



Board of Directors Charter

บริษัท เอ็น.ดี. รับเบอร์ จำกัด (มหาชน)

N.D. Rubber Public Company Limited

Board of Directors Charter

The Board of Directors plays an important role in driving the organization. The Board of Directors has the role and responsibilities in overseeing the Company's business to be in accordance with the objectives and goals which will create maximum benefits for the Company based on corporate social responsibility, concern for the environment, fairness to all stakeholders in compliance with the Company's corporate governance policy and anti-corruption policy, laws, the Company's Articles of Association, Board resolutions, and resolutions of the shareholders' meetings. The Board of Directors shall perform their duties to the best of their abilities, honestly, ethically, prudently, and responsibly to shareholders.

The Board of Directors has thus resolved to adopt this Charter of the Board of Directors and Corporate Governance Guidelines for the Board of Directors, which applies good principles and practices according to the Good Corporate Governance Code for Listed Company 2006 of the Stock Exchange of Thailand ("SET") along with Good Corporate Governance Code for Listed Companies in 2017 issued by the Securities and Exchange Commission ("SEC") to the Company's business context so that all directors of the Company are aware of their duties, responsibility and being a leader in doing the right thing which is beneficial to create sustainable value for the business.

1. Composition and Qualifications of the Board of Directors

The Company's Board of Directors consists of a least 5 directors and not less than half of the directors shall be residents of the Kingdom. The Board of Directors consists of non-executive directors who represent major shareholders, executive directors to ensure that the Company's business is conducted effectively, and a minimum 3 independent accounting for a least 1/3 (one third) of the total number of directors. The Directors shall be appointed and shall have the following qualifications:

1. have complete qualifications and not having any prohibited characteristics as specified by the Public Limited Company Act, Notification of the SEC, and Notification of the SET.
2. are individuals with knowledge, capability, expertise and experience who can contribute to the Company; have dedication and be able to commit time to perform their responsibilities; have leadership, far-sighted vision, integrity and good work history.

3. have independence in performing their duties and making decision; each director understands his role and independently questions and expresses opinions, vision or objections for the Company's sustainable business operations and leadership and for the best interests of the Company, shareholders and stakeholders.
4. able to hold a director's position in other companies, but that directorship shall not be an obstacle to performing the Company's director duties and shall be in accordance with the guidelines of the SEC and the SET. An individual director shall not hold directorship of more than 5 listed companies.
5. the Chairman of the Board of Directors must not be the same person as the Chairman of the Executive Committee and the Managing Director in order to create balance and review of the management.

Independent directors shall have qualifications relating to independence as stipulated by the Company and in accordance with the Notification of the Capital Market Supervisory Board and international standards. Independent directors shall protect the interests of all shareholders equitably and prevent conflicts of interest. In addition, independent directors shall be able to express independent opinions at the Board of Directors meetings.

The Company's independent directors shall have specific qualifications as follows:

1. holding no more than 1% of total voting shares* including the shareholding of persons related to the independent directors.
2. not currently be or never been the company's executive director, worker, employee, salaried consultant, or controlling parties*. Exception: It has been at least 2 years after the person has held the position.
3. not by blood or legally registered with other directors, executives, major shareholders, controlling parties, or persons who will be nominated as directors, executives, or controlling parties of the company or subsidiary.
4. not currently having or never had any relations with the company* in the way that such relation may impede the person from having independent views. Also, the person should not currently be or never be a significant shareholder or controlling person for persons having business relations with the company*. Exception: It has been at least 2 years after the person has held the position.

5. not currently being or never been the company's auditor*. Also, the person should not currently be or never be a significant shareholder, controlling person, or partners of current auditor's auditing firm*. Exception: It has been at least 2 years after the person has held the position.
6. not currently be providing or never provided professional services, legal consulting, nor financial consulting services to the company with a fee more than 2 Million Baht per year*. Also, the person should not currently be or never be a significant shareholder, controlling person, or partners of current service providers. Exception: It has been at least 2 years after the person has held the position.
7. not currently a director appointed to represent the company's directors, major shareholders, or the shareholder related to major shareholder.
8. not currently be operating under similar business nature and significant competition to the company or subsidiary; or not a significant partner of the partnership, executive director, salaried worker, employee, or consultant; or holding more than 1% of voting shares of any other companies operating under similar business nature and significant competition to the company and subsidiary.
9. not under any conditions that may impede the person from having independent views towards the company's operations.

