

SUSTAINABLE ORGANIZATION

TOWARDS SUSTAINABLE DEVELOPMENT GOALS AT EVERY DIMENSION



Balance Security Sustainability and Happiness

VISION

“ Business operation incorporating good governance with empathy, gaining access ability, and continual collaborative innovation development toward customers’ satisfaction; treating shareholders, customers, business partners and employees equality; responding to economy, environment society, and safety; acts collectively against all forms of corruption”

MISSION

- To employees: Promote corporate culture of safety at work environmental care, and service minded; incorporating compliance technology and continual development of innovation to serve all clients
- To shareholders: Excellent at providing services to promote governance and satisfaction
- To community / society: Care for societies and environment

SHARED MISSION

The mission is abbreviated as SSSC which stands for:

- S SAFETY FIRST** ความปลอดภัยมาเป็นอันดับหนึ่ง
- S SATISFACTION** คำนึงถึงความพึงพอใจ
- S SOCIAL CARE** ห่วงใยใส่ใจ สังคม
- C CONTINUAL IMPROVEMENT** ระดมพัฒนาอย่างต่อเนื่อง



SSSC Activities



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1. BUSINESS OVERVIEW

1.1 Policy and Nature of Business

Siam Steel Service Center Plc., the affiliate of Siam Steel Group, was established as a Thai-Japanese joint-venture on 30 September 1985. The Company has been set up to manufacture metal components for use in such industries as the construction, automobile, electrical appliance, electronics, furniture industries and etc. operates business of producing and distributing primary steel under the investment between Siam Steel International Plc., and Japanese investors Okaya & Co., Ltd., Mitsubishi Corporation and Toyota Tsusho Corporation.

The Okaya & Co., Ltd., as the Company major shareholder, holds 31.50 percent of the share capital. Okaya & Co., Ltd., is a dealer for steel, machinery, pipe and chemical products. It has no marketing or customer base or running the same business as the Company in Thailand.

Vision Goal and Operation Strategy

Vision "Business operation incorporating good governance with empathy, access ability, and continual collaborative innovation development toward customers' satisfaction; treating shareholders, customers, business partners, and employees equally; responding to economy, environment, society, and safety; acts collectively against all forms of corruption."

Business Strategy

- Supplies only quality and standard products according to the Thai Industrial Standards of Thailand (TIS), Japanese Industrial Standards of Japan (JIS), Underwriters Laboratories Inc. of USA (UL), and British Standards of England (BS). Manufacturing process using quality raw material, high capacity machine with state of the art technology, and standardization for products quality.
- Development toward quality, environmental and occupational health standards to attain Quality Standard System ISO 45001, ISO 9001:2015, IATF 16949:2016, Environment Management System ISO 14001:2015 and Energy Management System ISO 50001:2001 from TÜV NORD (Thailand) Limited so as to secure the customers' trust on the Company's quality products and timely service as required by customers.
- Supplies various products with effective inventory control, sufficient and variety of raw materials to meet customers' needs.
- Provides various complete services with effective production process enabling timely distribution of steel at the right size and shape to customers.
- Timely product delivery based on proper raw material inventory and production planning that enable effective production process including standard packaging delivered to customers.
- Applies state of the art computer system for operational control, storage and production in particular, to ensure sufficient raw material reserve and minimum process scrap.
- Foreign professionals and engineers working in team to provide consultancy and advices which enable effective selection of quality raw material and production procedures toward obtaining customers' confidence on Company's products.
- Provides after sale service with advice from professionals in case of manufacturing defect

Changes and Developments

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1994

 - The Company increased its capital from Baht 100 million to Baht 224 million. The transaction was approved and registered with the Ministry of Commerce on 18 May 1994.
 - The Company has been Transformed into a public company under the name of Siam Steel Service Center Public Company Limited. The par value was changed from Baht 100 per share to Baht 10 per share. Meanwhile the registered capital was increased from Baht 224 million to baht 320 million. The approval from/ and registration with the Ministry of Commerce were granted on 8 June 1994.
- 

1995

 - The Company expanded by establishing factory no. 3 in Zone no.3 of Eastern Industrial Park in Rayong Province. The construction started in early 1994 and the production and distribution of product commenced in the fourth quarter of 1995. The Company received the highest incentives from BOI.
 - The Company founded and invested in Siam Nippon Steel Pipe Co.,Ltd., which is the manufacturer of special steel pipe for various industries, focusing on auto part industries and downstream industries. The investment proportion was at 6% or Baht 7.32 million.
 - The Company was granted an approval from the SEC to distribute 9.6 million common shares to the public at the price of Baht 120 per share during 10-13 October 1995.
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1996

 - The SET had listed the Company which allows the Company to trade its shares under the name “SSSC” since 15 January 1996.
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2006

 - At the AGM held on 28 April 2006, the shareholders passed a resolution to increase the Company’s authorized share capital by Baht 160,000,000, from Baht 320,000,000 to Baht 480,000,000 (divided into 48 million shares at Baht 10 par value), to reserve for stock dividend payment to existing shareholders of the Company.
 - The Company already registered the increase in share capital with the Ministry of Commerce on 1 May 2006 and registered the paid up capital totaling Baht 479,999,910 on 18 May 2006.
 - The SET registered the transaction of the capital increments which allows the Company to trade its shares in the stock exchange since 30 May 2006.
 - Since June 2006, the Company has jointly invested with the Okaya & Co., Ltd. (Japan) to set up Siam Steel Vietnam Company Limited.
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2009

 - The Company decreased its registered share capital by canceling 9 unissued shares at Baht 10 par value, totaling Baht 90 from the existing registered share capital of Baht 480,000,000 to Baht 479,999,910 (divided into 47,999,991 common shares at Baht 10 par value).
 - The Company increased the Company’s authorized share capital by Baht 159,999,970 from Baht 479,999,910 to Baht 639,999,880 (divided into 63,999,988 shares at Baht 10 par value), to reserve for stock dividend payment to existing shareholders of the Company. The Company registered the decrease and increase in share capital with the Ministry of Commerce on 4 May and 6 May 2009, respectively.
 - The Company registered the increase from Baht 479,999,910 to Baht 639,997,880 with the Ministry of Commerce on 29 May 2009
 - The SET has registered the transaction of the capital increments since 4 June 2009 which allows the Company to trade its shares in the security market.
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2017

 - At the Ordinary Shareholders’ Meeting held on 27 April 2017, the shareholders passed the resolution to change in par value with a par value of baht 10 each to baht 1 each. The Company, accordingly, had the change in par value registered with the Ministry of Commerce on 18 May 2017.
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2021

 - The 30 April 2021 AGM has resolved for the amendment of 8 additional objectives of the Company and of the Memorandum of Association from 25 to 33 objectives

The details of change in par value has shown as below.

Particulars	<u>Prior</u> The Change in Par Value	<u>After</u> The Change in Par Value
Par Value	Baht 10 per share	Baht 1 per share
Number of Share		
• Registered Shares	63,999,988 shares	639,999,880 shares
• Paid up Shares	63,999,788 shares	639,997,880 shares
Company Capital		
• Registered Capital	639,999,880 baht	639,999,880 baht
• Paid up Capital	639,997,880 baht	639,997,880 baht
Effective Date		29 May 2017

1.2 Nature of Business

Income Structure

Item	2021		2022		2023	
	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
Steel Sheets used in Production						
1. Steel Sheets for Sale	3,528,974	75.27	4,076,524	73.71	3,881,548	71.94
2. Cutting Service	303,641	6.48	339,752	6.14	312,701	5.80
Construction Parts	639,595	13.64	874,476	15.81	970,879	18.00
Press Product	155,924	3.33	168,173	3.04	157,959	2.93
Transportation	60,212	1.28	71,546	1.30	72,120	1.33
Total	4,688,346	100.00	5,530,471	100.00	5,395,207	100.00
Domestic	4,688,346	100.00	5,530,471	100.00	5,395,207	100.00

Steel Distribution by Industry

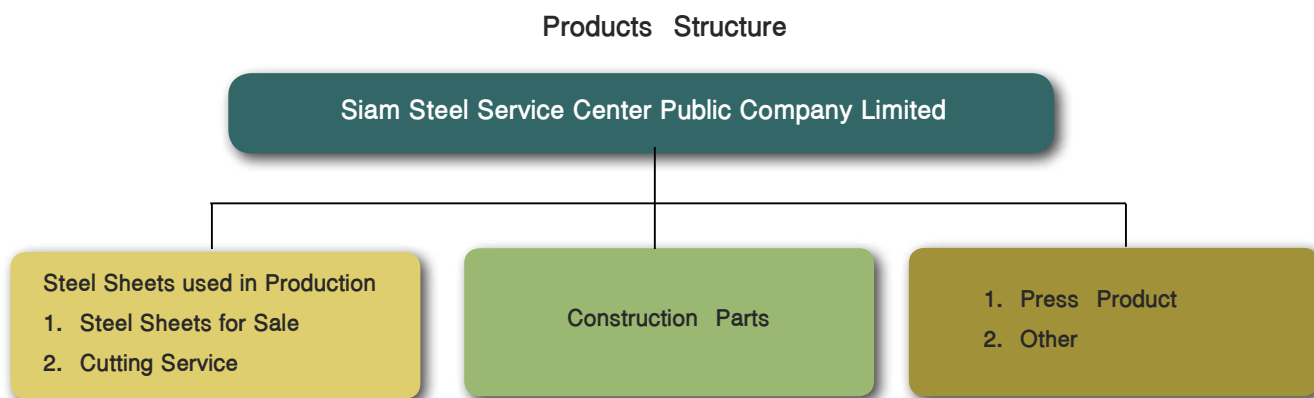
Customers Industry Category	2021	2022	2023
Automotive	46%	46%	44%
Construction	14%	16%	18%
Electrical Appliances	18%	16%	16%
Furniture	1%	1%	1%
Others	21%	21%	21%
Total	100%	100%	100%

Market Share

Year	Steel Sheet & Others		Construction Parts	
	Market Share (Percentage)	Total Market Value (Estimated)	Market Share (Percentage)	Total Market Value (Estimated)
2021	4	72,000 Million Baht	31	2,200 Million Baht
2022	5	79,200 Million Baht	32	2,000 Million Baht
2023	5	93,000 Million Baht	31	2,800 Million Baht

Total market value estimated based on the Company's revenue in the same industry.- Financial statement of the Ministry of Commerce.

Products and Services



(1) PRODUCTS AND SERVICE

The Company's main products are divided into 3 categories.

1. INDUSTRIAL STEEL PRODUCTS

Including steel coil cutting for distribution and cutting service on customers' steel into cutting sheet and slitting coil which are considered the main products generating income to the Company.

- **Steel cutting for distribution** using imported steel and steel purchased from domestic sources for custom cutting or transforming into sizes as required for subsequent distribution as ordered.
- **Steel cutting** service on customer's steel or transformed into size as required, the Company's income generated in this regard account only for cutting service.

The Company supplies steel at every size and type using modern and high efficiency machine to transform steel into steel sheet and slitting coil at 0.25-12 mm thick and up to 2,000 mm wide with no limit in length. In connection to this, two types of products are produced.

Cutting Sheet using slitting coil with specified width and have it cut to the length as required by customer.

Slitting Coil using Mother Coil as specified by customer and cut along the width with custom length and rolled back as slitting coil, subsequently, distributed to customer for further processing into various steel parts.

The Cutting Sheet and Slitting Coil are used in downstream industries i.e. automotive industry, electrical appliances & electronics industries, furniture industry and other related industries using steel as raw materials in manufacturing process.

2. CONSTRUCTION SUPPLY

The Company imports coated steel for production and installation services for construction industries. Coated corrugated sheet is used as materials for internal and external construction. The Company imports different types of coated corrugated steel to be pressed, using modern technology, into different shapes and sizes such as roofing, roof frame, siding, ceiling, rouver, roof fan, deck plate, and etc. The products are durable, aesthetic, light, quick to install, and can be made from various kinds of coated corrugated sheet including:

- Aluminized Coating,
- Galvanized Coloured,
- Aluzinc Coloured,
- Aluzinc and Galvanized.

Steel products for use in construction industry, hence, steel coil is formed into shape as designed and installed, in most cases by the Company, in some cases the forming and installing are operated by the Company as per customer's design.

The Company also produces various structure steel including hollow steel for construction, corrugated steel bar, round tapered light pole, and etc.

3. SPECIAL PRODUCTION AND SERVICES

Including steel fabrication for finished and semi-finished products used in various industries, and steel pipe transformation for distribution to customers as size specified.

The Company has blanking and forming lines completed with press and bender machines to form steel sheet into various semi-finished and finished products such as steel parts for automotive, electrical appliances, steel coil core, and slitting coil packaging. The variety of products and services enables the Company to facilitate customers especially those who look for full service. Steel forming services include:

Steel fabrication for distribution using the Company's steel sheet as specified by customer, the outputs are subsequently sale to customer, pricing based on steel inputs and services.

Fabrication service using customer's steel sheet transformed into shape as required. In this regard, customer pay for service charge. The Company also distributes custom cut steel pipe with thickness, diameter and length as required.

Steel products as per customer's job order are used as raw material in various downstream industries.

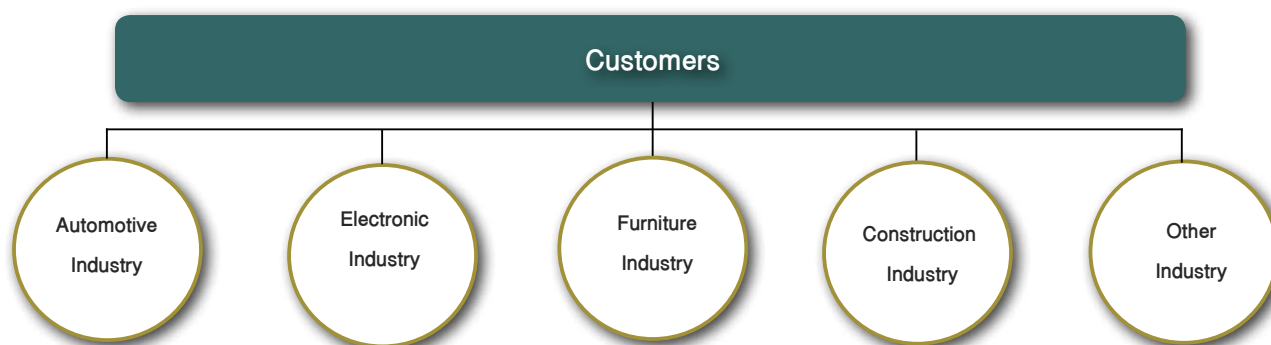
Construction industry:	For roofing, roof structure, metal deck, metal ceiling, metal window and door frame, metal railing, metal electronic column and metal bridge
Automotive industry:	For manufacturing of car, van, truck, motorcycle, bicycle, wheels vehicle, air craft, train and tram.
Electronic Industry:	For manufacturing of dynamo, washing machine, grille machine, toaster, vocal and motion recorder, chine, water heater, air conditioner, television, computer, refrigerator, stereo, electrical rice cooker, electrical calculator, electronic oven and electrical fan
Furniture Industry:	For office furniture, furniture in academic institute, furniture in bank and furniture in shopping mall such as table, chair, screen, safety box, metal cabinet, shelf and stage
Other Industries:	For any industries using steel parts as required by the customers.

(2) MARKETING AND COMPETITION

MARKETING

1. Customers' Characteristics and their Relationship with the Company

Customers are manufacturers in various industries using steel as raw material in manufacturing process.



The Company has regular customers and others of large, medium, and small industries as well as those in construction industry including construction firm, proprietor, government agency, Thai-Japanese joint venture construction company, and etc.

Customer's relationship includes sale promotion through provision of advice and consultancy in relation to the products by both in-country and foreign steel professionals. Whereas the engineering team and skilled technicians provide professional control and inspection, based on the Company's long experience in steel manufacturing, to ensure products quality meet with standards and customers' requirements. Most customers have long relation and good cooperation with the Company. The Company has no special reliance on any customer as none of them has business deal exceeding 30% with the Company.

2. Distribution Channels

Distribution to Manufacturers

Most of the Company's products are distributed to manufacturers of large and medium industries consuming large and certain amount of steel on a regular basis. In this regard, customers would order the amount required 1-2 month in advance so that the Company would be able to reserve for timely use. In the case of sale, the credit term is 1-3 month depending on individual customer by either the Company salesperson approaches the prospective buyer or vice versa.

Distribution to Construction Company

The distribution has been to mainly large and medium Thai-Japanese joint venture construction companies operating full construction service. Other customers include industrial plants and warehouses. In this regard, the Company sells products as per the project operated via the Company marketing personnel.

Besides regular customer, the Company also sale product to other customers e.g., industrial plant, warehouse, gymnasium, gas station, building, school, hospital, hotel, mall, residential, hangar; via construction company, architect, design company, or project owner, or government agency for custom design and material inputs.

3. Pricing Policy

The following factors are taken into consideration.

- Steel capital including currency exchange and interest rates
- Production procedures, the more procedures required the higher the price.
- Market price is used as reference for Company pricing in order to maintain competitive advantage in the steel industry.

Business Review and Competition

In 2023, an increase in flat steel consumption was due to the expansion of construction sector while the consumption of automobile, electrical appliance and electronics slightly increased due to the steel consumption of automobile manufacturing and electrical appliance decreased to 5-6% and 20-30% respectively. There was an increase in steel imports from the People's Republic of China (PRC). Steel supply in the market also increased as a result of competitive prices

The reopening of Thailand and other countries created pleasant economy trend. The government continuingly implemented infrastructure construction projects. The private sectors cautiously invested due to business risk factors such as high inflation and interest rates and high energy prices. Moreover, household debt tended to rise making low demand in domestic consumer resulting in the shrinking of the country's economy.

For the year 2024, the followings are some domestic and global economy risk factors that may affect the flat steel consumption.

- Domestic demand
- High price sensitivity
- High competition in domestic and international markets
- Political and economic instabilities
- Oil price
- Volatile global financial markets, inflation rates, high interest rates
- Currency fluctuation
- Shortage of raw materials
- Geopolitics risks
- Foreign trade policies and the trade protectionist measures between the United States of America (USA) and the People's Republic of China (PRC)
- War

It is expected that steel price will be in line with global steel prices. This issue will only temporally affect the Company due to the following facts.

- The Company imports steel from major manufacture, Nippon Steel Corporation, who has long been trade partners who supplies the Company steel of good price and quality. This enables the company to trade with major customers.
- NS-Siam United Steel, a joint venture company between Nippon Steel Corporation and manufacturing companies in Thailand, supplies sufficient and good price cold rolled steel to the Company. Also, the Company trades with domestic and international steel companies.
- The Company seeks for alternative resources by importing good price steel from PRC for new customers in order to expand customers' base aiming to increase sales opportunities.
- Steel price sensitivity is in line with various factors such as steel consumption, currency exchange, economy conditions and global trade. Thus, the Company's pricing is in accordance with market conditions of which manufacturers are already aware.

Summary of Industrial Condition in Relation to Steel Fabrication Products

Automotive Industry

In 2023, Thailand automotive industry had still developed mainly with domestic purchases though it was not at a high pace while the export market had faced slow-down global economy. Supply chain issues in terms of shortage of chips still remained but with lower drastic impact. Automotive import was in short term affected by global economic slow-down. However, in the long run, demand for BEV would increase.

Automotive industry had entered a recovery period. Bus and truck business operated better than last year. Bus business gained supporting factors from the government's reopening policy to boost foreign visitors. Likewise, support for truck business came from the government's mega project policy.

The slow recovery of passenger car business was due to inflation and higher energy cost which reduced the consumers' purchasing demand. At the same time, the growth and higher demand of motorcycle business was a result of expanding popularity for goods and food delivery.

Factors that had an effect on automotive vehicles demand included political uncertainties, flooding situation, high agricultural product prices, inflation and high interest rate. These factors had let to higher living cost and lower purchasing power. Meanwhile, demand for BEV gained supports from varieties of BEV brand, business sales promotion, the government's BEV promoting measures and the increasing numbers of BEV charging station.

Construction Industry

In 2023, construction industry remained stable from previous year with the following negative impacts.

- High construction cost, labor shortage, interest rate risks for entrepreneur
- Financial liquidity risks such as political instabilities, changing of interest rates
- The Russian-Ukraine War leading to an increase in oil prices having an impact on prices of raw material
- Environmental issues that construction industry was pressured by ESG such as laws and regulations, partner finding, environmentally friendly materials, green community

Construction trends for 2024, for government sector, new infrastructure development plans will play an important supporting role. As for private sector's construction, a gradual recovery trend is expected particularly the construction of warehouse and distribution center. Besides, construction of factories and industrial estates will benefit from government's urgent needs for infrastructure construction and renovation projects.

The construction industry will still encounter high costs of steel, petrochemicals and labor. The government announced an increase of minimum wage effective from 1 October 2022. This has resulted in higher production cost for entrepreneur.

SSSC Risk of Construction Materials (SWOT Analysis)

Strengths	Opportunities
1. Continuing product development and improvement to satisfy the customers' needs.	1. Market expansion to target more domestic customers.
2. Long experiences and expertise of metal sheet selling and installing.	2. Opportunity for export expansion to CLMV customers and countries under Thailand Free Trade Agreement.
3. One-stop service manufacturing plant and competent teamwork	3. Expansion of SOLAR PANE leading to an improvement of the manufacturing plant.
4. Diversity of products and complete set of installment equipment.	

SSSC Risk of Construction Materials (SWOT Analysis) (Continued)

Weaknesses	Threats
<ol style="list-style-type: none"> 1. Uncontrollable cost of domestic and imported raw materials. 2. High costs of investments: raw materials, wages and transportation. 3. Required specifications of products resulting in difficulty to control raw materials. 	<ol style="list-style-type: none"> 1. Shortages of labors and skillful workers in all sectors of construction. 2. Government issues such as political instabilities making a delay of foreign investment. 3. Issue of joint venture between the Company's competitors and major manufacturers who have more advanced technologies and better market channels. 4. Price competition.

Electrical Appliances and Electronics Industry

In 2023, electrical appliances industry was recovering in accordance with global economy and purchasing demand of consumers combined with continued stimulating market activities; strategic release of consumers' popular trend for smart products which could be connected to internet; expansion for on-line marketing and product development to deal with increasing business competition. Entrepreneurs had to bear higher production costs made by energy cost and inflation. Thus, price adjustment in order to cover costs was required in order to carry on the business.

Thailand is one of key production bases for electrical appliances and electronics. Implementing innovations, having capacity of complete production process, being one of the world's top exporters of some items, following ESG's target and practice by improving environmental management, laying down joint policy with suppliers, business coordinating with more and more certified "Eco Partners", Thailand is anticipated to increase its production and selling domestically and internationally.

Furniture Industry

Large and small manufacturers of steel furniture manufactured identical or similar pattern of products. Quality, patterns and prices of the furniture was differentiated by raw material substitution for steel, production technology and product development on an account of uniqueness and betterment. As a result, consumers had various choices of furniture products per their needs, this made the steel furniture market share on a decline.

It is expected that steel furniture industry will grow slightly. The competition will harshly remain due to variation of the furniture products made from other materials apart from steel as well as the small expansion of housing.

(3) PRODUCTION AND SERVICE**Production**

Factory	3	Locations
Capacity	600,000	Tons / Year

Types of raw material

1. **Hot Rolled Steel Sheet** is flat shape steel or flat product used in various industries such as structural steel industry, warehouse, automobile, electrical equipment parts, container parts.
2. **Cold Rolled Steel Sheet** is the transformed product of hot rolled steel sheet which mainly used in car, electrical appliances, and furniture industries; and as raw material in coated steel production.
3. **Electro Galvanized Steel** is good for its anti-rust and corrosion resistance as well as for paint spraying work. It is used in electrical appliances industry e.g. washing machine, refrigerator, air conditioner, furniture, architectural decorations; in car industry e.g. body, air filter, gasoline tank; and in making other works e.g. licence plate, traffic sign, and containers.
4. **Hot Dip Galvanized Steel** is anti-rust and corrosion resistance which can be used by itself and not required paint spraying. It is good for producing electrical equipment e.g. furniture, refrigerator, freezer, air conditioner parts, electrical equipment parts, air duct equipment, trough; and for construction industry e.g. roofing, architectural decorations.
5. **Aluminium Coated Steel** is anti-rust, corrosion-heat resistant, and heat reflective. It is generally used to produce heat resistant equipment and parts i.e. exhaust pipe, oven equipment, gas stove, paint baking room, heat pipe. It is also used as floor and roof slabs for factory building and others.
6. **Terne Sheet** is steel sheet coated with an alloy of lead and tin to inhibit corrosion and rust especially around the area attached to chemical substances such as oil, paint, tinner. It is good for paint spraying mostly in car equipment i.e. gas tank, radiator, air filter, oil filter. It is also used to make electrical equipment and parts.
7. **Silicon Steel**, with its low power loss coefficient, it is generally used in the electrical appliance industry e.g. core motor, transformer.
8. **Colored Sheet** is steel submerged in a bath of molten hot zinc to prevent rusting and corrosion. As no paint spraying is required before use, this steel type is best for making floor and roof of the factory building as well as for electrical appliance parts i.e. washing machine, refrigerator.
9. **Stainless Steel** is anti-rust and corrosion resistant which makes it suitable for kitchen tools and other appliances e.g. elevator, pipe, auto parts that make the car aesthetically pleasing. It is also used as raw materials in packaging and spare parts e.g. nuts, screws, connectors production.

Source of Raw Materials

The Company purchases raw materials domestically and imports. As some customers require good quality product, the Company imports raw materials from the 2 Japanese steel manufacturers: Nippon Steel Corporation, and Nippon Steel Nisshin Co.,Ltd. who produce good quality steel. The importing is made via dealer, the Okaya & Co.,Ltd. The domestic purchasing from the NS-Siam United Steel Co.,Ltd. is made via the Siam Suriya Co.,Ltd.

As for the imports from Japan, due to the steel manufacturer's policy indicating the sale of steel by manufacturer shall be made via steel dealer by which the dealer shall receive benefit in terms of commission from the steel manufacturer. In the case of the Company being joint venture and long time trade partner with the Okaya & Co., Ltd., the purchasing via the company is made from time to time and without any written agreement concerning purchasing orders.

Manufacturer	Dealer
Import purchase: 1. Nippon Steel Corporation 2. Nippon Steel Nisshin Co., Ltd.	Okaya & Co., Ltd. Okaya & Co., Ltd.
Domestic purchase: NS-Siam United Steel Co.,Ltd.	Siam Suriya Co.,Ltd.

Remarks :

- Okaya & Co., Ltd., business of Metal, machine, and pipe sales representative , dealer to Nippon Steel Corporation and Nippon Steel Nisshin Co.,Ltd.
- Nippon Steel Corporation, business of big manufacturer, production high quality steel and selling through agents with Okaya & Co.,Ltd., Nippon Steel Corporation hold shares in Okaya & Co.,Ltd
- Nippon Steel Nisshin operates as a steel manufacturer in Japan

Purchase of raw materials

	2021	2022	2023
Okaya & Co., Ltd.	26.12%	20.04%	22.18%
Other	0.02%	0.01%	0.25%
Total Import Purchase	26.14%	20.05%	22.43%
Siam Suriya	61.42%	63.90%	60.35%
Okaya (Thailand)	7.10%	10.35%	11.38%
Other	5.34%	5.70%	5.84%
Total Domestic Purchase	73.86%	79.95%	77.57%

(4) Assets used in business

The Company's fixed assets which are free from encumbrances as of 31 December 2023.

Type Assets	Book Value (Million Baht)
Land, Factory 1 Samutprakarn	63.98
Land, Factory 2 Samutprakarn	196.28
Land, Factory 3 Rayong	151.83
Factory Building, Samutprakarn	138.58
Factory Building, Rayong	141.26
Machinies	287.12

Investment and Management Policy

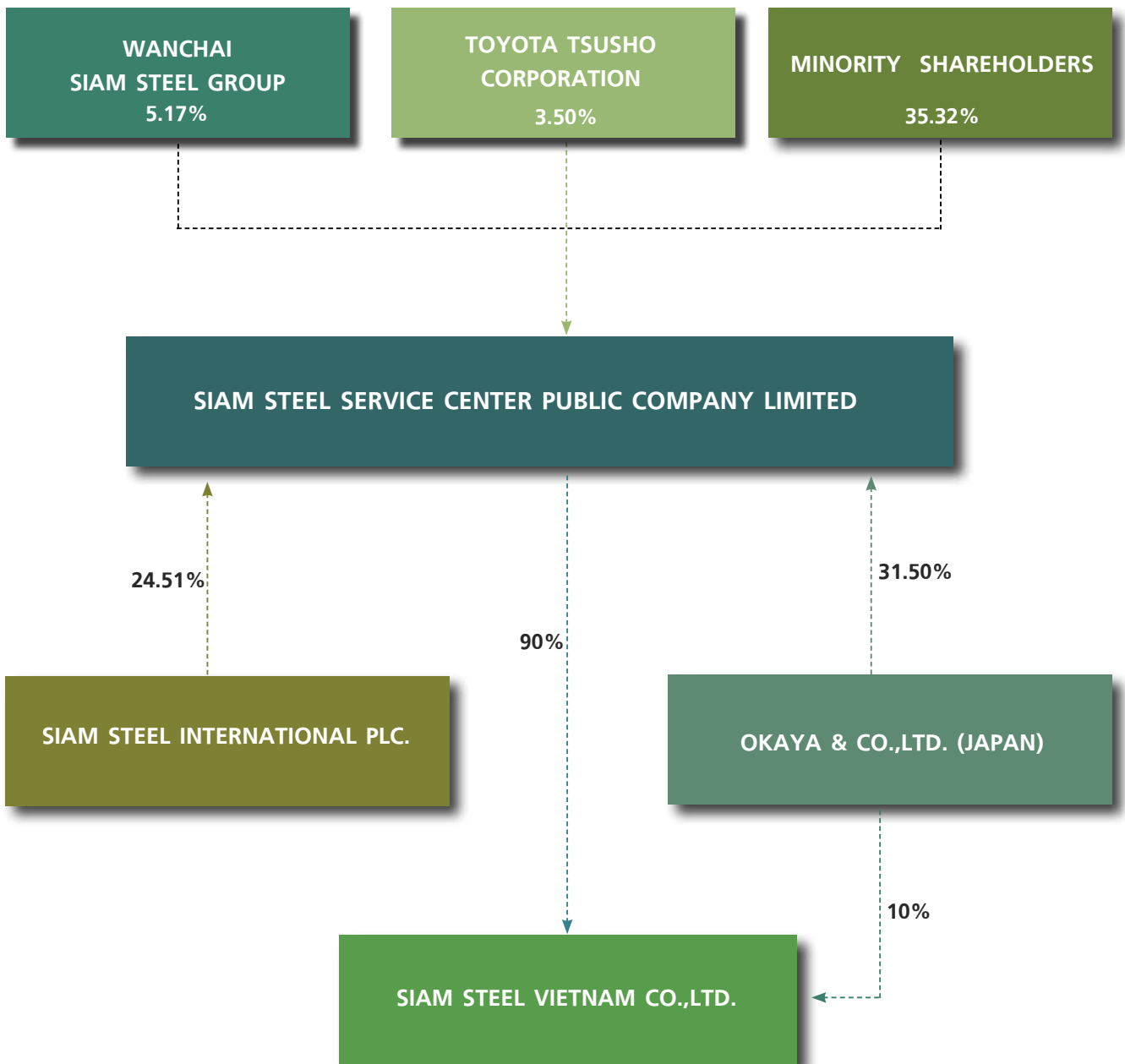
The Company defines the policy on investment and management of its subsidiaries as follows:

- Invests in main businesses or the business connected with the SSSC.
- Well prepares for trade opportunities, risks, and others before making an investment.
- Appoints representatives as authorized committee members to oversee the management of its subsidiaries to ensure the management is in accordance with the Company's policy and plan.
- Regularly receives quaterly report of performances from the subsidiaries.
- Holds joint meeting between the Company and its subsidiaries at every quarter to acknowledge the preformances, issues that required attention, collective planning and goal setting.

(5) Undelivered Work

As of 31 December 2023, the Company's work with an approximate value of 363.38 Million Baht has yet to deliver. The undelivered are mainly the products being installed under the construction projects.

1.3 Shareholder Structure



Company Investment

Company	Business	Registered Capital (Million Baht)	(%)
Subsidiary			
Siam Steel Vietnam Co.,Ltd. Phuc Dien Industrial Zone, Socialist Republic of Vietnam	Manufacturing of Blanking, Forming and Bending Steel Parts for Furniture, Electrical Appliance, Electronics, Construction and Automotive Industries.	28.00	90.00
	Other Shareholders: Okaya & Co.,Ltd.		10.00
Related Company			
Nippon Steel Pipe (Thailand) Co.,Ltd Rayong Province Thailand Tel. 038-891-315	Manufacturing of special steel pipe for Automotive and other Industries.	783.00	0.30
	Other Shareholders:		
	Nippon Steel & Sumikin Pipe		60.47
	Metal One Corporation		12.87
	Okaya & Co.,Ltd.		12.36
	Toyota Tsusho Corporation		6.18
	Wanchai Siamsteel Group		4.01
	Siam Suriya		0.50

The First 10 Group of Major Shareholders as at 31 December 2023

List of Shareholders	Number of holding shares	(%)
1. Okaya & Co.,Ltd. (Japan)	201,600,000	31.50
2. Siam Steel International Plc.**	156,856,000	24.51
3. Wanchai Siam Steel Group Co.,Ltd.	33,062,400	5.17
4. Toyota Tsusho Corporation	22,400,000	3.50
5. DBS BANK LTD.AC DBS NOMINEES-PB CLIENTS	15,630,000	2.44
6. Mr. Suchat Jariyakochakorn	13,462,200	2.10
7. Mr. Vichit Ratanasirivilai	12,912,760	2.02
8. Thai Nvdr Co.,Ltd.	8,108,730	1.27
9. Mr. Harinder Palsing Narungk	7,295,000	1.14
10. Mr. Chanchai Viboonkijivorakul	6,002,660	0.94

* Siam Steel International Plc. , Kunanatakul Group holds shares at a ratio of 63.96% shareholders

List of Shareholders	Number of holding shares	(%)
Mr. Wanchai Kunanantakul	101,936,381	17.19
Mr. Surasak Kunanantakul	47,450,000	8.00
Mrs.Naphaporn Hoonthanasevee	47,450,000	8.00
Mr. Surapol Kunanantakul	47,450,000	8.00
Mrs.Nattaya Pongphundacha	47,450,000	8.00
Mr. Sittichai Kunanantakul	47,450,000	8.00
Mrs.Orachorn Kunanantakul	40,148,274	6.77
Kunanantakul Group	379,334,655	63.96

1.4 Registered and Paid up Capital

As 31 December 2023

Registered Capital	639,999,880	Baht	Common share	639,999,880	shares
Paid up Capital	639,997,880	Baht	Common share	639,997,880	shares
Par value	1	Baht			

1.5 Issued Securities

-None-

1.6 Policy of Dividend

The dividend payable policy has fixed at the minimum 50% of net profit of separate financial statement after tax and reserve fund required by law. The payment shall not cause significant effect to the Company's operations. However, the dividend payment shall also depend upon other factors such as the Company's performances, financial status, cash flow, business expansion, etc., and subject to the approval of the Company's shareholders and/or the Board of Directors.

Divident Payment	For the Fisical Year			
	2020	2021	2022	2023
Earnings per share (Baht)	0.12	0.37	0.34	0.42
Dividend per share (Baht)	0.106	0.23	0.185	0.222
Dividend to net profit (%)	89.93	62.62	51.15	51.32

Dividend payment for the operating results 2023 will be resolved by shareholders' meeting which will be held on April 2024.

2. RISK MANAGEMENT

2.1 Risk Management Policy and Plan

Risk Management Policy

For effective and efficient risk management, the Company's Board of Directors establishes the Risk Management Committee comprising independent directors, Audit Committee, and executives possessing particular expertise. The committee is responsible for overseeing and reviewing risk appetite so as to fulfill that the organization objectives are foreseen with value added to the Company and its stakeholders. All units with the company are required to operate as set forth in the policy as follows.

1. It is a responsibility of all employees to recognize any risk incurred within their scope or works or the organization. They shall give high priority to the management of all risks to achieve acceptable level.
2. There shall be organization risk management process following the international accepted standard guidelines. This is to ensure effective management of any risk that might affect operation of the Company as well as to foster risk management practice throughout the organization. Risk management shall be incorporated into decision making, planning and operating toward achieving the Company's goal, objective, vision and mission.
3. Strategies set forth for excellent work practice creating trust among those concerned.
4. There shall be in place, the risk prevention and mitigation guidelines concerning the Company's operations so as to avoid possible loss or damage along with consistent monitoring and assessment of risk management.
5. There shall be state of the art information technology system applied to Company's risk management which is accessible by personnel at all levels. The information shall support management of reporting system for executives, Risk Management Committee, Audit Committee, and Company's Board of Directors.

Risk Management Process

To increase the chance of achieving objective and promoting proactive management recognizing the needs for risk identification and solution especially the risks that involve "ESG" or environment, social, and governance or "sustainability risk." The Company applies ISO31000:2009 to the management of risks. The Board meeting on 13 August 2019 resolved for the Company to employ the COSO-ERM 2017 (Enterprise Risk Management - Integrating with Strategy and Performance) to its business operation toward sustainability development goal incorporating 5 key principles and 20 components as shown in the table below:

Governance and Culture	<ol style="list-style-type: none"> 1. Exercises Board Risk Oversight 2. Establishes Operating Structures 3. Defines Desired Culture 4. Demonstrates Commitment to Core Values 5. Attracts, Develops and Retains Capable Individuals
Strategy and Objective Setting	<ol style="list-style-type: none"> 6. Analyzes Business Context 7. Defines Risk Appetite 8. Evaluates Alternative Strategies 9. Formulates Business Objectives
Performance	<ol style="list-style-type: none"> 10. Identifies Risk 11. Assesses Severity of Risk 12. Prioritizes Risks 13. Implements Risk Responses 14. Develops Portfolio View

Review and Revision	15. Assesses Substantial Change 16. Reviews Risk and Performance 17. Pursues Improvement in Enterprise Risk Management
Information, Communication and Reporting	18. Leverages Information and Technology 19. Communicates Risk Information 20. Reports on Risk, Culture and Performance

Objective, Key Performance Indicator and Target of Risk Management Plan and Internal Control Plan

The Company reviews stakeholder context and process risks in order to set out effective measures applicable to all processes following the Quality Management System Standards.

Trainings are provided for executives and employees of all levels to be able to accommodating the set standards. All units are required to formulate risk operational plan illustrating operational impacts that may obstruct them from achieving the set targets and KPIs. All units shall submit quarterly report of their performances in this regard to the top executives for acknowledgement.

The following annual objectives, indicators and targets of risk management and internal control are identified for the risk management and internal control to be effectively implemented toward achieving the set objectives.

Objectives	Key Performance Indicators	Targets
1. Risk Management Plan 1.1 To attain the Company's strategic goals and objectives 1.2 To have in place the system to monitor risk management performance and to safeguard the possible emerging risks. 1.3 To make known, to raise awareness and understanding of various potential risks and be able to come up with alternatives to manage Company's risk appetite.	1.1 Percentage of success indicators against the operational plan 1.2 Level of success of the risk management 1.3 Percentage of reduced risks	100% Level 5 100%
2. Internal Control Plan To ensure the performances achieve the set goals	Percentage of work operated according to the set control standards	100%

Risk Assessment Criteria

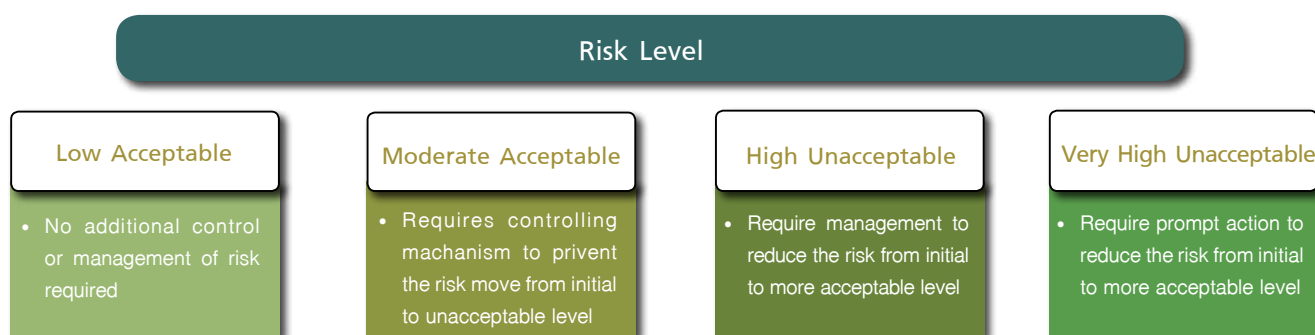
Risk assessment is the process incorporating analyzing, assessing, and prioritizing risks posting impact on the attainment of organization goals. The Company designates personnel of each unit to responsible for identifying and assessing opportunity risks and possible impacts. In connection to this, internal and external environment shall take into consideration for priority setting and implementation to eliminate such risks with report of results presented at the Risk Committee's meeting at least twice a year.

Risk Ranking

The Company draws up risk profile using risk priority as set forth, likelihood, impact, and risk appetite boundary which enable the Company to come up with quantitative and qualitative criteria for risk assessment.

Degree of Risk = (likelihood) x (impact)

Risk profile illustrates 4 levels of risk is shown below:



It is concluded that degree of risk or risk level of each unit remains at moderate level which is acceptable where controlling mechanism is required to prevent the risks move from initial level to unacceptable level.

Risk Management

Appropriate risk management plan and activities are set forth to reduce opportunity risk and any potential impact or loss thereof that may affect the Company in achieving its goal. All risks shall be managed to remain in the Company's risk appetite.

The Executive Committee shall consider risk management plan to ensure the appropriateness for subsequent approval and resource allocation needed for implementing the plan. The most appropriate alternatives will be selected taking into account the "risk tolerance" and investment costs compared with investment returns as well as related laws and regulations concerning social responsibility.

Monitoring and Review

Those concerned shall regularly monitor and review the effectiveness of risk management of their respective units for according improvement.

Secretary of the Risk Management Committee coordinates with Risk Management Unit to report risk status and process on a quarterly basis at the meetings of management team, Risk Management Committee, Audi Committee, and Board of Directors for acknowledgement.

The management shall analyze and monitor internal and external changing environment and according potential risk that needs management review and priority setting which in turn applicable to review the management frameworks of overall risks.

Compliance Unit

The Company has its Legal Department responsible for monitoring, reviewing its full compliance of all laws, guidelines, requirements, business code of conduct and anti-corruption measures related to environment, energy, occupational health and safety, employment and healthy workplace. As the Compliance Unit, its responsibility guided by the Risk Management Committee are:

1. Considering recommendation to improve annual risk management handbook.
2. Analyzing and assessing potential risks and make reports to the Risk Management Committee.

Risk Assessment

The Company places great importance on overall risk management assessment to prevent any risks that may affect its business operation; thus, the meeting of the Risk Management Committee was held at least 2 times annually for the sake of timely management of harmful risks. In 2023, the Company's risk assessment is shown as follows:

Risk Map Of SSSC Matrix (ระดับ) (Year 2023)		Impact (ความรุนแรง/ผลกระทบ)				
		1	2	3	4	5
Likelihood (โอกาสที่จะเกิด)	5	2				
	4	2				
	3	23	21	3		
	2	31	36	26		
	1	24	39	25	11	55
Total Risk Level	Score	Meaning				
Low	94	Acceptable risk without risk control and no additional management				
Medium	201	Acceptable risk without risk control and prevented to move into unacceptable level				
High	3	Unacceptable level and next we must manage the risk into the acceptable level				
Extreme	-	Risk Level is unacceptable and need to manage the risk and accelerate into acceptable level				

Risk Assessment Result

The result of the Company's risk assessment shows that its overall risk degree is at medium level or acceptable risk (Medium: yellow colour) whereas the result signifying high risk (High: orange colour) can be controllable and manageable with prevention mechanism to prevent this high risk to move into extreme level.

In 2023, there was no finding of corruption, violations of human right and personal data protection as well as no related complaints.

2.2 Risk Factor and Management

Operational Risks

1. ESG Risks or Environmental, Social and Governance (ESG) risks

Environmental, Social and Governance or ESG risks encompasses risks issues related to environment, society and governance (ESG) as a challenge for the Company to seek risk management solution to lessen risks and to create potential business opportunities for profit gaining, business image/reputation and organization well-being.

Thus, the Company places high importance for ESG risks and integrates ESG risk management into its mission and strategies while introducing sustainability risk and materiality analysis into all levels of risk management on an account of creating confidence among key stakeholders.

Risk Management In line with risk management framework of COSO-ERM 2017, ESG risk assessment by the Company can be divided into 7 processes:

1. Governance setting
2. Understanding organization context and business operation strategies including risk management processes
3. Identification of ESG risks
4. ESG risk assessment and prioritization
5. Responding to ESG risk issues
6. Reviewing and revising ESG risk issues
7. Communicating and disclosing ESG risk issues

2. Risk involves Change of Raw Materials in Automotive Industry

Among customer in the downstream industry, automotive is the Company's principal customer. Technology change in the automotive industry to replace patrol car with electric one is increasing around the globe. The electric car body shall typically be solid and light in weight.

Risk Management: The Company is fully aware of such change. Survey analysis with customers and according operational plan have been carried out to improve and develop effective machine with capacity for custom cut or roll of steel into size and thickness as required. This is to cater for the growing electric car market in the future. However, the change would not post significant impact on the Company's business operation.

3. Competitive Risk

There is an increasing domestic competition in the steel sheet and roof construction industry. This is due to the increasing number of entrepreneurs in the industry which might put the Company at risk from purchasing order loss which would affect the Company's income.

Risk Management: Being member of Coil Center and have been in business for a long time, the Company always runs its business to ensure customers gain the most benefits with satisfaction on the Company's products and services. The loss of an order from customer either may or may not occur as a result of the aforesaid competition. The Company, however, sets its sights on selling quality products with standard certification, on time delivery, maintaining good relationship with customers, recognizing social responsibility.

4. Strategic Risk Risk

Strategic risk is the risk of failing to achieve the organization business goal or objective. The risk arises from inconsistency among policy, plan, implementation, competition, resources and environment.

Risk Management: To manage and control strategic risk, the Company formulates an annual strategic plan cascading from the Company's master plan. The cascading involves the Company's Board of Director to review, recommend, and approve the plan. Every procedure of the plan implementation is closely monitored to ensure the compliancy in addition to regular review to ensure the plan is always in consistent with the changing situation.

5. Environmental Risk

According to characteristic of the Company's operation, the environmental risk is considered low as the production process is metal fabrication by mean of cutting and transforming with no impact on environment.

Risk Management

- Institutes the Occupational Health Safety and Environment policy as operational frameworks applied through the entire production and installation design processes.
- Introduces working practices and safety culture
- Conducts environmental risk assessment activities concerning prevention and mitigation of environmental impact on stakeholders.
- Strictly complies with laws and standards including ISO14001, ISO9001, IAF16949, ISO 45001 and ISO50001.

The Company manages waste or scrape from steel production process so that there would be no impact on environment as follows:

Waste/Scrape	Management
Scrape from steel cutting	Sells to licensed producers for recycling into other products
Wood scrapes from making wooden crate (crate used to transport or store steel)	Sells to licensed producers for recycling into other products
Expired engine oil and hydraulic oil	Sells to licensed producers for recycling into other products
Oil and chemical contaminated waste	Send to licensed personnel for disposal
Dust particles from making wooden crates	Uses vacuum to store for later use as oil absorber
Effluent	Applies waste water treatment system, water after treatment is used to wash care wheels before entering into the factory area.

6. Climate Change Risk

Global warming crisis is a major cause of climate change with several levels of impacts on natural resources, community livelihoods depending on level and size of the change. The larger and wider the change the more severe impacts.

The greenhouse gases released by people activities into the atmosphere and the severity of the consequences are more than the release by nature. This has caused high temperature on the earth surface which is known as global warming.

Risk Management: The Company has launched the Greenhouse Gas Emission Reduction Project to cooperatively reduce global warming. Flood countermeasure action plan is in place incorporating guidelines for every employee to effectively act in response to the disaster as well as to minimize damage to people and property.

7. Human Rights Risk

The Company places an importance on human rights for protection, respect, care, fair labor treatment, and anti-corruption which are factors adding business value and productivity. The Company, therefore, runs its business following the governance principles while caring for stakeholders, social, and environment in the manner that is honest, integrable, transparent, and fair.

Human rights risk factors as per the Company's operation include

- **Labor rights** on occupational health, health during the Covid-19 pandemic, workplace environment, and child labor.
- **Right to access information** including rights to public relation, news, warning sign, activities of the Company.
- **Rights to natural resources and environment** including rights of employees and nearby community members to access clean air and peace without any noise.
- **Right to safety** including rights to road safety, personal information security, and be protected from cyber bullying.

Risk Management

The 5 steps of Company's management of human rights.

- 1) Sets forth the human rights policy.
- 2) Conducts Human Rights Due Diligence - HRD which includes assessment of human rights risk.
- 3) Assesses impact on human rights with according preventive and solution measures along with the immediate and long-term rehabilitation plan.
- 4) Monitors and reports on human rights operations.
- 5) Raises awareness of all stakeholders concerning prevention of potential human rights violation or as shown in the human rights management diagram below.

Risk Management Measures/Guidelines: The Company adheres to the risk management measures/guidelines and cooperatively promote freedom and equality recognizing human dignity toward peaceful society. The guidelines include **10 principles incorporating actions of create 4, improve 3, drive 2, and reduce 1.**

The 10 principles are to:

1. Support and respect the protection of internationally proclaimed human rights;
2. Make sure the Company's business is not complicit in human rights abuses;
3. Uphold the freedom of association and the effective recognition of the right to collective bargaining;
4. Support and promote the elimination of all forms of forced and compulsory labor;
5. Support and promote the effective abolition of child labor;
6. Support and promote the elimination of discrimination in respect of employment and occupation;
7. Support a precautionary approach to environmental challenges;
8. Undertake initiatives to promote greater environmental responsibility;
9. Encourage the development and diffusion of environmentally friendly technologies; and
10. Work against corruption in all its forms, including extortion and bribery.

The actions of create 4, improve 3, drive 2, and reduce 1 include:

- **Create 4: -**
 1. Awareness of respective duties and respect for other people rights;
 2. Human rights abuse surveillance system;
 3. Respect for human rights culture;
 4. Effective networking.
- **Improve 3: -**
 1. Data base system covering all fields of the Company's business;
 2. Attitude adjustment of employees and stakeholders;
 3. Rules and regulations in relation to infringement.
- **Drive 2: -**
 1. Organization toward human rights model and roll out;
 2. New cultural dimensions of national human rights plan.
- **Reduce 1: -**
 1. Human rights violation.



Assessment and analysis in this issue, in 2023, there was no finding of human rights violation and related complaint.

8. Corporate Governance Risk

Having persons in the family holding the positions of President and Vice President of the Company may appear that the Company has not had a balance of power between the Board and the management. Seeing the importance of good corporate governance, the Company, therefore, institutes a charter identifying and segregating clearly the roles and responsibilities of directors and committees so as to balance the power. Besides, the Company appoints 4 independent directors, all of whom are Audit Committee's members, as members of the Company's Board to consider meeting agendas of the Board. This has been in compliance with Corporate Governance Code for Listed Companies 2017.

Risk Management

The risk management and internal control are properly managed through:

- Supervision to ensure risk management and internal control system caters to efficient attainment of the objectives by practicing in compliance with applicable laws and standards;
- Competent audit committee who works effectively and independently;
- Monitoring, supervision and management of potential conflicts of interest among the Company, management, and committees or shareholders; prevention of misuse of Company's asset, information and opportunity as well as any transaction entered with connected persons in an improper manner.
- Policy and guidelines stipulating applicable anti-corruption practices and make known to all levels of internal and to external personnel;
- Mechanisms for receiving and responding to complaints and clues.

9. Information Technology Risk

9.1 Digital Transformation Risk

Digital technology plays a vital role in day-to-day way of life and business such as transportation, marketing, online trading. The transformation could be the risk posing impact on traditional business model and distribution channel to the extent of losing capability to compete as well as opportunity to create new value in business model.

Therefore, the Company has carried out the monitoring and analysis of digital technology trend in order to enhancing digital technology skills and experiences which in turn improve work performance and productivity that serve customers' needs, consume less energy, facilitate cargo handling and transportation, add value to business model and opportunity to compete, etc.

9.2 Cybersecurity Risk

The transform of business model and method depend more on digital technology. Applying industrial automation to increase productivity and the trend of data link in an industrial plant via the internet could put the business at risk from cyberattack. The risks could be theft of product data and development ideas, trade data, and personal data of employees, which could cause financial impact, reputational harm on product brand and credibility.

Cyberattacking can disable system networks including production process, delivery, accounting, personal data, and etc. which can be determined by the loss of the Company, customers, and stakeholders.

Risk Management

- Sets forth the policy and regulation on the use of information technology by employees concerning human resources, and;
- Raises awareness of proper and safety use of technology and be safeguarded from cyberattack.
- Restricts the use of internet.
- Invests in anti-malware program and protective devices against external threats and to monitor internet traffic.
- Establishes system backup center and utilizes safe and remote media to store the backups.

10. Risks of Personal Data Protection

The Company has defined personal data protection risk management by adhering to the 8 privacy principles of the Organization for Economic Cooperation and Development (OECD), namely limitation of personal data collection (Collection Limitation); quality of collected personal data (Data Quality); specified objective in personal data collection (Purpose Specification); limitation of personal data usage (Use Limitation); protection of personal data by reasonable security safeguards (Security Safeguard); personal data openness (Openness); participation of individual in personal data (Individual Participant); personal data accountability.

As for scope of personal data risk management about record processing activities, the Company has designated a data controller and a data processor responsible for protection of data leakage/disclosure without permission of the personal data owner.

Risk Management

- Revision and announcement of personal data policies and measures for data collection, usage and disclosure in accordance with related laws.
- Appointment of Personal Data Protection Committee whose responsibility covers suggestions for systematic personal data protection, regulations and measures necessary for personal data protection in accordance with related laws. The Committee also possesses authorization to examine, revise and develop the Company's personal data protection system to maintain its efficiency and continuity.

In 2023, there was no violation of personal data protection and related complaint.

11. Corruption Risk

The Company is fully aware that corruption risk could harm organizational reliability, credibility, and opportunity. It could incur unnecessary expenses which significantly affect business operations. The Company, therefore, runs its business with integrity and fairness in every supply chain, and joins the fight against all forms of corruption to insure the transparency, acceptability, and reliability of the Company.

Risk Management

- Joins the Thai Private Sector Collective Action against Corruption - CAC.
- Reviews and sets forth an anti-corruption and good corporate governance policy.
- Prepares risk management handbook on anti-corruption together with a set of guidelines for practices that might cause corruption risk. The guidelines involve:
 - Transaction with government agency, related transaction between the Company and private entity;
 - Giving gift and entertainment;
 - Charitable donation and financial support;

- Facilitation payment, political assistance;
- Hiring government employee/ official;
- Business relations and procurement with government agency.
- Stipulates measures or activities to prevent, detect, and respond to corruption risk.
- Clearly defines duties and responsibilities of employees in compliance with good practices.
- Communicates and trains personnel of all levels on business ethics and anti-corruption measures.
- Makes agreement with customers, trade partners, and sub-contractors to fight against corruption as well as to join the Private Sector Collective Action against Corruption.
- Provides channels for whistleblowing, complaint, suggestion, or other information with ensuring of confidentiality and protection from any infringement.
- On a yearly basis, conducts self - assessment against anti-corruption measures following the CAC assessment form with subsequent report submitted to the Risk Management Committee and the Company's Board for review to ensure every work process of the Company is free from corruption.
- Utilizes effective information technology system for business to control corruption in relation to procurement management, marketing, production planning, delivery process, after sale service, satisfaction assessment.

12. Risk to Safety, Occupational Health and Working Environment; Participation and Support of Community Development

Working in the production plant or commuting to work at a construction site, employees may encounter risks to work safety, driving and roof installing. Unwanted accidents caused by e.g., danger of working at heights and driving may lead to injury, property loss, loss of morale or ability to perform tasks.

The Company is fully aware of an importance of occupational health and safety of employees, sub-contractors working with the Company and others in the supply chains such as customers, trade partners, surrounding societies.

Risk Management

- Sets up risk management systems concerning occupational health and safety ISO 45001, environment ISO 14001, energy ISO 50001; reviews the identification and evaluation of danger that may incur from operational risk. The system set up aim at gaining confident of employees and those come to work at the company.
- Promotes safety activities against KPI whereby every employee is encouraged to carry out the CCCF (Completely Check Completely Find Out) with recommendations for work improvement.
- Conducts safety activities to raise awareness of employees and sub-contractors.
- Conducts training on occupational health and safety, and annual health check-ups.
- Prepares hearing conservation measures for employee exposed to hazardous noise.

Risk management measures concerning participation of community support and development includes:

- Meeting, dialoguing and activity participation with the communities so as to acknowledge community's needs for according activities to promote cooperation;
- Regular participation in community's activities.

13. Pandemic Risk

The Covid-19 pandemic has significant negative impacts on livelihood and economy. As a result, the government and private sectors have to come up with various measures to deal with the situation e.g., travel time and zone restriction, social distancing, temporary business shut down to reduce the spreading. The impacts are:

- Labor shortage and the operation discontinuity in spreading areas;
- Delivery delay due to lockdown measure;
- Refusal to accept the product or cancelation of purchasing order due to health and safety precautions;
- Government rules and regulations to deal with the pandemic which bind the Company to comply with for safety of employees, customers, trade partners, and related persons;
- Inability to supply sufficient and on time raw materials by trade partners due to production and transportation disruption.

Risk Management

- Proactive Covid 19 screening measures for all employees as well as quarantine for people at risk of infection.
- Sanitation and safety measures e.g., frequent cleaning of common area, compulsory face mask wearing, dedicated places for disposing of used masks.
- Screening test of employee, customer, and contact person before entering into office or operational area.
- Work from home for some employees and social distancing practice at every operational area.
- Online meeting.
- Morale and physical supports e.g., free face mask, alcohol sanitizer, food, medical equipment to employee, nearby communities, and other entities.
- Sufficient information concerning protective measures and pandemic risk management made known to customers for them to feel confident on products and services.

14. Emerging Risk

A new or unforeseen risk that has not been fully contemplated and informed of its potential impact as yet but might happen in the future due to changing environment. Risks in this regard gradually emerges with low frequency and very challenging to identify. One way to identify is to focus on whether the critical assumptions underlying the strategy are becoming or have become invalid as results of political, legal, social, technological, physical environmental or natural changes. In some cases, impact of the risks may not be identifiable at present e.g., negative effects of nanotechnology or climate change.

Risk management

- Collects information in relation to risk being emerged and consistently conducts the analysis so as to be able to identify the risk and come up with alternatives to appropriately reduce potential impact on the organization.
- Reviews all work procedures and processes to ensure potential emerging risk has been taken into consideration.
- Prepares emergency and disaster management plans e.g., fire, chemical spills, epidemic risk.
- Prepares business continuity plan: BCP for every unit to implement in response to critical or emergency situations as consequences of natural disaster, accident, or malice against the organization which would affect the organization operations to halt or discontinue the services.

Production Risk

1. Labor Shortage Risk

Having an efficient workforce is an important factor. Consistent long festive holiday, work break, labor migration, resignation of employees may affect productivity and delivery which could be taken into litigation that might harm credibility of the organization, even though a chance of labor shortages to happen may be none.

There are a large number of workers with the Company under an effective workforce management where competent personnel are interchangeable coupled with applicable measures to continuously reduce labor migration. The measures are driven by welfare policy, reasonable and on time wage payment, upskilling / reskilling, online and AI working systems.

2. Steel Price Volatility Risk

The Company produces and distributes primary metal product to various industries whereby steel is the main cost or 80% of total cost. The Company purchases domestic steel and by importing. The steel cost varies according to market sentiment. The rise of steel price coupled with ocean freight and exchange rates have affected the Company to bear the increasing steel price.

Risk Management

- Policy concerning the purchasing of steel at clear and reasonable price.
- Trading agreement made in advance on fix price.
- Appropriate and on schedule management of inventory.
- Close monitoring of steel price.
- Needs analysis of steel demand in each particular period.

Financial Risk

As at 31 December 2023, the Company had liabilities in US dollar amounting to USD 1.90 Million or approximately THB 65.48 Million. The Company does not make any currency futures contract to hedge against risks stemming from exchange rates in relation to the said liabilities. Since the liabilities are short-term debts with due payment within a year, as such, making a currency futures contract could be costly.

Securities Trading Risks

1. Risk of Having Holding Company over 25%

The Company's holding companies include the Okaya & Co.,Ltd. (Japan) and the Siam Steel International Plc. who hold 31.50 % and 24.51% respectively of the total outstanding shares. The 2 companies acquire majority of voting rights which could be used to oppose or disapprove any AGM's resolution where approval required at least three-fourths of total voting rights presented at the meeting as stipulated by related law and regulation. They can also control any decision making concerning the Company's policy and management.

