



DIAMOND

**Smart
Factory**

**THE ANNUAL REGISTRATION STATEMENT /
THE ANNUAL REPORT YEAR 2020
(FORM 56-1 ONE REPORT)**

DIAMOND BUILDING PRODUCTS PUBLIC COMPANY LIMITED

Call Center 0 2619 6333

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ตรา
เพชร

ความเหมือนเป็นเหตุ
สังเกตได้



FUNCTION x FASHION

ไม้สังเคราะห์ตราเพชร หลากฟังก์ชันการใช้งาน
สวย นานทน ให้สัมผัสสุดไม่จริง



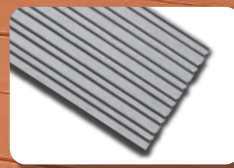
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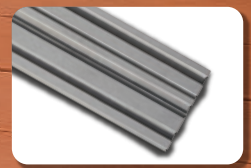
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บอร์ดตากแดดพบบัง



ไม้ตากแดดเชาะร่อง
กรูกลเลอร์



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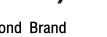


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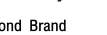
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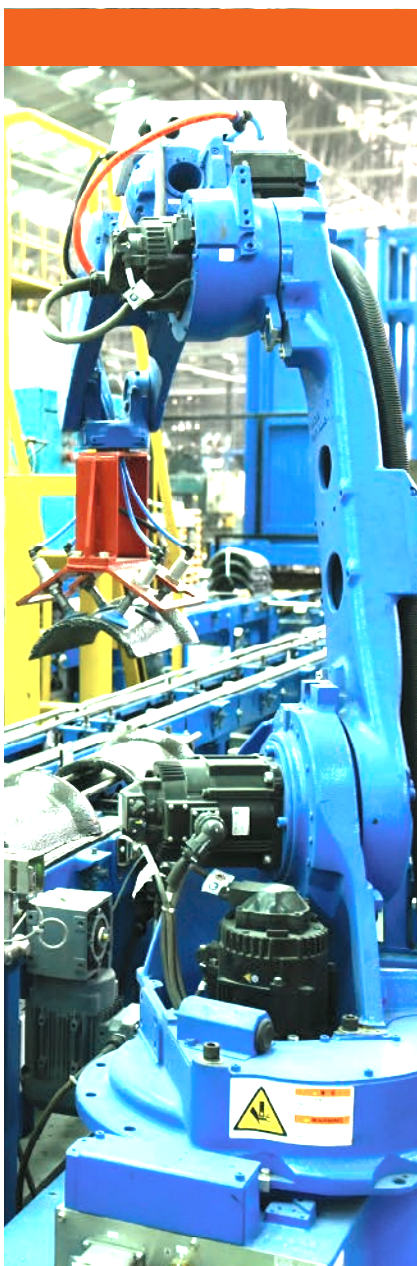


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"Excellent" Corporate Governance
by the Thai Institute of Directors.



The Company received a royal award from **"Thailand Corporate Excellence Awards 2020"**, Overall Management Excellence category, from the Thailand Management Association and Sasun School of Management, Chulalongkorn University.



Received the **"Thailand Sustainable Investment (TSI)"** Award from the Stock Exchange of Thailand.

STATEMENT FROM THE CHAIRMAN

Lenin, the great leader of Soviet Russia, for decades once said: "There was a phenomenon in which decades passed without any major events happened in the world. But somehow that important event may have happened within just a few weeks". The statement of Lenin is in deed comparable to the Coronavirus 2019 (COVID-19) crisis. No one had ever imagined that such excruciating difficulties would occur in the lives of almost everyone in the entire world. From ordinary people upto companies of a huge business which had been prosperous for decades but then turned to suffer losses, within just a few weeks, eventually, some did not survive! Although Thais and businesses within Thailand are fortunate to be in a country regarded as having the best COVID-19 management in the world, but the impact on lives, businesses and the economy from the external is inevitable. However, the Company, Diamond Building Products Public Company Limited, is fortunate to come through year 2020 with the outcome results close to year 2019 because of the determinations and perseverance as well as industriousness of the executives and all employees.

Business Performance in year 2020

The Company's total revenue in year 2020 is Baht 4,381.05 million, a decrease from the previous year of 7.72 percent comparing with the revenue in year 2019 of Baht 4,747.55 million. The most common reason for lower income is due to the decrease in sales from projects customers which resulted from the slowdown in real estate business, the closure of large building materials stores (Modern Trade) as ordered by the Center for COVID-19's Situation Administrative (CCSA) and the slump in export businesses reflected from the global economy. The decreased incomes in year 2020 resulted to the profit decrement from 556.65 million baht in year 2019 to 549.51 million baht or down 1.28 percent (If excluding special items from the sale of lands, the profit in 2020/2019 will be 539.33 million baht / 533.38 million baht or an increment of 1.12 percent.). As a result of the shares repurchase in year 2019, earning per share increased from 58.7 satang in year 2019 to 61.6 satang in year 2020, or 4.94 percent, despite a 1.28 percent up drop in profit.

A Proud Year of Achievements

Although the year 2020 was a difficult year, the Company has achieved many accolades, which therefore, could be briefly reported to the shareholders as follows:

(1) **NT11 Project** is an investment project of synthetic wood and natural flat board production line with capacity of 55,000 tons per year, the investment budget of 374.54 million baht, completed within the specified investment budget. The trial production commenced in September 2020 and the commercial production commenced on December 18, 2020. The project has enhanced the production capacity of the entire company by 5% with the production of 1,155,000 tons per year. It is the most advanced machinery of automatic production process and takes only 4 staff per shift to attend.

(2) **Shares Repurchase:** At the time of the onset of the COVID-19 virus, investors started to be alarmed which caused the entire stock dropping in the Stock Exchange of Thailand market. The Company's shares dropped from the average price of about 5.50 baht per share to only 4.50 baht per share. The Board of Directors considered that the said share price had not reflected the true Company's value, in addition, at that time the Company had sufficient liquidity as well as the loan interest rate was much lower than the dividend rate, thus, the shares repurchase would be beneficial to both the Company and the shareholders. Therefore, a resolution was passed on March 23, 2020 to repurchase shares of not exceeding 94,000,000 shares at the price of 5.50 baht per share. After the repurchase of the stocks, the result was as expected. The trading price in the market rose to 5.50 baht per share and gradually rising until now whereas the average price is 6 baht per share and the volume of shares traded per day has increased. In addition, earnings per share in year 2020 increased more than in year 2019 by 4.94%, while the Company's total profit decreased by 1.28%.

(3) **Production Cost Reduction:** Each year the Company's goals are to increase work efficiency and / or reduce production costs. This year, various competent projects have possibly reduced production costs by more than 60 million baht which is slightly higher than the set budget. All of these projects are diverse and have covered each and every department of the Company. Most of these automatic and robotic projects have enhanced work efficiency, purchase of raw materials, recycling waste materials, energy management as well as installing the solar roof of the factory in Khon Kaen which is the second location after the first installation at the alclaved aerated concrete factory, etc.

(4) **COVID-19 Virus Infection Measures:** The Company is committed to taking good care of the employees of the Company. Good measures to prevent COVID-19 virus infection from the Center for COVID-19's Situation Administration (CCSA) have been implemented, as a result, the executives and all employees are safe from infectious diseases.

(5) **Awards of pride:** Like many other passing years, this year the Company was awarded with 8 various accolades from the Stock Exchange of Thailand as well as other institutions, some awards have been receiving continuously for many years, such as the Thailand Sustainability Investment ("THSI") award which this year has become the 4th consecutive year, etc. There are 4 new awards received this year as follows: (1) Royal Award from **Thailand Corporate Excellence Awards 2020** in the category of overall management excellence bestowed by Somdej Phra Kanitthathirajchao Her Royal Highness Princess Maha Chakri Sirindhorn Siam Boromrajakumari, (2) the award of the **Outstanding CEO Awards** from 8 finalists, (3) the award of the **Outstanding Company Performance Awards**, and (4) the award from **Thailand Kaizen Award 2020** of which the Company received an accolade in the **Genba Kaizen group** category, etc.

Vision in year 2021

The speculation from public is that the COVID-19 virus would have to stay with us for at least another 6 months. The Company believes in the capability of preventing measures of the government in order to control the COVID-19 virus as well as strongly believes that the strength of the national fundamentals together with the remedy policy of the government's policies for investment and economic stimulus will positively improve the situations. The Company expects it's growth in year 2021, perhaps at a slower rate, but is confident that it will not definitely be falling further than in year 2020.

The Company takes this opportunity to express its gratitude towards the executives and dedicated employees who have performed their best, thank you agencies, dealers as well as customers who have contributed to the Company's business. Last but not least, thank you all shareholders for the encouragement and support to the Company at all time until today.

|||||

Mr. Prakit Pradipasen
Chairman of the Board



The Company received
**"Outstanding Company
Performance Award"** from
the Stock Exchange of
Thailand and Money and
Banking magazine.

The Company received
"Outstanding CEO Award"
award from the Stock
Exchange of Thailand
and Money and Banking
magazine.



The Company received
"Bronze Award" in Genba
Kaizen category from
Thailand Kaizen Award
2020 by the Technology
Promotion Association
(Thailand-Japan).

STATEMENT FROM THE CHIEF EXECUTIVE OFFICER

A challenge year of 2020 arrived for the executives to tackle the COVID-19 epidemic that has emerged since the beginning of the year. In order to build confidence among all stakeholders, the Company has to move forward on capacity to achieve the set goals as well as continues to focus on the Brand communication strategy **"DIAMOND"** in order to bring about consumers awareness in both domestic and international markets. Along with the slogan **"Complete Set of Beauty, entirely filled with Diamond Brand"** to communicate that the Company is a comprehensive manufacturer of roofing products, wall and flooring systems that can be used in construction and decoration of the entire beautiful houses. The Company has organized a **"DIAMOND Design Contest 2020"** project for the fifth consecutive year. The project's objective is to use diamond building products to build an entire knock-down house of less than 25-squaremetre usable area with the concept of **"Knock-down Home Creates Your Happiness"** in order to lead an alternative choice for general public with a desire to build a created knock-down house under a limited budget as well as for the development of the Company's products in the future.

Distribution channels: The outbreak situation of the epidemic of COVID-19 virus has severely affected the economy in both Thailand and trading partners countries, terribly, it has affected the export of construction materials such as to China and ASEAN countries as well. Moreover, both domestic and international shipments have to be delayed, so the Company has focused on distributing products to the domestic dealer market with potential instead of exporting abroad together with the closure of the modern trade branches. The effort has allowed the Company to gain more income which could compensate the lower income from abroad. Although the overall income has decreased by 7.72% from the previous year, the net profit has still increased to 1.12% (excluding special items) as well as having sufficient liquidity management to carry on the efficient operations.

Marketing and Products Management: The Company has conducted market surveys and analyzed to determine strategies and sales plans whereas in year 2020 new products and services have been added to meet market's demand and drive more in sales revenue. In addition, the data analysis system has been adopting from Data Visualization technology to use in the analysis of sales in order to plan sales-drive to meet the target as well as developed an online ordering system for customers, distributors in the country in order to reduce errors in recording information and increase the management and to be able to rapidly respond to customers' orders and well impress the customers.

Responsibility towards “Society, Community and Environment”: As Chairman of the Corporate Social Responsibility Committee, in responsible for the situation of the epidemic of COVID-19 virus and the impact of PM 2.5 dust which are still important issues affecting environment and well-being of the people of the country, the Company still strives to improve the production process in order to maintain good working environment with the continuity to reduce the impact on society, community and environment, including dust reduction, material and sludge reduction through reusage, energy consumption reduction, amount of carbon dioxide reduction and greenhouse gas emissions reduction, all of which are the cause of global warming. The Company has conducted regular and continuous monitoring of the quality of air, water and noise around the establishments for which, the results maintained in the standard as prescribed by the law in all respects .



Mr. Satid Sudbuntad

Chief Executive Officer



Wisdom Chalet


DECRA ROOF


เดครา หลังคาเหล็กเคลือบหินภูเขาไฟ
Senator Shingle Eclipse

AWARDS OF PRIDE

With business management determination in upholding to the principles of good corporate governance for effective, transparent and fair management as well as maintaining a code of business ethics for “Create Sustainable Business Value” recognized by all stakeholders, in the year 2020 the Company has received 8 awards of pride as follows:

(1) **Thailand Sustainability Investment (THSI) Award of the year 2020 for the fourth consecutive year since 2017** from the Stock Exchange of Thailand and Money and Banking Magazine for listed companies that conduct their business with stability and sustainability with regards to Environment, Society and Governance or “ESG”.

(2) **Five-star Award** () from the project of the Corporate Governance Assessment of Thai Listed Companies year 2020 organized by the Thai Institute of Directors Association, with the score of 91%, which is rated as **Excellent** and presented with the **Top Quartile** ranking award in the market with a stock value of 3,000. -9,999 million baht.

(3) **Four-star Award** () in the quality assessment of the year 2020 convening of the Annual General Meeting of Shareholders from the Thai Investors Association with a score of 99%, which is rated as **Excellent (Very Good)**.

(4) **The ESG 100 award**, the Company was selected as one of the ESG 100 security groups with distinct performance in the environment, society and governance (ESG) from evaluation of year 2020 Listed Securities Assessment companies organized by Thaiptat Institute. The first award was presented in year 2015 and has continued in year 2019 until year 2020.

(5) **Awarded “Thailand Corporate Excellence Awards 2020”** in the category of overall management excellence for organizations with an income not exceeding 10,000 million baht per year from Somdej Phra Kanitthathirat Krom HRH Princess Maha Chakri Sirindhorn Prince Maha Chakri Sirindhorn Maha Vajiralongkornworrachphakdee Sirikit Karinee Peeraphatthana Ratthasima Kunakornpiyachat Siam Boromrajakumari who graciously bestowed the award to the organization with excellence in management. The occasion was organized by the Thailand Management Association in collaboration with Sasin Graduate Institute of Business Administration of Chulalongkorn University.

(6) **SET Awards** for the year 2020 in the **Business Excellence** category with 2 awards: **Outstanding CEO Awards from 8 finalists** and **Outstanding Company Performance Awards** from the Stock Exchange of Thailand and Money and Banking Magazine.

(7) **Thailand Kaizen Award 2020** organized by the Thai-Japanese Technology Promotion Association with a **Bronze Award in the Genba Kaizen Group** from 112 organizations whereas 369 entries were submitted for the contest.

สีจิด สารพัดสอย



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กระเบื้องคอนกรีตคุณภาพแกร่ง



CT เวนิส



CT แกรนออนด้า



อตาบัส

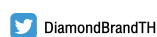
สวยครบเซต ตราเพชรทั้งทาสี



มีจำหน่ายที่ :



บริษัท ผลิตภัณฑ์ตราเพชร จำกัด (มหาชน)



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PART 1 : COMPANY PROFILE AND PERFORMANCE

1. STRUCTURE AND OPERATIONS

1.1 POLICIES AND BUSINESS OVERVIEW

The Diamond Building Products Public Company Limited was established in 1985 under the name of Siam City Tiles and Pipes Company Limited. Formally it was a subsidiary company of Siam City Cement Public Company Limited and the Company's performance was only to manufacture roofing products and pipes to the Siam City Cement Public Company Limited who was responsible for marketing and distribution the entire products of the Company through own distributors.

The policies changed when The Siam City Cement Public Company Limited had changed the shareholder new structure. The Siam City Cement Public Company Limited group of companies then sold all its shares in 2002 to Myriad Materials Company Limited which was established as Holding Company to especially invest in the Company without operating any other business. The major shareholders of the Myriad Materials Company Limited comprising of groups of Mr. Chaikut Srivikorn, Mr. Prakrit Pradipasen and Khunying Sasima Srivikorn.

In addition, the Company had canceled the production of asbestos cement pipes, the original main product of the Company because such product was not marketable. Roofing products became the only main product of the Company. Therefore, on April 3, 2001, the Company changed its name to **Diamond Roofing Tiles Company Limited**, which is now one of the major roof tile manufacturers and distributors in Thailand. And on December 2, 2004 the Company registered to become a public company. On November 9, 2005, the Company received permission from the Securities and Exchange Commission (SEC) to list ordinary shares on the Stock Exchange of Thailand and on November 29, 2005, the first securities trading was made under the stock trading acronym of "DRT". The Company has commenced to produce a wide variety of products in order to be consistent with the new image and support the business expansion in the future which enhancing the Company's overall picture to be contemporary, reliable and universal and can be used with a variety of products other than roof tiles while still being the "Diamond Trademark". Since the Company's products was not only roof tiles, the Company changed its name to **Diamond Building Products Public Company Limited** on January 12, 2011 by being a manufacturer and distributor of roofing products, boards and ceiling, siding boards and other roof accessories and non-roof products as well as being a service provider for roof stripping and installation under the trademark names of Diamond, Roof, Adamas and Jearanai. In addition, Diamond Materials Company Limited is a Company's subsidiary company which is a manufacturer of autoclaved aerated concrete in the northern region of the Company.

1.1.1 VISION, MISSION, CORE VALUES, OBJECTIVES AND STRATEGIES

(1) VISION, MISSION, CORE VALUES

VISION

"TO BE A BETTER CHOICE FOR CONSTRUCTION MATERIALS AND SERVICES"

Mission

"We are in the business of production and distribution as well as providing services relating to roofing tiles, boards and accessories. We believe that operating business with ethics and social responsibility is fundamental for serving the needs and expectations of our customers, employees, society and shareholders, leading to the success of our mission."



FOR OUR CUSTOMERS

We shall deliver quality products and design differentiation with value and competitive pricing by utilizing modern technology and offering excellent services to the customers with our strong distribution channels and effective management.



FOR OUR EMPLOYEES

We shall build and promote an environment of learning and well-being of employees as well as their families in order to allow the employees to achieve their fullest potential.



FOR OUR SOCIETY

We shall support and help the society that we live in to have good quality of life by realizing that the society is an important mechanism for promoting and pushing forward the Company for its existence and sustainable development.



FOR OUR SHAREHOLDERS

We shall create financial return with continuous growth and stability.

Core Values

"We shall be diligent, focused at work, accountable, strive toward success and excellence in order to maintain balance of interest fairly for all stakeholders. We shall operate in unity with honesty and transparency, promote learning and sharing, and continue with unceasing development in order to achieve superior differentiation, as well as care for the society, community and environment for sustainable value generation."

Determined

Transparent

Learning for Development

Environment Protection

The abbreviation, “D-BUILDS” is defined as “Determined, Transparent, Learning for Development, Environmental Protection”, having the meaning for each character of the abbreviation as follows:



Being focused in achieving success with accountability, work diligence and determination.	Insisting on maintaining the balance of interest for all stakeholders with fairness.	Believing that unity will bring on success.	Holding fast to honesty and transparency which will lead to excellence.	Promoting learning and sharing to become intellect and good person accepted by the society.	Unceasing development for superior differentiation.	Caring for the society, community and environment for sustainable value generation.
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(2) OBJECTIVES AND MAIN GOALS

The Board of Directors has established objectives and goals of the Company by considering business that can generate values for the Company, stakeholders, and the society. Many aspects are considered, including the environment, changing factors, utilization of innovations and technologies, the needs of customers and stakeholders, readiness, skills, and competitiveness of the Company as follows.

OBJECTIVES

- 1) The Company shall produce and sell roofing products, board and ceiling products, siding board products, as well as roof accessories and non-roof products. The Company shall also offer roof stripping and installation services under the trademarks of Diamond brand, Adamas brand, and Jeeranai brand, as well as creating innovations as better alternatives for construction material and services.
- 2) The Company shall operate its business for competitiveness, good operating results, and sustainable growth.
- 3) The Company shall operate its business with ethics, transparency, respect and accountability to the rights of shareholders and all stakeholders, as well as contributing to the society and minimizing environmental impact, while being adaptable under changing conditions.
- 4) The Company shall promote communication, bolstering the objectives and goals of the Company as the guidelines for decision making and operations of employees at every level to foster the corporate values.

MAIN GOALS

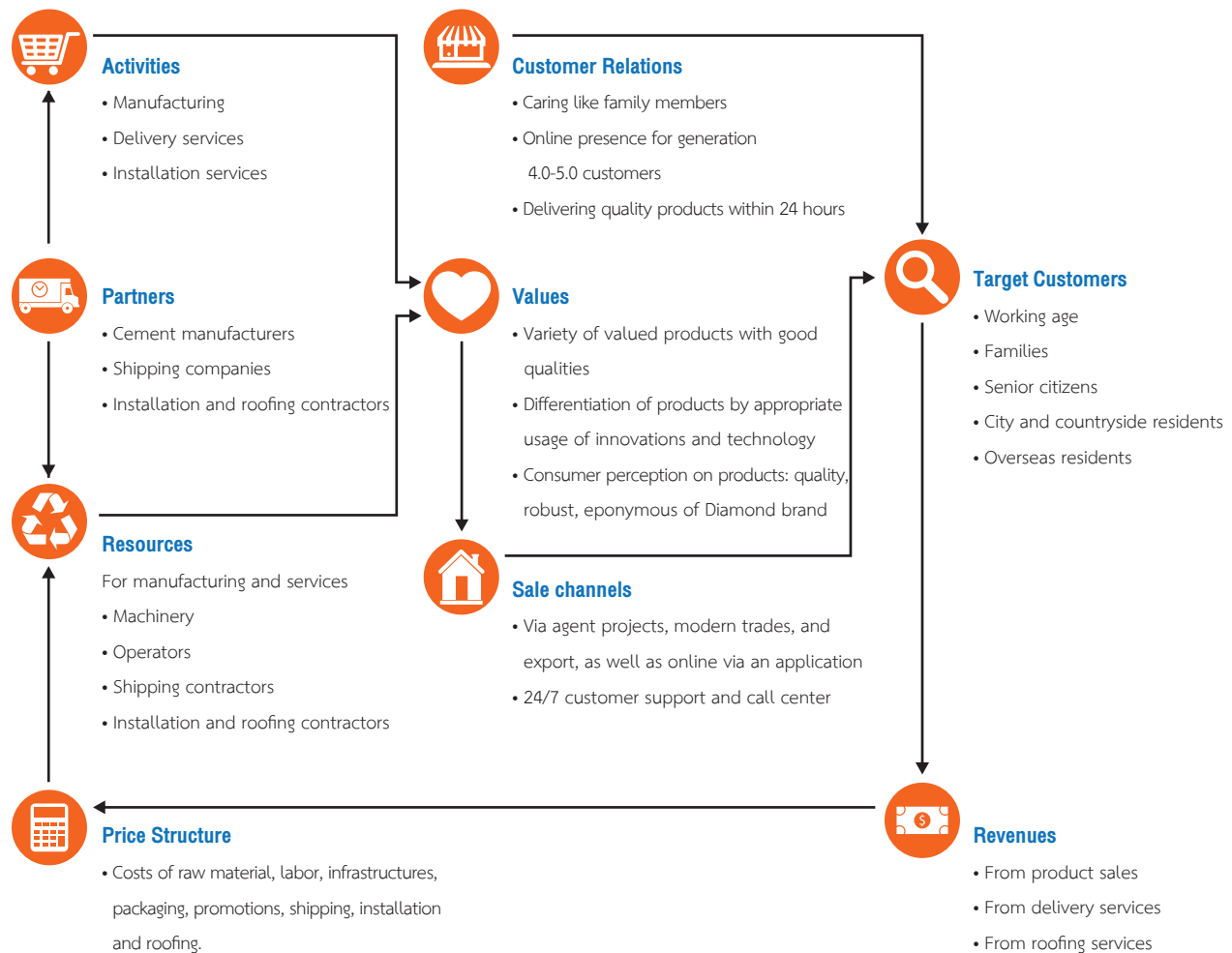
- 1) **Committed on sustainable growth:** By looking after both domestic and export customers in order to retain existing customer base and steadily expand new customer base, creating balance of benefits with mutual agreement of income based on fairness, as well as continuous development of partners to increase competitiveness and support sustainable growth.
- 2) **Emphasis on effective production:** By planning effective and flexible production plan according to sale and marketing plans, creating innovation by implementing automation and robotic technology to improve productivity, and developing new products to enhance competitiveness, meeting consumers' demand and maintain competitive level of cost.
- 3) **Fostering learning focused environment:** By ensuring wellbeing and safety for Diamond People, developing knowledge and capabilities in management, manufacturing, and marketing skills, to drive the organization forward and support the growth in both domestic and overseas market with excellence. With focus on "Innovative Organization," creativity is promoted to sustainably developing the organization.
- 4) **Committed on adequate financial liquidity:** By ensuring that the Company is able to repay debt with measures put in place in case of financial difficulties. Low-cost loans are sourced to support the business operation as per the objectives, main goals, strategies, operational plan, and annual budget. Financial and non-financial information are also reliably disclosed.
- 5) **Standing firm on good corporate governance principles:** By ensuring that the Company adheres to the corporate governance principles, be transparent, auditable, and provides equitable treatment to all stakeholders.
- 6) **Balancing economic, societal, and environmental aspects:** By overseeing that Diamond People balance economic, societal and environmental aspects and supervise on minimizing environmental impact according to the sustainable development framework.

