 31, 2024 and 2023

Revenue Recognition

Revenue is recognized when it is probable that the economic benefits associated with the transaction will flow to the Company and its subsidiary and the amount of the revenue as well as related cost can be measured reliably whereby there is consideration about characteristics, amount, timing as well as uncertainty of revenue and contractual cash flows from contract with customer.

Sales are recognized net of discounts at a point in time when delivery has taken place and customer has accepted goods and transfer of risks and rewards of ownership and control to the buyer has been completed.

Short-term service income (within one day) is recognized at a point in time when the service is rendered to the customer and on an accrual basis.

Interest income is recognized over time on a time proportion basis that reflects the effective yield on the asset if significant.

Rental income on the assets which is operating lease is recognized over time on a straight-line basis over the lease term.

Other income is recognized on an accrual basis.

Expense Recognition

Expenses are recognized on an accrual basis.

Borrowing Costs

The Company and its subsidiary record interest and financial charges on liabilities acquired for construction of building and installation of machinery and equipment is capitalized as part of the cost of the asset. The capitalization of such finance costs is ceased when the construction or installation is completed and ready for the intended use.

Foreign Currencies

Transactions in foreign currencies

Transactions in foreign currencies are translated and recorded in Thai Baht at the exchange rates prevailing at the dates of the transactions. The outstanding balances of monetary assets and liabilities denominated in foreign currencies at the statement of financial position dates are translated into Baht at the exchange rates prevailing at those dates. Non-monetary assets and liabilities denominated in foreign currencies which are carried under historical cost convention are translated to Thai Baht at the exchange rates ruling at the dates of the transactions. Gain or loss on foreign exchange differences arising on translation are recognized as profit or loss in the statement of comprehensive income.

NORTH EAST RUBBER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

Foreign entity

Assets and liabilities of foreign entity are translated to Thai Baht at the exchange rates ruling at the end of reporting period.

Revenues and expenses of foreign entity are translated to Thai Baht at the exchange rates ruling at the dates of the transactions.

Differences arising on foreign currency translation or conversion are recognized as other comprehensive income or loss and separately presented as other component of equity until the investment is disposed.

Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (“Level 1 inputs”), secondary priority to other observable inputs (“Level 2 inputs”), and the lowest priority to unobservable inputs (“Level 3 inputs”).

Financial Instruments

Recognition and measurement

The Company and its subsidiary initially measure financial assets at fair value, plus transaction costs in case of financial assets that are not measured at fair value through profit or loss. Financial assets shall be classified and measured with respect to the business model on asset management and characteristics of the asset’s contractual cash flows which is divided into three categories i.e. amortized cost, fair value through other comprehensive income, and fair value through profit or loss. Upon changes in business model on financial asset management are known, the affected financial assets shall be considered for proper reclassification.

The Company and its subsidiary initially measure financial liabilities at fair value net of transaction costs. Financial liabilities shall be classified and measured at amortized cost except for financial liabilities measured at fair value through profit or loss (such liabilities include derivative liabilities). Reclassification of financial liabilities is prohibited.

Classification and measurement

Assets classified and measured at amortized cost

- Cash and cash equivalents
- Restricted deposits at banks
- Trade and other receivables (excluding prepaid expenses and advances for goods / raw materials)
- Refundable deposits or guarantees

Assets classified and measured at fair value through profit or loss

- Derivative assets

Assets classified and measured at fair value through other comprehensive income - none



NORTH EAST RUBBER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to Financial Statements (Continued)

December 31, 2024 and 2023

Liabilities classified and measured at amortized cost

- Short-term borrowings from financial institutions
- Trade and other payables (including accrued expenses and retention payables but excluding advances received and unearned revenues)
- Long-term borrowings from financial institutions
- Lease liabilities
- Debentures

Liabilities classified and measured at fair value through profit or loss

- Derivative liabilities

Impairment

Impairment loss from the expected credit loss of financial assets, other than trade receivables and contract assets, is recognized under General approach in the following stages:

- Stage 1 (performing): the 12-month expected credit loss is recognized in profit or loss. Interest income (if any) is calculated base on gross carrying amount without netting the allowance for expected credit loss.
- Stage 2 (under-performing): upon significant rise in credit risk and not being at low level, the Company and its subsidiary recognizes the full lifetime expected credit loss in profit or loss. Interest income (if any) is calculated based on the same principle to Stage 1.
- Stage 3 (credit-impaired): upon significant rise in credit risk of financial asset that is considered as credit impaired, the Company and its subsidiary recognize the full lifetime expected credit loss in profit or loss. Interest income (if any) is calculated base on gross carrying amount net of the allowance for impairment.

For trade receivables and contract assets (e.g. accrued income), the Company and its subsidiary adopt the Simplified approach by recognizing the full lifetime expected credit loss for financial assets considered as aforesaid. In consideration and measurement of the expected credit loss for both General approach and Simplified approach, the historical credit loss shall be combined with the forward looking information pertaining to the assets and significant factors relating to economic environment as deem necessary. For receivables, the Company and its subsidiary categorize the population by focusing on aging balance information whereby the past records were captured for historical credit loss approximately 1 year.

Hedge accounting

Hedge accounting is divided into three categories i.e. fair value hedge, cash flows hedge, and hedge of net investment in foreign entity.

Derivative financial instruments are used to manage fair value risk exposed by change in foreign exchange rates arising from operating activities. Derivatives are not intended to use for trading purpose. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments. Derivatives are recognized initially at fair value and then are re-measured at fair value. Gain or loss on re-measurement to fair value is recognized as profit or loss.

The fair value of derivatives is the quoted market price at the statement of financial position date, which is the Level 2 inputs of the fair value hierarchy whereby such price is the present value of the quoted derivative price where market approach was used as valuation technique and core information used in evaluation was the adjusted exchange rates in market to fit for the issued instrument which was computed by bank who was the counterparty.

NORTH EAST RUBBER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

Provisions

A provision is recognized in the statement of financial position when there is a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Income Tax

Current tax

Current tax is the amount of tax payable or recoverable which is calculated from taxable profit or loss for the year, using tax rates enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years by considering the promotional privileges as discussed in Note 21.

Deferred tax

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not recognized for the initial recognition of assets and liabilities that affect neither accounting nor taxable profit to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, at the tax rates that are expected to apply to the period when the deferred tax asset is realized or the tax liability is settled based on tax rates that have been enacted as at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profit will be available against which the asset can be utilized. Deferred tax asset are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Earnings per Share

Basic earnings per share is determined by dividing profit for the year by the weighted average number of common shares outstanding during the year whereas diluted earnings per share that is determined by dividing the profit for the year by the weighted average number of common shares outstanding during the year after adjusting the effect from dilutive potential common shares.



NORTH EAST RUBBER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

4. TRANSACTIONS WITH RELATED PARTIES

Related parties are those parties controlled by the Company or have control over the Company, directly or indirectly, or significant influence to govern the financial and operating policies of the Company.

Types of relationship of related parties are as follows:

Company / Person Name	Type of Business	Relationship
<u>Subsidiary</u>		
-North East Rubber Cote d'Ivoire	Manufacturing and sales of smoked rubber sheets, block rubbers, and compound rubbers	Subsidiary
<u>Related companies</u>		
-N.E. Agritech Company Limited	Wholesales of machinery, equipment and tools for use in agriculture	Director and shareholder are relative of directors
-Chuwit Farm (2019) Public Company Limited	Broiler contract farming	Director are relative of directors and co-shareholders
-S.K. Petroleum Company Limited	Fuel service station	Shareholders are relative of directors
-N.E. Hemp Company Limited	Wholesales of agricultural materials	Co-director and co-shareholder
-Buriram Beef Farm Co., Ltd.	Cattle Ranching and Farming	Co-director and co-shareholder
-YU SENG holding Co., Ltd.	Holding company	Co-director and co-shareholder
<u>Related persons</u>		
Ms. Mathucha Jungtanasomboon	-	Shareholders and relative of directors
Key management	-	Key management are persons having authority and responsibility for planning, directing and controlling the activities of the entity, either directly or indirectly, including the Company's director (whether as executive or otherwise)

Pricing policies for transactions with related parties are as follows:

Type of Transaction	Pricing Policies
Rental income	Mutually agreed price and referenced to market rate assessed by an independent appraiser
Sales of Napier grass	Prices approximated market prices
Sales of livestock mattress	Prices approximated market prices
Purchase of raw materials	Prices approximated market prices
Purchase of supplies	Mutually agreed price
Purchase - sales of fixed assets	Prices approximated market prices
Expenditures on purchase of assets for CSR activities	Prices approximated market prices
Maintenance expense	Mutually agreed price
Gasoline expense	Market prices
Vehicle and other asset rental charges	Mutually agreed price
Interest expense on debentures	5.65% p.a. (same rate to other debenture holders)
Key management's remunerations	Mutually agreed amount
Corporate guarantee on credit facilities	Free of charge

NORTH EAST RUBBER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

Outstanding balances with related parties as at December 31, 2024 and 2023 are as follows:

	In Thousand Baht		
	Consolidated	The Company Only	
	2024	2024	2023
Other receivables			
- Related company	253	253	-
- Related persons	-	-	2,083
Total	253	253	2,083
Right-of-use assets - net			
- Related person	506	506	919
Other payables			
<u>Accrued gasoline expense</u>			
- Related company	590	590	1,020
<u>Accrued maintenance expense</u>			
- Related company	15	15	734
<u>Accrued other expense</u>			
- Related persons	15	15	-
<u>Accrued interest expense on debentures</u>			
- Related person	43	43	43
<u>Payable for share subscriptions</u>			
- Subsidiary	-	564	-
Total other payables	663	1,227	1,797
Lease liabilities - net			
- Related person	440	440	865
Debentures - net			
- Related person	3,000	3,000	3,000

Revenues and expenses with related parties for the years ended December 31, 2024 (consolidated and the company only) and 2023 (the company only) are as follows:

	In Thousand Baht	
	2024	2023
Sales of livestock mattress		
- Related person	-	1,254
Rental income (other income)		
- Related person	270	382
Sales of Napier grass (other income)		
- Related company	2,316	-
- Related person	467	3,265
Total	2,783	3,265
Sales of fixed assets		
- Related person	-	409
Purchase of fixed assets		
- Related companies	-	5,156
- Related person	-	2,850
Total	-	8,006
Purchase of raw materials		
- Related person	694	-
Purchase of supplies		
- Related company	-	7,115



NORTH EAST RUBBER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

	In Thousand Baht	
	2024	2023
Maintenance expense		
- Related company	32	1,317
Rental charges		
- Related company	32	-
Gasoline expense		
- Related companies	15,367	22,415
Expenditures on purchase of assets for CSR activities		
- Related company	16,248	-
Depreciation of right-of-use assets		
- Related person	412	864
- Related companies	-	1,166
Total	412	2,030
Interest expense under lease liabilities		
- Related person	57	103
- Related companies	-	40
Total	57	143
Interest expense on debentures		
- Related person	170	170
Key management's remunerations		
- Short-term benefits	31,261	26,837
- Post-employment benefits	3,579	1,016
Total	34,840	27,853

5. TRADE AND OTHER RECEIVABLES

	In Thousand Baht	
	Consolidated and The Company Only 2024	The Company Only 2023
Related parties		
Other receivables	253	2,083
Other parties		
Trade receivables	769,606	647,254
Prepaid expenses	33,592	39,091
Interest receivable	797	1,125
Advances	567	19
Other receivables	8	716
Total	804,570	688,205

As at December 31, 2024 (consolidated and the company only) and 2023 (the company only), trade receivables classified by outstanding period are as follows:

	In Thousand Baht	
	2024	2023
Current	769,360	590,614
Overdue not exceeding 3 months	246	56,640
Total	769,606	647,254

The credit term given to customers as per the Company's policy is 15-90 days.