Nonetheless, the Company ensures shareholders' confidence on the transparency and balance of power of Company's business operations by:

- Management structure by competent personnel with clear scope of duties and power of directors and the management.
- Appointment of 4 external persons as member of the Company's Board and as independent directors for the balance of power in decision making and approval on various matters prior to submitting to the AGM, measures for making transactions with persons who may have conflicts of interest by limiting the voting of those involved.

- Internal audit unit operating independently and report directly to the Audit Committee, the unit is entrusted with the prime duty to oversee if internal control system is operated as specified.

2. Risk from Purchasing via Holding Companies

The Company imports Mother Coil mainly from the Nippon Steel Corporation, and the Nippon Steel Nisshin Co., Ltd., the largest steel producers of Japan with capacity to supply sufficient steel and timely service to customers. The purchasing is made via the Okaya & Co., Ltd., the major shareholder holding 31.50% of shares. The Company also purchases Mother Coil from domestic producer, the NS-Siam United Steel Co., Ltd., via the Siam Suriya, the dealer. The purchasing

There still a risk of purchasing steel from the said major producers in the case that they may not be able to supply the product at the amount and time required. In normal circumstances, probability for such risk to happen may be none. This is due to a long-time good relation between the Company, the steel producers, and the dealers which ensure the customers of the Company's reliability.

Risk Management

- Expansion of raw material purchasing through other reliable dealers as procurement alternatives to gain better choice for price, transportation, management, and costs incurred.
- Backup source for procurement in place to slow down risk incurred from raw material shortage.

Compliance Risk

The Company places an importance on the compliance with business related law, rule, regulation, and order so as to ensure of no error occurrence since any in compliant act could affect the business. In this regard, the Legal Department is responsible for keeping the Company updated with new law, rule, regulation, order, and policy of related entities by:

- Creates data warehouse and legal records stored on the internet and updates once a month.
- Improves and amends work practices in compliance with law as well as reviews legal records every 6 months or whenever there is any change or amendment.
- Verifies if transaction is made correctly which is the responsibility of the Legal Department who shall report the result of the verification to the Corporate Governance Committee, Risk Management Committee for acknowledgment at least twice a year except in the case where violation occurred, prompt reporting is required.
- Provides training on law, rule, regulation, and order for the management, employees, and all concerned.

3. DRIVING BUSINESS TOWARDS SUSTAINABILITIES

The Company strongly gears toward sustainable development caring for stakeholders, economy, society and environment with ethical conducts and governance mechanism to assure its honesty, integrity, transparency and fairness recognizing moderation, reasonableness, and self-immunity along with being knowledgeable and ethical.

Throughout 2023, “Continuing Sufficiency Towards Sustainability Success”, in accordance with the philosophy of Sufficiency Economy, has still been the framework that governs the entire decision-making process of the organization’s business management. The company has operated with moderation, reason and good immunity in mind along with having knowledge and morality to achieve stable and balanced development in terms of economy, society, environment, culture as well as to gain sustainable growth that creates happiness and readiness to accept change and uncertainty from both the internal and external environment. This is in accordance with Guidance on Sufficiency Economy for Industries (TIS 9999), Thai Industrial Standards Institute, which has been adopted as the Company’s development guidelines since 2014 towards sustainable growth with social and environmental responsibility.

In addition, the Company is still insisting on driving the company towards an organization with competitiveness, transparency, honesty and integrity in business while opposing all kinds of misdeeds and corruptions in compliance with the principles of good corporate governance, risk management at the operational level, and internal control (Governance, Risk and Compliance: GRC), anti-fraud and corruption, sustainability management (SM) and corporate social responsibility (CSR) in order to create governance and confidences among all stakeholders and reach sustainable growth throughout the value chain.

3.1 Corporate Social Responsibility Policy

The Company establishes the policy concerning organization development for sustainable growth along with social and environment responsibilities. The policy provides operational guidelines responsible for impacts stemming from the Company’s business operation. The Corporate Social Responsibility and Environment for Sustainable Development Committee continuously reviews and revises the policy and submits to the Company’s Board for consideration and approval. The latest was approved on 15 August 2023.

1. The Company strives to conduct its business recognizing Environmental, Social, Governance (ESG) as well as promoting effective management that is transparent, auditable, against all forms of corruption, respect for human rights, and care for all groups of stakeholders.
2. The Company continuously strives to improve quality of work life; environment management; management of occupational safety, health and environment of the workplace in compliance with relevant laws, rules/regulations and international practices. The Company attaches its business practices to various standard systems including MS-QWL, ISO 14001, ISO 45001, ISO 9001, IATF 16949, ISO 5001 and ISO 56002; related laws and legal requirements or international standards; and the Industrial Standard Following Sufficiency Economy in Industrial Sector (TIS 9999). Such standard systems have been integrated and applied inside and outside the organization toward achieving sustainable development goals (SDGs).
3. Promotes the integration of vision, mission, and goal as well as work practices for sustainable business operation.
4. Ensures the presence of strategies, work practices and operating results are effectively and efficiently responsive to organization challenges.
5. Promotes analytic study of causes, driving forces, risks, and possible opportunities contributing to sustainability.
6. Reviews and assesses sustainable social environmental business development goals and plans, at least once a year.

Review of Vision, Mission, and Goal for Corporate Development Sustainability

For corporate sustainable development, the Company's Board of Directors stipulates that there shall be the review of the Company's vision, mission, and goals at least every 5 years. Executives and employees at every level shall perform their duties and responsibilities toward the same direction.

On 11 November 2022, the Company's Board of Directors and the management together reviewed and approved the Company's vision, missions, and business strategies. To sustain Company's CSR management, the review took into determination the then and potential economic situations, risk and capacity assessments under various circumstances and in alignment with TIS 9999 and ISO 56002:2019.

Corporate Aspiration

"Employees are happy and enjoy working."

The Company fully recognizes **"personnel as an important asset of the organization and full cooperation of such personnel can foster their best performance contributing to benefit the organization."** For every employee to perform his/her best and create continuous development, the Company has instituted the said corporate aspiration since 2001.

Vision

"Business operation incorporating good governance with empathy, gaining access, **and continual collaborative innovation** development toward customers' satisfaction; treating shareholders, customers, business partners, and employees equally; responding to economy, environment, society, and safety; acts collectively against all forms of corruption."

Mission

To employees	Creating culture of work safety, environmental care, and service minded; applying technology and continual development of innovation to serve all clients
To stakeholders	Promoting excellent services for governance and satisfaction
To community/society	Caring for societies and environment

Shared Mission or Core Value

Abbreviated as SSSC which stands for:

- S SAFETY FIRST
- S SATISFACTION
- S SOCIAL CARE
- C CONTINUAL IMPROVEMENT

Organizational Culture

The Company's culture is teamworking with volunteer spirit to which every executive and employees adheres to which creates corporate resolution **"Employees are happy and enjoy working."**

Sustainable Organization Development Goals

The Company's sustainability development goal is "to become a balanced, stable, sustainable, and be happy organization." The Company strives to continuously develop its operation toward sustainable organization following the Sufficiency Economy Philosophy framework. On 28 February 2023, the Company's Board of Directors approved the sustainability goal and indicators as shown:

SUSTAINABLE ORGANIZATION



Balance Security Sustainability and Happiness

The sustainability development framework encompasses 7 steps undertaken by the Company with environmental, social, and corporate governance recognition. The Company is committed to carry out its social responsibility and environment as follows:

1. CSR-in -process

The Company regards its “employees” as key stakeholders being instilled understanding and awareness of social responsibility in alignment with human resources management policy stating **“It is an obligation of the corporation to create happy work life for employees”** focusing on **empathy, accessibility, and participatory development**. This has been set forth for employees facing difficulties to regain happiness at work. The Company is convinced that with such contribution, the corporate success and sustainable business growth are promising.

2. Operation Following the International Standards

To ensure the continual development of social responsibility, throughout 2023, the Company conducted its CSR within the frameworks of Quality Management Standard ISO9001, IATF16949, Environmental Management Standard ISO14001, Safety Standard ISO45001, Management Standard of Quality of Work Life MS-QWL1:2008, Thai Labor-Standard Certificate of Basic Level (TLS 8001-2546), Energy Management Standard ISO50001, and Innovation Management System ISO56002:2019.

In addition, the Company adopts the industrial product standards using the Guidance on Social Responsibility ISO26000:2010 as framework for practices by adhere to the 7 key principles 1. Accountability, 2. Transparency, 3. Ethical Behavior, 4. Respect for Stakeholder Rights, 5. Respect of the Rule of Law, 6. Respect of the International Norm of Behavior, 7. Respect for Human Rights.

So as to promote social responsibility and sustainability, since 2013, the Company has joined the Flagship Project with Department of Industrial Works, Ministry of Industry. Also enhancing knowledge and understanding on the Corporate Social Responsibility, Department of Industrial Works (CSR-DIW) which in turn contributes to corporate development to become socially responsible organization.

The compliance practice with ISO26000 and CSR-DIW has enable the Company to identify and analyze the advantage and disadvantage received by stakeholders stemming from the Company's operation. Subsequently, come up with the most suitable collaborative measure to reduce negative effect. Such measure is also in alignment with the principles of sufficiency economy applied by the Company that is Understanding, Gaining Insight and Access, and Engaging in Development. As a result, the Company has received honor award of CSR-DIW AWARD for 11 consecutive years (2013-2023).)

3. The Philosophy of Sufficiency Economy toward Balanced and Sustainable Development

Sustainable corporate business development and responsibility-transparency-fair based management to all stakeholders are interdependent. The Company, therefore, integrates principles of good governance, corporate governance, and corporate social responsibility into its decision-making process for sustainable business management that involves body of knowledge, morality, reasonableness, moderation, and mindful of risk or self-immunity as suggested by the philosophy of sufficiency economy

The Company sees the integration of philosophy of sufficiency economy into its business decisions leads to corporate success. The philosophy has been translated into moderation, reasonableness, and self-immunity-based practices along with be knowledgeable and ethical in pursuing every activity. This is to ensure the achievement of the Company's CSR operation against the set goals and objectives.

The Company has applied the TIS 9999, Volume 1-2556., by promoting knowledge and understanding of Sufficiency Economy Philosophy. Employees are encouraged to be thrifty, patient, perseverant, disciplined, self-reliant, considerable, generous, shareable, honest. The Company promotes the creation of work-life balance of employees and their family members as well as the preparation for life after retirement. Since 2014, the Company has applied the TIS 9999, the Approaches of Sufficiency Economy to the Industrial Sector to promote a development of individual personnel and organization. The standard of industrial sector's Sufficiency Economy Approaches are integrated into the Company's management and operation for balanced economy, society, environment, security, sustainable growth and happiness; being able to take on all changes and uncertainties. Since then, development has been proceeded as planned. As a result, the Company has received plaque and certificate from the Ministry of Industry in collaboration with Management System Certification Institute (MASCI) and the Thai Industrial Standards Institute (TISI) certifying that the Company has applied the Standard of Sufficiency Economy in Industrial Sector (TIS 9999 volume 1-2556) to its workplace for sustainable growth.

4. Corporate Development toward Sustainable Development Goals (SDGs)

The Company's Board and the CSR and Environment Committee resolved on 15 August 2023 that all activities shall be operated according to the Company's sustainable development goal. The operation shall adopt the 17 Sustainable Development Goals of the United Nation (SDGs) as inputs for the revision of work process in order to eliminate or minimize negative impact both socially and environmentally. Such process is deemed as a new business process corresponding to SDGs

The 17 SDGs consist of:



The 17 SDGs are categorized into 5 Ps. for development

Categories	Determinatives	SDG
1. People	• Life quality of human being	1, 2, 3, 4, 5
2. Prosperity	• Sustainable economic growth	7, 8, 9, 10, 11
3. Planet	• Natural resources and environment	6, 12, 13, 14, 15
4. Peace	• Peace, inclusive societies, and just	16
5. Partnership	• Partnership for sustainable development	17

Guidelines for Review and Improvement of Sustainable Policy and Targets

During the previous year, the Company reviewed the internal and external contexts taking into the account the potential issues and uncertainties that may impact the Company's industry as well as socio-economic, technology and political drives.

Force	Possibilities (Trend and Uncertainty)	Effect on Industry
Society	<ul style="list-style-type: none"> World population expanding (+) Birth of new culture. (N/A) Sharp surge in crime. (-) Labor immigration. (-) Terrorist attacks. (-) Rise of aging population and fall of labor force. (-) Restricted employment on people with disabilities (-) 	<ul style="list-style-type: none"> Labor shortage resulted from rising aging population. More immigrant workers employed. Increasing crime rate. Productivity not meeting target.
Technology	<ul style="list-style-type: none"> "One stop production process". (+) Introduction of new technology to boost productivity. (+) Intake more robot. (+) High efficiency of electrical appliances. (+) IOT (Internet of Thing) (N/A) Digital Economy (N/A) Energy Saving (+) 	<ul style="list-style-type: none"> "One Stop Process." production New technology to boost production efficiency. More robots used. High efficiency electrical appliances products. Energy Saving
Economy	<ul style="list-style-type: none"> Raw materials shortage in Japan, no imported steel to Thailand. (-) Steel demand in decline due to manufacturing technology. (-) Steel demand in decline due to global recession. (-) Product innovation for competition and corporate survival. (+) Consumption declines due to global recession. (-) Fluctuation in business structure. (-) Major world currency transition from U.S. Dollars to Chinese Yuans. (-) More production demand due to economic expansion. (+) More investment/ Higher production efficiency. (+) More employment (foreign workforce) / (N/A) Communication technology makes the world smaller. (+) Customers self-manufacturing 	<ul style="list-style-type: none"> Raw materials shortage in Japan affects the shortage of imported steel to Thailand. Steel demand declines due to applying technology to production process. Steel demand declines due to global recession. Product innovation to increase competition and corporate survival. Global recession affects consumption to decline. Business structure faces fluctuation. Economic growth leads to more production. More investment, higher production efficiency.

Force	Possibilities (Trend and Uncertainty)	Effect on Industry
Environment	<ul style="list-style-type: none"> • Greater demand for energy and resources. (-) • Environmental degradation from poor waste mismanagement. (-) • More alternative energy use. (+) • Sharp rise of electronic waste. (N/A) • Global warming may cause severe flood. • Use of chemicals in production process. 	<ul style="list-style-type: none"> • Higher demand of energy and resources • Environmental degradation from poor waste mismanagement. • More consumption of alternative energy. • Production disruption caused by flood.
Politics	<ul style="list-style-type: none"> • East-West dichotomy and trade barriers. (-) • Investors' confidence gained from political stability. (+) • Economic slowdown as a consequence of coup d'état. (-) • Industrial reconstruction caused by political turmoil. (-) • Breakup of WTO members as a result of global politics. (-) • Separatist violence. (-) • Shift of modern great powers. (-) • Trade barriers. (-) • Change of Foreign Labor Law 	<ul style="list-style-type: none"> • Investors have more confidence. • Industrial reconstruction effected from political turmoil. • Breakup of WTO members as result of global politics • Industrial labor shortage

The results of internal and external review were concluded as challenges, opportunities and treats for organization strategy formulation.

Challenge	Opportunity	Threat
1. Search for new quantity and quality raw materials	<ul style="list-style-type: none"> New source of material supply 	<ul style="list-style-type: none"> material not meeting requirements
2. New product development to satisfy stakeholders' needs	<ul style="list-style-type: none"> Expand market segments and customer groups Add value to products 	<ul style="list-style-type: none"> Lack of R & D personnel.
3. Community relations	<ul style="list-style-type: none"> Constant community activities Several communities 	<ul style="list-style-type: none"> Vague communication
4. Natural resource and ecosystem conservation promotion	<ul style="list-style-type: none"> Local government offices have natural resource conservation strategic plans in place 	<ul style="list-style-type: none"> community lacks awareness on natural resource conservation
5. Development and support of local culture and tradition conservation	<ul style="list-style-type: none"> Active participation with and give support to local communities concerning cultural conservation Develop local cultural attractions Strengthen community relations 	<ul style="list-style-type: none"> Vague communication
6. Employees' Quality of Life	<ul style="list-style-type: none"> External body to provide knowledge on life quality development 	<ul style="list-style-type: none"> Illegal business in the Company's neighborhood
7. Personnel preparation for mega change	<ul style="list-style-type: none"> Recruit competent personnel to strengthen organizational capacity 	<ul style="list-style-type: none"> Competitors offer more attractive incentive
8. Production toward One Stop Process	<ul style="list-style-type: none"> Reduce production cost Increase production capacity and capability 	<ul style="list-style-type: none"> High capital investment Variety of product sizes Variety of lot sizes Lack of study in every department
9. Renewable energy exploration and selection, to reduce cost and increase efficiency	<ul style="list-style-type: none"> Long run reducible cost reduce environmental pollution 	<ul style="list-style-type: none"> High cost, and time consuming at the initial stage Installation constraint
10. Steel pallets to substitute wooden pallets	<ul style="list-style-type: none"> Long run reducible cost Trees conservation 	<ul style="list-style-type: none"> Require cooperation from customers Loss of steel pallets
11. Safety Organization	<ul style="list-style-type: none"> Confidence from customers 	<ul style="list-style-type: none"> Lack of support from sub-contractors

Operational Plan: Objectives, Indicators, and Targets

Strategy	Force to Corporate Practice	Objective	*Key Success Factor	Supporting Drive to Success	Key Performance Indicator	Uncertainty /Risk
Balance, Stability, Sustainability, and Happiness						
Find new supplier	Economy	To reduce importing cost of raw material	1. Designate Marketing Department to seek for domestic supplier at price compatible with quality 2. Design application to analyze trend of domestic and oversea raw material price movement	Database of raw materials usage of customers, and tendency of global consumption.	Percentage of raw material from new supplier	Long-distance, higher transportation cost
Participate community activities	Society	To promote community relations.	1. Gain support from community members 2. Grant scholarship to students in the community	Time and resource support from the Company's executives	Number of participations	Community accessibility constraint
Participate in soil, water, and forest conservation and rehabilitation	Environment	To conserve natural resources and ecosystem	1. Waste water treatment systems is in place. 2. Regular monitoring, analyzing, reporting and improving quality level of waste, dust, heat, light, and sound to acceptable levels.	1. ISO14001 in place. 2. ASPECT environment evaluation	1. Number of NC 2. Amount of moderate-high ASPECT risk.	Lack of water conservation consciousness among employees.
Improve employee quality of life.	Employee	Employees live quality life	1. Use a modified WHO questionnaire to assess employee life quality 2. Design application to analysis employees' quality of life	Supportive policy by executives	Percentage of poor quality of life	Employee lack life skills in saving and health care
Replace wooden pallets with steel pallets	Environment	To reduce wood consumption	1. Marketing Department seek mutual agreement with clients 2. Set up disbursement and recall system	Natural resource conservation campaign	Percentage of number of steel pallets used.	1. Lack of customers' Cooperation. 2. Uncontrollable loss.
Safety organization	Society	To provide safety workplace to employees and sub-contractors	1. Safety awareness among employees and subcontractors 2. Institute safety standards 3. Performance evaluation against plan	Annual workplace safety plan	Number of accidents	1. Lack of awareness among employees and sub-contractors. 2. Lack of work and workplace safety

Sustainability Material Issues

In 2023, Sustainability Committee assessed the Company's sustainability performance taking into account the internal and external key success factors affecting its business operation. The GRI's principles: Sustainability Context, Materiality, Completeness were applied to define report contents corresponding to stakeholders' expectation directly and indirectly. The process in this regard includes 4 procedures.

1. Materiality Identification

Internal factors (business plan and targets) and external factors (trends of global change and stakeholder expectation) are determined with possible socio-economic and environmental impacts on corporate sustainability. Including the Sustainable Development Goals: SDGs that may impose socio-economic and environmental sustainable impact on the corporation.

2. Materiality Priority Setting

Priority setting takes into assessment the possible short-long term impacts on the Company's business operations and stakeholder interest. Accordingly, the scope of each sustainability material issue is defined recognizing internal and external impacts on the Company business and stakeholders.

3. Verifying the Setting

The prioritized significant sustainability material issues are verified and submitted to Sustainability Committee for consideration and consent prior to seeking approval from the Company's Board.

4. Regular Review for Continuing Development

Channels are opened for stakeholders' comments and recommendations concerning the disclosure of the Company's sustainability information. The comments and recommendations are used for improvement.

Conclusion: The 3 aspects of assessment results are illustrated as follows:

Economic		Social	Environmental
Corporate Governance <ul style="list-style-type: none"> Disclose of significant information as expected by stakeholders Bottom line practices shall comply with the provision of laws Clear business expansion goals Transparent business operations 	<ul style="list-style-type: none"> Risk and crisis management 	<ul style="list-style-type: none"> Employee care 	<ul style="list-style-type: none"> Environmental management
	<ul style="list-style-type: none"> Innovation for business and society 	<ul style="list-style-type: none"> Competency development for employees Training and recruitment study 	<ul style="list-style-type: none"> Effective use of resources
	<ul style="list-style-type: none"> Supply chain management 	<ul style="list-style-type: none"> Fair treatment of labor and human rights 	
	<ul style="list-style-type: none"> Sustainable human resources development 	<ul style="list-style-type: none"> Health and safety in the workplace 	

Strategic Management for Achievement 2022-2027

The “SSSC 3 Smart for Sustainable Cooperation” is the Company’s strategy to drive business goals.

S. Smart People	:	Human Capital
S. Smart System	:	System Development
S. Smart Social	:	Social Care
C. Continuous Change	:	Sustainable Development

The strategy focuses on skill development of employees, introducing technology to product development, and community involvement for social and environmental care.

The strategies are defined based on the assessment results of sustainability material issues.

Aspect	Materiality	Strategy	Objective	Indicator	stakeholder	Responsible Dpt.
Economic	Sustainable business management development	Introduce Centralize Purchase System to business groups	To increase sales volume	Increasing number of business groups	Customers, partners	Marketing Dpt.
Economic	Risk & Criticality Management	Seek for new supplier	To prevent raw materials shortage	Number of new suppliers	Shareholders, Government sector	Marketing Dpt.
Social	Fair Treatment of Labor & Respect for Human Rights	Corporate safety culture	Safety for employees	Number of accidents	Employee, Community, Government sector	Administrative Dpt.
Social	Employee engagement		Be safety role model	Number of corpuses of knowledge		
Social	Occupational Health and Safety in the Workplace		Be a learning center for safety	Number of delegations paying study visit to the Company		
Economic	Corporate Governance / Good Corporate Governance	Empathy, accessibility, equality	Business transparency	Acquisition of assessment criteria for excellent	Shareholder, Employee, Government sector	Administrative Dpt.
Economic	Social and Business Innovation	Excel on truck safety	Be an excellent service provider	Assessment score from stakeholders	Customer, Partner, Community	Marketing Dpt. Production Dpt.
Social	Human Resources Development	Personnel development, language training	Continuous work improvement for Effective communication with foreigners	Number of Kaizen in the area, Toeic score	Employee	Marketing Dpt. Production Dpt.
Economic	Management of Supply Chain	Expand customer networks	Keep existing customers and increase sales	5 year sales plan (2022)	Customer, Supplier	Marketing Dpt.
Environment	Environmental Management	SOC , RoHS CFO and green network promotion	Management of environmental impact from product usage	System Implemented by 2017	Customer, Community	Marketing Dpt. Production Dpt.
Environment	Effective use of resources		Effective use of resources	System implemented by 2017		

In addition to the strategic implementation as afore- mentioned, in 2023, the Company reviewed its organization context for according strategies and sustainable organization development goals 2022-2027 as follows:

Strategic Issues

Strategies	Objectives	Indicators
1. Maintaining existing customers	To increase sales	5-year sales plan (2027)
2. Expanding customer base	To increase sales	5-year sales plan (2027)
3. Expanding network of existing customers	To maintain existing customers and increase sales	5-year sales plan (2027)
4. Finding new manufacturers	To prevent material shortages	Number of new manufacturers
5. Expanding the renovation unit	To respond to customers' needs for new roof or roof replacement while continuing their routine operations	Number of customers needing renovation
6. Employee Career Path	To demonstrate career advancement	Turn Over rate
7. Language training for marketing personnel	To increase communication skills with foreigners	Competency
8. Personnel development	Continuously improve work performance	Number of implemented Kaizen
9. Building safety culture	To become center for safety learning	Accident rate Corpuses of safety provided
10. Cultivating a service minded attitude	To become excellent service provider for internal and external customers	Evaluation scores by stakeholders
11. Innovation organization	To improve motivation and working conditions	New innovations and added value
12. Supplying air conditioners with EER	Energy efficiency of air conditioners not lower than that specified by DEDE.	The EER rating of air conditioners is not lower than that specified by DEDE
13. Solar Rooftop	To supply renewable energy for cost reduction and environmental care	Reduced electric power

Strategy and Corporate Culture for Sustainable Development

The Company institutes innovation for management to ensure corporate development and balanced growth, stability, sustainability, and be happy at work covering 6 aspects as follows:

1. Good corporate governance

The “**Empathy, Accessibility, Equality**” innovation emphasizes the disclosure of information that is fair, transparent, auditable, and respect rights and equality of all shareholders.

2. Fair business competition and anti-corruption

“**Merit Driven Business Jointly Fight against All Forms of Corruption**” innovation emphasizes fair and free trade competition, respect property of others, and promotes social responsibilities in business chain.

3. Respect for human rights and fair treatment of labor

The Company recognizes the respect for human rights to protect, respect, remedy; and ethical treatment of worker as factors adding value and productivity. Therefore, the Company conducts business in compliance with good governance and care for stakeholder, society, and environment with integrity, transparency, and fairness under its innovation policy stating “**Corporation obligation is to ensure happy work life of employees**”

4. Consumer responsibility

According to the policy statement concerning the quality that is “**Customer Satisfaction, Quality Orientated, Continuous Human Resources Development.**” The “Satisfaction Comes First” become one of the Company’s innovations.

5. Community and Social Collaborative Development

The “**We Grow together with Community and Society**” emphasizes mutual growth among corporate, community, and society.

6. Care for Environment

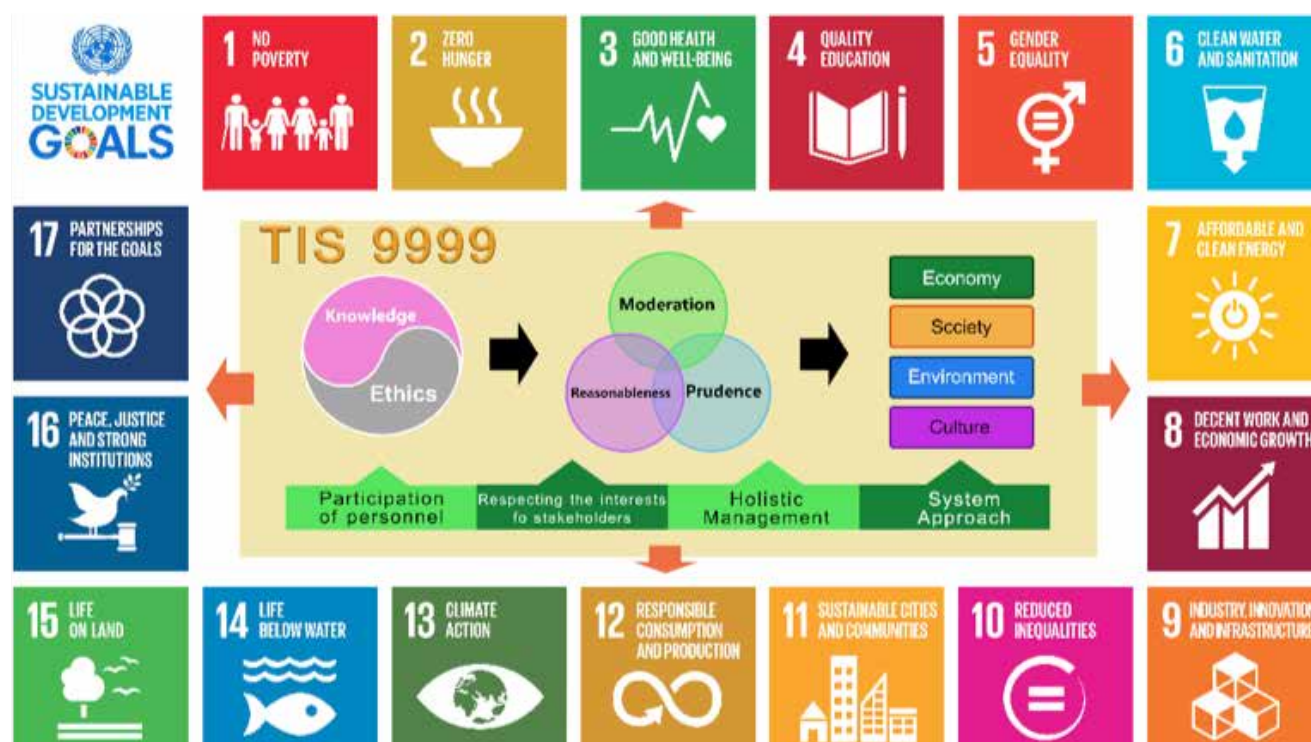
“**SSSC for environment conservation and rehabilitation**” innovation, the SSSC is spelled out as follows:

- S. Stop Global Warming
- S. Save Green Save Earth
- S. Save Green World
- C. Corporate Social Responsibilities

In conclusion, as a result of the Company’s performance in line with the management and strategies of “SSSC 3 Smart for Sustainable Cooperation” which focuses on skill development, technology for product development, and community participation for social and environmental care, the Company has been listed in the Thailand Sustainability Investment (THIS) from 2015 to 2022 (8 consecutive years). Also, in 2023, the Company has passed the sustainability assessment by the Stock Exchange of Thailand or “SET ESG Ratings” and received a rating of BBB due to its outstanding ESG operation with consideration of stakeholders covering both society and environment aspects and the Award of Highly Commended in Sustainability from the SET in 2022.

In 2023, the Company continue adopted the TIS 9999 as framework for its business decision making aiming at sustainability development as suggested by SDGs.

Sufficiency Economy Philosophy for Sustainable Development Goals: SEP for SEGs



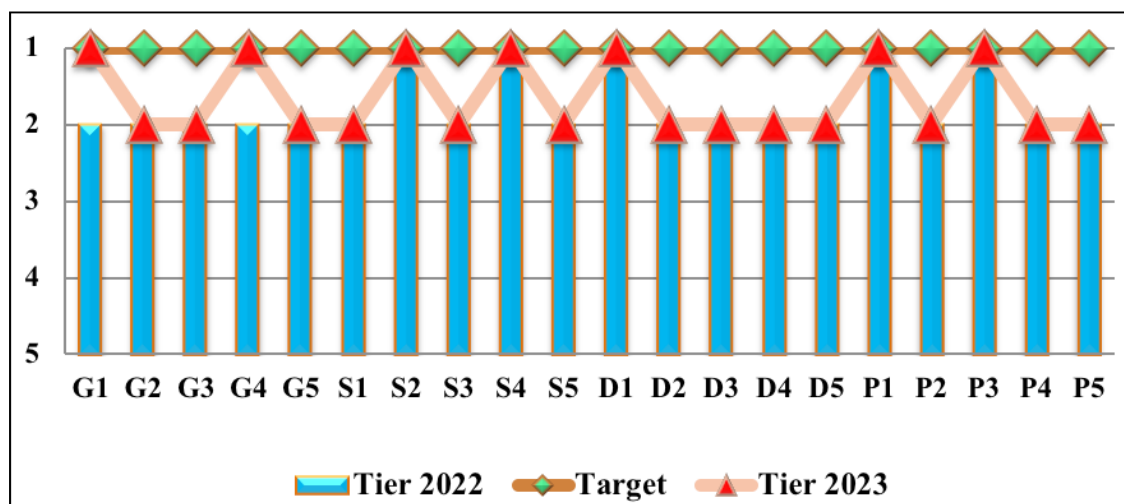
To visualize the goal and roadmap of sustainable growth through assessment following the CERES guidelines which are driving force for sustainable business network creation. In 2016-2017, the Company joined Roadmap for Organizational Sustainability Growth with Ministry of Industry and National Productivity Institute to acknowledge sustainability material issues and guideline to level up the Company toward sustainability while the working group to familiar with the tool for sustainability roadmap and implementation.

In 2023, the Company implemented as planned signifying corporate sustainability in 4 aspects.

4 Aspects of Corporate Sustainability Development Framework

1. Sustainability Governance G1. BOARD OVERSIGHT G2. MANAGEMENT ACCOUNTABILITY G3. EXECUTIVE COMPENSATION G4. CORPORATE POLICIES AND MANAGEMENT SYSTEMS G5. PUBLIC POLICY	2. Stakeholders' engagement S1. MATERIAL ASSESMENT PROCESS S2. SUBSTANTIVE STAKEHOLDER DIALOGUE S3. INVESTOR ENGAGEMENT S4. C-LEVEL ENGAGEMENT S5. STRATEGIC COLLABORATION
3. Disclosure D1. STANDARD FOR DISCLOSURE D2. DISCLOSURE IN FINANCIAL FILI D3. SCOPE AND CONTENT D4. VEHICLES FOR DISCLOSURE D5. VERIFICATION AND ASSURANCE	4. Performance P1. OPERATIONS P2. SUPPLY CHAIN P3. TRANSPORTATION AND LOGISTICS P4. PRODUCTS AND SERVICES P5. EMPLOYEES

Sustainability Assessment Results of 2023 compared to 2022 according to the CERES guidelines, driving force for sustainable business network creation)



(According to the CERES guidelines, driving force for sustainable business network creation)

Tier	Corporate Development
1	Outstanding sustainability process and outcomes
2	Outcomes of clear procedures and continual improvement of the process
3	Clear & applicable roadmap and process for implementation toward sustainability, Process outcomes emerged
4	Inception application of sustainability concept

On 28 February 2023, the Company's Board, as presented by Sustainability Committee Development, resolved for the operational plan and targets of corporate sustainability development as follows:

1. Committed to implementation of corporate social responsibility for sustainable development. (CSR for Corporate Sustainability):
 - 1.1 Green Industry Level 5: Green Network
 - 1.2 Management of greenhouse gases
 - 1.3 Reduce energy consumption and resource use
 - 1.4 Revise the improvement of the Human Rights - UN Global Compact Framework.
2. Committed to development by adopting the ISO 56002 innovation management system as a guideline for personnel development in idea creating and openness to new business models and methods (Innovation Organization):
 - 2.1 Social Innovation
 - 2.2 Process Innovation
 - 2.3 Product Innovation
 - 2.4 Business Innovation
3. Applying good corporate governance for listed company 2017 with the Company's supervision for the benefit of long-term fruitful business operation, the Company 's accountability for shareholders, social, economic and environmental responsibility as well as safety in workplace.
4. Implementation of standard system for ISO 9001, ISO 14001, ISO 9001, ISO 14001, ISO 50001, ISO 450001, and ISO 56002

5. Implementation of social responsibility in line with standard system of CSR - DIW
6. Revision and self-assessment for implementation regarding anti-corruption and human violation right.
7. Attaining 17 Sustainable Development Goals (SDGs)

Operation Plan for Organizational Development Sustainability 2022 - 2027

Phase	Activity	Objective	Target and Indicator
1	Workshop on Corporate Sustainability Development Assessment	Cultivate understanding details of the 4 aspects of sustainability frameworks and exercising corporate assessment	Assessment Score and Level of Development
Required action: The Company is required to do self-assessment and apply the result into action			
2	Workshop on Self-Assessment and Improvement	Ability to apply self-assessment to draw roadmap and improvement plan toward sustainability	Assessment Score and Level of Development
Required action: The Company prepares improvement plan for sustainability			
3	Monitoring workplace improvement plan	To monitor corporate development sustainability	Assessment Score and Level of Development

Corporate Sustainability Development Goals 2021-2025

No.	Subject Goals	Action Plan			Final Goal
		Y 2021	Y 2022	Y 2023	Y 2024 - 2025
1.	Sustainable Development Goals: SDGs (17 Goals)	<ul style="list-style-type: none"> Resource Efficient Cleaner Production Goal 6,12, 13,15, 16 & 17 Review and improve:- Goal 3, 7, 8, 9, 10, 12,16 & 17 	Goal 3, 7,12,13,15, 16 & 17	Goal 7, 8, 9, 10, 11	Y.2024: Goal 1, 2, 2 - 13, 16, 17 Y.2025: SDGs at every dimension.
2.	Green Industrial	1. Promote, create & connect environmental activities with stakeholders, (Supply chain, Community & Consumer) 2. Resource Efficient Cleaner Production. 3. Training Sustainable Supply Chain Management	1. Promoting the supply chain towards green industry	1. Promote community participation. Community development and 2. Work with the community in stimulating awareness and promoting knowledge and understanding on sustainable consumption By giving importance and care to the environment	Green Industry Level 5: Green Network
3.	CSR for Corporate Sustainability 1. Corporate Governance 2. Human Rights 3. Labor Practices 4. Environment 5. Fair Operating Practices 6. Consumer Services 7. Community Involvement and Development	Integrating CSR, Accordance with SET's guidelines, DIW & SDGs <ul style="list-style-type: none"> Management of Green house Gases Reduce energy consumption & resource use Revise the improvement of the Human Rights framework 	CSR direction towards sustainability 1. Delivering shared value to customers 2. Dealing fairly and etically with suppliers	3. Supporting the local communities 4. Valuing ESG investors for greater impact 5. Collaborating with local government	Sustainable CSR
4.	Innovation Organization	<ul style="list-style-type: none"> Set up a team of innovators Develop a standard system for innovation management (ISO 56002) Process Innovation 	• Social Innovation,	<ul style="list-style-type: none"> Product Innovation Business Innovation 	Establishing an Innovative Organization to Drive towards the Organizational Excellence

Performance toward Achieving Sustainable Development Goals

The Company has employed the Industrial Standard following Sufficiency Economy in Industrial Sector TIS 9999 to its business operations toward achieving sustainable goals. The administration and operation recognize moderation, reasonableness, and self-immunity with knowledge and virtue to strengthen the balanced development in economic, social, environmental, and cultural dimensions; secure sustainable growth and happiness; ability to take on all internal and external changes and uncertainties. Performance development toward SDGs is shown hereunder.

Action Towards Sustainable Development Goals: SDGs (Year 2023 - 2025)

Development Aspect	Sustainable Development Goals: SDGs
1. Corporate Governance	SDGs 10, 16, 17
2. Health & Safety	SDGs 3, 8, 17
3. Human Rights	SDGs 5, 8, 10, 16
4. Employee Caring and Development	SDGs 3, 8, 9, 10
5. Energy and Climate Change	SDGs 1, 3, 4, 7, 8, 9, 11, 12, 13, 17
6. Water Management	SDGs 1, 2, 3, 4, 6, 9, 12, 14, 17
7. Material Use and Recycling Strategy	SDGs 9, 12, 14
8. Waste Management	SDGs 9, 11, 12, 17
9. Sustainable Products and Services	SDGs 7, 9, 12, 17
10. Sustainable Value toward Customer	SDGs 7, 9
11. Supplier Create Sustainable Value toward	SDGs 9, 10, 12
12. Biodiversity and Ecosystem	SDGs 2, 10, 12
13. Concern for Society and Community	SDGs 1, 2, 3, 4, 6, 7, 8, 11, 13, 14, 17

SUSTAINABLE ORGANIZATION

TOWARDS SUSTAINABLE DEVELOPMENT GOALS AT EVERY DIMENTION



Balance Security Sustainability and Happiness

3.2 Value Chain Management: of Stakeholder Impact

3.2.1 Value Proposition through Value Chain

1. Process/Procedures

The Company's operation focus on the participation of all departments in the business cycle, which results in cooperation throughout the value chain by engaging in social responsibility and environmentally-friendly management. The Company planning focuses on customer, personnel, information, process, business outcomes while recognizes short-long terms benefits to the organization and common interest.



The Company's purchasing orders are made for best quality of goods and services. Risk management covering environment, society, and corporate governance is in place for proper management against every level of risks. Minimum requirement according to labor law is taken into determination including child labor, illegal worker, migrant worker, environment, and quality control management system in order to reduce possible risk impact on quality, quantity, goods and service delivery as well as stakeholder's trust on Company's performances. Procurement policy is clearly defined. Partner, customer, and sub-contractor assessments are conducted every year to verify and prevent any violation or breach of the Company's procurement policy or rules or regulations. Screening and checking measures on business partners are stipulated to prevent the violation of human rights.

- The Company's manufacturing processes are continuously controlled and monitored toward sustainability by employing energy-saving technology, using high-performance devices, such as Inverter VSD and energy-saving light bulbs, wastewater treatment, Aspect assessment, resources exploitation.
- The Company's delivery system focuses on processes and concerned parties that responsive to customers, communities, and environment. In order to prevent hazards to customer, community and environment, capacity building for delivery truck sub-contractors is provided including safe drive, drug test, alcohol test, measures of blood pressure and body temperature, truck inspection on safety and pollution.

Integrative supply chain management is one of significant strategic factors for business sustainability. The Company places an importance and conducts its business with responsibility adhering to good governance principles recognizing social and environmental impacts to drive corporate sustainability development.

Business value chain of the Company consists of 2 types of value chain activities.

1. **Primary activities** consist of 5 interconnected activities according to the Company's business context.

- (1) Procurement management
- (2) Operation and production
- (3) Product distribution
- (4) Marketing and sale
- (5) After sale service

Procurement Management	Operation & Production	Product Distribution	Marketing & Sale	After Sale Service
1. Seek for raw material to meet customers' needs 2. Compare quality and price of each supplier for appropriate pricing to customers 3. Raw material control and management following FIFO for effective use of raw materials	1. Control system to avoid mistaking of raw materials for production 2. Production plan to ensure quality outputs with minimum waste and damage 3. Regular training to enhance working skills of employees and to cultivate awareness of compliancy	1. Transport planning to ensure timely delivery 2. Establish chain stores to reduce transportation cost and concentration of distribution areas	1. Provision of raw material specification and related information for customer prior to making purchasing order 2. . Provision of information to customer on similar raw material at less price or better quality	1. Responsible unit to receive compliant of product usage and to cooperate with concerned unit for further action 2. Conduct customer satisfaction survey every 6 months

2. Support activities

The activities are carried out to drive the primary activities to proceed continuously and effectively. The support activities consist of:

2.1 Infrastructure: The Company oversees and updates its key operation systems to facilitate management within the Company and be able to provide fast and accurate customer services. Teamwork is established to handle legal barrier or restriction affecting the procurement of Company's main raw material.

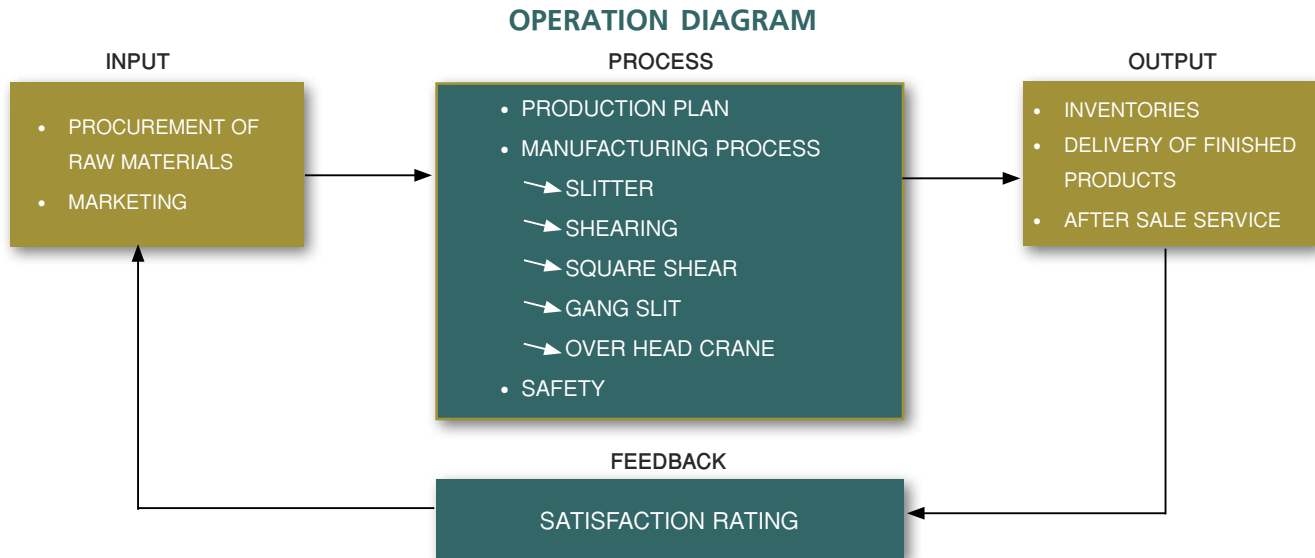
2.2 Human Resources Management: The Company press the utmost importance on human resources covering recruitment of competent personnel, provision of attractive welfare, well-being and benefits, training and development, career advancement to ensure employees' loyalty which is believe contributing to effective customer services.

2.3 Procurement: Provides state of the art machinery and equipment to facilitate work performance that is transparent and fair to customers. The Company is committed to trade with partners who support anti-corruption policy by which the Company strongly adheres to.

2.4 Technology Development: Improves production and delivery processes by employing modern technology to ensure timely customer services and enhance capacity enabling the Company to take on changing business circumstances. The Company adjusts the application software developed by its partners to suit the needs of the Company and its partners.

2. Operation

The Company efficiently applies information technology for procurement, marketing, planning/production, delivery, after-sale service, and satisfaction rating.



INFORMATION TECHNOLOGY SYSTEM

➔ 1. Marketing	➔	1.1 Forecast system support Kanban order
	➔	1.2 Customer satisfaction assessment
	➔	1.3 QR code for TIS
➔ 2. Inventory	➔	2.1 Material receive by barcode
	➔	2.2 Stock location by barcode
	➔	2.3 Product uploaded on truck by barcode
	➔	2.4 Physical check by barcode
	➔	2.5 Business Intelligence for inventory
➔ 3. Planning	➔	3.1 Auto cutting order schedule plan
➔ 4. Production	➔	4.1 Check coil match to cutting order by barcode
	➔	4.2 Tool life system
	➔	4.3 Work site control-
	➔	4.4 Steel pallet control
	➔	4.5 Equipment control
➔ 5. Quality control	➔	5.1 Claim data record and monitoring
➔ 6. Delivery	➔	6.1 Checking product on truck by barcode
	➔	6.2 Auto delivery planning system
	➔	6.3 Truck queuing
	➔	6.4 Transport inquiry via web
➔ 7. Safety	➔	7.1 Safety operation procedure
➔ 8. Purchase	➔	8.1 Online purchase order system
➔ 9. Human resource	➔	9.1 Stationary control

3. Participative Management of Customers, Partners and Stakeholders Customers

Customers

The Company contacts its customers in person for mutual benefits. The contact helps the Company gaining better understanding of customers' needs and information concerning products and services as well as complaints (if any). What the Company has done includes:

- Setting fair and reasonable prices for its products and services;
- Providing accurate and complete information about its products and services;
- Managing customer relations both before and after sale to maximize customer satisfaction with its products/services.

Partners

- The Company participates with partners through transparent process in compliance with procurement regulations and procedures set forth and disclosed to the Company's personnel to strictly adhere to. Such process is honestly and equally communicated to partners with competitive opportunity provided as appropriate based on fairness and confidentiality.
- The Company supports activities associated with its business in order to achieve joint market development.
- Risk management assessment for business partner is conducted realizing environmental, social, corporate governance impacts. Analyzing partners' business and encourage them to participate in capacity building activity for their sustainable business operations and growth as well as running business with the Company in a long run.

Competitors

- Competition must be subject to legal framework, ethics and business code of conduct.
- Be able to jointly carry out activities that yield social benefits.

Delivery

- Selection of shippers applying strict, fair and standard investigation measures; equal job distribution to shippers; safe driving training for truck drivers; measures for drug and alcohol tests and primary health checkup before commencing the work to prevent accidents during transportation.

Outcomes

- The entrepreneurs earn incomes and stability; personnel improve expertise.
- The organization has drivers equipped with work capacity and awareness, less accidents during freight transport which in turn reduce negative impacts on environment.

Subcontractors

- Capacity based selection of subcontractors.
- Training and development for subcontractors.
- Drug tests for subcontractors.

Mutual benefits

- Work capacity of subcontractor improved.

Suppliers of raw materials and consumable materials

- Joint meeting with suppliers for mutual development.
- Assessment of supplier delivery time.

Community

- Dialogue held with local community to identify community needs for continuous cooperation in community development implementation and follow up as mentioned in the “Participative Community and Social Development” section.

Society

- Support of social activities such as education, job promotion, and disadvantaged persons.

Shareholders

- Fair and consistent benefit sharing.
- Transparent and auditable management.
- Support of social activities for social and organizational benefits.

Executives and Employees

- Treats executives and employees as family members.
- Promotes quality of life for executives and employees.
- Encourages the effective use of resources.
- Promotes personal financial management, such as savings, household accounts, and financial planning.
- Promotes sports and recreation.
- Encourages executives and employees to actively and cooperatively engage in social activities.
- Promotes social activities arrangement with care, circumspect, and reasoning.

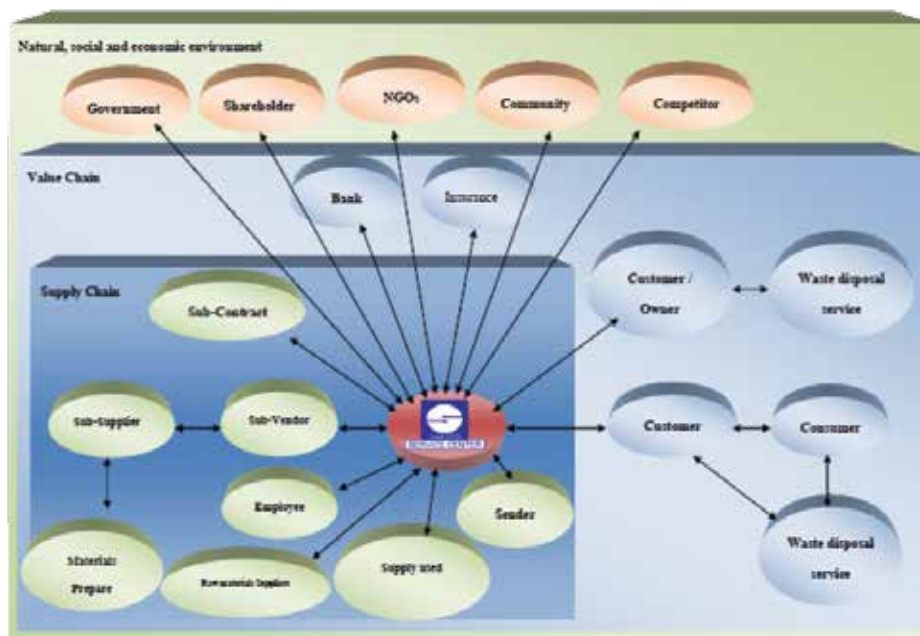
3.2.2 Analysis of Stakeholders in Value Chain

Stakeholders/ Analysis of Stakeholders

Stakeholder engagement is regarded as key component in Company’s sustainability strategy to ensure existing and potential risks and opportunities are identified with according prioritization to facilitate policy development.

The Company organizes dialogues within the organization to review stakeholder register and to assess relevant benefits and impacts for subsequent stakeholder priority setting consisting of shareholder, employee, customer, partner, competitor, shipper, raw material supplier, subcontractor, community, society, creditor, consumer and government sector.

The Indicator of stakeholders



The Company sets goals and formulates comprehensive operational plans responsible for stakeholder toward sustainability development. Analysis of stakeholder expectation and related issues in business value chain is conducted aiming at quality and safe product development. Also, to support the use of social responsibility products, promote physical and mental health and safety of every employee focusing on Zero Accident; ensures employees' happiness and enjoyment at work as well as international quality standard product delivery.

Stakeholder Expectation Analysis and Management

Stakeholder	Expectation	Management
Customer	Quality products at reasonable price, timely delivery	Product quality control according to standards, minimize production loss.
Partner	Accurate and effective procurement systems with fair and equal treatment to all partners	<ul style="list-style-type: none"> Development for effective procurement systems Adhering to fair and equal treatment to all partners, business contract with partners shall reach mutual benefits
Competitor	Honest and ethical competition	Treats competitor according to the laws and ethical trade code of conduct
Creditor	Receive payment in full and on time	<ul style="list-style-type: none"> Comply with terms of agreement made with creditor
Employee	Work safety, job security, and career advancement	Adheres to human rights, labor law, and promotes training and development
Shareholder	Good returns of investment	Dividend
Society, community and environment	Make contribution for the betterment of society, production process not affect environment	<ul style="list-style-type: none"> Conducts social and community activities as see appropriate Comply with environmental laws and management standards

3.3 Management of Environmental Sustainability



3.3.1 Environmental Policy and Guidelines

The Company's operational procedures and impacts on environment are as shown:

PROCESS FLOW CHART

INPUT	PROCESS	OUTPUT
Fuel truck, crane, mother coil	Receiving ↓	Fuel dripping from truck. Wheel dust, truck exhaust fumes, noise
Crane, mother coil, electricity	Casing ↓	Scrap, paper/plastic scrap, steel strap
Electricity, mother coil, machinery, anti-rust oil	Cutting/Slitting ↓	Engine oil sludge, scrap, steel products, noise, oil mist, machine wiping cloth
Electricity, packing paper, wooden/steel pallet, anti-rust oil, steel/plastic strap,	Packing ↓	Wood scrap, oil mist, paper scrap, paper spool
Crane, forklift products, fuel	Storage ↓	Falling steel, fuel usage, oil dripping, wheel dust, exhaust fumes
Truck, fuel	Delivery	Exhaust fumes, wheel dust, oil dripping/leaking

Environmental Management

“SSSC for environmental conservation and rehabilitation” innovation known as SSSC as follows:

- S. Stop Global Warming
- S. Save Green Save Earth
- S. Save Green World
- C. Corporate Social Responsibilities

Environmental Management Policy

As part of the society and community, and to give back to society and community, the Company is fully committed to continuously improve Environmental Management System (ISO 14001:2015). The Company cooperates with environmental concerned organizations running campaign to reduce global warming, raise forest conservation awareness, save the world, create green world, improve quality of life and environment. These have been operated according to the environmental policy which was reviewed and revised on 8 April 2022.

1. Performs in appropriation with context, goal, characteristic, size, and impact on environment stemming from products and services of the Company
2. Commits to protect environment, prevent and control pollution resulted from the Company operation.
3. Commits to comply with obligation and terms concerning environmental management.
4. Strives to promote employee participation in pollution reduction, to cultivate awareness of conservation of resources and environment.
5. Develops and improves production recognizing impact on environment at every procedure.
6. Continuously conducts environmental evaluation and review against the set objectives and targets.

The Company has applied, to its business operation, the Sufficiency Economy for Industrial Sector Guidelines (TIS 9999 volume 1-2556 B.E.) for the balance, stability, sustainability and happiness. In 2023, the Company performed environmental maintenance following the Sufficiency Economy for Industrial Sector Guidelines as follows:

1. Maximizing resources from acquiring to using of raw materials, waste management, and impacts on next generations.
2. Being aware of and identifying the impacts stemming from corporate operation on environment while seeking alternatives to best eliminate and reduce the impacts.
3. Gearing toward development of environmentally friendly products and production process, avoiding any production without pollution management or protection.
4. Using energy and renewable energy for corporate operation effectively and efficiently.
5. Instituting guidelines for systematic water management covering management, storage, control, treatment, and drainage without damaging natural water source while maintaining the benefits of the community and society where the Company operates.
6. Participating in the conservation, development and rehabilitation of soil, water and forest regarded as foundation of life of the community and society.

Through regular communication and training, the Company instills knowledge and understanding in employees concerning the essence of environmental conservation and rehabilitation both in the workplace and household. In connection to this, policy guidelines have been drawn for continuous and effective implementation in alignment with ISO14001. Accordingly, the Company has been certified ISO14001 since 2004. Particularly, in 2016, the Company was certified the new version of ISO14001:2015.

Energy Conservation

The Company attaches an importance on efficient energy usage in production process, the Company, therefore, promotes continuous participation among employees on sustainable energy management. The key objective is to promote employees' awareness of effective and efficient use of energy as well as to constantly and sustainably lower energy costs. The Company improves its energy management system by:

- Appointing the energy management working group comprising representatives from various units within the organization;
- Preliminary review of energy management;
- Defining energy conservation policy;
- Potential assessment on energy conservation;
- Setting targets and action plan for energy conservation, training plan and activities to promote energy conservation;
- Implementing energy conservation plan, reviewing and analyzing operation against the set targets and plan;
- Monitoring and assessing energy management;
- Reviewing, analyzing and revising energy management plan and targets.

In 2023, the Company strived for international standard under the program on Development of the Thai Energy Management toward International Energy Management Standards ISO50001. Accordingly, the Company has been certified ISO50001 resulted from the Energy Conservation Policy implementation which was reviewed and revised and effective on 29 August 2023.

1. The Company shall determine energy conservation as part of its operation through development for suitable energy management system in line with related laws and regulations.
2. The annual energy conservation plan and targets shall be formulated and made known to every employee for common understanding and actions.
3. The Company shall support the purchase of energy saving products and services designed for energy capacity improvement.
4. The Company shall continuously improve technology and energy consumption for effective and proper use in the business.
5. The Company shall regard energy conservation as duty and obligation of executives and employees to cooperate and comply with the stipulated measures.
6. The Company shall promote and provide resources as needed including personnel, budget, work hours, training, awareness instillation, idea sharing of employees for efficient development of energy related work.
7. The energy conservation plan and targets are revised every year by executives and the Working Group.

Sustainable Use of Resources

Apart from implementing Industrial Standard Following Sufficiency Economy in Industrial Sector TIS 9999, the Company adopts the “3Rs” Principles consisting of R1- Reduce, R2 - Reuse, R3 - Recycle. The adopted 3Rs is implemented to continuously develop and improve productivity focusing on effective use of raw material by reducing or reusing waste to remain at the least amount. The produced waste is properly managed in accordance with the provision of law including waste storage, reuse, and treatment.

The Company has introduced the “Knock Down Steel Pallet to Replace Wood Pallet” since 2016 by supporting and welcoming customers to go for steel pallet. The project aims at reducing wood resources. In 2022, there were 50% or 119 users of total pallet users cooperated in the project whereas 44% in 2023. However, the project aims at achieving 70% steel pallet users out of total pallet users.

Indicator, measure, record, and report of electrical energy, gasoline, and other resources consumption are defined for the preparation of environmental quality report to be presented to the committee members and working groups concerned for further environmental planning.

Summary of 2023 Sustainable Use of Resources Applying 3Rs



3.3.2 Environmental Performances

The Company stipulates that there shall be an indication, measurement, record, and report of electricity consumption, fuel, and other significant resources. Accordingly, the environmental quality measurement report is prepared and submitted to the committee and working group in charge of environmental issues for planning.

1. Water Management

Effective Water Usage

Measures to increase effectiveness of water and wastewater management

The Company regulates the control of electricity and water uses as well as water-saving campaign as follows:

- (1) Prompt fixing of broken faucets;
- (2) Modifying water-saving devices
- (3) Water-saving campaign
- (4) Reusing treated water

Requirement 1

Prepares water inventory illustrating amount of water used as well as amount of wastewater, water balance.

Performance

Water inventory has been prepared illustrating water activities and amount used as well as wastewater, water balance, even through Company's plant does not use water in the production process. As such, water use only in toilet and kitchen.

Requirement 2

Defines objectives and targets, formulates action plan, implements and enhances water and wastewater measures.

Performance

Performance reaches target by 100% as shown

Out put	2021 M ³ /day	2022 M ³ /day	2023 M ³ /day
% of water reuse	40 (100 %)	40 (100%)	40 (100%)

Requirement 3

Effective water and wastewater management according to measures provided.

Performance

Assessment results of water use intensity and wastewater intensity has shown the continuous improvement as water consumption/person/year reduced by 1% yearly during the past 3 years.

Year	Water use intensity (L ³ /person/year)	Increase (Decrease) By %
2021	8,725	(0.08)
2022	10,313	18.20
2023	9,719	(5.76)

2. Energy Management

Implementation of effective use of resources measures to reduce energy consumption and consumption of other resources by determining indicators of good practice against other sources as results shown:

Year	Quantity (kilowatt - hr.)	Cost (baht)	Amount to KgCO ₂ e
2021	2,103,000	8,398,511	1,179,780
2022	2,036,000	9,246,098	1,142,200
2023	1,563,000	8,196,901	781,340

Environmental protection and rehabilitation

The Company is well aware of the global warming and climate change impacts. The Company's commitment has been extended to integrating environment friendly into its operational plan for employees to be aware of management concerning environment, occupational health and safety, effective use of energy. Work process is continuously improved for pollution prevention, reduce impact on environment as well as conservation of natural resources.