(3) STRATEGY AND OPERATIONAL PLAN

To ensure success of the Company's operations according to the objectives and main goals, the Board of Directors has established a short-term, mid-term, and annual strategy and operational plan according to the objectives and main goals of the Company. It includes environmental analyses; assessment of potential risks of unachieved objectives for the whole value chain; promotion of innovations and implementation of manufacturing technologies to enhance competitiveness, on the basis of social responsibility and sustainability; communication of the objectives and main goals, as well as strategy, and operational plan to the whole organization; and consistently follow up the operations to be in accordance with the strategy and annual plan.

(4) BUSINESSES

The Company is a manufacturer and distributor of roofing products, boards and ceilings, siding boards, and other roof accessories and non-roof products as well as being a service provider for roof stripping and installation under the trademark names of Diamond, Roof, Adamas and Jeeranai, having the following business model.



1.1.2 SIGNIFICANT CHANGES AND DEVELOPEMENTS

Major changes and developments in business operations and management over the past 3 years.

Year 2018

- April • On April 24, 2018, the 33rd Annual General Meeting of Shareholders (Year 2018) passed a resolution approving the reduction of the Company's registered capital in the amount of 99,996,200 baht from the original registered capital of 1,047,958,000 baht to a new registered capital of 947,961,800 baht, divided into 947,961,800 ordinary shares with a par value of 1 baht per share by eliminating the unissued treasury shares according to the share repurchase program for financial management as well as amended the Company's Memorandum of Association, Clause 4 of the Company to be in line with the reduction of registered capital whereas the Company had completed the register of the reduction of registered capital and the amendment of Clause 4 of the Company's Memorandum of Association with the Ministry of Commerce completely on May 18, 2018.

Year 2019

- March • On March 18, 2019, the Board of Directors resolved to approve the 400 million baht investment in the fiber cement production line (NT11) with the production capacity of 55,000 tons per year at Saraburi Plant since the current production line was utilized over 90 percent of the production capacity.
- June • On June 24, 2019, the Board of Directors resolved to appoint two new executives: Assistant Chief Executive Officer and Management Committee Member which effective since July 1, 2019, namely;
1. Mr. Sunthorn Suwannajad: Assistant Chief Executive Officer Production and Engineering and Management Committee Member.
 2. Ms. Peachayanant Lorvorlak: Assistant Chief Executive Officer Sales and Marketing and Management Committee Member.

Year 2020

- March • The Board of Directors' Meeting No. 335 on March 23, 2020, with the resolution approval of a project to buy ordinary shares (Treasury Stock) for financial management within the amount not exceeding 517,000,000 baht and number of shares not exceeding 9.92% of the issued and paid-up shares equivalent to 94,000,000 shares. As of May 26, 2020, the Company bought back a total of 92,928,700 ordinary shares equivalent to the repurchased amount of 511,961,400.11 baht. Such repurchased shares have a period of time to sell the shares back to third parties after 6 months from the completion of the share repurchase, but not more than 3 years. The Company had set a period of sale of repurchased shares from 27 November 2020 to 31 December 2020.
- December • On December 18, 2020, the fiber cement production line (NT11) was operated for the production of synthetic wood and diamond board for commercial sale with the total investment budget of 374.54 million baht, which is 6.37 percent lower than the estimate.

1.1.3 COMPANY PROFILE

Company's Name	Diamond Building Products Public Company Limited
Abbreviation	DRT
Registration Number	0107547001041
Type of Business	Production and distribution of roofing products, boards and ceilings, siding boards, and other roof accessories and non-roof products as well as being a service provider for roof stripping and installation under the trademark names of Diamond, Roof, Adamas and Jearanai.
Registered Capital	947,961,800 ordinary shares at a par value of Baht 1 per share totaling Baht 947,961,800, all being issued and paid-up ordinary shares.

BACKGROUND

1985	August 28, 1985: The Company was established under the name of Siam City Tiles and Pipes Company Limited (SCTP) with Siam City Cement Public Company Limited as a major shareholder.
2001	April 3, 2001: The Company formally changed its name to Diamond Roofing Tiles Company Limited (DRT).
2002	December 26, 2002: There was a change in the shareholding structure with Myriad Materials Company Limited becoming a major shareholder.
2004	December 2, 2004: The Company was incorporated as a public company and became Diamond Roofing Tiles Public Company Limited.
2005	November 9, 2005: The Company was given permission by the Securities and Exchange Commission (SEC) to register its ordinary shares for trading on the Stock Exchange of Thailand (SET) and its shares were first traded on November 29, 2005 under the stock trading acronym of "DRT".
2011	January 18, 2011: The Company formally changed its name to Diamond Building Products Public Company Limited (DBP).
2013	May 9, 2013: Formation and registration of a subsidiary company, Diamond Materials Co., Ltd. with initial, "DMATS".

LOCATIONS

Head Office:	69-70 Moo 1, Mitraphap Road, Km. 115, Tambon Talingchan, Amphur Muang, Saraburi 18000 Tel: 0 3622 4171-8, Fax: 0 3622 4187
Branch Office 1:	408/163-165, Phaholyothin Place Bldg., 40 th Floor, Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400 Tel: 0 2619 0742, Fax: 0 2619 0488
Branch Office 2:	269 Moo 3, Tambon Samran, Amphur Muang, Khon Kaen 40000 Tel: 0 4339 3390-1
Branch Office 3:	169-170 Moo 4, Mitraphap Road, Tambon Tan Diao, Amphur Kaengkhoi, Saraburi 18110 Tel: 0 3622 4171-8 Ext. 401-420

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1.2 BUSINESS OPERATIONS

1.2.1 REVENUE STRUCTURE

As of year ending December 31st for each of the past 3 years:

Products and Services	2020		2019		2018	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenues from sales and services						
1. Revenue from Product Sales	4,069.35	92.89%	4,326.94	91.14%	3,948.85	91.21%
1.1 Roofing Products	2,123.48	48.47%	2,232.40	47.02%	2,018.02	46.61%
1.2 Board and Ceiling Products	715.09	16.32%	742.69	15.65%	747.51	17.27%
1.3 Siding Board Products	830.90	18.97%	838.52	17.66%	771.57	17.82%
1.4 Special Products	399.88	9.13%	513.33	10.81%	411.75	9.51%
2. Revenue from Services	311.70	7.11%	420.61	8.86%	380.50	8.79%
Total Revenues from sales and services	4,381.05	100.00%	4,747.55	100.00%	4,329.35	100.00%

1.2.2 PRODUCT INFORMATION

(1) PRODUCT CHARACTERISTICS

The Company produces and distributes roofing products, boards and ceilings, siding boards, and other roof accessories and non-roof products as well as being a service provider for roof stripping and installation under the trademark names of Diamond, Roof, Adamas, and Jearanai. The Company's five main groups of products are as follows.

(A) **Roofing Product Group** is divided into 2 categories as follows.

- 1) Fiber Cement Tile Group, namely Roman Tiles, Small Corrugated Tiles, Jatulon Tiles, Jearanai Tiles and Fiber Cement Ridges, etc.
- 2) Concrete Tile Group, namely CT Diamond, CT Venice, Adamas and Concrete Ridges, etc.

(B) **Board and Ceiling Product Group**, namely Boards, Ceiling or “**Diamond Board**”, Autoclaved Aerated Concrete or “**Diamond Block**”, Lintel or “**Diamond Lintel**” and Kitchen Counter or “**Diamond Counter**”, etc.

(C) **Siding Board Product Group**, namely Siding Boards, Lathes, Eaves, Fences and Floor Plank, etc.

(D) **Special Products Group**, consisting of 2 product groups as follows:

- 1) Roof Accessory Group, namely Heat Insulators, Foils, Bird Guards and Mortar Paint, etc., including steel roof with volcanic rock coating “**DECRA**”.
- 2) Non-Roof Product Group, namely Truss, Beam, Purlins and Gypsum Boards, etc.

(E) **Roof stripping and installation services** comprises of truss, roof and siding board product group by the team of experts and installation teams who have received training and examination from the Company to build confidence for the customers that whenever the Company's product is purchased, there will be good and effective installation and after-sales services, which can be summarized as follows.

- 1) Installation service from the central part stationing at Saraburi Plant who are experts normally work on housing projects, etc.
- 2) Installation service in the local part stationing at the distribution agents throughout the Country by local technicians whom have been trained and examined on knowledge and skills on installation of roof, truss and siding board group of products professionally, capable of transferring their knowledge to other local technicians, creating job and revenue for the people in the surrounding communities, including recommendation on the correct methods for disposal of wastes or scraps from work to help reduce air pollution.

(2) MARKETING AND COMPETITION

(A) Industrial Situation and Competition

The situation of the COVID-19 epidemic that has occurred since February 2020 has had a serious impact on the employment and income of the public sector, as a result, the purchasing power in the country continues to decline. Decision to purchase housing has been postponed, moreover, foreign real estate purchasing power has decreased due to the closure of the countries. Some real estate developers have postponed the launch of new projects. The competitors' strategy of Fighting Brand in all sales channels causing severe price competition. In summary, the overall picture of the private construction business in year 2020 declined by 7.8%, caused by the industrial situation and the competitions which can be summarized as follows:

Industrial Situation and Competition

1) Operators in the Industry

Operators in the industry compete by developing products to meet the demand of consumers, especially wall boards and wood substitute products. With surplus production capacity in many product groups, all operators thus focus on maintaining their market bases, and the trend of the competition continues to be fierce.

2) Competition in Domestic Market

Due to the impact from stagnant economy, some manufactures using the Fight Brand strategy focusing on price mechanism resulting in fierce price competition and the increase of popularity of substitute products due to the attractive selection and colors along with quick installation, such as Metal Sheet forcing the operators to adapt to the changing situation.

Domestic Market Shares in year 2019 are as follows:

Manufacturers (Unit: Million Baht)	Sales in year 2019	
	Amount	Market Share
1) Siam Cement Group	10,754.64	43.23%
2) Mahaphant Group	6,335.95	25.46%
3) Diamond Building Products	4,747.55	19.08%
4) Kitermit Group (Olanvanich)	855.73	3.44%
5) Conwood	1,050.44	4.22%
6) Thai Ceramic Roofing Tiles Co., Ltd.	1,138.02	4.57%
Total	24,882.33	100.00%

Source: Department of Business Development, Ministry of Commerce

3) Competition in Foreign Market

In year 2020, the value of exported roofing tiles, siding boards, boards and ceilings from Thailand to foreign market was Baht 6,611.32 million, an increase of 1.19 percent from year 2019, being categorized according to trading countries as follows:

Export Value of Construction Products are as follows:

Product Description (Unit: Million Baht)	2020	2019	2018
Fiber Cement Tiles	843.37	1,000.07	1,157.72
Concrete Tiles	741.79	813.68	772.75
Boards and Ceilings	4,377.83	4,345.18	4,432.61
Siding Boards	648.33	374.82	316.61
Total Export Value	6,611.32	6,533.75	6,679.69
Expansion rate increase (decrease) (%)	1.19%	(2.18%)	10.60%

Source: Thai Customs Department

Trading Countries

Trading Countries (Unit : Million Baht)	Fiber Cement Tiles	Ratio	Concrete Tiles	Ratio	Boards & Ceilings	Ratio	Siding Boards	Ratio
Philippines	18.46	2.19%	8.12	1.09%	1,302.68	29.76%	5.74	0.89%
Myanmar	13.57	1.61%	11.26	1.52%	983.95	22.48%	53.26	8.21%
Cambodia	175.56	20.82%	403.79	54.43%	343.43	7.84%	35.98	5.55%
Laos	393.17	46.62%	311.25	41.96%	268.62	6.14%	79.58	12.27%
China	18.09	2.15%	2.40	0.32%	0.34	0.01%	0.59	0.09%
United Kingdom	78.89	9.35%	0.00	0.00%	2.65	0.06%	0.57	0.09%
Vietnam	39.09	4.64%	0.00	0.00%	636.47	14.54%	9.44	1.46%
India	2.50	0.30%	0.09	0.01%	120.61	2.75%	0.57	0.09%
Indonesia	5.15	0.61%	0.00	0.00%	65.15	1.49%	0.22	0.03%
South Korea	2.59	0.31%	0.00	0.00%	149.37	3.41%	0.56	0.09%
Others	96.29	11.40%	4.88	0.67%	504.56	11.52%	461.82	71.23%
Total Export Value	843.37	100.00%	741.79	100.00%	4,377.83	100.00%	648.33	100.00%

Source: Thai Customs Department

The Company mainly exports its products to neighboring countries adjacent to Thailand, namely Laos, Cambodia, Myanmar and China, etc. Since the products are heavy and fragile with high transportation cost, there is a limitation for long distance transport. Total export value for year 2020 was at Baht 671.49 million or 10.16 percent of the total export value, a decrease of 8.02 percent from the previous year as a result of the export to Laos, Cambodia, Myanmar, Vietnam and China decreased 7.58 percent from year 2019 due to the epidemic situation of the COVID-19.

4) Future Competitive Trends

- **Roofing Product Group:** The Roman tile and small corrugated tile product groups have been affected by substitute products such as metal sheets and concrete roof tiles with the competitive trend from the decreasing market value due to the stagnant market growth.

- **Wood Substitute and Board Group:** Due to the growing trend of the repair market, new products must be continuously developed to support various applications, being able to truly substitute real wood and expediently meet the market's demand. With surplus production capacity and fierce competition remain, the management on sales promotions is important in order to drive sales and win market share.

- **Autoclaved Aerated Concrete Group:** From economic slowdown and the surplus production capacity, the competition has become fierce for steel reinforced autoclaved aerated concrete product. Increasing of communication, using and expanding distribution channels to enlarge the demand for more products such as prefabricated kitchens and counters, etc.

(B) Trading Partner Characteristics and Distribution Channels

The following table depicts the revenue and ratio from both domestic and foreign or export market sales:

Revenue from Sales (Unit: Million Baht)	2020	Ratio	2019	Ratio	2018	Ratio
1) Domestic Market	3,397.86	83.50%	3,596.90	83.13%	3,262.66	82.62%
• Agent Group	2,407.83	59.17%	2,300.10	53.16%	2,139.78	54.19%
• Modern Trade Group	646.86	15.90%	777.68	17.97%	633.61	16.05%
• Housing Project Group	343.17	8.43%	519.12	12.00%	489.27	12.38%
2) Foreign Market (Export)	671.49	16.50%	730.04	16.87%	686.19	17.38%
Total	4,069.35	100.00%	4,326.94	100.00%	3,948.85	100.00%

The Company has four main distribution channels as follows:

1) **Domestic Market** has revenue proportion of 83.50 percent, categorized into 3 groups as follows:

- **Agent Group:** Distribution agents in year 2020 consisting of 681 stores and more than 6,000 stores covering 77 provinces through out Thailand with policy to maintain former distribution agents and increase continuously new distribution agents.

- **Modern Trade Group:** This group consists of modern trade stores in the country with expansion in year 2020 as follows: (1) Thai Watsadu increased to 55 from 50 stores (2) Global House increased to 69 from 64 stores (3) Mega Home increased to 14 stores and (4) Home Shop increased to 9 stores.

- **Housing Project Group:** This group consists of several housing or residential projects such as Land and House, AP, Quality House, Supalai, Sansiri etc. This year the focus was on government projects and projects in outer provinces.

2) **Foreign Market (Export):** These channels account for 16.50 percent of the revenue. Foreign distribution agents in year 2020 consisting of 70 stores but the export slowdown affected by the severe impact of the COVID-19 epidemic in China, India and Myanmar along with the price decreasing adjustment by the competitors in foreign market. Therefore, the Company has aimed to expand the market into other countries in order to increase revenue as a compensation to the decrement in foreign market.

(C) Competitive Strategies

The Company has established strategy and marketing plan in accordance with the established target including regularly reviewed the strategy in order to meet the established strategy, which can be summarized as follows:

1) Development of Service Excellence

The Company continues to focus on the improvement of efficient service with an emphasis on development of sales personnel and after sales team in order to provide the consumers and customers with the most effective services. Survey forms are distributed to assess customer satisfaction with the services in order for further improvement. Furthermore, additional communication channels with the Company via the call center, tele sales and digital marketing system have been introduced to increase efficiency in case of rush orders.

2) Development of timely and efficient product delivery

The Company places priority on online order for prompt and efficient product orders and develop Supply Chain system according to the policy of product delivery to customer within 24 hours as well as paying a visit to the customer to provide advice on appropriate logistics and orderly product storage.

3) Development of products with better differentiation

The Company still emphasizes on research and development on new products to meet the market demand, such as, Eaves Plus to increase differences and technology of glossy and durable roofing colors to the product. For Decra roof, vintage imported product, is to respond to the need of customers who want metal sheet roof products with good quality, noise and heat reduction for the house, etc.

4) Fair and competitive pricing

The Company continues to exercise its policy on a fair and competitive pricing by stressing on the quality on a variety of products, providing reasonable and competitive returns to the distribution agents which are acceptable by all parties.

5) Strengthening of competitive distribution channels

The Company focuses on taking care of the distribution agents as members of the Diamond Family and development of distribution agents to be strong and become important force for pushing Company's products forward along with increasing the number of new distribution agents with capability to cover the whole country in order to increase its market share. On products communication channels in year 2020, with the COVID-19 epidemic situation, the Company has focused on products accessibility by customers via Facebook Live, Online advertisement and Television Commercial (TVC) etc.

6) Development of a Product Distribution Center and Regional Production Base

The Company emphasizes on development of the product distribution centers and production bases in the provincial areas, as well as increase of products to be manufactured at the regional production bases to cover all products required by customers and consumers. Currently, the Company has altogether two locations for product distribution center and regional production base as follows:

- CT-KK Project: is the first expansion of concrete tile production base with production capacity of 50,000 tons per year with the commencement on 2014 as a product distribution center to the Northeastern region and overseas. The base situated at Khon Kaen province.
- AAC-CM Project: The Company established a subsidiary company, Diamond Materials Co., Ltd. (DMATS) in machinery for production of the autoclaved aerated concrete in Chiang Mai Province with production capacity of 50,000 tons per year commencing in year 2013.

(3) MANAGEMENT OF PRODUCTS

(A) Production

The Company has continued to expand its production capacity and in year 2020 the line production NT11 has increased to 55,000 tons per year enabling current production capacity to total of 1,155,000 tons per year. In year 2020, the Company's overall utilization of the production capacity was estimated at 91 percent which increased from production capacity of 89 percent from the previous year, due to sales channel expansion and regional market expansion. In regard of NT11 line production expansion to manufacture the product of synthetic wood group and Diamond board in order to serve the insufficient supply to the market demand in the future.

(B) Procurement of raw materials

The Company has provided its categorized Procurement Handbook as a clear and effective guideline and procedure by separating into categories starting from procurement, purchase order up to the receipt of products and services in both domestic and foreign countries which can be summerizes as follows:

- **Domestic sources:** raw materials such as Portland cement, sand, paint, paper pulp, and other raw materials are purchased from domestic sources. The proportion of raw material purchased from domestic sources has increased from 63.26 percent in year 2019 to 70.32 percent in year 2020.

- **Foreign sources:** raw materials such as asbestos, synthetic fibers and paper pulp, etc., are produced overseas. The proportion of raw material purchased from overseas sources has decreased from 36.74 percent in year 2019 to 29.68 percent in year 2020.

(C) Problems concerning raw materials

The Company has never faced problem with raw material shortage as the Company has efficient planning and management in the procurement system, including procurement from various trading partners for each product type. The Company also searches for new sources of raw materials as reserve to prevent risk from raw material shortage. Additionally, the Company has good cash flow, sufficient revolving credit and long-established relationships with trading partners, which have created trust and credibility from the trading partners.

(4) ASSETS USED IN BUSINESS OPERATIONS

(A) Fixed assets used in business operation

As of December 31, 2020, the Company has fixed assets used in business operations totaling 1,946.22 million baht located on the following areas:

- 1) DBP-1: 69-70 Moo 1, Mitraphap Road, Km.115, Tambon Talingchan, Amphur Muang, Saraburi Province.
- 2) DBP-2: 169-170 Moo 4, Mitraphap Road, Tambon Tan Diao, Amphur Kaengkhohi, Saraburi Province.
- 3) CT-KK: 269 Moo 3, Tambon Samran, Amphur Muang, Khon Kaen Province.

For subsidiary company, main fixed assets used in business operations totaling 90.38 million baht located at 263, Moo 10, Tambon Maefae, Amphur Sansai, Chiang Mai, which can be summarized as follows:

Asset Types	Company		Subsidiary Company		Total Book Value (in thousand Baht)
	Property	Book Value (in thousand Baht)	Property	Book Value (in thousand Baht)	
1) Land *	Owned assets total of 17 title deeds	210,522	Owned assets total of 9 title deeds	20,097	230,619
2) Building structure	Owned	299,646	Owned	40,745	340,391
3) Machinery and equipment	Owned	1,390,212	Owned	29,141	1,419,353
4) Office furniture fixture and equipment	Owned	20,411	Owned	117	20,528
5) Vehicles	Owned	3,157	Owned	283	3,440
6) Asset under construction	Owned	22,274	Owned	-	22,274
Total		1,946,222		90,383	2,036,605

Remarks : * Company's land is the land where the factories and office buildings situated with a total area of 328 rai 2 ngan 10 square wa, for a subsidiary with a total area of 34 rai 2 ngan 44.80 square wa.

In the year 2020, the main fixed assets used in business operations of the Company and such subsidiary have not been used as collateral in any way.

As of December 31, 2020, the Company has investment property of 20.06 million baht, and the Company been appraised land that is not in use in year 2019 by Sasiratchada Company Limited, an appraisal company approved from the SEC, but for the subsidiary, there is no fixed asset of not-used type which can be summarized as follows:

Asset Type	Company			
	Location	Property	Book Value (in thousand baht)	Appraised Value (in thousand baht)
Investment property *				
Land	Lampang Province	Total of 5 title deeds	20,059	50,239
Total			20,059	50,239

Remarks : * Investment property has a total value of 20.06 million baht from the appraisal of land, every plot of land has a higher appraisal value than the cost. In year 2019, the Company reversed the allowance for impairment set in 2016 in the amount of 1.70 million baht.

Details of the property appraisal can be found in Attachment 4.

For the year 2020, the said investment property of the Company and subsidiaries have not been used as collateral in any way. In the future the Company may consider the development of such land to enhance the Company's operational capability.

As at December 31, 2020, the Company has right-of-use assets of 55.18 million baht, which are lease assets in accordance with IFRS 16 "Lease Agreement" from 1 January 2020 onwards the Company had to recognize it as assets, use rights and lease liabilities, for a subsidiary, there is no right to use assets which can be summarized as follows:

Asset Type	Company
	Book Value (in thousand baht)
Right-of-use assets	
1) Land	1,342
2) Building Structure	1,844
3) Machinery and equipment	-
4) Office furniture fixture and equipment	-
5) Vehicles	51,991
Total	55,177

(B) Intangible Asset

As of December 31, 2020, the Company had intangible assets totaling 4.93 million baht and its subsidiaries had intangible assets of 7.24 million baht consisting of the whole amount of deferred license fee which can be summarized as follows:

1) Deferred royalties and technical assistance fee

The Company has improved the production process that requires the purchase of copyrights and technical support. In year 2020, the Subsidiary Company has to pay for the autoclaved aerated concrete production formula worth 30 million baht with deferred license fee for a period of 10 years according to the estimated machine life whereas the deferred charge commenced from 1 June 2013.






