



Charter of the Audit Committee

North East Rubber Public Company Limited

The Audit Committee of North East Rubber Public Company Limited (“the Company”) has been appointed by a resolution of the Board of Directors. The Committee is overseeing the company’s compliance with the principles of good corporate governance to ensure integrity and confidence to the investors, its shareholders and all other stakeholders.

Composition and Qualification of the Audit Committee

1. The Audit Committee shall be comprised of three independent directors of the board
2. At least one of the Audit Committee’s member shall have knowledge and experiences that are sufficient to review creditability of financial statements.
3. Audit Committee shall select and appoint one (1) Member of the Audit Committee to be the Chairman of the Audit Committee.
4. The Audit Committee may appoint the Secretary of the Audit Committee to assist with the work of the Audit Committee relating to meeting preparation and liaison in preparing reports to the Committee or any related units.

Duties and Responsibilities of the Audit Committee

1. Verify the financial report to ensure that it is correct and reliable, and the adequate data is disclosed by coordinating with an external auditor and an executive in charge of preparing both quarterly and yearly financial reports.
2. Verify the Company the ensure that the internal control and internal audit system are appropriate and effective; and consider the independence of the Internal Audit Unit, as well as approve on consideration in appointing, removing, and dismissing the Head of Internal Audit Unit or any other work unit who is responsible for internal audit, and may suggest to verify or audit any transactions deemed necessary and important, as well as propose the suggestions relating to the important and necessary improvement and correction of the internal control system to the Board of Directors by mutually verifying with the external auditor and the Internal System Audit Division Manager.

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3. Verify the compliance with the Securities and Exchange Law or the requirements of the Stock Exchange, other policies, statutes, rules, regulations, and other laws relating to the Company's business.
4. Being independent to perform the auditor duty, and consider nominating the remuneration of the Company's auditor to the Board of Directors, as well as participate in the meeting with the auditor, without the meeting attendance of the Management at least once a year.
5. Consider the related parties transactions or the transactions that may have conflict of interests according to laws and requirements of the Stock Exchange, as well as properly and completely disclose the Company's data in the said matters to ensure that the said transactions are reasonable and maximally useful for the Company.
6. Verify to ensure that the Company has the appropriate and efficient risk management system.
7. Report the operating result of the Audit Committee to the Board of Directors for acknowledgement at least 4 (four) times a year
8. Verify the Company's internal audit plan according to the generally accepted methods and standards.
9. Consider appointing, removing, and dismissing Head of the Internal Audit Administrator, and assess the performance of the officers of the Internal Audit Unit
10. In working based on the scope of duties, the Audit Committee shall have authority to invite the Management, the related executives, or employees of the Company to comment, participate in the meeting or send documents regarded to be related or necessary.
11. Have authority to employ a consultant or a third party according to the Company's rules to comment or give counsel in case of necessity.
12. Prepare the corporate governance report of the Audit Committee by disclosing in the Company's Annual Report. The said report shall be signed by the Chairman of the Audit Committee.
13. The Audit Committee must yearly assess the operating result by conducting self-assessment and reporting the assessment result, and problems and obstacles in operation that may cause the operating failure to attain the objective for establishing the Audit Committee, to the Board of Directors for acknowledgement.
14. Consider reviewing and updating the Charter of the Audit Committee.
15. Perform other works as entrusted by the Board of Directors within the scope of duties and responsibilities of the Audit Committee.

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Qualifications of the Audit Committee

Members of the Audit Committee shall have all required qualifications as follows

1. Owning not more than 1 percent of the total number of shares with the right to vote and issued by the Company or subsidiary Company; or of the Major Shareholder, or of a person with a controlling power over the Company. As such, this total shareholding also includes those shares owned by persons related to the respective Independent Director
2. Not being or having been a Director involved in the management of the operations of, an Employee of; or an advisor with a monthly retainer to; or a person with a controlling power over the Company, the Major Shareholder of, or a person with a controlling power over the Company; unless the person in question no longer is in such a position or has such a status for not less than 2 years prior to being appointed to the Audit Committee. As such, this prohibited qualification is not applicable in the event that the Independent Director used to be a Civil Servant or an advisor to the Government Agency/ organization that is a Major Shareholder of or a party with a controlling power over the Company.
3. Not being a person who has a relationship, by blood or by legal registration, as a parent, spouse, sibling or children, as well as spouse of the children, of an Executive of, a Major Shareholder of, a person with a controlling power over, as well as a person proposed to be appointed as an Executive or as a person with a controlling power over the Company or subsidiary Company.
4. Not being or having been a person with a business relationship with the Company, Subsidiary Company, as well as with a Major Shareholder of or a person with a controlling power over the Company, so as to may be an obstacle to exercising judgments in a fully independent manner. This also includes not being or having been a significant Shareholder of a party or having a controlling power over a party with a business relationship with the Company, Subsidiary Company, as well as with a Major Shareholder of or a person with a controlling interest of the Company. This is unless the person in question no longer is in such a position or has such a status for not less than 2 years prior to being appointed to the Audit Committee.
5. Not being or having been an Auditor of the Company, Parent Company, Subsidiary Company, Joint Venture Company, as well as of a Major Shareholder of or a person with a controlling power over the Company; as well as not being or having been a significant Shareholder of, a person