Reduction of greenhouse gas emission

In 2023, the Company conducted Carbon Footprint for Organization assessment for the preparation of management directives concerning effective reduction of greenhouse gas emission. Accordingly, the Company's policy on greenhouse gas emission reduction has been stipulated as follows:

- Formulates the greenhouse gas emission reduction plan and measures and made known to all employees for cooperation and compliance;
- It is an obligation of all executives and employees to take the greenhouse gas emission reduction as their responsibilities and compliancy with the specified measures. They shall also monitor and report to the greenhouse gas emission reduction committee;
- Promotes and supports as necessary and appropriate, the human resources, training budget, employee participation concerning idea for development of greenhouse gas emission reduction;
- Extends environmentally friendly idea to suppliers, defines operational guidelines for non-renewable energy consumption reduction in the supply chain;
- Reviews and evaluates yearly by executives and the greenhouse gas emission reduction committee; the greenhouse gas emission reduction policy, plan, and targets.

Environmental protection and rehabilitation practices

- On a yearly basis, operates reforestation caravan to fight against drug, and reduce global warming.
- Conducts training on energy conservation for community and school for them to be able to apply in their actual situations.
- Continuously takes care of employee good health and work safety from which the Company had been awarded the National Occupational Health and Safety for 12 consecutive years (2006-2017), and being certified ISO14001 and ISO45001.

3. Waste and Pollution Management**Protection and reduction of pollution**

- Checking and recording of important environmental issues, reporting results of reduction of pollution and waste to Environment Committee.
- Installing wastewater treatment and control system whereby wastewater is treated before discharged even though the Company's factory does not use water in the manufacturing process.
- Installing precipitator for air pollution control and release, providing tire and wheel cleaning pit for vehicle before entering the factory.
- Facilitating request for permission to discharge waste or used materials from the factory as required by law.
- Developing and promoting the use of environmentally friendly products and services. Subcontractor's transports and equipment are required regular checking before operation at least once a day using the form as specified by the Company. On a regular basis and before driving, random sampling for body checkup of the drivers including drug and alcohol test.

Impact on Environment

The Company manages waste from production process to avoid any impact on internal and external work environment.

Requirement 1

Prepares waste inventory, waste profile, and waste flow diagram

Performance

Factory waste profile is in place, transportation waste flow diagram sent to the Department of Industrial Works.

Requirement 2

Sets objectives and targets, formulates action plan, and implement according to the waste management measures.

Performance in this regard achieves 60% of the set target.

Performance

Implemented the 3Rs e.g., recycle used wooden pallet which reduced the use of new wooden pallet by no less than 66.75% of total wooden pallet purchasing order.

Waste	Management
Scrape from steel cutting	Sells to licensed producers for recycling into other products
Wood scrapes from making wooden crate (crate used to transport or store steel)	Sells to licensed producers for recycling into other products
Expired engine oil and hydraulic oil	Sells to licensed producers for recycling into other products
Oil and chemical contaminated waste	Send to licensed personnel for disposal
Dust particles from making wooden crates	Uses vacuum to store for later use as oil absorber

4. Reduction of Greenhouse Gas Emission

In 2023, the Company conducted Carbon Footprint for Organization assessment for the preparation of management directives concerning effective greenhouse gas emission. The Company stipulates policy on greenhouse gas emission reduction as follows :

1. The Company shall formulate the greenhouse gas emission reduction plan and measures and made known to all employees for according cooperation;
2. It is an obligation of all executives and employees to take the greenhouse gas emission reduction as their responsibilities and compliance to the specified measures. They shall also monitor and report to the Greenhouse Gas Emission Reduction Committee;
3. The Company shall promote and support as necessary and appropriate, the human resources, training budget, employees participation concerning idea for development of greenhouse gas emission reduction;
4. The Company shall extend environmentally friendly idea to suppliers for manufacturing process application, and to define operational guidelines for non-renewable energy consumption reduction in the supply chain;
5. Executives and the Greenhouse Gas Emission Reduction Committee shall review and evaluate yearly, the greenhouse gas emission reduction policy, plan, and targets.

Performance	2021	2022	2023
1. Direct greenhouse gas emission: Scope 1 (ton CO ₂ e) combustion of fossil fuels (LPG, Diesel)	-	-	-
2. Indirect greenhouse gas emission : Scope 2 (ton CO ₂ e) electricity consumption not include solar cell	1,179.78	1,142.20	781.34

As a consequence of consistently raising awareness of its employees on environmental conservation under the “SSSC for environmental conservation and rehabilitation,” the Company has gained full participation from all employees implementing environmental friendly activities as corporate culture practice. As such, the Company was accredited Green Industry Level 4: Green Culture, from the Ministry of Industry in 2019.

Since 2020, the Company has reviewed its environmental management system and created corporate culture as specified by the Green Industry Level 4. The Company promotes environmental activities with its stakeholders in the supply chain, community, and consumer for collective development on network expansion toward Green Industry Level 5 as planned.

3.4 Social Sustainability Management



3.4.1 Social Policy Guidelines

The Company is fully committed to organization development for sustainable growth with ethical care and under good corporate governance for stakeholder, economy, society, and environment. The Company is aware of corporate, social and environmental impacts, therefore, conducts its business with social responsibility toward balance, stability, sustainability, and happiness according to the Guidance on Sufficiency Economy for Industries (TIS 9999).

The Company establishes the corporate development policy for sustainable growth with social and environmental responsibilities as operational guidelines recognising corporate impact on various bodies. The Social Responsibility Committee reviewed and revised the said policy and submitted to the Company's Board for approval on 28 February 2023 as follows:

1. The Company shall conduct its business under good governance, ethical conduct, and good corporate governance as well as ethical care for stakeholder, economy, society, and environment with respect for human rights;
2. The Company shall strive to develop and improve management of quality of life, environmental management, occupational health and safety following MS-QWL, ISO14001, ISO45000, ISO9001, IATF16949, and ISO50001;
3. The Company shall integrate vision, mission, corporate goal, and guidelines on business sustainability;
4. The Company shall formulate strategy and performance guidelines as well as effective and efficient responsive results to the organisation;
5. The Company shall conduct analysis of the cause, driving force, risk, and opportunity for sustainability;
6. The Company shall review and evaluate targets and business sustainability development plan together with social and environment.

For the continuity of effective CSR and environment implementation to be more responsive to environment, society, and corporate governance as well as to foster the balanced, stable, sustainable development and happiness as stipulated by the said vision and mission.

On 12 May 2022, the Board revised and resolved for appointment of members of the Corporate Social Responsibility and Environment for Sustainable Development Committee as members of "the Sustainability Committee" with an authority for strategy/direction/policy/measure setting in relation to environmental, social and governance (ESG) in order to drive the company towards an organization with competitiveness, transparency, honesty and integrity in business while opposing all kinds of misdeeds and corruptions in compliance with the principles of good corporate governance, risk management at the operational level, and internal control (Governance, Risk and Compliance: GRC), anti-fraud and corruption, sustainability management (SM) and corporate social responsibility (CSR) in order to create governance and confidences among all stakeholders and reach sustainable growth throughout the value chain. The Sustainability Committee members and Working Group members include Associate Professor Dr. Sucharit Koontanakulvong being independent member, directors/audit committee members, senior executives and representatives from all departments. This aims for CSD/SD collective action of all concerns as mentioned in 9.2 - Sub-committee. There are 7 working groups working on different CSR focuses.

1. Corporate Governance
2. Human Rights
3. Labor Practices
4. Environment
5. Fair Operating Practices
6. Consumer Services
7. Community Engagement and Development

The scope of duties and responsibilities of the Social and Environmental Responsibility for Sustainability Committee and working groups are clearly defined to ensure effective implementation of social and environmental responsibility which can be measured and assessed against sustainable development in 3 dimensions: economic, social, and environmental toward sustainability development.

Social and Environmental Responsibility Operational Guidelines

For the balanced, stability, and sustainable growth with happiness along with better systematic social responsibility development performances, and in addition to the Organization Sustainability Development, the Company has drawn frameworks for social responsibility and adopted the ISO26000 since 2012 by adhering to 7 key principles as follows:

1. **Accountability:** the Company's performance shall be auditable by external unit.
2. **Transparency:** clear and accessible information is disclosed to stakeholders and all concerned.
3. **Ethical Behavior:** standard ethical practices are stipulated that all actions shall be conducted with honesty, impartiality, fairness, care for environment and stakeholders.
4. **Respect for Stakeholders' Interests:** the Company recognizes stakeholders' interests, in this regard, views and recommendations on corporate business management are welcome concerning e.g., political, proposal, decisional impacts on stakeholders.
5. **Respect of the Rule of Law:** the Company's business is conducted in compliance with related laws and regulations.
6. **Respect of the International Norm of Behavior:** inclusive of international treaty, order, notification, agreement, resolution, and recommendation as endorsed by concerned international organizations.
7. **Respect for Human Rights:** the Company's implements its policies and operation aligned with declaration of human rights.

In order to promote social responsibility and sustainability, since 2013, the Company has joined the Flagship Project with Department of Industrial Works, Ministry of Industry.

The Company promotes knowledge for better understanding among employees on Corporate Social Responsibility, Department of Industrial Works (CSR-DIW) Standard for them to be able to act collectively to promote the Company to become socially responsible organization.

In 2023, the Company carried out social and environmental responsibility related activities following 8 principles.

1. Fair business practices
2. Anti-corruption
3. Respect for Human Rights
4. Fair treatment of Labor
5. Consumer Responsibility
6. Environmental Care
7. Community/Society Involvement and Development
8. Be Responsible Innovative Organization for Society, Environment and Stakeholders

The above 8 principles encompassing impacts in 3 dimensions social, economic, and environmental.

In addition, the Company conducted training during 2021 for employees in various matters including 5S, Kaizen, Energy Management Standards, safety, corporate sustainability development which regarded as key factors leading to achieve business sustainable growth and best interest to shareholders.

Besides adopting ISO26000 and CSR-DIW, the Company also organizes CSR activities applying Guidance of Sufficiency Economy Philosophy for its continuing sustainable development.

Monitoring and Review of CSR and Environment for Sustainable Development Performance

The CSR Committee monitors and reviews CSR and environment for sustainable development performance applying Guidance of Sufficiency Economy Philosophy. Results in this regard are submitted to the Company's Board for acknowledgment and approval as annual plan and strategy. In 2023 approval was granted on 28 February 2023

In conclusion, the Company's sustainable development performance in 2023 has no negative impact on environmental, social, and governance (GSC). In implementing business in line with the above mentioned 8 principles, there was no case of public news that might affect business operation, reputation or credibility of the Company as well as no violation of laws and/or complaint from all group of stakeholders.

CSR Strategy for Sustainability

The CSR Committee with consent from the Company's Board defines an intergrate corporate social responsibility strategy into the Company's master plan where problems and solutions for effective and efficient corporate CSR operation are identified. The 3-year (2023-2025) CSR strategic plan, which is social, economic, and environmental result based, is revised in alignment with the Industrial Standard Following Sufficiency Economy in Industrial Sector (TIS 9999 volume 1-2556 B.E) as shown:

Year	Implementation	Targets
2023	Integrating CSR and SDGs	<ul style="list-style-type: none"> Integration of CSR and SDGs into all units
2024	Reexamining the internal and external CSR and sustainable development contexts	<ul style="list-style-type: none"> Defining significant standards of CSR and SDGs for appropriate corporate development
2025	Development of quality and social responsibility and sustainability development to be rolled out across business chain	<ul style="list-style-type: none"> Defining CSR and quality development guidelines Short and long terms action plan and guidelines in place

Since 2023, **social and environmental responsibility has integrated into work process of every department** through training, workshop, and improvement of standard systems in accordance with the new versions of Quality Standard System ISO 9001:2015, IATF 16949:2016; Environmental Management System ISO 14001:2015; Energy Management System ISO 50001:2001; and Occupational Health and Safety Management System ISO45001. **Corporate context survey and review have been carried out to standardize measures for social and environmental responsibility toward sustainable development** and corporate innovation management in accordance with the Innovation Management System ISO 56002:2019. This ensures all employees realize that every activity implemented shall recognize social and environmental responsibility toward organization development that balance, stabilize and sustain growth with happiness. This has helped improving effectiveness and organization capacity concerning creative ideas and social responsibility through innovation process e.g., community networking, product development from local wisdom. Consequently, the Company has passed the Innovation Management System (ISO56002:2019) test conducted by the Management System Certification Institute (Thailand) under the competitiveness capacity improvement through innovation program.

On 28 February 2023, the Board's Meeting resolved for the review of Business Ethics and Work Performance Guidelines Handbook specifying performance standards of business operation for all group of stakeholders. The Handbook is disseminated via various channels e.g., Email, intranet, and Company's website at www.ssscth.com covering various matters including continuously trains and monitors the compliance practices of employees and the newly recruits with the Handbook. **As for the year 2023, no action violating the ethical and work practices was found.**

Implementation of CSR Strategy for Sustainability

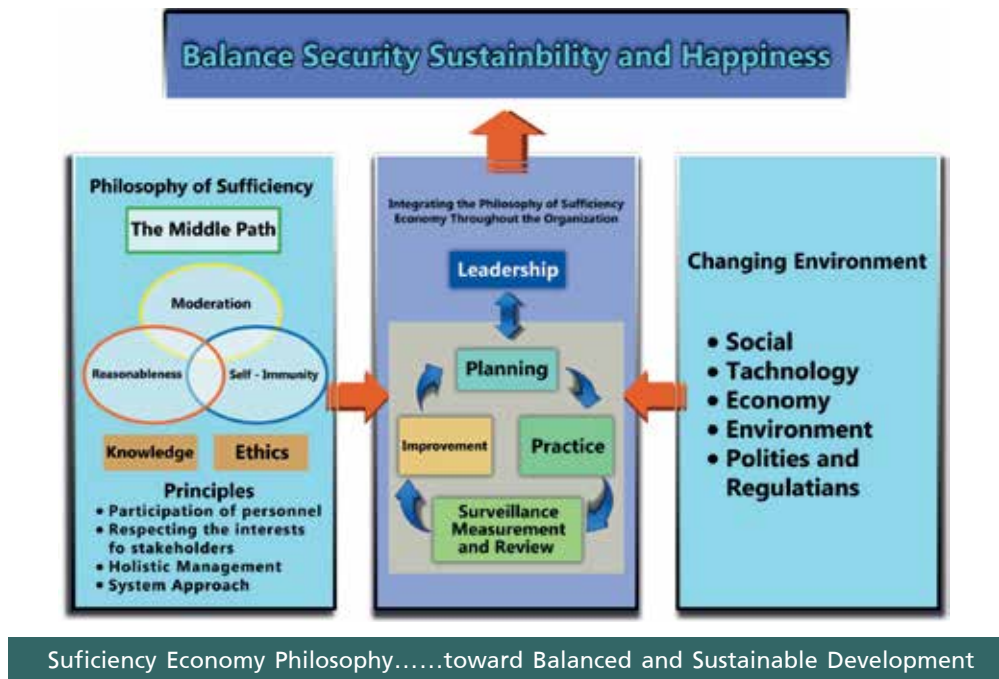
To meet the TIS 9999 standards, the Company establishes the Industrial Standard Following Sufficiency Economy in Industrial Sector (TIS 9999 volume 1-2556 B.E.) working group comprising vice president, senior executives, and representatives from departments/units for cooperation.

The revised CSR policy as mentioned in Attachment 5: "Roles and Responsibilities of Stakeholders" as guidelines for implementations responsible for any impact stemming from the Company's operation.

The Company stipulates for the adoption of "**The Sufficiency Economy Policy for Industrial Sector**" (TIS. 9999) to its corporation. Various factors are taken into management and operation including moderation, reasonableness, self-immunity, as well as knowledge and virtue. This aims to achieve a balanced development in economic, social, environmental, and cultural dimensions that sustains stability and growth as well as brings about happiness and readiness of being able to take on internal and external environmental changes and uncertainties. Accordingly, the Company sets forth its operational guidelines as follows:

1. Promotes personnel engagement by boosting the consciousness, knowledge and virtue of the employees, with the aim of equipping them with the philosophies of self-sufficiency, well-roundedness, prudence, integrity, diligence, patience, unity and sharing;
2. Appropriately and fairly respects and cares for the stakeholder interest as well as legal rights.
3. Develops a holistic and systematic management structure, in terms of leadership, planning, implementation, monitoring, improvement and information technology, with the goal of creating efficient and effective business outcomes.
4. Encourages personnel to learn about, and gain a better understanding of, the benefits of natural resources and ecosystems, which include land, water, forest and biodiversity, all of which play a vital role in fostering human minds, livelihood, and interdependency.

Framework for Industrial Standard Following Sufficiency Economy in Industrial Sector (TIS 9999 volume 1-2556 B.E.) as applied by the Company during 2014-2023 is illustrated as shown:



TIS. 9999 - The Guidance on Sufficiency Economy for Industries

Throughout 2020 - 2023, the Philosophy of Sufficiency Economy based on the Guidance on Sufficiency Economy for Industries (TIS. 9999) as shown above, had been applied, both internally and externally toward achieving sustainable development as follows:

Framework 1. 3 Rings, 2 Conditions, and 4 Principles Strategies

Ring 1. Moderation - Sufficiency for needs and appropriateness for one's status, society, the environment, and the culture of each locality, at a level of not being too much or too little so that it causes suffering to oneself. This concept consists of:

- (1) Conducting social activities that one is interested in and prepared to do;
- (2) Planning social activities in a systematic fashion and gradually expanding step-by-step, without precipitation or anticipation of quick results;
- (3) Allocating budget monies to properly carry out social activities, at a level which does not exceed one's capacity to be responsible for, and does not create burden or trouble for, oneself and others
- (4) Using resources economically at the best value; and
- (5) Promoting the production and management of community products in line with market needs.

Ring 2: Reasonableness - Reasonable decision-making about implementation based on academic, legal, and cultural principles, by thoroughly taking into account relevant factors, circumspectly forecasting outcomes, selecting something good and appropriate to apply, and treating stakeholders in a reasonable fashion. The stakeholders consist of:

2.1 Shareholders

- Sharing benefits on a fair and regular basis
- Managing with transparency and be auditable
- Providing support for social activities that benefit society as a whole, as well as the organization.

2.2 Executives and employees

- Treating executives and employees as family members.
- Promoting executives and employees' quality of life.
- Encouraging executives and employees to use resources with the best value.

- Promoting employees' personal financial management, such as savings, household accounting, and financial planning.
- Promoting sports and recreation for executives and employees.
- Encouraging executives and employees to participate in social activities in a serious, concrete manner with cooperation at all levels.
- Supporting social activities to be carried out in a circumspect and reasonable fashion.

2.3 Customers

- Treating customers as family members e.g., by being friendly to them.
- Pricing goods and services on a fair and reasonable basis.
- Providing products/services and management that meet national and international standards.
- Providing accurate, complete information about products and services.
- Managing customer relations before and after sale to ensure customers' maximum satisfaction with products/services.
- Jointly carrying out socially-beneficial activities.

2.4 Partners

- Treating partners as family members, such as providing cooperation, opportunities, and support.
- Supporting business related activities in order to jointly develop the market.
- Jointly carrying out socially-beneficial activities.

2.5 Competitors

- The competition must comply with the legal, ethical and code of conduct frameworks.
- Jointly carrying out socially-beneficial activities.

2.6 Communities

- Governance that shall not create problems on community so as to achieve common benefits, e.g., conducting volunteer activities for community development.

2.7 Society

- Supporting social activities in different areas, such as education, occupational promotion, and assistance for the disadvantaged.

2.8 Environment

- Conserving natural resources and environment for sustainability, both inside and outside the organization.
- Promoting and supporting projects relating to natural resource and environmental conservation, such as providing educational programs for employees and community members, as well as organizing projects to improve or rehabilitate the environment.

Ring 3: Good immunity – Preparation of personnel and the organization to respond to domestic and international changes and impacts including social, technological, economic, environmental, and political, by taking into account the possibility of potential situations in the near and distant future. Personnel shall be able to adapt, seek opportunity, respond in a timely manner, and possess competitiveness.

- 3.1 Providing assistance to local community/society toward sustainable self- reliance.
- 3.2 Providing cooperation network that creates synergy for carrying out collective work.
- 3.3 Appointing personnel responsible for managing social activities to ensure continuity of such activities.
- 3.4 Promoting the use of wisdom of the organization's personnel or local wisdom/local scholars in order to develop social activities respond to community needs and the concept of creative economy.
- 3.5 Providing systems for systematic monitoring and evaluation both within and outside the organization.
- 3.6 Encouraging personnel to realize the importance of continually being initiative.
- 3.7 Promoting the laying of a strong foundation for marketing by gradually expanding markets from the local level to the regional, national and international levels, reducing risk through market diversification.
- 3.8 Providing knowledge of copyrights, trademarks, patents, designs, invention, etc. to protect Thai intellectual property both inside and outside the country.

Condition 1: Knowledge

- 1.1 Creating knowledge within the organization.
- 1.2 Transferring knowledge, skills, experiences, and expertise to personnel in the organization as well as to people outside, as necessary and appropriate.
- 1.3 Providing on the job training to employees, and promoting the application of knowledge and skills gained during training to their actual works as well as to benefit others.
- 1.4 Promoting and providing opportunities for employees to participate in the operational process beneficial to the organization, such as management activities and social activities.
- 1.5 Encouraging employees to independently give comments that are beneficial to the operation of work and activity, problem-solving, organizational development, or other matters.
- 1.6 Developing the organization to become educational or learning center for sufficiency economy of society.
- 1.7 Creating an organizational culture based on sufficiency society.

Condition 2: Virtues

- 2.1 Integrity
 - Operating business and social activities with integrity, such as transparent and auditable bookkeeping.
 - Extolling good people to serve as a role model for personnel in the organization and society.
 - Raising employees'/general public's consciousness of doing good without expecting anything in return.
- 2.2 Patience
 - Encouraging employees to work with diligence and patience. Providing diligent allowance, bonuses, benefits, and rewards as appropriate.
 - Supporting doing good activity by employees/the general public, such as social activity.
- 2.3 Sharing
 - Encouraging employees/the general public to have a love for, a bond with, and a gratitude towards themselves and their family, co-workers, the organization, community, society as a whole, and the nation.
 - Encouraging social activity that creates love and harmony to repay the land's beneficence.

The principles of TIS 9999 as adopted by the Company for personnel and organizational behavioral changes that creates balanced development are elaborated as follows:

Principle 1. Involvement of people

The Company promotes personnel collaboration in the improvement of corporate efficiency and effectiveness. This is being done under the principle that personnel at all levels are assets of the organization, with collaboration their knowledge and skills are maximized to fully benefit the organization.

Principle 2. Respect for stakeholders' interests

The Company accepts and focuses on stakeholders' interests and legal rights, and responds to their concerns in an appropriate and fair manner.

Principle 3. Holistic management

The Company considers matters in a systematic and comprehensive fashion, including leadership, planning, customer focus, personnel, information, process, and business outcomes. Moreover, the Company takes into account organizational interests in the short and long run which are determined as factors supporting the development of clear vision toward desired directions.

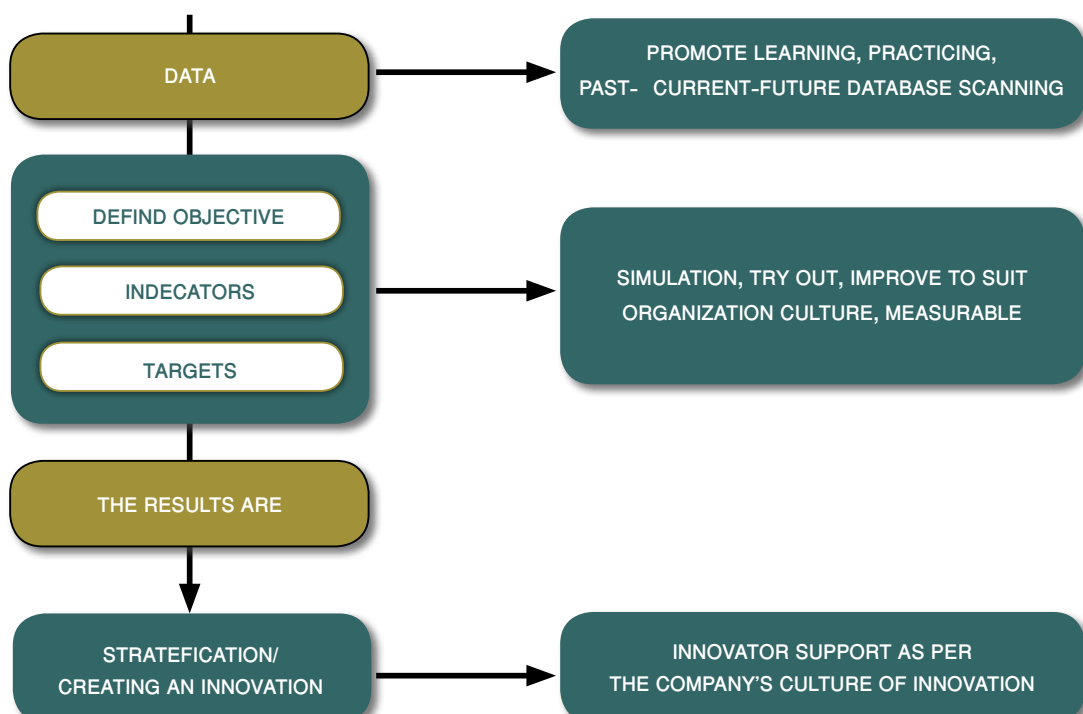
Principle 4. Systematic approach to management

The Company systematically identifies, manages, and facilitates understanding of related processes, in terms of input, process, outcome, feedback, and the environment. The said factors are taken into planning, organization structuring, governance and control processes for efficient and effective achievement of the corporate objectives.

Process Innovation and Sustainable Development

Innovations for Business and Society

Process for Corporate Innovation Promotion



The Company is committed to continually develop its CSR activities. More importantly, the Company launches various activities as well as improved processes to enhance creative thinking of employees. In 2023, the Company promoted innovative thinking resulted in the existing innovations including innovations for employee, business and society as details shown.

Innovation for Employees:

To ensure employees are “Happy at Work” according to the operational guidance of giving consultancy; creating happiness; supporting problem solving; developing EQ, enhancing volunteer spirit, and increasing life skills through the following innovations:

Innovation	Objective
Keep Sorrows in Jar-Open the Jar to Face Problems	To give empathy for employees to be able to solve their problems and find way to happiness, the chat on LINE application is used in this regard.
Merit Saving	To promote happiness and EQ development
Lawyer to Be	To provide legal advice on financial issue
Happy Smile Pha pah	To promote the sharing of happiness and smile to society
SSSC. Health Care	To facilitate sick employees by introducing medical specialist and accompany them to the doctor.
SSSC. Fixit	To provide electrical appliance repair service for employees, free of charge, by technicians of the Engineering Unit

Innovation for Business:

To reduce waste in the production process and to increase agility that responds more quickly to customers' needs, the FIT & FAST strategy implemented in 2023 is as follows:

- 1. Reduce Top - End** : to reduce waste as a result of degradation products from first grade to second grade to meet customers' requirements
- 2. Width Control** : to control the width of steel coil so as to reduce waste which promotes effective use of steel.
- 3. Thickness Control** : each steel manufacturer has different steel thickness control, as such, purchasing methods for the same order of thickness of raw steel has been applied for suitable thickness and to reduce excessive steel weight.

Such practices create the following innovations

Innovation	Objective	Output
Fit - Fast - Smart Production	Develop online program for purchasing, manufacturing, and delivery.	<ol style="list-style-type: none"> 1. Reduction of human error 2. Cost saving 3. Developed IT by SSSC 4. Response to customers' needs 5. customers' satisfaction
Truck Queue (continuing development)	Develop logistic application for product delivery	<ol style="list-style-type: none"> 1. Sub-contractors received fair treatment 2. Reduction of traffic jam 3. Reduction of waiting time 4. Real-time mobile queuing application available

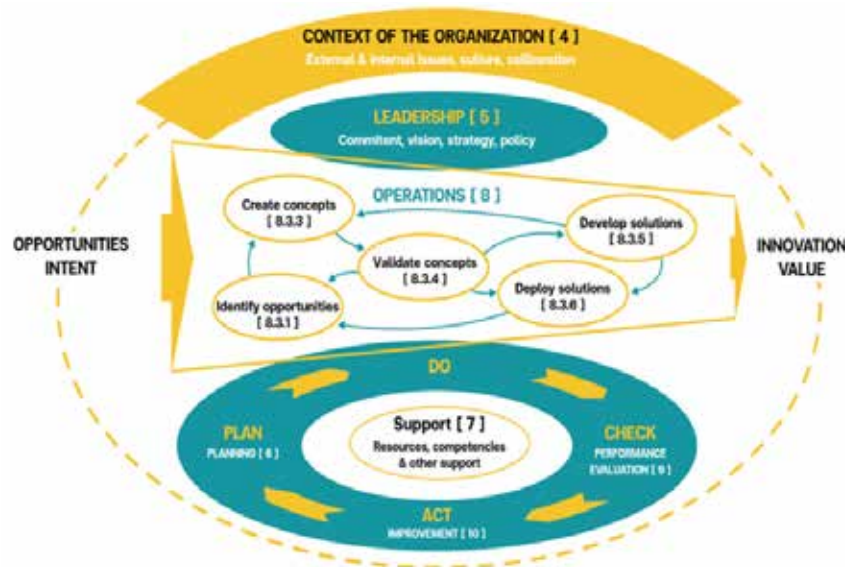
Innovation	Objective	Output
Barcode for Steel Pallet (continuing development)	Develop real-time tracking program for Steel Pallet	<ol style="list-style-type: none"> 1. Reduction of storage errors 2. Exact number remain in the plant known 3. More effective of management 4. Reduction of loss 5. Reduction cost 6. Effective stock optimization
Receiving Mother Coil (continuing development)	Develop barcode reader program applying on domestic and foreign vendors	<ol style="list-style-type: none"> 1. Reduction of defects of Receiving Mother Coil 2. Reduction time consuming 3. Application of barcode reader to all suppliers

Innovation for Society

Innovation	Objective	Output
Safety Learning Center	To promote corpus of knowledge and to set up center for safety, 5s, CCCF and Kaizen learning	<ol style="list-style-type: none"> 1. Established learning center for occupational safety, health and environment of workplace 2. Learning equipment and tools for Ministry of Labor's safety learning center
Learning Center for Drug Prevention and Resolution	To debrief the practical prevention and solution to drugs for subsequent roll out.	<ul style="list-style-type: none"> • Center for lesson learned on prevention and solution to drugs according to the TO BE NUMBER ONE project Center for lesson learned on standard on prevention and solution to drugs in an establishment (SDE)

The internal process development and improvement for innovation creation throughout the years 2021-2023, the Company conducted training and gave advice on Increase Productivity by Lean & IE Techniques aiming at reducing loss in production process and increasing flexibility responding to customers' needs more quickly.

Key Elements of ISO 56002:2019 Innovation Management System



Since 2019, the Company has joined the Process Innovation Coaching Program with the Stock Exchange of Thailand and the National Productivity Institute. The purposes are to develop and uplift the Company's internal process toward innovation creation, thinking development, be open minded for business know - how. Subsequently, be able to apply acquired knowledge and skills to existing and state of the art technologies responding to customers' needs and satisfactions. In 2020, the Company participated in the workshop on ISO 56002:2019 Innovation Management System held by the Office of Industrial Economics and the Management System Certification Institute (Thailand). The workshop aims at strengthening competitive capacity to meet international standards for innovation management and networking. Thus, participants are able to apply to their management of the Company's innovations in conformity with international standards so as to achieve the followings:

1. The increase of new markets, business growth opportunities and income;
2. Cost saving and reduction of innovation risks;
3. Higher effectiveness and capacity in relation to innovation creation; and
4. Social responsibility cultivated through innovation processes e.g., community networking, product development from local wisdom.

The Company has been honored by the Management System Certification Institute (Thailand) for its application of ISO56002 Innovation Management System to the organization.

Innovation Organization

The Company places grate importance on establishing an innovation organization driving toward being an excellent organization through 4 aspects of innovation development as set forth for the years 2021-2025

Goals for 2021 - 2025	To become excellent innovation organization through development of innovation in 4 aspects
2021 - 2022	1. Innovation for Societies
	2. Operational Innovation
2022 - 2025	3. Product Innovation
	4. Business Innovation

In 2023, the Company and its employee developed an innovation project based on IOT technology (Interne of Things) called “1 click, change your life with IOT” to be beneficial to the society and community sustainability. The aim of the project is to raise safety living for the member community in a sustainable manner. By installing “emergency signal switch” in places all around the target community such as temples, schools, community leader’s offices and the Company’s office, if any of 8 misfortunes such as drugs, fire, accident, medical emergency, gambling and fighting happens, the IOT signal from the switch will be turned on by the community members and will be automatically sent to responsible units and LINE application enabling a prompt resolving action for the case without revealing the real identity of informers to the public for the sake of their safety.

3.4.2 Social Performance

1. Occupational Health and Safety

The implementation of occupational safety, health and environment of the workplace for employee, contractor, sub-contractor, community, and stakeholder under the SSSC core value “**Safety First, Customer Satisfaction, Social Care, Continual Mobilizing for Development**” in compliance with ISO45001.

Policy on Occupational Safety, Health and Environment of the Workplace

The implementation of occupational safety, health and environment of the workplace is regarded as duties and responsibilities of every executive and employee. It is **considered important that whenever accident occurs to the transport truck on which the names of the Company and customer are attached, as consequent damage is not only to the truck and goods being transported, but also to the environment.**

The Company, therefore, implements its Occupational Safety, Health and Environment of the Workplace Policy and has been certified ISO45001 accordingly. The policy stipulates that:

- (1) The Company shall be committed to creating safe and pleasant work environment so as to protect employees from work related injuries and illness. Workplace environment is created taking into account purpose, size and context of the organization as well as potential risks
- (2) The Company shall comply with legal requirements and stakeholders’ needs;
- (3) The Company shall be committed to eliminating and reducing occupational health and safety risks;
- (4) The Company shall be committed to continuously improving management of occupational safety, health and environment of the workplace;
- (5) The Company shall be committed to providing advices and ensuring the participation of workers through various processes;
- (6) The Company welcomes delegations paying study visit to observe safety, occupational health, and working environment as well as disseminates related information in this regard to public and concerned parties;

Risk assessment shall be carried out regularly with according improvement to meet required standards so as to prevent workplace and other related accidents. Key performance indicators (KPI) shall be identified to assess each employee’s performance applying CCCF (Completely Check Completely Find out) to achieve the required zero accident through observation and identification of any possible harm that may occur while working (CCCF for factory = 2 items/person/year, for office = 1 item/person/year). KPI of each unit shall be at zero.

To facilitate the management framework of health, safety, and wellbeing, the Company adopts the 7 Golden Rules to implement VISION ZERO strategy for zero accidents and healthy work. The implementation aims to develop safety management system leading to safety culture in the organization.

The 7 VISION ZERO golden rules consist of 1) take leadership, 2) identify hazards, 3) define targets, 4) ensure a safe and healthy system, 5) ensure safety and health in machines, equipment and workplaces, 6) improve qualifications, and 7) invest in people.

Accident statistics or leave rate or sick leave during the year 2023

	2021	2022	2023
Injury Frequency Rate (I.F.R.) Time/Million Hours	0.85	0	0
Occupational Related Diseases Rate (ODR)(no./Million Hours)	0	0	0
Injury Severity Rate (I.S.R.) Day/Million Hours	1.14	0	0
Leave Rate from Work Related Injuries (AR)(no./Million Hours)	1.59	0	0
Occupational Fatality Rate (person)	0	0	0

Accident statistics from work

	2021	2022	2023
Number of employee work injuries leading to employee absence (times)	1	0	0

The Company has continuously implemented “Safe Drive for Truck Sub-contractor” in alignment with the SDG 13 “Climate Action” and SDG 17 “Partnerships for the Goals” since 2016. Transportation of goods to customers via contractor/sub-contractor who shall have medical checkup before starting, and whose transport truck and equipment shall be also checked for safety. This is to prevent and lessen pollution impact from the accident. The Company also implements “Truck Queue Program” in alignment with SDG 16 “Peace, Justice and Strong Institutions” by developing logistic application software for transportation of goods whereby after the said medical checkup and truck and equipment safety check are done, truck queue can be obtained via the application installable on mobile phone. This has created fairness for sub-contractor while lessened traffic congestion and waiting time.

All truck sub-contractors have been trained to instill safety consciousness.

2. Respect for Human Rights and Fair Treatment of Labor

Respect for human rights and fair treatment of labor are well recognized as value added and productivity increase. The Company, therefore, presses an important on labor development through the “SSSC 3 Smart for Sustainable Continuous” including multi skilling for flexible workforce. Promotion of career path for new generation employee is in place to ensure career advancement that is no gender discrimination and restriction. Competent employee shall receive full opportunity and support which in turn reduce turnover rate (turnover rate of 2023 =0.71%). As such, the Company is able to retain its competent personnel along with strategy management concerning community development toward smart society.

The Company recognizes the respect for human rights to protect, respect, remedy; and ethical treatment for labor as factors creating added value and production growth. Therefore, fair and impartial treatment of labor as well as the provision of learning opportunity are emphasized. The guidelines for practice in this regard are as follows:

- Gives supports and respects the protection of human rights e.g., acts against labor exploitation and child labor.
- Establishes working system emphasizing health and safety in the workplace.
- Provides fair terms of employment, and competency-based wage payment.
- Provides appropriate welfare as necessary, support the development of quality of work life.

The Company is committed to conduct its business under good governance principles together with ethical care for stakeholder, society, and environment under the innovation policy stating “the Organization shall ensure employees’ wellbeing and enjoyment at work.”

The Company is committed to perform, as suggested by the UN Guiding Principles on Business and Human Rights: UNGPs encompassing 3 pillars:

- (1) Protect
- (2) Respect
- (3) Remedy

The Company also uphold the 10 international principle of the UN Global Compact which are:

Human Rights

- (1) Support and respect the protection of internationally proclaimed human rights;
- (2) Make sure that they are not complicit in human rights abuses.

Labor

- (1) Uphold the freedom of association and the effective recognition of the right to collective bargaining;
- (2) Elimination of all forms of forced and compulsory labor
- (3) Effective abolition of child labor;
- (4) Elimination of discrimination in respect of employment and occupation.

Environment

- (1) Support a precautionary approach to environmental challenges;
- (2) Undertake initiatives to promote greater environmental responsibility;
- (3) Encourage the development and diffusion of environmentally friendly technologies.

Anti-corruption

- (1) Work against corruption in all its forms, including extortion and bribery.

Business ethics on human rights

The Board sees respect for human rights is fundamental to personnel development relating to its business in terms of value added by which personnel resources are crucial factors.

Therefore, the Company has declared its business ethics policy on human rights as guidelines for practices since 2013. In connection to this, the surveillance process on human rights has been integrated to the policy which was reviewed as shown in attachment 5.

Respect for the law guidelines and human rights principles

To promote respect for human rights principles and labor practices within the organization and strengthen confidence that all employees and all groups of stakeholders will be treated, protected and respected for their basic rights equally and fairly, the company has established guidelines as follows:

1. The Company adheres to the principle of human rights and respects for dignity and privacy of employee of all levels. Employees are treated equally and fair without discrimination against physical appearance, thinking, race, nationality, country of origin, religion, gender, language, age, complexion, education, social status, culture, norm, and others.
2. The Company stresses cautious work operation of all employees in prevention of business operations violation of human rights as well as look after human rights practices.

3. The Company supports all activities regarding protection of human rights.
4. The Company communicates, disseminates knowledge, promotes understanding, supports business partner in business value chain, supplier, contractor, joint venture regarding joint business operation with ethics, respect for human rights and fairness in accordance with human rights and policy.
5. The Company monitors the compliance of employees to the Company's human right principles for their respect to human rights without negligence or ignorance of violated actions and that they are required to report violations to supervisors or responsible persons as well as cooperate in the investigations. Any doubts or inquiries in all respect of the Company's human rights is to be directed to their supervisors or responsible persons through various channels specified.
6. The Company provides fairness and protection to those who report related human rights violations with protection measures for reporters or those who cooperate in reporting human rights violations as defined by the Company's Whistleblower Protection Policy.
7. The company continuously develops and implements a human rights management process (Due Diligence Process). In case of any human rights violation, the Company identifies issues and assesses related risks and impacts; defines the group or individual affected; plans and determines solutions and preventions; resolves and prevents human rights violations; checks the results; and provides an appropriate mitigation process.
8. The company inspects and follows up on the results of managing and resolving human rights violations in accordance with its inspection and follow-up process including providing support and cooperation in resolving the impacts arising from or related to the company.
9. The Company is committed to creating and maintaining an organizational culture committed to human rights respecting in accordance with this aspect of its policy.
10. Violating human rights is considered a breach of the Company's code of ethics conduct and the violators are subjected to disciplinary actions or criminal prosecution if the misconduct violates the laws.

Guidelines for Business Operation with Respect for and Support of Children's Rights

The Company continually places great importance on respecting for and supporting of children's rights. In connection to this, policy is instituted stating clearly that there shall be absolutely no employment of illegal child labor, human trafficking, forced labor or slave labor or forced overtime labor, labor under the age of 18, and the underage; unless provided by laws and regulation concerning age, working hour, payment, health, and safety.

In 2015, the senior executives of the Company declared the intention to promote Children's Rights and Business Principles. For all levels of employees to obtain knowledge and better understanding concerning respect for children's rights, since 2016, the Company has joined the Thaipat Institute in collaboration with the UNICEF applying the following 10 principles of "Children's Rights and Business Principles - CRBP to its business operation with respect for and support of children's rights.

- (1) Respects for children's rights and be committed to supporting human rights of children.
- (2) Supports the elimination of child labor in all business activities and business relationships.
- (3) Provides decent work for young workers, parents and caregivers.
- (4) Ensures the protection and safety of children in the workplace and all business activities.
- (5) Ensures that products and services are safe, and seek to support children's rights through them.
- (6) Uses marketing and advertising that respects for and supports of children's rights.
- (7) Respects and supports children's rights in relation to the environment and to land acquisition and use.
- (8) Recognizes children's rights in security arrangements.
- (9) Helps protecting children affected by emergencies or disaster.
- (10) Reinforces community and government efforts to protect and fulfill children's rights.

Age-Friendly Business

Since 2016, the Company has become partner of the Age-Friendly Business Network with the Thaipat Institute and the Department of Elder Affairs, Ministry of Social Development and Human Security; in preparation for the aging society of the organization and of the country. In this regard, the Company set forth the policy or “Business Guidance on Older Persons” for application to business activities in relation to the elderly.

Preparation

- (1) Gives pledge and be responsible for personnel entering old age.
- (2) Ensures the age friendly products and services are designed and developed.

Protection

- (1) Respects for and promotes elderly rights in making business transaction and transaction in business chain.
- (2) Ensures that the elderly is provided with welfare, health and safety in the workplace and business activity.

Participation

- (1) Provides valuable work and working environment flexible for the elderly as well as opportunity to cooperate and invest in the business.
- (2) Provides knowledge management system where knowledge, experiences and wisdom of the retiring personnel is shared to others.
- (3) Advocates government roles and civil society concerning the protection of welfare of the elderly.

Business and Human Rights Action Plan 2019 – 2023

The Company strongly commits to run its business with responsibility to respect for human rights, avoid abuse or negative impact on human rights. The Company has adopted the National Action Plan on Business and Human Rights phase 1 (2023 – 2023) as the Company’s Action Plan 2023 –2027 encompassing 4 priority areas: 1) Labor; 2) Community, Land, Natural Resource and Environment; 3) Human Rights Defenders; and 4) Cross Border Investment and Multinational Enterprises.

The Company’s Human Rights Performances of 2023

- (1) Reviewed and revised the Company’s human rights policy by issuing an Announcement issue 16/2023 on Human Rights Policy and Labor Practices (revised edition 2023) adding more key social issues of human rights as follows:
 - The Company provided fair and equal treatment to all employee, stakeholders of all sectors without prejudice to birth of origin, race, sex, age, complexion, religion, physical disability, unprivileged groups, family status, education or any statuses not involved to business operation. The rights of employees were also taken care of in accordance with related laws such as equal rights at work, wages, compensation, promotion, various benefits, occupational safety and health at workplace, and freedom to assemble and negotiate etc., under the rules, regulations, announcements and orders of the Company.
 - The company respected the rights of consumers/customers such as fair business treating and took care of personal data of employees, partners, customers, and all stakeholders as confidential data without data disclosure to unrelated parties or data transferring without the owner’s consent.
 - The company respected the rights of its partners by fair business conduct and a transparent procurement process to promote fair competition including encouraging human rights principles and etc.

- The company opposed violence, child labor and forced labor in all forms, both internally and externally, throughout the organization's supply chain and did not involve with any agency, organization or person that violates human rights or human trafficking in any case.
- The company supported equal rights for sexual preference (LGBTQI+) and opposed unfair act or discrimination on grounds of gender
- The company recognized and gave support to community rights by listening to opinions and supporting community.
- The company was open to criticism hearing, comments and suggestions from all stakeholders with no objection to role of human rights defenders.
- The company provided a comprehensive human rights audit (Human Rights Due Diligence) at least once a year and a measure of penalty for offenders.

(2) The Company created organizational awareness of human rights through integrated activities: training of employees on issues directly and indirectly related to human rights; posting notices/campaigns in easily noticeable points throughout the organization such as poster supporting gender equality and diversity during Pride Month, campaign poster to stop sexual harassment in workplaces. This included surveillance to ensure that human rights violations not to occur internally, externally, and throughout the organization's supply chain in order to emphasize and raise awareness of the issue of human rights as the matter of all person that was needed for attention and precaution of violation.

(3) Made mutual agreements with trade partners, particularly with the contractor through business value chain, to implement policy and operational guidelines combating the violation of human rights and not involve in any fraud. Trainings concerning measures combating violation of human rights and fraud were conducted to enhance understanding and participation of suppliers providing freight service to the Company.

(4) Promoted equality in race for every individual employee by putting up notice board and signboard in 4 languages: Thai; Japanese; Khmer; and Burmese to facilitate foreigners working with as well as those visiting the Company.

(5) Adopted the 10 principles of Children's Rights and Business Principles under the cooperation with the UNICEF, and carried out according continuing training to ensure all business activities place great importance on children's rights.

(6) Reviewed the age-friendly business policy or business performance guideline in preparation, protection, and cooperation for aging society of the employees and country.

(7) Set forth policy and guidelines in respect for law and international human rights binding directors, executives, and employees to attach to. It is the responsibility of the Legal Department as a compliance unit to monitor, audit, and assess the compliancy in this regard and report to the Company's Board for acknowledgement.

(8) Implemented stringent auditing and monitoring to ensure the conformity with relevant environmental law that there shall be no environmental human rights violations, published risk management handbook, and continuously carried out human rights risk assessment.

Summary of 2023 Monitoring

- The Company, customer, partner, contractor, and stakeholder in business chain act completely in compliance with labor law, policy and guidelines. No illegal act in relation to labor law, violation of human rights and human trafficking was committed.
- The Company received Exemplary Organization for Human Rights Award (honorable mention award for large enterprise) for 3 consecutive years (2019 and 2022) and Exemplary Organization for Human Rights Award 2023 (good level) from the Rights and Liberties Protection Department, Ministry of Justice.

Human Rights as Important Issues for Organization Success

Realizing the importance of equal human rights and its impacts on everyone's living, the Company focused on sustainable business with good governance by applying 3 key human rights principles to attain responsible business operations: environmental, social and good governance as well as caring for all stakeholders and human rights due diligence so as to protect and lessen risks from human right violation toward groups of vulnerable and stakeholders throughout the organization supply chain. Reducing possible risks from human rights violation that might has an impact on the Company's image and finance was also taken into action.

Results from business conduct with respect for human rights

To create additional value and increase sustainable productivity with the Company's caring concept "Happy Employees and Enjoyable Working" on the principle of problem consultation, creating happiness, solving problems, and EQ developing together with developing old skills and teaching new variety of skills through training and guidance (coaching) for employees on a regular basis, the Company witnessed a decreased turnover rate in 2023 at 0.71 %; an increased production efficiency rate at 98.37 %; a decreased product claiming rate; and a decreased work error to "0" (zero). Also, the Company encouraged career path and promotion opportunity for different career paths among new generation employees; employee of all ages having life security/stable especially nearing retirement age; raising awareness of the delicate issues of the LGBT community; and promoting mutual respect among employees of all departments to create a good working environment. As a result, there were no complaints, both internally and externally.

In addition, the above-mentioned business operation with responsibility of the Company could increase operational level to reach people in nearby communities. The company has adopted technology and innovation developed from the ideas of its employees to improve safety and to create income distribution channels for the community, such as

- 1 Click, Change your Life with IOT innovation
- Safe society, driver without drugs innovation
- SSSC on-line market place innovation and more

It also helped to strengthen good relationships between the community and both public and private agencies in the vicinity so that the organization could develop and grow together with the surrounding communities in a sustainable way.

3. Potential Development and Care for Employees

The Company focuses on improving quality of life of employees by promoting learning for change to reduce skill deficiency which in turn foster effective team working and unity; encouraging the spirit of volunteerism, impartiality. Organization supports include resources and technology resulted from the management of SSSC 3 Smart for Sustainable Cooperation"

Besides, recognizing basic rights, occupational rights, freedom to join trade union or other activities, employment, employment relation, working condition, health, and work safety; the Company also introduces an innovation under the policy stating **"the Organization shall ensure employees' wellbeing and enjoyment at work."**

In addition to the aforementioned innovations and policies, the Company has stipulated policies for employees' wellbeing and enjoyment at work such as:

- Prevention and solution on sexual harassment in the workplace;
- Management and solution for AIDS and tuberculosis in the workplace;
- Completely Check Completely Find-out (CCCCF)

The Company entrusts core leader with health promotion, committee with 5s inspection, and working group with KIZEN activity on non-formal vocational education. The Company's non-formal educational program has been recognized as a model for Best Practice of the Samutprakarn Province.

Results of Employee Care through Innovation

Employees are proud of being part of the organization where they can rely on in every matter even family matters as most of employees migrate from upcountry. This has been in alignment with the Company's resolution or human resources management policy stating:

"Organization shall ensure employees' wellbeing and enjoyment at work."

Social Performance 2021 - 2023 (following GRI Standards modular system)

Operational Data	Unit	Year		
		2021	2022	2023
Total employee	person			
• permanent	person	440	458	457
• temporary	person	0	0	0
Number of employees by gender	person			
• Male	person	304	350	349
• Female	person	221	108	108
Number of employees by level	person			
• Operation	person	242	280	288
• Supervisor and technician	person	175	157	142
• Manager	person	23	21	27
Percentage of retirement age				
• Within 5 years (age 55-60)	%	14.38	14.85	18.82
• Within 10 years (age 50-60)	%	31.74	30.13	30.42
Turn Over Rate	%	7.27	2.62	4.81
Returning rate after maternity leave	%	100	100	100
Child-care quitting rate	%	0	0	0
Number of employees being member of Safety Committee				
• Employer representative	person	7	5	5
• Employee representative	person	6	6	6
Average training hours	Hr/person/year	5.40	4.93	4.09
Percentage of received performance assessment and career advancement plan	%	-	-	
Employee earnings ratio - female to male	*total female earned/total no. of female to total male earned/total no. of male			
• Operation		1:07	1:05	1:14
• Supervisor and technician		1:14	1:10	1:26
• Manager		0:68	0:70	0.87
Percentage of priority delivery person, contractor, business partner having been screened for human rights	%	100	100	100
Percentage of processes in which human rights impacts are assessed	%	100	100	100
Percentage of employees who have undergone policy training and anti-corruption practices	%	100	100	100
Number of written social impact complaints and formal corrective action	time	0	0	0
Customer satisfaction survey results	%	95.05	93.82	92.89

4. Social and Community Responsibility

The Company fully recognizes community and society as stakeholders in its business chain who could impose impact on the Company and vice versa. As such, business operation is responsible for community and society covering environmental impact management; health and safety; participative community development; shared values creation in various fields so as to secure community's confidence in the Company; foster coexistence, trust, and mutual benefits.

To sustain community and social development of the Company, in 2023, the Company continued adhering to royal development principles of His Majesty King Bhumibol Adulyadej the Great: **Understanding, Gaining Insight and Access, and Engaging in Development** which are regarded as 3 steps to success.

Understanding : When doing anything, one needs to understand the problems, the ways to solve the problems, the process to tackle the problems while enhancing the mutual understanding between development providers and recipients.

Gaining Insight and Access : Once both parties thoroughly understand each other, actions should be taken with the cooperation among related parties. Equipment and materials must be accessible. All parties should join hands to work together.

Engaging in Development: When each party understands each other and unites, the development effort will then continue and sustain without affecting economic, social, environmental and political systems. On the other hand, it will lead to balance, stability and sustainability.

These three steps lead to the development of community with sense of belonging, and sustainability.

Company's business impact on community and society

In 2023, the survey and dialogue with all stakeholders, especially the representatives from various communities and all sectors/parties, has shown that neither direct nor indirect impact or damage stemming from the Company business operations on local communities and societies.

However, the Company utilized the outputs from the survey and dialogue to prepare continuing projects to support community and society. Projects and activities implemented in this regard by the Company in 2023 were as follows:

1. Project	Improving Quality of Life
Objectives	<ol style="list-style-type: none"> To boost morale of employees and improve their quality of life by providing benefits from group insurance apart from benefits of social security: life insurance, accident insurance, disability insurance, inpatient and outpatient medical treatment and compensation for daily medical care. To educate employees about claiming group insurance benefits.
Targets	<ol style="list-style-type: none"> Providing at least one life insurance policy and group health insurance for every employee in the organization. Publicizing the project and organizing training at least once a year to provide knowledge about group insurance and its benefits.
Outputs	<p>The company provided life insurance and group insurance for employees as follows:</p> <ul style="list-style-type: none"> Group insurance, benefit amount 200,000 Baht, maximum payable 600,000 Baht Room and Board, food fee per day 2,000 Baht (maximum 31 days per confinement) General expense during the stay Medical practitioners' fees excluding room and board expense (including nursing service expense) Medical fee for diagnosis, treatment by research, medicine and blood service. Ambulance service fee Take home medicine fee according to medical necessity, not exceeding 14 days Operation service fee Medical caring service fee Specialist's consultation service fee Out-patient medical service fee, one visit per day 2,000 Baht (maximum 30 visits per policy year) Daily compensation (HB Incentive) fee as same as room and board and food fee (2,000 Baht) according to the amount of days of IPD admission to the hospital
Outcome	<ol style="list-style-type: none"> Happy employee with good working motivation

Result of the implementation of the project leads to the drawn-up framework for sustainable development of work life of employees 2021-2023.



2. Project	Growing Pesticide-Free Vegetables, Living a life of Sufficiency
Objectives	<ol style="list-style-type: none"> 1. To promote students to learn how to grow pesticide-free vegetables for food. 2. To allow students to learn how to recycle plastic wastes.
Targets	<ol style="list-style-type: none"> 1. Provide training to students on how to grow pesticide-free vegetables, one training at least 2. Use at least 2 types of leftover materials to grow the vegetable.
Outputs	<ol style="list-style-type: none"> 1. One training was conducted to provide knowledge on how to grow pesticide-free vegetables along with student workshop. 2. Two types of the company's waste materials (leftover steel and old car tires) were recycled for pot shelf.
Outcome	<p>Students and communities have gained knowledge, responsibility, self patience, ideas to apply the philosophy of the Sufficiency Economy to everyday life and benefits of spending their free time. Provided with skill of growing pesticide-free vegetables for food by using recycled plastic bottles and car tires, they are proud of themselves for their own grown vegetables. This is in line with the objective of the project: growing pesticide-free vegetables, living a life of sufficiency.</p>

3. Projects	SSSC Sharing Knowledge with Communities
Objectives	<ol style="list-style-type: none"> 1. To transfer knowledge of environment to youngsters in the communities. 2. To promote and support students to learn from knowledge sources and develop a good attitude Towards caring for environment.
Targets	<ol style="list-style-type: none"> 1. One activity, environmental camp, regarding garbage sorting for school in the community. 2. At least one set of garbage sorting bins for school in the community.
Outputs	<ol style="list-style-type: none"> 1. One activity, environmental camp, in transferring knowledge of garbage sorting to school in the community. 2. One set of garbage sorting bins was given to school in the community.
Outcomes	<p>The community was educated on how to appropriately recycle and manage separated wastes and sell it to increase their incomes while keeping their community clean and hygiene for a better quality of life.</p>

1. Social and Community Development Activities

- Plastic bottles donation to be transformed into monk robes
- Dialogue for community development on CSR-DIW Continuous Award
- Joint working with school in the community for the Growing Pesticide-Free Vegetables, Living a life of Sufficiency Project
- Joint preservation of local culture and traditions: building sand pagodas; offering candles during Buddhist Len with nearby community
- Meeting of drugs network, Phra Pradaeng District, with near community
- Installing an IOT (Interne of Things) signal box set developed by the Company's employee called "1 click, change your life with IOT" to be beneficial to the society and community sustainability. By installing "emergency signal switch" in places all around the target community such as temples, schools, community leader's offices and the Company's office, if any of 8 misfortunes such as drugs, fire, accident, medical emergency, gambling and fighting happens, the IOT signal from the switch will be turned on by the community members and will be automatically sent to responsible units and LINE application enabling a prompt resolving action of the case within time without revealing the real indentity of informers to the public for the sake of their safety.

2. Social Activities

- Gift support for Children's Day activities to Chatthipthep Witthaya School, Wat Thong Kung School and communities nearby the company along with campaigns to prevent and solve drug problems.
- Receiving an "Honor Certificate for Competitor in TO BE NUMBER ONE" from Governor of Samutprakan province.
- Supporting budget to Children's Center, Sirindhorn Rajavidyalaya University Campus under Royal Patronage for educational promotion program and renovation.
- Supporting budget to Labor Welfare Division for renovation of restrooms and water pipe.
- Receiving an "Honor Award for Green Industry, level 4" and "Green Culture" from Department of Industrial Works.
- Donating to community schools in an occasion of Offering Robes to Monks Ceremony for electricity system and building renovation.
- Receiving an "Honor Certificate for Outstanding Supporting Corporation of Oral Health in Working Age".
- Supporting rice and drinking water to Labor Welfare Department for Thai laborers in Israel.
- Supporting budget to Rajprachasamasai Institute for medical treatment and public health.
- Organizing vegetable growing activity with Chatthipthep Witthaya School.
- Receiving "the Plaque of Honor for Disease-free, Safe and Happy Corporate" (National Level)"
- Support of beverages to police station, SumrongTai, during New Year's campaign "Drive Safe".
- Receiving an award "Honored Participant in Recycling Waste Project: Poochao in fresh look, just recycle wastes" from Poochaosamingprai Municipality.
- Receiving a "Standard Certificate as a Corporate with Drugs Prevention and Solving" from Samutprakarn Governor.
- Receiving "Outstanding Award for Safety, Occupational Health and Work Environment: National Level" for the 15th year.
- Receiving the Highest Honored Award "Role Model Company for Outstanding Labor Relations and Welfare: National Level"

3. Knowledge Dissemination

- Presentation on "the Establishing of TO BE NUMBER ONE Club" and "Friend Center" at Ruamthavorn Transport Company Ltd. & TTK Transport (Thailand) Co.,Ltd.
- Coordinating with Isuzu Motors Co., (Thailand) Ltd. and Provincial Labour Office, Samutprakarn, giving presentation on "the Establishing of TO BE NUMBER ONE Club" at Starprint Public Co., Ltd.

© Learning Center for Safety

- Welcoming SamSamut Club and a sight visit to role model corporate for outstanding occupational health and safety and workplace environment

© Learning Center for Drugs Prevention

- Welcoming Committee on Drugs Prevention and Solving

4. Labor Relations and Welfare

- Children Day gifts to children of employees.
- Joint coordination with Sikarin Hospital for annual physical check-up of employees.
- Support of sport equipments to Labor Union and a joint football match for anti-drugs campaign.
- Award of Kaizen Award and 5s grant to employee with clean and tidy workplace

- Receiving Standard Certification for healthy working age and workplace “Healthy Living Project”
- Activity to promote road safety during Songkran Festival.
- Activity for Lesson Learned on the Danger of Drugs and culture, tradition preservation during Songkran Festival.
- An aid grant to family of employees suffering from fire loss.
- Activity of love mom without drugs.
- Set of new-born gift to children of employees in Mom’s Milk Project.
- Joint workshop with Labor Union and Department of Labor Protection and Welfare on “Human Development, Empowered Potential towards Happiness Corporate”
- Granting an Award “Reducing Accidents, 365 Working Days Project”
- Coordinating with Rajprachasamasai Institute for influenza vaccination to employees
- Activity of saving box opening and gifts for participants in SSSC campaign project to refrain from drinking and save money during the Buddhist Lent.
- Activity for giving food to monks
- Karaoke Activity to campaign anti-drugs.
- Activities of refraining from drinking during Buddhist Lent.
- Activity of “SSSC Healthy Life, Healthy Living Project” for working age’s potential and quality of life development.
- New Year gifts (HATARI fan and TOSHIBA rice cooker) to employees
- Award to winner of Union Football Match to campaign anti-drugs
- Morning exercise activity at the Company to promote “SSSC Healthy Life, Healthy Living Project”.
- The Company’s New Year banquet to all employees.