2) Software licence fee

The company has improved the information technology system in order to develop an efficient work system and connect the entire organization which can be summarized as follows:




- Year 2008: Developed all information technology systems into Enterprise Resources Planning (ERP) by using SAP ECC6 software to replace the former system. The royalty fee was of 23.86 million baht with deferred license fee for a period of 10 years based on the estimated useful life of the machinery. The deferred charge had commenced from January 2, 2008.
- Year 2009: Further improved the information technology system at the Khon Kaen distribution center. The royalty fee was 0.58 million baht with deferred license fee for a 10 years amortization period based on the estimated useful life of the machinery. The deferred charge had commenced from October 1, 2009.
- Year 2010: Developed the electronic office system (E-Office) Version 4.01.05 to increase the speed in the operation of various documents as well as keep abreast of decisions. The royalty license fee is 0.09 million baht, with a deferred license fee of a 10years amortization period based on the useful life of the software. The deferred charge had commenced from July 19, 2010.
- Year 2012: Developed further the Information Technology Business Intelligence: BI from ERP SAP system to assist in management and data analysis for decision making which enhancing the capability to analyze data from various aspects. The royalty license fee was 4.86 million baht and the license fee was deferred with a 10years amortization period based on the lifetime estimate of the software. The deferred charge had commenced from January 31, 2012.
- Year 2012: Developed the Human Resources Management System (HRMS) to assist in managing human resources to be more efficient and speedier. The royalty license fee was 1.76 million baht with a deferred license fee of a 10years amortization period based on the lifetime estimate of the software. The deferred charge had commenced from December 24, 2012.
- Year 2013: Updated SAP ECC6 Information Technology System Software for use at the autoclaved aerated concrete plant. The license fee was 1.85 million baht, with deferred license fee for 10 years according to estimated machine life. The deferred charge had commenced from June 28, 2013.
- Year 2019: Developed Document Flow (K2) system to improve the document work processes within the company to be more efficient and faster. It also helps to economize the use of paper such as purchase requisition system (PR) and product cash receipt (RC), etc. The royalty license fee of 2.53 million baht, with deferred license fee with a 10 years amortization period based on the estimated useful life of the software had commenced the deferred charge from May 29, 2019.
- Year 2019: Developed Business Intelligence: BI (Qlik Sense) information technology system to assist in management and data analysis for decision making which enables to analyze data from various angles as well as the capability to present reports in various formats to executives in attractive applications such as data analysis on sales and marketing, etc. The royalty license fee was 0.76 million baht with deferred license fee for a period amortized 10 years based on software lifetime estimates. The deferred charge had commenced from May 29, 2019.
- Year 2020: Developed a program of designing-removing roof structures and shingles (Sketchup Plugin) to increase accuracy in roof tile removal and cost effective installation cost estimation. including reducing errors in communications of information, etc. The royal license fee was 0.65 million baht with deferred license fee of a 10 years amortization period based on the software lifetime estimate. The deferred charge had commenced from March 8, 2020.

(C) Trademark

The Company has registered 24 trademarks with the Department of Intellectual Property, Ministry of Commerce as follows:

Trademark	Product	Registered No.	Country of Registration	Date of Registration	Expiry Date
1), 2), 3), 4) Diamond image and roof tile 	- Cement, ready-mixed concrete Ceramic tiled roof Concrete tiled roof Construction lime Ready-mixed concrete slabs Ready-mixed concrete wall panels Cement columns Prestressed concrete piles Prefabricated paving blocks Cement pipe, gypsum board, ceramic tiled floor Cement tiled roof, block brick	Kor.142373 8856 2852/02 18146/03	Thailand Laos Myanmar Cambodia	23 February 1987 26 April 2012 23 May 2002 8 April 2012	21 February 2027 25 April 2022 Indefinite 7 April 2022
5), 6), 7), 8) Thai alphabets of Nor,Gor,Tho in a house 	- Cement, ready-mixed concrete Ceramic tiled roof Concrete tiled roof Construction lime Ready-mixed concrete slabs Ready-mixed concrete wall panels Cement columns Prestressed concrete piles Prefabricated paving blocks Cement pipe, gypsum board, ceramic tiled floor Cement tiled roof, block brick	Kor.142905 8855 2851/02 17257/03	Thailand Laos Myanmar Cambodia	23 February 1987 26 April 2012 23 May 2002 8 April 2012	21 February 2027 25 April 2022 Indefinite 7 April 2022
9), 10), 11), 12) Diamond image and roof tile 	- Cement, ready-mixed concrete Ceramic tiled roof Concrete tiled roof Construction lime Ready-mixed concrete slabs Ready-mixed concrete wall panels Cement columns Prestressed concrete piles Prefabricated paving blocks Cement pipe, gypsum board, ceramic tiled floor Cement tiled roof, block brick	Kor.170424 8857 2853/02 18147/03	Thailand Laos Myanmar Cambodia	12 April 2001 26 April 2012 23 May 2002 8 April 2012	11 April 2021 25 April 2022 Indefinite 7 April 2022
13) Diamond image and ADAMAS English alphabet 	- Cement, ready-mixed concrete Ceramic tiled roofing Concrete tiled roofing Construction lime Ready-mixed concrete slabs Ready-mixed concrete wall panels, cement columns Prestressed concrete piles, Prefabricated paving blocks Cement pipe, gypsum board, ceramic tiled floor Cement tiled roof, block brick	Kor.415667	Thailand	21 May 2014	20 May 2024
14) Diamond image and Thai alphabet read Jearanai 	- Roofing tiles Non-metal wall panels Flat tiles Non-metal floor cornice Non-metal skirting board and ceiling Non-metal laths Non-metal eaves decoration material Non-metal building material sheets Non-metal wooden covers Non-metal eaves Non-metal slabs	Kor.415647	Thailand	21 May 2014	20 May 2024

Trademark	Product	Registered No.	Country of Registration	Date of Registration	Expiry Date
15) Diamond image and Thai alphabet read Jearanai 	- Roofing tiles Non-metal wall panels Flat tiles Non-metal floor cornice Non-metal skirting board and ceiling Non-metal laths Non-metal eaves decoration material Non-metal building material sheets Non-metal wooden covers Non-metal eaves Non-metal slabs	Kor.242367	Thailand	29 August 2015	28 August 2025
16) Diamond image and English alphabet Jearanai 	- Roofing tiles Non-metal wall panels Flat tiles Non-metal floor cornice Non-metal skirting board and ceiling Non-metal laths Non-metal eaves decoration material Non-metal building material sheets Non-metal wooden covers Non-metal eaves Non-metal slabs	Kor.242368	Thailand	29 August 2015	28 August 2025
17) Diamond image and roof tile with English alphabet read Gran Onda 	- Non-metal roof tiles	Kor.242366	Thailand	30 August 2015	28 August 2025
18) Diamond image and Thai alphabets read TRAPETCH ULTRA TRUSS 	- Metal roof structure Metal roof structure used in construction Metal roof mounting bracket Metal roof structure for buildings Metal roof structure used in construction Prefabricated steel roof structure Metal roof structure Steel roof structure, Aluminum roof truss Metal parts used in roof assemble	Kor.374979	Thailand	28 April 2011	27 April 2021
19),20) Diamond image and Thai alphabets read TRAPETCH CERAMIC 	- Cement adhesive, cement adhesive for tiles, cement adhesive for mosiac, ceramic and marble, floor tile adhesive - Tile grout, ready-made tile grout	Kor.376100 Kor.388211	Thailand Thailand	18 April 2012 18 April 2012	17 April 2022 17 April 2022
21) Diamond image and English alphabets read DCERA 	- Ceramic roofing tiles	Kor.386091	Thailand	19 June 2012	18 June 2022

Trademark	Product	Registered No.	Country of Registration	Date of Registration	Expiry Date
22) Diamond image and English alphabet capital D 	- Cement adhesive, cement adhesive for tiles, cement adhesive for mosaic, ceramic and marble, floor tile adhesive, wall tile adhesive, construction adhesive - Readymixed mortar, cement Construction cement, readymixed cement, normal cement, concrete cement, normal concrete cement surface, fine concrete cement surface, caulking cement	Kor.397139 Kor.397140	Thailand Thailand	18 February 2013 18 February 2013	17 February 2023 17 February 2023
23) English alphabet D 	- Brick, autoclaved aerated concrete, construction brick, flooring or wall cladding brick, refractory brick, heat-resistant brick, construction brick	Kor.399486	Thailand	5 April 2013	4 April 2023
24) English alphabets D-BP 	- Galvanized sheet	Kor.422159	Thailand	3 January 2014	2 January 2024

(D) Future Projects

In year 2020, the Company has expanded production capacity as well as researched in developing new products by utilizing technology and innovation in the production process to be modernized as well as increasing production efficiency, reducing production costs and also impacts to environment. The processes to enhance competitiveness, support sustainable growth in the future are as follows:

1) Robotization Project is an automation development in robotic machine superseding human labor in areas with risks in order to increase production efficiency, reduce production costs and human labor requirement. Currently, 6 robotic machine projects have been developed, such as RID Robopack CT (cover), Robopack 4, Robopack 5, Robot-CL5 and the developments to improve 5 automation machinery projects, such as the automatic wood lifting project and the automatic wood splitters project, etc. The objective is to develop 50 projects of automation and robotics continuously to cover the entire organization within the next 5 years in order to abide a sustainable “innovation organization”.

2) Smart Factory Project: Its objective is to introduce Internet of Thing to be used to measure the operation of machines in real time which will be further developed into all production lines in the future. The preparation of 3 pilot projects are as follows:

- Smart Maintenance NT8: To be used as data providing in NT8 line production maintenance.
- Smart Water Supply: To control the production of water supply and flood prevention.
- Wireless sensors for drainage monitoring: To prevent flooding.

3) **Robotic Process Automation (RPA) Project:** By developing RPA to be used in superseding time-consuming work and repetitive work in order to reduce the waste of work, increasing accuracy and speed of work such as accounting and finance, production and logistics as well as customer service work etc.

4) **Circular Economy Project:** The objective is to reduce environmental impact, cost of handling industrial waste by means of recycling, resource consumption, energy consumption which possibly enable to reduce the amount of carbondioxide and global warming. All of these according to the sustainable development guidelines.

5) **Information Management Project:** Technology has been brought to assist managing information which increasing efficiency and reducing errors in data recording as well as reducing the amount of paper consumption. The action plans for the year 2021 are as follows:

- Logistics System Program: developing automatic receiving-dispatching management system which connected to the SAP system in order to increase operational efficiency and reduce errors in recording information of transporters
- Sketchup Plugin Phase2 Program: developing a design-replication program for calculation systems of wall, ceiling, floor, autoclaved aerated concrete and countertops which increasing the accuracy of drawings and installation cost estimate, reducing errors in communication, etc.
- Auto Creation Program: installation of services by developing information systems in order to reduce manual work processes resulting in faster process and more accuracy.
- K2 Program: developing the approval of an online purchase order (PO) system which reduces work processes in the purchasing system. The system will create a purchase order (PO Form) and deliver to the sellers automatically resulted in reducing work time, less paperwork, and errors in document submission for approval at each process.
- E-receipt & E-Tax Invoice Program: developing the online submission in accordance to the Revenue Department's policy, the implementation will commence in the year 2021.

1.3 SHAREHOLDING STRUCTURE OF THE CORPORATE GROUP

1.3.1 INVESTMENT IN SUBSIDIARY COMPANY

The Board of Directors has established policies and operations for the subsidiary company and other businesses, which the Company has significant investment at appropriate level for each business as follows:

(1) The Board of Directors has established a governance policy for the subsidiary company as follows:

(A) The Board of Directors shall appoint directors, executives, or other authorized persons in subsidiary company in writing to ensure operations that are compliant with the parent company.

(B) The scope of duties and responsibilities of the representatives as in 1.1 is established according to the policy of the subsidiary company. In case of joint investment with other parties, the representatives shall perform their duties at their best for the subsidiary's interest and in compliance with the policy of the parent company.

(C) The internal control system and risk management system for the subsidiary company are suitably, adequately, and circumspectly established, ensuring that transactions are compliant with related laws and regulations.

(D) Information to be disclosed include financial status and operating results, related party transactions, acquisition or disposition of assets, other important transactions, capital increase and reduction, and closure of subsidiary company, etc.

(2) Significant rules and criteria for joint investment in other business have been established, such as, holding shares with voting right of equal to or more than 20 percent, but not exceeding 50 percent, as well as investment amount or required additional investment that is significant to the Company. The Board of Directors has also established that a Shareholders' Agreement or other agreements shall be made to make certain the executive authorities and role in decision making on important matters.

(3) The operating results of the subsidiary company are monitored to ensure that the information can be used to prepare Company's consolidated financial statements in accordance with the standards and within the specified period.

The Company has invested in a subsidiary company with direct shareholding of more than 50 percent having details as follows.

Diamond Materials Co., Ltd. (Registered in Thailand) Registration Number 0105556075009

Location:

Head Office: 408/163-165 Phaholyothin Place Bldg., 40th Floor, Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400 Tel: 0 2619 0742, Fax: 0 2619 0488

Branch Office: 263, Moo 10, Tambon Maefaek, Amphur Sansai, Chiang Mai 50290
Tel: 0 3622 4171-8 Fax: 0 3622 4187

Type of Business: Production and Distribution of Autoclaved Aerated Concrete.

Registered Capital: 2,000,000 ordinary shares at a par value of Baht 100 per share, totaling Baht 200,000,000.

Paid-up Capital: 2,000,000 ordinary shares at a par value of Baht 100 per share, totaling Baht 200,000,000.

Company's Shareholding: 1,999,995 ordinary shares at a par value of Baht 100 per share, totaling Baht 199,999,500, a direct shareholding of 99.99 percent of the paid-up capital.

Business Structure

Diamond Materials Co., Ltd. is a subsidiary company, registered in Thailand by Diamond Building Products Public Co., Ltd. (Parent Company) holding 99.99 percent of the paid-up capital in a business of production and distribution of autoclaved aerated concrete. The manufacturing plant is located at San Sai District, Chiang Mai Province, having a production capacity of 50,000 tons per year, using cement and sand as the main raw materials.

1.3.2 SHAREHOLDERS

(1) MAJOR SHAREHOLDERS

Top ten major shareholders and their shareholding proportions.

10 Largest Shareholders		No. of Shares	Proportion
1)	Myriad Materials Co.,Ltd.	487,847,900	51.46%
2)	Diamond Building Products Public Company Limited **	92,928,700	9.80%
3)	Bualuang Long-Term Equity Fund	23,947,600	2.53%
4)	Bualuang Long-Term Equity Fund 75/25	15,690,400	1.66%
5)	Mr. Prakit Pradipasen *	15,169,500	1.60%
6)	Mr. Prinya Tieworn	14,000,000	1.48%
7)	Thai NVDR Co.,Ltd.	13,731,098	1.45%
8)	Mrs. Siriwan Jungthirapanich	11,000,000	1.16%
9)	Bualuang Siriphol Corporate Governance	10,433,500	1.10%
10)	Mr. Satid Sudbuntad	9,000,000	0.95%
11)	Others	254,213,102	26.81%
Total		947,961,800	100.00%

Remark: * Number of shareholding including spouse and minor child.

** The Company holds 92,928,700 shares from the Treasury Stock Program for financial management purposes and the period for the resale of shares is from November 27, 2020 to December 31, 2020. Details of this program can be checked from the Company's notification to the Stock Exchange of Thailand or the Company's website.

The Company has determined the name list of shareholders with rights to attend the 36th Annual General Meeting of Shareholders (Year 2021) and rights to receive dividends on the Record Date of Tuesday, March 9, 2021.

Currently, Myriad Material Co., Ltd. is the major shareholder of the Company, having the group of Mr. Chaikut Srivikorn and group of Mr. Prakrit Pradipasen as the major shareholders of both directly and indirectly with shareholding of 40.00 percent and 25.11 percent, respectively. Accordingly, the representatives of Myriad Materials Co., Ltd. group, having five positions of directorship in the Company, namely Mr. Prakrit Pradipasen, Mr. Chaikut Srivikorn, Mr. Warayu Pradipasen, Mr. Chatchai Teepsuwan and Mr. Kamolaphat Teepsuwan.

Nevertheless, with regard to the approval of related transactions, the Board of Directors has established measures or procedure for approval of related transactions that have conflict of interest by having them inspected by the Audit Committee first before proposing to the Board of Directors and/or the Shareholders' Meeting for consideration and approval and the person who may have the interest is not allowed to approve such transaction related to the person. Accordingly, the Company shall disclose the transactions with related parties within the notes to the financial statements of the Company.

(2) SHAREHOLDING OF DIRECTORS AND EXECUTIVES

Information from report on securities holding of Directors and executives as at December 31, 2020.

Names	Ordinary Shares (shares)		
	As at December 31, 2020	As at December 31, 2019	Increase / (Decrease)
Directors and Executives Holding the Company's Securities			
1) Mr. Prakrit Pradipasen *	15,169,500	15,049,500	120,000
2) Mr. Chaikut Srivikorn	3,100,100	3,100,100	-
3) Mr. Warayu Pradipasen	210,000	150,000	60,000
4) Mr. Sakda Maneeratchatchai	4,099,600	4,099,600	-
5) Mr. Anun Louharanoo	2,350,000	2,350,000	-
6) Mr. Asanee Chantong	1,048,000	1,048,000	-
7) Mr. Satid Sudbuntad	9,000,000	8,000,000	1,000,000
8) Mr. Maitree Tawonatiwasna *	3,500,000	3,100,000	400,000
9) Ms. Thanakarn Phanthapirat	2,760,000	2,760,000	-
10) Mr. Sunthorn Suwannajade	150,000	-	150,000
11) Ms. Peachayanant Lorvorlak	125,000	100,000	25,000
12) Mr. Krit Kullertprasert	420,000	420,000	-
Directors and Executives Not Holding the Company's Securities			
1) Mr. Thanit Pulivekin			
2) Mr. Chatchai Teepsuwan			
3) Mr. Woodthikrai Soatthiyanon			
4) Mr. Kamolaphat Teepsuwan			
Total	41,932,200	40,177,200	1,755,000

*Remark: * Number of shareholding including spouse and minor child.*

1.4 REGISTERED CAPITAL AND PAID-UP SHARE CAPITAL

As of March 9, 2021, the Company has a registered capital being all ordinary shares of 947,961,800 shares at a par value of Baht 1 per share totaling Baht 947,961,800, all being issued and paid-up ordinary shares.

1.5 OTHER SECURITIES : None

1.6 DIVIDEND PAYMENT POLICY

(1) DIVIDEND PAYMENT OF DIAMOND BUILDING PRODUCTS PUBLIC COMPANY LIMITED (PARENT COMPANY)

Dividend Payment Policy: The Company has established the dividend payment policy to pay the dividend for each year at no less than 50 percent of the net profit according to the separate financial statements after deductions of legal provisions set forth in the Company's regulations and relevant laws, provided that such dividend payment would not have significant impact to the Company's normal business operation.

The Company was able to pay out dividend to its shareholders starting from 2004 after the Company started to generate profit after having deducted all the loss carried forward. Details on the dividend payment in year 2020 are as follows:

Dividend	2020 *	2019	2018
Earnings Per Share (Baht Per Share)	0.62	0.59	0.44
Dividend Per Share (Baht Per Share)	0.42	0.40	0.36
Dividend Payout Ratio (%)	67.74%	67.80%	81.82%
Dividend Paid (Million Baht)	359	379	341
Number of Paid – up Common Shares (Million Shares)	948	948	948
Number of Treasury Shares (Million Shares)	93	-	-
Par Value (Baht Per Share)	1.00	1.00	1.00

Remark : * According to the Table above for year 2020, the projected dividend payment was calculated based on the number of issued and paid-up shares deducted by the number of treasury stock remaining as of the end of year 2020; however, the actual number of shares with right to receive the dividend must be calculated based on the number of issued and paid-up shares deducted by the number of treasury stock remaining as at the Record Date of March 9, 2021.

(2) DIVIDEND PAYMENT OF DIAMOND MATERIALS CO., LTD. (SUBSIDIARY COMPANY)

According to the Articles of Association of the subsidiary company, Article 26 states that : At every dividend payment, the company must appropriate fund for reserve capital for at least one-twentieth of the net profit according to the separate financial statements, which the company has made from its business operation until such reserve capital reaches one-tenth of the capital of the company or more.

2. RISK MANAGEMENT

2.1 RISK MANAGEMENT POLICY

The Risk Management Committee (RMC Committee) manages and mitigates risks, with assessment and review on important risk factors that may affect every aspect of Company's business operation. Control and resolution are established for unacceptable risks in order to prevent and mitigate potential impacts and gain trust on every group of stakeholders. The RMC Committee ensures that appropriate and adequate risk management system is put in place according to the principles of corporate good governance.

Risk Management Policy: The Company is determined to prevent and mitigate any potential risks that may occur in the future by analyzing, assessing, and reviewing risk factors that may affect every aspect of Company's business operation by controlling and determining guideline for resolving or managing unacceptable risks, as well as monitoring that risk management system is concise, appropriate, adequate, efficient and effective according to the principles of corporate good governance.

2.2 RISK FACTORS TOWARD BUSINESS OPERATION

In year 2020, the RMC Committee held 7 meetings altogether, the meetings comprising of executives from every department, totaling 14 persons, to analyze and assess risk factors in order to summarize a risk map, as well as determining guidelines for risk management according to risk factors as follows:

- **Red Risk:** risk factors required urgent rectification, with first priority on finding mitigation guidelines.
- **Orange Risk:** risk factors to be monitored which may be risk factors with guidelines to prevent risks occurring in the future.

In summary the Company and its subsidiary companies are resulted in 7 urgent rectifications (Red Risk) being 4 external risk factors and 3 internal risk factors. Guidelines and measures have been established to mitigate risks that may significantly affect business operation of the Company and subsidiary company, which can be summarized as follows:

2.2.1 RISKS FROM EXTERNAL FACTORS

(1) RISK RELATED TO THE CONTROL OF UTILIZATION OF ASBESTOS BY THE GOVERNMENT

Since the Thai Cabinet resolution in December 2014 concerning the termination of the use of asbestos (Chrysotile) was not clear in establishing such policy as well as only the permit for import of hazardous material was required from the Department of Industrial Works according to the Hazardous Substance Act B.E. 2535 (1992). Further with an additional permit issued by the Department of Primary Industries and Mines according to the Minerals Act B.E. 2560 (2017) is required each time for each import of asbestos. Accordingly, the Company has fully complied with the relevant promulgations through the examination conducted by the Industries Ministry's representative at the Company's asbestos production plant, with recommendations on air control and recirculation systems in the asbestos preparation machinery group. Overall, a strong understanding of our management system and our commitment to meet government requirements have been emphasized, as well as, closely monitored the progress and work plans in accordance with government measures to control the use of asbestos in order to adjust the risk management plan to be consistent and appropriate for the situation in the future. The Company has continued to manufacture products with asbestos content due to the fact that the characteristic of fiber cement tiles with asbestos content is inexpensive, more durable, and stronger than non-asbestos fiber cement tiles, including better noise and heat insulation capabilities and easier installation. The products are still very popular among consumers both locally and overseas. Regardless, to diversify the product portfolio, the Company has been prepared to handle such risk by developing the machinery and equipment as well as improving the manufacturing processes of non-asbestos products in Roman tiles and Jatulon tiles group to add more choices for consumers, including prepared production line, sales and marketing plans to increase multi-type of non-asbestos products group such as non-asbestos roofing, concrete roofing tiles, DCERA tiles, autoclaved aerated concrete, trusses, gypsum boards, insulating material, heat-reflecting material, and roofing accessories, etc. All of these products have become well accepted among consumers and operated well as planned.

(2) DROUGHT DISASTER

The RMC Committee together with the Engineering and Maintenance Division have established a risk mitigation plan for drought disaster. Water supply situation has to be monitored, including water in Pa Sak Cholasit Dam, water level of the Pa Sak River, water management policy of the government - the governing body of the Royal Irrigation Department in the Pa Sak River region and Saraburi Province. The assessed level of the risk is very high, therefore, in year 2020 the Company established the drought disaster management plan involving drilling of four ground water wells, which have sufficient raw water for the manufacturing process. The plan completed in September 2020, being able to handle the risk of insufficient water from the Pa Sak River for the manufacturing process in the future.