NORTH EAST RUBBER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

6. INVENTORIES

	In Thousand Baht	
	Consolidated and The Company Only 2024	The Company Only 2023
Finished goods	515,746	912,944
Work-in-process	138,577	76,985
Raw materials	15,528,959	12,823,435
Factory supplies	29,977	28,915
Total	16,213,259	13,842,279

7. INVESTMENT IN SUBSIDIARIES ACCOUNTED FOR USING THE COST METHOD

	2024 - The Company Only		
	Paid-up Share Capital (In Million CFA Franc)	Percentage of Shareholding	Cost of Investment (Baht)
North East Rubber Cote d'Ivoire	10	100.00	564,600

At the Board of Directors' meeting on June 8, 2024, the Board of Directors passed the resolution approving the Company to establish a subsidiary, i.e. North East Rubber Cote d'Ivoire ("NER-CI"), in order to carry on the business relating to manufacturing and sales of smoked rubber sheets, block rubbers, and compound rubbers. Subsequently, on September 12, 2024, NER-CI has been established and registered under the laws of Cote d'Ivoire with the authorized share capital of CFA Franc 10 million (divided into 10,000 common shares, CFA Franc 1,000 par value, or equivalent to approximately Baht 0.6 million). The Company has the percentage of shareholding in NER-CI at 100.00%. As at December 31, 2024, NER-CI has not yet started its core business activities and had no significant accounting entries in its financial statements other than the establishment. Thus, the Company did not present the consolidated statement of comprehensive income, the consolidated statement of changes in shareholders' equity and the consolidated statement of cash flows for the year 2024 in the separate columns from those pertaining the Company only because the figures in aforesaid statements for both types of financial statements are the same to each other and there would be misleading and undue cost if the separate columns were presented entirely with the same figures.

During 2024, the subsidiary did not declare any dividend to the shareholder.



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8. PROPERTY, PLANT AND EQUIPMENT - NET

	Consolidated and The Company Only (In Thousand Baht)				
	Balance as at	Movements			Balance as at
	December 31, 2023	Addition	Deduction	Transfer	December 31, 2024
Cost					
Land and land improvements	124,007	479	-	16,522	141,008
Building and building improvements	720,351	3,621	-	51,585	775,557
Machinery and equipment	1,384,656	35,133	10,008	215,617	1,625,398
Plots of Napier grass	4,372	-	-	-	4,372
Furniture, fixtures and office equipment	20,754	2,904	331	14,420	37,747
Vehicles	118,609	7,552	1,603	-	124,558
Construction in progress and machinery under installation	445,564	100,958	-	(302,475)	244,047
Total Cost	<u>2,818,313</u>	<u>150,647</u>	<u>11,942</u>	<u>(4,331)</u>	<u>2,952,687</u>
Accumulated Depreciation					
Land improvements	62,536	18,241	-	-	80,777
Building and building improvements	269,957	38,053	-	-	308,010
Machinery and equipment	630,477	146,679	9,971	-	767,185
Plots of Napier grass	2,954	437	-	-	3,391
Furniture, fixtures, and office equipment	12,987	6,202	299	-	18,890
Vehicles	<u>75,247</u>	<u>16,072</u>	<u>98</u>	<u>-</u>	<u>91,221</u>
Total Accumulated Depreciation	<u>1,054,158</u>	<u>225,684</u>	<u>10,368</u>	<u>-</u>	<u>1,269,474</u>
Net	<u>1,764,155</u>				<u>1,683,213</u>

	The Company Only (In Thousand Baht)				
	Balance as at	Movements			Balance as at
	December 31, 2022	Addition	Deduction	Transfer	December 31, 2023
Cost					
Land and land improvements	123,972	-	-	35	124,007
Building and building improvements	711,894	1,570	29	6,916	720,351
Machinery and equipment	1,124,338	9,921	10,438	260,835	1,384,656
Plots of Napier grass	4,372	-	-	-	4,372
Furniture, fixtures and office equipment	17,246	3,754	518	272	20,754
Vehicles	98,398	22,480	13	(2,256)	118,609
Construction in progress and machinery under installation	480,564	231,189	-	(266,189)	445,564
Total Cost	<u>2,560,784</u>	<u>268,914</u>	<u>10,998</u>	<u>(387)</u>	<u>2,818,313</u>
Accumulated Depreciation					
Land improvements	45,943	16,593	-	-	62,536
Building and building improvements	233,963	36,008	14	-	269,957
Machinery and equipment	516,893	122,303	8,719	-	630,477
Plots of Napier grass	2,517	437	-	-	2,954
Furniture, fixtures, and office equipment	10,610	2,855	478	-	12,987
Vehicles	<u>62,282</u>	<u>12,976</u>	<u>11</u>	<u>-</u>	<u>75,247</u>
Total Accumulated Depreciation	<u>872,208</u>	<u>191,172</u>	<u>9,222</u>	<u>-</u>	<u>1,054,158</u>
Net	1,688,576				1,764,155

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As at December 31, 2024 and 2023, the Company has mortgaged its land and structures thereon, including machinery and equipment, of which carrying amounts totalling approximately Baht 369.1 million and Baht 438.6 million, respectively, as guarantees for the overdraft lines, short-term and long-term credit facilities from financial institutions (see Notes 11 and 15).

As at December 31, 2024 and 2023, cost of the Company's plant and equipment which have been fully depreciated but still in use in the consolidated and separate financial statements amounting to approximately Baht 329.8 million and Baht 167.5 million, respectively.

Depreciation for the years 2024 and 2023 in the consolidated and separate financial statements amounted to approximately Baht 225.7 million and Baht 191.2 million, respectively.

9. RIGHT-OF-USE ASSETS - NET

Consolidated and The Company Only (In Thousand Baht)					
	Balance as at December 31, 2023	Movements			Balance as at December 31, 2024
		Addition	Deduction	Transfer	
Cost					
land for cultivation	9,395	-	-	-	9,395
Building space	6,157	3,039	-	-	9,196
Vehicles and equipment	14,635	1,641	1,313	-	14,963
Total Cost	30,187	4,680	1,313	-	33,554
Accumulated Depreciation					
land for cultivation	5,200	1,386	-	-	6,586
Building space	4,511	1,472	-	-	5,983
Vehicles and equipment	6,597	2,868	1,313	-	8,152
Total Accumulated Depreciation	16,308	5,726	1,313	-	20,721
Net	13,879				12,833

The Company Only (In Thousand Baht)					
	Balance as at December 31, 2022	Movements			Balance as at December 31, 2023
		Addition	Deduction	Transfer	
Cost					
land for cultivation	9,476	-	81	-	9,395
Building space	6,157	-	-	-	6,157
Vehicles and equipment	21,753	2,428	9,546	-	14,635
Total Cost	37,386	2,428	9,627	-	30,187
Accumulated Depreciation					
land for cultivation	3,895	1,386	81	-	5,200
Building space	3,055	1,456	-	-	4,511
Vehicles and equipment	10,504	4,156	8,063	-	6,597
Total Accumulated Depreciation	17,454	6,998	8,144	-	16,308
Net	19,932				13,879

Depreciation for the years 2024 and 2023 in the consolidated and separate financial statements amounted to approximately Baht 5.7 million and Baht 7.0 million, respectively.



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December 31, 2024 and 2023

10. INTANGIBLE ASSETS - NET

Consolidated and The Company Only (In Thousand Baht)					
	Balance as at December 31, 2023	Movements			Balance as at December 31, 2024
		Addition	Deduction	Transfer	
Cost	4,580	1,559	-	-	6,139
Accumulated amortization	(1,641)	(804)	-	-	(2,445)
Net	2,939	755	-	-	3,694

The Company Only (In Thousand Baht)					
	Balance as at December 31, 2022	Movements			Balance as at December 31, 2023
		Addition	Deduction	Transfer	
Cost	3,986	594	-	-	4,580
Accumulated amortization	(1,038)	(603)	-	-	(1,641)
Net	2,948	(9)	-	-	2,939

Amortization, which was presented as part of administrative expenses, for the years 2024 and 2023 in the consolidated and separate financial statements amounted to approximately Baht 0.8 million and Baht 0.6 million, respectively.

11. SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

In Thousand Baht		
	Consolidated and The Company Only 2024	The Company Only 2023
Loans under packing credit	2,425,400	2,587,600
Loans under promissory note	1,635,000	1,272,700
Total	4,060,400	3,860,300

As at December 31 2023 and 2024, the Company had credit facilities from fourteen local banks and twelve local banks, respectively. As at December 31, 2024, the entire credit facilities from financial institutions were as follows:

Type of Credit Facilities	Consolidated and The Company Only		Interest Rate (p.a.)
	In Million Baht	In Million U.S. Dollar	
Bank overdraft	55	-	Referenced to MOR
Loan under packing credit	4,405	-	Referenced to MOR, MLR, Prime Rate, THOR, BIBOR, SHIBOR and as per bank announcement
Loan under promissory note	2,685	-	Referenced to MLR, MOR, MMR, BIBOR, THOR, and as per bank announcement
Letter of credit	20	0.6	As per bank announcement
Total	7,165	0.6	(2023 - the company only totalling approximately Baht 6,515 million)

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The above credit facilities are guaranteed by the Company's deposits with eight local banks and two foreign banks totalling approximately Baht 476.5 million in 2024 (with seven local banks totalling approximately Baht 421.7 million in 2023) as well as land with structures thereon and machinery and equipment (see Note 8).