5. Personnel Development

- Activity with Samutprakarn Provincial Public Health Office for “Oral Care Promotion of Working Ages in the Workplace Project”
- Workshop with Rajprachasamasai Institute for “FIT 4DEE Project”
- Workshop on First Aid, CPR and Personnel Data Protection Act (PDPA)
- Energy conservation training
- Fire evacuation training
- Crane training
- First aid training
- Safety officer training to department head
- Workshop with Rajprachasamasai Institute for “Hearing Preservation”
- Occupational Health and Safety and workplace environment training
- Training with Rajprachasamasai Institute for “NCD”
- Knowledge sharing to employees with Samutprakarn Provincial Public Health Office on “Oral Care”

4. MANAGEMENT DISCUSSION AND ANALYSIS

REPORT OF THE BOARD'S RESPONSIBILITIES FOR FINANCIAL STATEMENTS

The Board of Directors is responsible for the consolidated financial statements of the Company, its subsidiaries; and the separate financial statements of the Company according to the financial reporting standards. With regard to the statement preparation, the Board is constantly considers with discretion the appropriate accounting policies consistently practiced and the principles of reasonable estimation. The Board ensures the disclosure of important information in the note to financial statements is adequate and transparent for the benefits of shareholders and general investors. The Company gives full supports and documents to the auditor of the Grant Thornton Limited so as to facilitate the review and comments of the auditor on the statements to be in accordance with the auditing standards.

The Board ensures accounting data entry is complete and accurate under good corporate governance, risk management, and internal control. Significant and factual data is illustrated adequately and timely to safeguard Company's assets as well as prevent fraud/corruption or any significant irregularity.

The Board establishes the Audit Committee in which all committee members are independent directors to review the reliability and accuracy of the financial statements, oversee the compliance of anti-corruption measures, and assess internal control and internal audit to ensure effectiveness of the systems. The Audit Committee is responsible for selecting, nominating and terminating external auditor; reviewing accounting policy to ensure the quality of financial statements; reviewing anti-corruption measures, internal control, internal audit, risk management systems, and risk assessment; giving advice to the Board concerning action to reduce corruption risk; considering if the disclosure of connected transaction information is complete, adequate and appropriate. The auditor's opinions in this regard are provided in the report of the auditor as shown in the Company's annual report

The Board, hereby, has an opinion that the Company's internal control and internal audit systems are reliable. The consolidated and separate financial statements for the year ended 31 December 2023 are completely and appropriately demonstrated the financial status, performances, and cash flow in accordance with the accounting standards and applicable laws and regulations as audited by the auditor with opinions shown in the report of the auditor.



(Mr. Wanchai Kunanantakul)
Chairman



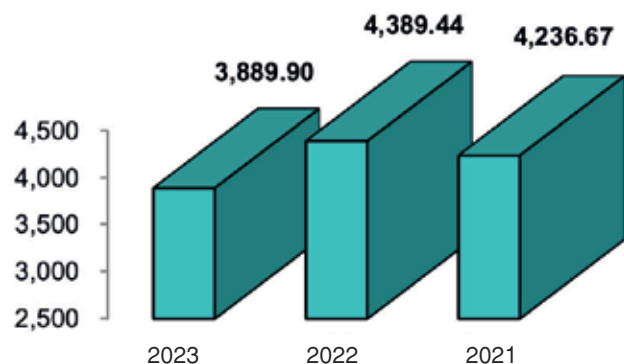
Mr. Surasak Kunanantakul
President

4.1 Performance

Consolidated F/S	Unit: Thousand Baht			
	2023	2022	Increased (Decreased)	%
Revenues				
Sales & installation	5,010,386	5,119,173	(108,786)	(2.13)
Services	312,701	339,752	(27,051)	(7.96)
Transportation	72,120	71,546	574	0.80
Total Revenues from Sales and Services	5,395,207	5,530,471	(135,263)	(2.45)
Costs and Expenses				
Costs of sales and services	4,706,794	4,885,111	(178,317)	(3.65)
Gross profit	688,413	645,360	43,054	6.67
Gain (Loss) on exchange rate	1,603	949	654	68.91
Others	20,459	19,080	1,379	7.23
Income before Expenses	710,475	665,389	45,087	6.78
Expenses				
Selling expense	(224,818)	(241,587)	16,769	(6.94)
Administrative expense	(132,631)	(133,968)	1,336	(1.00)
Total expenses	(357,449)	(375,555)	18,105	(4.82)
Income before financial costs and income tax	353,026	289,834	63,192	21.80
Financial cost	(19,468)	(15,904)	(3,564)	22.41
Income tax expense	(68,384)	(56,936)	(11,448)	20.11
Net Profit	265,174	216,994	48,180	22.20
Attributable Profit				
Company's shareholders	266,354	218,455	47,899	21.93
Non-controlling interests	(1,180)	(1,461)	282	(19.29)
Earnings per share (Baht)	0.42	0.34	0.08	24.32
Financial Position				
Total assets	3,889,902	4,389,443	(499,541)	(11.38)
Total liabilities	657,206	1,305,886	(648,680)	(49.67)
Shareholders' equity	3,232,717	3,082,635	150,082	4.87
Non-controlling interests	(21)	922	(943)	(102.30)
Total shareholders' equity	3,232,696	3,083,557	149,139	4.84

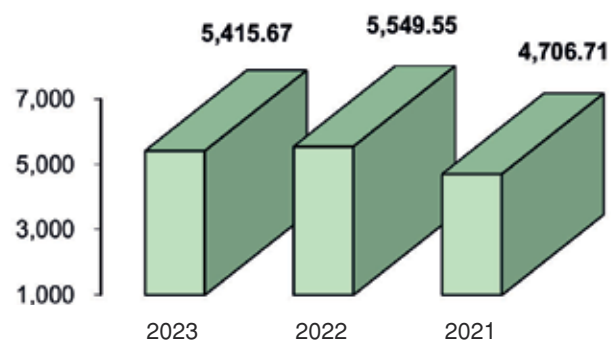
Assets

(Million baht)



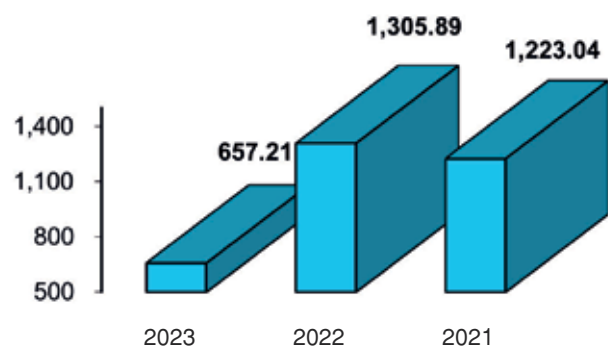
Revenue

(Million baht)



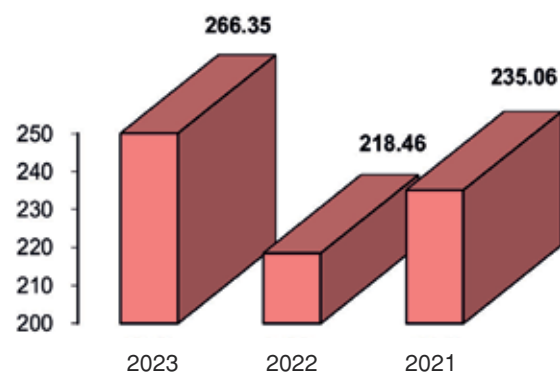
Liabilities

(Million baht)



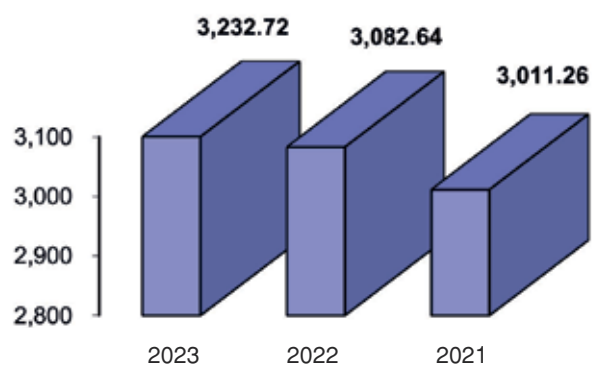
Net Profit

(Million baht)



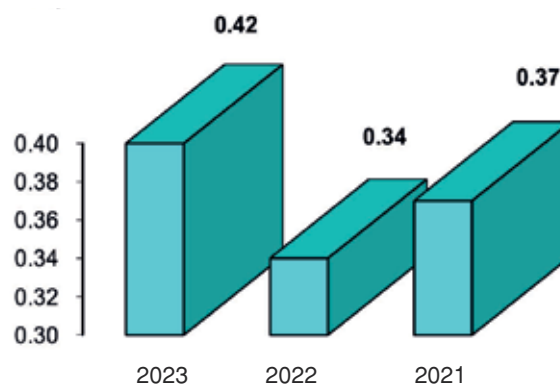
Equity

(Million baht)



EPS

(Baht)



Revenues

Revenue generated from sales and services decreased by Baht 135.26 Million or 2.45%. Most of decreased for sale and cutting services but income from installation increased due mainly to the increase of roof construction and building renovation works coupled with the continuing infrastructure government project. The economic recovery has boosted confident of the business sector and constant increase in investment. There are some limitations on business operations as steel market is highly competitive coupled with the increasing production cost, uncertainty in the domestic and international economic and political situations. These have posted severe impact on price adjustment which drive the Company to develop innovations to increase its productivity.

Cost of Sales and Services by Revenues

	Million Baht	
	2023	2022
Cost of sales and services for sales and installation	4,392	4,558
Cost of sales and services for service revenue	286	307
Cost of sales and services for other revenues	30	21
Cost of sales and services for eliminated	(1)	(1)
Total cost of sales	4,707	4,885

The decrease of the cost of sales and services Baht 178.32 Million or 3.65% includes decreasing costs of raw materials and production respectively e.g., sparepart and supplies used, hire of work, outsidess wages, transportation expense.

Gross Profit

The Company's gross profit of 2023 compared to 2022 increased by Baht 43 Million or 6.67% due to the increase in total revenue.

	Million Baht	
	2023	2022
Gross profit from sales and installation	619	562
Gross profit from service revenue	27	33
Gross profit from other revenues	42	50
Total	688	645

Expenses

- Cost of sales decreased by Baht 16.77 Million or 6.94% e.g., transportation charge and provision for doubtful.
- Administrative cost decreased by Baht 1.34 Million or 1.00% mainly on the provision for employee benefit obligation expense and welfare.
- Financial cost increased by Baht 3.56 Million or 22.41% paying interest on the loan, the rate has increased according to financial policy.
- The corporate income tax increased by Baht 11.45 Million or 20.11%, due to the increase in net profit.

Net Profit

As a result of the said performances, the Company's net profit of 2023 was Baht 266.35 Million increased from the year 2022 by Baht 47.90 Million or 21.93%.

Financial Position

Assets

As of 31 December 2023, the Company's total assets was Baht 3,890 Million decreased from the preceding year by Baht 499.54 Million or 11.38% due mainly to the decreases in trade accounts receivable and inventories.

Profile of the total assets as of 31 December 2023 as shown.

		2023	2022
Current Assets			
Trade accounts receivable	%	30.28	28.62
Inventories	%	34.34	39.77
Other current assets	%	7.41	6.30
Total current assets	%	72.03	74.69
Non Current Assets			
Property, plant and equipment-net	%	26.38	23.91
Other non current assets	%	1.59	1.40
Total non current assets	%	27.97	25.31
Total assets	%	100.00	100.00

The inventory decreased by 23.47% compared to the preceding year, whereas trade accounts receivable decreased by 6.23%. The analysis of 2023 compared to 2022 has shown as follows:

		2023	2022
Inventories	(million baht)	1,335.80	1,745.55
Inventories turnover	(time)	3.06	2.95
Day sale outstanding	(day)	118	122
Trade accounts receivable	(million baht)	1,177.69	1,255.92
Accounts receivable turnover	(time)	4.03	3.97
Accounts receivable turnover	(day)	88	91

In 2023, the Company made more purchasing orders to meet the decreasing demand of customers e.g., automotive and electrical appliances industries, on raw materials due to an following improved economic situation after the production slowdown and low price of raw materials in the earlier years.

The analytic tread account receivable ratio has concluded for 2023 that:

- Increased day sale outstanding due to order delayed and postponed delivery by customers;
- Normal account receivable turnover (day);
- Good inventory and accounts receivable liquidity.

Total Liabilities

As of 31 December 2023, the Company's total liabilities was Baht 657 Million, decreased by Baht 649 Million or 49.67% from the preceding year mainly from the decrease of bank overdraft and short-term loans, accounts payable, the decrease was due mainly to paying interest on the loan.

Shareholders' Equity

As of 31 December 2023, shareholders' equity was Baht 3,232 Million increased by 4.87% from the preceding year due to the Company's increased net profit in 2023 coupled with the dividend paid according to the performances amounting to Baht 142.08 Million.

In 2023, the Company improved crane and steel cutting machine of 6 machines for steel cutting at the cost of Baht 18.54 Million so as to increase efficiency and production capacity catering for business expansion.

Key Financial Ratios

There were slight increase of overall profitability ratio and efficiency ratio, decrease of debt to equity ratio. The interest coverage ratio was increased due mainly to higher cash provided from operating activities.

Credit Limit and Credit Policy

The Company trades with various industries, as such credit limit and credit term are vary depending on factors includings:

- Profile of trade partners
- Performance (financial statement)
- Payment history
- Terms of trade

SSSC's Credit Term to Tread Partners

Account Receivable		Account Payable	
Credit Term	30, 60, 90 Days	Credit Term	30 Days
Accounts Receivable Turnover	89 Days	Payable Turnover	25 Days

The credit terms offered are varied according to:

- Credit term starts after the delivery month;
- The domestic and international economic slowdown, operating results and working capital decreases. However, in the case of the Company, debt payment for goods by customers exceed 90% with few overdue payments which is regarded as normal;
- The Company's ability to make on schedule payment of trade creditors.

Liquidity Management Measures

- Effectively manages trade receivables to avoid bad debt; constantly follows up late payment, and controls the sales of goods according to credit limit set forth by the Company
- Appropriate management inventory.
- Prompt repayment of overdrafts and short-term loans to the financial institutes, even before due date, once the cash flow is sufficient so as to avoid unnecessary financial costs.

4.2 Factors Affecting Future Performance

1) Customer's relocation of production base

As steel supplier to various downstream industries whereby automotive and electric appliances are main customers supplying products in country and oversea, the Company's business could be affected if these customers move their production bases to other countries due to trade policy; increasing tax or production cost, energy and transportation cost; and legal environment.

2) Production innovation change

Technology development creates innovations to increase productivity. Steel may be substituted by other materials with similar properties which possibly affect the Company's business. However, development of alternatives steel substitute may take time so as to acquire similar properties as steel and be accepted by manufactures.

3) Geopolitics

Conflict or war between countries may post impacts on domestic and international economy causing the economy to recess or halt which in turn affect business operations.

4) The instability of global economy

Financial markets, inflation rate, increases in interest rates, exchange rate fluctuations, trade policy and trade countermeasures affect the overall economic system. All are risks that urgently seek to find preventive measures to avoid business interruption and enabling the Company to cope with related minimal impact.

4.3 Key Financial Information

Consolidated statements of financial position of SSSC and its subsidiaries.

	As of 31 December					
	2021		2022		2023	
	Baht	%	Baht	%	Baht	%
Cash and cash equivalents	115,247,345	2.72	150,400,827	3.43	149,724,591	3.85
Trade account receivable	1,286,767,318	30.38	1,255,916,209	28.62	1,177,688,200	30.28
Amount due from related companies	82,334	0.00	91,327	0.00	0	0.00
Unbilled accrued income	105,511,295	2.49	102,418,211	2.33	102,614,791	2.64
Inventories	1,566,441,330	36.97	1,745,551,971	39.77	1,335,796,370	34.34
Other current assets	24,460,052	0.58	23,825,437	0.54	36,248,851	0.92
Total current assets	3,098,509,674	73.14	3,278,203,982	74.69	2,802,072,803	72.03
Long term investment	2,628,237	0.06	2,628,237	0.06	2,628,237	0.07
Investment properties	31,355,328	0.74	31,355,328	0.71	31,355,328	0.81
Property, plant and equipment	1,079,585,088	25.48	1,049,023,153	23.91	1,026,120,445	26.38
Other non-current assets	24,591,917	0.58	28,232,848	0.63	27,725,496	0.71
Total non-current assets	1,138,160,570	26.86	1,111,239,566	25.31	1,087,829,506	27.97
TOTAL ASSETS	4,236,670,244	100.00	4,389,443,548	100.00	3,889,902,309	100.00
Bank overdrafts and short-term loans	750,728,496	17.72	787,215,371	17.94	191,437,802	4.92
Trade account and note payable	204,865,535	4.84	249,753,629	5.69	183,959,439	4.73
Current portion of employee benefits obligation	7,365,455	0.17	5,793,103	0.13	10,336,237	0.27
Accrued cost of installation services	27,997,369	0.66	6,376,588	0.15	7,250,374	0.19
Advanced from customers	3,927,762	0.09	28,008,614	0.64	17,178,774	0.44
Other current liabilities	128,761,778	3.04	128,137,484	2.91	146,269,880	3.76
Total current liabilities	1,123,646,395	26.52	1,205,284,789	27.46	556,432,506	14.31
Employee benefit obligation	99,396,123	2.35	100,601,528	2.29	100,773,773	2.59
Non-current liabilities	-	-	-	-	-	-
Total non-current liabilities	99,396,123	2.35	100,601,528	2.29	100,773,773	2.59
TOTAL LIABILITIES	1,223,042,518	28.87	1,305,886,317	29.75	657,206,279	16.90
TOTAL SHAREHOLDERS' EQUITY	3,013,627,726	71.13	3,083,557,231	70.25	3,232,696,030	83.10

Consolidated statements of income of SSSC and its subsidiaries.฿

	For the year ended 31 December					
	2021		2022		2023	
	Baht	%	Baht	%	Baht	%
Sales and installation	4,324,493,460	92.24	5,119,172,894	92.57	5,010,386,488	92.86
Steel cutting services	303,640,746	6.48	339,751,770	6.14	312,700,860	5.80
Transportation	60,211,924	1.28	71,546,028	1.29	72,119,779	1.34
TOTAL REVENUE	4,688,346,130	100.00	5,530,470,692	100.00	5,395,207,127	100.00
Costs of sales and services	(4,060,129,114)	(86.60)	(4,885,110,965)	(88.33)	(4,706,793,719)	(87.24)
Gain (loss) on exchange rate	(569,439)	(0.01)	949,097	0.02	1,603,464	0.03
Other income	18,360,026	0.39	19,080,147	0.35	20,458,720	0.38
Profit before expenses	646,007,603	13.78	665,388,971	12.04	710,475,592	13.17
Selling expenses	(211,217,927)	(4.51)	(241,587,446)	(4.37)	(224,818,329)	(4.17)
Administrative expenses	(132,711,272)	(2.83)	(133,967,661)	(2.42)	(132,631,583)	(2.45)
Finance cost	(8,701,290)	(0.19)	(15,904,042)	(0.29)	(19,467,595)	(0.36)
Income tax	(58,796,238)	(1.25)	(56,936,179)	(1.03)	(68,383,804)	(1.27)
PROFIT FOR THE YEAR	234,580,876	5.00	216,993,643	3.92	265,174,281	4.92
Portion of non-controlling interests in subsidiary	(475,691)	(0.01)	(1,461,608)	(0.03)	(1,179,679)	(0.02)
Portion of the Company's shareholders	235,056,567	5.01	218,455,251	3.95	266,353,960	4.94
Portion of the Company's shareholders (Baht/share)	0.37		0.34		0.42	
Attribution of comprehensive income (loss) for the year:						
Portion of the Company's shareholders	237,760,760	5.07	218,576,570	3.95	268,481,673	4.98
Portion of non-controlling interest in subsidiary	(431,310)	(0.01)	(1,448,128)	(0.03)	(943,266)	(0.02)
TOTAL	237,329,450	5.06	217,128,442	3.92	267,538,407	4.96

Consolidated statements of cash flows of SSSC and its subsidiaries.

	2021	2022	2023
	Baht	Baht	Baht
Net cash generated from operating activities	351,587	185,803,034	750,028,674
Net cash used in investing activities	(31,988,429)	(40,072,289)	(39,468,824)
Net cash used in financing activities	659,527,838	(110,712,062)	(713,600,212)
Exchange differences on conversion of subsidiary's-foreign currency financial statements	443,813	134,799	2,364,126
Net increase (decrease) in cash and cash equivalents	(281,368,365)	35,153,482	(676,236)
Cash and cash equivalents at beginning of year	396,615,710	115,247,345	150,400,827
Cash and cash equivalents at year end date	115,247,345	150,400,827	149,724,591

Financial Ratios

Ratios		Consolidated F/S		
		2021	2022	2023
<u>Liquidity Ratios</u>				
Current ratio	(time)	2.76	2.72	5.04
Quick ratio	(time)	1.34	1.25	2.57
Cashflow ratio	(time)	(1.23)	0.16	0.85
Account receivable turnover	(time)	3.90	3.97	4.03
Account receivable turnover	(day)	92	91	89
Inventories turnover	(time)	3.56	2.95	3.06
Day sale outstanding	(day)	101	122	118
Payable turnover	(time)	17.11	12.62	14.20
Payment	(day)	21	29	25
Cash Cycle	(day)	172	184	182
<u>Profitability Ratios</u>				
Gross profit margin	(%)	13.40	11.67	12.76
Operating profit margin	(%)	6.06	4.88	6.13
Other margin	(%)	0.38	0.36	0.41
Cash to profit ratio	(%)	(319.87)	68.87	226.62
Net profit margin	(%)	4.99	3.94	4.92
Return on equity	(%)	8.03	7.17	8.44
<u>Efficiency Ratios</u>				
Return on assets	(%)	6.24	5.06	6.43
Return on fixed assets	(%)	28.24	27.27	31.73
Asset turnover	(time)	1.25	1.28	1.30
<u>Financial Policy Ratios</u>				
Debt to equity ratio	(time)	0.41	0.42	0.20
Interest coverage ratio	(time)	(99.40)	17.36	42.53
Ability to pay obligations ratio	(time)	(1.10)	0.98	1.00
Dividend payout ratio	(%)	62.62	51.15	51.32

5. GENERAL INFORMATION

Company name	Siam Steel Service Center Plc. "SSSC"
Registered date	30 September 1985
Business	Manufacturing metal components for use in such industries as the construction, automobile, electrical appliance, furniture and etc.
Head office	51/3 Moo 2, Poochaosamingprai Road, Bangyaprak District, Amphur Phrapradang, Samutprakarn 10130, Thailand Tel. 0-385-9251-2, 0-2385-9254-66, 0-2385-9277, 0-2394-4630, 0-2754-5845-7 0-2754-5986, 0-2755-9694 Fax. 0-2385-9241, 0-2385-9253, 0-2385-9240, 0-2385-9274 0-2754-5747-8
Factory 2	51/11 Moo 3, Poochaosamingprai Road, Bangyaprak District, Amphur Phrapradang, Samutprakarn 10130, Thailand Tel. 0-2394-7845-9
Factory 3	60/6 Moo 3, Mabyangporn District, Amphur Pluakdang, Rayong 21140, Thailand Tel. (038) 891-175-8, 891-751-4 Fax. (038) 891-179
Registration	0107537002052
Website	www.sssc.th.com and www.luckyroof.com

Juristic person which the Company holds at least 10 percent interest

Company name	Siam Steel Vietnam Co., Ltd.				
Registered Date	30 June 2006				
Business	<ol style="list-style-type: none"> 1. Manufacturing of slitting steel coils and cutting steel sheets, 2. Manufacturing of blanking, forming and bending steel parts for furniture, electrical appliance, construction and automotive industries, 3. Manufacturing of steel roofing, siding, ceiling, flooring, steel panel and accessory parts. 				
Location	PhucDien Industrial Zone, Cam Giang District, Hai Duong Province, Socialist Republic of Vietnam The Company leases a land plot to build a factory of 5,000 square meters for 46 years. Leases contract commenced in August 2006 will be ended in September 2052.				
Investment capital	USD 1,200,000 or equivalent to Baht 48,000,000 consists of: <ul style="list-style-type: none"> • Registered capital USD 700,000 or equivalent to Baht 28,000,000 and • A loan from Ban in the Socialist of Vietnam for approximately USD 500,000 or equivalent to Baht 20,000,000. 				
Profile of investment	<table> <tr> <td>Siam Steel Service Center Plc.</td><td>USD 630,000 or 90%</td></tr> <tr> <td>Okaya & Co., Ltd (Japan)</td><td>USD 70,000 or 10%</td></tr> </table>	Siam Steel Service Center Plc.	USD 630,000 or 90%	Okaya & Co., Ltd (Japan)	USD 70,000 or 10%
Siam Steel Service Center Plc.	USD 630,000 or 90%				
Okaya & Co., Ltd (Japan)	USD 70,000 or 10%				

- Investment incentive**
1. Annual Corporate Income Tax is 15% for the period of 12 years from the date of operation and 25% for the remaining period.
 2. Other taxes subject to the current law at the time of paying tax annually.
 3. The enterprise shall exempted from Corporate Income Tax (CIT) for 3 years Counting from the time of generating taxable income and shall have 50% CIT reduction for 7 consecutive years.

REGISTRAR

Head office Thailand Securities Depository Co., Ltd.
 93 Rachadapisek Road, Dindaeng, Dindaeng, Bangkok 10400 Thailand
 Tel. 0 2009-9000

Auditors	Mr. Somkid	Tiatragul	C.P.A. (Thailand) Register no. 2785 and/or
	Ms. Kanyanat	Sriratchachavan	C.P.A. (Thailand) Register no. 6549 and/or
	Ms. Luxsamee	Deetrakulwattanapol	C.P.A. (Thailand) Register no. 9056 and/or
	Ms. Kesanee	Srathongphool	C.P.A. (Thailand) Register no. 9262 and/or
	Ms. Saranya	Akharamahaphanit	C.P.A. (Thailand) Register no. 9919

Head office GRANT THORNTON LIMITED
 Capital Tower All Season Place, 18th Floor
 87/1 Wireless Road, Lumpini, Pathumwan, Bangkok 10330
 Tel. 0 2654-3330 Fax. 0 2654-3339
 Auditing Service Baht 1,530,000
 Other services -None-

Legal Advisory Mr. Hirun Komolhirun
 51/3 Moo 2, Poochao Road, Bangyaprak District, Amphur Phrapradang, Samutprakarn
 Tel. 0 2394-2897
 E-mail: hiran@ssscth.com

Issuance and offering of debt securities to the public -None-

LEGAL DISPUTE

So far, the Company has no legal dispute or any (black) case that may affect the Company's assets and financial status.

6. CORPORATE GOVERNANCE POLICY

6.1 Policy overview and Corporate Governance

The Company's Board of Directors realizes the significant of the administrative principles and good corporate governance. The Company adheres to the principle of good corporate governance practices for listed companies to ensure the Company's sustainable growth and promote trust among stakeholders i.e. shareholders, investors, customers, business partners, creditors, employees, and general public. The Board, therefore, institutes the Company's governance mechanism and entrust the Corporate Governance Committee whose responsibilities are to oversee the compliance of the administrative principles and business operations of the Company with good corporate governance policy and the principles of good corporate governance set forth by the Organization for Economic Co-operation and Development (OECD), and within the framework of SET's regulations. The social and environmental issues are integrated in the business process including setting direction, vision, mission, strategies, operation process; assessment and reporting. Accordingly, the committee members utilize the said integrative process as frameworks to ensure the Company's operations are responsive to social and environment while creating sustainable value to its business.

The Company realizes an importance of acquiring stakeholders' confidence in its existing good corporate governance principles that is transparent, just, fair, efficient, and auditable leading to business growth that accountable for Environment, Social, and Governance (ESG). The Company regards this as a solid foundation for capacity enhancement and business strengthening to attain sustainable growth as well as long term good returns to investors.

On 11 August 2017, the Company's Board resolved for the Company to adopt the new Corporate Governance Code for Listed Companies 2017 (CG Code) set forth by the Securities and Exchange Commission. In connection to this, the Company's Corporate Governance Committee has been entrusted with overseeing the application of CG Code, as seen suitable within the Company's business context, and reporting the results to the Company's Board at least once a year so as to ensure the following governance outcomes:

1. Ability to compete, good returns, recognizing long term impact;
2. Ethical business conduct with respect and responsible for the rights of shareholders and stakeholders
3. Social benefit and development or reduction of environmental impacts
4. Adaptability to change

Corporate Governance Operational Plan (2020-2024)

As resolved by the Company's Board Meeting, the Board shall attach to the 8 principles of practice of CG Code's and accordingly apply as seen suitable to the Company's business context.

Principle 1 Establish Clear Leadership Role and Responsibilities of the Board

Principle 2 Define Objectives that Promote Sustainable Value Creation

Principle 3 Strengthen Board Effectiveness

Principle 4 Ensure Effective CEO and People Management

Principle 5 Nurture Innovation and Responsible Business

Principle 6 Strengthen Effective Risk Management and Internal Control

Principle 7 Ensure Disclosure and Financial Integrity

Principle 8 Ensure Engagement and Communication with Shareholders

The Corporate Governance Committee presents the 8 principles to the Company's Board yearly. For the previous year, the Board and the Committee collectively agreed that the Company has applied all principles as provided by the Organization for Economic Co-operation and Development (OECD) which also in compliance with the new CG Code.

Corporate Governance Policy

The Company's Board has established the policy on corporate governance, business ethics, and work performance practices. The policy is reviewed and revised annually or as seen appropriate so as to keep up with current situations and business environment while conforms with guidelines set forth by the SET, SEC, and relevant governance agencies. In so doing is to uplift the Company's corporate governance (CG) practices to meet international standards, to better create long-term good returns; be able to take on all changes, create value, and responsive to shareholders, stakeholders, and society.

To ensure effective implementation of the Company's corporate governance plan, and to achieve the set goals, the 1/2021 Board's Meeting held on 25 February 2021 resolved for the review and revision of the corporate governance policy in alignment with the Corporate Governance Code (CG Code) for Listed Companies 2017 for sustainable value creation. This aims at building up confidences of shareholders and stakeholders seen as essence for long — term business value and returns to shareholders. The Company's Board, as top leader of the organization strives to perform its duties attaching.

The Company continuously conducts activities and trainings on the said rules and regulations including code of business ethics and work performance guidelines to ensure all employees' understanding and commitment. Prior to training, pretesting is carried out to facilitate the effectiveness of the training. The pretesting result is defined as KPI for annual performance assessment of employees.

In addition, the Board ensures the roll out of good corporate governance as well as business ethics and work performance guidelines are well perceived and applied by all personnel. Business Ethics and Work Performance Guidelines Handbook is disseminated through various channels e.g., E-mail, intranet, Company's website.

Trainings on introduction to Corporate Governance were provided for all employees including the new recruits for them to be able to transfer to their actual works in a manner that is responsible, transparent, honest, deliberate, and ethical for their own selves, organization, shareholders, and stakeholders. The Board also supports the events organized to promote work related knowledge and virtues under good corporate governance policy, business ethics, and work performance guidelines

6.1.1 Policy overview and Scope of President's Authority

Nomination of Directors and Chief Executives (Attachment 5)

1) Nomination of Directors

Pursuant to the Company's articles of association specifying the number of directors of the Company's Board shall not less than 5, and no less than half of the total number of directors shall reside in the Kingdom. The maximum number of the Board of Directors can be of any number but no less than 5.

Election of the Board of Directors is held at the shareholders' meeting applying the following criteria and methods.

- (1) One share for one vote.
- (2) Each shareholder may exercise all his/her votes provided in (1), for the election of one or a group of directors but the votes cannot be split into different candidates.
- (3) The nominee receiving the highest votes is ranked in descending order and is appointed as directors in that order until all of the director positions are filled.

In the case where the number of nominees gaining equal votes exceeds the number of seats available, then the chairman shall have the casting vote.

As the terms of service of the director as yet not specified, therefore, at each Annual General Meeting, one-third of the directors, or if the number is not a multiple of three, then the number of the closest to one-third, must retire from office. The method of drawing lots is to be applied to the case where the director is to retire from office in the first and second years after the Company was listed. At shareholders' meeting, re-election of the retiring director is possible.

Besides the expiration of the terms under the said conditions, the director vacates office upon:

- (1) Death;
- (2) Resignation by which the director submits the letter of resignation to the Company. The resignation shall take effect on the date the letter reaches the Company;
- (3) Being disqualified or being under prohibition according to the Company's articles of association stating that the director must be natural person and reach his/her legal age; and not be bankrupt, incompetent, quasi-incompetent, being imprisoned by a final judgment against wrongful act concerning property and not receiving a penalty of firing or dismissing from the government service or government agency for malfeasance in office;
- (4) Being removed by the resolutions of the shareholders' meeting as enforced by the articles of association of the Company. At least three-fourths of the shareholders attending the meeting and have voting rights who hold shares altogether no less than half of the total shares held by shareholders attending the meeting and have voting rights, may resolve for the director to vacate the office before the expiration of the director's term of office;
- (5) Being removed from the office by court's order.

In the case where director position is vacated otherwise than by expiration of term of service, the Board shall select a person, holding qualifications as required and has no prohibited characteristics, to replace the remaining period of the vacating director's term except that the remaining period is less than 2 months. The resolution of the Board of Directors to such effect shall be adopted by the affirmative votes of at least three-fourths of the remaining directors. Any person replacing vacating director shall retain in the position as the vacating director is entitled to retain the same. In the case where the number of vacancies in the Board of Directors is such that the number of remaining directors does not constitute a quorum, the remaining directors may act on behalf of the Board of Directors only to summon a General Meeting solely for the purpose of electing replacing directors. The said General Meeting must be held within 1 month from the date on which the number of vacancies resulted in the number of remaining directors being less than a quorum.

The replacing director shall retain in the position as the vacating director is entitled to retain the same.

- The director can be either the Company's shareholder or non-shareholder.
- There must be at least half of the total directors to constitute the quorum of the meeting of the Board.
- The final decision of the meeting is adopted by the majority of the votes.
- One director for one vote except for the director being stakeholder in any particular agenda shall not exercise his/her vote as such. In the case of equal votes, the chairman shall have the casting vote.
- Authority of the Board of Directors or other committees performing duties on behalf of the Board of Directors, there is no Company's rule provided as such.

2) Independent Directors

As for the election of independent director, the Nomination and Remuneration Committee is in charge of selecting qualified persons. The nominees are selected from those holding qualifications of independent director as specified by the Company's Board of Directors according to guidelines of the SET and Office of the SEC. Approval for appointment shall be obtained from the shareholders' meeting.

Each independent director shall have the following qualifications.

- (a) Not holding shares in excess of one percent of the total voting shares of the Company, parent companies, subsidiary companies, associate companies, major shareholders or shareholders having power to control the Company; which shall be inclusive of shares held by connected person of the independent director.
- (b) Neither being nor having been executive director²; employee; staff member; adviser receiving regular salary; or person having power to control the Company, parent companies, subsidiary companies, associate companies, same-ranked subsidiary companies³, major shareholder or person holding shares of the person having power to control the Company. The said characteristics are not applicable to the case where such person has retired from the aforesaid characteristics no less than 2 years before the date submitting application for permission to the Office. Such prohibited characteristics are exclusive of the case where the independent director used to be a government service or adviser to government agency being a major shareholder or person having power to control the Company.
- (c) Having neither blood nor legitimate relationship as parent, spout, brotherhood, and child which shall be inclusive of spout of a child of executive, major shareholder, person having power to control the Company, or person potentially be nominated as executive or given power to control the Company or its subsidiaries.
- (d) Not having business relationship with the Company, parent companies, subsidiary companies, associate companies, major shareholder or person having power to control the Company in the manner that might compromise the independent director's ability to express an independent opinion; not being a major shareholder or person who had been a significant shareholder or a person having power to control other company which has business relationship with the Company, parent companies, subsidiary companies, associate companies, major shareholder or person having power to control the Company, except that such independent director has retired from the said position no less than 2 years.

The business relationship in para. one is inclusive of trade transactions carried out in a usual manner for business operations, lease and rental of real estate, transaction concerning assets or services, or give/receive financial support either by loan or grant, guarantee, collateral, and the like which would burden the Company or its partners an obligation to pay debt at least either three percent of the Company's net assets or Baht 20 million whichever is the lesser.

For the calculation of the said debt, the methods as provided by SEC notification on guidelines for connected transaction shall be applied mutatis mutandis. However, the determination of the said debt shall be inclusive of the debt incurred during 1 year before the date of having business relationship with the same person.

- (e) Not being or having been an auditor of the Company, parent companies, subsidiary companies, associate companies, major shareholder or person having power to control the Company, significant shareholder and having power over or being partner of Audit Office where the auditor of the Company, parent companies, subsidiary companies, associate companies, major shareholder or person having power to control the Company is with, except that the independent director has retired from the said characteristics for no less than 2 years.

- (f) Not being or having been a provider providing any professional services including legal adviser or financial adviser receiving regular salary more than two million Baht per year from the Company, parent companies, subsidiary companies, associate companies, major shareholder or person having power to control the Company, significant shareholder having power to control or being a partner of such professional provider, except that the independent director has retired from the said characteristics no less than 2 years.
- (g) Not being a committee member appointed to represent the Company's committee member, major shareholder, or shareholder being a connected person of major shareholder.
- (h) Not operate other business of the same industry which competes significantly with the Company or subsidiary companies. Not being a significant partner in the partnership, or being management team member, employee, staff member, adviser receiving regular salary or holding shares in excess of one percent of the total voting shares of other companies operating business of the same industry which compete significantly with the Company or its subsidiaries.
- (i) Not possess any other characteristics that might compromise the director's ability to express independent opinion concerning the Company's operations.

Having been appointed as independent director under para.one (a) to (i), an independent director may be designated by the Board of Directors to make collective decision concerning the operations of the Company, parent companies, subsidiary companies, associate companies, same-ranked subsidiary companies, major shareholder or person having power to control the Company.

In the case where a person appointed as independent director is a person having or used to have business relationship or provide professional services with value in excess as indicated in para.one (d) or (f) above. Such conditions may be omitted, if the Board of Directors has approved that the appointment of the said person does not have any impact on performance and ability to express independent opinion of such independent director. The Company also discloses the following information in the invitation letter to shareholder meeting under the agenda item for consideration on appointment of the Independent Director.

- (1) Business relationship or provision of professional services that disqualify the said person.
- (2) Rational indicating the needs to retain or appoint such person as independent director.
- ((3) Opinion of the Board of Directors proposing for appointment of such person as independent director.

Remarks

- (1) Connected person means a person under Section 258 of the Securities and Exchange Act.
- (2) Director takes part in management means director who also serves as executive, director who performs duties as executive, and director with authority to sign and bind the Company; except for the signing to bind the transaction which has been approved by the resolution of the Board and is jointly signed by other director.
- (3) Same - ranked subsidiary means subsidiaries at least two companies under the same parent company.
- (4) Significant shareholder means shareholder holding shares of any business in excess of ten percent of the total voting shares of such business, such holdings are inclusive of shares held by connected person.
- (5) Partner means a person entrusted by the Audit Office or a person providing professional services to sign an audit report or report on professional service (as the case may be) on behalf of such juristic person.

3) Holding Director Position in another Listed Company

The Company's Board of Directors institutes the policy that each director shall retain in the director position in the Company and other listed companies all together no less than 5. This is to ensure the full and effective dedication of such director to the Company. The said director shall not be director in any other listed company inducing possible conflict of interest to the Company and the ability to operate director functions.

4) Holding Chief Executive Position

The Company defines the policy that approval from the Company's Board is required for The Company's President to hold director position in other company. The policy also provides that the President shall hold, not more than 5, the presidential positions in other listed companies and the subsidiary of such listed companies. For the sake of independency of the Company's sub-committees, the President shall not be member of any sub-committees.

The Company has no rules, for director/committee member to hold position in other firm as long as the holding does not affect the Company and full dedication to the Company is demonstrated. Regarding the impact on the Company, approval for such holding shall be obtained from the Nomination and Remuneration Committee, and the Company's Board of Directors. In so doing is to ensure the holding would not affect the Company, and such director/committee member is able to set up policy, give advices to resolve any difficulties concerning business operations under the scope of authority of the Board, satisfactorily attend the Company's board meeting and sub-committees' meetings as well as facilitate the meetings to proceed effectively.

5) Corporate Governance of the Subsidiary Company

The Siam Steel Vietnam Ltd. is the Company's subsidiary in the Socialist Republic of Vietnam in which the Company holds 90% shares. The personnel being director and executive of the said subsidiary company are selected among personnel possess required qualifications according to the nomination criteria; specific knowledge, skills, experiences, and work profiles. The selected persons are in charge of overseeing the management of the subsidiary company according to the Company's policy, and to carry out transactions in conformity with laws and criteria governing securities and exchange, and regulations of stock exchange.

The President of the subsidiary company in Vietnam is required to report business performances to the Company's Board of Directors quarterly for acknowledgement. So that, the Company's Board is assured of the Company's best interest and returns. However, the Company' Board shall oversee and ensure the subsidiary companies release the financial statements in time.

6) Segregation of Duties and Independency of the Board

The Company's Board of Directors articulates power and duties of the committees and the management to facilitate the supervision, inspection, and performance assessment by:

- Instituting management structures segregating clearly the roles and duties of the Company's Board of Directors and every managerial functions to ensure the efficiency of business operations. For check and balance, transparency, and fairness to connected parties; consent from the Board is required for deliberation and decision made on any important matters;
- Instituting written policy governing its corporate business and policy implementation;
- Independently determining, investigating, expressing views, voting, and neither be under pressure of any interest nor conflict of interest dealing with matter that would affect independency and impartiality of the said actions, placing high precautions to any potential conflict, and stipulating that director lacking of independency must not involve in any decision making on matter relating to his/her interest so as to maintain the interest of the Company and of the stakeholders;

- Establishing systems controlling the operations, financial reporting, and policy implementation, establishing an independent unit is to examine the systems;
- Taking responsibilities on Company's financial statements and financial information illustrated in an annual report making according to the standards generally accepted, disclosing adequate important information as remarks of the financial statements;
- Putting in place the reliable accounting system and financial report as well as the effective and efficient assessment processes of internal control and auditing.

7) Self-assessment of the Company's Board of Directors

The Company conducts, at least once a year, performance assessment for review and improvement, the adequacy of the corporate governance and operations as performed by the President, the Board, and all committees. The assessment form is modified from the SET's Self-Assessment Form. The assessment results are presented at the Board meeting for further actions and improvement by the management.

The assessment form was modified from the SET's form to suit the Company's business operations and conformed with the charter for performance at work. The assessment rating scale is shown below

<u>Score</u>	<u>Rating</u>
5	Excellent
4-4.99	Good
3-3.99	Standard
2-2.99	Fair
1-1.99	Poor

The President's Performance Assessment

The following performance factors are taken into assessment of the President by the Company's Board.

- 1) Leadership
- 2) Strategy Formulation
- 3) Strategy Implementation
- 4) Financial Planning and Performances
- 5) Relationship with the Board
- 6) Relationship with External Parties
- 7) Execution and Relationship with Employees
- 8) Knowledge of Products and Services
- 9) Personal Characteristics
- 10) Managerial knowledge and skills of organizational sustainable development in economic social and environmental aspects following the principles of good governance.

The performance assessment of the President for accounting periods of 2023 gained average score 4.77 out of full score of 5 or rated as Good Performance.

The Board's Performance Assessment

The Company's carries out performance assessment on individual director by means of self-assessment and assessment of performance of the Board.

Director's Individual Performance Assessment	The Board's Performance Assessment
Assessment Factors (1) Qualifications of Director (2) Roles and Responsibilities (3) Operation of Director Functions (4) Relationship with the Management (5) Self- development and Managerial Development (6) Knowledge and skills in planning and supervision on environment, social, and Governance (ESG)	Assessment Factors (1) Profile and Qualification of the Board (2) Roles and Responsibilities (3) Board Meeting (4) Operation of Director Functions (5) Relationship with the Management (6) Self-development and Managerial Development
Directors received average individual performance assessment score 4.88 out of full score of 5 or rated Good Performance	The Board received average performance assessment score 4.84 out of full score of 5 or rated Good Performance

Performance Assessment of 4 Committees are carried out by mean of self-assessment taking into assessment the following factors:

- 1) Profiles and Qualifications
- 2) Roles, Duties, and Responsibilities
- 3) Meeting Attendance
- 4) Performance of duties
- 5) Relationship with the Management
- 6) Self-Development

Performance assessment results of the 4 committees for accounting periods of 2023

Committee	Conclusion of Self-assessment
(1) Audit Committee	Received average score 4.94 out of full score of 5 or rates as good performance
(2) Nomination and Remuneration Committee	Received average score 4.91 out of full score of 5 or rates as good performance
(3) Corporate Governance Committee	Received average score 4.94 out of full score of 5 or rates as good performance
(4) Risk Management Committee	Received average score 4.84 out of full score of 5 or rates as good performance
(5) Sustainability Committee	Received average score 4.83 out of full score of 5 or rates as good performance

6.1.2 Policy and Guidelines of Shareholders and Stakeholders

The Board is fully committed to work for the betterment of the Company's good corporate governance. It is believed that in doing so would promote sustainable business growth as well as to uplift the Company's good corporate governance standard and practice.

The Board and the Corporate Governance Committee stipulated the policy encompassing principles of the Corporate Governance for Listed Companies 2017: CG Code as issued by the SEC. The Company has applied the said principles, the criteria of the Survey Program on Corporate Governance of the Thai Listed Companies set forth by the Thai Institute of Directors, and the ASEAN Corporate Governance Scorecard (ASEAN CG scorecard). The application is regarded as guidelines for business development and improvement covering the aforesaid 5 sections which is hereunder concluded.

- | | | |
|--|---|------------------------------------|
| <ol style="list-style-type: none"> 1) Rights of Shareholders 2) Fair and Equal Treatment of Shareholders 3) Role of Stakeholders 4) Disclosure of Information and Transparency 5) Accountability of Directors | } | Please see details in attachment 5 |
|--|---|------------------------------------|

Guidelines of Shareholders

(1) Shareholders

1) The Company strongly recognizes shareholder rights by safeguarding and encouraging the exercise of shareholder rights.

- As owner dictating the Company through the election of directors to manage the Company on behalf of shareholders.
- To make decision concerning significant impacts on the Company.
- Be provided with opportunity to propose meeting agenda and to authorize representative to attend meeting.
- Be provided with opportunity to pose question both in advance and during the meeting.
- In due cause and before the meeting date, be provided with adequate documents containing detailed and supporting information for decision making against each agenda item.
- Be informed, in due cause, of the meeting rules and procedures.
- The Company shall encourage the exercise of shareholder rights and not abuse or deprive the rights of shareholders e.g., basic rights; rights to adequate and timely information, rights to fully participating in voting and expressing opinion. The Company shall institute good corporate governance policy in accordance with the SET.

2) The Company also realizes the rights of every shareholder. The Company, therefore, promotes the exercise of shareholders' rights and equities.

- The Company sent notice of the meeting enclosing necessary and adequate information, including meeting date and agenda items, to all shareholders in advance by post. The information had been available on the Company's website at www.sssc.th.com since 4 March 2023 or 56 days prior to the meeting date (the meeting was held on 28 April 2023).
- The notice of the meeting incorporated agenda items and opinions of the Board concerning matters being proposed on each item, the meeting date and time, venue, rules and procedures as well as supplementary documents for registering meeting attendance.
- To facilitate shareholders' meeting, the Company encouraged shareholders to pose question that needs clarification from the Company, in advance via e-mail: nawaratc@sssc.th.com or hiran@sssc.th.com or facsimile at 02-754-5747-48

Shareholders had also been informed of the clear rules and procedures via the SET and the Company's website at www.sssc.th.com since 4 March 2023.

At the 2023 AGM, due to the spreading of Covid-19, the Company took into the selection of meeting venue not only convenience to shareholders but also providing occupational health and safety. The size of the meeting room was sufficiently catered for all attendees with distancing layout and in compliance with the Covid-19 protection and prevention policy and measures.

The shareholders' meeting was proceeded according to the agenda items illustrated in the notice of the meeting sent to all shareholders earlier. There was no additional agenda item or change of significant information without notification made known to shareholders in advance. Opportunities were open for shareholders to express opinions and inquire on matters relating to the agenda item being deliberated. All questions were responded by executives and directors presenting at the meeting. Details of the meeting were recorded in the minute of the shareholders' meeting.

3) Prior to the commencement of the meeting, Chairman explained clearly the casting of votes and the rights of shareholders.

- One share for one vote for any agenda seeking majority votes as consensus of approval. No consensus is required for agenda proposed for acknowledgement. Agenda for the increase and decrease of registered capital, amendment of Company's memorandum and article of association, require consensus for passing by majority votes no less than three-fourths of the votes casted from all shareholders attending and exercising voting rights. Agenda for constructing compensation of the Board requires two-thirds of the votes casted from all shareholders attending and exercising voting rights.
- The vote casted for election of director, each shareholder shall exercise all of his/her voting rights for election of either one or more directors. Voting rights cannot be split on different candidates.
- Once the power of proxy of the shareholder is delegated and exercised; the votes casted would be stored in computer and checked by the Company's legal advisor and the Internal Audit Unit (as an independent unit) to exhibit transparency, and comply with applicable laws and regulations. The assignee of proxy participating in the meeting has no right to vote.

In the case of disagreement or no vote, the ballots are provided to shareholders attending the meeting. The shareholder equal rights and opportunities are illustrated by allowing shareholders, presenting at the meeting after the commencement started, the right to vote only for the agenda item being deliberated and yet not reaches conclusion. Subsequently and promptly, the result of the vote on each agenda item is declared at the shareholders' meeting.

The Company delivers minute of the meeting to the SET within 14 days as from the date of the meeting. Shareholders need not to wait until the next meeting in order to review and comment on the minute as it is also made available on the Company's website.

Shareholders are provided with the right to consider and approve remuneration package for directors as proposed yearly for approval by the Company. The package includes salary, meeting allowance, bonus/reward, and other benefits. For last year, the Company paid the directors, executives in the forms of salary, bonus, meeting allowance, and provident fund, no other benefit was paid thereof.

(2) Entering into Connected Transaction

The Board realizes the importance of transparent business operations and be stakeholder oriented. The Board, therefore, set up the Company's good corporate governance policy stipulating that undertaking any connected transaction of the Company shall receive at least consent from the management of the Company. In the case where the decision to enter into any connected transaction which is deemed as a transaction being stipulated in the Regulations of the SET on Disclosure of Information and Act of Listed Companies Concerning the Acquisition and Disposition of Assets, the Company complies with what is stated in such terms that consent and/or approval shall be granted from the management and/or the Board's Meeting and/or Shareholders' Meeting as the case may be. In this regard, connected person has no right to vote.

To prevent conflict of interests, the transaction with possible conflict of interests is carefully taken care of by the Board. The approval of connected transaction policy and procedures is stated in the regulation governing approval power and implementation and/or seeking approval from shareholders as required by the SET. In this regard, price and conditions shall be as same as transaction undertaken with third party (Arm's Length Basis). The Audit Committee shall regularly submit any transaction with possible conflict of interest to the Board.

Guidelines for the Prevention of Conflicts of Interest

To prevent conflict of interest of the Company's employees, business partners and others involved, the Board Meeting on 10 November 2023 resolved the review and revision of its policies as follows

1. Prevention of Using Internal Information

The company has established measures to prevent the use of internal information by related directors and executives from trading securities and seek illegal benefits for oneself or others as follows

- The committee members and all employees shall strictly comply with the regulations of the Stock Exchange of Thailand (SET), the Securities and Exchange Commission (SEC) and related laws including equal disclosure of information to shareholders and /or the public.
- The Committee and employees will not use information received in the capacity of committees or employees of the company in a wrongful way or cause damage to the Company.
- Disclosure of information that affects the business and stock prices must be approved by the Managing Director or Deputy Director whereas the Company's Investor Relations and or/Secretary is the only one who can disclose the information.
- Involved directors and employees who receive information, financial statements can buy and/or sell share 45 days prior to the information disclosure and 24 hours after the disclosure. Directors and employees learning about other significant information are prohibited from stock trading from the day that such information is known and 24 hours after such information is disclosed to the SET if the buying and/or selling of share or securities occurs.

2. Prevention of Conflicts of Interest

The Company has a policy to prevent conflicts between personal interests and the Company's interests as follows

- Directors or employees applying for positions of directors or consultants of the Company including other organizations or business associations must not have direct conflict of interest with their duty performance and should firstly inform any interest conflict to the Committee.
- Committee members must declare any potential conflict of interest (if any) related to the meeting agenda to the Committee and refrain from discussing, voting and attending the meeting o must decline having the agenda document related to such conflicts. Otherwise, they should resign from the Committee.

- Names of the Company's major shareholders are to be revealed. In addition, directors and executives must report changes of holding securities to relevant agencies in compliance with related laws and have the Company's secretary notify the results of this report and meeting minutes of the Board.

- Employees are prohibited to borrow money from the company's trading partners, individuals or juristic persons who conduct business with the Company except financial institutions due to possible influences on their representing the Company.

- Connected transaction is to be presented along with related approval authority including transparent information disclosure in compliance with the announcement of the SEC and the announcement of the SET board. The Company's secretary is responsible for reviewing the transaction types and related approval authority and reporting it to the Audit Committee every 6 months as well as disclosing it in the annual report and Form 56-1.

3. Disclosure of Conflict Information

The company has established guidelines for disclosing information on interests of directors and executives for transparency and prevention of conflicts of interest problems as follows:

Committee and Executives

Committees and executives must notify the Company without delay of their shareholding or involvement in any business that might gain them benefits or cause a conflict of interest with the Company; their having direct or indirect interest in any contract with the Company; or their securities holding in the Company or its subsidiaries. This is to follow these principles:

1. Involved persons

Reporting information of related persons shall be in accordance with Section 89/1 of the Securities and Exchange Act, including:

- A person having control over the company and in cases of a juristic person, including the board of directors of the said juristic person;
- The spouse, a minor child or an adopted minor child of the director, the executive or the person under (1);
- A juristic person over which the person under (1) or (2).

2. Juristic Person to be reported

Only information of juristic persons that is engaging in transaction or potential transaction with the Company or its subsidiaries is to be done in accordance with Section 89/14 of the Securities and Exchange Act.

3. Due Date for Reporting

A company secretary shall submit a copy of report to the Committee and the executives for consideration. The Committee must confirm the accuracy of the information or notify any information changing within 7 days after the end of the quarter or within 7 days after acknowledgement of such changing.

4. Safekeeping of the Documents

The company secretary is to keep the original documents and send a copy of the report of interest to the Chairman of the Board and the Chairman of the Audit Committee within 7 business days from the date the Company receives the report.

Employees

In the event that employees and family members are involved with or being a shareholder in any business which may gain benefits or causing business conflicts with the company, the Managing Director/Deputy Director must be notified in writing.

The Company has no policy to enter into any connected transaction except in the case where the Company would receive best returns under the generally accepted conditions of price and trade. In this regard, consent is required from the management and/or Shareholders' Meeting as the case may be.

In respect of the disclosure of information of directors, executives, and connected parties, according to the resolution of the 4/2009 Board Meeting on 13 August 2009 defining criteria, methods, and forms to enforce directors and executives to submit the report of stakeholders' involvement of themselves, or of any persons related to them who might benefit from their administration relating to the business of the Company or its subsidiaries. On 11 November 2021, the Board resolved for the review and improvement of the aforesaid criteria, methods, and forms.

The reports serve the Company as information for its operations concerning the execution of connected transaction that may cause conflict of interest and led to siphoning of interest of the Company and its subsidiaries. They also serve as information for monitoring the interest of the Company's Board and executives. The reports must be made and submitted once every calendar year and within 30 days as from the end date of December. Resubmitting is required whenever changes incurred which portrayed differences from the report previously submitted.

In the case where the Board's meeting agenda is to consider the interest of a particular director, such director is not allowed to present at the meeting for the sake of transparency and fairness to all.

In 2023, no action of violation or negligence of the SET and SEC regulations was reported neither trading securities using internal information to undertake connected transaction nor trading assets. There was no connected transaction with any related company possibly induce any significant conflicts of interest, and no transaction providing financial assistance to any non-subsidiary of the Company.

(3) Guidance for Anti-fraud or Anti-Corruption Practices 2023

The goal for 2019-2023 geared toward urging business partners in the business value chain to implement the anti-corruption policy and practices as well as inviting them to participate, as member of "Private Sector Collective Action against Corruption", the CAC SME Certification project with the Thai Institute of Directors.

Besides providing training for all employees including the new recruits to better understand the Code of Business Ethics and the Anti-corruption Measures, the Company also urged its business partners in the business chain to implement the Anti-corruption policy and practices, jointly signed the agreement, and conducted training for all suppliers providing service trucks to the Company. Trade partners, customers, and sub-contractors are invited to cooperate in declaring their intentions for Collective Action Coalition against Corruption: CAC, and applying for certified membership whereby the Company acts as advisor.

Complaints and Clues

The Company gives high priority to exchanging information from and acknowledging comments and advices with stakeholders. Collective actions are undertaken for mutual prosperity, financial stability, and business sustainability. Communication channels are opened, for customers to lodge complaints concerning corporate governance, via Marketing Department. The Company does not establish the investor relations unit, as there are not as yet many activities dealing with investment institutes, shareholders, securities analysts, and other organizations. However, the Senior General Manager for Accounting, Finance and Administration has been assigned to respond to the matters.

Channels for Lodging Complaints and Clues

- Independent Director, E-mail: id@ssscsth.com
- Mr. Nawarat Chanamoon, Senior General Manager
E-mail: nawaratc@ssscsth.com
- Mr. Hirun Komolhirun, Manager Legal Department, and the Company Secretary,
E-mail: hiran@ssscsth.com
- By post to Legal Department, Siam Steel Service Center Plc., 51/3 Moo2, Poochao Road, Bangyaprak District, Amphur Phrapradang, Samutprakarn 10130.

Process after Receiving Complaints

Channels and freedom for lodging complaints and giving comments are provided paving a way to development and sustainability of the organization.

- Personnel receiving complaints gathers and compiles facts relating to the violation or misconduct.
- Personnel receiving complaints reports all facts to the Corporate Governance Committee in charge of fact finding and investigation for consideration. Contents of the report shall be categorized into sections such as management administration, knowledge development, investigation for fact findings, and etc.
- Personnel receiving complaints submits investigation results to the Corporate Governance Committee for measures to suppress the violation and negligence.
- Personnel receiving complaints is required to report the investigation outcome to the complainant for acknowledgement. In vital cases where the complainants reveal themselves, the recipient shall report to Chairman of the Board and/or the Board for acknowledgement.

Duration

- Investigation is commenced immediately taking into caution the severity of allegation/ complaint as well as impact on quality of the investigation. It is required that initial inspection and conclusion of the inquiries with recommendations shall be done and submitted to Independent/ Audit/ Corporate Governance Committees within 2 weeks.

Measures to Protect Complainants

The Company stipulates the protective measures for complainants based on the following criteria.

- If the complainants feel unsafe to reveal themselves, in such case the revelation is optional. However, revelation is considered helpful as the Company would be able to inform the complainants of the progress and fact findings.

- The recipient shall keep all information as confidential and well safeguarded. The protection measure is set up to safeguard employee lodging complaint and/or providing information and/or cooperating in an investigation process. They are protected from possible unfair treatments including being transferred, rotated, changed of workplace, suspended, intimidated, harassed, and terminated.
- According to the policy, the Company will not impose relegation, penalty, or any threat on employees who dissent over corruption which would affect the Company to lose business opportunity. Dissemination and campaigning are conducted continuously through various activities.