(3) EPIDEMIC OF CORONA VIRUS 2019 (COVID-19)

The RMC committee has monitored the epidemic of COVID-19 in the Company's area, 70 people at risk were randomly inspected and investigated, with an emphasis on monitoring of vulnerable groups, including Myanmar migrant workers and close by people. The performance of risk management according to the principle of New Normal practice and randomly continuous checking but there have not been found any risk behavior and infection. For contingency plan to support the affected sales and marketing, with the compliance to the restricted target imposed during the widespread of the Virus COVID-19, is to expand the distribution channels to small and medium-sized distributors in the region that have potential and able to be opened on business by communicating through public relations and providing product information through electronic channels. Including the development of new products and services such as the development of digital printing wall panels that are beautiful and affordable such as marble tiles printing, Reroof / Repaint services and an import of DCERA roof tiles that are distinctive in vintage style, suitable for vacation homes, etc. For the productions, innovation has been introduced to administrate the performance in order to increase efficiency and reduce production costs in accordance with financial plans that reduce costs in all dimensions as well as expenditures management that are worthwhile with maximized benefits. The unnecessary investment plans have been suspended including a close monitor of the debt payment from the debtors.

Emergency Plan for Crisis: In case of being affected by COVID-19 virus infection within the organization both at the operational level, the production lines or distribution centers which quarantine and closure of the workplace for 14 days are required in order to prevent the spread of the virus, as a result, the Company might have to suspend the production line or close the distribution centers during such period by setting contingency plans to support as follows:

- (1) Plan to store the ready-to-sell products in quantities of not less than 20-30 days in order to maintain products ready for sale after the suspension of line productions according to the quarantine period.
- (2) Plan to store raw materials and main spare parts to support the production of products in the quantity of not less than 20-30 days in order to continuously produce the products in the event that the main sources of suppliers and / or manufacturers of raw materials and spare parts are having problems of not being able to deliver those items as normal.
- (3) Management plan available in all 4 distribution centers by generating products to suit each group as well as switching groups of employees who are not affected to be able to immediately work in other distribution centers.

(4) RANSOMEWARE

Threats from computer viruses (ransomware) such as at Saraburi Hospital, government agencies and private sectors which have been severely affected the operations of those organizations. The Company has organized a risk mitigation plan for computer virus threats on the Red Risk level to monitor and assess the situation that might occur to the very high-risk systems such as SAP ERP Production, Domain controller, which must be solved and controlled to resume within 4 hours, etc. In addition, staff training was taken place to prevent such risks in December 2020 on capacity to be able to control and mitigate risks according to the work plan.

2.2.2 RISKS FROM INTERNAL FACTORS

(1) RISK RELATED TO SHORTAGE OF RAW MATERIALS

The Company's raw materials comprising of cement, synthetic fiber, paper pulp, sand and water; are at risks related to the shortage of raw materials and increase in price whereas higher prices may be adjusted. The Company has set up strategies to mitigate these risks, such as establishing a specific work team to sustain main raw materials such as cement, sand, paint, coating, etc.; Procurement strategy that utilizes multiple sellers; effective management of procurements, distributions, and storages to mitigate potential short age risk; developments of effective manufacturing processes to mitigate potential raw material shortage; delivery risk distribution and creating price negotiation equilibrium; conduct of research and development of production formulas that can use alternative raw materials; finding sources for raw materials both locally and overseas, all of these are capable to reduce the risks of managing the main raw materials to be sufficiently continued the product production lines.

(2) RISK RELATED TO OCCUPATIONAL HEALTH AND SAFETY

The Occupational Health, Safety, and Workplace Environment Committee (OHS Committee), in cooperation with Safety, Health and Environment unit (SHE), have assessed occupational safety risks to ensure wellbeing of employees and related persons. In the Company, several measures have been implemented, including Seven Basic Safety Rules (SHE 7 Rules) for permission of 7 risky works (7 Permits) and Unsafe Action Reports, Unsafe Condition Reports, and Near Miss Reports. In year 2020, the OHS Committee and SHE units have surveyed risk-prone areas in order to determine risk control measures and minimize accident. As a result, Diamond employees and business partners are acutely aware and engaged in accident prevention in order to find measures to control risks and reduce accidents, resulting in the awareness of Diamond employees and trading partners and help prevent accidents effected in possibility to reduce accidents from 3 times in year 2019 to only 1 time in year 2020. In addition, it was notified or advised to correct risk behaviors reports of NM (Near Miss Report), UA (Unsafe Action), UC (Unsafe Condition) from 10,564 employees in year 2020 to lower than 11,576 times in year 2019 which accounting to competent overview of occupational health and safety management and effective decrement of risks.

(3) RISK RELATED TO ENVIRONMENTAL IMPACT

With emphasis on judicious use of resources and waste management with **3R methodology (Reuse, Reduce, and Recycle)**, waste from manufacturing process, as well as reduction of waste being discarded out of the system and waste disposal cost, have been reduced. Manufacturing processes are improved to decrease water and energy usage. Regarding electricity consumption in particular, the Company has established the Energy Management Committee, who has initiated the installation of Solar Rooftop at the rooftop of the premise of the aerated autoclave concrete production line and at the Khon Kaen production plant to decrease the reliance on the grid as well as reduce greenhouse gas emission. The manufacturing processes of the products are also improved to reduce dust and odor by which their measurements have been continuously conducted and monitored. According to the results of these measurement indicators in year 2020, the Company has passed the industrial standards in every category with no impact or damage to the environment and surrounding community.

พร้อม ครบ จบแบบสวย ๆ

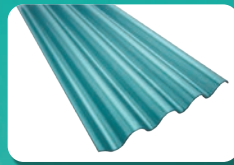


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Diamond Heart Technicians Project



3. SUSTAINABLE BUSINESS DEVELOPMENT REPORT

The Company adheres to conduct business in related to sustainability by upholding business ethics and corporate governance to ensure effective, fair, and transparent management. With commitment to the development of surrounding society, community, and environment, the Company has established competitive strategy towards good operating results in long-term as an important mechanism to drive the organization in accordance with the specified organizational strategy to be accepted by all groups of stakeholders with competitiveness and sustainable growth. Therefore, the corporate governance for sustainability is set as follows:

3.1 SOCIAL AND ENVIRONMENTAL RESPONSIBILITY POLICY

The Corporate Social Responsibility Committee (CSR Committee) has established the policy on corporate social responsibility for business management to be in line with the Company's core values which are **"Determined, Transparent, Learning for Development, Environmental Protection"** as follows:

- Be committed to operate the business with ethics and accountability within the management frame of society, environment and good governance.
- Be committed on the development of surrounding society and community in terms of economy, society and environment to promote better living quality.
- Respect the laws and human rights without discrimination, regardless of race, nationality, religion and culture by managing the business with fairness and promoting sustainable development together in long-term.
- Encourage and foster volunteer spirit and social responsibility consciousness among employees intensively and continuously for mutual benefit without expecting anything in return.
- Promote activities that generate sustainable and sound benefits to the society, community and environment.

3.1.1 SUSTAINABLE OPERATION STRATEGY

The Company is committed to the wellbeing of the surrounding society, community, and environment, starting from people within the Diamond house to outside surroundings as follows:

- **Diamond People:** the internal community comprises all directors, executives, and employees, to instill honesty, generosity, love for learning, and attaining good quality of life as well as create a consciousness in the sufficiency of living.
- **Diamond Society:** to ensure peaceful and safe living condition and good surrounding environment.
- **Diamond Community:** to maintain good environment, create jobs, professions, and learning within the community by bringing in roof installation knowledge for the people and youth in the community so that they can earn a living to support their family. Hence, the **"Diamond Heart Technicians"** Project was initiated to encourage our employees to have volunteer spirit for helping the surrounding society and community.
- **Diamond Environment:** the preservation of the environment is organized by continuously improving the manufacturing process to minimize environmental impact, as well as raising awareness on environmental preservation, with commitment to ethical business practice for sustainable value creation.

3.1.2 GOOD GOVERNANCE PRINCIPLE

The Good Governance Principle is a principle of corporate governance that ensures effectiveness, transparency, and verifiability, while being accountable and upholding the values that are familiar to Thai community-morality, virtue, and ethics. **The "Corporate Governance Handbook" and the "Code of Conduct"** are established in writing and to be strictly performed by the directors, executives, and employees at every level, which is considered an important duty for everyone by which the principles within such handbooks should not be neglected by any person. The handbooks set out clear guidelines for every group of stakeholders, customers, trading partners, competitors, creditors, employees, society, and environment, and adhere to the laws and human rights principles, local culture, customs and tradition, fair competition, political neutrality, and anti-corruption, with bases of sufficiency, balance, and risk management that are acceptable among all stakeholders, for sustainable and successful business operation in long-term (see details on page 111 under topic "Corporate Governance").

3.1.3 ANTI-CORRUPTION REPORT






The company has established an anti-corruption policy as well as Anti-Corruption Manual in order for the directors, executives, employees and sub-contract of the Company at all levels to strictly comply to the work guidelines. In addition, the Company is aiming for partners, suppliers or persons involved in the Company's business operations to also support the implementation of this policy. The Company has setup a channel for whistleblowing or complaints by allowing concerned people to safely report clues or complaints related to corruption through the chairman of the audit committee by phone number 0 3622 4171-8 ext. 282, E-Mail Address: Audit_Com@dbp.co.th.

Anti-corruption operations will be in actions when receiving complaints regarding corruption, the Internal Audit Office will summarize the matter to the AC Committee to analyze and summarize the issues to be presented to the Board of Directors. In the year 2020 there were no any issues of violation of laws or regulations in related to the corruption that affected the operations of the Company significantly as well as there were no issues of conflicts of interest in the employees. (see details on page 163 under topic "Anti-Corruption Report").

3.2 MANAGEMENT OF STAKEHOLDERS IMPACTS IN THE BUSINESS VALUE CHAIN

3.2.1 BUSINESS VALUE CHAIN DEVELOPMENT

The Company aims on developing the business value chain as well as adopting various processes of innovation and technology in order to create business value and benefit to all groups of stakeholders.




					
	Production Factors Management	Operations	Distributions and Services	Marketing and Sales	Aftersales Service
Business Activities	<ul style="list-style-type: none"> • Procurement of machine installers / spare parts / supplies • Procurement of raw materials / packaging • Selection of contractors to produce products 	<ul style="list-style-type: none"> • Production planning • Product manufacturing • Product quality control • Product packaging for storage/delivery • Product storage 	<ul style="list-style-type: none"> • Sales/services • Ontime delivery quality products • Contractors selection to transport products for customer 	<ul style="list-style-type: none"> • Advertisement • Sales promotion • Customer interact through Social Media • Additional sales channels including Online channel • Distributors selection • Contractors selection to install roof tiles and equipment 	<ul style="list-style-type: none"> • Installation and contractors services • Complaint service center for product/service or Call Center • Assessment of satisfaction with products and services • Assessment of trading partners
Stakeholders	<ul style="list-style-type: none"> • Employee • Trading partners – Domestic & Overseas, Export Accounts Payable • Government agencies • Financial institution 	<ul style="list-style-type: none"> • Employee • Government agencies • Community • Trading partners- Contractor 	<ul style="list-style-type: none"> • Employee • Customer – Domestic and Overseas • Trading partners – Transport Operators 	<ul style="list-style-type: none"> • Employee • Customer – Domestic and Overseas • Communities • Mass Media 	<ul style="list-style-type: none"> • Customer – Domestic and Overseas • Communities





	Financial Investment	Production Investment	Human Resource Investment	Social Investment	Environmental Investment
Input factor	<ul style="list-style-type: none"> Cost of sales 3,128.13 million baht Total liabilities 1,291.98 million baht Cash generated from operating activities 836.86 million baht 	<ul style="list-style-type: none"> Land, buildings and equipment 1,946.22 million baht Total assets 3,476.79 million baht 	<ul style="list-style-type: none"> 997 Employees Competency development training and employee welfare Promote safety and work environment 	<ul style="list-style-type: none"> Organizing activities for surrounding communities and society Human rights investment Stakeholders support 	<ul style="list-style-type: none"> Water consumption Natural resources such as cement, sand, etc.
Results for Company	<ul style="list-style-type: none"> Total income 4,409.33 million baht EBITDA 925.97 million baht Net profit 549.51 million baht 	<ul style="list-style-type: none"> Performance improvements, reduce waste in the production process Create innovation in manufacturing 	<ul style="list-style-type: none"> Turnover ratio of 1.29 percent Accident statistics of injurious leave is 0.14 LTISR 	<ul style="list-style-type: none"> Satisfaction towards products and services is 92-99 percent Satisfaction with the community without significant complaint, greenhouse gas emissions 	Greenhouse gas emissions <ul style="list-style-type: none"> 1st boundary amount 2,265.02 tCO₂e 2nd boundary amount 43,018.24 tCO₂e
Results for Stakeholders	<ul style="list-style-type: none"> Equity return ratio 26.30 percent for shareholder Earnings per share 0.62 baht per share Dividend 0.42 baht per share 	<ul style="list-style-type: none"> Reduce risks and accidents from the introduction of innovations in production 	<ul style="list-style-type: none"> Staff training 4.16 hours per person Learning and developing employee's potential 	<ul style="list-style-type: none"> Build community and society knowledge in the Diamond Heart Project. Provide knowledge of roof installation and equipment Income tax 112.86 million baht 	<ul style="list-style-type: none"> Reduce greenhouse gas emissions Reduce water consumption by treatment Reduce waste with circular economy system
Good Corporate Governance, Anti-Corruption and Good Governance					




3.2.2 ANALYSIS OF STAKEHOLDERS IN BUSINESS VALUE CHAIN

(1) DEVELOPMENT OF STAKEHOLDER ENGAGEMENT

The Company is committed to responsibility and respects the rights of every group of stakeholders, both inside and outside the Company. As well as being responsible for the environment, society, community and good governance to assure that legal rights under the relevant laws of the stakeholders will be fairly protected, equally treated and beneficial to every group of stakeholders with various expectations towards the Company's business. The Company has conducted a satisfaction survey among every stakeholder as well as received complaints via various channels to respond to the needs of each group of stakeholders in order to meet the objectives and proceed in the same direction with the stakeholders include employees, shareholders, customers, trade partners, consumers, communities, etc. Accordingly, the strategic plan towards every group of stakeholders for a sustainable development has been established as follows:

Stakeholders	Major Concerns	Sustainable Development Strategy	Communication	Responsible Unit
Shareholders 	1) Requires return on investment. 2) Treat shareholders equally. 3) Accurate information disclosure. 4) Social and environmental responsibility	1) Build investor's confidence. 2) Generate stable and sustainable returns. 3) Disclose accurate, clear and timely information. Can be verified with reliable accounting and internal control system in order to let shareholders and investors to be able to access the information easily.	1) General Meeting of Shareholders. 2) Factory site visit. 3) Prepare the Company's website under "Investor Information" to extend documents to shareholders. 4) Participate in activities to meet investors with the Stock Exchange of Thailand such as Opportunity Day, Thailand Focus, and roadshow in the country and abroad.	Investor Relations Office and Company Secretary
Employee 	1) Requires good and appropriate salary and welfare. 2) Continuous self development. 3) Stability and careerpath advancement. 4) Well-being and safe working environment.	1) Efficient human resource management system. 2) Create fair and appropriate remuneration and welfare. 3) Maintain good and safe working environment. 4) Develop personnel for knowledge and competitiveness. 5) Organize leisure activities (Happy Workplace) throughout the year.	1) Monthly meetings between executives and Employee Committee. 2) Organize safety and engagement related activities. 3) Receive complaints and suggestions.	Human Resources and Management Division
Customers – Domestic & Overseas 	1) Timely delivery of quality products and services at competitive prices. 2) Good after-sales service, good quality and speedy. 3) Need a good and competitive promotional budget. 4) Developing competitive capability.	1) Deliver quality products and services with fair and competitive prices. 2) Provide clear and timely price information and promotional activities. 3) Treat customers like Diamond family members. Resolve any problem promptly. 4) Development of knowledge and capability for competitiveness.	1) Produce and deliver quality products on time. 2) Customer satisfaction surveys. 3) Complaint form via sales promotional activities and sales agents. 4) Call center; Tel. 0 2619 2333.	Logistics Division, Sales and Marketing Division

Stakeholders	Major Concerns	Sustainable Development Strategy	Communication	Responsible Unit
Consumers 	1) Require good quality products and services with fair prices. 2) Require sales representatives with polite manners during products presentation. 3) Convey produce installation method correctly. 4) Require good after-sales service and quick resolution.	1) Deliver good quality products and services on time at fair prices. 2) Provide training for store sales staff to have international sales principles, politeness, and proper communication. 3) Take care of the after-sales service efficiently and quickly.	Questionnaire to measure consumer satisfaction with products and services.	Marketing and Sales Division
Trading Partners - Domestic&Overseas, Export Accounts Payable 	1) Build satisfaction as business partners. 2) Generate good and fair reciprocal benefits.	1) Operate business based on international business relation standard with fairness and equality. 2) Build confidence by strictly complying with contracts, financial responsibility and agreed conditions. 3) Do not ask or receive or pay any dishonest benefits. 4) Uphold equitable, honest business operation and join benefits.	1) Meeting with trading partners. 2) Visits from trading partners. 3) Trading partner inspections. 4) Receiving suggestions and complaints in writing or by E-mail.	Purchasing Department and Administration Division
Trading Partners – Contractors and Transport Operators 	1) Fair and competitive compensation as per the agreement. 2) Employee rights, no discrimination. 3) Good and safe working environment. 4) Fair treatment such as appropriate workload.	1) Comply with welfare and labor protection laws. 2) Respect for human rights with no discrimination. 3) Ensuring a good and safe working environment. 4) Provide training for safety skills, service manners. 5) Educate on conscious energy usage. 6) Educate on accident reduction, such as assessing alcohol level of drivers, truck load control, etc.	1) Monthly meetings: between OHS Committee and contractors. 2) Daily, weekly meeting: follow-up meetings with contractors and transport operators. 3) Operator's site visits. 4) Survey customer satisfaction with product on delivery services.	Contractor Coordination Section, Human Resources Division and Delivery Section, Logistics Division
Trading Partners – Financial Institutions and Banks 	1) Create cooperation for monetary transactions. 2) Gain benefits from investments with lowest cost as well as other continuing financial benefits.	1) Build credibility with financial institutions and banks for financial aid in credit lines with good terms and low interest rates. 2) Obtain advice on financial and investment issues as well as electronic payment channels.	Through Bank offices or Bank's websites.	Accounting and Finance Division and Management Division

Stakeholders	Major Concerns	Sustainable Development Strategy	Communication	Responsible Unit
Communities 	1) Forter good relationship 2) Build jobs and promote people in the community for sustainable jobs. 3) Good and safe environment.	1) Hiring shall be from the surrounding community as a priority. 2) Create jobs in the community via “ Diamond Heart Technicians ” program. 3) Respect the principle of human rights with no discrimination. 4) Promote fine traditions of the community. 5) Listen to complaints and concerns on impacts to the community and the environment and for further development and improvement. 6) Community support by donating Diamond brand products for repairs of governmental, educational, and religious buildings, such as building homes for the impoverished, etc.	Organization of activities with the community and listen to complaints.	Human Resources Division
Government Offices 	1) Strict compliance with relevant laws and regulations to build credibility. 2) Cooperation in various projects of government agencies. 3) Social and environmental responsibility.	1) Build credibility with the government. 2) Consult on taxation issues to ensure correct and complete tax payment. 3) Strictly abide by relevant laws and regulations. 4) Do not ask, receive or pay any benefits illegally and stand against corruption.	Consult on legal and taxation issues via telephone or through website of the Revenue Department.	Legal Office and the Accounting and Finance Division
Mass Media 	Receive correct and timely information, being well received by the Company.	1) Promote good image of the corporate. 2) Build good relationship with mass media. 3) Refrain from false communication, distortion of facts or against morality.	Executives meet Press activities and offering of opinions.	Marketing Division and Investment Relations Office

(2) ANALYSIS OF SUSTAINABLE DEVELOPMENT FACTORS

The CSR Committee, which comprising of representatives from every department, has convened meetings and reviewed issues concerning sustainable development under changes of economic, social and environmental as well as addressed to the United Nations’ sustainable development goals. The process is derived from analyses development issues for further risk assessment by the Company and sustainable development activities.

Collecting issues related to sustainability throughout the supply chain	Prioritizing each issue by considering its impact to stakeholders	Prioritizing each issue by considering its impact to the Company	Prioritizing each issue by considering its overall impact
Collecting issues related to sustainability throughout the supply chain both internal and external factors, starting from raw material procurement, manufacturing processes, freight, distribution, and consumers of the products and services offered by the Company via satisfaction survey for all stakeholders, as well as receiving complaints via various channels and risk assessment by the Company.	Prioritizing each issue by considering its impact to stakeholders, via satisfaction survey, labor union meetings, and activities with the community to listen to opinion and complaints as an outside perspective from stakeholders.	Prioritizing each issue by considering its impact to the Company, by listening to opinions, impact, and business opportunities via shareholders' meetings, meeting investors at the Opportunity Day being held quarterly at the Stock Exchange of Thailand (this year the Company held the meeting via online instead) as well as meetings with analysts and Thai media to listen to opinions for either impact or opportunities to the business.	Prioritizing each issue by considering its overall impact, by creating a priority matrix from the perspective of every group of stakeholders before proposing to the CSR Committee for further sustainable development.

(3) ENVIRONMENTAL, SOCIAL, AND GOVERNANCE FACTORS (ESG) IN SUSTAINABLE DEVELOPMENT

Environmental, Social, and Governance Factors (ESG) in Sustainable Development	Rationale for Sustainability		Page in the Report
	To the Company	To Stakeholders	
(A) Economic Dimension: Ensuring Corporate Competitiveness and Good Operating Results in Long Term			
1) Value Chain Management	Raw material procurement, production and distribution that are systematic. Management with quality to enable sustainable business operation.	Fair treatment towards trading partners and stakeholder throughout the supply chain.	No. 3.2.3 page 44
2) Responsibility towards Products and Services	Produce quality, standard-compliance products. On-time delivery Fair price. Good corporate image.	Ensure customer’s satisfaction from standard-compliance products as required.	No. 3.2.3 (2) page 48
3) Responsibility towards Consumers	Create credibility for the brand to ensure continuous purchases.	Offer quality product for consumers to ensure satisfaction.	No. 3.2.3 (1) (F) page 47
4) Innovation and Technology Management	Create a better alternative for increased productivity, reduced costs, reduced production time and minimized human labor in risk-prone areas.	Customers receive good products and services that are environmental friendly. Diamond People are healthy. Minimize works in dangerous areas.	No. 3.2.3 (3) page 49
5) Risks and Crisis Management	Tools and search processes for the Company’s sustainable development Prevent threats and impacts on the business.	Stakeholders are protected. Sustainable returns.	