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- with a controlling power over, or a Partner of the Audit firm of the Company, Subsidiary Company, as well as of a Major Shareholder of or a person with a controlling power over the assigned Company. This is unless the person in question no longer is in such a position or has such a status for not less than 2 years prior to being appointed to the Audit Committee.
6. Not being or having been a person providing any professional services, including legal or financial advisory services, with an annual professional fees payment of more than Baht 2.0 million, to the Company, Parent Company, Subsidiary Company, Joint Venture Company, as well as to a Major Shareholder of or a person with a controlling power over the Company; as well as not being or having been a significant Shareholder, a person with a controlling power over, or a Partner of the Professional Services firm in question. This is unless the person in question no longer is in such a position or has such a status for not less than 2 years prior to being appointed to the Audit Committee.
 7. Not being or having been a director appointed to represent a Director of the Company, a Major Shareholder, or a Shareholder associated with a Major Shareholder.
 8. Not having a business similar to or the same as or that is a significant competitor of the Company or Subsidiary Company; or not being a significant Shareholder in a Business Partnership, or a Director actively involved in managing the business operations, Employee or Staff of, or an advisor who receives a monthly retainer to; or owning more than 1% of the total voting shares of a company/business that operates a business similar to or the same as or is a significant competitor of the Company or Subsidiary Company.
 9. being a person who is in a position to not be able to exercise judgment in a fully independent manner with regards to the operations of the Company.

The Term of Audit Committee

The office term of Audit Committee is 3 years. The Audit Committee's member may be re-appointed. Additionally, apart from the expiration of the current term of office, a Member of the Audit Committee will cease to hold the position, in the event of:

- (1) the Board of Directors of the Company approves to terminate the term of office or to remove the person from being a Member of the Audit Committee
- (2) lack of qualifications or disqualifications under the laws, regulations, notification pertaining to

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applicable laws

(3) resignation

(4) death

The Audit Committee's member, who wishes to resign before the end of office term shall notify to the Company not less than 1 month indicating reason for resign. The Company then immediately notifies the Stock Exchange of Thailand (SET) regarding reason of resignation or retires. In addition, the resigned or demoted Audit Committee's member may explain reason of that action to the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

When the Audit Committee's member is vacant as a result of reason other than the end of office term, the Board of Directors shall appoint any person with fully qualifications to be the Auditor Committee's member within 90 days since the resignation. This person will be the Auditor Committee's member for the remaining office term of the resigned committee only.

Report of the Audit Committee

1. The Audit Committee has the duty and responsibility to report its activities or any other duty as assigned by the Board of Directors. The reports of the Audit Committee are important to the Board of Directors, shareholders and general investors because they will provide independent and straight opinions of the Audit Committee and ensure the Board of Directors that the management has carried out management function in a careful manner and has due regard to the consequences on all the shareholders equally.
2. Report on the findings so that the Board of Directors can seek a solution on a timely basis.
 - 1) conflicts of interests
 - 2) Suspected or presumed fraud or irregularity or material defect in the internal control system.
 - 3) Suspected infringement of law or any regulations of the Stock Exchange of Thailand
3. If the Audit Committee has reported about anything which has material impact on the financial condition and results of operation to the Board of Directors and has discussed with the Board of Directors and the management that any rectification is necessary, upon completion of the period of time mutually fixed if the Audit Committee finds that such rectification has been unreasonably

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ignored, any member of the Audit Committee may report such finding to the Office of the Securities and Exchange Commission or the Stock Exchange of Thailand.

Report to the Stock Exchange of Thailand

1. When Audit Committee member has appointed
 - 1) Form to Report on names of Members and Scope of Work of the Audit Committee, to inform the Stock Exchange of Thailand
 - 2) Certificate and Biography of the Audit Committee Member, as information for the Stock Exchange of Thailand
2. When Audit Committee member has changed
 - 1) Form to Report on names of Members and Scope of Work of the Audit Committee, to inform the Stock Exchange of Thailand
 - 2) Certificate and Biography of the Audit Committee Member, as information for the Stock Exchange of Thailand
3. Report the resolution of the Board of Directors Meeting and Form to Report on names of Members and Scope of Work of the Audit Committee to inform investors within three working days.

The Charter of Audit Committee effective since December 8, 2022 by the resolution of the Board of Directors Meeting No.7/2022 dated December 8, 2022.

- *Mr. Chanitr Charnchainarong* -

(Mr. Chanitr Charnchainarong)

Chairman of the Board of Directors

- *Mr. Ronachit Jinadit* -

(Mr. Ronachit Jinadit)

Chairman of the Audit Committee

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