* Including the parent company, subsidiary, or affiliate, major shareholder(s) of the Company.

After being appointed as independent director with the qualification under No. 1-9 above, the independent director may assign by the Board of Directors to take part in the business decision of the Company, its parent company, subsidiary company or associate company, provided that such decision shall be in the form of collective decision.

2. Appointment, Term of Office and Removal of Directors

2.1 Appointment of Directors

The appointment of directors is according to the Company's Articles of Association and related laws and must be transparent and clear. The selection of directors is made through the nomination criteria and process set by the Nomination and Remuneration Committee. This also includes qualified candidates to serve as directors of the Company nominated by the minority shareholders according to the Company's criteria. The appointment of directors shall consider the diversity of qualifications, gender, age, educational background, professional experience, and specific characteristics including skills in the area

of business, industry, management, finance, accounting, law and corporate governance, to ensure sufficient information for decision-making by the Board of Directors and/or shareholders.

The general shareholders' meeting appoints the directors by a majority of votes in accordance with the following rules and procedures.

1. Each shareholder shall have a number of votes equal to one share per one vote.
2. Each shareholder must exercise all the votes he/she has under (1) to appoint an individual or several persons to be director(s) but shall not split his/her votes among any person or group of persons.
3. The persons receiving the highest of votes in descending order shall be appointed as directors depending on the requirement of directors set at such time. In the event that a number of persons receive an equal number of votes for the last directorship rendering the number of directors more than which is required, the Chairman of the meeting shall have a casting vote.

Where a vacancy occurs in the Board of Directors for reasons other than the expiration of the director's term of office, the Board of Directors shall elect a person who is qualified, and does not have prohibited characteristics as specified by the Public Limited Company Act and the securities and exchange laws, as the substitute director at the next meeting of the Board of Directors, unless the remaining term of office of the said director is less than 2 months. The substitute director shall hold office only for the remaining term of office of the director whom he/she replaces. The resolution of the Board of Directors shall be by a vote of not less than 3/4 (three-fourths) of the number of directors remaining.

2.2 Term of Office of Directors

A director has a term of office of 3 years each from the date of appointment. At the end of the term, the director may be nominated for reappointment.

An independent director may serve as a director for a maximum of 9 consecutive years, starting from the date of the Annual General Meeting of Shareholder ("AGM"). Nevertheless, the shareholders' meeting may consider reasons and necessity as presented by the Company and approve the director to hold the position of independent director for more than 9 consecutive years.

2.3 Removal of Director

- 2.3.1 At every AGM, 1/3 (one-third) of the directors, or if their number is not a multiple of three, then the number nearest to one-third must retire from office. The director who has held office longest shall retire. However, a retiring director is eligible for re-election.

Directors who must retire from office in the first and second year after registering the conversion of the Company to a public limited company, the resignation of the directors by rotation will be drawn by drawing a lottery to determine who will retire. In subsequent years, the director who has been in office for the longest time shall retire. In case, there are several directors in office for the same amount of time which more than the number to vacate, the retirement will be done by lottery. In this regard, the directors retiring by rotation may be re-elected.

- 2.3.2 Other than retirement from office by rotation, a director vacates office upon death; resignation; lacking qualification or possessing of prohibited characteristics according to the Public Limited Companies Act and/or the securities and exchange laws; removal by a resolution of a shareholders' meeting; removal by a court order, an insane person or bankruptcy.
- 2.3.3 Any director wishing to resign from office shall submit his/her resignation letter to the Board of Directors at least 3 months in advance. However, such resignation may take effect earlier than 3 months if the Board of Directors has considered appointing a person who has full qualifications to replace the person who has resigned. A director who resigns may also notify the registrar of the resignation for the registrar's information.
- 2.3.4 The shareholders' meeting may pass a resolution to remove any director from office prior to rotation, by a vote of not less than 3/4 (three-fourths) of the number of the shareholders attending the meeting and having the right to vote, and whose shares represent a total of not less than one half of the number of shares held by the shareholders attending the meeting and having the right to vote.