Environmental, Social, and Governance Factors (ESG) in Sustainable Development	Rationale for Sustainability		Page in the Report
	To the Company	To Stakeholders	

(B) Social Dimension: Operating Business with Principles on Equitable Access to Life Basic Necessities, and Responsibility towards Surrounding Society and Community to Ensure Good and Safe Livelihood

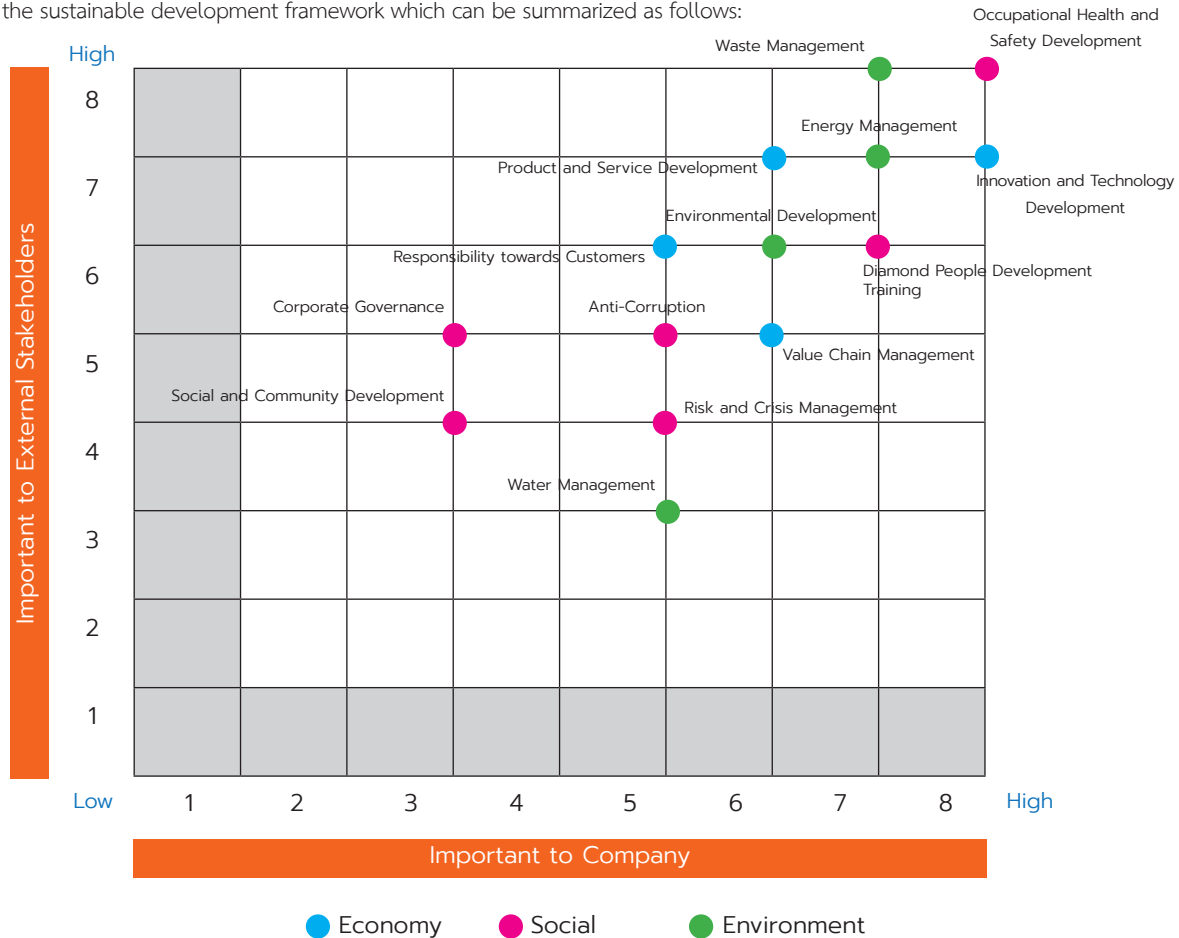
1) Occupational Health and Safety Management	Good and safe work processes that follow internationally accepted standards for business operation such as ISO-45001.	Diamond People are happy and healthy, with good and safe working environment.	No. 3.4.2 (1) (1.1) Page 66
2) Diamond People Development	Create knowledge base and foster continuous learning culture among Diamond People, which will lead to sustainable corporate development.	Arrange trainings for Diamond People for their knowledge, capabilities, skills in successful careers.	No. 3.4.2 (1.2) Page 69
3) Responsibility towards Society and Community	Continual business operation that is well accepted and gains cooperation from the community.	Create jobs to generate revenue for people in the community. Arrange activities in various occasions for wellbeing of the people in the community.	No. 3.4.2 (2) Page 75
4) Anti-Corruption	Ethical, transparent and verifiable business operation. Zero tolerance to all types of corruption. Being reputable among investors and all groups of stakeholders.	Promoting accountability among Diamond People withing the rule of law. Awareness on the threat of corruption. Promoting integrity.	Page 163
5) Corporate Governance	Upholding the code of conduct. Being responsible to the society and the environment to create sustainable values to the business.	Ensure fair and equitable treatment to all stakeholders.	Page 111
• Respect of Human Rights	Being accepted among all groups of stakeholders.	For a society with equality and no discrimination towards genders, races and religions.	No. 3.4.1 (1) Page 64
• Fair Business Operation	Operate business fairly according to the code of conduct.	Ensure equitable treatment to all stakeholders.	No. 3.4.1 (3) Page 65

(C) Environmental Dimension: Improving Manufacturing Processes to Minimize Environmental Impact Campaigns on Environmental Conservation, Including Management of Water, Waste, Dust, Odor, and Energy Management. according to the concept of circular economy

1) Water Management	Ensure sufficient water for business operation without impact to the community. Judicious use of water, with reuse of treated water.	Ensure safe and sufficient water for community consumption.	No. 3.3.2 (1) Page 54
2) Waste Management	Employ 3R strategy to reduce, reuse in order to decrease production costs, disposal costs and minimize environmental impact.	Minimize waste disposal to the community, harming the environment. Ensure good wellbeing of the community.	No. 3.3.2 (2) Page 56
3) Environment Management	Employ the 3R Strategy to reduce, reuse , and recycle by lessen odor, recycle dust, thus minimize complaints and conflicts with the society.	Minimize air pollution for safety and wellbeing of Diamond People and surrounding society and community.	No. 3.3.2 (3) Page 59
• Dust management			
• Solution's Odor management			
4) Energy Management	Reduce energy usage, mitigate global warming, reduce CO ₂ emission that harms the atmosphere and environment.	Decrease impact to the environment. Minimize global warming.	No. 3.3.2 (4) Page 61

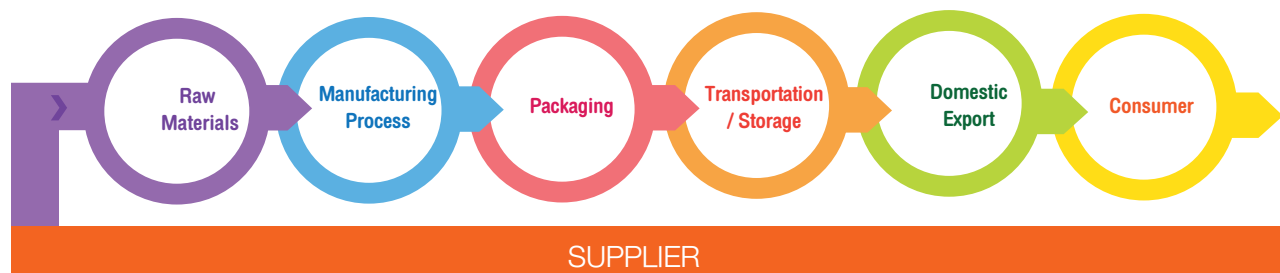
(4) PRIORITY ISSUES AFFECTING SUSTAINABLE DEVELOPMENT

In year 2020, There have been changes both inside and outside the Company, especially the changes caused by the epidemic of the Virus and this year's priorities have downgraded a similar keynote as well as improved complete priorities according to the sustainable development framework which can be summarized as follows:



3.2.3 COMPANY'S BUSINESS VALUE CHAIN MANAGEMENT

The Company operates with emphasis on effective use of value chain process to prevent business disruption that would affect the credibility towards all stakeholders. The Company has appropriately carried out all procedures concerning the value chain by considering the utmost benefit for every group of stakeholders, starting from the raw material procurement, manufacturing process, transportation, and distribution through various groups of trading partners such as domestic and export sales representatives, housing projects, modern trade, and responsibility to the consumers using the products and services offered by the Company, whom are the customers at the end of the supply chain as follows:



(1) RESPONSIBILITY TOWARDS TRADING PARTNERS

Policy towards trading partners: The Company has a policy to treat its “trading partners” equitably and fairly based on the Company’s maximum benefits with fair compensation to both parties, avoid business conflict situations as well as conduct business according to contractual obligations, provide true information and report. Additionally, negotiations are based on good business relationship terms with guidelines as follows:

- Not asking or accepting or paying any dishonest benefits in business with trading partners.
- Whereas there is information that any dishonest benefit has been called or received or paid, the disclosure’s details must be notified to trading partners and problems solving is to be mutually handled with fair and prompt actions.
- Comply strictly to various conditions agreed.
- In the event of incapable to comply with any conditions, notification must be made in advance to mutually consider a solution.

Procurement / Purchasing Order Policy: The Company has a procurement / purchasing order policy which is in accordance with international quality requirements and related laws. The procurement of raw materials for production is from reliable sources with responsible for society, community and environment. Quality control, business partners evaluation and fair as well as equitable treatment of trade partners are required practices.

Major new business partners who meet raw material qualification criteria as well as performance quality according to the Company’s standards, including the assessment of Supplier and development of quality of raw materials that do not affect the environment on a regular basis are as follows:

Number (supplier)	2020	2019	2018
New raw material seller	5	6	6
New contractor/transportor	18	33	22
others	133	129	144
Total of new seller/contractor	156	168	172
Ratio of new seller/contractor	10.06%	10.84%	11.10%

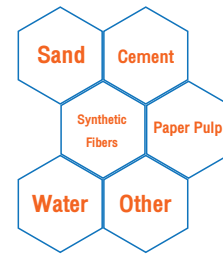
The Company has issued management regulations for every procedure starting from the procurement of main raw materials, which must follow standard system and process control according to the ISO 9001, ISO 14001 and ISO 45001. The raw materials received prior to entering the manufacturing process must go through quality inspection at every process in accordance with established quality standards in order to obtain finished product with quality. Afterward, the products shall be delivered to domestic customers and export customers by the transport trading partners with good shipping standard, delivering the products to the customers on time for further distribution to the consumers later.

(A) Raw Materials

Raw materials are keys to the Company’s business operations. Therefore, the Company has established procurement policy for each type of raw materials. In particular, the main raw materials must pass the quality inspection and must be available from at least two suppliers to mitigate risk from shortage of raw materials. Each supplier is carefully selected, and the criteria for selecting new supplier are as follows:

Main Raw Materials: including cement, synthetic fiber, paper pulp, sand, and water, most of which are natural resources that require judicious use with zero impact to the society and environment. Compliance and control are paramount, for example, ISO 9001 and ISO 14001 certifications must be met. Suppliers are assessed or presenting documents related to environmental management at least once per year. A legitimate concession is a must. Additionally, prices are compared with other trading partners with the same standard. Raw materials are inspected before entering the manufacturing process to ensure the established standard, assuring the finished products with quality according to established standard.

Quantity (Ton/Year)	2020	2019	2019
Quantity of production	873,055	932,549	883,621
Quantity of main raw materials	684,989	725,966	695,412
Reused raw materials	41,976	42,431	36,024
Ratio of reused raw materials	6.13%	5.84%	5.18%



(B) Manufacturing Process

The Company is committed to manufacturing process improvements by applying new technology and innovation in each manufacturing process. In regard to focus on personnel development to foster innovation ideation, and accompany good cooperation with all employees, many programs have been organized, such as, Total Productive Maintenance (TPM), Quality Control Circle (QCC), and Material Cost Improvement Program, resulting in the increment of overall equipment effectiveness (OEE), and reducing production cost. Moreover, environmental impact mitigation activities were carried out such as circular economy concept of recycling raw materials or waste in the production process to reduce the use of natural resources include water management, air pollution reduction, energy saving, and greenhouse gas reduction, etc.

(C) Packaging

The Company places emphasis on the packaging since our products are fragile and heavy construction materials. Robotic system has been introduced in place of manual labor at high-risk areas. This resulted in increased production efficiency and reduced costs. More areas are adopting robotic system at the present. To ensure safe delivery and pristine quality of products at the hands of agents and consumers, the packaging design must be robust and can prevent breakage of products during delivery. Additionally, transporters must return the pallets being used to load the products in the previous trip for reuse, resulting in reduced packaging cost and minimized impact to the environment.

(D) Transportation / Storage

The Company has developed efficient transport system to ensure correct, fast, and timely delivery of products to customers and consumers in a safe manner. Also, transport personnel and assets are taken care of and protected in the event of accident. The management of transportation system is also aiming to reduce energy consumption and environmental impact, which can be summarized as follows:

(1) Cost Reduction for Reduced Energy Consumption

The Company realizes the energy consumption of trade partners-shippers, in order to reduce energy consumption, greenhouse gas emissions on the road, the using of 2-legged cargo vehicle and loading a full trip are implement to increase the efficiency of loading and reduce the number of trips in the transportation, hence, reduce the transport distance in order to alleviate traffic congestion and mitigate risks from road accidents, the Multimodal Transportation is used by utilizing transportation by trucks and marine vessels. Products are monitored by using photographs to prevent product returns due to unfit condition, crane-equipped trucks are used to minimize manual labor and ensure delivery standard. Additionally, more deliveries are initiated at Khon Kaen Distribution Center to alleviate traffic concerns and reduce energy usage.

(2) Safety

- Arrangement of training courses has been on-going upon safety and work procedure for employees, warehouse labors and drivers of both groups including Company's delivery and Customers' own pick-up, domestically and overseas. Moreover, operation at risky areas is being monitored, such as, loading areas and canvas covering areas, to reassure that safety equipment are fully used.

- Improvements of working tools and equipment to increase efficiency and safety, such as equipment for loading products into container for export, etc.

- Equipment safety standard and safe work standard and procedure have been established. Also, necessary personal protective equipment is prepared to ensure work safety, such as, arrangement of TIS certified safety helmets for drivers and canvas covering areas to ensure work safety.

- Arrangement of annual health checkup for the workers in transport services or drivers to take care of workers' health and prevent illness from workplace, as well as boosting morale among the workers that they are being taken care as same as the permanent employees of the Company, arranging lounge areas and restrooms for drivers waiting for products, etc.

- Measures for annual inspection of transport vehicles affiliated with the Company to make sure that the transport vehicles are always safe and ready for use, including establishment of vehicle standard to ensure road safety for road-side communities.

- Promote engagement in safety activities for workers in transport services or drivers receiving the products, raising awareness for vigilance against danger from accidents, such as reminder on danger in each area or Kiken Yoshi Training (KYT), etc. Work equipment is inspected and improved to ensure safety, such as the truck weighing equipment.

(3) Work Efficiency Improvement

The Company encourages employees to engage in Kaizen, OPL, and QCC projects to improve work efficiency. Morning brief before work is arranged daily as a communication channel for announcements and receiving feedback from operators, as well as ensuring clarity on the operation, quick response to potential problems, and minimizing accident for safety and wellbeing.

(E) Domestic and Export

The Company's domestic sales agents have over 800 establishments and 6,000 outlets throughout Thailand, separated into 3 groups comprising of : original sales agent group, modern trade group, and public and private real estate project group, including export sales agents, which are mostly in the CLMV countries. The Company has a policy to take care of original sales agents and focuses on increasing coverage of new sales agents in all provinces in Thailand. Every group of sales agents is treated as a Diamond family member with fair and appropriate management of compensation and benefits. Consultation or advice is provided when the sale agent is facing with business problems. Training courses and development plans in several topics have been set up and continuously carried out to provide and increase knowledge and competitiveness for the sales agents.

The setting goals and planning development training, such as training for salespeople or PC in dealers' store, organize training for technicians and contractors in cooperation with major provincial dealers or real estate projects in different areas, to focus on demonstrating how to install products correctly. Along with introducing new products and services to drive sales. There were also educational activities for products knowledge, products utilization for university students and educational institutions as well as dealer stores both in theory and practice. In year 2020, there were consisting of 309 training activities throughout the year with a total of 1,624 participants.

(F) Consumer

The Company has responsibility to the consumers, the last group of stakeholders in the value chain, whom purchase Diamond products for their uses. The survey on customer satisfaction to the Diamond products showed that the consumers expect good quality products with fair prices and prompt after-sale services, including correct product usage instruction. Therefore, Diamond has established marketing communication for the utmost benefit of the consumers, such as: (1) Product information and installation guides,

(2) Labelling with detailed information, (3) Communication channels for consumers on product and service information, prices, sales agents, after-sale services, giving feedback and complaints via Call Center (Tel 02 619 2333), e-mail (callcenter@dbp.co.th), and online channels which garnered much attention from consumers, such as Facebook, Youtube, Instagram and @Line, etc.

The Company respects the right to privacy and is aware that personal information of consumers who purchase products or use services via social media channels, therefore, the Company has complied strictly with the Personal Data Protection Act B.E. 2562.

In year 2020, the Company organized an activity to celebrate the 35th anniversary namely “**35th DIAMOND ANNIVERSARY: Breakthrough into a Shining Future**” jointly with business partners and distributors of all channels. As well as organizing the project “**DIAMOND Design Contest 2020**” which was a Knockdown House Design Contest with usable area of not more than 25 square meters worth not exceed than 300,000 baht under the concept of “**Knock-down Home Creates Your Happiness**” and organizing monthly Facebook Live events such as showroom introduction, new product introduction and how to install the product in order to communicate with consumers in the New Normal way of Social Distancing.

(2) PRODUCT AND SERVICE

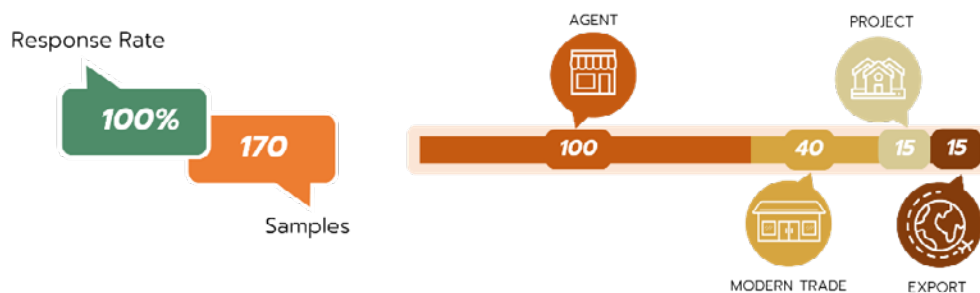
On capacity of the vision “**To Be a Better Choice for Construction Materials and Services,**” the Company is determined to manufacture environmental friendly products in accordance with established standards toward sustainable development as follows:

(A) **Products and Services:** comprising of five main groups as follows: (1) Roofing Product Group (2) Board and Ceiling Product Group (3) Siding Board Product Group (4) Special Products Group (5) Roof Stripping and Installation Services (see details on page 15 under topic “Business Operations”).

Apart from the service on the 5th group, recommendations have been given on storage and maintenance of products before usage, correct methods for control and disposal of scraps from work, which is another way to help reduce air pollution and take care of the environment.

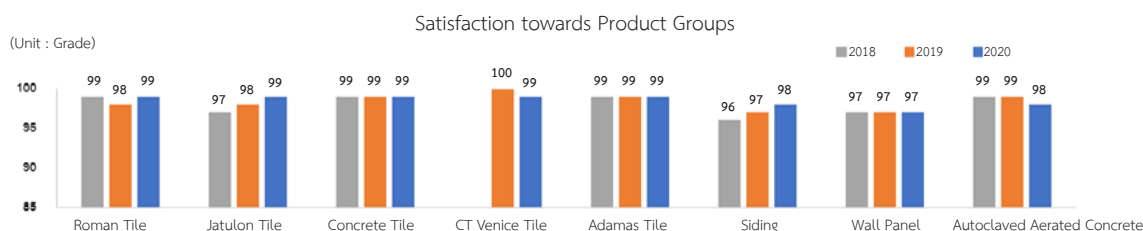
(B) Satisfaction Assessment on Products and Services

The Company has arranged satisfaction assessment for sales agents nationwide. It was found that sales agents have loyalty towards the brand “**Diamond Brand**” due to its wide range of products that can be used to build a whole house, systematic installation and after-sale services, and is well known among consumers. In year 2020, the Marketing Division has arranged the satisfaction assessment for sales agents nationwide with the quantity size of 170 samples and a return of 100 percent response rate which is within target. The details are as follows:



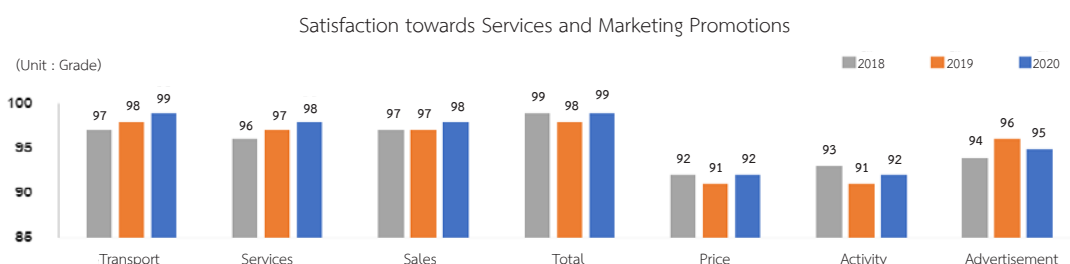
Satisfaction towards Product Groups

The target satisfaction rating according to the assessment is above 90 percent in year 2020, the product group with the decrease in rating are concrete tile group (CT Venice), decreased 1%, and alclaved aerated concrete group decreased by 1%, and the decrement fell in installation and convenience as follows:



Satisfaction towards Services and Marketing Promotions

The satisfaction assessment rating in year 2020 is above 90 percent for Price and Promotion fell into lowest satisfaction causing by the fierce competition in the market. The Company also focuses on product development strategies rather than price competition. For Advertising, it showed a lower satisfaction ratio from the previous year because ADS is not that interesting. Therefore, in year 2021, the Company plans to improve advertising media, create a more difference in color and fashion to be more popular Including adding more advertising channels through TV media, etc., the chart is showing as follows:

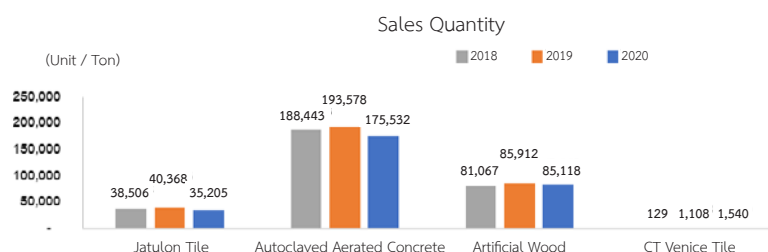


(3) INNOVATION AND TECHNOLOGY DEVELOPMENT

Innovation Policy: The Company strives for innovative business operations by developing the personnel to be knowledgeable, capable, and creative to foster innovation ideation to develop new products, leading to increase competitive potential and reduce impacts to the society and the environment, ensuring that the Company can sustainably adapt to changing situations.

The Production Technology and Innovation Committee (PTI Committee) is committed to explore opportunities to utilize technology and innovation to improve production efficiency. Many of the projects stemmed from fundamental projects such as Kaizen, QCC, and TQM, adapting experiment results to actual manufacturing processes, resulting in reduction of production costs and increased competitive edges. The works on innovation are as follows:

(A) Innovation on Products and Research Development: In year 2020, the Company has expenses related to research and development of around Baht 3 million to ensure the fulfilment of the Company's vision **"To Be a Better Choice for Construction Materials and Services,"** along with continual development of environmental friendly products. The Company have received **"High Energy Efficiency Label"** standard from the Department of Alternative Energy Development and Efficiency, Ministry of Energy, to affix on the Company's productions with the target growth of at least 5 percent per year. In year 2020, the innovative products saw growth declined from previous year causing by the downturn of economy affected by the epidemic of the virus of COVID-19 as showing below:



Research and development to reduce environmental impact has resulted in better working condition as follows:

- 1) Research and development made for grinding tile scraps (Gran Onda) at CT5 used in the production process of concrete tiles showed the decrease cement usage by 2,300 tons per year resulting in less waste and reduce environmental problems.
- 2) Development of new production formula that reuses wood planed dust in board and wall manufacturing instead of calcium carbonate, decreasing dust waste by 3,500 tons per year, resulting in better working environment.
- 3) Development of solution that reduce water usage in concrete tile production, decreasing cement usage by 2,300 tons per year.
- 4) Improvement of the solution formular of white bond paper pulp in NT8 and NT10 production of synthetic wood helps reducing the emptying of debris caused by planning into the environment that requires a landfill disposal process.
- 5) Development of two new environmental friendly colors in year 2020 as follows:
 - **Snow Gray Concrete Tile:** a bright color tone helps with heat reflection, keep the house cool and save energy
 - **Gray Pigmented Concrete Tile:** a bright color tone , high-gloss oil color with heat reflection and energy saving as well as cooling the interior

(B) Manufacturing Innovation : In year 2020, the works on manufacturing innovation and production optimization are as follows:

1) Smart Factory Project: The PTI Committee has established a long-term goal to develop automated and robotic systems in risky and accident-prone areas, or areas with repetition of heavy works that are unsuitable for manual labor. With the target to deploy 50 systems within 5 years, the Diamond Automation & Robotics Transformation Team (DART Team) has been established to further develop automated and robotic systems. In year 2020, the projects are as follows:

Project	Objectives	Completion Date
1) NT11 Project	To invest in synthetic siding boards and tile support with natural fiber with production capacity of 55,000 tons per year and the investment budget of 374.54 million baht which has increased the total production capacity of fiber cement with natural fiber to 40 percent, the project completed and the production sales started on December 18, 2020.	December 2020
2) Robot CL5 Project	To install robot for roofing tiles pain at 5 th line production whereas 9 human labors with repetition task can be superseded.	December 2020
3) Robopack No.4 Project	To install robot for 4 th curved ridge packaging machine whereas 6 human labors with heavy work can be superseded.	May 2020
4) Robopack No.5 Project	To install robot for 5 th curved ridge packaging machine whereas 6 human labors at a heavy work point of pallet wood lefting can be superseded.	May 2020
5) Packing Machine No.6 Project	For packagings of curved ridge and painted synthetic wood increasing from NT11 and CL4 investment, whereas the packaging capacity has increased to 35,000 tons per year.	December 2020
6) Solar Rooftop CT-KK Project	To install Solar Rooftop at the rooftop of the concrete tiles factory premise at Khon Khan province for solar energy gain to replace the size of 168.72 kW of electrical energy.	December 2020

Project	Objectives	Completion Date
7) Smart Factory Project • Smart Maintenance NT8 • Smart Water Supply • Wireless sensors for drainage monitoring	To use the Internet of Thing to measure the operation of machines in real time as database for the maintenance of the production line, production control of water supply and flood prevention.	December 2020
8) CL4 Improvement Project	To improve the 4 th production line of paint machine in order to increase the quality of adhesion as well as add a shiny color on synthetic wood by increasing the machine length from 96 meters to 153 meters.	December 2020
9) NT8 Automatic Wood Splitter Project	To improve automation of attached wood splitting, shorten the time taken for transport pallets back into production process, reduce the risk of injury from hand hammering and reduce 3 human labors.	February 2020
10) Calander Station NT11 Project	To install a press machinery in order to increase the density and rolled the grooved wood grain installed on NT11 machines to reduce planning work in the development of production technology.	December 2020
11) Automatic Marking Machine for Jeranai Tile Project	To improve the automation of marking positions for the installation of Jearanai tiles.	October 2020

(2) Innovation of Roofing System Installation

- **Truss:** The standard-compliance Diamond Brand truss system has been developed to maintain installation quality and effectiveness, while meet the demand of project customers and general customers who use truss. It is a value-added project, reinforcing the complete set of beauty. In year 2020, the Company has created the first button project in order to improve the quality and check the readiness before entering the installation work of a roofing technician in order to eliminate the problem in the case that the technician is unable to install due to lack of products or working equipment.