12. TRADE AND OTHER PAYABLES - OTHER PARTIES

	In Thousand Baht	
	Consolidated and The Company Only	The Company Only
	2024	2023
Accrued expenses	117,953	98,721
Trade payables	59,367	51,982
Accrued interest	42,776	43,745
Advances from customers	15,544	915
Payables on purchase of fixed assets	10,867	16,654
Dividends payable	10	8
Total	246,517	212,025

During 2024 and 2023, the Company transferred beginning advances from customers to revenue from sales due to goods were delivered to customers amounting to approximately Baht 0.9 million and Baht 36.4 million, respectively.

13. LEASE LIABILITIES - NET

	In Thousand Baht	
	Consolidated and The Company Only	The Company Only
	2024	2023
Lease liabilities		
- Due for payments within one year	6,486	6,174
- Due for payments between two and five years	6,325	8,235
Total	12,811	14,409
Less deferred interest	(1,438)	(1,806)
Lease liabilities - net of deferred interest	11,373	12,603
Less current portion	(5,690)	(5,310)
Net	5,683	7,293

During 2024 and 2023, the Company had cash outflow from leases amounting to approximately Baht 6.9 million and Baht 8.4 million, respectively.

Amortized interest, which was presented as part of "Finance costs" in the statements of comprehensive income, for the years ended December 31, 2024 and 2023 amounted to approximately Baht 1.0 million and Baht 1.2 million, respectively.



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Notes to Financial Statements (Continued)
December 31, 2024 and 2023

14. DEBENTURES

Debentures in 2024 (consolidated and the company only) and 2023 (the company only) are as follows:

Symbol	Issuance	Maturity	Interest Rate (% p.a.)	Interest Payment	Par Value (Baht)	Total Value - 2024 (Thousand Baht)	Total Value - 2023 (Thousand Baht)	Guarantor
NER25NA	04/11/2021	04/11/2025	5.25	Quarterly	1,000	1,000,000	1,000,000	None
NER26NA	04/11/2021	04/11/2026	6.00	Quarterly	1,000	1,000,000	1,000,000	None
NER279A	08/09/2022	08/09/2027	5.65	Quarterly	1,000	1,161,500	1,161,500	None
NER299A	08/09/2022	08/09/2029	6.40	Quarterly	1,000	1,652,800	1,652,800	None
NER29DA	20/12/2024	20/12/2029	3.41	Semi-annually	1,000	1,500,000	-	CGIF*
Total						6,314,300	4,814,300	
Less Deferred transaction costs (debenture issuance expenses)						57,746	35,065	
Net						6,256,554	4,779,235	
Less Current portion						1,000,000	-	
Portion due for redemption beyond one year						5,256,554	4,779,235	

*CGIF : Credit Guarantee and Investment Facility, a trust fund of the Asian Development Bank

The abovementioned debentures have significant conditions which include maintaining Debt-to-Equity ratio at the rate not exceeding 2.5:1. In addition, the Company must comply with certain conditions and covenants dealt with CGIF.

Direct transaction costs on debenture issuance, which mainly were underwriter and management fees, were recorded as a deferred item and systematically amortized on a straight-line method as expense in profit or loss over the term of related debentures.

As at December 31, 2024 and 2023, the Company had amount for issuance of debentures not exceeding Baht 8,000 million which was approved in the general shareholders' meetings on April 20, 2020, April 8, 2021 and April 7, 2022.

As at December 31, 2024 and 2023, such debentures had fair values of approximately Baht 6,299.8 million and Baht 4,744.5 million, respectively, which represented the Level 2 input of the fair value hierarchy.

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15. LONG-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

As at December 31, 2024 (consolidated and the company only) and 2023 (the company only), the Company had credit facilities from three local banks and four local banks, respectively. Thus, the entire credit facilities and related outstanding balances were as follows:

	In Thousand Baht	
	2024	2023
1) Loan under facilities of Baht 100 million, repayable monthly until December 2027, bear interest at 2% p.a. in the 1st and the 2nd years, at Prime Rate-2 p.a. in the 3rd to the 5th years and at Prime Rate p.a. in the 6th to the 7th years	46,547	59,931
2) Loan under facilities of Baht 270 million, repayable monthly until December 2027, bear interest at Prime Rate-1.5 p.a.	121,354	159,512
3) Loan under facilities of Baht 15 million, repayable monthly starting from the month that loan is drawdown (i.e. August 2021) whereby the 1st to 6th months contain deferral of principal repayment but interest shall be paid monthly, the 7th to 36th months contain principal repayment of Baht 500,000 per month and interest shall be paid monthly, bear interest at 2.75% p.a.	-	4,000
4) Loan under facilities of Baht 100 million, repayable monthly until November 2026, bear interest at 3.8% p.a.	34,900	57,220
5) Loan under facilities of Baht 300 million, repayable monthly starting from the month that loan is drawdown (i.e. August 2022) whereby the 1st to 6th months contain deferral of principal repayment but interest shall be paid monthly, the 7th to 53rd months contain principal repayment of Baht 5,560,000 per month and interest shall be paid monthly and the remaining principal and interest shall be paid in the 54th month, bear interest at MLR-2.375 p.a.	82,120	148,840
Total	284,921	429,503
Less current portion	(148,155)	(149,436)
Net	136,766	280,067

Such long-term borrowings are guaranteed by the Company's deposits as well as land with structures thereon and machinery and equipment of the Company (see Note 8). In addition, the Company must comply with certain covenants and undertakings of these loans e.g. maintaining Debt Service Coverage Ratio and Debt-to-Equity Ratio, etc.



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16. LIABILITY FOR POST-EMPLOYMENT BENEFITS

The Company has obligations on post-employment benefits which were latest reassessed and recomputed by the qualified actuary in 2024 in respect of the change in retirement-age policy from 60 years to 55 years. Movements of liability for post-employment benefits for the years ended December 31, 2024 (consolidated and the company only) and 2023 (the company only) are as follows:

	In Thousand Baht	
	2024	2023
Liability for post-employment benefits as at January 1	19,163	16,813
Current service cost	2,405	2,371
Interest cost	509	435
Past service cost	6,232	-
Actuarial loss (gain) on re-measurement	6,060	(456)
Expense recognized in statement of comprehensive income	15,206	2,350
Employee benefits paid during the year	(4,062)	-
Liability for post-employment benefits as at December 31	30,307	19,163

Significant assumptions used in calculation of liability for post-employment benefits are as follows:

- Discount rate 2.60% p.a. in 2024 and 2.96% p.a. in 2023
- Salary escalation rate 6.00% p.a.
- Employee turnover rate 5.73% - 34.38% p.a.

Actuarial loss on re-measurement in 2024 comprised loss on changes in financial assumptions and loss on experience adjustment of approximately Baht 643 thousand and Baht 5,417 thousand, respectively.

Actuarial gain on re-measurement in 2023 comprised gain on changes in financial assumptions, gain on experience adjustment, and loss on changes in demographic assumptions of approximately Baht 877 thousand, Baht 2,072 thousand, and Baht 2,493 thousand, respectively.

The abovementioned changes in significant assumptions may affect the sensitivity of the balance of provision or liability for post-employment benefits in respect of the information as per the calculation report of the qualified actuary as follows:

Significant Assumptions	Liability may increase (decrease) from changes in significant assumptions (In Thousand Baht)	
	If Assumption Increased	If Assumption Decreased
Discount rate (increase/decrease by 0.5%)	(656)	693
Salary escalation rate (increase/decrease by 1%)	1,363	(1,251)
Employee turnover rate (increase/decrease by 20%)	(2,239)	2,937

The weighted average of the abovementioned provisions in 2024 and 2023 were approximately 3.00 years and 8.53 years, respectively.

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17. SHARE CAPITAL PREMIUM ON SHARES AND WARRANTS

Share capital and premium on shares

	Par Value (In Baht)	In Thousand Shares / In Thousand Baht			
		Consolidated and The Company Only		The Company Only	
		2024		2023	
		No. of Share	At Par Value	No. of Share	At Par Value
Authorized share capital					
As at December 31					
- Common shares	0.50	<u>2,155,754</u>	<u>1,077,877</u>	<u>2,009,468</u>	<u>1,004,734</u>
Issued and fully paid-up shares					
As at January 1					
- Common shares	0.50	1,847,790	923,895	1,847,790	923,895
Exercise of warrants	0.50	-	-	-	-
As at December 31					
- Common shares	0.50	<u>1,847,790</u>	<u>923,895</u>	<u>1,847,790</u>	<u>923,895</u>

At the general shareholders' meeting on April 10, 2024, the shareholders unanimously approved the Company to decrease its authorized share capital from previously Baht 1,004,733,945 to become of Baht 923,894,874 by eliminating the common shares appropriated for issuance and offering of incremental common shares under General Mandate method of 161,678,142 shares, Baht 0.50 per value (totalling Baht 80,839,071), for private placement and increase its authorized share capital from previously Baht 923,894,874 (divided into 1,847,789,748 common shares at Baht 0.50 par value) to Baht 1,077,877,353 (divided into 2,155,754,706 common shares at Baht 0.50 par value) by issuance of new 307,964,958 common shares at Baht 0.50 par value, amounting to Baht 153,982,479, in order to reserve for the exercise of warrants issued for purchase of the Company's common shares to the existing shareholders. The Company registered this increase in share capital with the Ministry of Commerce on April 18, 2024.

At the general shareholders' meeting on April 10, 2023, the shareholders unanimously passed the resolution to approve the extension of the appropriation for the Company's common shares by issuance of incremental common shares under General Mandate method of 161,467,890 shares, Baht 0.50 par value, for private placement whereby such matter was previously approved in the general shareholders' meeting on April 7, 2022.

Section 51 of the Public Limited Companies Act, B.E. 2535 (1992) requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account, premium on shares, separated from the reserve account referred to in Section 116 of the Public Limited Companies Act, B.E. 2535 (1992) (legal reserve as per Note 19). This premium on shares is not available for dividend distribution.