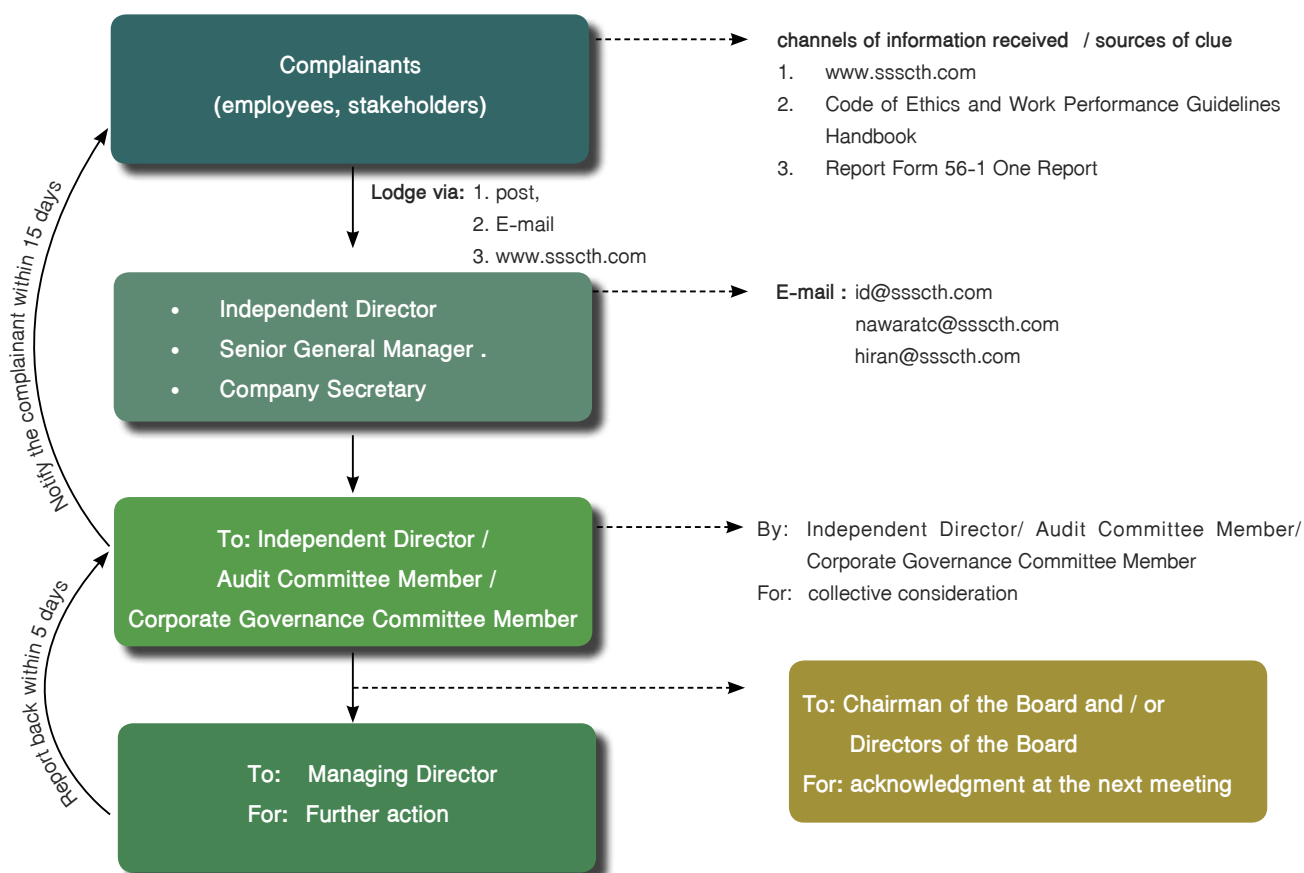
False Allegation

Any employee intentionally reports false allegation or make it in bad faith, the Company will take such action as business ethical violation with subsequent investigation and punishment according to the Company's rules.

Penalty

Whoever acts deliberately or negligently, in non-compliance with the policy; defames or bullies others, takes disciplinary action or unfair treatment to the complainant or person involved in the matters detailed in the complaint shall be deemed as committing disciplinary violation. In addition to legal liability.

Process of Clues Reporting, Complaints and Suggestions



(4) Customers

The Company fully realizes in and is committed to competency-based development and improvement in various fields by establishing, within the Company, quality systems with reference to the rules governing the Quality Management System ISO 9001: 2015, and the current Quality Management System for Automobile Sector IATF16949:2016 which was revised in 2021 and has remained in effect as the Company's vision statement since.

“Customer Satisfaction, Quality Orientation, Commit to Organization Development”

The Company is strongly committed to building quality and satisfaction to serve customers' needs which is regarded as significant factor fostering business operations. To achieve this, the Company sets up policy guidelines to:

- Place utmost importance on quality to meet customers' satisfactions;
- Give empathy to truly realize customers' needs and supply products and services accordingly;
- Commit firmly to continuous quality development of products and services to ensure the highest efficiency in every procedure of production process, and timely products delivery;
- Conduct and maintains efficient quality management to meet customers' needs and the Quality Management Standard ISO 9001:2015 และ IATF 16949:2016;
- Promote personnel development continuously;
- Provide control system to ensure the Company strictly, attentively, honestly, and regularly adheres to the terms of agreement made with customers;
- Provide control system to maintain the confidentiality of customers as if the Company's own, and to prevent any use of such confidentiality from any frauds;
- Disclose accurate, adequate and timely information; act in accordance with the terms of agreement made with customers; arranges for system and process to facilitate complaint lodging concerning quality, quantity, safety of products and services; provides advices on instructions of products and services for best use by customers, maintains confidentiality of customers.

Customers' Satisfaction

The Company's innovation of “Satisfaction First” pays close attention to customers' satisfaction through continuous assessment of manufacturing process, the KPIs are identified in accordance with the objectives.

The Company keeps close attention to manufacturing process to ensure and demonstrate the product quality and process effectiveness that fully serve customers' requirements.

The Company conducts customers' satisfaction survey twice a year applying the Foreign Supplier/Contractor Evaluation Form for its steel raw material supply. The survey covers 4 areas.

- Quality
- Delivery
- Cooperation and after sale service
- Price

The electronic survey form is launched and stored in a customer database. The Marketing Unit is entrusted with identifying KPIs for customers' satisfaction survey with the performance of no less than 90% customers' satisfaction in every survey area except the price as it is known as an uncontrollable marketing mechanism. The survey result is used to consider directive performance to better serve customers' needs.

Customers' Satisfaction Assessment Results

	Total Customers			
	2022	2023	compared	score
Quality	97.22	96.29	decrease	4.81
Delivery	93.28	92.39	decrease	4.62
Service	95.13	94.17	decrease	4.71
Price	89.67	88.74	decrease	4.44

(score: 5 = very satisfied, 4 = satisfied, 3 = moderately satisfied, 2= dissatisfied, 1 = very dissatisfied).

(5) Partners

- The Company treats all partners equally and fairly.
- The Company neither solicits nor accepts nor pays any benefits that would cause dishonest or non-transparent acts to its business partners.
- The Company strictly adheres to the promises given to its partners, whenever the promises could not be kept; partners are informed promptly for mutual resolution.
- The Company provides control system to prevent any disclose or use of its partners' confidentiality for illegal business operations.
- Cooperates with partners in the collective development of partners to achieve sustainable business growth and long-term business partnership with the Company.

Procedures and Methods for Selection of Partners or Contractors

The clear and transparent selection process is defined according to the procurement regulations and guidelines and disseminated to every executive and employee to firmly adhere to.

The selection process of the Company's business partners is summarized as follows:

- Assesses dealers or service providers taking in to consideration profiles on quality assurance, delivery as scheduled of the agreed volumes, shipping documents, delivery and after sale services. Price, volume, and management capacity are also the case. The assessment is conducted twice a year;
- Communicates with suppliers honestly with integrity and equality;
- Procurement process is conducted for the Company's best interest and in compliance with the handbook of recruitment, selection, and assessment of sub-contractors;
- As appropriate, provides competitive opportunity to business partners based on fairness, confidentiality, and not makes use of information for personal gains or for the benefits of any irrelevant person;
- Employee responsible for sourcing, purchasing, leasing or hiring is prohibited to do business with any relevant parties e.g., family members, next of kin, owners or partners;
- Provides operational development that is transparent, accurate, modifiable, and compatible with business technology changes.

(6) Business Competitors

The Company's competitor treatment policy aims at:

- Supporting and promoting free trade competition that is fair and not violate the confidentiality of trade competitors;
- The Company treats competitors according to the rules of practice as provided by the International Trade Law;
- The Company provides controlling system to prevent any act of illegal use or acquire of confidential information of its competitors;
- The Company strongly commits to operating its business fairly and in compliance with business code of conduct, no dispute in relation to trade competitor was reported during the previous year.

(7) Creditors

The Company's creditor treatment policy stated that:

- Monitoring system shall be in place to ensure actions taken are firmly complied with terms and conditions of contract and agreement made to the creditors i.e. payment, repayment, collateral, or other obligation owed to the creditor;
- The Company shall constantly reports its financial status to the creditors with integrity, accuracy, and timely;
- In the case where the Company fails to fulfill contractual obligations, the creditor shall be informed promptly for mutual resolution and measure to prevent any possible loss, taking into account the Company's reputation;
- Determining capitalization strategies for financial security and strength to ensure its liquidity for timely and full settlement offer to creditors.

(8) Public Sector

- The Company aims at maintaining good relationship with public sector to the extent considered as appropriate including cooperating with public sector and concerned agencies regarding appropriate information provision for the benefits of the country and for all.
- Firmly adheres to the laws relating to occupational safety, health, and environment of the workplace; tax and accounting management; etc. as well as applicable government notifications to business operations of the Company. Every employee is required to study and understand the laws relating to his/hers work life in order not to commit any offensive act against such laws.
- Makes available and accessible, the law book containing legal information relating to each department attached to the Company for reference and update.
- Gives high value in raising awareness of being a responsive employee complying with the applicable laws, regulations and rules.

(9) Community and Society

Being part of society and community, the Company is earnestly committed to the development and improvement of its Environment Management System (ISO14001:2015). Cooperation is given to organizations dealing with environmental issues for development of quality of life and environment. The Company, therefore, articulates the environmental policy as details shown in 3.5 Employee

Corporate Social Responsibility and Environment for Sustainability

The Company is convinced that strong commitment to Corporate Social Responsibility (CSR) brings sustainable development. Therefore, the Company's CSR Committee and working groups are established comprising representatives from various units within the corporation. The Environment and Corporate Social Responsibility Committee and the 7 CSR working groups work collaboratively toward the set policies and objectives. There are 7 CSR working groups.

1. Organizational Corporate Governance Working Group
2. Human Rights Working Group
3. Labor Working Group
4. Environment Working Group
5. Fair Operation Working Group
6. Consumer Treatment Working Group
7. Participation and Community Development Working Group

The Company are well aware of short-term and long-term corporate, social and environmental impacts resulted from its business operations. Therefore, the Environment and Social Responsibility for Sustainability Policy is developed as guidelines for business operations. The policy was revised in 2021 (as mentioned under Section 3 subsection 3.3 Environmental Sustainability Management and 3.4 Social Sustainability Management)

Disclosure of Information and Transparency

- The remuneration criteria for directors and executives are clearly defined and disclosed in Form 56-1 One Report. The compensation rate is specified by the Board by comparing with the rate being practiced in similar industries, and to Company's performances with approval from the AGM.
- The Board realizes the influences of the financial and non-financial information on the process of decision making of investors and stakeholders. The Company, therefore, strongly insists the management team to consistently and timely disclose adequate, accurate, true, reliable information. The Company's management places top priority, and constant adherences to the said disclosure practices.
- The Board also encourages the Company to prepare the Management Discussion and Analysis (MD&A) to support the quarterly disclosure of financial statements. This is to ensure, the investor understanding not only the numerical data illustrated in the financial statements but also the Company's financial status and quarterly performances.
- There is no item with conditional opinion of the auditor shown in the Company's financial statements. The Company has no record of late submission of quarterly financial report or of any reservation on financial statements errors as governed by external agency.

Investor Relations

- In the part of investor relations, Mr. Nawarat Chanamoon, Senior General Manager represents the Company to communicate with investors, shareholders, and security analysts, and the general public. Information in this regard can be obtained through press conference, press release concerning interesting investment events, analyst meeting or opportunity day, analyst site visit, events as organized by the SET, etc.

- The Company submits the quarterly and annual financial reports to the SET within specified period and in accordance with SET requirements. No comment from the SEC in relation to the incorporated financial statements has been received. The Company also disseminates its financial position through press release and the Company's website at www.ssscth.com and at www.set.or.th
- Retail investors are welcome to observe the Company's business as appropriate and shall comply with the Company rules and safety measures.

6.2 Code of Business Ethics

Code of Conduct/ Objective of Business Operation

The Company's Board has established the policy on corporate governance, business ethics, and work performance practices. The policy is reviewed and revised annually or as appropriate so as to keep up with current situations and business environment while conforms with guidelines set forth by the SET, SEC, and relevant governance agencies. In so doing is to uplift the Company's corporate governance (CG) practices to meet international standards, to better create long-term good performances; be able to take on all changes, create value, and responsive to shareholders, stakeholders, and society.

In addition, the Company's Board adopts the Sufficiency Economy Guidelines for Industrial Sector (TIS 9999 volume 1-2556 B.E.) for sustainable development and growth that balance economy, society, environment; and the utmost benefits to shareholders.

For directors, executives, and employees of all levels to perform duties toward the same direction, the Company's Board stipulates the business code of conduct as part of the governance policy. The policy demonstrates guidelines for every employee to adhere and perform his/her duties in compliance with the code of conduct principles, respects stakeholder rights and treats them impartially and fairly. Action in this regard shall be auditable covering matters as the Company sees significant as follows:

1. Responsibilities of director, executive, and employee for stakeholders
2. Treatment of trade partners
3. Stakeholding and conflicts of interest
4. Respect for law and human rights principles
5. Confidentiality, safeguarding and use of inside information
6. Procurement, treatment of trade partners and their trading practices
7. Social and community responsibilities
8. Treatment of employees
9. Political support
10. Internal control and internal audit
11. Receiving and offering gifts, assets or other benefits
12. Money laundering prevention and suppression
13. Safety, health, and environment
14. Intellectual property, and use of information and communication technology systems
15. Personal data protection

The Code of Business Ethics and Work Performance Guidelines Handbook 2021 revised version was approved by the resolution of the Company's Board and Corporate Governance Committee on 25 February 2021.

1. Code of ethics of directors and executives
 - Ethics for shareholders
 - Ethics for employees
 - Ethics for customers
 - Ethics for trade partners
 - Ethics for creditors
 - Ethics for government/public sector
 - Ethics for environment and society
2. Code of ethics of employees
 - Ethics for the Company
 - Ethics for supervisors, subordinates, and colleagues
 - Ethics for themselves
 - Ethics for customers
 - Ethics for government/public sector
3. Ethics for treatment of trade competitors or anti-unfair competition
4. Ethics for stakeholding and conflicts of interest
5. Ethics for respect of laws and for international human rights principles
6. Ethics for confidentiality, safeguarding and use of inside information
7. Ethics for procurement and treatment of trade partners
8. Ethics of trade partners

Partners doing business with the Company shall adhere to the said ethics of trade partners in conducting their business and applying to their related companies as appropriate as follows:

1. Business Integrity
 - 1.1 Business honesty, anti-corruption, anti-trust
 - 1.2 Safeguarding confidentiality
 - 1.3 Information disclosure การเปิดเผยข้อมูล (Information Disclosure)
 - 1.4 Safeguarding Intellectual property
2. Labor Welfare and Human Rights
 - 2.1 Fair and equal treatment
 - 2.2 Protection of labor or worker rights
 - 2.3 Do not use forced labor
 - 2.4 Wages, benefits, and working hours
3. Occupational Health and Safety
 - 3.1 Work safety environment
 - 3.2 Products and services quality and safety standards
4. Environment Sustainability
 - 4.1 Avoidance of hazardous materials and product safety oriented
 - 4.2 Efficient use of resources and reduction waste and pollution
5. Efficiency improvement / business innovation
9. Ethics for social and community responsibilities
10. Ethics for treatment of employees
11. Ethics for political support

12. Ethics for internal control and internal audit
13. Ethics for receiving and offering gifts, assets or other benefits
14. Ethics for money laundering prevention and suppression
15. Ethics for safety, health, and environment
16. Ethics for intellectual property, and use of information and communication technology systems
17. Ethics for personal data protection

(See Attachment 5 for full version of the Policy and Guidelines of Corporate Governance and Code of Business Ethics.)

6.3 Significant Changes and Developments in Policies, Practices and Corporate Governance Systems in the Previous Year

The Company reviewed its business ethics and work performance guidelines for the Company's Board to attach to.

1. All directors, executives, and employees shall adhere to lawful practices. The principles of good corporate governance and the Company's vision, mission, strategies and long term goals shall be implemented in an integrative manner. They shall also promote trust and confidence of stakeholders e.g. shareholders, investors, etc. on Company's effective management.
2. Respects for shareholder rights and treat them equally and fairly, facilitates the exercise of shareholders' rights on various matters.
3. Promotes and maintains cordial relation and cooperation between the Company and its stakeholders, introduces appropriate channels for mutual communication.
4. Defines policy, business ethics and work performance guidelines and treat all stakeholders accordingly e.g. shareholders, employees, customers and consumers, business partners, competitors, creditors, government agencies, communities, societies, and environment.
5. Defines vision mission; approves strategy, policy, business plan, and budget; oversees and supervises the management to effectively manage in accordance with the set policy adding economic value to its business and superior returns to shareholders.
6. Provides organizational structure segregating clearly the duties and responsibilities of the Board, committees, directors, and the management; ensures adequate and appropriate systems are in place and effectively and efficiently implemented i.e. internal audit, risk management, conflict of interests, and the use of internal information.
7. Oversees and ensures the management of financial statements and information are conformed with general accepted financial standards; ensures the adequacy and reliability of disclosed essential information, and the availability of competent and independent auditor.
8. Oversees and ensures the communication and disclosure of the Company's financial and non-financial information through various channels, are adequate, accurate, complete, reliable, transparent, and timely so as to ensure the information is accessible and understandable by all stakeholders.
9. Appoints Corporate Governance Committee under the Company's Board to regularly consider and screen important matters for subsequent reporting at the Board Meeting, and disseminating in an annual report for shareholders to acknowledge.
10. Provides performance assessment as framework for past performance review of directors, members of committees e.g., Audit Committee, Corporate Governance Committee, Nomination and Remuneration Committee, Risk Management Committee, and etc. The assessment results are used as inputs for work improvement and submission to Company's Board of Directors for acknowledgment.
11. Ensures nomination system of all significant management positions is appropriate, transparent and fair.
12. Provides written code of business ethics and work performance guidelines to bind directors, executives, and employees; ensures all compliance measures are in place.

For the process of monitoring, the “Legal Department” is responsible for overseeing and monitoring the full compliancy with laws, regulations, business ethics, and anti-corruption measures.

The Board reviewed the Corporate Governance Policy as details mentioned in Section 6.1.1 Policy and Guidelines of Compliance Committee.

The said policy is deemed as duty and responsibility of the directors, executives and employees as well as those work on the Company’s behalf on which they shall comply with:

1. Compliance with Antitrust Law and Competition Law, promoting free and fair trade competition, be impartial;
2. Compliance with laws relating to Anti-corruption and Anti-bribery laws involving state officers, foreign-state officers, private-company personnel;
3. Compliance with laws relating to Anti-money Laundering and Combating the Financing of Terrorism (AML/CFT);
4. Upholding laws relating to labor, human rights, human dignity as well as the liberty and equality of those certified by and protected under the laws;
5. Safeguarding of the law relating to intellectual property rights, respecting and not infringing intellectual property rights’ of others, upholding others’ intellectual property rights, protecting intellectual properties of the Company from being infringed by others;
6. Not using any strategic litigation against public participation by excluding them from expressing opinion or taking action concerning the protection of public interests (Anti- SLAPP);
7. Compliance with laws and regulations of the country where business of the Company is operated;
8. Compliance with Company’s policies, standards, business ethics and code of conducts including any other rights and appropriate actions not being defined in the Company’s policy.

In 2023 monitoring and assessment findings have shown that no violation or non-compliance was found in relation to the policy and/or business ethics, code of conducts, and good corporate governance principles.

For 2023, pending matters will be applied for further appropriate guidelines as follows:

Pending Implementation	Rational
1. The Company should consider an appointment of independent committee member as Chairman.	<ul style="list-style-type: none"> Chairman shall not be the same person as the President so as to segregate policy formulation and governance from routine administration and to create equilibrium.
2. The board should clearly specify the term of office of independent director in the Company's corporate governance policy, to not exceed 9 years, without exceptions.	<ul style="list-style-type: none"> No limited term of services of independent director, director, and committee member as the Company is confident that they are knowledgeable and competent with experiences accumulated from being long tenure director which allow them to better understand the operation of the Company.
3. The Company should not have independent directors whose office term exceeds 9 years.	<ul style="list-style-type: none"> Independent directors have qualifications in accordance with the laws regarding the requirements for independent directors and the definition of the Stock Exchange of Thailand and of the Company. Independent directors can express their opinions independently, in compliance with relevant criteria although holding such position for more than 9 years.
4. The Board should consider to have more than 6 Board's meetings per year.	<ul style="list-style-type: none"> The Company stipulated that there shall be at least 4 meetings held yearly plus special meeting as seen necessary. Each committee member can independently propose meeting agenda. Number of meetings held shall be disclosed in the Company's annual report (form 56-1 One Report) as well as meeting attendance of directors and member of committees.

As results of its business operation in compliance with the Principles of Good Corporate Governance, in 2023, the Company received an excellent award, assessment results, and survey findings carried out under good corporate governance related projects including:

Anti-corruption Process Indicator 2023

© The progress assessment of the Thai listed companies' anti-corruption (Anti-corruption Process Indicator), as suggested by the SEC and the Thaipat Institute, had certified the Company as member of "Private Sector Collective Action Coalition against Corruption" since 2015. The membership was recertified in 2019. In 2022, the membership of Collective Action Coalition Against Corruption (CAC) was recertified for the third time (March 2022-2025). The CAC has been supported by the government and the Office of the National Anti-Corruption Commission (NACC) with cooperation from 8 leading organizations namely Thai Institute of Directors, Thai Chamber of Commerce, International Chamber of Commerce, Thai Listed Company Association, Thai Banks Association, Federation of Thai Capital Market Organizations, the Federation of Thai Industries, and Tourism Council of Thailand

AGM Quality Assessment 2023

© Having been assessed under the "Annual General Meeting: AGM's Quality Assessment Program" jointly carried out by the SEC, the Thai Investors Association, and the Thai Listed Companies Association; the Company received a full score of 100 points or "Excellent and Exemplary" for 13 consecutive years (2011-2023).

Corporate Governance Report of Thai Listed Companies 2023

© The Company was assessed under the survey program “Corporate Governance Report of Thai Listed Companies 2013” jointly carried out by Office of the SEC, the SET, and the Thai Institute of Directors. The Company received **“Excellent or Five Stars” CG Scoring (CG score 90-100) for 8 consecutive years (2016-2023)**. In 2023, 786 listed companies were assessed. The Company received 98 percent average score while the total average of participated listed companies was 81 percent as shown.

Corporate Governance Report of Thai Listed Companies Year 2023			
Total Average of Participated Listed Companies	Industry Group	Market Cap.1,000-2,999 Million Baht	SSSC
			2023
81%	74%	74%	98%

Summary of the Corporate Governance Score by Category*				
Category	Listed Company	Industry Group	Market Cap. 1,000-2,999 Million Baht	SSSC
				2023
Rights of Shareholders, Fair and Equal Treatment of Shareholders	84%	81%	82%	87%
Consideration of the role stakeholders and business development for sustainability	75%	70%	65%	99%
Disclosure of Information and Transparency	86%	80%	82%	98%
Accountability of Directors	70%	62%	64%	89%
Top Quartile	Yes	Yes	Yes	-

*source: Thai Institute of Directors Association (IOD)

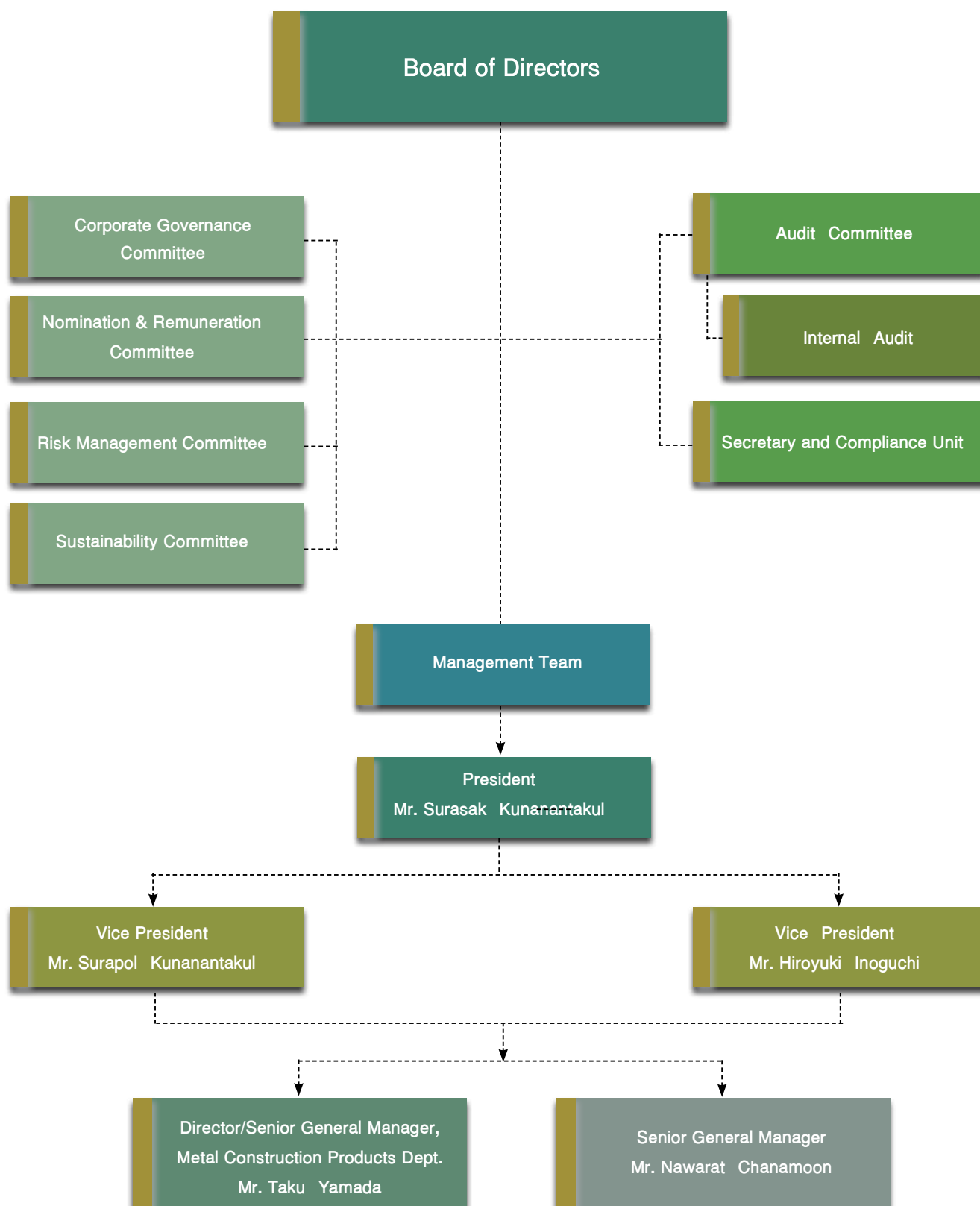
The Company was recognized the Top Quartile Company in the market-capitalization group of Baht 1,000-2,999 Million.

Sustainability Investment Assessment 2023

The Company is listed on Thailand Sustainability Investment (THIS), the Stock Exchange of Thailand (SET), for 8 consecutive years (2015-2022). In 2023, SET announced the SET ESG assessment results in the form of “ESG Ratings” for the first year. The Company passed the assessment and received a rating of BBB. This reflected the Company’s successful development in providing disclosure of ESG information such as ESG risk management; environmental management policy; environmental management performance; and business operations towards employees, communities, and society.

7. CORPORATE GOVERNANCE STRUCTURE

7.1 Corporate Governance Structure as of 31 December 2023



7.2 The Company's Board

7.2.1 Composition of the Board

There are 12 members of the current Board of Directors.

• Executive Director	3	persons
• Director representing major shareholders	2	persons
• Non-executive Director	3	persons
• Independent Director and Audit Committee Member	4	persons

The 4 Independent Directors/Audit Committee Members possess qualifications, components, powers and duties as specified by the SET and Charter of the Audit Committee which was revised in 2020 and disclosed on the Company's website at www.ssscoth.com

The Board institutes for the number of its directors by no less than 5 persons in appropriation of the size of the business and no less than half of the total number of directors shall reside in the Kingdom. There shall be at least 1 director, not holding executive position, having experiences on business or key industry being operated by the Company.

At least one-third of the total number of directors of the Board shall be independent director which are no less than 3 persons.

The Board also comprises non-executive director to create a balance view with executive director concerning management of the Company. One-third of the total number of the directors shall be independent director.

Qualifications of the Company's Board

- (1) Possesses qualifications without any characteristic prohibited by Public Limited Companies Act B.E. 2535 or any related laws including the regulations of the SET, Office of the SEC, and articles of association of the Company.
- (2) Be an expert with knowledge, competency, and experiences advantageous to the business operations of the Company.
- (3) Possesses leadership skills with broad vision and independent decision-making beneficial to the best interests of the Company and shareholders.
- (4) Responsive to director's duties, fully dedicates time to perform director functions, accounts for shareholders with adherence to duty of care for the benefit of the Company.
- (5) Acts with honesty and integrity within legal frameworks, and conforms with good corporate governance guidance, and business ethics.

Qualifications of Independent Directors

- (1) Holding no more than 0.5 % of total paid-up capital of the Company, subsidiary or related company including the shareholding of persons related to the independent directors.
- (2) Not currently a director appointed to represent the Company's director, worker, employee, or salaried consultant of the Company, subsidiary, related company, or major shareholders.
- (3) Not currently a director entrusted with ordinary administration of the Company, subsidiary, related company, or major shareholders

- (4) Not currently being or never been auditor of the Company, subsidiary, or juristic person that may induce conflict.
- (5) Not currently be providing or never provided professional services with a fee more than THB 2 million per year from the Company, subsidiary, or juristic person that may induce conflict.
- (6) Not by blood or legally registered with other executives or major shareholders.
- (7) Not currently a director appointed to represent other directors of the Company, subsidiary, or major shareholders for benefit keeping purpose.
- (8) Not under any conditions that may impede the person from having independent views towards the Company's operation.

The Company's Board Diversity Policy

The Company recognizes and embraces the benefit of having diverse Board to create equilibrium of thought and performance quality, effective decision making of the Board to further benefit its business performances. The Company's Board diversity aims at:

1. Promoting discussion at the Board's meeting
2. Promoting creative thinking of the Board's directors beneficial to the Company
3. Enhancing effective performance of the Board
4. Applying for recruitment to diversify the Board of Directors

The Company specifies the Board's composition to include and make good use of persons with differences in knowledge, skills, experiences, and background in alliance with business strategies and operations. Such persons shall possess personal virtue, good attitude of the Company, broad perspective of leadership; be dedicated, impartial; non discriminatory against birthplace, race, gender, age, skin color, religious, family status, educational background, or other statuses irrelevant to work performance, professional skills, and expertise.

The Company also specifies the Board Skill Matrix in 13 areas for recruitment of the directors of the Board:

- 1) Business and Management
- 2) Direct and Indirect Industrial Corporation
- 3) Engineering and Civil Engineering
- 4) Strategic Planning for Competitive Advantage
- 5) Business Related Laws
- 6) Accounting and Auditing
- 7) Economics
- 8) Finance and Investment Management
- 9) International Marketing
- 10) Information Technology Digital
- 11) Risk and Crisis Management
- 12) Good Corporate Governance
- 13) Environment, Social, and Governance

The aforesaid diversified policy aims at safeguarding the Company's interest while ensuring the transparency of the Board and building trust of employees, customers, shareholders, stakeholders, and society as a whole also local and foreign general investors.

7.2.2 The Company's Board of Directors

Board of Directors		Position	Term of Service	Appointment Date
1. Mr. Wanchai	Kunanantakul	Chairman ⁽¹⁾	Apr.2021-2024	08/06/1994 (29.6 years)
2. Mr. Surasak	Kunanantakul	President ⁽¹⁾	Apr.2022-2025	08/06/1994 (29.6 years)
3. Mr. Hiroyuki	Inoguchi	Vice President ⁽²⁾ Risk Management Committee Member Sustainability Committee Member	Jul.2021-2024	1/07/2021 (2.6 years)
4. Mr. Surapol	Kunanantakul	Vice President ⁽¹⁾	Apr.2020-2023	19/01/2004 (18.11 years)
5. Mr. Taku	Yamada	Director ⁽²⁾ Risk Management Committee Member Sustainability Committee Member	Oct.2022-2023	1/10/2022 (1.3 years)
6. Mr. Jun	Murase	Director ⁽²⁾	Apr.2021-2024	1/09/2016 (7.4 years)
7. Mrs. Naphaporn	Hoonthanasevee	Director ⁽¹⁾	Apr.2022-2025	27/04/2007 (16.8 years)
8. Mr. Sittichai	Kunanantakul	Director ⁽¹⁾	Apr.2020-2023	19/01/2004 (18.11 years)
9. Mr. Pongsak	Angsupun	Independent Director/Audit Committee Chairman Risk Management Committee Chairman Nomination & Remuneration Committee Member Corporate Governance Committee Member	Apr.2020-2023	29/04./1999 (24.8 years)
10. Mr. Vichit	Vuthisombut	Independent Director/Audit Committee Member Nomination & Remuneration Committee Member Corporate Governance Committee Member Risk Management Committee Member	Apr.2021-2024	30/04./2019 (14.8 years)
11. Assoc.Prof. Dr. Sucharit	Koontanakulvong	Independent Director/Audit Committee Member Nomination & Remuneration Committee Chairman Sustainability Committee Chairman Risk Management Committee Member	Apr.2022-2025	30/04/2009 (14.8 years)
12. Dr. Damri	Sukhotanang	Independent Director/Audit Committee Member Corporate Governance Committee Chairman Risk Management Committee Member Sustainability Committee Member	Apr.2022-2025	12/11/2009 (14.1 years)

(1) Director representing shareholders of the Siam Steel International Plc. Group

(2) Director representing shareholders of the Okaya & Co., Ltd. Group

Mr. Hirun Komolhirun, Senior Manager, Legal Department as Company Secretary

Authorized Directors

Authorized directors to sign and bind the Company comprises one director from group A jointly signs with one director from group B with the Company's seal affixed.

Group A's Directors are Mr. Wanchai Kunanantakul, Mr. Surasak Kunanantakul and Mr. Surapol Kunanantakul

Group B's Directors are Mr. Hiroyuki Inoguchi, Mr. Taku Yamada and Mr. Jun Murase

The Company's Board realizes that it shall oversee corporate governance without being director or management that may induce conflicts of interest with the Company. The Board shall monitor and supervise the management with knowledge, competence, transparency, prudence, and accountability for the Company and shareholders; and be independent from the management.

Company Shares Held by Directors as of 31 December 2023

Directors		No. of Share Held		No. of Share Increase (Decrease)	Remarks
		31 Dec.2022	31 Dec.2023*		
1. Mr. Wanchai	Kunanantakul	8,646,400	none	-	Father of no.
Spouse and minor children		-	-	-	2, 4, 7 and 8
2. Mr. Surasak	Kunanantakul	none	none	-	Child of no.1
Spouse and minor children		-	-	-	
3. Mr. Hiroyuki	Inoguchi	none	none	-	
Spouse and minor children		-	-	-	
4. Mr. Surapol	Kunanantakul	12,230,400	none	-	Child of no.1
Spouse and minor children		-	-	-	
5. Mr. Taku	Yamada	none	none	-	
Spouse and minor children		-	-	-	
6. Mr. Jun	Murase	none	none	-	
Spouse and minor children		-	-	-	
7. Mrs. Naphaporn	Hoonthanaseevee	none	none	-	Child of no.1
Spouse and minor children		-	-	-	
8. Mr. Sittichai	Kunanantakul	6,137,600	none	-	Child of no.1
Spouse and minor children		-	-	-	
9. Mr. Pongsak	Angsupun	none	none	-	
Spouse and minor children		-	-	-	
10. Mr. Vichit	Vuthisombut	none	none	-	
Spouse and minor children		-	-	-	
11. Assoc.Prof.Dr. Sucharit	Koontanakulvong	none	none	-	
Spouse and minor children		-	-	-	
12. Dr. Damri	Sukhotanang	none	none	-	
Spouse and minor children		-	-	-	
13. Mr. Navarat	Chanamoon	none	none	-	
Spouse and minor children		-	-	-	

* Kunanantakul Group share is change to be Wanchai Siam Steel Group Co.,Ltd., on March 9,2023

7.2.3 Roles and Duties of the Board of Directors

(1) Duties and Responsibilities of the Board of Directors

1. Accounts for the Company's operations in relation to shareholders, ensures the management compliancy with policies, guidelines, and goals while creating superior returns for shareholders, ensures ethical management for best returns to all stakeholders.
2. Manages business operations of the Company according to the provisions of laws, objectives, articles of association, and resolutions of shareholders' meeting. All actions shall be committed with integrity and deliberation for best interests of shareholders and not in violation of any rules, regulations and criteria set by the governance agencies, SET and SEC.
3. Defines Company's vision, mission, and duties; provides corporate good governance and business ethics handbook; determines and approves Company's strategy, policy, business plan incorporating financial targets, potential risks, operational plan and budget; supervises and oversees the management operations in alliance with the set policies, ensures the management is effective and efficient that adds economic value to the business and contributes utmost prosperity to shareholders.
4. Defines and segregates roles, duties, and responsibilities of the Company's Board of Directors, Sub-committees, and management team. Authority empowered in this regard is provided clearly as rules concerning regulatory approval.
5. Provides adequate and efficient internal control and risk management systems incorporating mechanism for receiving of complaints and clues. Performance in this regard is reviewed by the Internal Audit Unit. In the case of significant risk, the Internal Audit is required to coordinate with the Audit Committee.
6. Entrusts one or more directors or any other(s) to take action on behalf of the Board.
7. Entrusts and changes authorized directors to bind the Company.
8. Organizes Board Meeting at least once every 3 months.
9. Ensures an AGM is held within 4 months from the end date of the Company's fiscal year. Other general meeting is regarded as extraordinary general meeting to be held whenever it is felt appropriate or as requested in written with clear rational and objectives, either by shareholder holding one-fifth of the total shares or by no less than 25 shareholders holding all together no less than one-fifth of the total outstanding shares. Upon request from the shareholders, the Board shall call a meeting within 1 month from the date of receiving letter requesting the meeting.
10. Approves and gives consent on matter seeking approval from shareholders' meeting concerning connected transaction and conflict of interest of the Company and its subsidiaries, ensures the conformity of such action with laws and regulations of the office of the SEC, the SET, and the Company's regulatory approval.
11. Informs the Company without delay either direct or in-direct of his interest or of any connected persons regarding contract or transaction connecting the Company and its subsidiaries.
12. Ensures the reliability of the accounting system, and the financial and auditing reports.
13. Prepares report illustrating responsibility of the Company's Board on financial report. Ensures the said report is incorporated in the report of the Auditor shown in the Company's annual report.
14. Accounts consistently for any operation beneficial to shareholders and disclosure of information to investors that is accurate, complete, reliable, and transparent.
15. It is an obligation of the Board's Directors to conscientiously keep the confidentiality of the Company especially the undisclosed internal information or information with impact on business operation or share prices.

In the case of information concerning financial reports i.e., performance report, financial statement, and annual report; director shall omit from trading the Company's securities at least 30 days before the day on which the said information is disclosed publicly.

In the case of information concerning Company's business operations i.e., acquisition/disposal of assets, connected transaction, joint venture/cancellation, increase/decrease of share capital, issuance of new securities, repurchase of securities, payment of/failure to pay dividend or evident with impact on share prices, etc.; director shall omit from purchasing/selling Company's securities from the date being informed of the information to the date such information is disclosed publicly.

16. The Board appoints Company's Secretary to perform duties on behalf of the Company or Board of Directors. In the case where the Company Secretary retires from the position or unable to perform duties, the Board shall appoint a new Company Secretary within 90 days as from the date on which the retiring Company Secretary retires from the position or unable to perform duties. In the meantime, the Board shall assign one of the directors as Acting Company Secretary.
Chairman of the Board shall inform Office of the SEC, the name of the Company Secretary within 14 days as from the date appointing the Company Secretary. As required by law, the Chairman of the Board shall also inform Office of the SEC the place where the documents are kept.
17. Appoints committee members for its subsidiaries.
18. Provides and ensures the management of operations is in compliance with principles of good corporate governance.
19. Manages other operations according to the laws, objectives, articles of association, and resolutions of the shareholders' meeting.

(2) Scope of Authority of Chairman of the Board

1. Despite not being an Independent Committee Member, the Chairman of the Board shall carry out his duties independently without any conflict of Interest, any participating or any interference to the daily administration of the Managing Director (CEO) whose duties are entrusted by the Board. The Board has clearly defined duties and responsibilities of the Chairman and the Managing Director (CEO) due to their different duties and responsibilities.
2. Creates overall sustainable business security as determined by the vision, mission of the Company through the promotion of business culture and management according to the principles of good corporate governance.
3. Ensures proper profile of the Company's Board is in place for business operations generating highest returns to shareholders and stakeholders.
4. Facilitates the management to transparently, smoothly, and effectively manage the business within the legal and governance frameworks. Ensures the management achieve the policy and strategic goals. Continuously promotes competency development.
5. Promotes trust among employees, shareholders, and stakeholders on ethical and accountable business operations, social, and environment.
6. In compliance with relevant laws, the Chairman of the Board is responsible for calling the Board meeting, chairing the Board meeting, leading the discussion until reaching a meeting resolution. In performing such duty, the Chairman of the Board takes actions as the following:
 - 6.1 Setting up Board meeting agenda in consultation with the President and having measures in place to ensure that all important matters are included in the agenda.
 - 6.2 Allocating sufficient time for a thorough discussion of an important agenda by the Directors.
 - 6.3 Encouraging a free expression of ideas and full discussion of agenda by the committee members

7. Chairing the Board meeting and casting vote in the event of tie vote, calling the Board meeting as well as performing its duties as defined according to the relevant laws.
8. Representing the Board members in communicating key matters to the public as well as maintaining positive relationship with groups of shareholders and stakeholders.
 - 8.1 Chairing the meeting of shareholders and allocating adequate time for all inquiries.
 - 8.2 In coordination with Managing Director/Deputy Managing Director in communicating important information to employees, investors, mass media, analyst and others involved.
9. Following up to ensure that the Board's operations are effective and achieve the objectives and goals of the organization
 - 9.1 Encouraging participation of all directors in creating ethical organizational culture and business operation in compliance with the principles of corporate governance.
 - 9.2 Determining a clear scope of duties and responsibilities of the committees and the management.
 - 9.3 Setting long-term goals of the organization, considering the allocation of resources, and implementing risk management and strategies to achieve the set goals
 - 9.4 Appointing sub-committees to reduce the workload of the committees.
 - 9.5 Providing orientation for new directors to ensure their continuing development of necessary knowledge and skills.
 - 9.6 Providing a work performance assessment of the committees, sub-committees, individual committee members and Managing Director and supporting their efforts in work improvement or development.
10. Supporting cooperation between committees, the management, and the Company's Secretary for a smooth and efficient work.
 - 10.1 Working closely with the Managing Director / Deputy Managing Director and representing the Board in giving advices and monitoring the management of Committee members, Directors / Deputy Managing Director in various matters.
 - 10.2 Representing the Board in working with the Company's Secretary to supervise, provide suggestions and supports to the Committee's implementations.
 - 10.3 Communicating and continuously monitoring the Board's performance and promoting pleasant relationship within the Board members.

(3) Scope of President's Authority

The President has power and responsibilities to manage the Company as assigned by the Board and as determined by the Board approved plans and budget. The management shall be performed with honesty, integrity, deliberation, and to maintain profitability benefitting the Company and stakeholders. The power and responsibilities in this regard shall include the following matters or business activities.

1. Managing and overseeing the general administration of the Company in accordance with the established policies, articles of association, Good Governance and Code of Business Ethics Handbook, and the Company's regulatory approval for execution. The report in this regard shall be submitted to the Board on a regular basis.
2. Formulating and implementing the Board's approval strategic and operational plans and budgets cascaded from the Company's vision and mission to effectively attain the best outcomes.
3. Formulating HR policy sufficient to effectively accomplish all functions of the Company with full capacity and development.
4. Guiding business strategic formulation and transferring work experiences to the management teams and employees to ensure their performances benefit the operations of the Company's chain.

5. Managing the Company's finance and budgeting toward the best interests.
6. Performing duties according to the resolution of the Board Meeting and /or Shareholder's Meeting under the provisions of the policies and articles of association of the Company and related laws.

The power given to the President in this regard does not include any acts with stakeholding or conflicts of interest to the Company or any act requiring approval from shareholders relating to any connected transaction or acquiring and disposing of Company's assets. Such actions shall comply with the SET's regulations except the transaction under normal trade conditions as clearly defined by the Board.

The Board sets up targets and functions of the President in both short and medium terms in accordance with the strategic plan which is used, on a yearly basis, to determine remuneration package of the President. The President of the Board assesses performances of the executives down the line of command, applying assessment objectives and criteria against the annual strategic plan and performance targets of the President, to determine remuneration package and appropriate incentives.

In operating Company's business, directors and executives shall perform duties with accountability, attentiveness, and integrity. Such performances shall be in compliance with laws, objectives, Company's articles of association, resolutions of the Board's and shareholders' meetings. All employees shall have a clear thought about their career goals, rights, and responsibilities so as to perform their duties as determined by the Company's vision and mission which are revised at least every 5 years.

In addition to close monitoring of the implementation of the Company business strategic plan and road map, the Board emphasizes optimizing tangible return to its investors, which fundamentally requires good governance. As a consequence, the Board set up Good Governance Policy, and Code of Business Ethics and Work Performance Guidelines Handbook. The Policy states its goals in the Company vision and mission, with the purpose that every Board member, executive and employee will have the same clear understanding. The Handbook contains guidelines on what to do and to avoid, and conduct standards served as the Company benchmarks when working with employees, shareholders, customers, business partners, creditors, competitors, communities and society. Therefore, the Handbook synchronizes with the Good Governance Policy, and successfully transfers the written policy into actual practices.

The Company requires that it is a responsibility of every director, executive, and employee to acknowledge, understand, and comply with the policies and practice stipulated in the Business Ethics and Work Performance Guidelines Handbook which every employee is required to sign up to express their acknowledgement. The activities organized in this regard are communicated continuously to promote understanding among employees. It is an obligation of the executives to ensure employees under their command acknowledge and understand the message. They shall promote the adherence to the Handbook and to ensure every employee behaves as role model.

The Board and the management discussed and revised the vision and strategic plan as mentioned in the Section 3 - Sustainability Governance. This is to ensure assessed risks and the Company's is well equipped for changing business circumstances. Accordingly, the Board determined and approved the said revised Company's vision, mission, and strategies for another 5 years (2020-2024) aiming at achieving sustainable development focusing on creating competitive capacity, adding value to stakeholders, responding to industrial and economic changes.

Terms of Services

Terms of service of the Board are specified in the Company's articles of association that in an AGM, one-third of the Board's members shall retire from the positions. In the first and second year after the registration of the Company, raffle would be picked who have to leave. The year later, the director holding position for the longest term shall leave; however, the retiring director is re-electable. The Nomination and Remuneration Committee selects and nominate qualified person taking into determination skills being needed by the Board. The result is presented to the Board and AGM for approval.

7.3 Committees

7.3.1 There are 5 sub-committees appointed by the Board of Directors as follows:

- (1) Audit Committee
- (2) Nomination and Remuneration Committee
- (3) Corporate Governance Committee
- (4) Risk Management Committee
- (5) Sustainability Committee

7.3.2 Composition of the Committees

1) Audit Committee

Appointed by the Board of Directors or Shareholders' Meeting, the Audit Committee comprises at least 3 members being independent directors. The current Audit Committee comprises 4 committee members/independent directors.

- | | | |
|-----------------------------|-----------------|--------------------------|
| (1) Mr. Pongsak | Angsupun | Audit Committee Chairman |
| (2) Mr. Vichit | Vuthisombut | Audit Committee Member |
| (3) Assoc.Prof.Dr. Sucharit | Koontanakulvong | Audit Committee Member |
| (4) Dr. Damri | Sukhotanang | Audit Committee Member |

Mr. Pongsak Angsupun as Audit Committee member with qualified knowledge and experiences to review financial statements of the Company.

Qualification of the Audit Committee Member

- (1) Audit Committee member must be director and independent director of the Company who possesses qualifications as specified by the SET and Office of the SEC.
- (2) Not being a committee member entrusted by the Board of Directors to make decision concerning management operations of the Company, parent companies, subsidiary companies, associate companies, same ranked subsidiary companies, major shareholders or person having power to control the Company.
- (3) Not being a committee member in the parent companies, subsidiary companies, and same tier subsidiary listed companies.

Terms of Services

- (1) Audit Committee serves the Company for 2 year term
- (2) Audit Committee member who has retired from office is eligible for re-election.

Power, duties, and responsibilities of the Audit Committee

- (1) Reviews the accuracy and adequacy of the Company's financial report.
- (2) Reviews the appropriateness and efficiency of the Company's internal control and internal audit systems; determines independency of the Internal Audit Unit; approves matters concerning the appointment, transfer, termination of Chief of Internal Audit Unit or other unit being in charge of internal auditing.

- (3) Reviews the compliance of Company's operation with the laws and regulations of securities and exchange, and other applicable laws.
- (4) Determines, selects, terminates nominates with proposed remuneration; a person of independent nature as external auditor to perform duties for the Company, and attends meetings with the auditor in absence of the management at least once a year.
- (5) Determines connected transaction or transaction that may induce conflict of interest to ensure the transaction is made in conformity with laws and requirements of securities and exchange. The transaction shall be reasonable, and made for the Company's best interest.
- (6) Prepares Audit Committee Report and disclose in the Company's Annual Report, such report shall at least incorporating the following details and must be signed by the Audit Committee Chairman.
 - (a) Opinions on accuracy, completeness and reliability of the Company's financial report.
 - (b) Opinions on adequacy of the Company's internal control system.
 - (c) Opinions on compliance of Company's business operation with laws and regulations governing securities and exchange, or other applicable laws.
 - (d) Opinions on suitability of the auditor.
 - (e) Opinions on transaction which may induce conflict of interest.
 - (f) Number of Audit Committee's meetings and meeting attendances of each Audit Committee member.
 - (g) Overall opinions or observations concerning compliance with the charter.
 - (h) Other transactions considered to be known by general shareholders and investors under the scope of duties and responsibilities assigned by the Board of Directors.
- (7) If any doubt arises in relation to the following transactions or actions that might affect the Company's financial status and performances, the Audit Committee must report to the Board for resolution within the course as the Audit Committee sees appropriate.
 - (a) Transactions inducing conflict of interest.
 - (b) Misconduct or irregularity or serious deficiency of internal control system.
 - (c) Breach of laws governing securities and exchange, SET's regulations, or laws applicable to the Company's business. If the Board or executive takes no response for resolution to be executed in the specified timing, one of the Audit Committee members may report to Office of the SEC or the SET that the violation has been committed.
- (8) The Audit Committee may seek consultancy or opinions from external adviser or professional. Expenses incurred in this regard shall be borne by the Company as the Audit Committee sees appropriate.
- (9) Revises and amends Audit Committee Charter and submits to the Board for approval.
- (10) Performs other Board assigned duties with consent from the Audit Committee.

2) Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises 3 independent directors

- | | | |
|-----|---|--|
| (1) | Assoc. Prof. Dr. Sucharit Koontanakulvong | Nomination and Remuneration Committee Chairman |
| (2) | Mr. Pongsak Angsupun | Nomination and Remuneration Committee Member |
| (3) | Mr. Vichit Vuthisombut | Nomination and Remuneration Committee Member |

Duties and Responsibilities in Relation to Nomination

- (1) Defines policy and criteria in relation to the nomination of director and committee member taking into account the proper number, structure and component as well as qualification for submission to the Board and/or shareholders' meeting for approval as the case may be.

- (2) Recruits, selects, and nominates persons to fill the positions of director, committee member, chief executive, and company secretary in the case of vacancy due to termination of terms of service or others. The outcomes are submitted to the Board and/or shareholders' meeting for approval.
- (3) Performs other nomination related duties as assigned by the Board of Directors.

Duties and Responsibilities in Relation to Remuneration

- (1) Proposes remuneration policy and guidelines as well as other benefits for directors, members of sub-committee (or committee), and chief executives according to their contributions to the Company and market conditions.
- (2) Determines, on a yearly basis, necessary and appropriate cash and non-cash remuneration compensation for each director compared to the duties, responsibilities, and performances of each director against peer companies in the similar industry, as well as expected returns from each director. The outcomes are submitted to the Board for consent, and to shareholder meeting for approval.
- (3) Be responsible to the Board of Directors, makes clarification and responds to inquiries at shareholders' meeting concerning compensation of the Board.
- (4) Reports on matters relating to the policy and rational of compensation constructed for directors and executives as required by the SET's regulation, and disclose via Form 56-1 and an annual report.
- (5) Defines the Company's business policy/strategies, plan and budget, and submits to the Board for consent.
- (6) Performs other duties in relation to remuneration determination as assigned by the Board.

3) Corporate Governance Committee

The Corporate Governance Committee comprises 3 independent directors.

- (1) Dr. Damri Sukhotanang Corporate Governance Committee Chairman
- (2) Mr. Pongsak Angsupun Corporate Governance Committee Member
- (3) Mr. Vichit Vuthisombut Corporate Governance Committee Member

Power, Duties, and Responsibilities of Corporate Governance Committee

- (1) Proposes Company's corporate governance policy, and code of ethics and work performance guidelines to the Board of Directors for approval.
- (2) Oversees the operations of the Board of Directors, Executives Committee, sub-committees, and the management team to ensure the compliancy of the operations with good corporate governance principles, and business ethics and conducts.
- (3) Regularly reviews the Company's policy, principles, and work performance guidelines in alliance with the international guidance and/or recommendations of concerned institutes and/or government offices, subsequently, submits the outcomes to the Board for approval.
- (4) Makes recommendations for performance improvement of directors, executives, and employees concerning rules governing business code of conduct.
- (5) Promotes the implementable good corporate government culture across the organization.
- (6) Appoints working groups and defines according roles and responsibilities to facilitate the corporate governance practices and business ethics as appropriate.
- (7) Be entrusted to invite and/or hire external professional as an advisor to attend meeting at the expenses of the Company.
- (8) Performs other duties as assigned by the Board of Directors.

4) Risk Management Committee

The Risk Management Committee comprises 9 persons.

(1) Mr. Pongsak	Angsupun	Risk Management Committee Chairman
(2) Mr. Vichit	Vuthisombut	Risk Management Committee Member
(3) Dr. Damri	Sukhotanang	Risk Management Committee Member
(4) Assoc.Prof.Dr. Sucharit	Koontanakulvong	Risk Management Committee Member
(5) Mr. Hiroyuki	Inoguchi	Risk Management Committee Member
(6) Mr. Taku	Yamada	Risk Management Committee Member
(7) Mr. Navarat	Chanamoon	Risk Management Committee Member
(8) Mr. Wittaya	Tangngamchit	Risk Management Committee Member
(9) Mr. Hirun	Komolhirun	Risk Management Committee and Secretary

Power, Duties and Responsibilities of the Risk Management Committee

- (1) Institutes the Company's risk management policy and lays down frameworks for overall risk management covering strategic risk, operational risk, financial risk, compliance risk, information system risk, and etc.
- (2) Lays down strategies according to the risk management policy to enable assessment, monitoring, and controlling of the Company's overall risk to an acceptable level.
- (3) Supports and encourages active participation in overall risk management of the Company, and reviews the adequacy of risk management policy and risk management system.
- (4) Provides systematic and continual assessment and analysis for possible damage under normal and critical circumstances to ensure the risk survey covering all business operation procedures.
- (5) Consistently facilitates and develops risk management across the organization to meet international standards.
- (6) Regularly reports to the Board on matters needed improvement to ensure the alignment with the set policy and strategies.
- (7) Be entrusted to hire external professional as advisor on the Company's expenses with consent from the Board.
- (8) Performs other duties as assigned by the Board of Directors.

5) Sustainability Committee

Sustainability Committee comprises 7 persons.

(1) Assoc.Prof.Dr. Sucharit	Koontanakulvong	Sustainability Committee Chairman
(2) Dr. Damri	Sukhotanang	Sustainability Committee Member
(3) Mr. Hiroyuki	Inoguchi	Sustainability Committee Member
(4) Mr. Taku	Yamada	Sustainability Committee Member
(5) Mr. Navarat	Chanamoon	Sustainability Committee Member
(6) Mr. Wittaya	Tangngamchit	Sustainability Committee Member
(7) Mr. Hirun	Komolhirun	Sustainability Committee and Secretary

Duties

The Company's Board appointed the Sustainability Committee to support the Board's operation on sustainable business growth, this will enable organizational development with responsibility towards society, environment and stakeholders.

The Sustainability Committee is allowed to seek advice from the independent professional as seen appropriate. Expenses in this regard shall be borne by the Company.

Power, Duties and Responsibilities of the Sustainability Committee

- (1) Formulates directions, policies, strategies, goals and plans for sustainable development covering the environmental, social, and governance and Economic aspects of the Company and presents to the Board of Directors.
- (2) Supports and pushes for cooperation in sustainability within the organization through advices and supports for integrating sustainable principles into its business strategy, risk assessment and organizational plans both short-term and long-term in order to reach the sustainable goals set.
- (3) Reviews and makes recommendations to ensure that the Company's sustainable practices is up-to-date and in consistent with best practices of international standards and present it for consideration of the Board of Directors for revision.
- (4) Gives primary approval of the Company's annual key issues in sustainability so as to accommodate the needs and expectations of stakeholders, external context, directions and the organization's goals and propose it for the Board's final approval, then, assigns those responsible for further actions and monitoring.
- (5) Monitors and sends summary of the organization's performance on sustainability and progress report to the Board at least once a year.
- (6) Oversees the disclosure of the Company's sustainability information in the Company's sustainability annual report.
- (7) Appoints a working group on sustainability as appropriate.
- (8) Performs other duties as assigned by the Board.

7.4 Executive

7.4.1 "Executives" herein, are the first 4 persons holding the top four positions second to the President, and any person holding a position equivalent to the fourth position in a hierarchy. It shall include a person holding finance and accounting executive position equivalent to General Manager of the Administrative, Accounting and Financial Department. As of 31 December 2023, the executives of the Company comprised the following qualified personnel.

Executive	Position	No. of shares held (Share)	
		31 Dec. 2022	31 Dec. 2023
1. Mr. Surasak Kunanantakul	President	None	None
2. Mr. Hiroyuki Inoguchi	Vice President	None	None
3. Mr. Surapol Kunanantakul*	Vice President	12,230,400	None
4. Mr. Taku Yamada	Director/ Senior General Manager Metal Construction Product Dept.	None	None
5. Mr. Navarat Chanamoon	Senior General Manager	None	None

* Kunanantakul Group share is change to be Wanchai Siam Steel Group Co.,Ltd., on March 9,2023

Scope of Executive Authority

- (1) Make collective decision on important matters; define mission, goals, and policy guidelines; supervise overall operations, deliverables, customer relations; responsible to Board of Directors.
- (2) Define organizational structure, appoint and define authorities for vice or deputy of management positions and lower.
- (3) Ensure working system, operational process and internal control are in place and effective.

- (4) Be authorized by the Board of Directors to approve expenditures or payment according to projects or investments.
- (5) Be authorized to hire, appoint, dismiss, remove, fire; define wage rates, rewards, annual increase and bonus for personnel under his/her line of management.
- (6) Be authorized to represent the Company to third party concerning business operations to benefit the Company.
- (7) Performs duties relating to general administration of the Company

The power given to executives in this regard does not include any act with conflicts of interest to the Company or the act that requires approval from shareholders concerning connected transaction or acquiring and disposing of Company's assets. Doing in this regard is to conform to the SET's regulations except the transaction under normal trade conditions as clearly defined by the Board.

The Company's executive shall not possess any of the following disqualifications:

- (1) Being or having been in criminal proceeding or accused by authorized agency in an unfair trading practice relating to sell/purchase of securities or derivatives; or the administration that is deceptive, fraud or corrupt.
- (2) Being a non-executive by order of the authorized organization under an international law.
- (3) Having been convicted of or fined for committing the practice in (1)

7.4.2 Director and Executive Compensation Policy and Practices

- The Nomination and Remuneration Committee considers and reviews, on a yearly basis, the policy and criteria of director and executive compensation and presents to the shareholder AGM for approval.
- "The remuneration of director should be consistent with duties and responsibilities and the Company's operating results as well as performance of the Board and the committees compared with other listed companies in the industry and similar business size.
- The Company takes into consideration, the most recent annual survey report on the remuneration of Thai company directors as prepared by the IOD, and the remuneration of directors and executives of the Thai listed companies of the SET. The Company sees the remuneration in this regard is sufficient to attract qualified directors to perform duties to achieving business goals through transparent process."
- Executive compensation is consistent with principles and policy as stipulated by the Board in connection with performances of the Company and individual executive so as to motivate effective performances.
- There is no other benefit for directors and executives.

7.5 Employees

(1) Total of employees as of 31 December 2023

Section	Total of employees (person)
Production	503
MCPD	194
Marketing	54
Management	122
Total	873

There was no significant change in headcount in the previous year and no labor disputes in the past 3 years

(2) Labor Relations

The Company is committed to promote good labor relations between employer and employees aiming at strengthening effective management. Labor union is established in accordance with the law. Meeting between the union and employer's representatives is conducted at least once a month. The meeting considers matters for alternatives to improve Company's operation in various fields as well as to promote labor relations and employment for mutual benefits. The two parties has good relationship in alignment with the applicable law. In addition, the Company consistently cooperates and supports employees' activities.