- **Sketchup Program:** Sketchup application is utilized in the design and product calculation requirement, resulting in the increase of precision, reduce time required, and minimize mistakes in the design process. As a 3D system, the application helps designers and customers in checking the correctness of the design in a quick manner, creating a distinct difference in offering services.

- **Management Program:** Application & Web Brower system is to manage the work process from start to finish, develop, improve, monitor the operation of the installation service system to be more efficient.

(3) Innovation of Sales and Marketing Process

According to the commitment in developing technology to ensure contemporary business operations driven in today's "digitalized" world, the Company has developed innovation in sales and marketing as follows:

- **QLIK Application:** is a data analytic application that helps with sales and marketing analytics, enabling convenient and easy presentation, fast and effective access of information.

- **Web Sale Application:** is an improvement on receiving purchase orders from customers in e-commerce environment, enabling customers to order products from the Company all day, 24 hours, via computers or mobile phones. Other features include credit line and invoice checking, as well as payments through the Web Sale. The project is ongoing and expected to be completed within 2021.

- **Data Visualization Technology:** is a sales data analytic system in order to plan sales in order to meet the sales targets.

- **Website (www.dbp.co.th):** is a display of information in 6 languages including Thai, English, Burma, Vietnam, Cambodia and China to reach Asian customers including CLMV countries, China and India, etc.

- **Smart Diamond:** is a mobile application system in the Android and iOS operating system for dealers and sales representatives as a gadget to calculate product cost, shipping cost, selling price and profit effectively. As well as, showing the results of the purchase of trading partners in order to manage to achieve common goals.

- **Building Information Modelling (BIM):** is a products presentation system with technology for architecture and construction. It helps designers to apply diamond brand products in computer systems such as modeling, designing, drawing, structural calculations, estimating the purchase price, including planning precisely for the buildings which helps to analyze and control work more efficiently, the Company allows data download through www.biminone.com

(4) Innovation of Documents Management Innovation

- **Microsoft Office 365 Application:** To increase work potential, communication as well as data storage in the Cloud which enables to work anywhere, supports Work From Home during the necessary period.

- **Conference System:** To develop a long-distance communication system between branches. Installation had been done in every branch and subsidiary companies of the Company enabling the convenient meeting and communicate among each other, reducing travel and conduct meetings according to Social Distancing measures.

- **K2 Application:** An electronic workflow technology that reduces paper work, minimizes mistakes in document approval workflow, reduces paper usage, increases productivity, and is able to connect to SAP application to reduce redundant works. This year, task has been done on the local procurement system, budget system etc.

(5) Learning Promotion toward “Innovative Culture”: Throughout 2020, employees have participated in various trainings related innovations and development programs to ensure continuous development on innovation as per established goal as follows:

- Submitted entries for the **Thailand Kaizen Award 2020** organized by the Thai-Japan Technology Promotion Association (TPA) by submitting “**Optimization on Fence Top Shaping**”, where 369 entries were submitted out of 112 organizations. The Company was awarded in the **Genba Kaizen group**.

- Study the development of pigments paint on concrete tiles (Adamas) to improve the quality of the paint durability. Three paint colors have been completed in year 2020 and additional 6 paints are subject to be developed in year 2021.

- Study the implement of **Robotic Process Automation (RPA)** to supersede work of time-consuming, repetitive tasks and reduce wastage in work as well as to increase accuracy, speed, for example implement in work systems such as finance and accounting, production and logistics as well as customer service etc.

- Supply Chain Innovation Working Group is to study rail transportation through container loading, pallet development and the development of future products packing processes with time constraints in rail transportation.

(4) TAX RESPONSIBILITY

Tax Policy: The Company aims to be a growing organization with values that is strictly responsible to taxation laws to add sustainable value to the society. In order to achieve the tax policy, the following objectives related to taxation have been established

- (A) Committed to comply with laws related tax administration in every sector of the Company and the subsidiary.
- (B) Lawfully exercise tax benefits and use tax structures in an appropriate manner with no tax evasion.

Guidelines for Tax Related Work

- 1) Establish monitoring process on changes to tax related policies and laws of the government. The Accounting and Financial Division, Human Resources Division, Legal Office, and other units relating to each tax category are to regularly monitor and report on new laws to the Management Committee and the Board of Directors.
- 2) Establish guidelines and duties regarding tax submissions and refund submissions for each tax category to ensure timeliness and compliance to the Company's regulations.
- 3) The internal audit office is to assess risks related to tax compliance including systematic controls to reduce such risks.
- 4) Tax related systems are reviewed, from tax payments and tax refund to tax benefits and tax related reports by the external independent auditor and the Internal Audit Office. The results are to be reported to the AC Committee and the Board of Directors regularly.
- 5) In year 2020, the Company has benefits from various government tax breaks, such as reducing land and building tax rates, reducing the social security fund savings rate, extension of tax payment as well as using the right to deduct income from investment in machinery, etc.
- 6) In year 2020, the Company has paid completely all types of taxes to the Revenue Department and disclosed all in the financial statements of the Company already without any errors in taxation operations of the Company.

3.3 SUSTAINABILITY MANAGEMENT IN THE ENVIRONMENTAL DIMENSION

3.3.1 ENVIRONMENTAL POLICY AND GUIDELINES

The Company realizes the importance of environmental management by improving the production process to reduce the environment's impact which has continued to operate, including organizing activities campaigning on environmental conservation with the following safety and environmental policies:

Safety and environment policy: The Company is committed to protecting and preventing accidents, environmental pollution, and impact on physical and mental health by complying with relevant laws and regulations to keep employees safe, healthy in a good environment along with continuous and sustainable improvements.

In year 2020, the Company reviewed the environmental management goals in each area with the same goal of the previous year to continuously reduce the environmental impact. There are no material events that need to be adjusted. The Company has managed **to monitor the environment according to industry standards annually** by complying with the laws and environmental requirements of the Ministry of Industry, Ministry of Natural Resources and Environment, Ministry of Public Health Ministry of Labor, and the Ministry of Interior. The Company has improved the production process to reduce the impact on the environment. As a result, the inspection of the working environment, including air, dust, noise, water, and waste in the production process, passes all industry standards and does not affect or destroy the environment and community resources. It was measured on March 28-29, 2019, by Global Environmental Management Co., Ltd., and on May 12 - 13, 2020, by Smile Laboratory Co., Ltd. to observe the company's environmental quality and criteria. The standard meets all goals, namely :

- (A) Chrysotile dust monitoring in the DBP1-2 work area, which meets all standards;
- (B) Monitor workplace air quality DBP1-2, which meets all standards;
- (C) Monitoring of air quality from the Factory's Funnels of the DBP1-2 plant, which meets all standards;
- (D) Ambient air quality measurements , which meet all standards;
- (E) Monitoring of noise pollution, dust, and chemicals , which meet all standards;
- (F) Surface water quality monitoring around the factory where the water quality analysis results are standard;
- (G) Establishing the base solution pond system to recycle water, reduce water resource consumption and water pollution, reduce sludge disposal by investing belt press with water from the production of cleats for tile support, etc.;
- (H) The disposal of waste, broken tile, sealer waste, oil, and other waste has been carried out outside the factory, which is authorized by the Department of Industrial Works, along with information reports via the Department of Industrial Works website (www.diw.go.th).

3.3.2 ENVIRONMENTAL MANAGEMENT

The Company has been certified for “**Green System Level 3**” by the Department of Industrial Works, underpinning its systematic environmental management and continual monitoring and development. The environmental management activities are as follows:

(1) WATER MANAGEMENT

Sustainable water management policy: The Company is committed to reducing the negative impact on natural water resources to ensure that people in the community, society, and the country's population have good quality, adequate water for their living, and sustainable business operation.

Water is an essential natural resource for all living beings, and important raw material in the manufacturing processes of the Company. The Company ensures that its operations maintain the water quality level and sustainably balance water usage in the production to the water usage of the community. The Company also supports the United Nations' Sustainable Development Goals (SDGs), Goal No. 6 “Clean Water and Sanitation,” Target No. 6.3 “Improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally.” Accordingly, the Company has established the goals and guidelines as follows:

(A) Improve efficiency and reduce water usage, with a goal of using water from natural sources not exceeding 0.5 cubic meters per ton-product;

1) All departments are expected to use water economically and increase their water usage efficiency, with activities including water usage reduction project that utilizes technology as a solution for water shortage, etc.

2) Implement water treatment system to recycle water from manufacturing process, reducing water usage by over 50 percent of all water used. Various technologies are used to maintain water quality and reduce pollution, chemicals, and garbage, etc.

(B) Risk assessment has been conducted regarding water resource related risks, obstacles in complying with water conservation guideline, as well as changing climate that may affect water usage in the manufacturing processes, such as flood and drought, etc.

(C) Employees and stakeholders are made aware of water resource conservation efforts by providing training, sharing sessions, and activities related to preservation and conservation of the ecosystem, such as, tree planting, water quality maintenance of Pa Sak River, etc.

(D) Cooperating with governmental agencies, the Pa Sak Jolasid Dam, educational institutes, communities, and other agencies to jointly resolving water resource management issues at local and national level.

(E) The Company is able to maintain the water quality level as per the ISO 14001 standard, with economical usage of water, balancing the used amount and loss from manufacturing processes. Measures have been put in place for potential disasters from flood or drought. The water management plan to prevent crisis is as follows:

1) Water Management in Manufacturing Process Project

The water in the manufacturing processes of the Company is in a closed system-no wastewater from the manufacturing processes will be discharged out of the plant. The Company provides a water treatment system that has been recycled, improves water quality, controls the use of chemicals, and reduces water loss in the production process, enabling 216 reuse of water cycles, or the volume of 24,240 cubic meters per year, reducing the impact on water resources in the community as well.

2) Reduction of Water Usage Project

- **Water Recycle:** In year 2020, the autoclaved aerated concrete was able to recycle the fully RO water fed to boilers at 100 percent. The blowdown was reduced by 17 percent, Saving heat energy, not release effluent out into the community.

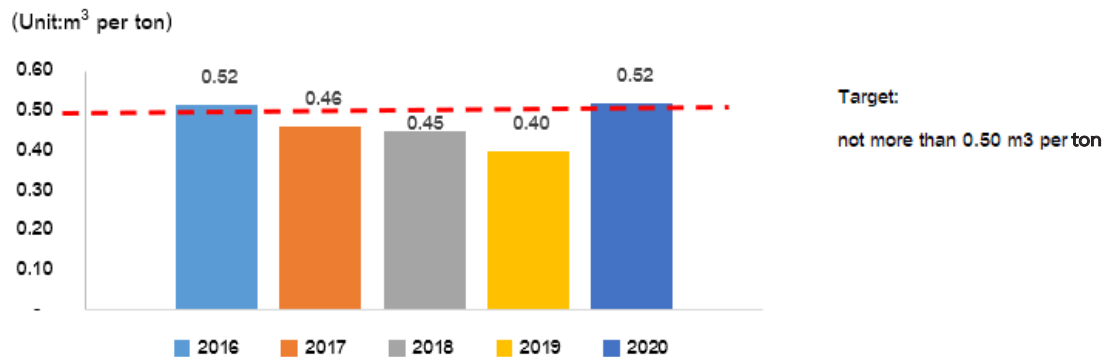
- **Using condensate water:** 8.5 million liters of condensate water from the aerated brick drying process, or 8% of the total water use, is recycled as raw water into the sand slurry production process for mixing and washing floors and not release effluent out into the community.

- **Reduction of Municipal Water Supply Usage:** It aims to replace tap water to supporting the shaft collar in the production process by installing a sand filter tank system to filter base solution sediment before feed the shaft seal, resulting in reduce clogging problems and reduce maintenance in the FC1 to NT10 production line.

3) Results of Water Usage Reduction in Manufacturing Process

In year 2020, the Company used natural water in its production process totaling 450,258 cubic meters, equivalent to 0.52 cubic meters per ton-product, which exceeds the water consumption target of 0.50 cubic meters per ton-product. Due to the fiber cement tile production line, water has been used in several new production line trials.

Water Usage Volume

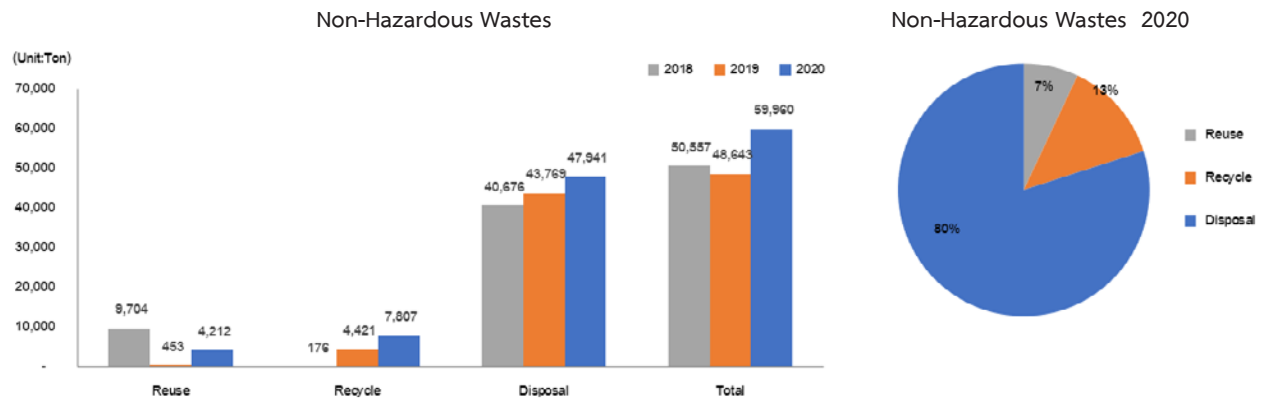


(2) WASTE MANAGEMENT

Waste management in the production process aims to reduce the impact on the environment. This is because the waste is directly harmful to the employees' health and causes all environmental problems. The Company has adopted the 3R strategy to manage waste according to the ISO 14001 guidelines to maximize the benefits and reduce the cost of production effectively. It is divided into 2 types of waste, non-hazardous waste and hazardous waste, summarized as follows:

(A) Non-Hazardous Wastes which mainly are tile chips, woodchips, plastic pieces, scrap iron, scrap paper, dust, and other garbage are treated based on ISO 14001 guideline as follows:

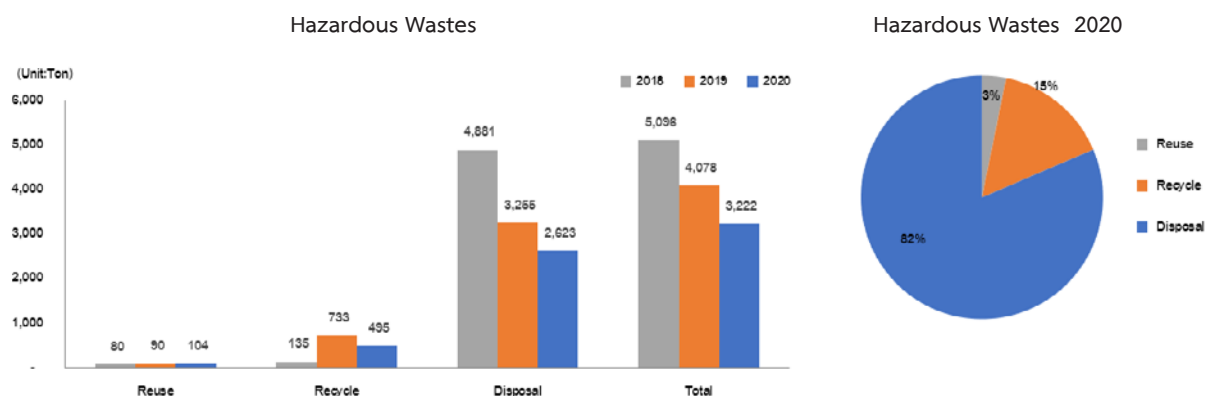
- Reuse: damaged wooden pallets are repaired for reuse; big bags are used for putting in residual and dust, etc.
- Reduce: size of pallets are designed to be smaller so that less wood is used; improved manufacturing process to reduced tile breakage, etc.
- Recycle: scrap papers from offices are recycled for use in pulp rocess in the plant; dust from siding board shaping are recycled as raw material or in other form, such as, cleats for tile support, or paving blocks, etc.
- Disposal: such as broken tiles are treated according to the law and used as landfill at permitted areas.



In year 2020, with the implementation of the 3R strategy to manage waste, 59,960 tonnes of waste can be recycled and reused 12,019 tonnes or 20%. It is an increase from 2019 that is recycled and reusable by only 10% of all non-hazardous waste.

(B) **Hazardous Wastes**, mostly come from the manufacturing process, are mainly wet cake, color sludge, oil color, sealer remains, and other contaminated materials. These wastes are being handled as follows:

- Reuse: such as oil barrels, paint containers, solvent containers, which are being used several times.
- Recycle: such as cement residues in sedimentation tanks from drainage are recycled to make Cleats for tile support, bricks, and tile sheet support. Twenty six tons of sediment from the sediment pond cleaning process are repurposed to make foot paths and traffic barriers in the premise. Color sludge, oil color, sealer remains, and other contaminated materials are used as mixed fuel, etc.
- Disposal: Some materials are required to be disposed by law, such as wet cake, oil color sludge, and water color sludge, which are disposed as landfill after being made into solid mass by Better World Green Public Co., Ltd. Oil contaminated waste is disposed by TPI Polene Public Co., Ltd., etc.



In year 2020, through implementing the **3R** strategy to manage hazardous waste, 599 tons or 18% of all hazardous waste can be reused and recycled. The hazardous waste remains 3,222 tons, with a decrease of 856 tons or 21% decrease from 2019. The Company has been able to reduce the amount of hazardous wastes continuously in the past five years and shall carry out these tasks continuously for sustainability.

(C) Factory Garbage Reduction Project

In year 2020, by implementing the **3R** strategy to manage waste that may affect society and the environment from many projects, the waste generation rate was 45.29 kilograms per ton-product that meet the target of no more than 50 kilograms per ton-product. It is reduced from the year 2019, which has a waste generation rate of 48.80 kilograms per ton-product, with a decrease of 3.51 kilograms per ton-product or a decrease of 7.19%, which can be summarized as follows:

3R Strategy	Project Name	Production Line	Decrease (Ton)
Reduce	1) Blending crushed brick chips as sand replacement.	AAC	6,982
	2) Filter press.	FC	4,283
Total			11,265
Reuse	1) Use of CT tile chips as sand replacement CT 25.	CT	87
	2) Reuse of concrete mixed deposit under TM.	CT	25
	3) Reuse of containers for refill.	FC/CT/PU/AAC	400
	4) Reuse of pallets returned from customers.	LG	3,800
	5) Reuse the Sealer Overspray.	CT	4
Total			4,316

3R Strategy	Project Name	Production Line	Decrease (Ton)
Recycle	1) Reduction of wet waste by remanufacturing to tile supporting FC 1,023 sheets/paving blocks.	FC	246
	2) Remanufacturing wet cake into traffic barrier and sidewalks.	SHE	20
	3) Driveways packing.	SHE	2,800
	4) Repair of pallets.	LG/AAC/CT/FC	1,170
	5) Remix of grooving dust.	FC	3,070
	6) Make wooden cleat	LG	112
	7) Other recycled wastes	-	884
Total			8,302
Grand Total			23,883

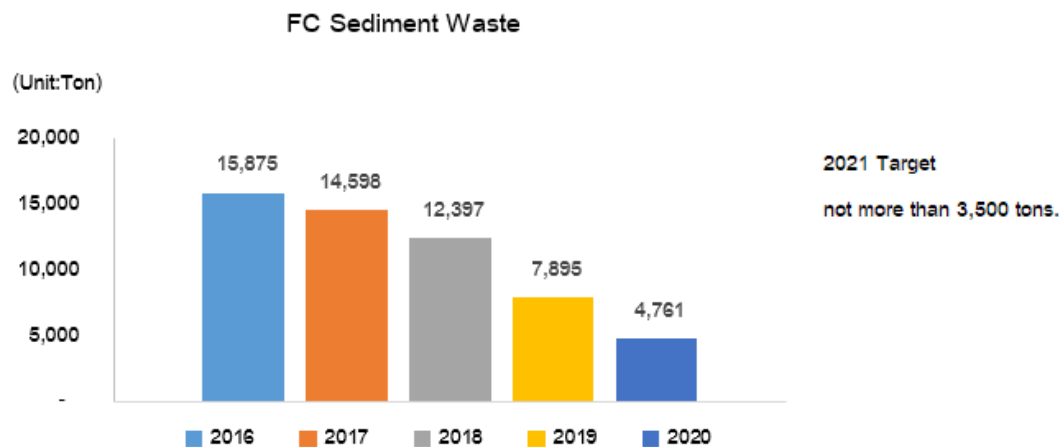
Source : FC = Fiber Cement Production Division, CT = Concrete Tile Production Division, AAC = Autoclaved Aerated Concrete Production Division, SHE = Occupational Health and Safety Unit and Human Resources Division, PU = Purchase Department and LG = Logistics Divisions

(D) Sediment Waste Reduction Project

In the fiber cement manufacturing process, a large amount of sediment waste is produced over 16,000 tons per year, some of which is hazardous and requires professional waste disposal by law, costing a large amount of expense. The Company has initiated the sediment waste reduction project for the whole system in order to reuse and reduce the amount of sediment waste needed to be disposed. The details are as follows:

1) Sediment Waste Reduction by Using Belt Press: It is to remove sediment from wastewater and reuse it. It can reduce the amount of sediment by approximately 3,000 tons per year by bringing the sediment back to be used for processing to make cleats for tile support or paving for use inside the factory. It can reduce the cost of removing sediment outside the factory.

2) Belt Press Project- NT: It is to remove sediment from wastewater and reuse it. It can reduce the amount of sediment by approximately 2,270 tons per year. It can reduce the disposal cost by 312,453 baht per year and the sediment can be processed for sale or donation to the society.



3) Autoclaved Aerated Concrete Recycling Project: It is to reduce disposal of waste from manufacturing process by mixing broken and damaged bricks with sand and chemicals, and then feed to the mill, resulting in product with higher compressive strength. In year 2020, it can recycle scrap bricks, reduce the waste of 6,982 tons, and reduce the purchase of new raw materials.