3. Role and Responsibilities of the Chairman of the Board of Directors

The Chairman of the Board of Directors has the following duties:

1. Oversee that the Board of Directors as a whole, various sub-committees, and each individual director perform their duties effectively and efficiently to achieve the Company's objectives and goals.
2. Provide leadership to the Board of Directors and be the Chairman at the Board of Directors' Meeting, shareholders' meeting, and control the meeting efficiency to comply with the regulations of the Company.
3. Determine the agenda of the Board of Directors' Meeting jointly with the Chairman of the Executive Committee or Managing Director and the Company Secretary to ensure that important matters are included and oversee to ensure that directors receive correct, complete, clear and timely information prior to the meeting to assist appropriate decision making by the directors.
4. At the Board of Directors' Meeting, allocate sufficient time and encourage directors to discuss and express their free and frank opinion with due circumspection and concern for all stakeholders. Sum up the Board Meeting resolutions and ensure that the Board's decisions will be implemented.
5. Foster a positive working relationship between executive and non-executive directors, and between the Board of Directors and management and support the performance of the duties of the Chairman of the Executive Committee or Managing Director in accordance with the Company's policy.
6. Support and be a role model in compliance with the principles of Good Corporate Governance and the Company's Business Code of Conduct, and ensure that all directors contribute to the Company's ethical culture and good corporate governance.
7. Cast a decisive vote in the event that the Board of Directors' meeting has the same number of votes and votes on both sides.

4. Role and Responsibilities of the Chairman of the Board of Directors

The Chairman of the Board of Directors has the following duties:

1. Review the vision, strategy, mission and goals of the Company annually.
2. Consider reviewing the Good Corporate Governance and Business Code of Conduct once a year.
3. The Shareholders' Meeting shall be held at the Annual General Meeting within 4 months from the end of the Company's accounting period.

4. Hold the Board of Directors Meeting for at least 3 months at a time.
5. Assess the performance of the Board of Directors, Sub-Committee and Managing Director at least once a year for further development.
6. Prepare the balance sheet and income statement of the Company at the end of the accounting period of the Company, which the auditor has audited and presented to the shareholders' meeting for consideration and approval.
7. The Board of Directors may authorize one or more directors or any other person to perform any of the operations on behalf and under control of the Board of Directors. Or it may be authorized to give such person the authority within the period deemed appropriate by the Board of Directors. The Board of Directors may revoke, change or amend the authorized person or such authority when deemed appropriate.

In addition, the Board of Directors may authorize the Executive Committee to have the authority to perform various tasks with details of the authorization according to the scope of authority. The duties of the Executive Committee, such as the authorization, must not be characterized by authorization that allows the Executive Committee or the authorized person to consider and approve the transactions of the Executive Committee or the authorized persons or related persons, or have any other conflicts of interest with the Company or its subsidiaries, except for the approval of transactions that are in accordance with the policies and criteria that the Board has considered and approved, and must be compliance with the law.

8. Set goals, method, policies, plans and budgets, as well as acknowledge and consider risk management, control, supervise, and manage performance of the Executive Committee in accordance with the policies granted, except in the following areas: The Board of Directors must obtain approval from the Shareholders' Meeting before proceeding as following: Matters required by law to be approved by the Shareholders' Meeting, such as capital increase, capital reduction, issuance of debentures, sale or transfer of all or part of the Company's business to another person, or the acquisition or transfer of business of another company to the Company, amendment of memorandum of association or regulations, etc.

The Board of Directors also has the responsibility for overseeing the Company's compliance with the law on Securities and Exchange Commission's regulations such as the related transaction, the purchase or sale of significant assets under the rules of the Stock Exchange of Thailand or the laws relating to the Company's business.

9. To consider the management structure, appoint the Executive Committee, Managing Director and other committees as appropriate.
10. Continuously monitor performance in accordance with the plan and budget.
11. Approve the opening/closing of all types of deposit accounts with banks or financial institutions, along with the conditions for withdrawing funds or making legal actions of such deposit accounts.
12. Approve the significant capital spending set out in the annual budget.
13. Define organizational structures or assign them to the Executive Committee.
14. Directors shall not operate in the same condition and compete with the Company's business or become partners in ordinary partnerships or as unlimited liability partners in limited partnerships or as directors of private companies or other companies operating in the same condition and competing with the Company's business, whether for their own benefit or for the benefit of others, unless informed by the Shareholders' Meeting prior to the appointment resolution.
15. Directors must notify the Company without delay if there is any direct or indirect stake in the contract made by the Company or holds shares or other securities increased or decreased in the Company or its affiliates.