The Company realizes the principle of "Personnel is the heart of the organization. Full participation from its personnel equipped with their ability and knowledge will contribute to the benefits of the organization." Their efficient and happy working atmosphere at workplace will yield the continuous growth and development of the Company, thus, a guideline to raise the personnel's quality of life has been formulated as follows:

1. Adequate and Fair Compensation
2. Safe and Healthy Environment
3. Development of Human Capacities
4. Growth and Security
5. Social Integration
6. Constitutionalism
7. The total life space
8. Social Relevance

Moreover, in 2023, the Company joined the Labor Relations Network Development Project on Organizational Health to raise the quality of life of the working population in coordination with Department of Labor Protection and Welfare and Office of Labor Relations. The project aims to develop practices of organizational health for personnel's better living, raising organizational health at workplace in all dimensions. Its activity is such as "Slender Shape, Lesser Sickness".

As a result of the Company's implementation according to its' plan to raise the life quality of the employee including its continuous participation in the above project, the Company was awarded **the Highest Honor Award for Outstanding Workplaces in Organizational Health at the National Level**.

(3) Labor Protection

The Company recognizes occupational health, safety and environment in the workplace of employees, thus, it defines core values of SSSC employees as **"Safety comes first, put our customer's first for satisfaction, cares for society, work for never ending development"**. As each line of work has different task characteristics, therefore, the Occupational Health, Safety and Environment in the Workplace Committee is established in which committee members are selected and appointed from the management members, and representatives of employees. The Committee collectively considers operational guideline in alignment with applicable laws; inspects and supply equipment, tools to facilitate safety work operation with zero accident; run campaign on the Company's labor protection and care. This was also made as KPIs for all departments in order to explore possible dangerous operations in all workplace to make the accident zero. This continuous implementation of occupational health, safety and environment in the workplace resulted in forming a new organizational culture for safety.

Accordingly, from 2018-2023, the Company received Thailand Vision Zero Commitment Award 2019: Achievement Award Level 3 from the Safety and Health at Work Promotion Association (Thailand). The Company has continuously conducted the Zero Accident Program.

The Company also received Honored Award for Outstanding Model Organization for Safety, Occupational Health, and Workplace Environment at national level for consecutive 15 years (2009-2023).

(4) Remuneration and Welfare

According to the guidelines for raising the life quality of the personnel mentioned in the Company's labor relations, The Company places an importance on employee compensation policy so as to build employees' confidence as well as to motivate and retain competent personnel amidst current business competition. Employees shall be reasonably paid according to payment standards in the same or similar business. This aims to motivating employees' contribution to the Company's business growth.

Remuneration Components include:

1) Salary

Be considered in consistent with job position, role, duty, responsibility, and experience of employee. In addition, additional payment is considered based on Company's performance both short and long terms, inflation rate, individuality, diligence, and competency.

2) Annual Bonus

Annual bonus is paid as a motivation and reward to employee whose performance achieves the set targets plus individual performance assessment by supervisor and information from Human Resources Unit.

Besides the KPI, the Company introduces assessment form for individual assessment of employee divided into 2 levels.

Operational Level

- Compliancy with Company's rules, regulations and policies.
- Responsibility and relationship
- Integrity, be consistent at work
- Work safety and environment
- Knowledge, skills, and competence
- Job knowledge, ability to communicate
- Creative thinking, problem solving and decision making

Management Level

- Leadership, fairness
- Planning and organizing
- Coaching and development of subordinates
- Work delegation and monitoring

3) Fringe benefits

The Company offers fringe benefits to individual employee by referring to employment contract and according to the role and career position of employee. The current fringe benefits include:

- Overtime, allowance, diligence fees
- Provident fund
- Life insurance, accident insurance
- Group insurance for medical expenses (other than social security) and an annual physical exam
- Medical expenses (other than social security), dental expenses and annual health check
- Accident group insurance within and out of working hours

- Training and development
- Shuttle
- Monthly grant for disabled employees as specified by laws (other than social security)

4) Compensation in case of Termination of Employment (According to the Labor Protection Act)

This is considers based on employee compensation as specified in the each compensation component whereas additional payment is considered based on performance in terms of income and profits gained each year. This is in alignment with short-term performance of the Company. The Company also takes into consideration the inflation rate as well as performance of the upcoming year.

5) Employee Compensation

Compensation	Amount (Million Baht)
Monthly fees paid to employee and worker in the form of salary, bonus, overtime, and others.	420.79
Employee provident fund According to Provident Fund Act, B.E. 2530 and 2542, The company pays the contribution 4-6 % into the fund (depending on the service term) whereas employee pay his saving 4-15% of wages. Employee shall receive Company's contribution when resigns from the Company after at least 1 year service term (100% of employees join the fund).	12.88

For morale support and job stability of employees to work collectively toward corporate excellence and sustainability, the Company has increased the rate of savings - contributions to the provident fund for employees which has been effective since 1 June 2021 based on the following criteria:

- Service term 4 month to 5 years receives 5% saving-contributions into the fund
- Service term 5 years to 10 years receives 6% saving-contributions into the fund
- Service term more than 10 years receives 7% saving-contributions into the fund

Data	Year		
	2021	2022	2023
Compensation Ratio of female and male employees			
• Operational Level	1:07	1:05	1:14
• Command and Professional Level	1:14	1:10	1:26
• Management Level	0:68	0.70	0:87

* Calculation method: total female earned/total no. of female to total male earned/total no. of male

6) Personnel Development/ Personnel Management

The Company adheres to the principle that “personnel at all levels are assets of the organization, with collaboration their knowledge and skills are maximized to fully benefit the organization.”

To ensure that personnel acquire knowledge and competence to meet the current and future needs of the Company, accordingly, the personnel management policy is defined:

- The Company regards every personnel as valuable asset, therefore, they shall be promoted and facilitated to training including Management, Technical, Information Technology, Quality Systems, Environment, Safety and Health; so as to work effectively.
- The Company promotes occupational health, safety, and environment in the workplace.
- The Company ensures appropriate pay structure which is no less than minimum wage set by the government and compared with the same or similar establishments.
- The Company takes care its employees systematically and fairly as family members under the policy stating “ It is an obligation of the organization to ensure employees’ happiness and enjoyment at work.”

Based on the said policy, the Company continuously develop it employee through internal and external trainings aiming to enhancing knowledge, competence, effectiveness of performance and productivities as follows:

- Conducts training for employees on Principles of Sufficiency Economy Philosophy so as to instill employees to realizes the importance of being thrifty, patient, diligent, disciplinable, self reliant, kind to share and honest; encourages employees to learn new theory and idea for potetial development both for themselves and the organization so as to be able to take on all changes and balance work and living following the Guidance on Sufficiency Economy for Industries (TIS 9999) to which the Company adheres for its sustainable growth.
- Continuously conducts trainings for committees’ members, executives, employees, and the new recruits to clearly understand the anti-corruption measures; the Company’s expectation; penualties in case of non-compliance; protection measures for employees who oppose fraud and corruption; policy not to demote, penalize, or impose negative effect on the employee who oppose fraud and corruption even if such action will cause the Company to lose its business opportunities.
- Internal training for employee of each level focuses on managerial skill development and specialization with social responsibility.
- Promotes employees’ participation in external training and seminar for capacity enhancement.
- Provides knowledge for employees in alignment with the ISO9001, IATF16949, ISO14001, ISO5001, ISO56002.
- Instills environmental conservation and environmentally friendly business which becomes corporate culture, in connection to this, the Company has been certified Green Industry Level 4.
- Conducts training and gives advice on Increase Productivity by Lean & IE Techniques.
- Conducts training on Process Innovation and Sustainable Development to uplift the internal process toward innovation creation.
- Establishes Management Systems on Quality of Work Life in the organization.
- Intills energy conservation and saving in employees as well as Energy Management System Standard ISO50001.
- Conducts training to facilitate social responsibility activities in alignment with CSR-DIW and ISO26000; and instills employees in participative social, community and environment development.
- Conducts training for all employees including the new recruits on the Company’s Business Ethics and Work Practices Handbook of director, executive, and employee.

- Disseminates the Company's work related article of association, and handbook on welfare, compilation of policies, personnel development or personnel management. Channels of dissemination are public relations board and intranet. The said information is reviewed regularly to suit business operation of the Company based on fairness and/or in line with the changing criteria, requirements, laws.
- Conducts training for employees on "Savings Discipline, Promoting Good Quality of Life at Work" to encourage savings discipline, financial planning and management, and solving family debt.
- Provides intenal and external trainings for employees exceeding as required by law (pursuant to the law, 50% of employees shall be trained yearly). The trainings aim at upgrading skilled labor hereby the average training hours is illustrated:

	2021	2022	2023
	(hour/person/year)	(hour/person/year)	(hour/person/year)
Training hour	5.40	4.93	4.09
Training Expenses	370,346	377,854	248,609

7.6 Other Information

Company Secretary

The 2/2008 Board Meeting on 30 April 2008 resolved for the appointment of Mr. Hiran Komolhirun as Secretary of the Company to take effect since 2 May 2008. The Secretary provides legal advices to the Board on matters relating to laws, regulations, and rules that bind the Company. As well as to oversee operation of the Board and coordinate with concerned units regarding the compliance with resolutions of Board's meeting and shareholders' meeting. (Qualifications of the Company's Secretary as shown in Atteachment 1)

Chief Financial Officer:	Mr. Nawarat	Chanamoon
Accounting Supervisor:	Mrs. Mayuree	Sangchuang
Internal Audit:	Mrs. Manee	Jariyakvorrakul
Investor Relations:	Mr. Nawarat	Chanamoon

Investors are welcome to contact the Investor Relations Unit at:

Mr. Nawarat Chanamoon, Senior General Manager

51/3 Moo 2, Poochaosamingprai Road, Bangyaprak, Phrapradang, Samuthprakarn 10130

Tel. 0 2385-9242, 0 2754-5845-47 Fax. 0 2754-5747

E-mail: nawaratc@ssscst.com.

Auditors and Auditing Service

The Audit Committee determines and selects the auditor for the Company and presents to the Company's Board for subsequent presentation to the AGM for approval and appointment. In this regard, qualification, independency, performances, and auditor fees are taken into determination. The Audit Committee stipulates that there shall be determination of the turnover of auditors at least every 5 fiscal years.

The Audit Committee proposed to the 1/2023 AGM for the auditor of the Grant Thornton Limited to be appointed as the Company's auditor for the year 2023. The approval was granted as proposed

Auditor fees paid by the Company:

- Grant Thornton Limited, Auditing Service for the year 2023 amount to Baht 1,530,000
- Auditor's Office to which the auditor is affiliated, person or business related to the auditor and Auditor's Office to which the auditor is affiliated during the previous year - **None**-
- Other Service Fees -**None**-

8. MAJOR IMPLEMENTATIONS OF CORPORATE GOVERNANCE

8.1 Summary of 2023 Performance of the Board

The Board's performed its duties under "Emphathy, Gaining Access, Impartiality" framework focusing on equal, transparent, auditable disclosure of information recognizing rights and equity of every shareholder while adhering to the Corporate Governance Code for Listed Companies 2017: CG Code, Guidance of Industrial Standard Following Sufficiency Economy in Industrial Sector (TIS 9999). Decisions in relation to business management were made toward sustainable development in accordance with SEGs as follows:

Aspect	Sustainability Performance	2022	2023
Economic	1) Total Revenues from sales and services (Million Baht)	5,421.77	5,326.42
	2) Profit for the year (Million Baht)	231.46	276.85
Environment	1) Use of Raw Material - Steel (Unit : Ton)	331,072	279,372
	2) Electricity Consumption (Unit : Kwh)	2,036,000	1,563,000
	3) Direct Emissions of Greenhouse gases :		
	Scope 1 (ton CO ₂ e)* - diesel fuel (litre) (with movement) x 2.740 / 1,000	109.59	102.05
	Indirect Emissions of Greenhouse gases through the use of Electricity : Scope 2 (ton CO ₂ e)	1,142.20	781.34
	4) Percentage of water reused	40 CBM./day(100%)	40 CBM./day(100%)
	5) waste amount (Unit : ton)		
	• dangerous waste	101.52	97.83
	• harmless waste	4,394.26	4,508.11
Social	1) Turn Over Rate	2.62	4.81
	2) Customer Satisfaction Survey Results	93.83	92.89
	3) Occupational injury frequency rate (I.F.R)	0	0
	4) The rate of accidents to the point of missing work (I.S.R)	0	0
	5) Number of deaths from work	0	0

8.1.1 Recruitment, Development and Performance Assessment of the Board of Directors

(Please see details for #6 Corporate Governance, Attachment 5)

8.1.2 Meeting Attendance and Board Remuneration

(1) Meeting of the Board of Directors

Board Meeting

The Company Board meetings are scheduled one year in advance to foster directors in managing their meeting attendance. At least 4 meetings are held each year or once every quarter after the Company's auditor has reviewed and certified the Company's financial statements. Additional meeting may be held as necessary. The Chairperson and President are together consider the meeting agenda items whereby each director is encouraged to propose agenda item freely. Number of meetings held and attendances of the directors and committee member shall be recorded in the Company's Form 56-1 One Report.

In addition, the Company stipulates the policy to promote the meeting among directors not being executive and independent director at least once a year without the present of the management team so as to allow them to express their opinions freely. At each meeting, chairperson of the meeting encourages the directors to express opinion freely as well as allocates appropriate timing for each meeting agenda. In the case of director involves in the motion being considered or discussed, such director shall notify and not share any opinion or cast his vote for or against the motion.

The decision of the Board's meeting shall be made by a majority vote. Each director has one vote. The chairperson has the right to exercise a casting vote if votes for and against a motion are equal. The Company stipulates the policy specifying minimum quorum in which no less than two-third of Board's directors shall be presented at the meeting.

The Company's Secretary, as assigned by the Board, send invitation letters and meeting documents supporting each agenda to the directors at least 7 days in advance prior to the meeting date. This aims to facilitate the directors with sufficient time to study the documents before attending the meeting. Additional documents can be obtained from the management or related department. Directors are allowed to invite the Company's executive or employee to attend the meeting for clarification. The Company's Secretary is assigned to prepare minutes of the meeting.

Meeting Board of Directors

Board Members		Number of Meeting Attended/Number of Meeting Held		
		Director Meeting	AGM	EGM
1. Mr. Wanchai	Kunanantakul	2/4	1/1	Did not hold the meeting
2. Mr. Surasak	Kunanantakul	4/4	1/1	Did not hold the meeting
3. Mr. Hiroyuki	Inoguchi	4/4	1/1	Did not hold the meeting
4. Mr. Surapol	Kunanantakul	4/4	1/1	Did not hold the meeting
5. Mr. Taku	Yamada	4/4	1/1	Did not hold the meeting
6. Mr. Jun	Murase	4/4	1/1	Did not hold the meeting
7. Mrs. Naphaporn	Hoonthanasevee	4/4	1/1	Did not hold the meeting
8. Mr. Sittichai	Kunanantakul	3/4	1/1	Did not hold the meeting
9. Mr. Pongsak	Angsupun	4/4	1/1	Did not hold the meeting
10. Mr. Vichit	Vuthisombut	4/4	1/1	Did not hold the meeting
11. Assoc.Prof.Dr. Sucharit	Koontanakulvong	4/4	1/1	Did not hold the meeting
12. Dr. Damri	Sukhotanang	4/4	1/1	Did not hold the meeting

Meeting of Committees

Name		Number of Meeting Attended / Number of Meeting Held				
		Audit Committee	Corporate Governance Committee	Nomination & Remuneration Committee	Risk Management Committee	Sustainability Committee
1. Mr.Pongsak	Angsupun	4/4	2/2	2/2	2/2	
2. Mr. Vichit	Vuthisombut	4/4	2/2	2/2	2/2	
3. Assoc.Prof.Dr. Sucharit	Koontanakulvong	4/4		2/2	2/2	2/2
4. Dr. Damri	Sukhotanang	4/4	2/2		2/2	2/2
5. Mr. Hiroyuki	Inoguchi ¹				2/2	2/2
6. Mr. Taku	Yamada				2/2	2/2
7. Mr. Navarat	Chanamoon				2/2	2/2
8. Mr. Wittaya	Tangngamchit				2/2	2/2
9. Mr. Hirun	Komolhirun				2/2	2/2

Meeting Attendances of Directors not being Executive and Independent Director (without the present of the management)

Name		Meeting Attended / Meeting Held
1. Mr. Pongsak	Angsupun	1/1
2. Mr. Vichit	Vuthisombut	1/1
3. Assoc.Prof.Dr. Sucharit	Koontanakulvong	1/1
4. Dr. Damri	Sukhotanang	1/1
5. Mr. Jun	Murase	1/1
6. Mrs. Naphaporn	Hoonthanasevee	1/1
7. Mr. Sittichai	Kunananatakul	1/1

(2) Remuneration of Directors and Executives**Policy and criteria in relation to remuneration of director and executive**

The Company's Board entrusts the Nomination and Remuneration Committee, not including director being executive, with the duties to define, determine, and monitor compensation structure of the Board, CEO, top executive, and executive as well as to monitor performance assessment in compliance with the set criteria. Assessment results are used as inputs for determining appropriate short and long term compensation which is communicated to all executives for acknowledgement. This process is also applied to design pay structure for employees.

The 1/2023 Board Meeting on 28 February 2023 resolved for the revise of remuneration policy of the Board, committee members, President, top executive in alignment with the SET guidelines. Factors taken into revision include benchmarking with other companies in the same industry with similar business size and characteristics, responsibilities and performances of the Board, annual survey report on the remuneration of Thai company directors as prepared by the IOD. The revised remuneration shall attract qualified directors to perform duties to achieving business goals through transparent process.

- Remuneration of Directors**

The Nomination and Remuneration Committee determines compensation of directors with discretion, clarity, and transparency. The compensation should be consistent with duties and responsibility benchmarked with other companies in the same industry and in similar tier, business expansion and the Company's profit growth to attract and retain qualified directors. Results in this regard is presented to the Company's Board for consent and subsequently to the AGM for approval.

- Remuneration of the Company's CEO**

The compensation of CEO is determined every year in accordance with the principles and policy as defined by the Nomination and Remuneration Committee which shall be consistent with duties, responsibilities, and performances of the CEO as well as the Company's operating results according to the action plan, profit growth of the previous year, economic situation of the Company according to strategic goals, long term returns, the benchmarking with other companies in the same industry and in similar tier, annual performance assessment carried out by the Nomination and Remuneration Committee for the year ended. Results in this regard are presented to the Company's Board for consent and further action by the management.

Long-term compensation in the form of provident fund contributed by the Company and the saving by the employees shall be consistent with the specified rate according to the term of service of such employees with the Company.

- **Remuneration of Top Executive**

Compensation of top executive/ executive is determined yearly by Vice President and/or President and/or the Company's Board according to principles and policy as defined by the Nomination and Remuneration Committee as same as compensation of the President.

With regard to the determination of the compensation in cash and non-cash bases of individual director of the Board, the Nomination and Remuneration Committee takes into determination the consistent duties, responsibilities, dedication, business type and size, market and competitors. The compensation shall be appropriate and enough to attract and retain qualified directors.

- 1) **Types of Compensation**

- (1) Meeting allowance to reflect performances of the director and to incentivize non executive director to regularly attend the meeting.
- (2) Monthly compensation paid only to director to reflect duties and responsibilities of director.

- 2) **Payment Methods**

- (1) Attendance fee paid to non-salaried director, audit committee member, independent director, and member of committees.
- (2) Fix compensation paid monthly to executive director to reflect duties and responsibilities as executive and director.

- 3) **Other benefits for director and executive**

-none-

In 2023, the compensation paid to directors and executives as approved by the shareholders is illustrated below.

- 1) **Total Cash Compensation**

- There is no monthly cash compensation paid to directors of the Board (except salary paid for performance as executive of the Company).
- In the case of non - executive director and/or non-salaried director, Audit Committee member, and sub-committee member, meeting allowance Baht 30,000 for each person per meeting is given as details shown hereunder.

Name		Remuneration (Baht)						Total
		Director	Audit Committee	Corporate Governance Committee	Nomination & Remuneration Committee	Risk Management Committee	Sustainability Committee	
1. Mr. Wanchai	Kunanantakul	-	-	-	-	-	-	-
2. Mr. Surasak	Kunanantakul	-	-	-	-	-	-	-
3. Mr. Hiroyuki	Inoguchi	-	-	-	-	-	-	-
4. Mr. Surapol	Kunanantakul	-	-	-	-	-	-	-
5. Mr. Taku	Yamada	-	-	-	-	-	-	-
6. Mr. Jun	Murase	150,000	-	-	-	-	-	150,000
7. Mrs. Naphaporn	Hoonthanasevee	150,000	-	-	-	-	-	150,000
8. Mr. Sittichai	Kunanantakul	120,000	-	-	-	-	-	120,000
9. Mr. Pongsak	Angsupun	150,000	120,000	60,000	60,000	60,000	-	450,000
10. Mr. Vichit	Vuthisombut	150,000	120,000	60,000	60,000	60,000	-	450,000
11. Assoc.Prof.Dr. Sucharit	Koontanakulvong	150,000	120,000	-	60,000	60,000	60,000	450,000
12. Dr. Damri	Sukhotanang	150,000	120,000	60,000	-	60,000	60,000	450,000
Total		1,020,000	480,000	180,000	180,000	240,000	120,000	2,220,000

Remarks: Compensation in this regard is paid to directors of the Company's Board pursuant to Section 90 of the Public Limited Companies Act B.E. 2535 (excluding salary and other benefits paid to director being executive of the Company), being member of sub-committee does not receive compensation.

The cash compensation of the executives of the Company includes salary, bonus and provident fund as follows:

Year	Total (Person)	Total Salary and Bonus (Million Baht)
2021	6	22.10
2022	6	22.90
2023	5	22.73

2) Other compensation

The Company establishes the provident fund on which the Company 's contributions amount to 7% of the salary earned by each individual.

Year	Total (Person)	Provident Fund (Baht)
2021	2	287,354
2022	2	231,674
2023	1	166,260

8.1.3 Corporate Governance of the Subsidiary Company

The Siam Steel Vietnam Ltd. is the Company's subsidiary in the Socialist Republic of Vietnam in which the Company holds 90% shares. The personnel being director and top executive of the said subsidiary company are selected among personnel possess required qualifications according to the nomination criteria; specific knowledge, skills, experiences, and work profiles. The selected persons are in charge of overseeing the management of the subsidiary company according to the Company's policy, and to carry out transactions in conformity with laws and criteria governing securities and exchange, and regulations of stock exchange.

Persons appointed as director and top executive in the subsidiary shall not receive any other compensation or benefit except salary as President of the subsidiary. Salary in this regard shall be borne by the subsidiary (the Siam Steel Vietnam Ltd.)

The President of the subsidiary company in Vietnam is required to report business performances to the Company's Board of Directors quarterly for acknowledgement. So that, the Company's Board is assured of the Company's best interest and returns. The company's auditors in Thailand and Vietnam are not affiliated with the same auditing firm because the Company's subsidiary is located in the Socialist Republic of Vietnam. However, the Company's Board shall oversee and ensure the subsidiary company release the financial statements in time.

8.1.4 Monitoring Compliance with Corporate Governance Policy and Guidelines

The Company presses an importance on good corporate governance integrated in the Good Corporate Governance Policy and Code of Business Ethics. The Company promotes the compliance with the policy so as to build confidences in every group of its stakeholders.

During the previous year, the Company monitored compliance with the good corporate governance as follows:

- 1) Environmental Management
- 2) Security Management and Occupational Health
- 3) Human rights respect and Treat workers fairly
- 4) Caring and Development of employees' potential
- 5) Responsibility to Communities, Society and Environment
- 6) Anti-Unfair Competition
- 7) Security of Information

(Please see details for 3#Driving the business for sustainability, #3.3.2 Environmental performance, and #3.4.2 Social Performance)

The Company shall follow up 4 other issues in order to ensure compliance with good corporate governance including:

1) Prevention of conflicts of interest

The Company defines the policy dealing with conflicts of interest indicated in the Code of Business Ethics and Work Performance Guidelines Handbook for directors, executives, and employees to adhere to and to perform their duties with honesty, integrity, and impartiality. The policy is recognized as a must for directors, executives, and employees not to seek for personal gains. (Additional details could be found in topic 6 Corporate Governance Policy, sub topic 6.1.2 Policy and Guidelines of Shareholders and Stakeholders, and (2) Entering into Connected Transaction).

So as to uplift the corporate governance, during the previous year, the Company revised its code of business ethics concerning conflicts of interest by adding matter of prevention of the use of customers' information. This is to reduce stemming from such incident. The revise was approved by the Board on 25 February 2021.

To prevent conflicts of interest, the Company pays close attention to the transaction that may induce conflicts of interest by prescribing policy and approval procedures of such transaction in the regulations concerning approval authority and/or approval from shareholders shall be obtained according to the SET requirements which shall be in compliance with the SET criteria. Price and conditions are defined on Arm's Length Basis. Audit Committee shall regularly present transaction or connected transaction in this regard to the Company's Board.

The Company stipulates the policy on entering into connected transaction stating "in the case of entering into connected transaction that fails to meet the general trade, consent from Audit Committee concerning rationality and appropriateness is required prior to submitting to the Board for approval. In the case of connected transaction or other transactions undertaken under the provision of rules and/or criteria of the SET and the Office of the SEC, the Company strictly complies with the provisions thereof.

In addition, the preventive mechanism in relation to conflicts of interest is stipulated through reportion mechanism.

(1) Report on disclosure of potential conflict of interest and connected transaction

The Company stipulates that significant possible conflicts of interest and connected transaction shall be disclosed in Form 56-1 One Report of the Company as details shown under the heading "Connected Transaction." The disclosure shall contain details of any person with possible/potential interest, relationship, characteristics of transaction, condition, cost policy, transaction value, rational and comments of the Auditing Committee and/or the Company's Board.

In 2023, the Company had no record of action violating connected transaction or not conforming with the criteria set forth by the SET and Office of the SEC.

(2) Report on interests of director, executive, and connected person

The Board imposes that directors and executives shall report their interests or interests of connected persons to the Company for acknowledgment. In so doing is to provide the Company with information for action according to terms of condition of the connected transaction. As the transaction in connection to administration and management of the Company and its subsidiaries may cause conflicts of interest that leads to transferring of interests of the Company and its subsidiaries. The report shall be submitted every calendar year and within 30 days as from the end date of December. Resubmitting is required whenever changes incurred which portrayed differences from the report previously submitted.

(3) Report on securities holdings and change of securities holdings of the Company

The Board set up the policy stipulating directors, executive, and the Management (as defined by the SET and Office of the SEC) shall report their securities holdings inclusive of the number of securities held by spout or minor child/children and/or connected person as per Section 59 of Securities Exchange Act.

- To report on the first holdings of Company's securities (Form 59-1) within 30 days as from the day appointed director or executive.
- To report on the change of holdings of Company's securities (Form 59-2) whenever purchase, sale, transfer or receive of Company securities by submitting the report within 3 days as from the day of purchasing, selling, transferring or receiving such securities. Copy of the securities holding report shall be delivered to the Company the same date as submitting to the SET and Office of the SEC.

Directors shall also report the holdings of the Company's shares to the Board via Secretary of the Company who shall prepare the summary report of the holdings and changes of Company securities of the Company's directors and executives, and present, on a quarterly basis, such report at the Board Meeting for acknowledgement. The report shall also be disclosed in Form 56-1 One Report.

The Company establishes the policy binding directors, executives and employees to perform their duties for the Company's utmost benefit. In the case of any person with stakeholding in the transaction being considered, such person shall notify the Company's Board via Secretary of the Company.

The Board stipulates that director or executive or employee, with interest relating to the business being transacted, is not permitted to involve or take part in the decision-making process of the transaction.

Director and executive are imposed by the Board to declare, on a yearly basis, any transaction that may induce conflict of interest.

2) Use of Inside Information for Personal Gain

Policy on Confidentiality, Safeguarding and Use of Internal Information

The Company shall maintain confidential information from leaking to irrelevant person especially information that may affect the Company and its stakeholders. Directors, executives, and employees must not use information of the Company for self-interest.

Plan and Implementation of Protection of Internal Information Usage

Protection of Internal Information Usage

The Company clearly puts policy regarding proper exercising of authority into place via various channels such as good governance practice; organizational ethics; circulated announcement of the Office of SEC and others related; internal communication; and organizational culture with a view to make the employees at all level realize an equitable treatment of shareholders without gaining benefit from internal information usage.

This has been in alignment with policy of internal information usage specified in the Ethics for Confidentiality, Safeguarding and Use of Inside Information illustrated in the revised Code of Business Ethics and Work Practices 2023 as approved by the resolution of the meeting of the Company's Board and Corporate Governance Committee on 28 February 2023.

- (1) The Company shall establish levels of confidentiality and applicable procedures whereby all personnel must understand each confidentiality level. They shall seal confidential information of their respective responsibilities to keep it from being viewed by other persons including personnel of irrelevant companies.
- (2) Personnel shall not disclose confidential information even after their retirement, resignation or termination of their position at the Company.
- (3) The Company shall maintain customer and trade privacy. Personnel shall not disclose private information to the unauthorized personnel of the Company and outsiders unless it is required by law, for court cases, or approved by the Board.
- (4) Inside information is operational and managerial confidential information that is not yet ready to be disclosed to the public. If such information was disclosed, it would impact the Company, particularly the trading prices of the Company shares on the stock exchange. Personnel of the Company must maintain the confidentiality of inside information and shall not disclose, exploit for self-gain or to affect the Company's benefit.

- (5) Personnel shall receive warnings notices and campaigns regarding the use of inside information via Company's channel of communication, especially in relation to important situations such as the issue of company shares or debentures.
- (6) When employing candidates who have previously worked with competitors or the government, the Company shall enquire and study any confidential agreements the candidates may have had with their previous employers. The Company shall not force the candidate to break their agreements with trade competitors or the government, which might give rise to consequent legal actions.
- (7) Information shall only be disclosed by authorized personnel of the Company. Unauthorized personnel shall not disclose the information to ensure the correctness and consistency of the disclosed information.
- (8) Directors, executives, and employees shall make copies, send facsimile, or store information properly and safely to prevent access of information or confidentiality by irrelevant persons.
- (9) Besides the disclosed information to the public, the Company assumes that all information is only for internal use. Directors, executives and employees must use such information within their scope of assigned duties and responsibility.
- (10) Executives shall not use undisclosed information to trade Company's securities before such information is disclosed to the public. They shall not also disclose the essence of such information to other persons.
- (11) Sanction will be imposed on any director, executive who violates this policy and causes defamation damage to the Company. The Company will cooperate with related governance entities for legal action to be undertaken.

The Company's Board has resolved for the performance guidelines for directors, executives and employees to attach to as follows:

(1) Report on the Change of Securities Holding

Directors, executives, and employees shall sign to acknowledge the notification of the SEC requiring for the director and executive to report the change of securities holding to the SEC pursuant to Section 59 of the Securities and Exchange Act B.E. 2535. The reporting shall be made within 3 business days from the date of changes in securities holding. They shall also inform the Company's Secretary to prepare and present a summary of the same to the up coming Company's Board meeting. Fail to comply with the Act shall face penalty.

(2) Prohibition of Disclosure of Financial Statements and Trading of Securities Prior to the Public Disclosure of Financial Statements.

It is prohibited to disclose, to outsider or irrelevant person, the Company's financial statements or any information inducing impact on the Company's securities. Trading of Company's securities, during 1 month prior to the disclosure of such financial statements to the public and within 24 hours after such information has completely disclosed to the public, is also prohibited. Fail to comply with this shall face disciplinary penalties of the Company either by warning, or wage cut, or suspension from work without pay, or termination of employment.

In 2023, the Company's Board and the management has strictly complied with criteria of securities trading and there is no reporting of violation of the criteria and usage of internal information in the trading.

3) Anti-corruption and 4) Wistleblowing

(Please see details in Section 6 Corporate Governance Policy, Heading 3 Roles of Stakeholders, Sub-heading

3.3 Anti-corruption)

The Company implemented the Anti-corruption Policy as follows:

1. The Company communicated to all directors, executives and employees stipulating that all processes shall be operated in compliance with applicable laws. Any error in the operation process due to carelessness, ignorance shall face penalties from government sector without any lobbying for acquittal.
2. The Company provides channel to receive report of detection of corruption or non-compliance with policy. There are protective measures for reporters.

The Company discloses on the Company's website at regarding policy and actions to prevent involvement in corruption.

Besides, the Company conducts self assessment of anti-corruption applying the CAC self assessment form.

The Company also audits the following matters:

- Clarity of the Corruption Policy;
- Governance and review of the policy by the Company's Board and top executives;
- Work verification of responsible unit for anti-corruption;
- Communication and training on the policy both inside and outside the Company;
- Monitoring and reporting of operation control and efficiency;
- Offering gifts or entertainment fees for practices
- Verification of non-compliance penalty measures
- Product delivery to customers
- Recruiting and hiring foreign workers
- Procedure verification of scrap trading
- Environmental inspection
- Bribery in obtaining various permits

Auditing Results

- No defect found in relation to the anti-corruption policy, measures, corruption risk management handbook, code of business ethics handbook, and the Company notification of anti-corruption policy. All are clear and appropriately implemented.
- The anti-corruption policy has been reviewed, approved and communicated.

In conclusion, the Compliance Unit of the Legal Department has presented the results in this regard to the Chairperson of the Audit Committee. As the results has shown that corruption risk is low which ensure every process is operated with surveillance. In 2023, no report or wrongful act of fraud/corruption in connection to the Company was detected.

Therefore, the Company has applied for the 3rd recertification of membership of the Collective Action Coalition Against Corruption: CAC ,the certification is valid for 3 years (effective from March 2022 to 2025)

8.2 Report on the Performance of the Committee

8.2.1 Meetings and Attendance of the Audit Committee

Name		Position	Meeting Attended/Meeting Held
1. Mr. Pongsak	Angsupun	Audit Committee Chairman	4/4
2. Mr. Vichit	Vuthisombut	Audit Committee Member	4/4
3. Assoc.Prof. Dr. Sucharit	Koontanakulvong	Audit Committee Member	4/4
4. Dr. Damri	Sukhotanang	Audit Committee Member	4/4
Mr. Pongsak Angsupun as Audit Committee member with qualified knowledge and experiences to review financial statements of the Company			

8.2.2 Performance of The Audit Committee

The Audit Committee has performed its duties within the scope. Duties and responsibilities assigned by the Board of Directors. It was a joint meeting with the auditor and internal auditors. The key points can be summarized as follows:

- (1) Reviewed the quarterly and annual financial reports and statements, as previously audited by the auditors, prior to submitting to the Company's Board, and subsequently to the Stock Exchange of Thailand for dissemination to investors.
- (2) Reviewed the transactions made with related parties or potential conflict of interest transactions to ascertain that the transacting was done reasonably for the benefit of the Company.
- (3) Approved the annual audit plan, supervised the according implementations, monitored and evaluated the auditing.
- (4) Reviewed the Company's risk management as resolved by the Risk Management Committee to ensure the potential impact assessment and the according risk management plan are in place so as to prevent any potential impact or to reduce them to acceptable level.
- (5) Reviewed and supervised performance compliancy concerning Company's business operations with laws relating to securities and exchange, and other related laws.
- (6) Held meetings with the internal auditors discussing and considering the audit plan and performances to ensure the auditing is appropriate and in compliance with regulatory requirements; acknowledging auditing report; monitoring corresponding actions taken as per the recommendations so as to enhance greater efficiency and effectiveness.
- (7) Reviewed and self-assessed an annual performance against good corporate governance and the charter thereby the results have shown the Audit Committee has performed its duties effectively in compliance with the charter specified.
- (8) Selected and recommended the auditors to the Company's Board for consideration and concurrence for subsequent submission to the Annual General Meeting of Shareholders for approval.

8.3 Report on the Performance of the Committee

1) Nomination and Remuneration Committee

Name	Position	Meeting Attended/ Meeting Held
1. Assoc. Prof. Dr. Sucharit Koontanakulvong	Nomination and Remuneration Committee Chairman	2/2
2. Mr. Pongsak Angsupun	Nomination and Remuneration Committee Member	2/2
3. Mr. Vichit Vuthisombut	Nomination and Remuneration Committee Member	2/2
Mr. Nawarat Chanamoon Senior General Manager as Secretary of the Committee		

Performances of Nomination and Remuneration Committee

For 2023, the Nomination and Remuneration Committee convened twice to consider key matters as highlighted below:

- (1) Reexamined and revised criteria and policies pertaining to the nomination of the Board's directors and committees' members by acknowledging the Company's Board Diversity including profile of independent directors: gender, age, term of service, appropriate number, structure and component; Board Skill Matrix of individual director as well as skills being required; ability to hire professional search firm or access director pool for nomination of new director and proposed results in this regard to the Company's Board for subsequent AGM's approval.

This is to ensure competent directors and committee members are selected to support the execution of Board's functions contributing to the utmost extent of benefits to the Company according to its business structure, strategies, practices, culture, and environment.

- (2) Reviewed and defined criteria and qualifications pertaining to the President/Chief Executive Officer (CEO) and other key positions succession planning taking in to account guideline on succession planning and people management as provided by the Thai Institute of Directors (IOD).
- (3) Selected and nominated candidates to fill director position of the Board and members of the committees and proposed at the Board's meeting for subsequent AGM's approval.

In 2023, the Board provided for minor shareholders the right to nominate, from 1-31 December 2023, qualified person to be elected as Company's director. However, none of the shareholders had nominated anyone. For AGM 2023, the nomination is required for submitted from 1 December 2023 to 31 December 2023. Shareholders has been informed of the right thereof since 07 September 2023 via the SET and the Company's website at www.ssscth.com where clear election procedures and methods are demonstrated with nomination form for download.

- (4) Proposed remuneration policy and packages for directors of the Board, members of the committees, and senior management in accordance with their respective duties, responsibilities, Company's performances, shareholders' interest, and market sentiment.
- (5) Defined appropriate and sufficient cash and non-cash annual remuneration for each director of the Board taking into account duties, responsibilities, and performances compared with companies in similar industries as well as expected outcomes as contributed by respective director. The defined remuneration packages were submitted to the Company's Board for consent and subsequent approval from the AGM.

- (6) Reported on the policy and rational of the remuneration packages for directors and executives in compliance with the SET's regulation and disclosed via Form 56-1 One Report.

2) Corporate Governance Committee

Name		Position	Meeting Attended/Meeting Held
1. Dr. Damri	Sukhotanang	Corporate Governance Committee Chairman	2/2
2. Mr. Pongsak	Angsupun	Corporate Governance Committee Member	2/2
3. Mr. Vichit	Vuthisombut	Corporate Governance Committee Member	2/2
Mr. Hirun Komolhirun Company Secretary / Snior Manager of Legal Affairs Department as Secretary of the Committee			

Performances of Corporate Governance Committee

- (1) Reviewed and revised policies and guidelines concerning directors, management and employees' securities trading; prohibition of securities and inside information; blackout period at of least 1 month before disclosure of the quarterly and annual financial statements; reports of first securities holding or change of the holding and according sanctions measures.
- (2) Reviewed important policies to keep up with the business environment. and changing competitions such as
 - Corporate Governance Policy, Disclosure Policy, Ethics, and Code of Conduct
 - Policy on treatment of stakeholders, Society and Environment
 - Used of Information and trading in the company's securities, Internal Control
 - Risk Management, Anti-Corruption, Whistleblowing
 - Personal Data Protection Policy, Management Policy, Preventing intellectual property infringement
 - Policy for promoting innovation management, Board Charter, Sub-committees
- (3) In 2023, no violation or non-compliance with policies and/or business ethics, code of conduct, and good corporate governance principles was detected.
- (4) Provided training for and made agreement with trade partners in supply chain and every truck service provider to collectively define policy and work practices for not involve in any form of corruption. Trade partners and suppliers are invited to join as member of Thailand's Private Sector Collective Action Coalition against Corruption: CAC under the CAC SME Certification program with the Thai Institute of Directors Association. Complaint and clue can be lodged or sent directly to independent committee member whereby the complainant or clue reporter is assured of the protection measures which are clearly defined and published on the Company's website. As in 2023, no complaint or reported clue was lodged or found.
- (5) Held meeting convened among non-executive directors in compliance with the corporate governance of the SET. This is to offer an opportunity for independent directors to discuss freely on any matters affecting Company's management.

As results of continually and earnestly commit to and develop its corporate governance, the Company was assessed by various organizations on the followings:

- Assessment of Corporate Governance Report of Thai Listed Companies (CGR) from the Thai Institute of Directors (IOD) with “Excellent or Five Stars” rating result since 2016 (CG score 90-100) or 8 consecutive years. In 2023, there were 786 listed companies participated in the survey whereby the Company earns 98% average CG Score whereas the total average is 81%.
- AGM Quality Assessment whereby the Company received perfect score 100 or “Excellent and Exemplary” for 13 consecutive years, 2011-2023, demonstrating the Company’s strong intents and commitment to its continuing management development adopting good corporate governance principles to create long term value added and sustainability for the Company and its shareholders.
- Thailand Sustainability Investment 2015-2022 (8 consecutive years) from the SET granted to listed companies for its outstanding ESG performance integrating social and environment concerns as well as having in place the management processes e.g., risk management, management of supply chain, development of social and business innovations for sustainability.
- SET announced for the first year 2023 the result of sustainable stocks of Thailand (SET ESG Rating) and the Company has successfully met the criteria to be included in the final list and received the SET ESG Ratings at BBB level.
- For 2 consecutive years (2022-2023), the Company received the Human Rights Awards 2023 (in the category of large business organization) with honored outstanding performance in human rights from the Rights and Liberties Protection Department, Ministry of Justice.

The compliance with Good Governance Principles of the Company as abovementioned reflects strong intents and collaborative efforts of every director, executive, and employee to constantly develop and uphold the Company's good corporate governance to meet international standards. Firmly adhere to this toward securing and sustaining growth is believe would contribute to strengthen the Company's competitive advantage and gain confidences of investors and stakeholders.

3) Risk Management Committee

Name		Position	Meeting Attended/ Meeting Held
1. Mr. Pongsak	Angsupun	Risk Management Committee Chairman	2/2
2. Mr. Vichit	Vuthisombut	Risk Management Committee Member	2/2
3. Dr. Damri	Sukhotanang	Risk Management Committee Member	2/2
4. Assoc.Prof.Dr.Sucharit	Koontanakulvong	Risk Management Committee Member	2/2
5. Mr. Hiroyuki	Inoguchi	Risk Management Committee Member	2/2
6. Mr. Taku	Yamada	Risk Management Committee Member	2/2
7. Mr. Nawarat	Chanamoon	Risk Management Committee Member	2/2
8. Mr. Wittaya	Tanganamchit	Risk Management Committee Member	2/2
9. Mr. Hirun	Komolhirun	Risk Management Committee Member and Secretary	2/2

Performances of Risk Management Committee

In 2023, the Committee held 2 meetings and considered matters as highlighted hereunder.

- (1) Reviewed organizational risk management plan and frameworks in alignment with the Company's strategies and operations amid changing circumstances so as to ensure systematic and effective risk management is in place, especially issues related to sustainable risk that might have an impact on Company's business.
- (2) Provided advices concerning risk management implementation for management of every concerned department, gave recommendations and consent on corporate risk list 2023 in accordance with corporate directives, strategies and goals.
- (3) Constantly promoted learning on risks and risk management among directors, management and employees to ensure all risks are well aware and managed to the extent that creates risk culture facilitating the attainment of business goals.
- (4) Considered sustainability trend including short-term, medium-term and long-term impacts on business and supply chain, annual risk management plan incorporating risks as assessed and prioritized by management of respective departments with alternatives responding to organizational risks.
- (5) Established internal control practices and plans / the sequence of steps in the work of each part. Starting from receiving raw materials, sales, production, delivery, delivery to customers and using IT the system through the program CDCIS, Bar Code System, Forecast System, Cutter Setting
- (6) Closely monitored risk management of respective departments through reporting of risks that might impact the implementation of business strategies, regularly reviewed corporate risks to detect potential or changing risk.

The Risk Management Committee has concluded that the risk management is conducted systematically in compliance with good corporate governance while having in place adequate and suitable internal control. Active and close monitoring of risks is performed, especially, on issues relating to sustainable risks that might pose impact on Company's business. This has enabled the Company to achieve its business goals through implementing emergency, crisis management, and business continuity management plans which in turn has added value to the Company and sustainably contributed to shareholders, and stakeholders.

4) Sustainability Committee

	Name	Position	Meeting Attended/ Meeting Held
1.	Assoc.Prof.Dr. Sucharit Koontanakulvong	Sustainability Committee Chairman	2/2
2.	Dr. Damri Sukhotanang	Sustainability Committee Member	2/2
3.	Mr. Hiroyuki Inoguchi	Sustainability Committee Member	2/2
4.	Mr. Taku Yamada	Sustainability Committee Member	2/2
5.	Mr. Navarat Chanamoon	Sustainability Committee Member	2/2
6.	Mr. Wittaya Tangngamchit	Sustainability Committee Member	2/2
7.	Mr. Hirun Komolhirun	Sustainability Committee Member and Secretary	2/2

Performance of Sustainability Committee

- (1) Considered and gave consent on social responsibility and environment concerning policy, strategies, targets, guidelines and plans, and submitted to the Company's Board for approval for further implementation to attain the followings:
 - Organization development toward 17 Sustainable Development Goals (SDGs);
 - Be committed to manage the CSR for Corporate Sustainability & Green Industry;
 - Recommendations on Innovation System Management ISO56002 for personnel development to be able to invent ideas, open up to business models. and new methods that drive the Company toward innovation organization in 4 aspects;
 1. Social Innovation
 2. Process Innovation
 3. Product Innovation
 4. Business Innovation
- (2) Promoted participation of committees, executives and operators in the Company's CSR and environment activities;
- (3) Ensured actions in compliance with the Company's CSR and environment policy and/or related regulations;
- (4) Regularly monitored and reported performances in this regard to the Committee after the meeting of social responsibility and environment;
- (5) Reviewed and proposed for improvement of the policy and practices concerning social responsibility and environment of the Company;
- (6) Performed other social responsibility and environment duties as assigned by the Company's Board;
- (7) Disclosed information in relation to the Company's good corporate governance, and social responsibility and environment to stakeholders and general public;
- (8) Continuously implemented social responsibility in alignment with the standard of CSR-DIW.

9. INTERNAL CONTROL AND RELATED TRANSACTIONS

Internal Control

The Company presses an important on internal control system, internal audit, and risk management. The Company is well aware that good internal control system can reduce business and operational risks to remain at acceptable level. It can also help detecting material deficiencies in due course, ensuring the accuracy and reliability of financial reports, and supporting the operations to effectively achieve the set goals and objectives.

1. Adequacy and Appropriateness of the Internal Control System

The Company applies the guidelines as provided by the Committee of Sponsoring Organizations of the Treadway Commission: COSO to its business operations as follows

1) Internal Control

The Company institutes appropriate organizational structure and provides supports to the management to effectively execute management functions toward the defined goals. The clear and evaluable work performance guidelines are defined. Also in place are the policy and standard working procedures as well as written code of conducts aiming at safeguarding the assets of the Company and of its subsidiaries from suffered loss and wrongful acts for personal gain of executives and employees.

The Company's Board of Directors gives high priority to a good internal control system. The policy is in place to ensure the adequate and appropriate systematic and holistic internal control management. The practices based on such management characteristics along with the perspectives of being righteous and transparent in alliance with good corporate governance principles are regarded as solid foundation of the Company's effective and efficient internal control.

The Audit Committee is entrusted to determine the plan incorporating the examination of the control, corporate governance, and independency of the internal auditing. Other duties include giving consent concerning appointing, transferring, terminating of the internal unit head as well as ensuring independency of the internal auditing concerning the checks and balances standard of performances. The internal auditing report is required submission to the Committee at least once every quarter to ensure circumspection of the internal system and control and none of any negative effect on shareholders.

The Company's Board arranges for assessment of the adequacy of the internal control system at least once a year with extra review where irregularity occurred that might affect significantly on the Company's operations. The Audit Committee and the Board exchange views and give recommendations for appropriate and adequate of internal control system to help designing appropriate practical guidelines for the Company. The assessment form used in this regard is referred to the "Adequacy Assessment Form for the Internal Control System" of the Office of the SEC.

The Whistleblower Policy is also in place with special channels available for receiving both internal and external information. Result in this regard is reported regularly to the Audit Committee, the Corporate Governance Committee and/or the Company's Board of Directors.

2) Risk Assessment

To effectively and efficiently manage risks, the Company's Board has constituted Risk Management Committee comprising independent directors, Audit Committee's members, and executives possessing particular expertise. The Committee is entrusted with responsibilities to oversee and review overall risk management to ascertain the risk remains acceptable.

Internal control is recognized as a basic tool for preventing, detecting and responding to fraud and risks in working process of every unit. Executives of each unit are required to design internal controls that are suitable to their respective working processes aiming at reducing the abovementioned risk map to be within the Company's risk appetite. The controls are communicated in the manner that all personnel would understand, acknowledge, and accept for practices.

All units are required to prepare written working procedure of all processes for reviewed and approved by their respective executives before putting into actions. The preparations shall take into account clear segregation of duties prior to defining personnel roles and responsibilities. This is to ensure the transparency and independency of work practices in accordance with the approved written working procedures considered to help preventing and detecting risks. The document in this regard is communicated and made accessible to all concerns.

To prevent risk and fraud in work process, management of each unit shall design suitable internal controls for their respective work processes aiming at reducing all risks to acceptable level. They shall also communicate with their respective staff for understanding, engaging and monitoring of the internal control practice as designed.

Assessment for internal and external potential risks which would significantly impact the Company's operations is carried out constantly including risks that might induce fraud or misconduct. The Company conducts risk factor analysis encompassing controllable and uncontrollable risk factors for intervention of mitigation measures. The analysis illustrates the cause of risk factors and addresses the affecting trend. The implementation of risk management plan or operational plan is followed up regularly with reports submitted to the Company's Board for acknowledgement.

3) Management Control

The Company clearly defines in written the scope of power, duties, and financial approval authority for every level of management. Any management function with potential misconduct is segregated clearly. Connected transaction is measured to ensure the approval obtained as required by the regulations of the SET and Office of the SEC, and whether the transaction is made for the Company's best interest. The Company regularly monitors the operations of its subsidiaries as well as sets out policy directives for the said management personnel to adhere to. Besides, the Audit Committee gives high priority to the operational review against relating rules and regulations so as to mitigate business operational risks while maintaining the Company's reputation.

4) Information System and Communication

The Company emphasizes the importance of information system and communications to ensure the information is accurate, complete, and sufficient for decision making of executives and the committees. Finance and accounting documents are well categorized and filed. The Company has never been informed by the auditor of any imperfection.

With regard to the Company's accounting policy, the Audit Committee in collaboration with the auditor, Internal Audit Unit, and the executives concerned determine and prepare the Company's financial statements. Determination in this regard takes into consideration the accounting policy, general accepted accounting principles suitable for the Company's business characteristics, as well as disclosure of appropriate and adequate information.

5) Monitoring System

The Company constantly monitors its performances against the set targets. The report made in this regard is submitted to the Company's Board and the Audit Committee for resolution whenever a significant defect is detected. Subsequently, the progress report is prepared to exhibit how the defect is eliminated. The Company's management is imposed to promptly report to the Board of Directors of any misconduct or breach of law or any unusual act that would affect significantly on the reputation and financial status of the Company.

Based on the assessment results of the aforesaid systems, the Company's Board of Directors has concluded that the Company follows the guidelines stipulated by the Office of the SEC. The assessment form is considered suitable and effective. The Board has also agreed that the Company is sufficiently equipped with the internal control system relevant to transactions made with major shareholders, directors, executives, or persons connected to them.

The Audit Committee has concluded that the Company's internal control is effective and sufficient. Every item of the Company's assets is attached with barcode where the rechecking is carried out at least once every year. In so doing, is to ensure the Company's assets are well safeguarded and maintained, the accounting document is appropriate, and the resources are effectively utilized

The 1/2023 Board's meeting on 28 February 2023 where the 4 Audit Committee Members joined the meeting to assess the Company's internal control system including documentary review, as submitted by the management, and report of the Audit Committee. The assessment covering 5 components of the Company's internal control system: internal control, risk assessment, management control, information system and communication, and monitoring system; the Board has concluded that the Company's internal control system is adequate and appropriate. Sufficient personnel is provided to effectively operate the system including operational monitoring and controls of its subsidiaries so as to be able to safeguard the assets of the Company and of its subsidiaries from suffered loss and wrongful acts for personal gain by the director or executives, or from those who has no authority to do so. Transactions made with any person with potential conflict of interest and with any connected person are adequately controlled. According to the Board's conclusion, there has been adequate internal controls concerning the other risk components.

2. Opinion of the Audit Committee that differed from the Board's or the auditors' concerning the internal control.

- None -

3. Audit Committee's Opinions on the Internal Auditor

The Company's Internal Audit Unit reports directly to the Audit Committee and is structurally separate from the management. Ms. Manee Jariyakvorakul as Manager of the unit is responsible mainly for performance auditing applying risk criteria, assessing the adequacy and appropriateness of the internal control systems and risk management against the annual audit plan as approved by the Audit Committee. Results in this regard are reported quarterly to the Audit Committee so as to foster greater effective risk management and control in compliance with business ethics. Any potential damage arising from significant notification or recommendation shall be reported to the Audit Committee for consideration and resolution with prompt submission to the Board.

The Audit Committee sees the internal auditor have possessed knowledge and understanding of Company's activities and has been trained on Internal Auditing Techniques, Information and Practical Guidance of Internal Auditing, thereby recommending the auditor is qualified to perform auditing duties.

Consideration and approval in relation to appointing, removing, and transferring the Internal Audit Head required the Audit Committee's concurrence. Specification of the Internal Audit Head is shown in attachment 3.

Related Transactions

The transactions considering normal business transaction made with related parties being joint shareholders and/or directors are as follows:

Purchase Raw Material from Related Companies

Unit: Thousand Baht

Company	Relationship	2021	2022	2023
Okaya & Co., Ltd. (Japan)	Holding share 31.50%	1,222,929	1,006,981	898,490
Okaya (Thailand)	Directorship	319,727	458,613	426,519
Siam Suriya	Directorship	2,373,016	2,398,125	1,906,130
Union Autoparts Manufacturing	Directorship	-	-	-

Sale to Related Companies

Unit: Thousand Baht

Company	Relationship	2021	2022	2023
Siam Goshi Manufacturing	Directorship	8,585	12,483	31,762
Siam Steel International	Holding share 24.51%	33,829	32,318	6,839
Siam SCI	Directorship	-	-	2,530
Siam Suriya	Directorship	1,169	1,410	1,438
Union Autoparts Manufacturing	Directorship	88,994	117,382	108,227
Okaya (Thailand)	Directorship	14,622	26,987	20,971
Okaya (Shanghai)	Directorship	-	1,151	-
Siam Nippon Steel Pipe (Thailand)	Directorship	13,750	12,134	10,512
Nippon Steel Logistics (Thailand)	Directorship	-	9	-
Siam MTK	Directorship	285	85	233
Siam Okaya Chemical	Directorship	-	223	-
Unity Service	Directorship	-	5,494	-
Siam Lucky Building System	Directorship	-	-	102,829
Somat	Directorship	-	-	64

Other Expenses with Related Companies

Unit: Thousand Baht

Company	Relationship	2021	2022	2023
Siam Environmental Technology	Directorship	1,722	1,916	3,083
Siam Steel International	Holding share 24.51%	244	58	3
Siam SCI	Directorship	-	-	19
Okaya (Thailand)	Directorship	1,204	1,416	1,793
Unity Service	Directorship	5,821	5,821	5,883
Nippon Steel Logistics (Thailand)	Subsidiary of Siam Nippon Steel Logistics	13,897	16,794	15,756
Nippon Steel Pipe (Thailand)	Directorship	3,213	4,672	2,969
Union Autoparts Manufacturing	Directorship	-	396	-
Somat		-	-	140

Other expenses, such as utilities, parking fee, employee bus service fee and etc.

Short Term Loan to Subsidiary

Unit: Thousand Baht

Company	Relationship	2021	2022	2023
Short-term loans to Siam Steel Vietnam no collateral and has an interest rate of 2.65, 4.50, 6.90 percent per annum, repayable at call.	Subsidiary company	14,961	17,196	32,753

The Necessity and Reasonableness of Transactions

- Purchasing of raw material from related parties mainly from the Okaya & Co., Ltd., the market pricing is defined by steel manufacturer in Japan and the manufacturer pay commission to the dealer. This practice is considered normal in Japan, and has been applied by the Company to the purchase of domestic steel from the Siam Suriya Co., Ltd.
- Conditions and prices of steel sold to related parties are as same as to other customers. Auditing in connection to this is carried out by the auditors through randomly select the items entered into transactions with related parties and other customers thereby showing similar prices.
- Approval criteria and procedures applied to related transaction are as same as to trade transaction with others. No management or shareholder with interest has involved in the approval process.

Related transaction is necessary and shall be executed with care for the best interest of the Company. It needs approval from the Company's Board or the Committee prior to entering into transaction. In this regard, opinion from the Audit Committee is needed that such related transaction is fair in terms of prices according to general business practices.

Policy and Trend of Related Transaction

Policy and trend concerning transactions with related party and other customer are the same as both follow the same regulations and procedures for the Company's best interest. No transaction has been made other than normal transaction.

- Future related transaction shall comply with law on securities and exchange or other related as specified.
- Pricing and conditions of the related transaction shall be as same as other transactions which shall be fair, reasonable, and for the best interest of the Company. In the case of no specified price is available, determination from information reported or relevant price source is applied by the Company and its subsidiaries.
- Related transaction that might induce conflict of interest shall be avoided.

Related Company

Related Company	Nature of Business	Relationship SSSC and Related Company			
		% Holding Share		Directorship	
Union Autoparts Manufacturing	Manufacturer and sales of auto parts	Okaya & Co., Ltd.	98.28%	Mr. Wanchai	Kunasantakul
		Kunasantakul Group	1.72%	Mr. Sittichai	Kunasantakul
				Mr. Hiroyuki	Inoguchi
				Mr. Jun	Murase
Siam Nippon Steel Pipe	Manufacturer and sales of steel pipe	Nippon Steel Welding Pipe	60.47%	Mr. Jun	Murase
		Metal One Corporation	12.87%		
		Okaya & Co., Ltd.	12.37%		
		Toyota Tsusho Corporation	6.18%		
		Mr. Wanchai Kunasantakul	4.01%		
		Siam Suriya	0.50%		
		Siam Steel Service Center	0.30%		
Panasonic SPT (Thailand)	Manufacturer and sales of electrical construction materials	Siam Steel International	5.00%	Mr. Wanchai	Kunasantakul
Siam Okamura Steel	Manufacturer and distributor of Office Automation furniture for export	Siam Steel International	51.00%	Mr. Wanchai	Kunasantakul
		Okamura Corporation	49.00%	Mr. Surasak	Kunasantakul
				Mr. Surapol	Kunasantakul
Siam Steel International	Manufacturer and sales of furniture	Kunasantakul Group	35.41%	Mr. Wanchai	Kunasantakul
				Mr. Surasak	Kunasantakul
				Mr. Surapol	Kunasantakul
				Mr. Sittichai	Kunasantakul
				Mrs. Naphaporn	Hoonthanasevee
Formica (Thailand)	Manufacturer and sales of Melamine Laminated products	Siam Steel International	5.00%	Mr. Wanchai	Kunasantakul
Wanchai Siamsteel Group	Activities of holding companies, of mostly investing in non-financial sectors	Kunasantakul Group	100%	Mr. Wanchai	Kunasantakul
				Mr. Surasak	Kunasantakul
				Mr. Surapol	Kunasantakul
				Mr. Sittichai	Kunasantakul
				Mrs. Naphaporn	Hoonthanasevee

Related Company (Continued)

Related Company	Nature of Business	Relationship SSSC and Related Company			
		% Holding Share		Directorship	
Siam SCI	Retail sale of household furniture in specialized stores	Siam Steel International	100%	Mr. Wanchai	Kunananatakul
				Mr. Surasak	Kunananatakul
				Mr. Surapol	Kunananatakul
				Mr. Sittichai	Kunananatakul
				Mrs. Naphaporn	Hoonthanasevee
Siam Lucky Building System	Construction of non-residential buildings	Siam Steel International	100%	Mr. Surasak	Kunananatakul
Siam Suriya	Trading company	Okaya & Co., Ltd.	49.00%	Mr. Wanchai	Kunananatakul
		Wanchai Siamsteel Group	39.00%	Mr. Surasak	Kunananatakul
				Mr. Surapol	Kunananatakul
				Mr. Sittichai	Kunananatakul
				Mrs. Naphaporn	Hoonthanasevee
				Mr. Hiroyuki	Inoguchi
				Mr. Jun	Murase
Okaya & Co., Ltd.	Metal, machine, and pipe sales representative	Major shareholder of SSSC	31.50%		
Siam Okamura International	Manufacturing office and public furniture	Siam Steel International	49.00%	Mr. Wanchai	Kunananatakul
				Mr. Surasak	Kunananatakul
				Mr. Surapol	Kunananatakul
				Mrs. Naphaporn	Hoonthanasevee
Siam Goshi Manufacturing	Manufacturer and sales of motorcycle parts	Union Autoparts Manufacturing	18.00%	Mr. Wanchai	Kunananatakul
Siam Environmental Technology	Service on public utility	Kunananatakul Group	100%		
Siam Okaya Chemical	Manufacturer and sales of engineering products and plastic	Okaya & Co., Ltd	79.38%	Mr. Wanchai	Kunananatakul
		Wanchai Siamsteel Group	12.50%	Mr. Sittichai	Kunananatakul
		Siam Suriya	8.12%		
Okaya (Thailand)	Wholesale and retail trade of product, material used in industries	Okaya & Co., Ltd	100%	Mr. Hiroyuki	Inoguchi
				Mr. Jun	Murase

Related Company (Continued)

Related Company	Nature of Business	Relationship SSSC and Related Company			
		% Holding Share		Directorship	
Somat	Trading of direct sales, wholesale, retail and sales to order	Siam Suriya	51.00%	Mr. Jun	Murase
		Okaya (Thailand)	5.00%		
Unity Service	Public utility service for Siam Steel Group Company	Wanchai Siamsteel Group	100.00%	Mr. Wanchai	Kunantakul
				Mrs. Naphaporn	Hoonthanasevee
Siam MTK	Steel supplier	Okaya & Co., Ltd	40.00%	Mr. Hiroyuki	Inoguchi
Siam Nippon Steel Logistics	Custom clearance services	Siam Suriya	25.50%	Mr. Jun	Murase
Siam Steel OC	Supply prefabricated building, partitions and related products	Siam Steel International	51.00%	Mr. Surasak	Kunantakul
				Mr. Surapol	Kunantakul
				Mrs. Naphaporn	Hoonthanasevee
Nippon Steel Pipe (Thailand)	Manufacture of steel pipes for all kinds of industries	Siam Nippon Steel Pipe	48.31%	Mr. Jun	Murase

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Siam Steel Service Center Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Siam Steel Service Center Public Company Limited ("Company") and its subsidiaries (the "Group"), which comprise the consolidated and separate statement of financial position as at 31 December 2023, the consolidated and separate statements of comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended and notes to the consolidated and separate financial statements, which include significant accounting policies.