4) Installation of non-standard concrete tile grinders project: It aims to replace crushed stone or sand, reduce crushed stone purchases, and reduce scrap removal costs, both moving and landfill locations, with an expecting implementation date of April 2021.

5) Truss Scrap Recycling Project: It takes scrap from the finished roof frame (Truss) manufacturing process to cut into the box fascia roof installation. It can reduce the cost of purchasing steel, reduce the production time of the box fascia by using the main machine 1 hour a day, and reduce the steel scrap in the roof frame production process in year 2019 and year 2020, 34.08 tonnes per year and 38.21 tonnes per year respectively.

6) Old Paper Exchange for New Paper Project with SCG Paper X.: It aims to achieve the cost-effective use of resources, including participation for everyone to know how to separate waste properly, minimize the amount of waste to landfills, and be recycled according to the Circular Economic concept. In year 2020, 5.28 tons of old paper can be exchanged for 58 reams of the new paper, reducing paper costs, reducing tree cutting, and reducing the use of natural resources.

(3) ENVIRONMENTAL MANAGEMENT

(3.1) DUST MANAGEMENT

The dust pollution affects one's health, respiratory tracts, vision, and causes degradation on buildings, etc. Throughout the manufacturing process of the Company from raw material unloading to production a large amount of dust is generated. Although most of the dust is not PM 2.5, but it has an impact on the health of employees, communities, and general stakeholders as follows:

Impacts to the Business	Impacts to the Value Chain / Stakeholders
1) Risk to health and air pollution management	<ul style="list-style-type: none"> • Health impact to employees • Increased medical cost to the Company • Increased air pollution elimination cost to the Company
2) Risk to working environment	<ul style="list-style-type: none"> • Lower performance and reduced income. Impact to career advancement. • Employees become ill or quit the job, losing revenue. • Buildings deteriorate and become dirty
3) Risk to community's surrounding environment	<ul style="list-style-type: none"> • Health impact to beside community. • Impact to relationship between the Company and community. • Impact to wellness of community such as water resources and daily washing and cleaning, etc.
4) Risk of complaints from nearby communities	<ul style="list-style-type: none"> • Production halt, having impact to income of employees, and impact to trading partners and shareholders.

In order to minimize impacts from risks related to dust as above, the Company has initiated various projects to ensure good working environment and minimize impact to the surrounding society, community, and environment as follows:

(A) Dust Reduction Project - Concrete Tile Production Line (CT)

In the concrete tile manufacturing process, major raw materials being used are sand, cement powder, crushed stones, and fly ash-which are being conveyed, blown, weighed, mixed, pressed, and polished, spreading a large amount of dust. Therefore, the dust reduction project has been implemented and operated continuously in Saraburi Province and Khon Kaen Province for all production lines as follows:

- 1) **Construction of Settling Chamber:** Large settling chambers have been constructed that allow dust particles to settle down on the chamber floor by their own weight. These chambers are suitable for large and heavy dust particles.
- 2) **Installation of Silo-top Dust Collector:** Silo-top dust collectors are a high efficiency dust filtering system use for collecting cement dust being blown into the silo using special filtering elements. The collected dust falls within the silo, and all of the collected dust can be recycled, reducing loss of raw material and production cost, as well as minimizing dust escaping out of the system.
- 3) **Construction of Large Dust Collector:** The collector collects dust from the manufacturing process, eliminating small-sized dust. This system is used to collect dust during mixing, weighing, and polishing. All collected dust can be recycled, which can reduce loss of raw material and production cost, as well as minimize dust escaping out of the system.
- 4) **Dust Collector Installation at Paint Mixing Facility and Aluminium Pallet Brush Facility:** The collector collects dust from the manufacturing process using bag filter system, which eliminates small-sized dust. This system is used to collect cement and paint dust. All collected dust can be recycled. It can reduce production costs and minimize dust escaping out of the system out.
- 5) **Installation Powered Door for Coating Spray Chamber:** The chambers are always filled with coating particulate, and the powered doors allows the operators to conveniently shut and open the chamber and reduces a large amount of dissipation of the solution to the outside.
- 6) **Installation of Airless Spray Set:** The Company has installed an airless spray set using the high pressure pump. The sprayed content makes a better finish on the tile than conventional air sprays where the wind comes in and mixes. This system prevents water seepage into the tiles and reduces the glaze spread by being used at all CT2 to CT5 and CT-KK tile production lines.

(B) Cement and sand dust reduction project at CT production line

Installation of a dust extraction system and installation of dust filter bags in mixed mortar areas or where tile or Aluminum Pallet is polished. Building a room to cover the set of tile carving blades at the CT2 to CT5 and CT-KK production lines and installing the Gran Onda concrete mixer's dust extraction system aim to reduce the amount of dust at the workplace. It also provides a better work environment and healthier employees.

(C) Central Dust Collector for Dust from Planing Project

The Company has designed and installed the central dust collector to collect dust from wood planing process at NT8 NT10 and NT11 production line around 3,500 tons per year, and reduce dust removal cost by 3.87 million baht per year. The dust is delivered to the dust collector (Central Dust Collector), and the dust is sent to the silo to be used instead of raw materials. The goal is to reduce dust and be used as raw material, reducing dust removal costs, reducing labor use, reducing dust in the atmosphere, resulting in a better working environment.



(3.2) SOLUTION ODOR MANAGEMENT

The Company has installed the solution odor elimination system and monitored the air quality in the manufacturing process to minimize impacts to employee's health and the nearby community. The system was installed at the CT2 and CT5 tile production line, which started operation in April and May 2020, and the project that CT3 and CF1 will be completed and ready for use in year 2021. After that, we will complete all production lines to reduce odor pollution and comply with the law.

In which the solution odor elimination system is required to be monitored and inspected, including (1) Spraying and coating area (System 1), (2) Transporting to storage shelves and mouth of curing tunnels areas (System 2), and (3) Within the tile curing tunnels (System 3). The measurements' results complied with the Announcement of the Department of Labor Protection and Welfare Re: Hazardous Chemical Concentration Limit B.E. 2017 and met the company's quantitative goals to measure air quality.

(4) ENERGY MANAGEMENT

The Company gives precedence to and realizes the importance of energy conservation and management. The "Energy Management Working Group", which comprises executives from all departments, has established the Energy Conservation Policy as follows:

Energy Conservation Policy :

- 1) The Company shall manage and develop a proper energy management system, establishing energy conservation as a part of business operations that comply with related law and regulations.
- 2) The Company shall continually optimize energy usage as appropriate to the technology being used and best practice.
- 3) The Company shall establish energy conservation plan and targets for each year, and communicate to all employees to ensure proper execution.
- 4) Energy conservation is considered a duty of all executives and employees to comply as per the established standards, monitor, and report to the Energy Management Working Group.
- 5) The Company shall provide necessary support and resources, including personnel, technology, budget, work time, trainings, as well as feedback sharing to improve energy related works.

In year 2020, the Company focused on energy reduction to reduce greenhouse gas emissions and plans long-term work to reduce energy consumption in all production processes, use renewable energy such as using solar energy instead of electric power, etc., which can be summarized as follows.

(A) Electricity Usage Reduction Project

1) The Energy Management Committee has engaged in five electricity usage reduction projects, resulting in a decrease in electricity usage by 594,017 kwh per year, equivalent to Baht 2.1 million per year and a reduction of CO₂ emission by 217 ton-CO₂ per year. The details are as follows.

Project Names	Location/ Reduction Production Line	Reduction (kWh per year)
1) Replacing lighting Lamp to LED 192 W project	FC3-6 ,	203,787
2) Air pressurizer optimization	FC5-6	17,674
3) Reduction KW for Kotlas paper refine project	Cellulose Plant 4	129,240
4) Improving the Zero loss Air compressor tank, Auto drain system	FC1,2 FC5,6 , NT-9	23,316
5) Rooftop solar power generation system project	CT-KK	220,000
Total		594,017

Remark : Electricity cost = Baht 3.44 per kWh

2) AC Refrigerant Replacement Project: The Energy Management Committee, in cooperation with Engineering and Maintenance Department, has engaged in a continuous project replacing irreparable air conditioners, from models using R32 and R410A refrigerant to models using R22 has a significant impact to the ozone layer and a major contributor to the greenhouse effect. In year 2020, the refrigerant can be replaced from R22 to R32, an additional 19 units, including 27 units that have been changed in 2017-2019, totaling 46 units. This made it possible to reduce the emission rate of carbon dioxide (CO₂) by 53.31 tons, reduce electricity consumption and reduce global warming continuously.

3) Solar Rooftop Project: To use clean energy, reduce electricity costs, and reduce global warming, in year 2020, the Company installed a solar rooftop system, 150 kW, at the concrete tile production line, Khon Kaen Province, and an autoclaved aerated concrete plant in Saraburi Province. The Company invested 4.80 million baht, which can reduce electricity consumption by 220,000 kWh per year.



(B) Optimization of steam usage in manufacturing process project

1) Recycling of Vented Steam: The autoclaved aerated concrete production line added controls Steam Transferring's use program by recycling the steam normally vented to the atmosphere to re-use at the next autoclave. As a result, in year 2020, energy from natural gas (NG) by 23,319 MMBTU or the value of NG gas decreased by 5.50 million baht, reducing the emission of waste steam by 21,478 tons. This project has been continuously implemented since 2017.

2) Recycling of Heat Loss to Feed into Boiler Project: An electrical instrument has been installed on the boiler to recycle heat loss to heat water fed into the boiler. This helps reduce NG gas usage, the temperature at the heat venting funnel, as well as global warming. The heat loss is reduced by about 3,900 MMBTU. The project has been ongoing since 2015.

(C) Diamond People's Contribution to the Climate

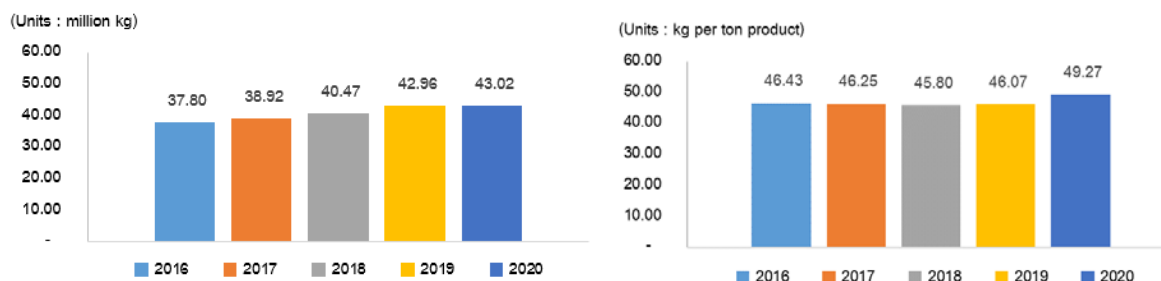
Currently, global warming, also known as climate change, is a major issue globally, with marked observed changes in temperature at unprecedented level. The main cause of the problem is greenhouse gases and the greenhouse effect, which are vital to the planet because carbon dioxide (CO₂) or methane traps some of the planet's heat from reflecting the atmosphere entirely.

Every production process of the Company requires electricity, steam, and natural gas, which directly and indirectly emit CO₂ to the atmosphere, contributing to the global warming. With responsibility to the environment, the Company has been continuously reducing greenhouse gas emission through various activities as follows:

Target: Reducing CO₂ emission per ton-product to not exceeding 46.20 kilograms CO₂ per ton-product.

Operating results: In year 2020, the CO₂ emission was 49.27 kilograms CO₂ per ton product, which was higher than the target by 6.6 percent. The reason is that the Company has installed an additional robot at the NT11 and Cellulose 2 production line, which uses electric power in the production test since raw material preparation. In contrast, the production is not yet the full capacity of the machinery. As a result, the proportion of electricity cost and CO₂ emissions per ton of product has increased from the target, summarized as follows:

Carbon Dioxide Emission

Target: not exceeding 46.20 kilograms CO₂ per ton-product.

Summary of Carbon Footprint

Scope of operation	Greenhouse gas emissions (tCO ₂ e) *		
	2020	2019	2018
Scope 1	2,265	2,465	2,169
Scope 1	43,018	42,963	40,468
Total	45,283	45,428	42,637

Remark : * tCO₂e refers to tons of carbon dioxide.

(5) BIODIVERSITY MANAGEMENT

Biodiversity is defined as the coexistence of various living things in a particular place or ecosystem, or the presence of species, genetic, and a different ecosystem on the planet. It is of great importance in the environment to help balance the ecosystem, economy, and value. The benefits of biodiversity are directly related to human daily life such as food sources, medicines, apparel, fuel, and indirect parts help maintain soil quality, water quality, climate control, or develop into commodities to generate income for communities as a source of local wisdom and culture, etc.

The Company always realizes that pollution from industrial factories, including the Company's business operations, such as the release of wastewater into water sources, the emission of toxic fumes from industrial factories, and the use of these natural resources, have an impact on the life and the environment surrounding the plant. Therefore, to make a diversity of life and environment possible by conserving the area for biodiversity conservation in the areas where the Company operates, the Company has implemented various measures for the highest benefit and efficiency as follows:

- (A) Avoid activities that cause negative effects on biodiversity;
- (B) Reduce non-avoidance impacts by environmental restoration to compensate for biodiversity impacts, such as campaigning for tree planting, recycling used water for production, environmental conservation in the factory area, etc.

(6) INVESTMENT ON REDUCTION OF ENVIRONMENTAL IMPACT

Throughout the years, the Company has invested in environmental management as follows:

Year	Description	Investment (million baht)
2015	Dust collection system for paint dust, storage for paint and preparation and installation of chemical leakage protection doors.	2.78
2016	Sediment compactor, color water treatment, color elimination, ammonia absorbing unit, and chemical tank.	2.25
2017	Sediment separator connecting to base solution pond, brick block press.	5.70
2018	Central dust collection, diluted cement control system, airless spray coating system, solar roof, FC product discharge building, paving block mixer.	10.09
2019	Odor treatment in tunnel of CT2, CT5, pallet recycling plant, dust collector system, solar rooftop project, illumination replacement.	22.43
2020	NT sludge separation system from base solution pond, CT2; CT5; CT3; and CF1 tunnel odor treatment system, tile chip grinder, CF-3 oil paint spraying room, Chamber pond, Solar Roof Top project, illumination replacement system, water spray system for reducing odors and fumes, vacuum cleaners and sweepers, reuse Condensate Water system.	32.20

3.4 SUSTAINABILITY MANAGEMENT IN THE SOCIAL DIMENSION

3.4.1 SOCIAL POLICY AND PRACTICE

(1) RESPECT FOR HUMAN RIGHTS

Human Rights Policy and Labor Practices: Conducting businesses by abiding by the law and adhering to the human rights principle, with zero tolerance toward discrimination on race, nationality, religion, and culture, encouraging sustainable development as a whole.

The Company does not support any acts that violate human rights, and extend human rights principle toward all stakeholders, including, Company's employees, shareholders, domestic and overseas customers, trading partners, competitors, consumers, mass media, communities, and government. This principle has been established in the Code of Conduct, which is used as a guideline for business operations as follows:

(A) Adhere to the principle of human rights and give no support to trading partners who violate the principle of human rights. The principle of human rights includes individual safety and protection; free from any violations or abuses; freedom of association; equality; equal opportunity regarding race, skin color, religion, gender, national origin, sexual orientation or disability, and work dignity. The Company ensures humane working environment, health and safety of the employees without forced labor and child labor, all according to the laws and being inspected by related agencies, etc.

(B) Ensure humane working environment, providing safe, healthy and clean workplace with sufficient lighting, clean drinking water, toilets, fire escapes and exits and necessary fire extinguishers in event of fire, emergency first-aid kits, etc.

(C) Assign the Safety, Health and Environmental Department (SHE) to have inspection plan to check on fire escapes and exits and fire extinguishers and equipment in good and safe working condition all the time, assessment of risk-prone and unsafe areas, measure for remedy for reduction of accident and make sure that the employees are safe at work, as well as organize fire evacuation and extinguishing drill in event of fire at least once a year.

Diversity Management: The Company has a diversity management policy by emphasizing the importance of both women and men in work positions, fair compensation, non-discrimination. Women and men are equal according to the gender diversity table. (See detail on page 150 under topic "Human Resource Development")

In year 2020, the Company implemented policies and operational plans without any complaints about human rights violations.

(2) Fair Labor Practice

The Company practices principles of fairness on human resource management, and treating all Diamond People with equality, fairness, and dignity as they are a part of the organization which drives the business toward success. The Company also adheres to the Labor Protection Act, the Labor Relations Act, and other related laws and regulations, including personnel recruitment; employment; training; employee retention; wages, compensations, and benefits; welfare; complaints; equal opportunity; and arranging Intranet and website for communication of important information. In year 2020, the Company has presented the “**25 Years of Diamond Diligence**” awards for the fourth consecutive year as moral support to employees, organized a new health promotion activity under the COVID-19 epidemic, arranged “**DBP Health Me, Up !!**” activity promoting good health among employees with advanced ages and high risk. The Company has also added more equipment to the “**Diamond Fitness Room**”, to have area, which is replete with fitness equipment to promote better quality of life for all employees.

In year 2020, the Internal Audit Office has monitored the Company’s adherence to the principle of human rights and fair labor practice. No complaints were found, and the result was duly reported to the AC Committee and the Board of Directors.

(3) Fair Business Practice

The Company adheres to operate the fair business. The Diamond People must perform their duties with care, honesty and adhere to the Code of Conduct for all business chain stakeholders, namely shareholders, customers, business partners, and competitors. The Company will not seek personal interests that conflict with the Company’s interests and all groups of stakeholders. This includes keeping the confidentiality related to the business operation to the stakeholders for the best interest of the Company, which can be summarized as follows:

(A) The Company has a policy to operate the business with fairness according to the Code of Conduct to generate good revenue to “**shareholders**” sustainably. With fair and equal protection of basic rights, the Company is committed to treat every shareholder with equality, and put in place prevention against conflict of interest and misuse of internal information.

(B) With recognition as a driving force for success the business, the Company has a policy toward “**customers**” by effectively meeting the demand of customers; offering products and services with good quality and fair price; correct, sufficient, and timely communication; respectful interaction; offering complaint channels regarding product quality; and giving advice on how to use products and services for the best benefits of customers.

(C) The Company has a policy to treat its “**trading partners**” equitably and fairly based on fair compensation to both parties, with strict compliance with laws, contractual obligations, financial obligations, and any agreed terms. Negotiations are based on good business relationship. A measure is established to check connected transactions within the business chain between trading partners and the Diamond People. Should there be any connection, the transactions must be disclosed in the Company’s financial statements within fair business operation framework.

(D) The Company has a policy to treat its business “**competitors**” conforming with the international practice and under fair business competition framework, without using power to monopolize the market, not fraudulently or inappropriately seeking confidential information of its competitors, not defaming reputation of its competitors with abusive accusation, respecting the right and intellectual property. Accordingly, the products of the Company have been designed by personnel with expertise to meet consumers’ utilization.

(E) Promoting social responsibility in the “**business chain**” through procurement channel by providing assistance and support for the small and medium enterprises in the community such as purchase of cleaning equipment made from small pieces of clothes sewn together into big pieces by groups of handicapped people and housewives for cleaning machinery and purchase of shockproof materials from groups of people in the community providing them with income.

(F) Promoting employment of disabled persons in accordance with the Employment of Disabled Persons Law B.E 2554 regarding the number of disabled persons that the employer must employ. The Company’s employment of disabled people has its limitation due to the fact that it is a manufacturing plant. Nonetheless, the Company has set up a concession by providing areas within the factory for disabled persons to sell products or services (Section 35) to improve the quality of life of disabled persons.

(G) Establishing compensation measure in case of a stakeholder having suffered damage from violation of legal rights by the Company by providing opportunity for whistleblowing or filing complaint about illegal action or immoral conduct to the Independent Directors and AC Committee, with the AC Committee checking the information and reporting to the Board of Directors afterward.

(H) Establishing operating guidelines for executives and employees based on integrity and transparency with preparation and dissemination of the Corporate Governance Handbook and Code of Conduct on Company's website (www.dbp.co.th) for the executives and employees to acknowledge and strictly follow throughout the organization with routine monitoring on compliance of the regulations.

In year 2020, the Internal Audit Office has monitored the compliance with the Code of Conduct, and it was found that there was no complaint regarding treatment toward customers, trading partners, and corruption.

3.4.2 SOCIAL MANAGEMENT

(1) RESPONSIBILITY TO THE DIAMOND PEOPLE

(1.1) OCCUPATIONAL HEALTH AND SAFETY DEVELOPMENT

Safety and environment policy: The Company is committed to protecting and preventing accidents, environmental pollution, and physical and mental health impacts by complying with relevant laws and regulations to keep employees safe, healthy in a good environment while improving continuously and sustainably.

The Company believes that accidents, injuries, and illness that are caused by work are preventable, and thus has raised awareness on safety with cooperation from all Diamond People. The Occupational Health, Safety and Workplace Environment Committee (OHS Committee), in cooperation with Safety, Health, and Environment Department (SHE) has prepared a handbook for safety protection measure, organized training courses on safety and campaign on reduction of risky behaviors which are major causes or accidents. Additionally, accident protection measures have been put in place, which resulted in continuously decreasing accident incidents and can be summarized as follows.

Accident Statistics from the Past 7 Years

Accident Statistics (Unit : Person)	Total	Employee	Contractor	Contractor			Total	
				By Group			By level of severity	
				Production/ Maintenance	Transport	Repair/ Construction	Causing Stoppage	No Stoppage
2014	22	10	12	11	1	-	13	9
2015	12	6	6	5	1	-	6	6
2016	6	2	4	4	-	-	3	3
2017	7	4	3	1	1	1	5	2
2018	2	2	-	-	-	-	1	1
2019	3	3	-	3	-	-	3	-
2020	1	1	-	1	-	-	1	-

Accident Statistics from the Past 6 Years

Rate of Accidents case/ 1,000,000 man-hours	AFR : Accident Record Frequency Rate	LTIFR : Lost time injury frequency rate	LTISR : Lost time injury severity rate
2015	1.97	0.99	23.33
2016	0.99	0.49	9.12
2017	1.32	0.80	7.92
2018	0.32	0.16	1.62
2019	0.43	0.43	4.56
2020	0.14	0.14	4.86

In year 2020, the Company has been certified with ISO 45001:2018, an occupational health and safety standard that promotes participation, risk conscious, opportunities, legal concerns, and other aspects in a global perspective. The Company has been certified by Lloyd Register Quality Assurance (Thailand) Co., Ltd. The certification will be expired on January, 21, 2022.

ACCIDENT PREVENTION MEASURES

(A) Accident Prevention Measure Handbook

The OHS Committee and the SHE Department recognize the risks which may cause accidents during entrance into areas inside manufacturing facilities, roof installation at high places, loading and unloading of products and canvas covering on the trucks. Therefore, the Company has established meetings on safety concern with employees and contractors regularly, as well as reviewing the Accident Protection Measure Handbook, which can be summarized as follows:

1) In year 2015, the Company reviewed “**7 basic safety rules**” or “**SHE 7 Rules**” have been established to build safety conscience among employees, contractors and outsiders entering into the inner areas of the factory, in which the 7 basic safety rules must be strictly follows: including (1) Dress Code, (2) Safety Shoes, (3) Safety Helmet, (4) Smoking, (5) Alcohol Level, (6) Bicycle Use, and (7) Telephone, Music Listening, and Ear phone Use, etc.

2) In year 2016, the Company reviewed **7 Risky Work Permits** or “**7 Permits**” have been added to prevent accidents in highly risk-prone areas. It has been established that permits are required before entering to work in high risk areas, which include the follow 7 risky areas: (1) working from height, (2) places with heat or sparks, (3) confined spaces, (4) places with radiation, (5) places with high voltage, (6) chemical loading, and (7) repair/construction, etc.

3) In year 2018, the Company reviewed “**7 Enforcement**” rules are added which include: (1) modification notification, (2) risky behavior coaching, (3) probations, (4) CAR being issued in standard system, (5) monetary penalty, (6) plant access ban, and (7) disciplinary action. Additional measures to eliminate risky behaviors include “Stop Card” reports, risky area reports, and near-miss incident reports, etc.