5. The Board of Directors' Meeting

The Company organizes the Board of Directors' Meeting at least once every 3 months. Additional meetings may be called if necessary. More than half of the directors must be in attendance to maintain a quorum. Important agenda items for the Board of Directors' Meeting include consideration of strategies, business plans, quarterly financial statements, the Company's various investments and important policies. The Company provides opportunity for directors to independently propose issues that are beneficial to the Company in the meeting agenda.

The Company Secretary is responsible for predetermining the dates of the Board of Directors' Meetings one year in advance so that directors can arrange their schedule to attend the meetings. The meeting invitation, agenda and relevant documents that are clear, sufficient and appropriate are sent to the directors at least 7 days prior to the meeting date to allow sufficient time for the directors to study and consider the information.

In the consideration of any issues, the directors are entitled to look at or check the related documents and ask the management to provide additional information.

In considering various matters, Chairman gives the directors the opportunity to express their opinions freely by having one director have one vote. The directors who have interests will not exercise the right to vote on that matter. If the votes are equal, the Chairman will have an additional vote as a casting vote.

The Board of Directors encourages the management to invite top executives to attend the Board of Directors' Meeting to present details on the issues that they are directly responsible for, and give the Board a chance to know more about top executives and aid directors in preparing succession plans.

The Company Secretary is responsible for preparing the minutes of the meeting which is correct and clearly states the meeting resolutions and opinion of the Board of Directors. The minutes of meeting which have been approved by the Board of Directors are kept with the Company Secretary and are available for view and audit by directors and related authorized persons only.

6. Monitoring and Evaluation Policy

The Board of Directors requires management to regularly report on the Company's operating performance comparing actual results to predetermined targets, financial position, and progress on various activities to ensure that the Company's business operations are in line with set objectives and policies. If the results are not in line with objectives and policies, the Board of Directors will arrange for changes and improvements, and supervise management to solve the situation and make continuous improvement.

The Board of Directors conducts self-assessment at least once a year. The self-assessment is of the board as a whole and on an individual basis to review their performance as well as the problems and obstacles faced in order to make improvements. The criteria, process and overall results of the self-assessment are disclosed in the Form 56-1 One Report (Annual Report).

7. Remuneration of Directors

The remuneration of directors takes into account duties and responsibilities and the Company's performance together with the overall social and economic conditions and considering from past data comparison with the remuneration of the directors in the same industry to determine the appropriate compensation and able to motivate the Board of Directors to achieve both short-term and long-term goals. The Nomination and Remuneration Committee considers payment criteria and forms of director compensation before presenting to the Board of Directors and the shareholders' meeting for approval every year.

8. Development of Directors

The Board of Directors has promoted and facilitated training and educating those involved in the corporate governance of the Company such as Director, Audit Committee, Executive Officer, etc. in order to continually improve performance. The training and knowledge may take place within the Company or using external institutions. In addition, once there is a change of new director, the Company will provide documents and information that are useful for the performance of the new director's duties including an introduction to the nature of the business and business practice of the Company to new directors.

9. Report of the Board of Directors

The Board of Directors holds as its duty and responsibility to disclose information to shareholders in a correct, complete, transparent, verifiable and timely manner in the Form 56-1 One Report or sustainability report, and disclose of information in compliance with the regulations of the SET. The Audit Committee shall response to review financial report by meeting with Finance & Accounting Department and Auditor; and present financial report to the Board of Directors quarterly. The Board of Directors shall response to company financial statement, financial information (Report of the Board of Directors' Responsibilities to Financial Report) as shown in Form 56-1 One Report. Such financial statement prepares in accordance with accounting standards, certified and audited by Auditor of the Company by choosing an appropriate and acceptable accounting policy and regularly practice as well as using careful discretion in the preparation and supervision. There is sufficient disclosure of important information in the note to the financial statement.

Board of Directors Charter, 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**