In my opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Siam Steel Service Center Public Company Limited ("Company") and its subsidiaries (the "Group") as at 31 December 2023, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (TFAC Code) that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the TFAC Code. 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, are of most significance in my audit of the consolidated and separate financial statements for the current year. These matters were addressed in the context of my audit of the consolidated and separate financial, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Key audit matters	Audit responses
<p><i>Recognition of installation income, measurement of work in process and estimation of installation cost for the outstanding projects at the end of the year.</i></p> <p>The Group and the Company recognize installation income for projects installation at 31 December 2023 amounting to Baht 970 million and Baht 902 million, respectively, which is included in sales and installation income - net. This represents 18% and 17% of total revenues, respectively, and impact to the accounting transactions that unbilled accrued income amounting to Baht 103 million and Baht 103 million, respectively. Refer to Note 17.</p> <p>The Group recognizes installation income in the statement of income based on survey of the percentage of physical completion for the projects in progress at the end of the year by the comparison of actual costs with estimated total costs. Actual costs of the project work are recognized as incurred on an accrual basis. The process to determine estimated costs of installation income and percentage of completion are highly judgmental and can be affected by changes in environmental factors, including economic conditions and future availability of materials and labour. The actual costs may differ from such estimated costs which could result in a material variance in the amount of profit or loss in the current period.</p> <p>The Group and the Company disclosed accounting policies for the recognition of revenues with installation in Note 3 and 4 to financial statements.</p>	<p>My audit procedures are summarized below:</p> <ul style="list-style-type: none"> Consider the estimated costs of project and the appropriate of management process for determining the percentage of completion of each contract for income recognition of the outstanding projects. Review agreements and evidence supporting estimated total budget costs of each project and actual costs up to the end of the year and estimated costs to complete the projects. Select significant projects in progress for physical observation by sampling with the Company's representative to compare the percentage of completion with percentage of completion reported by the Company. Tested the calculation the actual costs to the budgeted total costs to complete the project to consider that the percentage of completion for accounting purpose. Review the adequacy of disclosure in accordance with the Financial Reporting Standards.
<p><i>Valuation of inventories</i></p> <p>The Group and the Company have inventories as of 31 December 2023 amount of Baht 1,336 million and 1,321 million, respectively. which represents 34% and 34% of total assets, respectively. Refer to Note 9.</p> <p>The management determines the selling prices based on domestic market prices which are affected by the highly fluctuation of demand and supply in the global market, competitive marketing and the situation in the industry which affects net realizable value. The management prepares a net realizable value calculation report and estimates the adequacy of the allowance for net realizable value at the report date.</p> <p>The Group and the Company disclosed in Note 3 for significant accounting policies for inventories and details of the valuation of inventories, included Note 4 for allowance for decline value of inventories.</p>	<p>My audit procedures are summarized below:</p> <ul style="list-style-type: none"> Obtain the policy for purchasing materials, from management information to analytical methods, and reperforming the calculation of current market prices of inventories from reliable sources that the company references to set price requirements. Evaluate the design of the internal control processes for the sales, purchase, and inventory processes, and test the operating effectiveness of these controls Perform substantive testing on a sample basis on the net realizable value and allowance for decline value of inventories as of the report date. Review the adequacy of disclosure in accordance with Thai Financial Reporting Standards.

Other Information

Management is responsible for the other information comprising the information included in the annual report other than the consolidated and separate financial statements and my auditor's report thereon. It is expected that the management will arrange for the preparation of annual report and provide a copy for me to review after the date of this auditor's report.

My opinion on the consolidated and 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 and separate financial statements, I am also responsible to read the other information referred to above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for them to correct the material misstatement.

Responsibilities of Management and Those Charged with Governance for the Preparation of Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and 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 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 the consolidated and separate financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and 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 Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the directors' 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 Group's and the Company'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 and 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 Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and 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 Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with the audit committee 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 the audit committee 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 the audit committee, I determine those matters that were of most significance in the audit of the consolidated and 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.

Kesanee Srathongphool

Certified Public Accountant

Registration No. 9262

Grant Thornton Limited

Bangkok

27 February 2024

STATEMENTS OF FINANCIAL POSITION

SIAM STEEL SERVICE CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF FINANCIAL POSITION

(Unit : Baht)

		CONSOLIDATED F/S		SEPARATE F/S	
	Notes	31 December 2023	31 December 2022	31 December 2023	31 December 2022
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	5	149,724,591	150,400,827	133,342,413	131,848,086
Trade accounts receivable					
- general customers - net	6	1,135,590,260	1,184,951,977	1,129,133,390	1,165,173,535
- related companies	6, 7	42,097,940	70,964,232	42,097,940	70,964,232
Amounts due from related company	7	-	91,327	627,290	271,529
Short - term loan to subsidiary	7	-	-	32,753,135	17,195,650
Unbilled accrued income	8	102,614,791	102,418,211	102,614,791	102,418,211
Retentions receivable	8	23,547,381	14,752,471	23,547,381	14,752,471
Inventories - net	9	1,335,796,370	1,745,551,971	1,320,732,149	1,705,971,951
Other current assets		12,701,470	9,072,966	10,894,140	7,019,997
Total current assets		2,802,072,803	3,278,203,982	2,795,742,629	3,215,615,662
NON - CURRENT ASSETS					
Long - term investments					
- Investments in subsidiary	10	-	-	24,028,641	24,028,641
- Investments in other companies		2,628,237	2,628,237	2,628,237	2,628,237
Investments property	12	31,355,328	31,355,328	31,355,328	31,355,328
Property, plant and equipment - net	13	1,026,120,445	1,049,023,153	1,014,795,767	1,036,647,183
Deferred tax asset - net	21	14,777,001	12,790,187	14,777,001	12,790,187
Other non - current assets		12,948,495	15,442,661	10,907,424	12,884,677
Total non - current assets		1,087,829,506	1,111,239,566	1,098,492,398	1,120,334,253
TOTAL ASSETS		3,889,902,309	4,389,443,548	3,894,235,027	4,335,949,915

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

SIAM STEEL SERVICE CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY STATEMENTS OF FINANCIAL POSITION

(Unit : Baht)

		CONSOLIDATED F/S		SEPARATE F/S	
	Notes	31 December 2023	31 December 2022	31 December 2023	31 December 2022
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Bank overdrafts and short - term loans					
from financial institutions	14	191,437,802	787,215,371	184,438,352	759,309,935
Trade accounts and notes payable					
- general suppliers		94,084,204	140,460,263	91,270,208	136,372,501
- related companies	7	89,875,235	109,293,366	86,677,665	87,350,443
Current portion of liabilities under					
employee benefit obligations	15	10,336,237	5,793,103	10,336,237	5,793,103
Accrued cost of installation services		7,250,374	6,376,588	7,250,374	6,376,588
Advances from customers	8	17,178,774	28,008,614	10,518,774	20,889,879
Accrued bonuses		98,979,474	80,400,000	98,979,474	80,400,000
Income tax payable	21	16,131,039	6,337,596	16,131,039	6,337,596
Other current liabilities		31,159,367	41,399,888	30,883,224	33,994,307
Total current liabilities		556,432,506	1,205,284,789	536,485,347	1,136,824,352
NON - CURRENT LIABILITIES					
Liabilities under employee benefits obligation	15	100,773,773	100,601,528	100,773,773	100,601,528
Total non - current liabilities		100,773,773	100,601,528	100,773,773	100,601,528
TOTAL LIABILITIES		657,206,279	1,305,886,317	637,259,120	1,237,425,880

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

SIAM STEEL SERVICE CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF FINANCIAL POSITION

(Unit : Baht)

		CONSOLIDATED F/S		SEPARATE F/S	
	Notes	31 December 2023	31 December 2022	31 December 2023	31 December 2022
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u> (Continued)					
SHAREHOLDERS' EQUITY					
Share capital - common share					
- Authorized					
639,999,880 shares at Baht 1 par value		639,999,880	639,999,880	639,999,880	639,999,880
- Issued and fully paid-up					
639,997,880 shares at Baht 1 par value		639,997,880	639,997,880	639,997,880	639,997,880
Retained earnings					
- Appropriated for legal reserve	16	63,999,988	63,999,988	63,999,988	63,999,988
- Unappropriated		2,536,647,032	2,388,692,680	2,552,978,039	2,394,526,167
Other components of equity		(7,927,683)	(10,055,396)	-	-
Total equity of the Company's shareholders		3,232,717,217	3,082,635,152	3,256,975,907	3,098,524,035
Non - controlling interests	11	(21,187)	922,079	-	-
Total shareholders' equity		3,232,696,030	3,083,557,231	3,256,975,907	3,098,524,035
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY					
		3,889,902,309	4,389,443,548	3,894,235,027	4,335,949,915

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF COMPREHENSIVE INCOME

SIAM STEEL SERVICE CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
FOR THE YEARS ENDED 31 DECEMBER

(Unit : Baht)

		CONSOLIDATED F/S		SEPARATE F/S	
	Notes	2023	2022	2023	2022
REVENUES FROM SALES AND SERVICES					
Sales and installation income - net		5,010,386,488	5,119,172,894	4,941,599,199	5,010,470,161
Steel cutting services income		312,700,860	339,751,770	312,700,860	339,751,770
Transportation income		72,119,779	71,546,028	72,119,779	71,546,028
Total revenues from sales and services	17, 22	5,395,207,127	5,530,470,692	5,326,419,838	5,421,767,959
COSTS OF SALES AND SERVICES					
Costs of sales and services	9, 22	(4,706,793,719)	(4,885,110,965)	(4,641,390,157)	(4,778,090,259)
Gross profit		688,413,408	645,359,727	685,029,681	643,677,700
Gain on exchange rate		1,603,464	949,097	3,359,924	1,523,346
Other income	18	20,458,720	19,080,147	20,948,784	19,860,960
Profit before expenses		710,475,592	665,388,971	709,338,389	665,062,006
Selling expenses		(224,818,329)	(241,587,446)	(224,818,329)	(241,587,446)
Administrative expenses		(132,631,583)	(133,967,661)	(121,037,778)	(120,311,558)
Total expenses		(357,449,912)	(375,555,107)	(345,856,107)	(361,899,004)
Profit before finance cost and income tax		353,025,680	289,833,864	363,482,282	303,163,002
Finance cost	22	(19,467,595)	(15,904,042)	(18,246,998)	(14,764,615)
Profit before income tax		333,558,085	273,929,822	345,235,284	288,398,387
Income tax expense	21	(68,383,804)	(56,936,179)	(68,383,804)	(56,936,179)
Profit for the year		265,174,281	216,993,643	276,851,480	231,462,208

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF COMPREHENSIVE INCOME

SIAM STEEL SERVICE CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
FOR THE YEARS ENDED 31 DECEMBER

(Unit : Baht)				
Note	CONSOLIDATED F/S		SEPARATE F/S	
	2023	2022	2023	2022
Other comprehensive income :				
Item that will be reclassified subsequently to profit or loss				
Translation adjustments for				
foreign currency financial statements	2,364,126	134,799	-	-
Other comprehensive income for the period	2,364,126	134,799	-	-
Total comprehensive income for the year	267,538,407	217,128,442	276,851,480	231,462,208
Attribution of profit (loss) for the year				
Portion of the Company's shareholders	266,353,960	218,455,251	276,851,480	231,462,208
Portion of non - controlling interests	11 (1,179,679)	(1,461,608)	-	-
TOTAL	265,174,281	216,993,643	276,851,480	231,462,208
Attribution of comprehensive income (loss) for the year				
Portion of the Company's shareholders	268,481,673	218,576,570	276,851,480	231,462,208
Portion of non - controlling interests	11 (943,266)	(1,448,128)	-	-
TOTAL	267,538,407	217,128,442	276,851,480	231,462,208
Basic earnings per share				
Profit of the Company's shareholders (Baht per share)	0.42	0.34	0.43	0.36
Weighted average number of common shares (share)	639,997,880	639,997,880	639,997,880	639,997,880

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

SIAM STEEL SERVICE CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
FOR THE YEARS ENDED 31 DECEMBER

		Shareholders' equity of the Company						
		Retained earnings			Other components of equity		Total equity of the Company's shareholders	
		Paid-up share capital	Appropriated for legal reserve	Unappropriated	Other comprehensive income			
Note							Non-controlling interests' equity	Total shareholders' equity
CONSOLIDATED F/S								
Balance as at 1 January 2022								
	Dividend payment	639,997,880	63,999,988	2,317,436,366	(10,176,715)	3,011,257,519	2,370,207	3,013,627,726
23		-	-	(147,198,937)	-	(147,198,937)	-	(147,198,937)
Total transaction with shareholders								
	Comprehensive income (loss) for the year	-	-	(147,198,937)	-	(147,198,937)	-	(147,198,937)
	Other comprehensive income for the year	-	-	218,455,251	-	218,455,251	(1,461,608)	216,993,643
Total comprehensive income (loss) for the year								
		-	-	-	121,319	121,319	13,480	134,799
Total comprehensive income (loss) for the year								
		-	-	218,455,251	121,319	218,576,570	(1,448,128)	217,128,442
Balance as at 31 December 2022								
		639,997,880	63,999,988	2,388,692,680	(10,055,396)	3,082,635,152	922,079	3,083,557,231
Balance as at 1 January 2023								
	Dividend payment	639,997,880	63,999,988	2,388,692,680	(10,055,396)	3,082,635,152	922,079	3,083,557,231
23		-	-	(118,399,608)	-	(118,399,608)	-	(118,399,608)
Total transaction with shareholders								
	Comprehensive income (loss) for the year	-	-	(118,399,608)	-	(118,399,608)	-	(118,399,608)
	Other comprehensive income for the year	-	-	266,353,960	-	266,353,960	(1,179,679)	265,174,281
Total comprehensive income (loss) for the year								
		-	-	-	2,127,713	2,127,713	236,413	2,364,126
Total comprehensive income (loss) for the year								
		-	-	266,353,960	2,127,713	268,481,673	(943,266)	267,538,407
Balance as at 31 December 2023								
		639,997,880	63,999,988	2,536,647,032	(7,927,683)	3,232,717,217	(21,187)	3,232,696,030

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

SIAM STEEL SERVICE CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
FOR THE YEARS ENDED 31 DECEMBER

SEPARATE F/S

	Note	Paid-up share capital	Retained earnings		Total shareholders' equity
			Appropriated for		
			legal reserve	Unappropriated	
SEPARATE F/S					
Balance as at 1 January 2022					
Dividend payment	23	639,997,880	63,999,988	2,310,262,896	3,014,260,764
Total transaction with shareholders		-	-	(147,198,937)	(147,198,937)
Comprehensive income for the year		-	-	(147,198,937)	(147,198,937)
Total comprehensive income for the year		-	-	231,462,208	231,462,208
Balance as at 31 December 2022		639,997,880	63,999,988	2,394,526,167	3,098,524,035
Balance as at 1 January 2023					
Dividend payment	23	639,997,880	63,999,988	2,394,526,167	3,098,524,035
Total transaction with shareholders		-	-	(118,399,608)	(118,399,608)
Comprehensive income for the year		-	-	(118,399,608)	(118,399,608)
Total comprehensive income for the year		-	-	276,851,480	276,851,480
Balance as at 31 December 2023		639,997,880	63,999,988	2,552,975,039	3,256,975,907

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

SIAM STEEL SERVICE CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
FOR THE YEARS ENDED 31 DECEMBER

(Unit : Baht)

	CONSOLIDATED F/S		SEPARATE F/S	
	2023	2022	2023	2022
Cash flows from operating activities				
Profit before income tax	333,558,085	273,929,822	345,235,284	288,398,387
Adjustments to reconcile profit before income tax to net cash provided from (used in) operating activities				
Depreciation	62,849,365	71,832,628	61,719,255	70,891,023
Unrealized loss (gain) on foreign exchange rate	(890,287)	44,170	631,713	261,156
Gain on disposal and write-off of assets	(412,036)	(1,130,378)	(477,833)	(1,198,405)
Bad debt	5,932,870	-	5,932,870	-
(Reversal of) allowance for excepted credit loss	(5,017,581)	9,139,855	(5,017,581)	9,139,855
Provision for employee benefits obligation expense	8,290,951	8,131,215	8,290,951	8,131,215
Finance cost	19,467,595	15,904,042	18,246,998	14,764,615
Cash provided from operations before changes in operating assets and liabilities	423,778,962	377,851,354	434,561,657	390,387,846
Decrease (increase) in operating assets				
Trade accounts receivable				
- general customers	48,446,428	37,729,596	35,124,856	41,586,984
- related companies	28,866,292	(16,018,342)	28,866,292	(16,018,342)
Amounts due from related company	91,327	(8,993)	(355,761)	105,723
Unbilled accrued income	(196,580)	3,093,084	(196,580)	3,093,084
Inventories	409,755,601	(179,110,641)	385,239,802	(164,640,372)
Retention receivables	(8,794,910)	856,335	(8,794,910)	856,335
Other current assets	(3,628,504)	(221,720)	(3,874,143)	1,214,484
Other non - current assets	801,646	987,166	350,530	481,291
Increase (decrease) in operating liabilities				
Trade accounts payable				
- general suppliers	(46,376,059)	38,256,772	(45,102,293)	40,124,062
- related companies	(19,142,351)	6,600,363	(396,999)	(12,256,605)
Accrued cost of installation services	873,786	(21,620,781)	873,786	(21,620,781)
Advances from customers	(10,829,840)	24,080,852	(10,371,105)	16,962,117
Accrued bonuses	18,579,474	(152,207)	18,579,474	(152,207)
Other current liabilities	(9,998,882)	14,527,776	(2,777,998)	8,633,400
Employee benefits paid	(5,847,766)	(10,694,859)	(5,847,766)	(10,694,859)
Cash provided from operating activities	826,378,624	276,155,755	825,878,842	278,062,160

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS (Continued)

SIAM STEEL SERVICE CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
FOR THE YEARS ENDED 31 DECEMBER

					(Unit : Baht)
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The accompanying notes form an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

SIAM STEEL SERVICE CENTER PUBLIC COMPANY LIMITED AND SUBSIDIARY

FOR THE YEARS ENDED 31 DECEMBER 2023

1. NATURE OF OPERATIONS

Siam Steel Service Center Public Company Limited, (“the Company”), is a company registered in Thailand. The Company’s shares are listed for trading on the Stock Exchange of Thailand. The Company is engaged in steel cutting services, production of accessories made from steel and production and installation of steel roofing and wall panels. The registered offices of the Company are at the following addresses:

- a) Factory 1 : 51/3 Poochao - Samingprai Road, Tumbon Bangyaprak, Amphur Phrapradeang, Samutprakarn
- b) Factory 2 : 51/11 Poochao - Samingprai Road, Tumbon Bangyaprak, Amphur Phrapradeang, Samutprakarn
- 3) Factory 3 : 60/6 Moo 3, Tumbon Mabyangporn, Amphur Pluakdeang, Rayong

The major shareholders of the Company are Okaya & Co., Ltd. (31.50% shareholding) and Siam Steel International Public Company Limited (24.51% shareholding).

2. BASIS OF FINANCIAL STATEMENT PREPARATION

2.1 Statement of compliance

The Company prepares its financial statements in accordance with Thai Financial Reporting Standards (“TFRS”), issued under the Accounting Professions, and the financial reporting requirements, promulgated by the Securities and Exchange Commission under the Securities and Exchange Act. These financial statements are officially prepared in the Thai language. The translation of these financial statements into other languages must conform to the official report in Thai.

The consolidated and separate financial statements have been prepared on a historical cost basis, except as otherwise disclosed specifically.

The preparation of financial statements in conformity with Thai Financial Reporting Standards requires management to use certain critical accounting estimates and to exercise judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

2.2 Basis of consolidation

The consolidated financial statements include the financial statements of Siam Steel Service Center Public Company Limited and its subsidiaries (the “Group”), which the Company can exercise control with 90 percent investment in shares with voting right as follow:

Subsidiary Company	Country of incorporation	Percentage of share held by the Company (%)		Type of Business
		2023	2022	
Siam Steel Vietnam Co., Ltd.	Vietnam	90	90	Manufacturing and sale of roof-formed steel, and steel products for automobile, for construction, for furniture and electronics industries

The percentage of subsidiary's total assets as of 31 December 2023 and 2022 and total revenues for the years ended 31 December 2023 and 2022 as included in the consolidated financial statements are as follows:

Subsidiary Company	Percentage of share held by the Company (%)		Percentage of subsidiary's total revenues to consolidated total revenues	
	2023	2022	2023	2022
Siam Steel Vietnam Co., Ltd.	1.37	2.16	1.29	1.97

Significant intercompany balances and transactions and investment in subsidiary have been eliminated in the preparation of consolidated financial statements.

The consolidated financial statements have been prepared with the same accounting policies as used for the preparation of separate financial statements.

2.3 Amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2023

- a) Amendment to TAS 16 - Property, plant and equipment clarified to prohibit entities from deducting from the cost of an item of PP&E any proceeds received from selling any items produced while the entity is preparing that asset for its intended use.
- b) Amendment to TAS 37 - Provisions, contingent liabilities and contingent assets clarified that, in considering whether a contract is onerous, the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling the contract. Before recognising a separate provision for an onerous contract, the entity must recognise any impairment losses that have occurred on the assets used in fulfilling the contract.
- c) Amendment to TAS 41 Agriculture clarified about removal of the requirement for entities to exclude cash flows for taxation when measuring fair value of biological asset.
- d) Amendment to TFRS 3 - Business combinations clarified some minor amendments to update its references to the Conceptual Framework for Financial Reporting and added a consideration for the recognition of liabilities and contingent liabilities acquired from business combinations. The amendments also confirmed that contingent assets shouldn't be recognised at the acquisition date.
- e) Amendment to TFRS 9 - Financial Instruments clarified which fees should be included in the 10% test for the derecognition of financial liabilities. It should only include fees between the borrower and lender.

Amended Thai Financial Reporting Standards effective for the accounting periods beginning on or after 1 January 2023 do not have material impact on the Group.

2.4 Amended financial reporting standards that are effective for the accounting period beginning on or after 1 January 2024 and related to the Group and the Group has not early adopted these standards.

- a) Amendment to TAS 1 - Presentation of financial statements revises the disclosure from 'significant accounting policies' to 'material accounting policies'. The amendment also provides guidelines on identifying when the accounting policy information is material. Consequently, immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.
- b) Amendment to TAS 8 - Accounting policies, changes in accounting estimates and errors revises to the definition of 'accounting estimates' to clarify how companies should distinguish between changes in accounting policies and changes in accounting estimates. The distinction is important because changes in accounting estimates are applied prospectively to transactions, other events and conditions from the date of that change. Whereas changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period as if the new accounting policy had always been applied.
- c) Amendment to TAS 12 - Income taxes requires companies to recognise deferred tax related to assets and liabilities arising from a single transaction that, on initial recognition, gives rise to equal amounts of taxable and deductible temporary differences. Example transactions are leases and decommissioning obligations.

The amendment should be applied to transactions on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that they can probably be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The accumulated impact on this amendment is recognized in retained earnings or other component of equity

The Group did not early adopt these standards. The Group's management is currently assessing the impact of adoption of these standards.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Revenue recognition

Revenue is recognized when customers obtain control of the goods or services for amounts that reflect the consideration to which the Company and subsidiary expect to be entitled, excluding those amounts collected on behalf of third parties, and value added tax, and after deduction of trade discounts and volume rebates.

Sales of goods and steel cutting services

Revenue from sales of goods and steel cutting services are recognized when customer obtains control of goods, generally on delivery of the goods to the customer. For contracts that permit the customer to return goods, revenue is recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. Therefore, the amount of recognized revenue is adjusted for estimated returns based on the historical data.

Installation income

Installation income is recognized overtime based on survey of the percentage of completion of work. The survey of physical completion of work is determined by the Company's engineers coupled with the accounting computation of the percentage of actual costs to total estimated costs. The related costs are recognized in profit or loss as incurred.

Other income is recognized on an accrual basis.

3.2 Cash and cash equivalents

Cash and cash equivalents include cash on hand and highly liquid cash in banks (which do not have restriction of usage) that are readily convertible to cash on maturity date with insignificant risk of change in value.

3.3 Trade and other accounts receivable and contract assets and liabilities

Receivable is recognized when the Company and subsidiary have an unconditional right to receive consideration. If revenue has been recognized before the Company and subsidiary have an unconditional right to receive consideration, the amount is considered as a contract asset.

The Company and subsidiary recognize contract assets when the revenues have been recognized before the Company and subsidiary have an unconditional right to receive consideration as "Unbilled accrued income" in the statement of financial position. A contract liability is the obligation to transfer goods or services to the customer. A contract liability is recognized when the Company and subsidiary receive or have an unconditional right to receive non-refundable consideration from the customer before the Company and subsidiary recognize the related revenue. This is presented as "Advances from customers" in the statement of financial position.

Trade accounts receivable and contract assets are presented at the net realizable value.

The Company and subsidiary apply the TFRS 9 to measure expected credit losses by the simplified approach which requires expected lifetime losses to be recognized from initial recognition of the receivables. The expected loss rates are based on the payment profiles and the corresponding historical credit losses which are adjusted to reflect the current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables, and accordingly adjusted by reference to the historical loss rates based on expected changes. Moreover, the Company and subsidiary determine the collection of specific accounts receivable. The impairment losses are recognized in profit or loss under administrative expenses.

3.4 Inventories

Inventories are stated at the lower of costs or net realizable values. Costs are calculated by the following methods:

Finished goods, work in process, and installation services in process	- at the aggregate costs of raw materials plus the systematic estimated direct labour and overhead, which approximate actual costs.
Raw materials	- at cost (specific identification method).
Spare parts and supplies	- at cost (first-in, first-out method).

Net realizable value is the estimated selling price in the ordinary course of business less the expenses necessary to make the products ready for sale, including selling expense such as transportation expenses etc.

Allowance is made for all deteriorated, damaged, and slow-moving inventories based on the estimates made by the management.

The obligation to receive returned products is recognized when the products are expected to be returned by customers and measured by reference to the original cost of the products sold, less any expected costs to receive returns of those products.

3.5 Investment in subsidiary

Investment in subsidiary is stated at cost in the separate financial statements. The Company recognizes gain or loss on sale of investment in the statement of profit or loss, in the period which sale occurs. In the case of impairment, the Company will recognize loss from impairment of investment as expense in the statement of profit or loss. The Company recognizes dividend income when the subsidiary declares the payment of its dividends.

Subsidiary

Subsidiary is a company controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of a company 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 cease.

3.6 Investment properties

The Company's land not used in operations and building thereon are considered as investment properties which are measured initially at cost, including transaction costs. These are subsequently measured at costs net of allowance for impairment (if any).

The Company will recognize the difference between the net disposal proceeds and the carrying amount of the asset in the statement of profit or loss in the year when the asset is derecognized.

3.7 Property, plant and equipment

Property, plant and equipment are stated at cost. Cost is measured by the cash or cash equivalent price of obtaining the asset to bring it to the location and condition necessary for its intended use. Plant and equipment in the statement of financial position are stated at costs less accumulated depreciation and allowance for loss on impairment of assets (if any).

The Company and subsidiary depreciate their buildings and equipment by the straight – line method over the estimated useful lives of the assets based on the segregation of components of assets, if each part is significant with different useful lives. Estimate useful lives of the assets are as follows:

Buildings and improvements	20 years
Machinery and equipment	5 - 10 years
Furniture, fixtures, and office equipment	5 years
Vehicles	5 years

Expenditures for expansion, renewal and betterment are capitalized. Repair and maintenance costs are recognized as expenses when incur.

Borrowing costs

The Company and subsidiary capitalize borrowing costs on credit acquired for the construction of factories and machinery under installation. The capitalization of borrowing costs is discontinued when the factory construction and machine installation are completed and ready for their intended use. Borrowing costs include interest charges and other costs incurred in connection with the borrowing of funds.

3.8 Impairment of assets

The Company and subsidiary assess whether there is an indication that any asset may be impaired. If any such indication exists, the Company and subsidiary make an estimate of the asset recoverable amount. Where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment loss is recognized in the statement of profit or loss. An asset recoverable amount is the higher of fair value less costs to sell and value in use.

3.9 Foreign currency transactions

The Company translated foreign currency transactions into Thai Baht for bookkeeping purpose at the exchange rates prevailing at the dates of transactions. Balances of monetary assets and liabilities, denominated in foreign currency, at the end of year are translated into Baht at the exchange rates at that date. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities, denominated in foreign currencies, are recognized as gain or loss in the statement of profit or loss.

Financial Statements of Foreign Subsidiary

The financial statements of a subsidiary which is the Company's functional using the exchange rates currency is translated into Baht for consolidation as follows:

Assets and liabilities	- At the fiscal year closing rate
Share capital	- At the historical rate when the transaction was executed
Income and expenses	- At average rate of exchange during the year
Cumulative translation adjustments	- Shown under shareholders' equity in the consolidated financial statements

The above rates should not be construed that all assets, liabilities, income, and expenses can be realized at those rates.

3.10 Income tax

The income tax expense recognized in profit or loss for the year comprises deferred income taxes and current income tax not recognized in other comprehensive income or directly in equity.

Current income tax

Current income tax is the expected tax payable or claimable on the taxable profit or loss for the year, which is different from profit or loss in the financial statements, using income tax rates enacted or substantially enacted at the end of the reporting period, and any adjustment to income tax payable in respect of previous years.

Deferred income tax

Deferred income taxes are calculated using the liability method on temporary differences between the accounting amounts of assets and liabilities and the amounts used for tax computation purpose. Deferred income taxes are calculated at the income tax rates that are expected to be applied to the temporary differences when they reverse, using income tax rates enacted or substantively enacted at the end of the reporting period.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the Revenue Department on a net basis or when tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3.11 Related parties

Related parties comprise enterprises and individuals that control, or are controlled by the Company, whether directly or indirectly, or which are under common control with the Company. They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors or officers with authority in the planning and directing of the Company's operations.

3.12 Employee benefits

Short-term employment benefits

Salaries, wages, bonuses, contribution to the social security and provident fund, are recognized as expenses when incurred on the accrual basis.

Post-employment benefits (Defined contribution plan)

The Company and employees have jointly established a provident fund plan whereby monthly contribution are made by participated employees and by the Company. The fund's assets are held in a separate trustee fund from the Company's assets. The Company's and subsidiary's contribution to the fund is recognized as expenses when incurred.

Post-employment benefits (Defined benefit plan)

The Company has obligation in respect of the severance payment to employees upon retirement under the labour law. The Company set up provision for the obligation under the defined benefits plan based on actuarial techniques, using the discount method on each projected unit.

The defined benefits liability comprises the present value of the defined benefit obligation and actuarial gains (losses).

Gains or losses resulting from remeasurements of the benefit liability under the new regulation are recognized immediately as other comprehensive income.

3.13 Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognized when the Company and subsidiary become a party to the contractual provision of the financial instrument.

The Company and subsidiary shall derecognize financial assets when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

Classification and initial measurement of financial assets

Financial assets are initially recognized at fair value plus or minus direct costs attributable to the acquisition of the asset. However, associated costs relating to financial assets measured at fair value through profit or loss (FVTPL), are recognized as expense in profit or loss.

The Company and subsidiary value their financial assets, measured by amortized cost method, at fair value through other comprehensive income (FVOCI), or fair value through profit or loss (FVTPL) that meet the two following considerations:

1. The entity's business model for managing the financial asset, and
2. The contractual cash flow characteristics of the financial asset.

The Company and subsidiary classified revenue and expenses relating to financial assets that are recognized in profit or loss, as finance costs, finance income or other financial items, except for impairment of trade receivables which is presented as other expenses.

Subsequent measurement of financial assets

Financial assets at amortized cost

Financial assets are measured at amortized cost if the assets meet the following conditions.

1. The financial assets are held under business model with an objective to collect its contractual cash flows, and
2. The contractual financial assets give rise to cash flows that are solely payable for principal and interest on the principal amount outstanding (SPPI).

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are being held by the Company not for purpose to receive contractual cash flows or to receive contractual cash flows and for sale, are measured at fair value through profit or loss (FVTPL). Furthermore, irrespective of business model, financial assets which contractual agreement not to generate cash flows but for payments of principal and interest from the balance of principal on due date, are to be measured at fair value through profit or loss including all derivative financial instruments.

Financial assets at fair value through other comprehensive income (FVOCI)

The Company and subsidiary account for financial assets at fair value through other comprehensive income if the assets meet the following conditions:

1. Being held under a business model which an objective to “hold to collect” the associated cash flows and sell, and
2. The contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI) on the specified day.

Any gains or losses recognized in other comprehensive income (OCI) will be recycled upon derecognition of the asset.

Impairment of financial assets

The Company and subsidiary consider impairment for financial assets at amortized cost and measure fair value through other comprehensive income (FVOCI).

The Company and subsidiary use the simplified approach to recognize impairment of assets that do not have significant financing elements and contractual assets based on the estimated credit losses over the life of such assets from the date of recognition.

In determining the expected credit losses and consider credit risks based on common nature. The expected credit loss rate is determined by reference to the nature of the payment in the past, information of credit losses from experience, external factors, and future factors that may affect debtor payment.

The Company and subsidiary assess credit risk on financial assets at the end of every year to determine whether there has been a significant change.

The Company and subsidiary consider and recognize the expected credit loss by taking into account the past experience coupled with the future situation. The recognized credit losses arose from the weighted average credit loss probability determined from expected non-collection discounted with the effective interest rate at the commencement date of the contract.

Losses and reversals of impairment losses are recorded in profit or loss separately.

Classification and measurement of financial liabilities

The Company and subsidiary classify the financial instruments issued by the Company and subsidiary as financial liabilities or equity instruments based on contractual obligations to deliver the financial assets to other persons or entities.

The Company's and subsidiary's financial liabilities include borrowings, trade and other payables.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs of financial liability.

Subsequent measurement of financial liabilities

Financial liabilities are subsequent measured at amortized cost. Interest expense is calculated by using effective interest rate and charged to statement of profit or loss.

3.14 Basic earnings per share

Basic earnings per share are determined by dividing the net income for the year by the weighted average number of common shares outstanding during the year.

3.15 Dividends

Dividends are recorded in the financial statements in the year in which they are approved by the Shareholders or Board of Directors of the Company.

3.16 Segment information

Segmental results that are reported to the executive committee (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

3.17 Use of accounting estimates

The preparation of financial statements require management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent asset and liabilities. Actual results may differ from those estimates.

3.18 Provisions for liabilities and expenses, and contingent assets

The Company and subsidiary recognize provision for liabilities and expenses in the financial statements when the Company and its subsidiary have legal or constructive obligation as a result of past events with probable outflow of resources to settle the obligation and where a reliable estimate of the amount can be made. The contingent asset will be recognized as separate asset only when the realization is virtually certain.

4. SIGNIFICANT ACCOUNTING ESTIMATES, ASSUMPTION AND JUDGEMENT AND CAPITAL RISK MANAGEMENT

4.1 Significant accounting estimates, assumption, and judgments

4.1.1 Recognition of installation income

Recognition of installation income requires significant judgment in determining the percentage of work performed and the estimated costs to complete the work (see Note 3.1).

4.1.2 Impairment of trade accounts receivable

The Company and subsidiary set an allowance for expected credit loss to reflect impairment of trade accounts receivable resulting from possible non-collection of receivables. The allowance for expected credit loss is based on a review of the expected credit loss.

The expected credit loss rate is determined based on the nature of the payments in the past, information of credit losses experience, external factors, and future factors that may affect customer's payments. The Company and subsidiary assess credit risk on financial assets at the end of every fiscal year to determine whether there has been a significant change.

4.1.3 Allowance for decline value of inventories

The Company and subsidiary provide allowances for decline value of inventories to reflect impairment. The allowances are based on consideration of inventory turnovers and deterioration of each category.

4.1.4 Plant and equipment

Management determines the estimated depreciation and amortization method, useful lives and residual values for the Company's and subsidiary's plant and equipment at the end of the year and revises the depreciation and amortization charges where the depreciation and amortization method, useful lives and residual values previously estimated have changed or subject to be written down for their obsolescence or if they are no longer in use.

4.1.5 Impairment of assets

The Company and subsidiary have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever there is an indication of impairment. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

4.1.6 Post - employment benefits

The employee benefits obligation for employee retirement is determined based on actuarial valuation. Inherent within this calculation is assumption as to discount rate, future salary adjustment, mortality rate and demographic factor. Actual post-retirement cost may ultimately differ from this estimate.

4.1.7 Deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's and subsidiary's future taxable income against which the deductible temporary differences can be utilized. In addition, management judgment is required for assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

4.1.8 Estimated installation project costs

The Company and subsidiary estimate costs of installation projects based on details of the installation work, taking into account the volume and value of installation materials to be used in the project, labour costs and other miscellaneous costs to be incurred to complete the service, taking into account the direction of the movement in these costs. Estimates are reviewed regularly or whenever actual costs differ significantly from the figures used in the original estimates.

4.2 Capital risk management

The Company's objective in the management of capital is to safeguard its ability to continue as a going concern to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company and subsidiary may adjust the dividend payment to shareholders, issue new shares or issue new debentures to finance debts or sell assets to reduce debts.

5. CASH AND CASH EQUIVALENTS

(Unit : Thousand Baht)

	Consolidated Statements		Separate Statements	
	2023	2022	2023	2022
Cash on hand	1,146	1,298	1,000	1,000
Cash at bank - Current accounts	36,612	43,163	20,375	30,553
- Savings accounts	83,207	100,049	83,207	94,404
Cheques deposited in transit	28,760	5,891	28,760	5,891
Total	149,725	150,401	133,342	131,848

As of 31 December 2023 and 2022, saving deposits with banks bear interest at 0.15 - 0.60 percent per annum (2022: 0.05 - 0.30 percent per annum)

6. TRADE ACCOUNTS RECEIVABLE

As at 31 December 2023 and 2022, trade accounts receivable classified by outstanding aging are as follows:

(Unit : Thousand Baht)

	Consolidated Statements		Separate Statements	
	2023	2022	2023	2022
<u>Trade accounts receivable - general customers - net</u>				
Not yet due	1,116,600	1,147,463	1,116,600	1,147,464
Overdue:				
Less than 3 months	17,324	34,332	12,965	17,493
3 - 6 months	2,057	-	643	-
6 - 12 months	622	1,736	548	-
More than 12 months	17,548	25,000	16,428	23,286
Total	1,154,151	1,208,531	1,147,184	1,188,243
Less Allowance for expected credit loss	(18,561)	(23,579)	(18,051)	(23,069)
Net	1,135,590	1,184,952	1,129,133	1,165,174
<u>Trade accounts receivable - related companies</u>				
Not yet due	42,098	70,571	42,098	70,571
Overdue:				
Less than 3 months	-	393	-	393
Total	42,098	70,964	42,098	70,964

During the year, the movement in allowance for expected credit loss are as follow:

	(Unit : Thousand Baht)	
	Consolidated Statements	Separate Statements
Balance as at 1 January 2023	(23,579)	(23,069)
<u>Add</u> Allowance for expected credit loss	(1,691)	(1,691)
<u>Less</u> Reversal of allowance for expected credit loss	6,709	6,709
Balance as at 31 December 2023	(18,561)	(18,051)

7. TRANSACTIONS WITH RELATED PARTIES

The Company has transactions with related parties involving assets, liabilities, sales, other income, cost of sales and selling and administrative expenses. Those transactions as included in the financial statements are determined at the prices in line with those occurred in the normal course of business based on the market prices in general or the price as stipulated in the agreement if there is no comparable market price.

Name	Country of incorporation	Type of Business	Relationship
Siam Steel Vietnam Co., Ltd.	Vietnam	Manufacturing and sale of formed iron roof, steel products for automobile, for construction, for furniture and for electronics industries	Subsidiary
Vina Okaya International Co., Ltd.	Vietnam	Trading of iron and steel, non-ferrous metal	Same shareholder
Vina Steel Center Co., Ltd.	Vietnam	Trading of iron and steel, non-ferrous metal, and warehousing	Same shareholder
Okaya & Co., Ltd	Japan	Steel brokerage, metallic machine, steel pipe, chemical and etc.	Company's major shareholder
Siam Steel International Public Co., Ltd.	Thailand	Manufacturing and distribution of steel furniture	Co-Directorship and Company's major shareholder
Nippon Steel Pipe (Thailand) Co., Ltd.	Thailand	Manufacturing and distribution of steel pipe for automobile and semi manufacturing industry	Directorship and same shareholder
Union Auto Parts Manufacturing Co., Ltd.	Thailand	Manufacturing and distribution of auto parts	Directorship and same shareholder
Siam Goshi Manufacturing Co., Ltd.	Thailand	Manufacturing and distribution parts and equipment of motorcycle and engines	Directorship and same shareholder
Siam Suriya Co., Ltd.	Thailand	Trading of iron and steel	Directorship and same shareholder
Okaya (Thailand) Co., Ltd.	Thailand	Steel brokerage, metallic machine, steel pipe, chemical and etc.	Directorship and same shareholder
Siam MTK Co., Ltd.	Thailand	Steel brokerage, metallic machine, steel pipe, chemical and etc.	Same shareholder
Siam Environmental Technology Co., Ltd.	Thailand	Providing of utilities	Same shareholder
Nippon Steel Logistics (Thailand) Co., Ltd.	Thailand	Transportation, storage and distribution of paper storage	Subsidiary of Siam Nippon Steel Logistics Co., Ltd.
Unity Service Co., Ltd.	Thailand	Providing of utilities and nursing facilities	Directorship
Siam Lucky Building System Co., Ltd.	Thailand	Providing of utilities and nursing facilities	Directorship
Siam SCI Co., Ltd.	Thailand	Manufacturing and distribution of building and bathroom	Directorship
Hirokoh (Thailand) Co., Ltd.	Thailand	Sale and rent of building	Directorship

Pricing policies

Transactions	Pricing policies
Sales and installation income	Market price
Steel cutting services income and other income	Market price
Rental income	Market price
Purchase of raw materials	Market price
Expenses and other purchases	Market price
Purchase of assets	Market price
Interest income	Agreed rate

Significant transactions with related parties for the years ended 31 December 2023 and 2022 are as follow:

(Unit : Thousand Baht)				
Transaction with Related company	Consolidated Statements		Separate Statements	
	For the years ended 31 December			
	2023	2022	2023	2022
Sales and installation income				
Subsidiary	-	-	807	308
Related companies	272,359	195,728	272,359	195,728
Total	272,359	195,728	273,166	196,036
Steel cutting services income and other income				
Related companies	12,453	13,948	12,453	13,948
Rental income				
Related companies	4,621	4,203	4,621	4,203
Purchase of raw materials				
Subsidiary	-	-	4,736	-
Related companies	3,245,088	3,932,147	3,231,139	3,863,719
Total	3,245,088	3,932,147	3,235,875	3,863,719
Expenses and other purchases				
Related companies	29,590	31,025	29,590	31,025
Purchase of assets				
Related companies	75	48	75	48
Interest income				
Subsidiary	-	-	1,254	821

(Unit : Thousand Baht)

Transaction with Related company	Consolidated Statements		Separate Statements	
	For the years ended 31 December			
	2023	2022	2023	2022

Directors and key management personnel compensation

Current directors and management benefits	24,950	25,271	24,950	25,271
Post - employment benefits	1,282	1,450	1,282	1,450

As of 31 December 2023 and 2022, the outstanding balances with related companies are as follows:

(Unit : Thousand Baht)

	Consolidated Statements		Separate Statements	
	2023	2022	2023	2022
<u>Trade accounts receivable</u>				
Related companies	42,098	70,964	42,098	70,964
<u>Amounts due from</u>				
Subsidiary	-	-	627	180
Related companies	-	91	-	91
Total	-	91	627	271
<u>Short-term loan to</u>				
Subsidiary	-	-	32,753	17,196

During the years ended 31 December 2023 and 2022 the movements in short-term loans to subsidiary with no collateral, with interest at the rate of 2.65 - 6.90 per annum, which are due at call follow:

	(Unit : Thousand Baht)			
	Consolidated Statements		Separate Statements	
	2023	2022	2023	2022
Balance as of 1 January	-	-	17,196	14,961
<u>Add</u> Additional loan granted	-	-	34,458	28,401
<u>Less</u> Received of repayment	-	-	(17,956)	(25,949)
Unrealized loss from foreign exchange rate	-	-	(945)	(217)
Balance as of 31 December	-	-	32,753	17,196
<u>Trade accounts payable</u>				
Related companies	89,875	109,293	86,678	87,350
<u>Key management personnel compensation</u>				
Post - employee benefit	18,599	19,061	18,599	19,061

8. CONTRACTS ASSETS AND CONTRACT LIABILITIES

The Group has outstanding balances of contracts assets and contract liabilities with customers as follow:

	(Unit : Thousand Baht)			
	Consolidated Statements		Separate Statements	
	2023	2022	2023	2022
Contracts assets				
Unbilled accrued income	102,615	102,418	102,615	102,418
Retention receivables	23,547	14,752	23,547	14,752
Total contracts assets	126,162	117,170	126,162	117,170
Contracts liabilities				
Advances from customers	17,179	28,009	10,519	20,890
Total contracts liabilities	17,179	28,009	10,519	20,890

8.1 Unbilled accrued income and advances from customers

(Unit : Thousand Baht)				
	Consolidated Statements		Separate Statements	
	2023	2022	2023	2022
Unbilled accrued income				
Contract sales value	358,446	412,323	358,446	412,323
Accumulated amount recognized as revenue				
on percentage of completion basis	275,487	258,337	275,487	258,337
<u>Less</u> Amounts billed	(172,872)	(155,919)	(172,872)	(155,919)
Unbilled accrued income	102,615	102,418	102,615	102,418
 Retention receivables	 23,547	 14,752	 23,547	 14,752
 Advances from customers				
Amounts received per contracts	124,497	150,479	110,251	123,014
Total amounts billed	98,401	100,696	98,401	100,696
<u>Less</u> Accumulated amount recognized as				
revenues by percentage of completion basis	(81,222)	(72,687)	(87,882)	(79,806)
Advances from customers - net	17,179	28,009	10,519	20,890

8.2 Revenue expected to be recognized from existing contracts

As of 31 December 2023, the Group expects to recognize revenues in the future from performance of work that are still uncompleted (or partially completed) under existing contracts with customers totalling Baht 200.58 million (Separate financial statements: Baht 182.26 million).

9. INVENTORIES

(Unit: Thousand Baht)

	Consolidated Statements		Separate Statements	
	2023	2022	2023	2022
Raw materials	932,583	1,306,697	918,027	1,276,298
Finished goods	202,133	213,275	202,133	213,275
Work in process	100,828	97,112	100,320	87,931
Spare parts and supplies	47,916	48,129	47,916	48,129
Raw materials in transit	52,336	80,339	52,336	80,339
Total	1,335,796	1,745,552	1,320,732	1,705,972

Costs of inventories which were recognized as expenses for the years ended 31 December 2023 and 2022 are as follows:

(Unit : Thousand Baht)

	Consolidated Statements		Separate Statements	
	2023	2022	2023	2022
Costs of goods sold	4,706,794	4,885,111	4,641,390	4,778,090
Reversal of allowance for decline value of inventories	-	-	-	-
Net	4,706,794	4,885,111	4,641,390	4,778,090

10. INVESTMENT IN SUBSIDIARY COMPANY

(Unit: Thousand Baht)

Company	Type of business	Paid - up share capital	Percentage of holding		Separate Statement	
			2023	2022	2023	2022
<u>Investment in subsidiary company</u>						
Siam Steel Vietnam Co., Ltd.	Manufacturing and sale of roll-formed steel products for construction, furniture, automobile and electronics industries	26,698	90.00	90.00	24,029	24,029
Total					24,029	24,029

The Company has a 90% owned subsidiary in Vietnam which is engaged in the same businesses as the Company whose assets and revenues are not yet significant to the consolidated financial statements of the Company.

11. NON - CONTROLLING INTEREST

The subsidiary which portion of interest is not under control of the Company is detailed below:

(Unit: Thousand Baht)

Name	Proportion of ownership interest and voting right held by the NCI		Total comprehensive income allocated to NCI		Accumulated NCI	
	2023	2022	2023	2022	2023	2022
Siam Steel Vietnam Co., Ltd.	10%	10%	(943)	(1,448)	(21)	922

Summarized financial information of Siam Steel Vietnam Co., Ltd. before elimination is as follow:

(Unit: Thousand Baht)

	2023	2022
Current assets	39,750	80,123
Non - current assets	13,366	14,934
Total assets	53,116	95,057
Current liabilities	56,639	86,467
Cumulative translation adjustments	(12,120)	(11,803)
Shareholders' equity	8,597	20,393
Equity attributable to non - controlling interests	(21)	922
Revenue	69,594	109,011
Loss for the year attributable to the Company's shareholders	(10,617)	(13,154)
Loss for the year attributable to non-controlling interests	(1,180)	(1,462)
Loss for the year	(11,797)	(14,616)
Total comprehensive income attributable to the Company's shareholders	(8,489)	(13,033)
Total comprehensive income attributable to non-controlling interests	(943)	(1,448)
Total comprehensive income for the year	(9,432)	(14,481)
Net cash used in investing activities	(79)	(2,117)
Net cash used in operating activities	(1,287)	(2,808)
Net cash provided from (used in) financing activities	(805)	10,677
Net cash in (out) flows	(2,171)	5,752

12. INVESTMENT

(Unit: Thousand Baht)

	Consolidated and Separate Statements	
	2023	2022
Land	24,621	24,621
Land and buildings	6,734	6,734
Total	31,355	31,355

As of 31 December 2023, the fair value of above investment properties, based on the market price of other properties in the nearby area, is approximately Baht 60.36 million (2022: Baht 60.36 million).

13. PROPERTY, PLANT AND EQUIPMENT

	Consolidated Statements							(Unit : Thousand Baht)
	Land	Building and building improvement	Machinery And equipment	Furniture, fixtures and equipment	Motor vehicles	Construction in progress	Machinery under installation	Total
Cost								
1 January 2022	412,087	855,934	1,200,418	76,877	61,595	4,385	5,873	2,617,169
Acquisition	-	-	19,284	3,674	50	6,233	12,218	41,459
Disposal	-	-	(3,029)	(3,290)	(8,967)	-	(111)	(15,397)
Transfer in (out)	-	9,777	8,973	-	-	(9,777)	(8,973)	-
31 December 2022	412,087	865,711	1,225,646	77,261	52,678	841	9,007	2,643,231
Acquisition	-	312	6,533	4,869	5,020	4,549	18,672	39,955
Disposal	-	(5,469)	(22,282)	(25,780)	(78)	-	-	(53,609)
Transfer in (out)	-	3,731	26,601	-	-	(3,731)	(26,601)	-
31 December 2023	412,087	864,285	1,236,498	56,350	57,620	1,659	1,078	2,629,577
Accumulated depreciation								
1 January 2022	-	544,231	869,344	67,764	56,245	-	-	1,537,584
Depreciation for the year	-	18,479	47,758	3,542	2,054	-	-	71,833
Accumulated depreciation for disposal items	-	-	(3,029)	(3,260)	(8,920)	-	-	(15,209)
31 December 2022	-	562,710	914,073	68,046	49,379	-	-	1,594,208
Depreciation for the year	-	18,102	38,836	3,700	2,211	-	-	62,849
Accumulated depreciation for disposal items	-	(5,469)	(22,283)	(25,770)	(78)	-	-	(53,600)
31 December 2023	-	575,343	930,626	45,976	51,512	-	-	1,603,457

(Unit : Thousand Baht)

	Consolidated Statements						
	Land	Building and building improvement	Machinery and equipment	Furniture fixtures and equipment	Motor vehicles	Construction in progress	Machinery under installation
							Total
Net book value							
31 December 2022	412,087	303,001	311,573	9,215	3,299	841	9,007
							1,049,023
31 December 2023	412,087	288,942	305,872	10,374	6,108	1,659	1,078
							1,026,120
Depreciation for the year 2022							
Cost of sale and service							66,699
Selling and administrative expenses							5,134
Total							71,833
Depreciation for the year 2023							
Cost of sale and service							58,167
Selling and administrative expenses							4,682
Total							62,849

(Unit : Thousand Baht)

Separate Statements

	Land	Building and building improvement	Machinery and equipment	Furniture, fixtures and equipment	Motor vehicles	Construction in progress	Machinery under installation	Total
Cost								
1 January 2022	412,087	838,212	1,186,039	76,877	61,595	4,385	5,873	2,585,068
Acquisition	-	-	17,167	3,674	50	6,233	12,218	39,342
Disposal	-	-	(3,029)	(3,290)	(8,967)	-	(111)	(15,397)
Transfer in (out)	-	9,777	8,973	-	-	(9,777)	(8,973)	-
31 December 2022	412,087	847,989	1,209,150	77,261	52,678	841	9,007	2,609,013
Acquisition	-	234	6,533	4,869	5,020	4,549	18,672	39,877
Disposal	-	(5,469)	(20,306)	(25,780)	(78)	-	-	(51,633)
Transfer in (out)	-	3,731	26,601	-	-	(3,731)	(26,601)	-
31 December 2023	412,087	846,485	1,221,978	56,350	57,620	1,659	1,078	2,597,257

Accumulated depreciation

1 January 2022	-	536,158	856,517	67,764	56,245	-	-	1,516,684
Depreciation for the year	-	18,168	47,127	3,542	2,054	-	-	70,891
Accumulated depreciation for disposal items	-	-	(3,029)	(3,260)	(8,920)	-	-	(15,209)
31 December 2022	-	554,326	900,615	68,046	49,379	-	-	1,572,366
Depreciation for the year	-	17,786	38,022	3,700	2,211	-	-	61,719
Accumulated depreciation for disposal items	-	(5,469)	(20,307)	(25,770)	(78)	-	-	(51,624)
31 December 2023	-	566,643	918,330	45,976	51,512	-	-	1,582,461

(Unit : Thousand Baht)

Separate Statements

	Land	Building and building improvement	Machinery and equipment	Furniture, fixtures and equipment	Motor vehicles	Construction in progress	Machinery under installation	Total
Net book value								
31 December 2022	412,087	293,663	308,535	9,215	3,299	841	9,007	1,036,647
31 December 2023	412,087	279,842	303,648	10,374	6,108	1,659	1,078	1,014,796
Depreciation for the year 2022								
Cost of sale and service								65,757
Selling and administrative expenses								5,134
Total								70,891
Depreciation for the year 2023								
Cost of sale and service								57,041
Selling and administrative expenses								4,678
Total								61,719

As of 31 December 2023 and 2022, the consolidated and separate financial statements include fully depreciated assets but still in use with total cost of Baht 1,591.01 million and Baht 1,571.93 million, respectively.

14. BANK OVERDRAFTS AND SHORT - TERM LOANS FROM FINANCIAL INSTITUTIONS

(Unit: Thousand Baht)

	Interest rate per annum		Consolidated Statements	
	2023	2022	2023	2022
Bank overdraft	7.52 - 7.58	6.32 - 6.33	872	3,405
Liabilities under trust receipts	2.93	1.98 - 2.18	23,566	205,739
Short - term loans	2.86 - 7.00	1.28 - 8.90	167,000	578,071
Total			191,438	787,215

(Unit : Thousand Baht)

	Interest rate per annum		Separate Statements	
	2023	2022	2023	2022
Bank overdraft	7.52 - 7.58	6.32 - 6.33	872	3,405
Liabilities under trust receipts	2.93	1.98 - 2.18	23,566	205,739
Short - term loans	2.83 - 2.93	1.28 - 2.23	160,000	550,166
Total			184,438	759,310

As of 31 December 2023 and 2022, the Company has credit facilities in the form of bank overdraft, promissory note, liabilities under trust receipt agreements and others as follow:

(Unit : Million Baht)

		Separate Statements					
		2023			2022		
		Total	Utilized	Remained	Total	Utilized	Remained
Letters of guarantee	Baht	130	25	105	130	11	119
Bank overdraft	Baht	280	1	279	280	3	277
Liabilities under trust receipts	Baht	3,050	24	3,026	3,050	206	2,844
Short-term loans	Baht	2,680	160	2,520	2,680	550	2,130

15. LIABILITIES UNDER EMPLOYEE BENEFITS OBLIGATION

Movements in employee benefits obligation for the years ended 31 December 2023 and 2022 are as follows:

	(Unit : Thousand Baht)	
	Consolidated and Separate Statements	
	2023	2022
Employee benefits obligation at 1 January	106,395	106,761
Current service cost	8,291	8,131
Interest expense	2,272	2,198
Employee benefit paid during the year	(5,848)	(10,695)
Employee benefit obligation at 31 December	111,110	106,395
Reclassified to current portion	(10,336)	(5,793)
Net	100,774	100,602
Total unfunded	111,110	106,395

Principal actuarial assumptions at the reporting date for the years ended 31 December 2023 and 2022 are as follows:

	2023	2022
Discount rate	2.14 percent per annum	2.14 percent per annum
Future salary average increment rate	3.50 - 7.00 percent per annum	3.50 - 7.00 percent per annum
Normal retirement age	60 years except the company set otherwise	60 years except the company set otherwise
Mortality rate	Thai Mortality Table 2017	Thai Mortality Table 2017
Total employee	875 persons	867 persons

The present value of the defined benefits obligation is measured using the projected unit credit method.

Employee benefits obligation expenses

Amounts recognized in profit or loss relating to the employee benefits obligation are as follows:

	(Unit : Thousand Baht)	
	Consolidated and Separate Statements	
	2023	2022
Current service cost	8,291	8,131
Interest expense	2,272	2,198
Total expenses recognized in profit or loss	10,563	10,329

The current service cost is included in employee benefits expense. The interest expense is included in finance costs.

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(Unit : Thousand Baht)

	Consolidated and Separate Statements	
	2023	
	Increase 1%	Decrease 1%
Discount rate		
Increase (decrease) in the defined benefit liability	(7,747)	8,966
Salary growth rate		
Increase (decrease) in the defined benefit liability	11,688	(10,247)
Staff turnover rate		
Increase (decrease) in the defined benefit liability	(2,021)	2,172

As of 31 December 2023, expected maturity of employee benefits obligation before discount are as follow:

(Unit : Thousand Baht)

	Consolidated and Separate Statements
Within one year	10,270
Between 2 - 5 years	58,747
Between 5 - 10 years	36,395
More than 10 years	106,691
Total	212,103

16. LEGAL RESERVE

Under the provisions of the Public Limited Companies Act, B.E. 2535, the Company is required to appropriate at least 5% of its annual net income, after deduction of the deficit (if any), as a legal reserve until the reserve reaches 10% of authorized share capital. This legal reserve is not available for dividend distribution.