Warrants

At the general shareholders' meeting on April 10, 2024, the shareholders unanimously approved the Company to issue 307,964,958 units of free warrants ("NER-W2") to the existing shareholders for the purchase of incremental shares on the basis of 6 common shares for 1 unit of warrant on May 16, 2024. Terms of the warrants are as follows:



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Exercise ratio	1 unit of warrant is able to buy 1 incremental common share
Exercise price	Baht 5.50 per share
Exercise period	The warrants shall be exercisable with the first exercise date on December 15, 2024 and other 3 times, i.e. the 15th of June and December 2025 and the last exercise date is May 15, 2026.
Term of warrants	2 years from the date on which the warrants are issued to the shareholders (May 16, 2024)

Later on May 29, 2024, the Stock Exchange of Thailand has granted the Company's warrants (NER-W2) of 307,955,103 units as the listed securities and has permitted such warrants to be traded on the Stock Exchange of Thailand since May 30, 2024. As at December 31, 2024, no NER-W2 warrants were exercised.

18. EARNINGS PER SHARE

Basic earnings per share

	Consolidated and The Company Only 2024	The Company Only 2023
Profit for the year (In thousand Baht)	1,652,467	1,545,602
Basic weighted average number of outstanding common shares (In thousand shares)	1,847,790	1,847,790
Basic earnings per share (Baht)	0.8943	0.8365

Diluted earnings per share

	Consolidated and The Company Only 2024	The Company Only 2023
Profit for the year (In thousand Baht)	1,652,467	1,545,602
Basic weighted average number of outstanding common shares (In thousand shares)	1,847,790	1,847,790
Effect from the assumed exercise of warrants (In thousand shares)	-	-
Diluted weighted average number of outstanding common shares (In thousand shares)	1,847,790	1,847,790
Diluted earnings per share (Baht)	0.8943	0.8365

Diluted earnings per share in 2024 were the same amount as basic earnings per share because the average market price of the Company's common shares during such year was less than the exercise price specified in the warrants. Accordingly, there was no virtual effect from the right under the assumed exercise of warrants that create dilutive potential common shares

19. LEGAL RESERVE

Section 116 of the Public Limited Companies Act B.E. 2535 (1992) requires companies to appropriate not less than 5% of its annual profit, less accumulated losses brought forward (if any), to a reserve account ("Legal reserve") until this account reaches an amount not less than 10% of the authorized share capital. The legal reserve is not available for dividend distribution.

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20. EXPENSES BY NATURE

	In Thousand Baht	
	Consolidated and	The Company Only
	The Company Only	The Company Only
	2024	2023
Raw materials and supplies used	21,087,023	20,027,424
Purchases of finished goods (rubber)	2,603,931	2,009,605
Finance costs	469,117	439,829
Personnel expenses	251,502	266,304
Depreciation and amortization	232,214	198,773
Contributions to the rubber replanting aid fund	225,165	353,395
Outward freight	141,686	212,451
Electricity charges	109,133	161,616
Repair and maintenance expenses	97,052	116,944
Decrease (increase) in finished goods and work-in-process	335,606	(539,169)

21. INCOME TAX AND PROMOTIONAL PRIVILEGES FROM INVESTMENT PROMOTION

Corporate income tax recorded as (income) expense for the years ended December 31, 2024 (consolidated and the company only) and 2023 (the company only) consists of:

	In Thousand Baht	
	2024	2023
	2024	2023
Income tax computed from accounting profit	341,553	325,998
Effects from non-deductible expenses	17,313	3,625
Effects from additional deductible expenses	(41,384)	(46,009)
Effects from reduction in income tax rate under investment promotion	(263,160)	(206,278)
Current tax computed from taxable profit	54,322	77,336
Adjustments to tax payable pertaining to prior years	4,056	5,179
Decrease (increase) in deferred tax assets	(6,042)	1,013
Increase in deferred tax liabilities	2,964	861
Income tax presented as profit or loss item in statement of comprehensive income	55,300	84,389

Deferred tax assets and liabilities presented in statements of financial position as at December 31, 2024 (consolidated and the company only) and 2023 (the company only) consist of:

	In Thousand Baht	
	2024	2023
	2024	2023
<i>Deferred tax assets</i>		
Effects from temporary non-deductible items :		
- Derivative liabilities	3,284	-
- Liability for post-employment benefits	2,241	1,461
- Lease liabilities	1,667	-
- Liabilities on purchase commitment of inventories	311	-
Total deferred tax assets	7,503	1,461



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	In Thousand Baht	
	2024	2023
<i>Deferred tax liabilities</i>		
Effects from temporary items not yet recognized as accounting expense or taxable revenue :		
- Deferred direct transaction costs on debenture issuance	4,937	3,031
- Right-of-use assets	2,181	-
- Derivative assets	-	1,123
Total deferred tax liabilities	7,118	4,154

By virtue of the provisions of the Investment Promotion Act B.E. 2520 (1977), the Company has been granted the privileges, which include among others, exemption from payment of import duty on the imported machines used in the promoted business, exemption from payment of income tax on net profit from the promoted business attributable to (1) in the extent not exceeding 100% of investment excluding land and working capital for a period of eight years from the date income was first derived from the promoted business and 50% exemption from payment of income tax on net profit from the promoted business attributable to (1) for a period of five years from the end of the aforesaid exemption from payment of income tax for the first eight years, exemption from corporate income tax on net profit from the promoted businesses attributable to (2) and (3) in the extent not exceeding 100% of investment excluding land and working capital for a period of six years from the date income was first derived from the promoted business, exemption from corporate income tax on net profit from the promoted businesses attributable to (4) in the extent not exceeding 50% of investment excluding land and working capital for a period of three years from the date income was first derived from the promoted business. The dates on which income was first derived from the promoted businesses are as follows:

(1) August 4, 2014	Skim block rubber manufacturer
(2) July 4, 2019	Compound block rubber manufacturer
(3) July 8, 2020	Compound and skim block rubber manufacturer
(4) May 8, 2024	Compound rubber manufacturer

Later on January 2024, the Thailand Board of Investment approved the Company to be granted additional tax privilege relating to investment promotion that support development of community and society (CSR activities) with respect to the Company's investment promotion certificate for compound block rubber manufacturer whereby such privilege is exemption from corporate income tax on net profit from such promoted businesses that the Company's revenue was first derived on July 4, 2019 in the extent not exceeding 200% of investment for CSR activities amount excluding land and working capital for a period of six years starting from the date on which revenue was first derived.

As a promoted entity, the Company must comply with certain conditions and regulations as specified in the promotional certificates.

Operating results classified by the promoted and non-promoted businesses for the years ended December 31, 2024 (consolidated and the company only) and 2023 (the company only) are as follows:

	2024 (In Thousand Baht)			Total
	Entirely Promoted Business	Partially Promoted Business	Non-Promoted Business	
Sales	18,072,236	6,877,589	2,498,508	27,488,333
Total revenues	18,088,598	6,889,831	2,517,732	27,496,161
Total cost of sales and expenses	(16,924,555)	(6,161,233)	(2,757,906)	(25,843,694)
Profit (loss) for the year	1,164,043	728,598	(240,174)	1,652,467

NORTH EAST RUBBER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
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December 31, 2024 and 2023

	2023 (In Thousand Baht)			
	Entirely Promoted Business	Partially Promoted Business	Non-Promoted Business	Total
Sales	11,709,510	5,029,536	8,306,124	25,045,170
Total revenues	11,713,100	5,032,060	8,320,552	25,065,712
Total cost of sales and expenses	(10,652,569)	(4,765,119)	(8,102,422)	(23,520,110)
Profit for the year	1,060,531	266,941	218,130	1,545,602

The Emergency Decree on Top-up Tax B.E. 2567 was announced in the Royal Thai Government Gazette in December 2024 with effective from January 1, 2025. The Group's management has assessed and believed that such law may not have material impact on the Group in 2025 due to (1) the foreign subsidiary, recently established during 2024, has not yet started its core business activities and has not yet had any revenue (and in 2025) and (2) the Group may not be in the criteria of this law with respect to the period of being group of companies that has just occurred during 2024. This law has a consideration criterion on annual revenues in the consolidated financial statements (not less than EUR 750 million) under the status of being Multinational Enterprises ("MNEs") for at least two of the four accounting periods immediately preceding the accounting period that responsibility on this tax is considered. Notwithstanding, the Company's management has been monitoring and assessing the effects from this law that may affect the Group in the foreseeable future on an ongoing basis.

The statutory income tax rate in Thailand is 20% and in Côte d'Ivoire is 25% whereas effective tax rates in the financial statements for the years 2024 and 2023 were 3.24% and 5.18%, respectively.

22. REGISTERED PROVIDENT FUND

The Company has a contributory registered employee's provident fund in accordance with the Provident Fund Act, B.E. 2530 (1987). Membership to the fund is on a voluntary basis. Under the plan, the Company and employees contribute an amount equivalent to 2%-4% of the employees' basic salaries depending on the length of employment. The fund will pay back the provident fund to employees in accordance with the conditions stated in the policies of provident fund regulations.

The Company's contribution, which was recorded as part of cost of sales and administrative expenses, for the years ended December 31 amounted to approximately Baht 1.4 million and Baht 1.5 million in 2024 and Baht 1.2 million and Baht 1.1 million in 2023, respectively.

23. DIVIDENDS

At the Board of Directors' meeting on August 9, 2024, the Board of Directors unanimously approved the Company to pay interim dividends from the operations for the six-month period ended June 30, 2024 at Baht 0.05 per share, totalling approximately Baht 92.4 million. Such dividends shall be paid from profit of the entirely promoted business. The Company paid such dividends to the shareholders on September 6, 2024.

At the general shareholders' meeting on April 10, 2024, the shareholders unanimously passed the resolution to approve the declaration of final dividends for the 2023 operations to shareholders at Baht 0.29 per share, totalling Baht 535.9 million. Such dividends shall be paid from profit of the entirely promoted business. The Company paid such dividends to the shareholders on May 8, 2024.

At the Board of Directors' meeting on August 11, 2023, the Board of Directors unanimously approved the Company to pay interim dividends from the operations for the six-month period ended June 30, 2023 at Baht 0.05 per share, totalling approximately Baht 92.4 million. Such dividends shall be paid from profit of the entirely promoted business. The Company paid such dividends to the shareholders on September 8, 2023.



NORTH EAST RUBBER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
Notes to Financial Statements (Continued)
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At the general shareholders' meeting on April 10, 2023, the shareholders unanimously passed the resolution to approve the declaration of final dividends from the 2022 operations to shareholders at Baht 0.31 per share, totalling approximately Baht 572.8 million. Such dividends shall be paid from profit of the entirely promoted business. The Company paid such dividends to the shareholders on May 9, 2023.

