

Policy for the Corporate Governance of Subsidiaries and Associate Companies

บริษัท เอ็น.ดี. รับเบอร์ จำกัด (มหาชน)

N.D. Rubber Public Company Limited

Policy for the Corporate Governance of Subsidiaries and Associate Companies

N.D. Rubber Public Company Limited (“NDR” or “the Company”) has a policy to invest in and exercise corporate governance over its subsidiaries and/or associate companies. Details of the policy are as follows:

1. Policy for the investment in subsidiaries and associate companies

The Company has a policy to invest in companies in accordance with its goals, visions and strategy on growth in order to enhance operating results or profitability. The Company intends to invest in the synergy for the enhanced competitiveness of the Company, and to enable achievement of the goal of becoming a leader in the core business of the Company. The Company, its subsidiaries and/or associate companies may consider an investment in additional business that have the potential growth and scalability or will be beneficial for the business of the Group with good return on investment. The Company will carry out feasibility of the investment including potentials and risk factors associated with the investment. The Company will follow an appropriate procedure for the investment, which shall be consented and/or approved by the meeting of the Executive Committee, the Board of Directors or the general meeting of shareholders (as the case may be). The approval for the investment in subsidiaries and/or associate companies shall be in accordance with the relevant notifications of the Capital Market Supervisory Board, the Securities and Exchange Commission and the Stock Exchange of Thailand.

2. Corporate Governance of Subsidiaries and Associate Companies

The Company sets out a policy for the corporate governance of its subsidiaries and associate companies with the aim to determine both direct and indirect measures and mechanisms to allow the Company to monitor and manage business of its subsidiaries and associate companies to comply with policies of the Company. This includes ensuring that that subsidiaries and associate companies comply with policies of The Public Limited Company Act, the Civil and Commercial Code, securities law and relevant laws and notifications, rules and regulation of the Capital Market Supervisory Board, the Securities and Exchange Commission and the Stock Exchange of Thailand. Details of these measures and mechanisms are as follows:

1. The Company will nominate its representatives for appointment as directors in each of its subsidiaries and/or associate companies in proportion to the shareholding percentage of the Company in each of the subsidiaries and/or associate companies. These representatives will perform the duties of supervising ensuring that the relevant subsidiaries and/or associate companies comply with the law, the policy of good corporate governance including such other policies of the Company. However, sending representatives for directorship in each of the subsidiaries and/or associate companies shall be considered and approved by the Board of Directors' meeting first taking into consideration the suitability of each company.
2. If any entry transactions or actions by the subsidiaries falls within the criteria of being an acquisition or disposal of assets for the purpose of the notification on acquisition or disposal of assets, or a connected transaction for the purpose of the notification on connected transaction thereby resulting in the Company having the duty to seek prior approval from the Board of Directors' meeting and/or the general meeting of shareholders or from the relevant regulatory authorities, the subsidiary may only proceed with such transaction or actions when the prior approval has already been obtained from the Board of Directors' meeting and/or the general meeting of shareholders and/or the relevant regulatory agency (as the case may be).
3. The Board of Directors and executives of each of the subsidiaries and/or associate companies shall have the scope of power, duties and responsibilities under the applicable laws such as the obligation to make disclosure about financial position and operating results to the Company. Provisions under the relevant notifications of the Capital Market Supervisory Board and the Stock Exchange of Thailand shall be applied mutatis mutandis. This also includes the requirement for each member of the Board of Directors of the Company information about the interests that they and their related persons may have including details about relationship and transactions entered into with the Company, its subsidiaries and/or associate companies which may give rise to a possible conflict of interests. Transaction with possible conflict of interests shall also be avoided.

4. The Company will determine necessary work plan and actions to ensure that its subsidiaries and/or associate companies disclose the information in relation to its operating results and financial status to the Company as well as put in place a sufficient and appropriate disclosure and internal control system.

In addition, the Company will closely monitor operating results of each of its subsidiaries and/or associate companies. The Company will report any analysis including opinions and recommendations to the Board of Directors of the Company and of its subsidiaries and/or associate companies to assist with policy making or for the improvement of businesses of its subsidiaries and/or associate companies with the aim to achieve continuous development and growth

Policy for the Corporate Governance of Subsidiaries and Associate Companies, is considered and approved by the Board of Directors Meeting No. 4/2022 on 10 November 2022.

A handwritten signature in blue ink, appearing to be 'P. Swadwan', written over a horizontal line.

(Mr. Pongsak Swadwan)

**Chairman of the Board of Director
N.D. Rubber Public Company Limited**