17. REVENUES

The Group's revenues classified based on income recognition methods are as follows:

(Unit : Thousand Baht)

	Consolidated Statements							
	Sales and revenue from installation - net		Steel cutting service income		Transport income		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
Thailand	4,940,792	5,008,910	312,701	339,752	72,120	71,546	5,325,613	5,420,208
China	-	1,151	-	-	-	-	-	1,151
Vietnam	69,594	109,011	-	-	-	-	69,594	109,011
Myanmar	-	101	-	-	-	-	-	101
Total	5,010,386	5,119,173	312,701	339,752	72,120	71,546	5,395,207	5,530,471

(Unit : Thousand Baht)

	Separate Statements							
	Sales and revenue from installation - net		Steel cutting service income		Transport Income		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
Thailand	4,940,792	5,008,910	312,701	339,752	72,120	71,546	5,325,613	5,420,208
China	-	1,151	-	-	-	-	-	1,151
Vietnam	807	308	-	-	-	-	807	308
Myanmar	-	101	-	-	-	-	-	101
Total	4,941,599	5,010,470	312,701	339,752	72,120	71,546	5,326,420	5,421,768

The Group has disclosed the revenue classification information using income recording methods as follows:

(Unit : Thousand Baht)

	Consolidated Statements							
	Sales and revenue from installation - net		Steel cutting service income		Transportation income		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
At point in time	4,039,507	4,244,697	312,701	339,752	71,779	70,706	4,423,987	4,655,155
Over time	970,879	874,476	-	-	341	840	971,220	875,316
Total	5,010,386	5,119,173	312,701	339,752	72,120	71,546	5,395,207	5,530,471

(Unit : Thousand Baht)

	Separate Statements							
	Sales and revenue from installation - net		Steel cutting service income		Transport Income		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
At point in time	4,039,507	4,244,697	312,701	339,752	71,779	70,706	4,423,987	4,655,155
Over time	902,092	765,773	-	-	341	840	902,433	766,613
Total	4,941,599	5,010,470	312,701	339,752	72,120	71,546	5,326,420	5,421,768

18. OTHER INCOME

(Unit : Thousand Baht)

	Consolidated Statements		Separate Statements	
	2023	2022	2023	2022
Rental income	11,699	10,523	11,699	10,523
Other services income	5,202	5,321	5,202	5,321
Claim for damaged steel	564	58	564	58
Gain on disposal of assets	487	1,325	487	1,325
Others	2,507	1,853	2,997	2,634
Total	20,459	19,080	20,949	19,861

19. PROVIDENT FUND

The Company has established a contributory registered provident fund in accordance with the Provident Fund Acts B.E. 2530 and 2542. Under the plan, the Company and employees contribute to the Fund at a percentage of the employees' basic salaries. The employees are entitled to receive the Company's contribution upon resignation from the Company after completion of one year service according to the specified contribution rates. The Company's contribution for the years 2023 and 2022, which was charged to operations, amounted to Baht 12.66 million and Baht 12.20 million, respectively.

20. EXPENSES BY NATURE

	(Unit : Thousand Baht)			
	Consolidated Statements		Separate Statements	
	2023	2022	2023	2022
Raw materials and supplies used	3,966,054	4,236,224	3,930,132	4,174,278
Changes in inventories of finished goods and work in progress	202,705	(78,429)	193,017	(79,200)
Salaries, wages, and other employee benefits	501,397	489,694	484,223	469,095
Transportation expense	162,872	161,380	160,868	157,619
Subcontractor fees	115,114	104,438	107,118	90,525
Depreciation	62,849	71,833	61,719	70,891
Packaging expense	63,245	75,054	63,245	75,054
Hire of work	34,505	25,771	34,505	25,771
Repair and maintenance expenses	29,209	30,098	29,195	30,002
Utility expense	26,017	26,749	25,756	26,428

21. DEFERRED TAX AND INCOME TAX

21.1 Deferred tax

Deferred income tax assets and liability are as follows:

	(Unit : Thousand Baht)	
	Consolidated and Separate Statements	
	2023	2022
Deferred income tax assets	25,832	25,892
Deferred income tax liability	(11,055)	(13,102)
Net	14,777	12,790

The movements in deferred income tax assets and liability are as follows :

(Unit : Thousand Baht)

	Consolidated and Separate Statements			
	Recognised as income (expense)			
	1 January 2023	Statement of profit or loss	Other comprehensive income	
				31 December 2023
<u>Deferred income tax assets</u>				
From allowance for expected credit loss	4,613	(1,003)	-	3,610
From allowance for employee benefits obligation	21,279	943	-	22,222
Total	25,892	(60)	-	25,832
<u>Deferred income tax liability</u>				
From excess depreciation for tax computation purpose	(13,102)	2,047	-	(11,055)
Net	12,790	1,987	-	14,777

(Unit : Thousand Baht)

	Consolidated and Separate Statements			
	Recognised as income (expense)			
	1 January 2022	Statement of profit or loss	Other comprehensive income	
				31 December 2022
<u>Deferred income tax assets</u>				
From allowance for expected credit loss	2,786	1,827	-	4,613
From allowance for employee benefits obligation	21,352	(73)	-	21,279
Total	24,138	1,754	-	25,892
<u>Deferred income tax liability</u>				
From excess depreciation for tax computation purpose	(16,044)	2,942	-	(13,102)
Net	8,094	4,696	-	12,790

21.2 Income tax

Income tax expenses for the years ended 31 December 2023 and 2022 are as follows:

	(Unit : Thousand Baht)			
	Consolidated Statements		Separate Statements	
	2023	2022	2023	2022
Current income tax expenses	70,371	61,632	70,371	61,632
Deferred tax	(1,987)	(4,696)	(1,987)	(4,696)
Total	68,384	56,936	68,384	56,936

Applicable tax rates for the Company and subsidiary are as follows:

	Tax rates (%)
Income tax rate under the Revenue Code for the Company	20.00
Income tax rate for subsidiary in Vietnam	28.00

Income tax for the years ended 31 December 2023 and 2022 are as follows:

	(Unit : Thousand Baht)			
	Consolidated Statements		Separate Statements	
	2023	2022	2023	2022
Profit before income tax	333,558	273,930	345,235	288,398
Income tax rate	20	20	20	20
Income tax calculated from tax rate	66,712	54,786	69,047	57,680
Reconciling items:				
Tax on non - deductible expenses	6,312	7,206	6,312	7,206
Tax on income tax exempted revenue	(6,144)	(7,104)	(6,144)	(7,104)
Tax on additional deduction of expenses	(831)	(846)	(831)	(846)
Tax on loss of subsidiary	2,335	2,894	-	-
Tax on loss of subsidiary Income tax	68,384	56,936	68,384	56,936
Less Prepaid income tax	(52,253)	(50,599)	(52,253)	(50,599)
Income tax payable	16,131	6,337	16,131	6,337

The subsidiary has unused taxable loss carried forward of Baht 11.80 million which will expire in 2028. The subsidiary has not recognized this item as deferred tax asset because it is not probable that the subsidiary will have sufficient future taxable profit to utilize such benefit.

22. SEGMENT REPORTING

The Group is engaged in manufacturing business of accessories made from steel, installing metal roofing and wall panels, and steel cutting services. Details of core revenues for the years ended 31 December 2023 and 2022 are as follows:

(Unit : Thousand Baht)

Consolidated Statements										
For the years ended 31 December										
2023					2022					
	Sales and installation income - net	Steel cutting services income	Transportation income	Eliminated	Total	Sales and installation income - net	Steel cutting services income	Transportation income	Eliminated	Total
Revenues from sales										
and service	5,011,193	312,701	72,120	(807)	5,395,207	5,119,481	339,752	71,546	(308)	5,530,471
Costs of sales and services	(4,391,697)	(286,065)	(29,976)	944	(4,706,794)	(4,557,906)	(306,656)	(21,006)	457	(4,885,111)
Gross profit	619,496	26,636	42,144	137	688,413	561,575	33,096	50,540	149	645,360
Gain on exchange rate					1,603					949
Finance cost					(19,468)					(15,904)
Depreciation					(62,849)					(71,833)
Transportation expense					(162,872)					(161,380)
Profit before income tax					333,558					273,930
Total assets					3,889,902					4,389,444
Total liabilities					657,206					1,305,886

(Unit : Thousand Baht)

Separate Statements								
For the years ended 31 December								
2023				2022				
	Sales and installation income - net	Steel cutting services income	Transportation income	Total	Sales and installation income - net	Steel cutting services income	Transportation income	Total
Revenues from sales and service	4,941,599	312,701	72,120	5,326,420	5,010,470	339,752	71,546	5,421,768
Costs of sales and services	(4,327,353)	(286,065)	(27,972)	(4,641,390)	(4,454,189)	(306,656)	(17,245)	(4,778,090)
Gross profit	614,246	26,636	44,148	685,030	556,281	33,096	54,301	643,678
Gain on exchange rate				3,360				1,523
Finance cost				(18,247)				(14,765)
Depreciation				(61,719)				(70,891)
Transportation expense				(160,868)				(157,619)
Profit before income tax				345,235				288,398
Total assets				3,894,235				4,335,950
Total liabilities				637,259				1,237,426

Major Customers

The Company and subsidiary do not have major customers who can have significant impact on the Company's and subsidiary's business during the years 2023 and 2022.

23. DIVIDEND PAYMENT

On 28 April 2023, at the 2023 Annual General meeting, the shareholders passed a resolution to approve the payment of cash dividend to the common shareholders from operating results for the year ended 31 December 2022 at Baht 0.185 per share for 639,997,880 common share, amounting to Baht 118,399,608. The Company paid such dividend on 26 May 2023.

On 29 April 2022, at the Annual General meeting, the shareholders passed a resolution approving the payment of cash dividend to the common shareholders from operating results for the year ended 31 December 2021 at Baht 0.23 per share for 639,995,380 common share, totaling Baht 147,198,937. The Company paid such dividend on 27 May 2022.

24. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The changes in the Company and subsidiary's liabilities arising from financing activities are classified as follows:

	(Unit : Thousand Baht)	
	Bank overdrafts and Short - term loans	
	Consolidated Statements	Separate Statements
Balance at 1 January 2023	787,215	759,310
Cash - flows:		
Repayment	(5,983,391)	(5,920,703)
Proceeds	5,387,614	5,345,831
Balance at 31 December 2023	191,438	184,438
Balance at 1 January 2022	750,728	731,151
Cash - flows:		
Repayment	(7,026,742)	(6,972,743)
Proceeds	7,063,229	7,000,902
Balance at 31 December 2022	787,215	759,310

25. FINANCIAL INSTRUMENTS

Financial assets and financial liabilities carried on the statement of financial position include cash and cash equivalents, restricted deposits with banks, trade accounts receivable, other accounts receivable, investment, trade accounts payable, other accounts payables and loans. The accounting policies on recognition and measurement of these items are disclosed in the respective accounting policies in Note 3 to the financial statements.

25.1 Interest rate risk

The interest rate risk arose from the changes in market interest rates in the future that will affect the results of the Company and subsidiary's operations and its cash flows. As of 31 December 2023 and 2022, the Company and subsidiary have financial assets and financial liabilities with exposure to interest rate risk as follows:

(Unit : Thousand Baht)

	2023				
	Consolidated Statements				
	Floating Interest Rate	Fixed Interest Rate	No Interest	Total	Interest rate (%)
Financial assets					
Cash and cash equivalents	119,819	-	29,906	149,725	0.15 - 0.60
Trade accounts receivable					
- general customers - net	-	-	1,135,590	1,135,590	-
- related companies	-	-	42,098	42,098	-
Unbilled accrued income	-	-	102,615	102,615	-
Total	119,819	-	1,310,209	1,430,028	
Financial liabilities					
Bank overdrafts and short - term					
loans from financial institutions	191,438	-	-	191,438	2.86 - 7.58
Trade accounts and notes payable					
- general suppliers	-	-	94,084	94,084	-
- related companies	64,527	-	25,348	89,875	8.27
Advances from customers	-	-	17,179	17,179	-
Total	255,965	-	136,611	392,576	

(Unit : Thousand Baht)

	2022				
	Consolidated Statements				
	Floating Interest Rate	Fixed Interest Rate	No Interest	Total	Interest rate (%)
Financial assets					
Cash and cash equivalents	143,212	-	7,189	150,401	0.05 - 0.30
Trade accounts receivable					
- general customers - net	-	-	1,184,952	1,184,952	-
- related companies	-	-	70,964	70,964	-
Amounts due from related companies	-	-	91	91	-
Unbilled accrued income	-	-	102,418	102,418	-
Total	143,212	-	1,365,614	1,508,826	

(Unit : Thousand Baht)

	2022				
	Consolidated Statements				
	Floating Interest Rate	Fixed Interest Rate	No Interest	Total	Interest rate (%)
Financial liabilities					
Bank overdrafts and short - term					
loans from financial institutions	787,215	-	-	787,215	1.28 - 8.90
Trade accounts and notes payable					
- general suppliers	-	-	140,460	140,460	-
- related companies	72,071	-	37,222	109,293	7.79
Advances from customers	-	-	28,009	28,009	-
Total	859,286	-	205,691	1,064,977	

(Unit : Thousand Baht)

	2023				
	Separate Statements				
	Floating Interest Rate	Fixed Interest Rate	No Interest	Total	Interest rate (%)
Financial assets					
Cash and cash equivalents	103,582	-	29,760	133,342	0.15 - 0.60
Trade accounts receivable					
- general customers - net	-	-	1,129,133	1,129,133	-
- related companies	-	-	42,098	42,098	-
Amounts due from related companies	-	-	627	627	-
Short - term loan to subsidiary company	-	32,753	-	32,753	2.65 - 6.90
Unbilled accrued income	-	-	102,615	102,615	-
Total	103,582	32,753	1,304,233	1,440,568	

Financial liabilities

Bank overdrafts and short - term loans					
from financial institutions	184,438	-	-	184,438	2.86 - 7.58
Trade accounts and notes payable					
- general suppliers	-	-	91,270	91,270	-
- related companies	64,527	-	22,151	86,678	8.27
Advances from customers	-	-	10,519	10,519	-
Total	248,965	-	123,940	372,905	

(Unit : Thousand Baht)

	2022				
	Separate Statements				
	Floating Interest Rate	Fixed Interest Rate	No Interest	Total	Interest rate (%)
Financial assets					
Cash and cash equivalents	124,957	-	6,891	131,848	0.05 - 0.25
Trade accounts receivable					
- general customers - net	-	-	1,165,174	1,165,174	-
- related companies	-	-	70,964	70,964	-
Amounts due from related companies	-	-	271	271	-
Short - term loan to subsidiary company	-	17,196	-	17,196	4.50
Unbilled accrued income	-	-	102,418	102,418	-
Total	124,957	17,196	1,345,718	1,487,871	
Financial liabilities					
Bank overdrafts and short - term loans					
from financial institutions	759,310	-	-	759,310	1.28 - 6.33
Trade accounts and notes payable					
- general suppliers	-	-	136,373	136,373	-
- related companies	72,071	-	15,279	87,350	7.79
Advances from customers	-	-	20,890	20,890	-
รวม	831,381	-	172,542	1,003,923	

25.2 Foreign exchange risk

The Company and subsidiary have exposure to foreign currency risk relating to the export sales and the importation of production materials, short - term loans to subsidiary and bank overdrafts and short - term loans from financial institutions denominated in foreign currencies. As at 31 December 2023 and 2022, the Company and subsidiary have assets and liabilities in foreign currencies which are considered natural hedging as follows:

	In Thousand Foreign Currencies	
	2023	2022
Assets in foreign currency		
USD	256	537
JPY	103,233	-
Liabilities in foreign currency		
USD	1,904	2,075
JPY	-	22,000

25.3 Credit risk

The Company and subsidiary sell its products to customers with normal credit terms. The Company and subsidiary manage their exposure to credit risk by closely monitoring collection of accounts receivable and focuses on overdue accounts. In the case of doubt about the collectability on accounts receivable, the Company and subsidiary set up allowance for expected credit loss in the accounts as deemed necessary.

25.4 Liquidity risk

The Company and subsidiary monitor liquidity risk and maintain a level of cash and cash equivalents at the adequate level to finance the Company and subsidiary operations and to prevent the effects from fluctuations in cash flows.

25.5 Fair value of financial instruments

The following methods and assumptions are used to estimate the fair value of each class of the Company's financial instruments

- Financial assets and financial liabilities composes of cash and cash equivalents, bank overdrafts, trade accounts receivable, trade accounts payable, amounts due from related companies, short - term loan to subsidiary company, unbilled accrued income, and advances from customers which the carrying values approximate their fair values due to the relative short - term maturity of these financial instruments.
- For financial liabilities composes of notes payable and short - term loans from financial institutions which the carrying values are not materially different from the fair value since its carry interest at the rates close to market rates.

26. FAIR VALUE MEASUREMENT

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 : inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 : unobservable inputs for the asset or liability.

The Company has investment property at the fair value as of 31 December 2023 of Baht 60.36 million.

The fair value was calculated based on the comparison of the market price of other properties in the nearby location (Level 2).

27. COMMITMENTS

As of 31 December 2023, the Group has commitments as follow:

- 27.1 The Company has commitments to deliver products and services under a contract for installation of approximately of Baht 274.36 million.
- 27.2 The Company has outstanding guarantees of approximately Baht 24.68 million, issued by financial institutions on behalf of the Company, as required in the normal course of business.

28. EVENTS AFTER REPORTING PERIOD

At the meeting on 27 February 2024, the Company's Board of Directors passed a resolution to propose the payment of dividend of Baht 0.222 per share to the common shareholders, from operating results for the year ended 31 December 2023. The dividend payment must be approved at the Annual General Meeting of the Company's shareholders.

29. APPROVAL OF FINANCIAL STATEMENTS

These financial statements are authorized by the Board of Directors on 27 February 2024.

BOARD OF DIRECTORS AND EXECUTIVES

1. Name-Surname	Mr. Wanchai Kunanantakul	
Position	Chairman / Authorized Director	
Age	86 years	
Appointment Date	8 June 1994	
Years of Service	29 years 6 months	
Education	<ul style="list-style-type: none"> Honorary Doctor's Degree, Kensington University, USA. 	
Training	<ul style="list-style-type: none"> Director Accreditation Program (DAP) 64/2007 	
Shareholding	None	
Work Experiences:		
Listed Company	Chairman	Siam Steel International Plc.
Other Companies	Chairman	Panasonic SPT (Thailand) Co., Ltd
	Chairman	Siam Goshi Manufacturing Co., Ltd.
	Chairman	Siam Okaya Chemical Co., Ltd.
	Chairman	Siam Steel Vietnam Co., Ltd.
	Chairman	Wanchai Siam Steel Group Co., Ltd.
	President	Siam Okamura International Co., Ltd.
	President	Siam Taihei Engineering Co., Ltd.
	President	Siam Okamura Steel Co., Ltd.
	President	Unity Service Co., Ltd.
	President	Hirokoh (Thailand) Co., Ltd.
	Director	Formica (Thailand) Co., Ltd.
	Director	Union Autoparts Manufacturing Co., Ltd.
Family Relationship with Management Team	Father of no 2, 4, 7 and 8	
Illegal record in the past 10 years	None	



2. Name-Surname	Mr. Surasak Kunanantakul	
Position	President / Authorized Director	
Age	60 years	
Appointment Date	8 June 1994	
Years of Service	29 years 6 months	
Education	<ul style="list-style-type: none"> Bachelor of Economics Asia University, Japan 	
Training	<ul style="list-style-type: none"> Director Accreditation Program (DAP) 51/2006 	
Shareholding	None	
Work Experiences:		
Listed Company	Chairman	Siam Lucky Building System Co.,Ltd.
Other Companies	Director / Vice Chairman	Siam Steel International Plc.
	President	Siam Steel OC Co., Ltd.
	President	Wanchai Siam Steel Group Co., Ltd.
	Director	Siam Okamura International Co., Ltd.
	Director	Siam Okamura Steel Co., Ltd.
	Director	Unity Service Co., Ltd.
	Director	Siam Steel Vietnam Co., Ltd.
Family Relationship with Management Team	Child of no 1.	
Illegal record in the past 10 years	None	



3. Name-Surname	Mr. Hiroyuki Inoguchi	
Position	Vice President / Authorized Director Risk Management Committee Member / Sustainability Committee Member	
Age	55 years	
Appointment Date	1 July 2021	
Years of Service	2 Years 6 months	
Education	<ul style="list-style-type: none"> Bachelor of Economics, MEIJO University, Japan 	
Training	<ul style="list-style-type: none"> Director Accreditation Program (DAP) 193/2022 	
Shareholding	None	
Work Experiences:		
Listed Company	Director	Union Autoparts Manufacturing Co., Ltd.
	Director	Okaya (Thailand) Co., Ltd.
	Director	Siam Suriya Co., Ltd.
	Director	Siam Steel Vietnam Co., Ltd.
Other Companies	<ul style="list-style-type: none"> March 2019 Senior General Manager, International Trade Division, Okaya & Co., Ltd., Japan September 2016 General Manager, International Trade Dept. No.1, Okaya & Co., Ltd., Japan 	
Family Relationship with Management Team	None	
Illegal record in the past 10 years	None	



4. **Name-Surname** Mr. Surapol Kunanantakul

Position Vice President / Authorized Director

Age 56 years

Appointment Date 19 January 2004

Years of Service 18 years 11 months

Education

- M.B.A. Philadelphia College of Textile & Science U.S.A

Training

- Director Accreditation Program (DAP) 64/2007

Shareholding None

Work Experiences:

Listed Company	Chairman	Siam SCI Co., Ltd.
	Director	Siam Steel International Plc.
	Director	Siam Okamura International Co., Ltd.
	Director	Siam Okamura Steel Co., Ltd.
	Director	Siam Steel OC Co., Ltd.
	Director	Siam Steel Vietnam Co., Ltd.
	Director	Wanchai Siam Steel Group Co., Ltd.

Family Relationship with Management Team Child of no 1.

Illegal record in the past 10 years None



5. Name-Surname	Mr. Taku Yamada	
Position	Director / Authorized Director Risk Management Committee Member/ Sustainability Committee Member/ Senior General Manager, Metal Construction Products Dept.	
Age	56 Years	
Appointment Date	1 October 2022	
Years of Service	1 Year 3 months	
Education	<ul style="list-style-type: none"> Bachelor of Economics, KWANSEI GAKUIN University, Japan 	
Training	<ul style="list-style-type: none"> Director Accreditation Program (DAP) 173/2020 	
Shareholdin	None	
Work Experiences:		
Listed Company	None	
Other Companies	<ul style="list-style-type: none"> March 2016 General Manager, Flat Rolled Special Steel Section, International Trade Department No.1, Okaya & Co., Ltd. March 2020 - February 2022 Director of Siam Steel Service Center Plc. March 2022 - August 2022 Director of Okaya (Thailand) Co., Ltd. 	
Family Relationship with Management Team	None	
Illegal record in the past 10 years	None	



6. Name-Surname **Mr. Jun Murase**

Position Director / Authorized Director

Age 50 years

Appointment Date 1 September 2016

Years of Service 7 years 4 months

Education • Bachelor of Arts in Business Administration, Nanzan University, Japan

Training • Director Accreditation Program (DAP) 146/2018

Shareholdin None

Work Experiences:

Listed Company Director Union Autoparts Manufacturing Co., Ltd.

Director Siam Nippon Steel Pipe Co., Ltd.

Director Siam Suriya Co., Ltd.

Director Okaya (Thailand) Co., Ltd.

Director Siam Nippon Steel Logistics Co., Ltd.

Other Companies • Mar.2012 - Feb.2013 Project Leader, Flat Rolled Steel Section, International Trade Dept. No.1, Okaya & Co., Ltd
• Mar. 2556 - Jul.2559 Manager, Flat Rolled Steel Section, International Trade Dept. No.1, Okaya & Co., Ltd

Family Relationship with Management Team None

Illegal record in the past 10 years None




7. Name-Surname	Mrs. Naphaporn Hoonthanasevee	
Position	Director	
Age	57 years	
Appointment Date	27 April 2007	
Years of Service	16 years 8 months	
Education	<ul style="list-style-type: none"> • Bachelor of Economics, Thammasat University • M.B.A from Drexel University U.S.A 	
Training	<ul style="list-style-type: none"> • Director Accreditation Program (DAP) 63/2007, CG Forum 2/2556 	
Shareholding	None	
Work Experiences:		
Listed Company	Director / Vice President	Siam Steel International Plc.
Other Companies	Vice President	Unity Service Co., Ltd.
	Vice President	Hirokoh (Thailand) Co., Ltd.
	Director	Siam Steel OC Co., Ltd.
	Director	Wanchai Siam Steel Group Co., Ltd.
Family Relationship with Management Team	Child of no 1.	
Illegal record in the past 10 years	None	



8. Name-Surname	Mr. Sittichai Kunanantakul	
Position	Director	
Age	53 years	
Appointment Date	19 January 2004	
Years of Service	18 years 11 months	
Education	<ul style="list-style-type: none"> Bachelor in Political Science, Ramkhamhaeng University 	
Training	<ul style="list-style-type: none"> Director Accreditation Program (DAP) 68/2008 	
Shareholding	None	
Work Experiences:		
Listed Company	Director	Siam Steel International Plc.
Other Companies	Director	Union Autoparts Manufacturing Co., Ltd.
	Director	Siam Okaya Chemical Co., Ltd.
	Director	Siam Steel Vietnam Co., Ltd.
	Director	Wanchai Siam Steel Group Co., Ltd.
Family Relationship with Management Team	Child of no 1.	
Illegal record in the past 10 years	None	



9. Name-Surname	Mr. Pongsak Angsupun	
Position	Independent Director / Audit Committee Chairman Risk Management Committee Chairman Nomination and Remuneration Committee Member Corporate Governance Committee Member	
Age	85 years	
Appointment Date	29 April 1999	
Years of Service	24 years 8 months	
Education	<ul style="list-style-type: none">• Bachelor of Economics, Thammasat University• Master of Commerce University of Caterbury, New Zealand	
Training	<ul style="list-style-type: none">• Director Accreditation Program (DAP) 10/2004	
Shareholding	None	
Work Experiences:		
Listed Company	<ul style="list-style-type: none">• 2001 - Present Chairman Rojana Industrial Park Plc• 2005 - Present Director / Audit Committee Chairman Unimit Engineering Plc.	
Other Companies:	None	
Family Relationship with Management Team	None	
Illegal record in the past 10 years	None	

10. Name-Surname	Mr. Vichit Vuthisombut		
Position	Independent Director / Audit Committee Member Nomination and Remuneration Committee Member Corporate Governance Committee Member Risk Management Committee Member		
Age	82 years		
Appointment Date	30 April 2009		
Years of Service	14 years 8 months		
Education	<ul style="list-style-type: none"> Bachelor of Economics, Thammasat University 		
Training	<ul style="list-style-type: none"> Director Certification Program (DCP) 51/2004 Director Accreditation Program (DAP) 27/2004 		
Shareholding	None		
Work Experiences:			
Listed Company	<ul style="list-style-type: none"> 2002 - Present Consultant Jongsathit Co.,Ltd. 2002 - Present Consultant AJ Plast Plc. 2008 - Present Independent Director Thai-German Product Plc. 1980 - Present Committee Thammasat Economics Association 		
Other Companies	None		
Family Relationship with Management Team	None		
Illegal record in the past 10 years	None		



11. Name-Surname	Dr. Damri Sukhotanang	
Position	Independent Director / Audit Committee Member Corporate Governance Committee Chairman Risk Management Committee Member Sustainability Committee Member	
Age	74 Years	
Appointment Date	12 November 2009	
Years of Service	14 years 1 month	
Education	<ul style="list-style-type: none"> • B.Sc. (Hons.) Chemical Tech. Chulalongkorn University • M.Sc. Ceramic Engineering, University of Missouri at Rolla, U.S.A • Ph.D. Ceramic Engineering, University of Missouri at Rolla, U.S.A 	
Training	<ul style="list-style-type: none"> • Director Certification Program (DCP) 70/2006 • Audit Committee Forum "Detection of Irregularities in Fast Growing Business: the role of Audit Committee" 	
Shareholding	None	
Work Experiences:		
Listed Company	• 2011 - Present	Chairman, Panjawattana Plastic Plc.
Other Companies	<ul style="list-style-type: none"> • 2013 - Present • 2019 - Present • 2008 - 2009 	Chairman, Thai Auto tools and Die Co.,Ltd. Chairman, Mahachai Foods Co.,Ltd. Permanent Secretary, Ministry of Industry.
Family Relationship with Management Team	None	
Illegal record in the past 10 years	None	



12. Name-Surname	Assoc.Prof.Dr. Sucharit Koontanakulvong	
Position	Independent Director / Audit Committee Member Nomination and Remuneration Committee Chairman Sustainability Committee Chairman Risk Management Committee Member	
Age	68 years	
Appointment Date	30 April 2009	
Years of Service	14 years 8 months	
Education	<ul style="list-style-type: none"> • Bachelor in Chemical Engineering, Kyoto University, Japan • Master in Agricultural Engineering (Civil), Kyoto University, Japan • Doctor in Agricultural Engineering (Civil), Kyoto University, Japan 	
Training	<ul style="list-style-type: none"> • Director Certification Program (DCP) 178/2013 • Deloitte's Intelligent Automation : Reimagining the organization in the age May 27, 2021 (webinar) • Deloitte's AI Ethics and Governance on August 19, 2021 (webinar) • Thyssen de Lange Limited's seminar on Transfer Pricing Methods in Malaysia, August 19, 2021 • Easy listening: accounting tips that AC should not miss EP.2 from The SEC on July 22, 2022 • Value of Audit: Project to encourages stakeholders in the financial system to see the value of auditing work." from The SEC on December 2, 2022 • Audit Committee Forum 2023 Detection of Accounting Irregularities in Fast Growing Business: The Role of Audit Committee from Thai Institute of Directors on August 2, 2023 	
Shareholding	None	
Work Experiences:		
Listed Company	• 2009 - Present	Independent Director, AEON Thana Sinsap (Thailand) Plc.
Other Companies	• 2022 - Present	Distinguished Scholar in Water Resources Engineering, Chulalongkorn University
	• 1996 - 2021	Associate Professor, Faculty of Engineering, Chulalongkorn University
	• 2007 - Present	Board member, Thai-Nichi Institute of Technology (TNI)
	• 2013 - 2018	President Thai-Japan Technology Promotion Association (TPA)
	• 2011 - 2015	Head of Water Resources Engineering Dept. Chulalongkorn University
Family Relationship with Management Team	None	
Illegal record in the past 10 years	None	



Name-Surname	Mr. Navarat Chanamoon		
Position	Senior General Manager / CFO		
Age	62 years		
Appointment Date	1 October 2011		
Education	<ul style="list-style-type: none"> Bachelor in Industrial Engineering, King Mongkul's Institute of Technology Dhonburi 		
Training	<ul style="list-style-type: none"> TLCA CFO Professional Development Program (TLCA CFO CPD) No.2/2023 "Risk Management for CFOs " TLCA CFO Professional Development Program (TLCA CFO CPD) No.3/2023 "Fintech, financial technology" TLCA CFO CPD Profesional Development Program (TLCA CFO CPD) No.4/2023 "Green Assets: Opportunities for Sustainable Development" TLCA CFO Professional Development Program (TLCA CFO CPD) No.7/2023 "Economic Update for CFO" (2nd time) TLCA CFO Professional Development Program (TLCA CFO CPD) No.8/2023 "Guidelines on Issuance and Offer for Sale of Green Bond" 		
Shareholding	None		
Work Experiences:			
Listed Company	<ul style="list-style-type: none"> 2000 - 2011 General Manager Production Dept Siam Steel Service Center Plc. Present Risk Management Committee Member Siam Steel Service Center Plc. Present Sustainability Committee Member Siam Steel Service Center Plc. 		
Family Relationship with Management Team	None		
Illegal record in the past 10 years	None		

CHIEF FINANCIAL OFFICER AND CHIEF ACCOUNTANT

Name-Surname Mr. Nawarat Chanamoon
 Chief Financial Officer
 Senior General Manager

Age 62 Years

Appointment Date 1 June 2022

Education • Bachelor in Industrial Engineering, King Mongkul's Institute of Technology Dhonburi

Training • TLCA CFO CPD Profesional Development Program (TLCA CFO CPD)
 No.2/2023 "Risk Management for CFOs"
 • TLCA CFO CPD Profesional Development Program (TLCA CFO CPD)
 No.3/2023 "Fintech, financial technology"
 • TLCA CFO CPD Profesional Development Program (TLCA CFO CPD)
 No.4/2023 "Green Assets: Opportunities for Sustainable Development"
 • TLCA CFO CPD Profesional Development Program (TLCA CFO CPD)
 No.7/2023 "Economic Update for CFO"
 • TLCA CFO CPD Profesional Development Program (TLCA CFO CPD)
 No.8/2023 "Guidelines on Issuance and Offer for Sale of Green Bond"

Name-Surname Mrs. Mayuree Sangchuang

Position Chief Accountant
 Deputy Manager, General Accounting Dept

Age 55 years

Appointment Date 1 July 2021

Education • Bachelor of Business Administration (Accounting) Valaya Alongkorn Rajabhat University

Training • Important Principles of the Income statement and Statement of comprehensive income
 • Leading Team Program (For Manager or Team Leader)
 • Deep dive into financial statement analysis

Shareholding None

Work Experiences:

- 2020 - Present Manager, General Accounting Dept., Siam Steel Service Center Plc.
- July 2021 - Present Chief Accountant , Siam Steel Service Center Plc.

Family Relationship with Management Team None

Illegal record in the past 10 years None

THE COMPANY'S SECRETARY AND COMPLIANCE

The 2/2008 Board Meeting on 30 April 2008 resolved for the appointment of Mr.Hirun Komolhirun as Secretary of the Company to take effect since 2 May 2008. The Secretary provides legal advices to the Board on matters relating to laws, regulations, and rules that bind the Company. As well as to oversee operations of the Board and coordinate with concerned units regarding the implementation of the resolutions of the Board's meeting and the shareholders' meeting.

Qualifications of the Company's Secretary and Compliance

1. Possesses legal knowledge and understanding of the governance agencies in relations to laws, regulations and rules applicable to public limited companies and securities and exchange. Promotes the aforesaid knowledge and understanding through seeking legal advice or view from expert or adviser.
2. Possesses good knowledge and understanding of the principles and practices of good corporate governance.
3. Possesses extensive knowledge and understanding of the Company's business.
4. Never use business opportunity for personal gains. Maintains a high level of confidentiality of the Company.

Duties and Responsibilities of the Company's Secretary and Compliance

1. Performs duties according to applicable laws and regulations with accountability, deliberation, and integrity.
2. Oversees and manages operations of the Board, and provides advice in relation to law, articles of association of the Company as well as rules and regulations of relevant agencies, including the code of conduct of corporate governance practice so that any activities of the Board of Directors are undertaken in compliance with those relevant laws, to facilitate the performances of directors to be effective and efficient which adversely contributes to the highest returns to the Company.
3. Responsible for setting policies, rules, and standards for compliance and steers compliance of matters under responsibility, counsels, educates and communicates defined policies, laws, and regulations
4. Manages and organizes Board's meeting, sub-committee meeting, and shareholders' meeting, ensures the compliance of the operations with the Company's objectives and articles of association, resolutions of the meeting of the Board/shareholders, and other related rules and regulations.
5. Prepares and maintains Company's documents e.g.
 - Director Registration
 - Notice of the Board of Directors Meeting including committees for which she acts as secretary to those committees; Corporate Governance Committee, Sustainability Committee and Risk Management Committee
 - Minutes of Meetings of the Board of Directors and those committees' meetings
 - Notice and Minutes of Shareholder Meetings
 - Annual Report (56 - 1 One Report), etc.
6. Maintains stakeholders' record as reported by director or executive. Submits the record to Chairman of the Board and Chairman of the Audit Committee within 7 days from the day of receiving such record.
7. Handle any actions required as per the regulation of the Capital Market Supervisory Board and as assigned by the Company

COMPANY SECRETARY AND COMPLIANCE

Name-Surname	Mr. Hirun Komolhirun Company Secretary / Deputy General Manager Legal Dept. Head of Compliance / Head of Organization Development to Sustainability
Age	61 Years
Appointment Date	30 April 2008
Education	<ul style="list-style-type: none"> Bachelor of Laws(L.L.B), Ramkhamhaeng University Barrister at Law, Institute of Legal Education Thai Bar Assoc

Training:

- Diploma courses Laws and Practice for company secretary according to Securities and Exchange Law, Research Center for Law and Development, Faculty of Law, Chulalongkorn University
- Certificate courses Company Secretary Program Class 39/2011 Thai Institute of Directors
- Certificate courses Fundamental Practice for Corporate Secretary, (FPCS25) Thai Listed Companies Association
- Anti-Corruption Course : The Practice Guide (ACPG2/2013), Thai Institute of Directors
- Specialized Personnel Program in Corporate Social Responsibility Management
- Certificate course: Social Innovation and Business Development in the New Normal Era, Social Innovation Driving Unit: SID, National Innovation Agency (Public Organization)
- IOD Open House for Company Secretary: The role of the Company Secretary in promoting good corporate governance
- The GRI Certified based on the GRI Sustainability Reporting Standards
- CEO Club 2022 (EP2): "Technical issues, Patent issues that you should know"
- CGR Workshop 1/2023: Seminar Explaining Criteria for CGR Project Survey for the year 2023 from Thai Institute of Directors (IOD)
- Refreshment Training Program Courses (RFP 10/2023) from Thai Institute of Directors.
- Seminar: - Company Directors and Senior Executives with ESG Risk Management from Federation of Accounting Professions and the SEC.
- Company Secretary Forum 2023: "The role of the company secretary in driving ESG", from Thai Institute of Directors (IOD)
- Seminar: "SDG Guidebook for Thai Listed Companies & SDG Impact Standards", from The Securities and Exchange Commission, Thailand.
- Insight in SET: knowledge for growth and sustainability in the capital market (3rd Generation), from The Stock Exchange of Thailand.
- CYBER RISK 2023 from Thai Listed Companies Association
- COSO - ERM 2017: Organizational Risk Management from the Thai Listed Companies Association.

Shareholding	None
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Work Experiences:

Dec.2021 - Present	Deputy General Manager Legal Dept.	Siam Steel Service Center Plc.
Feb.2020 - Nov.2021	Senior Manager Legal Dept	Siam Steel Service Center Plc.
Sep.2013 - Feb.2020	Senior Deputy Manager Legal Dept.	Siam Steel Service Center Plc.

Family Relationship with Management Team	None
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Illegal record in the past 10 years	None
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INFORMATION OF DIRECTORS IN RELATED COMPANIES

Executives		SSSC	SSVN	Related Company								
				Union Auto Parts	Siam Nippon Steel Pipe	Panasonic SPT	Siam Okamura Steel	Siam Steel International	Fomica	Wanchai Siamsteel Group	Siam SCI	Siam Lucky Building System
Mr. Wanchai	Kunanantakul	x	x	x		x	#	x	/	x		
Mr. Surasak	Kunanantakul	#	/				/	//		#		x
Mr. Hiroyuki	Inoguchi	##	/	/								
Mr. Surapol	Kunanantakul	##	/				/	#		/	X	
Mr. Taku	Yamada	//										
Mr. Jun	Murase	/		/	/							
Mrs. Naphaporn	Hoonthanasevee	/						##		/		
Mr. Sittichai	Kunanantakul	/	/	/				/		/		
Mr. Navarat	Chanamoon	///										

Executives		Related Company									
		Siam Suriya	Siam Okamura International	Siam Goshi Mfg.	Siam Okaya Chemical	Okaya (Thailand)	Somat	Unity Service	Siam Nippon Steel Logistics	Siam Steel O C	Nippon Steel Pipe (Thailand)
Mr. Wanchai	Kunanantakul	/	x	x	x			#			
Mr. Surasak	Kunanantakul	/	/					/		#	
Mr. Hiroyuki	Inoguchi	/				/					
Mr. Surapol	Kunanantakul	/	/							/	
Mr. Taku	Yamada					/					
Mr. Jun	Murase	/				/	/		/		/
Mrs. Naphaporn	Hoonthanasevee	/								/	
Mr. Sittichai	Kunanantakul	/			/						
Mr. Navarat	Chanamoon										

Remark: 1. / director X chairman # president ## vice president // executive director /// executive
 2. Related company means the definition of a legal entity of a person who may have conflicts of interest. According to the announcement of the Office of the SEC.

DETAILS OF THE DIRECTORS OF THE SUBSIDIARY

Board of Directors of Siam Steel Vietnam Company Limited (Subsidiary)

1.	Mr. Wanchai	Kunananatakul	Board Chairman
2.	Mr. Surasak	Kunananatakul	Board Member
3.	Mr. Surapol	Kunananatakul	Board Member
4.	Mr. Sittichai	Kunananatakul	Board Member
5.	Mr. Hiroyuki	Inoguchi	Board Member
6.	Mr. Shigeji	Anraku	Board Member and General Director
7.	Mr. Yasunori	Hijikata	Board Member

Remark:

1. Subsidiary means a subsidiary that has income more than 10 percent of the total income of the consolidated statements of profit and loss for the fiscal year 2023
2. Details of directors are shown in Attachment 1.

DETAILS OF CHIEF INTERNAL AUDITOR

Name-Surname	Mrs. Manee Jariyarakvorakul Manager, Internal Audit Dept.
Age	60 Years
Education	<ul style="list-style-type: none"> • Bachelor of Business Administration (Accountancy) Siam University
Work Experiences	<ul style="list-style-type: none"> • 2021-Present Manager Internal Audit Department
Training	<ul style="list-style-type: none"> • Internal Audit Techniques, Chulalongkorn University • Internal Auditing, Federation of Accounting Professions • Internal Audit Process, Federation of Accounting Professions • ISO/TS 16949:2009 Requirement & Internal Auditor • ISO 9001:2008 Introduction Training Course • ISO 45001:2018 Internal Audit • ISO 50001:2018 Requirement & Internal Audit
Duties	<ul style="list-style-type: none"> • Audit Planning • Interviewing and document checking • Making conclusions and recommendations, reporting to the Audit Committee

ASSETS USED IN BUSINESS OPERATION

Land, Buildings and Machineries as of 31 December 2023

Assets	Type of Obligation	Net Book Value (Million Baht)	Ownership
1. Land 6 plots:			
51/3 Poochaosamingprai Rd, Bangyaprak, Phrapradaeng, Samutprakarn. Land size: 13-0-19 Rai	Owner	63.98	No obligation
51/11 Poochaosamingprai Rd, Bangyaprak, Phrapradaeng, Samutprakarn. Land size: 12-6-90.4 Rai	Owner	196.26	No obligation
60/6 Mabyangporn District, Amphur Pluakdaeng, Rayong Land size: 77-1-77 Rai	Owner	151.83	No obligation
2. 2- Factory, Samutprakarn Province	Owner	138.58	No obligation
1-Factory, Rayong Province	Owner	141.26	No obligation
3. Machineries	Owner	287.12	No obligation

CORPORATE GOVERNANCE POLICIES AND CODE OF BUSINESS ETHICS SSSC

Please see Attachment 5 for full version at

https://www.sssc.th.com/shearholder/Attachment/2023/Attachment5_E.pdf

REPORT OF THE AUDIT COMMITTEE

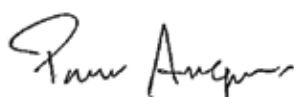
Dear Shareholders,

The Audit Committee appointed by Board of Directors comprises 4 independent members, namely Mr. Pongsak Angsupun as Committee Chairman, Mr. Vichit Vuthisombut, Associate Professor Dr. Sucharit Koontanakulvong and Dr. Damri Sukhotanang as Committee Members.

The Audit Committee has independently performed its duties as prescribed by its charter and as entrusted by the Board of Directors. In 2023, the Audit Committee convened a total of 4 meetings, with attendance by the auditor and internal auditor to consider and review the following matters:

1. The Company's quarterly and annual financial reports as audited by the Company's auditors. The Company's financial statement disclosure was adequate, accurate and complied with accepted accounting standards.
2. The Company's transaction with related party transaction or the transactions of potential conflict of interest. The Company carried out the transaction in compliance with laws and regulations related to the Company's business, regulations of the Stock Exchange of Thailand and no irregularity was reported.
3. The Audit Committee reviewed and urged the Company to comply with laws and regulations of the Stock Exchange of Thailand as well as various laws related to the Company's business operation and no irregularity was found.
4. The Audit Committee defined the Company's annual internal audit plan to ensure that an appropriate internal control system covering controls of the company's organization and environment, risk management, operational risk by the management, information system and data communication was well in place.
5. The Audit Committee reviewed the Company's internal audit report and monitor improvements (if any) per the Committee's recommendations in order to have more efficient and effective internal controls.
6. Measures for sale and purchase of asset having significant impact on business operation were set up by the Company to prevent or lessen any risks that could damage the business operation. The Company had no business misconduct regarding this.
7. The Company's financial transaction in connection with fundraising for the benefits of business operation. The Company carefully and accurately investigated the Company's transaction in order to achieve the specified objectives and goals. In addition, the Board of Directors provided effective following up in accordance with the Company's internal control system and no irregularity was found in the investigation.
8. The Company's policy and practices. Policy and practices related to personal data protection were well established with respect to data collection, data usage, data disclosure and management, which complied with the Personal Data Protection Act B.E. 2562 to ensure effective and reliable protection of personal data.
9. The Company's auditors. The Audit Committee selected and proposed to the Company's Board of Directors for consideration of the appointment and the appropriate audit fees of the following auditors of the GRANT THORNTON LIMITED as the Company's auditors for the year 2024 based on the qualifications, namely knowledge, experience in business auditing, and independence of the auditors having no business relationship with the Company and its subsidiaries.

Mr. Paisan	Boonsirisukapong	C.P.A (Thailand) Register no.5216 and/or
Ms. Luxsamee	Deetrakulwattanapol	C.P.A (Thailand) Register no.9056 and/or
Ms. Kesanee	Srathongphool	C.P.A (Thailand) Register no.9262 and/or
Ms. Saranya	Akharamahaphanit	C.P.A (Thailand) Register no.9919



(Mr. Pongsak Angsupun)

Chairman of the Audit Committee

REPORT OF THE CORPORATE GOVERNANCE COMMITTEE/CORPORATE GOVERNANCE

Dear Shareholders,

The Company's Board of Directors strongly believes and sees the importance of adhering earnestly to good corporate governance principles and practices of listed companies would enable the Company in achieving sustainable growth and promoting confidence of all stakeholders: shareholders, investors, customers, trade partners, creditors, employees, and public involved. Organization development is operated with care for stakeholders, economy, society, and environment. Good corporate governance principles are incorporated as code of conduct which is applied to business operations and various activities in an ethical, transparent, and fair manner.

So as to strive for the Company's sustainable business performance and turnover on a par with engagement in ethical and responsible business conduct with respect for the rights of stakeholders and shareholders in an adaptability manner to changing factors, the Company's Board has entrusted the Corporate Governance Committee, comprising 3 independent directors with duties and responsibilities to support and recommend the policies and frameworks in matters of the Company's good corporate government and to ensure that the policies are moved forward with continuing implementation.

In 2023, the Corporate Governance Committee held 2 meetings to revise good corporate governance development practices in alignment with the 8 principles of the Corporate Governance Code for Listed Companies 2017: CG Code as suggested by the Securities and Exchange Commission. Some of the principles have been applied as appropriate within the Company's business context since 2018. However, all the 8 principles have been completely applied since 2019 covering:

1. Establishing clear leadership role and responsibilities of the Board in creating value to sustainable business;
2. Setting objectives and goals that promote sustainable value creation;
3. Strengthening Board effectiveness;
4. Enhancing effective executive and personnel management;
5. Nurturing innovation and responsible business operation;
6. Strengthening effective risk management and internal control;
7. Maintaining information disclosure and financial integrity;
8. Promoting engagement and communication with shareholders

The Committee revises the Company's good corporate governance principles in alignment with the ASEAN Corporate Governance Scorecard (ASEAN CG Scorecard), a quantitative tool being applied to measure the level of "Corporate Governance of Listed Companies" of ASEAN member states. The revision outcome is presented to the Board at least once a year for the committees, management, and employees to adhere to as operational guidelines.

The Board, the management and employees are required to adhere to the above-mentioned principles as operation guidelines and to follow good corporate governance on par with international standards. Their key principles are as the followings.

- Good vision in creating long term value (Creating Long Term Value)
- Efficiency and responsibility skill (Responsibility)
- Fair and equal treatment with stakeholders (Equitable Treatment)
- Responsibility for actions/decision making with accountability, being able to give satisfactory reason for it (Accountability)
- Transparency in operation, information disclosure to involved parties (Transparency)
- Ethics and code of conduct in business operation (Ethics and Code of Conduct)

In 2023, there was no violation or non-compliance with the said corporate governance found.

In 2023, the Committee regularly reviewed the Company's performances against respective policies and plans with key concluded results are as follows:

1. Reviewed and revised policies and guidelines concerning directors, management and employees' securities trading; prohibition of securities and internal information; blackout period at least 1 month prior to the disclosure of the quarterly and annual financial statements; reports of first securities holding or change of the holding and according sanctions measures.
2. Revised key policies and guidelines concerning shareholders and stakeholders (Stakeholder-Related Policy) covering wide issues so as to stay current with changing business environment and competitions such as human rights, personal data protection according to the Personal Data Protection Act B.E. 2562, prevention of intellectual property, promotion of innovation and creativity management, business ethics and code of conduct handbook, work practices suitable for a particular situation in line with good corporate governance, caring for shareholders, equitable treatment for shareholders, rights of shareholders, prevention of internal information usage, prevention of business interference, responsibility for stakeholders, compensation for shareholders rights violation, anti-corruption and measures for non-compliance with policies and good corporate governance principles.
3. Revised internal control system development policy by introducing internal control measures to promote knowledge and understanding concerning guidelines and principles of internal control monitoring, evaluation and reporting. This is to enable employees to apply to their actual works leading to sustainable growth of the organization.
4. Considered and recommended on renewal for the third term certified membership of the Thailand's Private Sector Collective Action Coalition against Corruption: CAC. The renewal of the Company's CAC membership for the third term was later granted, effective from March 2022 - 2025. This has demonstrated the Company's anti-corruption practice incorporating complete and sufficient process as reviewed by the Audit Committee. In connection to this, the Compliance Unit is entrusted with responsibilities to inspect, monitor, and evaluate to ensure effectiveness and compliance with laws, regulations, business ethics, and anti-corruption measures.

In 2023, there was no violation or non-compliance with policies and/or business ethics, code of conduct, and good corporate governance principles detected.

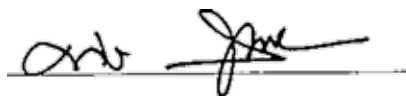
5. Presided over training and made agreement with trade partners in supply chain to collectively define policy and work practices for not involve in any form of corruption. According training were provided to all truck operators, trade partners/customers. They have been invited to join as member of Thailand's Private Sector Collective Action Coalition against Corruption: CAC under the CAC SME Certification program with the Thai Institute of Directors Association. Channels of complaint and clue are introduced which can be lodged or sent directly to independent committee member. Measures to protect the complainant are clearly defined and published on the Company's website. As in 2023, there was no complaint or reported clue lodged or found.
6. Provided and disclosed information on the Company's website regarding opportunity for shareholders to propose, in advance, meeting agenda items and matters requiring clarification from the AGM.
7. Regularly promoted knowledge and understanding for directors, management and employees concerning implementation of and compliance with good corporate governance policy, business ethics and code of conduct handbook.
8. On a regular basis, reviewed and conducted self-assessment to rate the Company's good corporate governance (CG Rating) performance for continuous development and improvement.

9. Reviewed the internal control system development policy by setting forth the Company's internal control measures so as to enhance knowledge and understanding among employees in relation to guidelines for accurate monitoring and evaluation of internal controlling and reporting. Ensured the system is applied throughout the organization and contributes to corporate sustainable growth.
10. Continuing instilled awareness and enhanced capability of employees/directors concerning social and environmental responsibility based on the designed Skill Matrix. Participated in the program on enhancing competitiveness through systematic innovation capacity and networks, and workshop on ISO 56002:2019 Innovation Management System with Office of Industrial Economics and the Management System Certification Institute (Thailand).
11. In compliance with the corporate governance of the SET, meeting of non-executive directors and independent directors without the presence of the management was convened on 10 November 2023 with an aim to provide an opportunity for a free discussion on any matter affecting the Company's previous year management and possible resolution (if any) in order to keep abreast of the changing environment and competition.

As results of constantly and earnestly commit to and develop its corporate governance, the Company was assessed by various organizations on the followings:

- Assessment of Corporate Governance Report of Thai Listed Companies (CGR) from the Thai Institute of Directors (IOD) with "Excellent or Five Stars" rating result from 2016 to 2023 (CG score 90-100) or 8 consecutive years. In 2023, there were 786 listed companies participated in the survey, the Company earns 98% average CG Score whereas the total average was 81%. This assessment reflects the Company's business conduct placing high importance on continuous development of good corporate governance in achieving sustainable growth as well as the Company's potential to continuously comply with development of good corporate governance along with business conduct towards sustainable growth, which results in establishing confidences amongst shareholders.
- AGM Quality Assessment from Thai Investors Association (TIA) with perfect score 100 or "Excellent and Exemplary" for 13 consecutive years, 2011-2023. This demonstrates the Company's strong intents and commitment to its continuing management development adopting good corporate governance principles to create long-term value added and sustainability for the Company and its shareholders.
- Thailand Sustainability Investment 2015-2022 (8 consecutive years) from the SET granted to listed companies for its outstanding ESG performance integrating social and environment concerns as well as sustainable management processes e.g., risk management, management of supply chain and development of social and business innovations.
- In 2023, the Stock Exchange of Thailand (SET) announced the list of Sustainable Stocks of the Year 2023 or SET ESG Rating 2023 for the first year. The Company has been selected as one of the listed SET ESG Ratings and received BB rating. This signifies significant development in the Company's disclosure of ESG e.g., risk management, environmental policies, environmental management result and business operation engaging with its employee, community and society.
- Role Model Organization Award on Human Rights (Honorable Award for Large Enterprise) for 2 consecutive years from 2022-2023 given by Department of Rights and Liberties Protection, Ministry of Justice.

The compliance with Good Governance Principles of the Company as abovementioned reflects strong intents and collaborative efforts of every director, management, and employee to constantly develop and uphold the Company's good corporate governance to meet international standards and ability to compete which in turn enhancing confidences of investors and stakeholders.



(Dr. Damri Sukhotanang)

Chairman of the Corporate Governance Committee

REPORT OF THE RISK MANAGEMENT COMMITTEE

Dear Shareholders,

The Board stresses an importance on risk management as a solid foundation of its business operations. To constantly control, oversee, and review risks, therefore, is a must that has been incorporated into proactive approaches to management and practices of the Company.

The Board establishes the Risk Management Committee consisting of 10 members being independent directors and management from relevant line functions with scope of authority as prescribed in the Risk Management Committee Charter so as to enhance opportunity toward achieving the planned objectives and to promote proactive management focusing on organizational risk identification and mitigation, especially those concerning environment, social and governance (ESG) issues or “Sustainability Risks.” The Company implements COSO-ERM 2017 framework (Enterprise Risk Management-Integrating with Strategy and Performance) in which 5 principles of organizational risk management are imbedded: 1. Governance and Culture; 2. Strategy and Objective Setting; 3. Performance; 4. Review and Revision; 5. Information, Communication and Reporting to ensure that the Company’s business is operated along COSO-ERM 2017 framework and lead to sustainable development goal set.

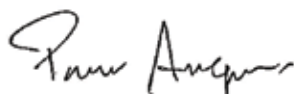
In 2023, the Committee held 2 meetings and considered matters as highlighted hereunder.

1. Revised organizational risk management frameworks covering ESG risk management plan and identification of ESG priorities to be in alignment with the Company’s strategies and operations amid changing circumstances especially issues related to sustainable risk that might affect the Company’s business so as to ensure of the Company’s systematic and effective risk management operations.
2. Provided advices concerning risk management implementation to management of every concerned department, gave recommendations and consent on corporate risk list 2022 in accordance with corporate directives, strategies and goals.
3. Constantly promoted learning on risks and risk management among directors, management, and employees to ensure all risks are well aware and managed to the extent that creates risk culture facilitating the attainment of business goals.
4. Considered sustainability trend including short-term, medium-term and long-term impacts on business and supply chain, annual risk management plan incorporating risks as assessed and prioritized by management of respective departments with alternatives responding to organizational risks.
5. Closely monitored risk management of respective departments through reporting of risks that might impact the implementation of business strategies, regularly reviewed corporate risks to detect potential or changing risk.

The monitoring result has shown that the overall risk level of the Company is moderate or acceptable, risk control measures are well in place to prevent and control risk at acceptable level.

Regarding corruption risks, in 2023, there was no corruption found and related complaints launched.

The Risk Management Committee concludes that the risk management is conducted systematically in compliance with good corporate governance while having in place adequate and suitable internal control. Active and close monitoring of risks is performed, especially, on issues relating to risks that might pose impact on Company’s business sustainability. This has enabled the Company to achieve its business goals through implementing emergency, crisis management, and business continuity management plans which in turn has added value to the Company and sustainably contributed to shareholders, and stakeholders.



(Mr. Pongsak Angsupun)

Chairman of the Risk Management Committee

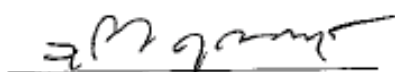
REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE

Dear Shareholders,

The Board appointed the Nomination and Remuneration Committee on 28 February 2012. The Committee comprises 3 members being independent directors: Assoc. Prof. Dr. Sucharit Koontanakulvong as chairman of the committee, Mr. Pongsak Angsupun and Mr. Vichit Vuthisombut as committee members with scope of duties as prescribed in the Nomination and Remuneration Charter.

In 2023, the Nomination and Remuneration Committee convened twice to consider key matters as concluded below:

1. Reexamined and revised criteria and policies pertaining to nomination of the Board's directors and committees' members by acknowledging the Company's Board Diversity for 2023 including profile of independent directors: gender, age, term of service, appropriate number, structure and component; Board Skill Matrix of individual director as well as skills being required; ability to hire professional search firm or access director pool for nomination of new director. Proposed results in this regard to the Company's Board for subsequent AGM's approval so as to ensure competent directors and committee members are selected to support the execution of Board's functions that contribute to the utmost extent of benefits to the Company according to its business structure, strategies, practices, culture, and environment.
2. Reviewed and defined criteria and qualifications pertaining to the President/Chief Executive Officer (CEO) and other key positions succession planning taking in to account guideline on succession planning and people management as provided by the Thai Institute of Directors (IOD).
3. Selected and nominated candidates to fill director position of the Board and members of the committees and proposed at the Board's meeting for subsequent AGM's approval. In 2023, the Board provided for minor shareholders the right to nominate, from 1-31 December 2022, qualified person to be elected as Company's director. However, none of the shareholders had nominated anyone. For AGM 2023, the nomination is required for submission from 1 December 2023 to 31 December 2023. Shareholders has been informed of the right thereof since 7 September 2023 via the SET and the Company's website at www.ssscth.com where clear election procedures and methods are demonstrated with nomination form for download.
4. Proposed remuneration policy and packages for directors of the Board, members of the committees, and executives in accordance with their respective duties, responsibilities, Company's performances, shareholders' interest, and market sentiment.
5. Defined appropriate and adequate in-cash and in-kind annual remuneration for each executive and non-executive directors of the Board taking in consideration of their duties, responsibilities, performances in comparison with companies in similar industries as shown in the 2020 Director's Remuneration Survey Report published by the Thai Institute of Directors, and expected outcomes from their contributions. The draft remuneration was submitted to the Company's Board for consent and to seek final approval from the Annual General Meeting (AGM).
6. Reported on the policy and rational of the remuneration packages for directors and executives in compliance with the SET's regulation and disclosed via Form 56-1 One Report.



(Assoc.Prof.Dr. Sucharit Koontanakulvong)

Chairman of the Nomination and Remuneration Committee



SIAM STEEL SERVICE CENTER PUBLIC COMPANY LIMITED

The Pride of Reward under the Labour Relation Policy

“Make Employee Happy, Enjoy and Safety Working”

Pictures receiving awards for the year 2023



VISION

"Business operation incorporating good governance with empathy, access ability, and continual collaborative innovation development toward customers' satisfaction; treating shareholders, customers, business partners, and employees equally; responding to economy, environment, society, and safety; acts collectively against all forms of corruption"

MISSION

- To employees : Promote corporate cultures of safety at work, environmental care, and service minded incorporating compliance technology and continual development of innovation to serve all clients
- To shareholders : Excel at providing services to promote governance and satisfaction
- To community / society : Care for societies and environment

SHARED MISSION

This mission is abbreviated as SSSC which stands for:

- | | |
|---------------------------|------------------------------|
| S - SAFETY FIRST | ความปลอดภัยมาเป็นอันดับหนึ่ง |
| S - SATISFACTION | คำนึงถึงความพึงพอใจ |
| S - SOCIAL CARE | ห่วงใยใส่ใจ สังคม |
| C - CONTINUAL IMPROVEMENT | ระดมพัฒนาอย่างต่อเนื่อง |



SSSC Activities





SIAM STEEL SERVICE CENTER PUBLIC COMPANY LIMITED

The Pride of Reward under the Labour Relation Policy

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