24. SIGNIFICANT FINANCIAL INFORMATION CLASSIFIED BY OPERATING SEGMENT

The gross profit margin emphasized in statement of income is significant and core financial information of the Company that is provided regularly to the highest authority in decision-making operation and also used in evaluation of financial performances of the segments. As at December 31, 2024, the Company and its subsidiary still had a single core operating segment (identified by internal reporting segments), i.e. manufacturing and sales of rubber smoked sheets, skim block rubbers and other rubber products, both in domestic and abroad, whereby the other segments are insignificant portion. Accordingly, the accompanying financial statements do not include information relating to information on business or product segment. In addition, the Company's transfers between segments were accounted for at cost and the Company is unable to apportion the segment information for assets and liabilities without undue costs.

Information on Geographic Areas (2024 for consolidated and the company only whereas 2023 for the company only)

	In Thousand Baht					
	Export Sales		Domestic Sales		Total	
	2024	2023	2024	2023	2024	2023
Sales	6,963,277	8,785,683	20,485,056	16,259,487	27,448,333	25,045,170
<u>Less Segment expenses***</u>	<u>(6,540,825)</u>	<u>(8,263,739)</u>	<u>(18,516,997)</u>	<u>(14,571,390)</u>	<u>(25,057,822)</u>	<u>(22,835,129)</u>
Segment result	<u>422,452</u>	<u>521,944</u>	<u>1,968,059</u>	<u>1,688,097</u>	2,390,511	2,210,041
<u>Add non-allocated revenues</u>						
- Other income					19,224	11,934
<u>Less non-allocated expenses</u>						
- Administrative expenses					(232,851)	(152,155)
- Finance costs					(469,117)	(439,829)
- Income tax expense					(55,300)	(84,389)
Profit for the year					<u>1,652,467</u>	<u>1,545,602</u>

***including gain or loss on exchange rate, gain or loss on valuation of fair value of derivatives and distribution costs

Export sales classified by significant geographic areas (countries) are as follows:

	In Thousand Baht	
	Consolidated and The Company Only	The Company Only
	2024	2023
Singapore	2,808,516	5,367,119
China	3,121,176	3,308,190
Hong kong	999,704	-
India	10,009	78,440
Japan	23,872	20,753
Bangladesh	-	11,181
Total	<u>6,963,277</u>	<u>8,785,683</u>

The Company and its subsidiary had no any non-current asset located in the countries other than Thailand.

NORTH EAST RUBBER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
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Information on Key Customers

(customers whose transactions exceeding 10% of total balance of transactions)

	Percentage of Balance Attributable to Key Customers to Total Balance	
	Consolidated and	
	The Company Only	The Company Only
	2024	2023
Sales		
- Export	-	36.24
- Domestic	-	-
- Total	-	17.41

25. DISCLOSURES OF FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENT

The Company exposed to normal business risks relating to liquidity risk, credit risk, foreign currency exchange risk and interest rate risk. The Company has used derivative financial instruments for hedging against the foreign currency risk without intention for trading or speculation purposes. The Company had no significant change in risk management policy relating to financial instruments during 2024 and 2023.

Liquidity Risk

The Company manages it liquidity risk by maintaining an appropriate level of cash and cash equivalents as well as its current assets and liabilities and short-term and long-term sources of fund as deemed adequate to finance the operations of the Company and to mitigate the effects of fluctuations in cash flows and the lack of financial liquidity.

Credit Risk

Credit risk is the risk that a customer or counterparty is unable or unwilling to meet its financial and contractual commitments. To mitigate this risk, the Company periodically assesses the financial viability of customers and counterparties.

Carrying amount of receivables presented in the statements of financial position is the maximum exposure to credit risk.

Foreign Currency Risk

The Company had significant business transactions internationally, which mainly were export of its products and importation of machines, giving rise to exposure to fluctuations in foreign currency exchange rates. In practical, the Company reduces this risk by matching cash receipts from its customers (receivables) against the related cash payments on loans under packing credit as well as payables for machines. In addition, the Company has used forward exchange contracts (sell) to mitigate this risk.



NORTH EAST RUBBER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
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As at December 31, 2024 (consolidated and the company only) and 2023 (the company only), the Company had the outstanding forward exchange contracts (sell) as follows:

	Foreign Currency (In Thousands)		Fixed Baht (In Thousand Baht)	
	2024	2023	2024	2023
Forward exchange contracts - sell				
- U.S. Dollar	81,995	22,055	2,735,413	765,404

In addition, fair values of forward exchange contracts (sell) outstanding as at December 31, 2024 (consolidated and the company only) and 2023 (the company only) were as follows:

	Fair Values (In Thousand Baht)	
	2024	2023
Forward exchange contract - sell	2,771,731	752,193

The difference between the fixed Baht amounts and fair values in 2024 of approximately Baht 36.3 million was presented as derivative liabilities under other current financial liabilities in the statement of financial position.

The forward exchange contracts (sell) as at December 31, 2024 had maturities between January and June 2025.

As at December 31, 2024 (consolidated and the company only) and 2023 (the company only), the Company had the outstanding non-hedged foreign currency assets and liabilities as follows:

	Foreign Currency Assets		Foreign Currency Liabilities	
	2024	2023	2024	2023
Thousand U.S. Dollar	-	-	89	203

Interest Rate Risk

Interest rate risk arises from the fluctuation of market interest rates in the future which may have a negative effect to current and future operations and cash flows of the Company. The Company's management believes that the interest rate risk is minimal because the Company's deposits at banks, short-term and long-term loans bear interest at the floating market interest rates. Debentures and lease liabilities bear interest at fixed rates which approximate or in the range of market interest rates without material difference.

Fair Value Measurements

The following method and assumptions were used by the Company and its subsidiary in estimating fair values of financial assets and financial liabilities:

Cash and cash equivalents, restricted deposits at banks, trade and other receivables, other current financial assets, short-term and long-term borrowings from financial institutions, trade and other payables, other current financial liabilities, lease liabilities and debentures.

Carrying amounts of these financial assets and liabilities approximate fair values due to a portion of these financial instruments was stated at cash status or had the relatively short-term maturities whereas the rest bear interest at the floating or fixed interest rates which approximate or in the range of market interest rates without material difference (Level 2 input of the fair value hierarchy).

Fair value of debentures was disclosed in Note 14.

NORTH EAST RUBBER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

26. CAPITAL MANAGEMENT

Significant objectives on capital management are having appropriate financial and capital structures to maintain financial liquidity and ability to continue its business as a going concern. Besides the issuance of debentures and warrants NER-W2 in 2024, the Company did not have any significant change relating to capital management policy during 2024 and 2023.

As at December 31, 2024 and 2023, Debt-to-Equity ratio of the Company was 1.29:1.00 and 1.25:1.00, respectively.

27. OTHERS

As at December 31, 2024, the Company had:

- a) Commitments on (1) construction in progress as well as procurement and installation of machinery and equipment with respect to several projects totalling approximately Baht 107.8 million, and (2) procurement and installation of intangible assets (computer programs) totalling approximately Baht 6.3 million.
- b) Letters of guarantee issued by a local bank to two government agencies totalling approximately Baht 15.4 million which are guaranteed by the Company's savings deposits with such bank of approximately Baht 2.4 million.
- c) Commitments on rubber purchase agreements with non-related suppliers totalling approximately Baht 90.3 million.
- d) Agreement for guarantee of debentures by Credit Guarantee & Investment Facility (CGIF) (see Note 14) whereby the Company is committed to pay guarantee fee to CGIF at the rate mutually agreed as stipulated in such agreement.

28. EVENT AFTER THE REPORTING PERIOD

At the Board of Directors' meeting on February 19, 2025, the Board of Directors passed the resolution approving the payment of final dividends from the 2024 operations to shareholders at Baht 0.31 per share, totalling approximately Baht 572.8 million. The dividends shall be entirely paid from the profit of the promoted business and scheduled for dividend payment on May 9, 2025. Such matter will be proposed for approval in the upcoming shareholders' meeting.

29. APPROVAL OF THE FINANCIAL STATEMENTS

The accompanying financial statements have been approved for issuance by the Company's Board of Directors' meeting on February 19, 2025.



Part 4

Attachment

ATTACHMENT 1

DETAILS ABOUT THE BOARD OF DIRECTORS, EXECUTIVES, CONTROLLING PERSONS, AND THOSE ASSIGNED TO BE ULTIMATELY RESPONSIBLE IN THE ACCOUNTING AND FINANCE DEPARTMENT, AS WELL AS THOSE DIRECTLY RESPONSIBLE FOR OVERSEEING ACCOUNTING AND THE COMPANY SECRETARY.

Mr. Chanitr Charnchainarong

Aged (Year) 61

Position

Chairman of the Board of Directors
Chairman of the Corporate
Governance and Sustainability
Development Committee
Audit Committee
Independent Director



Family Relationship Among Executives: None
Shareholding in the Company (%): None
Date of Appointment: May 7, 2018

EDUCATIONAL QUALIFICATIONS

- Master's Degree in Electrical Engineering, Purdue University, United States.
- Bachelor's Degree in Electrical Engineering, Purdue University, United States.
- Chartered Financial Analyst (CFA).

Certificates

- Senior Justice Process Executive, Class 19/2014, Judicial Officials Training Institute, Court of Justice
- Advanced Management Program (AMP) Harvard Business School Harvard University United States, 2013.
- Public Economic Management for Senior Executives (PEM 9), Class 9/2011.
- Senior Executive Program, Capital Market Academy (CMA), Class 2/2006, Stock Exchange of Thailand.
- Director Certification Program (DCP), Class 52/2004, Institute of Directors (IOD).

WORK EXPERIENCE HISTORY IN 5 YEARS

2018 - Present	Chairman of the Board / Independent Director North East Rubber Public Company Limited Manufacturer and Distributor of Rubber Products
March 15, 20-Present	Audit Committee North East Rubber Public Company Limited Manufacturer and Distributor of Rubber Products
May 10, 2024 -Present	Chairman of the Good Corporate Governance and Sustainable Development Committee North East Rubber Public Company Limited Manufacturer and Distributor of Rubber Products

Other Registered Companies

December 2020- Present	Chairman of the Board / Independent Director / Audit Committee Petchsrivichai Enterprise Public Company Limited Integrated Palm Oil Industry
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2020 - Present	Integrated Palm Oil Industry Independent Director / Audit Committee / Nomination Committee / Risk Management Committee and Corporate Governance and Sustainable Development Committee Asia Plus Group Holdings Public Company Limited Securities Brokerage, Investment, Investment Banking, Asset Management, and Joint Venture Business.
2019 - Present	Independent Director / Audit Committee Global Connections Public Company Limited Distributor of raw materials related to plastics and petrochemicals
2015 - Present	Independent Director / Audit Committee GMM Grammy Public Company Limited Operates a large-scale business group in music, media, film, digital, satellite television stations, radio stations, print media, and event management
2015 - 2023	Independent Director/ Chairman of Risk Management Committee United Overseas Bank Commercial bank (64191

Other activities that are not registered companies

2023 -Present	Independent Director Nanthaphol Panich Company Limited Independent Director Banpong Tapioca Flour Industry Co., Ltd. Produces and sells ice for consumption Produces and sells ice for consumption Produces and sells tapioca starch and modified starch for structures
2021 - Present	Board of director, Sinpate Company Limited Hospital
2016 - Present	Senior Deputy Chief Executive Officer of Business Development at Central Group Senior Deputy Chief Executive Officer of Business Development at Central Group Engages in retail business for department stores, shopping malls, hotels,

Mr. Ronachit Jinadit

Aged (Year) 74

Position

Board Director

Chairman of the Audit Committee

Nomination and Remuneration Committee

Corporate Governance and

Sustainability Development Committee

Independent Director



Family Relationship Among Executives: None
Shareholding in the Company (%): None
Date of Appointment: February 28, 2018

EDUCATIONAL QUALIFICATIONS

- MS.(Management) Hult Business School, Boston, Massachusetts, USA.
- Bachelor's Degree in Accounting, Chulalongkorn University.

Certificates

- The Life Long Lens Program (LLL 2024) Starting Right for Transformation DCC Synergy Company Limited.
- Strategic Board Master Class (SBM) Class 14/2024 The Thai Institute of Directors Association.
- ESG in the Boardroom: A Practical Guide for Board; ESG 1/2024 The Thai Institute of Directors Association.
- Successful Formulation and Execution of Strategy (SFE) Program Class 40/2022 The Thai Institute of Directors Association.
- Role of the Chairman Program Class 49/2022 The Thai Institute of Directors Association.
- Director Certification Program (DCP) Class 301/2021 The Thai Institute of Directors Association.
- Director Certification Program (DCP) Class 301/2021 The Thai Institute of Directors Association.

- Advance Audit Committee Program (AAP) Class 42/2021 The Thai Institute of Directors Association.- Boardroom Success Financing & Investment Program (BFI) Class 7/2019 The Thai Institute of Directors Association.
- Director Accreditation Program (DAP) Class 149/2018 The Thai Institute of Directors Association.
- Certificate in the Finance Restructuring Program: ADL-MEI, Cambridge Massachusetts USA.

WORK EXPERIENCE HISTORY IN 5 YEARS

2018 - Present	Independent Director/ Chairman of Audit Committee / Nomination and Remuneration Committee North East Rubber Public Company Limited Manufacturer and Distributor of Rubber Products
May 10, 2024 - Present	Good Corporate Governance and Sustainable Development Committee North East Rubber Public Company Limited Manufacturer and Distributor of Rubber Products

Other activities that are not registered companies

1994 - Present	Managing director Croft Consulting (Thailand) Company Limited Consultant for financial restructuring and business rehabilitation
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Mrs. Chanatip Weerasubpong

Aged (Year) 69

Position

Board Director

Chairman of the Nomination and
Remuneration Committee

Audit Committee

Risk Management Committee

Corporate Governance and Sustainability

Development Committee

Independent Director



Family Relationship Among Executives: None

Shareholding in the Company (%): 0.03

Date of Appointment: February 28, 2018

EDUCATIONAL QUALIFICATIONS

- Master's degree in Political Science (public administration for Administrator) Thammasat University.
- Master's degree in Accounting, Thammasat University.
- Bachelor's degree in Law, Ramkhamhaeng University.
- Bachelor's degree in Accounting, Thammasat University.

Certificates

- Risk Management Program for Corporate Leaders (RCL) Class 38/2025 The Thai Institute of Directors Association.
- Ethical Leadership Program (ELP) Class 35/2024 The Thai Institute of Directors Association.
- ESG in the Boardroom: A Practical Guide for Board; ESG 1/2024 The Thai Institute of Directors Association.
- Degree in National Security from the Public-Private Partnership (P.P.P.) Class 20 National Defence College.

- Director Leadership Certification Program (DLCP) Class 8/2022 The Thai Institute of Directors Association.
- Board Nomination and Compensation Program (BNCP) Class 13/2022 The Thai Institute of Directors Association.
- Advance Audit Committee Program (AACP 38/2020) Thai Institute of Directors Association.
- Anti-Corruption For Executive Program (ACEP 14/2015) The Thai Institute of Directors Association.
- Corporate Governance for Capital Market Intermediaries 2015 The Thai Institute of Directors Association.
- Director Certification Program (DCP 176/2013) 2013 The Thai Institute of Directors Association.
- Executive Program in Energy Science Class 6 at the Energy Science Institute.
- Executive Program at the Capital Market Academy (CMA) Class 19 at the Capital Market

WORK EXPERIENCE HISTORY IN 5 YEARS

2018 - Present	Independent Director / Audit Committee / Chairman of Nomination and Remuneration Committee / Risk Management Committee North East Rubber Public Company Limited MANUFACTURER AND DISTRIBUTOR OF RUBBER PRODUCTS		
May 10, 2024 - Present	Good Corporate Governance and Sustainable Development Committee North East Rubber Public Company Limited MANUFACTURER AND DISTRIBUTOR OF RUBBER PRODUCTS		
Other registered companies			
2016 - Present	Audit Committee / Independent Director TOA Paint (Thailand) Public Company Limited Business of manufacturing and distributing building paint products and surface coating products		
November 3, 2022 - Present	Independent Director / Chairman of Audit Committee Thai Coconut Public Company Limited Business of manufacturing and distributing processed coconut and fruit products		
Other activities that are not registered companies			
		2022 – September 1, 2023	Independent Director / Chairman of Audit Committee and risk Premier Quality Starch Public Company Limited Production and distribution of tapioca flour and other processed flours
		2014 - 2015	Principal Advisor of Taxbased Management (Advisory Level C.10), Revenue Department GOVERNMENT SECTOR
		2012 - 201	Deputy Director-General, Revenue Department GOVERNMENT SECTOR
		2008 - 2011	Deputy Director Tax Administration, Revenue Department GOVERNMENT SECTOR
		2004 - 2008	Deputy Director of the Bureau of Large Business Tax Administration, Revenue Department GOVERNMENT SECTOR



Mr. Tepakul Poonlarp

Aged (Year) 54

Position

Board Director

Chairman of the Risk Management Committee

Independent Director



Family Relationship Among Executives: None
Shareholding in the Company (%): 0.05
Date of Appointment: February 28, 2018

EDUCATIONAL QUALIFICATIONS

- Bachelor's degree in Faculty of Engineering, Industrial Engineering, Khonkaen University.

Certificates

- ESG in the Boardroom: A Practical Guide for Board; ESG 1/2024 The Thai Institute of Directors Association.
- Chief Executive Program (CMA.33) Capital Market Academy.
- Directors Certification Program (DCP 300/2020) The Thai Institute of Directors Association.
- Role of the Chairman Program Class 45/2019 The Thai Institute of Directors Association.
- How to Develop a Risk Management Plan (HRP) Class 20/2018 The Thai Institute of Directors Association.
- Chairman Forum 2017, Topic "The Role of Chairman in Leading Strategic Risk Oversight".
- Director Accreditation Program (DAP) Class 68/2008 The Thai Institute of Directors Association.

WORK EXPERIENCE HISTORY IN 5 YEAR

2018 - Present	Independent Director / Chairman of Risk Management Committee North East Rubber Public Company Limited Manufacturer and Distributor of Rubber Products
2018 - March 15, 2023	Audit Committee North East Rubber Public Company Limited Manufacturer and Distributor of Rubber Products

Other registered companies

September 2022 - Present	Chairman of the Board / Independent Director/ Chairman of Audit Committee Chuwit Farm (2019) Public Company Limited Price-guaranteed broiler chicken farming business
2014 - August 31, 2024	Chairman of the Board / Chairman of Audit Committee / Independent Director Home Pottery Public Company Limited Production and distribution of international standard ceramic tableware

**Other activities that are not registered companies**

February 2023 - Present	Independent Director / Chairman of Audit Committee / Nomination Committee And Determine Remuneration Committee Smothong Group Company Limited Palm oil production and electricity generation from biogas	August 8. 2023 - Presen	Independent Director Home Sukkapan Company Limited Sale of interior decoration equipment, floor and wall tiles, along with sanitary ware
		January 2022 - Present	Chairman of the Board / Independent Director S.P. Auto Corporation Company Limited Production of automotive wiring harnesses

**Mr. Chuwit
Jungtanasomboon**

Aged (Year) 56

Position

Board Director

Chairman of the Executive Committee

Risk Management Committee

Nomination and Remuneration
CommitteeCorporate Governance and
Sustainability Development
Committee

Family Relationship Among Executives:

Spouse of Mrs. Phanida Jungtanasomboon

Shareholding in the Company (%) : 27.34

Date of Appointment: June 12, 2006

EDUCATIONAL QUALIFICATIONS

- Bachelor of Public Administration,
Surindra Rajabhat University

Certificates

- CEO Learning Through Experience Course, Class 5, Digital Economy Promotion Agency (DEPA).
- National Security Management Course (NSMC), Class 17, National Intelligence Agency by the Intelligence Institute.
- Suffering Relief Course for Senior Executives (SR-EX), Class 1, Sunnat vihara Foundation, Military Education Innovation Center, National Defense Academy.
- Defense College Course, Kingdom of Thailand, National Defense Academy (NDA), Class 65, Academic Year 2022-2023, Economic Studies Program, National Defense College (NDA).
- Senior Executive Program, Capital Market Academy, Class 29/2019 (CMA 29).
- Director Accreditation Program (DAP), Class 136/2017, Thai Institute of Directors Association.
- Executive Energy Program (EEP), Class 2/2016, Energy for Industry Institute,

WORK EXPERIENCE HISTORY IN 5 YEARApril 11, 2024 -
PresentBoard of director /
Executive director /
Risk Management Committee /
Nomination and Remuneration
Committee /
Chief Executive Officer
North East Rubber Public
Company Limited
Manufacturer and Distributor
of Rubber ProductsMay 10, 2024 -
PresentGood Corporate Governance
and Sustainable Development
Committee
North East Rubber Public
Company Limited
Manufacturer and Distributor
of Rubber Products**Other activities that are not registered companies**

2020 – Present

Board of director
N.E.Hemp Company Limited
Production of products from
parts of cannabis and hemp
Board of director
Buriram Beef Farm Company
Limited
Livestock/Beef Cattle BusinessApril 11, 2024 -
Present

Mr. Sakchai Jongstapongpun

Aged (Year) 67

Position

Board Director

Risk Management Committee

Executive Committee



Family Relationship Among Executives: None
Shareholding in the Company (%): None
Date of Appointment: February 10, 2014

EDUCATIONAL QUALIFICATIONS

- Master's degree in Business Administration (MBA) Huachiew Chalermprakiet University.
- Master's degree in Business Administration (Accounting) Rajamangala University of Technology.

Certificates

- Insight in Set Class 1/67 The Stock Exchange of Thailand.
- ESG in the Boardroom: A Practical Guide for Board (ESG) Class 3/2024 The Thai Institute of Directors Association.
- Executive Development Program for Thai Industry to Transition into the Digital Era (eDIT) Class 5, Federation of Thai Industries.
- Digital Economy Promotion Leader (Digital CEO) Class 5, Office of Digital Economy Promotion and Noname IMC Co., Ltd.
- Director Accreditation Program (DAP) Class 1

WORK EXPERIENCE HISTORY IN 5 YEAR

2014 - Present

Board of director/
Board of Directors /
Risk Management
Committee /
Deputy Chief Executive
Officer of Accounting and
Finance Management
North East Rubber Public
Company Limited
Manufacturer and
Distributor of Rubber
Products

Other activities that are not registered companies

1996 - 2007

Director of Sales Control
Department
Mitsubishi Motors (Thailand)
Company Limited
Automotive Manufacturing
Business

1992 - 1995

Accounting and Finance
Manager
T.T.A. Company Limited
Kitchen Equipment
Manufacturing and
Distribution Business

**Miss Py
Attpisarn**

Aged (Year) 44

Position

Board Director

Executive Committee



Family Relationship Among Executives: None
 Shareholding in the Company (%): None
 Date of Appointment: February 2, 2015

EDUCATIONAL QUALIFICATIONS

- Master's Degree in Environmental Engineering M.E. (Environmental Eng.) Chulalongkorn University
- Master's Degree in Business Administration (MBA) Ramkhamhaeng University
- Bachelor's Degree in Environmental Engineering B.E. (Environmental Eng.) Suranaree University of Technology

Certificates

- Digital JUMPSTART for Young Executive Class 1, Digital Economy Promotion Agency.
- ESG Risk Management Workshop Class 2, Stock Exchange of Thailand.
- SET Sustainability Forum 2/2024: Scaling up Synergies and Solutions for Net-Zero, Stock Exchange of Thailand.
- Strategic Sustainable Supply Chain Workshop _July 2024, Stock Exchange of Thailand.
- GRI Standards 2021 Reporting Standards, MTP Solution Co., Ltd.

WORK EXPERIENCE HISTORY IN 5 YEAR

2017 - Present	Board of director / Executive director/ Deputy Chief Executive Officer of Sustainability Development North East Rubber Public Company Limited Manufacturer and Distributor of Rubber Products
2015 - 2017	Project Manager, Biogas North East Rubber Public Company Limited Manufacturer and Distributor of Rubber Products
2014 - 2015	Environment Manager North East Rubber Public Company Limited Manufacturer and Distributor of Rubber Products

Mrs. Phanida Jungtanasomboon

Aged (Year) 59

Position

Deputy Chief Executive Officer of
Procurement and Warehouse



Family Relationship Among Executives:
Spouse of Mr. Chuwit Jungtanasomboon
Shareholding in the Company (%): 0.29
Date of Appointment: December 1, 2007

EDUCATIONAL QUALIFICATIONS

- Secondary Education, Educational Service
Center Outside of School, Lahan Sai District

Certificates

- Director Accreditation
Program (DAP) Class 133/2017 The Thai Institute
of Directors Association

WORK EXPERIENCE HISTORY IN 5 YEAR

2007 – Present Executive director /
Deputy Chief Executive
Officer of Procurement and
Warehouse Operations
North East Rubber Public
Company Limited
Manufacturer and Distributor
of Rubber Products

Other businesses that are not registered companies

April 11, 2024 Board of director
Buriram Beef Farm company
Limited
Livestock business/Beef cattle



Miss Kesnaree Jongchotsirikul

Aged (Year) 49

Position

Deputy Chief Executive Officer of
Marketing and Quality Control



Family Relationship Among Executives: None
Shareholding in the Company (%): 0.01
Date of Appointment: January 1, 2007

EDUCATIONAL QUALIFICATIONS

- Master of Science (Agro-Industrial Biotechnology), Faculty of Agro-Industry, Kasetsart University (Bang Khen Campus)
- Bachelor of Science (Biotechnology), Faculty of Science, Prince of Songkla University

Certificates

- CEO Training Course: Learning through Experience Class 5 LTE 5/2024, Digital Economy Promotion Agency, Ministry of Digital Economy and Society in collaboration with Noname IMC Co., Ltd.
- ESG Risk Management Workshop Class 2, Stock Exchange of Thailand.
- CEO Training Course: Learning through Experience (LTE) Class 4/2023, Digital Economy Promotion Agency, Ministry of Digital Economy and Society in collaboration with Noname IMC Co., Ltd.
- Digital Economy Promotion Leadership Course (DCEO) Class 6/2023, Digital Economy Promotion Agency, Ministry of Digital Economy and Society in collaboration with Noname IMC Co., Ltd.
- Certificate in ESG Management (C-ESG) Class 2/2022, Stock Exchange of Thailand.

WORK EXPERIENCE HISTORY IN 5 YEAR

2007 - Present Executive director /
Deputy Chief Executive Officer
of Marketing and Quality Control
North East Rubber Public
Company Limited
Manufacturer and Distributor
of Rubber Products

Other activities that are not registered companies

2007	Assistant Manager Hadsyn Rubber Co.,Ltd. Manufacturer and Distributor of Rubber Products
2006	Marketing Coordinator Titi Latex Sdn Bhd, Malaysia Manufacturer and Distributor of Rubber Products
2004	Manufacturer and Distributor of Rubber Products Rubberwood Trading Business
2002	Marketing Manager Ever Green Parawood Company Limited Rubberwood Furniture Manufacturing Business

Miss Suhailee Yitaso

Aged (Year) 47

Position

Deputy Chief Executive Officer of
Production



Family Relationship Among Executives: None
Shareholding in the Company (%): None
Date of Appointment: June 22, 2023

EDUCATIONAL QUALIFICATIONS

- Master's Degree in Business Administration (MBA)
Rajamangala University of Technology Isan
(Nakhon Ratchasima Campus).
- Master's Degree in Industrial Management
Rajamangala University of Technology
Rattanakosin (Wang Klai Kangwon Campus).

Certificates

- How to Develop a Risk Management Plan
HRPClass 40/2024, Thai Board of Directors
Promotion Association.
- Leadership Development Program (In-house
Training) Dr. Amnat Watchinda.
- Risk Management as the process of applying
an organization's risk management service to
risks related to the environment, society, and
governance (ESG) (In-house Training)
Khun Decha Sirisuthidecha.
- Training Course on Guidelines for Annual Energy
Management Assessment 2024, Piem Energy
Conservation Co., Ltd.
- Quality Management System ISO 14001:2004.
- OHSAS 18001:2007, ISO 9001:2015.
- ISO 9001:2015 Risk-Based Thinking and Internal Audit.
- Occupational Safety Officer Level Management.
- Art of Command.
- Occupational Health and Safety Committee.

WORK EXPERIENCE HISTORY IN 5 YEAR

22 June 2023 - Present	Executive director / Deputy Chief Executive Officer of Production North East Rubber Public Company Limited Manufacturer and Distributor of Rubber Products Factory Manager for Rubber Blocks North East Rubber Public Company Limited Manufacturer and Distributor of Rubber Products Quality Control Manager for Raw Materials
2021 - 202	North East Rubber Public Company Limited Manufacturer and Distributor of Rubber Products Factory Manager for Rubber Blocks North East Rubber Public Company Limited Manufacturer and Distributor of Rubber Products Quality Assurance Manager North East Rubber Public Company Limited
2020 - 2021	Manufacturer and Distributor of Rubber Products Factory Manager for Rubber Blocks North East Rubber Public Company Limited Manufacturer and Distributor of Rubber Products Quality Assurance Manager North East Rubber Public Company Limited
2018 - 2019	Manufacturer and Distributor of Rubber Products Quality Assurance Manager North East Rubber Public Company Limited
2014 - 2018	Manufacturer and Distributor of Rubber Products

Other activities that are not registered companies

2012 - 2014	Head of Quality Assurance Xin Yuan Da Rubber (Thailand) Company Limited Business in the Production and Sale of Rubber Sheets and Rubber Blocks Head of Quality Assurance, Head of Compounding Union Polemer Company Limited Business in the Production and Distribution of Compounded Plastic Pellets
2005 - 2012	

**Mr. Parinya
Leenatham**

Aged (Year) 53

PositionDeputy Chief Executive Officer of
Corporate Development

Family Relationship Among Executives: None
 Shareholding in the Company (%): None
 Date of Appointment: May 2, 2023
 End of Tenure Date: January 21, 2025

EDUCATIONAL QUALIFICATIONS

- Master's Degree in Telecommunications Management
Faculty of Higher Education Innovation
Thammasat University.
- Master's Degree in Electrical Engineering
Faculty of Engineering
Thammasat University.

Certificates

- Cybersecurity Enhancement for the Industry Federation of Thai Industries.
- Occupational Safety, Health, and Environment Committee
Safe Siri (Thailand) Co., Ltd.
- Risk Management "Creating Organizational Value through Risk Management"
Stock Exchange of Thailand.
- Certificate in ESG Management Program by SET & Sasin Stock Exchange of Thailand.
- SPLD Program's Instructor and Project's Coach.
- Customer Experience Improvement Project.
- No.1 Service Excellence Project.
- Certified in Green Belt, Lean Six Sigma Program.
- Certified Safety Officer (Management Level).
- Certified in CCNA.
- JICA's Training and D

WORK EXPERIENCE HISTORY IN 5 YEAR

May 2, 2020 - Executive director /
 January 20, 2025 Deputy Chief Executive Officer
 of Organizational Development
 North East Rubber Public
 Company Limited
 Manufacturer and Distributor
 of Rubber Products

Other registered companies

March 2021 - Deputy Director of Group Quality
 March 2023 Assurance
 True Corporation Public Company
 Limited
 Telecommunications and Internet
 Services

March 2012 - Head of Corporate Service
 December 2018 Management Center
 Head of Network Management
 Center
 True Corporation Public Company
 Limited
 Telecommunications and Internet
 Services

Other activities that are not registered companies

January 2019 - Chief Operating Officer and TIDC
 February 2021 Command Center
 True Internet Data Center Co., Ltd.
 Data Center and Cloud Services

Mrs. Jarunee Jongwattanasak

Aged (Year) 45

Position

Acting Deputy Chief Executive Officer
of Corporate Development



Family Relationship Among Executives: None
Shareholding in the Company (%): None
Date of Appointment: January 21, 2025

EDUCATIONAL QUALIFICATIONS

- Master's Degree in Business Administration
Rajamangala University of Technology
Thanyaburi.

Certificates

- Effective Environmental Management Representative (EMR) Course.
- Effective Occupational Health and Safety Management Representative (OH&SMR).
- Effective Quality Management Representative (QMR).
- Leadership and Environmental Management Representative.
- Lean ISO 9001:2015 System.
- ISO 9001:2015 Internal Audit.
- ESG 101.
- Creating Organizational Value through Risk Management.
- Environmental Management Representative.
- Role of Executives and Employees in Combating Corruption Class 2.
- Leadership for Modern Executives.
- How Will Humanity Survive When AI Dominates the World.
- ISO 45001:2018, 9001:2015, and 14001:2015 Standards.
- Occupational Safety, Health, and Environmental Committee of the Workplace.

WORK EXPERIENCE HISTORY IN 5 YEAR

January 21, 2025 - Present	Deputy Chief Executive Officer of Organizational Development (Acting) North East Rubber Public Company Limited Manufacturer and Distributor of Rubber Products
2023 – January 20, 2025	Quality Control Manager ISO North East Rubber Public Company Limited Manufacturer and Distributor of Rubber Products
2018 - 2023	Quality Control Manager for Raw Materials (DRC) North East Rubber Public Company Limited Manufacturer and Distributor of Rubber Products

Other activities that are not registered companies

2006 – 2011	Quality Management Representative (QMR) CLS Industrial (Thailand) Co., Ltd. Business in manufacturing molds and injection molding of plastic parts
2002 – 2006	Purchasing Officer Hitachi Consumer Products (Thailand) Co., Ltd. Business in manufacturing home appliances



Miss Rungtiwa Yamchoo

Aged (Year) 40

Position

Accounting Manager



Family Relationship Among Executives: None
Shareholding in the Company (%): None
Date of Appointment: November 6, 2023

- Course on Using Accounting Software Computer Programs, Computer Center, Faculty of Science,

EDUCATIONAL QUALIFICATIONS

- Master's Degree in Business Administration Major in Accounting Ramkhamhaeng University.

Certificates

- In-depth Taxation Pillar 2.
- Global Anti-Base Erosion Rules, Accounting Profession Council.
- Successful Planning Formula for Control, Supervision, and Audit for Accounting Managers-Dharmniti Seminar and Training Co., Ltd.
- Prevention and Suppression of Inappropriate Behavior of Listed Companies Stock Exchange of Thailand.
- "Understanding the Fundamental Principles of TFRS 9 (Fundamental of TFRS 9) Class 1/66" Accounting Profession Council under the Royal Patronage.
- C. "Establishing Accounting Systems, Document Systems, and Financial Reports in Compliance with Financial Reporting Standards" Thammasat Training and Seminar Co., Ltd.
- Course "Digital Assets and Business Growth Opportunities (New S-Curve) for Listed Companies" Stock Exchange of Thailand
- BSPLink Training Course Bangkok, Thailand, IATA

WORK EXPERIENCE HISTORY IN 5 YEAR

November 6, 2023 - Present	Accounting Manager North East Rubber Public Company Limited Manufacturer and Distributor of Rubber Products
2018 - November 6, 2023	Assistant Manager of General Accounting Department North East Rubber Public Company Limited Manufacturer and Distributor of Rubber Products

Other activities that are not registered companies

2007 - 2011	Assistant Accounting Manager Mana Accounting Company Limited Services related to accounting, bookkeeping, and auditing
2011 - 2015	Head of Accounting Department A Cross Travel And Leisure Company Limited Ticket sales, tour arrangements, and other services

Miss Nongyao Seekiew

Aged (Year) 46

Position

Company Secretary



Family Relationship Among Executives: None
Shareholding in the Company (%): None
Date of Appointment: November 6, 2023

EDUCATIONAL QUALIFICATIONS

- Master's degree in Business Administration
Major in Accounting, Rajamangala University
of Technology Isan

Certificates

- Professional Development Program for
Company Secretaries 2024, Thai Listed
Companies Association, supported by CMDP
- Corruption Risk and Control Workshop (CRC)
Class 22, The Thai Institute of Directors
Association, supported by CMDP
- Anti-Corruption Practical Guide (ACPG) Class
69, The Thai Institute of Directors Association,
supported by CMDP
- ESG in the Boardroom: A Practical Guide for
Board (ESG) Class 3/2024, The Thai Institute
of Directors Association
- Company Secretary Program (CSP) Class
142/2023, Board of Directors Institute
Promotion Association
- Insight in SET: Knowledge for Growth and
Sustainability in the Capital Market (Class 3),
Stock Exchange of Thailand
- Strategic Management Accounting Class 2/65,
Accounting Profession Council

WORK EXPERIENCE HISTORY IN 5 YEAR

November 6, 2023 - Present	Secretary / Assistant Deputy Chief Executive Officer of Accounting - Finance North East Rubber Public Company Limited Manufacturer and Distributor of Rubber Products
November 20, 2023 - November 6, 2023	Accounting Manager North East Rubber Public Company Limited Manufacturer and Distributor of Rubber Products
2017 - 2021	Assistant Manager of Cost Accounting Department North East Rubber Public Company Limited Manufacturer and Distributor of Rubber Products

Other activities that are not registered companies

2005 - 2011	Head of Accounting Department Phimai Footwear Company Limited Business of manufacturing shoes, shoe components, and rubber products
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ATTACHMENT 2

DETAILS ABOUT THE DIRECTORS OF SUBSIDIARIES

Name	Company	Company	Subsidiary
		North East Rubber Public Company Limited	NORTH EAST RUBBER COTE D'IVOIRE
Mr.CHUWIT JUNGTHANASOMBOON		/, //	/, X, //
Mr.M'BAYE PAPA SOULEYE			/, //
Mr.NIAMKE MOSSOU IGNACE			/, //
Miss KESNAREE JONGCHOTSIRIKUL		//	/, //
Mr.JIRAYUT JUNGTHANASOMBOON			/, //

Remarks :

1. / = Director X = Chairman // = Executive director
2. Related companies refer to the legal entity definition of individuals who may have a conflict with this announcement.

ATTACHMENT 3

THE INFORMATION OF CHIEF OF INTERNAL AUDIT

The company utilizes the services of an external agency (Outsource) that operates independently, namely AIM TO PROSPERITY COMPANY LIMITED to take responsibility of chief of internal audit. This responsibility has been assigned to Mr. Paisarn Phuratanjaroenchai (CIA, CPIA), who serves as the managing director and is the primary person responsible for carrying out the internal audit functions of the company.

Name/ Position	Mr. Paisarn Phuratanjaroenchai, managing director of AIM TO PROSPERITY COMPANY LIMITED	
Aged (Year)	60 Years old	
Educational Qualification / Certificate	<ul style="list-style-type: none"> Master's degree : Chulalongkorn University, Master of Accounting Bachelor's degree : Thammasat University, Bachelor of Accounting Certified Internal Auditor (CIA) No. 30807, IIA Certified Internal Auditor (CPIA) No. 5026 , IIAT Certification In Risk Management Assurance (CRMA) No. 2284 , IIA 	
Family Relationships Among Executives	-None-	
Shareholding Proportion in the Company(%)	-None-	
Work Experience History	Period	Position and Organization Name
	2011 – Present	Present Managing Director AIM TO PROSPERITY COMPANY LIMITED
	2003 – 2007	Director of Central Administration Stock Exchange of Thailand
	2002 – 2003	Director of Information Services Thailand Securities Depository Company Limited
	1999-2002	Head of Quality Promotion Center Thailand Securities Depository Company Limited
	1999	Part-time Lecturer Eastern Asia University and Suan Sunandha Rajabhat University
	1996-1999	Internal Audit Manager TPIPL Public Company Limited
	1992 – 1996	Internal Audit Office Manager Krung Thai Bank Securities Company Limited
	1992 – 1994	Internal Audit Manager Kiatnakin Securities Company Limited
	1992	Auditor, Financial Institution Analysis and Supervision Division Bank of Thailand
	1985-1992	Intermediate Staff in Audit Siam Commercial Bank
Roles and Responsibilities of Internal Auditors	<ol style="list-style-type: none"> To enhance the efficiency and effectiveness of the company's operations. To provide assurance to senior management that the organization has a reliable information system and that there are no material errors. To ensure that the oversight and use of the company's assets are conducted properly. To ensure that the company has a good internal control system and that employees adhere to the established internal control procedures. To assess the adequacy of the internal control system according to the practices set by COSO to maintain the qualifications of the company listed on the stock exchange. 	

In the internal audit of the company, Mrs. Pirada Tonahongsa, Assistant Chief Executive officer of Organizational Development/ Secretary of the Audit Committee, has been appointed to coordinate the internal audit activities of the company.



ATTACHMENT 4

DETAILS ABOUT THE PROPERTY VALUATION REPORT

- None-



ATTACHMENT 5

CORPORATE GOVERNANCE POLICY AND BUSINESS CODE OF CONDUCT

North East Rubber Public Company Limited has published its corporate governance policy and practices, business ethics, as well as the charters of the Board of Directors and its subcommittees on the company's website, where further details can be found at



Details can be found at: www.nerubber.com

[https://investor.nerubber.com/storage/downloads/cg-policy/](https://investor.nerubber.com/storage/downloads/cg-policy/ner-corporate-governance-and-business-code-of-conduct-handbook-th.pdf)

[ner-corporate-governance-and-business-code-of-conduct-handbook-th.pdf](https://investor.nerubber.com/storage/downloads/cg-policy/ner-corporate-governance-and-business-code-of-conduct-handbook-th.pdf)

Alternatively, you can scan the QR code.



ATTACHMENT 6

AUDIT COMMITTEE REPORT

The Audit Committee report is disclosed in section 8.2.1, the report on the performance of the Audit Committee.



NORTH EAST RUBBER PUBLIC COMPANY LIMITED

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PRAKHONCHAI DISTRICT,
BURIRAM 31140
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