4) Throughout year 2020, inspections have been done on working conditions in general work areas, equipment and tools, machinery, repair works, construction works, improvement works. This is to ensure consistent safe working condition. The inspections have been conducted 931 times.



With strong commitment on safety, the Diamond People have become actively aware of accident prevention. As a result, the Company was able to reduce the number of accidents from 22 incidents in year 2014 to 3 accidents in year 2019, and remaining 1 accident in year 2020. The lost Time Injury Severity Rate (LTISR) was reduced from 23.33 in year 2015 to 4.86 in year 2020.

(B) Risky Behavior Reduction Campaign Year 2020

1) Unsafe Condition (UC): An activity aimed to decrease accident prone areas, which has received cooperation with every unit to assess and improve work area condition so that they are safe for work. According to the UC Report, 2,144 accident prone areas have been eliminated, contributing to safe environment.

2) Unsafe Action (UA) or STOP CARD: An interactive activity by helping one another stop risky behavior by using a stop card. The activity has been well cooperated by the area owners, and there were 7,675 reports which led to change of behavior for safety.

3) Near Miss Report: A campaign encouraging reports on near miss incidents, which is cooperation between the OHS Committee, together with the area owners to manage to reduce near miss incidents to create safe working areas. The number of reports was 758 reports.

4) Safety Talk and KYT (Kiken Yoshi Training): An activity to help remind about safety, promote campaigns, and tell safety stories in over 20 areas per week, totaling over 800 times per year.

5) Walk Rally: An activity being held totaling one time per year on safety fundamentals aimed as a refresher on rules, penalties in case of breach.

(C) Safety Knowledge Training

The OHS Committee and the SHE Department together have organized training program on safety for the employees for each responsible area, as known as “Talk & Train” as follows.

1) Hold “Safety Talk” meeting and safety training every morning before work.

2) Organize 100% safety orientation for new employees and new contractors.

3) Build safety conscience at workplace by organizing training courses on role and duty of OHS Committee and training on workplace safety, namely crane operation, driving vehicles, first-aid, basic firefighting, and safety meetings. Currently, over 40,000 working hours of safety training have been recorded, etc.

(D) Training on Emergency Response

The OHS Committee and the SHE Department have together organized training on emergency response, such as fire evacuation drill, practice drill in case of broken asbestos bag and chemical leaks, etc.

Fire Evacuation Drill



(E) Safety Checks

In year 2020, the OHS Committee and SHE Department performed safety checks in manufacturing plants to ensure compliance with regulations, which increased from 833 per year in year 2017 to 931 per year in year 2020, or 11.76% a year in year 2019.

(F) Measures to prevent the pandemic crisis of COVID-19

In year 2020, there has been the pandemic of COVID-19 around the world and in Thailand. The Company has taken occupational health and safety measures to respond to the crisis. After the Management Committee held an urgent meeting to assess the situation and issue several directives to carry out measures to prevent the COVID-19 virus, it can summarize as follows:

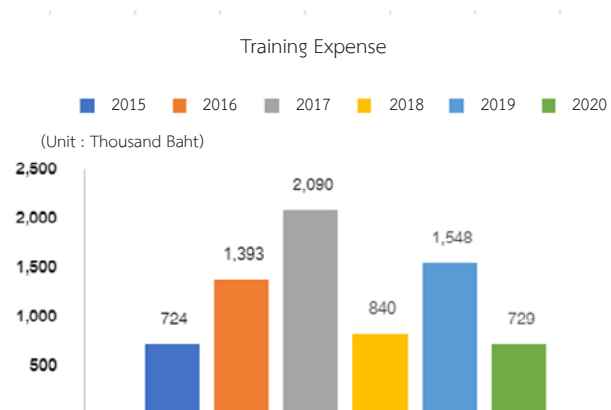
- 1) Provide thermometers, face masks, hand sanitizers, hand washbasins, and equipment related to cleaning workplaces and common areas, social distancing at finger scan; food purchase; product ticket submission; meeting room, etc.
- 2) Screening for individuals entering the Company and all branches, including history filling, temperature measurement, zone control, as well as investigations and interviews of people at risk of COVID-19 infection.
- 3) Notification of control areas for staff traveling to high-risk areas / and refrain from traveling to certain countries declared as high-risk countries.
- 4) Notifying employees, contractors, shippers, freight forwarders, and contact persons to comply with the COVID-19 virus prevention measure by complying with the laws and measures set by the Company.
- 5) Social distancing in all areas, including finger scan; food purchase; product ticket submission; meeting room, etc.
- 6) Organizing a VDO Conference in every area instead of sitting in a meeting room.
- 7) Establishing a separate work area plan such as work from home, work off, switch work to reduce congestion in the work area, and reduce travel risk according to government measures.
- 8) Publicize knowledge about COVID-19 infection and self-hygiene care.
- 9) Cleaning / disinfecting areas, bathrooms, cafeterias, meeting rooms, guardhouses, etc.

(1.2) TRAINING AND DEVELOPMENT FOR DIAMOND PEOPLE

The Company believes that development of skills and knowledge of Diamond People along with fostering of the corporate values are the key to equipping Diamond People with potential and knowledge for sustainable growth of the Company.

As a result of the pandemic effect of COVID-19 infection, traditional training can be performed very little. Many training institutes have to be transformed into online training. Each department of the Company has adjusted the training and learning in many ways to achieve the goal of developing diamond people. In year 2020 the Company had a goal of training diamond people 4 hours per person per year. The Company has organized a total of 74 development training courses, 77 classes, representing 3,855 training hours (4.16 hours per person per year) in both in-house and public training courses, with training costs of approximately 0.73 Million baht. This year's training focused on the development of Reskill (creating new useful new skills) and Upskill (developing existing skills) and focused on coaching, mentoring (consulting), There is also a Development Program to promote the development of employees' potential to support the organization's growth.

Training of Employees in year 2020 Target: Total 4 hrs./person/year	
Average Training Hour (hr./person/year)	4.16
Average Training Hour by Genders	
Male	3.60
Female	3.59
Average Training Hour by Employee Levels	
Executives	6.68
Supervisors	5.59
Operations	2.07



Type of Courses	Year 2018 Training Hours	Year 2019 Training Hours	Year 2020		
			Number of Courses	Number of Class	Training Hours
1) Productivity Improvement	780	648	7	9	625
2) Standard System (ISO/Law)	189	798	10	10	63
3) Human Resource Development	1,527	3,234	1	1	436
4) Technical Training	786	2,343	50	51	1,443
5) Safety	588	576	5	5	1,236
6) Energy	84	66	1	1	52
7) Others	69	45	-	-	-
Total	4,023	7,710	74	77	3,855

Many departments of the Company organized training within their own units or between departments. This year, the Accounting and Finance Department piloted by providing the Accounting and Finance Department's Learning Development Project No. 1/2020. It aimed to create a learning culture in the accounting department to create proactive work and prepare personnel to keep up with the company's growth. Also, training to transfer knowledge between departments was provided, such as technology, techniques and operating methods, accounting knowledge, tax, policies and regulations, and presentation skills. The result in year 2020 is that there are 31 training courses. Each employee is required to attend more than 10 courses to achieve adequate learning, and a total of 421 online examinations have been conducted, etc.

(1.3) DRIVING PROCESS AND PARTICIPATION OF THE DIAMOND PEOPLE

(A) Productivity Improvement

The Company realizes the participation of employees at all levels as a tool to drive the sustainability of the organization in the form of activities or suggestions for participation as follows:

1) TPM (Total Productive Maintenance): TPM is a maintenance system in a multiplication form with participation by everyone through small group activities with intention to increase the productivity of machinery, reduction of machinery damages, reduction of losses in the manufacturing process and reduction of accidents (Zero Accident, Zero Defect, Zero Failure) by starting with the development of capability, skill and consciousness for the care of equipment and machinery of the Diamond People. The employees shall be trained to become experts on machinery, who can utilize and maintain the machinery with highest efficiency, which is beneficial to the operation and performance of the organization. TPM methods include: Autonomous

Maintenance, Focus Improvement, Overall Equipment Effective, and Maintenance Awareness, which have been well received and participated by the Diamond People from every department.

2) OEE (Overall Equipment Effectiveness): OEE is the indicator of efficiency and effectiveness of the equipment having three main variables: availability, performance and quality in percentage. The Production Division must measure the OEE every month for each machinery or equipment in order to evaluate how effectively each machine has been utilized. Samples of OEE measurement are shown below.

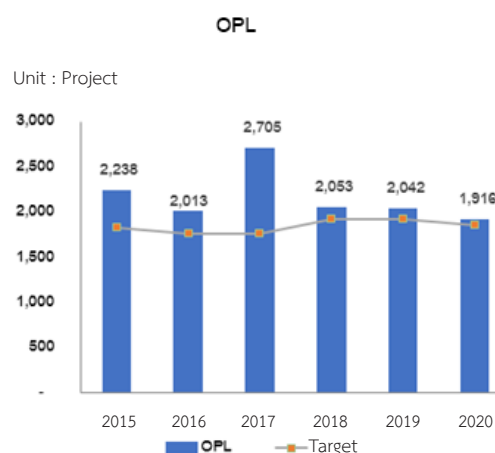
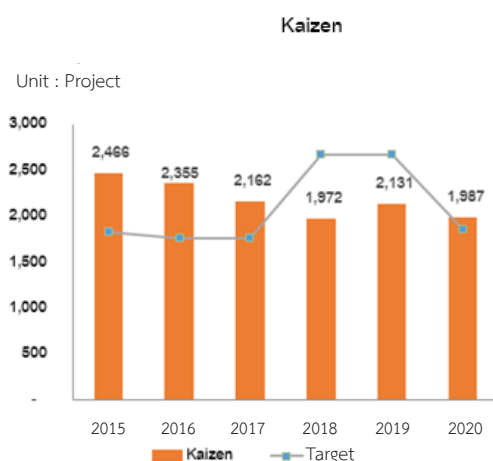
OEE Items	Unit	2017	2020		2019		2018	
		BM	Target	Actual	Target	Actual	Target	Actual
FC Plant	%	86.00	85.00	87.05	80.00	85.80	80.00	82.57
CT Plant	%	89.70	90.00	90.50	91.40	89.64	91.40	90.78
AAC Plant	%	73.00	83.00	88.60	80.00	83.90	75.00	81.30
Truss Plant	%	-	85.00	87.79	-	-	-	-

Remark : BM = Standard criteria obtained from the past year, FC = Fiber Cement Production Division, CT = Concrete Tile Production Division, AAC = Autoclaved Aerated Concrete Production Division and Truss = Truss Production Division

3) Losses : The reduction of losses in the manufacturing process was made by inspection and finding of losses from the beginning of the process until the end and the brainstorming process to improve the occurrence of losses.

4) OPL (One Point Lesson) : OPL is a communication tool for transferring knowledge among employees in each department in order to reduce redundancy and increase work efficiency. In year 2020, OPL program was conducted with a total 1,916 lessons.

5) Kaizen : An activity promoting mental acuity among employees to come up with suggestions to improve the work under their responsibility, resulting in increased productivity, reduced cost, environmental conservation, and safety. In year 2020, there were 1,987 Kaizen projects proposed by employees. Since 2019, the Company has changed the format, goal setting, number of suggestions. Each department is the target set, and the overall average is 2 projects per person per year.



Proposals for Improvement Receiving Kaizen Awards in year 2020

Awards	Proposals for Improvement	Categories
Winner	Increasing productivity with Jearanai Tiles Mark.	Quality and Productivity
Consolation	Improving production method for Decorative Fiber Cement Ridge: WRD CF1; curved against the wall Fiber Cement Ridge. Entered the Thailand Kaizen Award 2020 and won the Genba Kaizen.	Quality and Productivity
Consolation	Lifting device for artesian well pumps.	Time and Cost reduction

6) QCC (Quality Control Circle): QCC is a quality control group activity promoting teamwork in work quality improvement using analytical, systematic correction and improvement, and verification of quality improvement results. Details of all projects are disseminated on the Company's Intranet knowledge base, accessible for all employees for their own implementation. The Company also arranges QCC Awards to provide all employees with opportunities to demonstrate their capabilities and develop QCC presenting skills. The projects which have been selected to compete in the QCC Awards for year 2020 are from the following five teams, with winners as follows.

No.	Projects	Team	Division
1)	Reduce returns FC product	FC warehouse	LG
2)	AAC Condensate Water Reuse	AAC	AAC
3)	Zero Breakdown Slat CL-5	Zero Breakdown Slat CL5	EN
4)	Solving diamond board cutting problems (Saving Cost Orifice)	NT10 Group	FC
5)	Reducing complaints, problems of watermark under Smooth Tile sheet	CT3 Ruamjai	CT

Remark : FC = Fiber Cement Tile Production Division, CT = Concrete Tile Production Division, AAC = Autoclaved Aerated Concrete Division, EN = Engineering Division, and LG = Logistics Division

1st prize: Solving diamond board cutting problems (Saving Cost Orifice)

Causes of problem : The diamond board has a fin-cutting mark, and the board is bent up, caused by the Orifice head is clogged, leaked, the service life of the Orifice head is short, affecting the cut not smooth and leading to product quality problems.

Solution: Improving the production process by controlling the correlation of Orifice and Pressure Waterjet according to product type, Orifice: cycle time: speed cross-cutting correlation, Water jet height correlation with tile thickness, and Orifice maintenance method.

Outcome : After following the solution, there was no quality problem of the board; lifting; buckling, and can reduce the cost of extending the life of the orifice head and others by 362,900 baht per year.

1st Consolation Prize: Reducing complaints, problems of watermark under Smooth Tile sheet

Objective: To improve work and create standard work related to preventing concrete tile problems (Adamas) with watermark under Smooth Tile sheet.

Outcome: No quality problems were found (Adamas) with watermark under Smooth Tile sheet from 2017 until now.

2nd Consolation Prize: Zero Breakdown Slat CL-5

Objective: To prevent and reduce the cost of damaged Roller Slat Conveyer Cooling and reduce downtime in machine repair at CL-5.

Outcome: Reducing the cost of the roller slat falling from 100 Roller to 5 Roller, which is 40,000 baht / time, remaining 2,000 baht / time (Roller Slat: 1 Roller, 400 baht) and can reduce the original repair time 270 minutes (4.5 Hour) 60 minutes (1 hour) rest / time.

7) **5S Activities:** 5S activities are ongoing activities involving improvement on working environment for orderliness, cleanliness and less pollution and risk-prone areas, by dividing into 4 categories, namely large-sized plant, small-sized plant, materials storage and office. The Company has organized a 5S Award contest between departments annually. The results of the 5S Award competition for year 2020 are as follows:

Areas	Average score	Notable areas
Large-sized plant Area	94.37	Autoclaved Aerated Concrete Section, Autoclaved Aerated Concrete Division
Small-sized plant Area	96.23	CT maintenance Section, Concrete Tile Production Division
Storage Area	94.55	Central Warehouse, Engineering and Maintenance Division
Office Area	96.52	Office, Autoclaved Aerated Concrete Production Division

(B) Building Conscience on Corporate Social and Environmental Responsibility

The Company encourages employees and executives to enroll on training courses and sustainability-related activities, to apply the learned practices to business operations of the Company for sustainability. The enrolled courses include:

1) Online training by the Corporate Social Responsibility Institute (CSRI) and the Stock Exchange of Thailand, by sending CSR Committee and executives to participate in business management courses for sustainable development at the basic and operational levels to apply the knowledge as a guideline and as a tool to develop the organization towards sustainability.

2) Organizing a public relations campaign on occupational health and safety for employees to prevent accidents, reduce risky behaviors, prevent the spread of COVID-19 virus, as well as the campaign to reduce energy consumption, raise awareness of the participation of employees to drive sustainability by engaging all employees in presenting ways to reduce energy consumption, reduce paper use, etc.

3) Quality Promotion Project for preparing sustainability reports for listed companies where the Company was selected to join the Sustainable Business Development Team project, the Stock Exchange of Thailand conducted a One by one Inhouse training at the Company. It aims to educate and be a consultant in the preparation of sustainability reports according to the GRI Standards, provide knowledge of key sustainability issues and greenhouse gas reporting, and prepare a registration statement. The Annual Registration Statement / The Annual Report (Form 56-1 One Report), etc. so that the CSR Committee can apply knowledge and understanding to further develop the quality of the year 2020 Sustainability Report.

(1.4) CARE FOR DIAMOND PEOPLE

Responsibility toward employees and Diamond Society is the main mission of the Human Resources Division of the Company to become a happy organization, making sure every employee is happy by organizing various activities during many festivals to encourage love, generosity, and social consciousness among the employees, including family members of the employees toward **8 Aspects of “Happy Workplace.”** In year 2020, the operations were as follows:

Happy Workplace	Project Title	Description
1) Happy Body	Activities: “DBP Health Me Club” Project:	It is to promote good health by New Normal to employees who are older and at high risk, as well as campaigning for the new generation to care about their health through online activities by educating and promoting health, as well as having exercise activities to win many awards Good health for employees.
	Activities: “The North Face 100 Thailand 2020”	It supports the competition for employees who love running and exercise to promote health care and set up a souvenir booth for the runners who attended the event.
	Activities: “Four Influenza Strains Vaccination”:	It is to promote and prevent infectious disease for Diamond People, their family, and contractors to get vaccination services at special price, provided at Saraburi Plant and Bangkok Office on September 29 and October 2, 2020.
	Activities: “Diamond Caring, Far Away COVID-19”	It is to promote people’s good health and away from COVID-19 infection by distributing diamond cloth masks to all employees to prevent respiratory infection.
	Activities: “Factory Team vs Sales and Marketing Team Traditional Football Match”	It is to promote good health of Diamond People and strong relations between Plant Team and Sales and Marketing Team on December 22, 2020 at Diamond Employee Dormitory’s sporting field.
	The Diamond Fitness Room	It is to encourage everyone to have good health, and exercise machines are added and open to service for Diamond People and their families to use them every day.
2) Happy Heart	Activities: “Winter Supply for Kids”	It is to deliver clothes, sweaters, leftovers to hill tribe people in Fang District, Chiang Mai Province.
3) Happy Soul	Activities: Mind Development for Balanced Life - 10th Year”	The Company has organized this activity annually to promote Buddhism by encouraging employees to participate in practicing the dharma at the Wat Tham Khao Wong, Phra Phutthabat District, Saraburi.
	Activities: “DBP Buddhist Lent Year 2020”	Diamond People supported the Buddhist activity with the community at Wat Nong Bua and Wat Na Bun, Saraburi Province.
	Activities: “Kathina for Local Temples”	Diamond People promoted Buddhism activities with temples and the local in the community, by hosting Kathina (robe presenting) together at Wat Tha Yiam, Saraburi Province.

Happy Workplace	Project Title	Description
4) Happy Relax	Activities: “Refreshing Drinks, Cordially from Diamond Brand Year 9”	Diamond Brand gave out refreshing cool drinks to all employees and contractors during hot summer days in April in year 2020.
	Activities: “Making merit for the new year”	The Company organized activities to make merit for monks, put alms to rice, dry food to give the blessing of the new year.
5) Happy Family	Activities: “Diamond Spark Scholarship 2020”	Diamond Brand granted scholarships to employees’ children from primary school level to higher education, totaling 48 scholarships, on November 25, 2020.
	Activities: “Mother’s Day”	The Company joined with S-26 to organize Mother’s Day activities by organizing activities to educate, distribute jasmine flowers and play fun games to win prizes to promote family institutions on August 11, 2020.
6) Happy Society	Activities: “Good Society Starts from Within”	The Company desired to take care of society within our organization to be happy and have a good quality of life, resulting in our organization’s strength. Therefore, we place great importance on taking care of diamond people.
	Activities: an award ceremony, “The diamond of perseverance.”	The Company gave awards to employees who have worked 30 years and 25 years on July 22, 2020 at Park In Hotel, Saraburi Province, to build morale and encouragement and create a strong bond for employees who have worked hard for a long time.
7) Happy Brain	Activities: “Support and promote knowledge to employees and contractors.”	It is to support and promote knowledge for employees and contractors by regularly organizing educational activities such as work discipline reinforcement training, year 2020 group health insurance usage, energy conservation training, etc.
8) Happy Money	Activities: “Selling economic price products.”	It is to organize “Selling economic price products” to encourage diamond people and contractors to spend the necessary money at a lower price than the general market.

(2) RESPONSIBILITY TOWARD DIAMOND COMMUNITY

The Company has a clear intention to conduct business with responsibility towards the diamond community. There are operations to benefit the surrounding diamond community, being able to coexist with the community and society together and create sustainable shared values, create equality of living fundamentals such as career creation, income enhancement and Develop quality of life to make people in the community with a better quality of life, promote learning to be able to build or repair housing by themselves. This is carried out by continuing support products and speakers in the project “**Diamond Heart Technicians,**” including organizing activities to help people in the community in disasters, creating a sense of responsibility towards youth in the community, etc.

(A) “Diamond Heart Technicians” Project

The Company has organized training courses for people in the community, providing knowledge in roof installation, siding boards, and eaves installation in both theory and practice to the community people, students and students from the Saraburi Technical College, Muak Lek Technical College, Labor Proficiency Promotion Center of Saraburi, Phra Dabot Foundation, and Luk Phra Dabot Foundation, so that they have the knowledge and skills to be used as their profession, creating more income and sustainable community development. The project made a connection to the business of the Company, by creating skills technicians and trust in “**Diamond Brand**,” which will contribute to the purchase of the products in the future. From year **2013-2020**, a total of **13 classes** have been held, in the year 2020 organized 1 training class as follows:

Class 13th : This class is in cooperation with Muak Lek Technical College, Saraburi Province, to arrange theoretical and practical training course students of vocational college level and high vocational college level - constructor branch, providing knowledge on roof and eave installation both theory and practice. It also provided products and equipment to build “**Diamond Heart Technicians Shelter**”, on the land of Muak Lek Technical College, Saraburi for further use. More than 40 students were interested, participated in the project, and enjoyed learning about the company’s roof and eave installation.

(B) “Diamond CSR Contest 2020” Project

The Company organizes a product design contest for the community by providing opportunities and inviting the Diamond Family, both employees and contractors, to present their creativity in using out graded or slow-moving products to design and create products to maximize benefits to the communities surrounding the Company in Saraburi and Khon Kaen provinces.

This project attracted the attention of employees and contractors. A total of 47 teams were submitted to the contest, and 10 teams were qualified for the final. The Company supported the budget and products to implement product samples to present to the committee for further consideration.

On June 8, 2020, the Company held a final contest where the teams who have qualified for the final will have the opportunity to present their ideas and the origin of their work to the finalist’s committee, and announce awards and give awards for “**Diamond CSR Contest 2020**”.

The Company delivered various works from the product design contest for the public benefit to the communities in the surrounding area as follows:

- 1) Work: “**Diamond Inspection Booth, Security for Community**”, “**Vehicle Rest Point**” and “**Parking Garage**” for Nong Nam Kleaeng Community, Samran Subdistrict, Mueang District, Khon Kaen Province.
- 2) Work: “**Sanitary Sinks**” for Wat Aranya Suthawat, Nong Nam Klang Community, Samran Subdistrict, Muang District, Khon Kaen Province.
- 3) Work: “**Clean, Wash, share happiness**” for Wat Tha Yeam, Taling Chan Sub-district, Muang District, Saraburi Province.
- 4) Work: “**Diamond bookshelf**” for Wat Huai Li School, Taling Chan Sub-district, Muang District, Saraburi Province.
- 5) Work: “**Consciousness**” for Wat Na Bun School Tan Diao Subdistrict, Kaeng Khoi District, Saraburi Province.
- 6) Work: “**2020 Trash Can**” for Wat Tha Si Pho Nuea School, Tha Tum Sub-district, Kaeng Khoi District, Saraburi Province.

(C) Job Creation in the Community

The Company has a policy of hiring workers from students in the community or local people to support people in the community to earn their income first by promoting the job openings at educational institutions such as Saraburi Technical College, etc.

(D) Happy Society Activities for the Diamond Community”

It promotes culture and traditions in the community, such as National Children’s Day activities, product support for the community, the Tra Petch Pansuk project, etc.

1) **Activity: “National Children’s Day”:** The Company organized a children’s day activity in collaboration with Subdistrict Administrative Organization and Huai Li Temple School, Saraburi Province, on January 10-11, 2020, to create happiness for children and people in the community.

2) **Activity: “Community Relations”:** The Company supports roof tiles and synthetic wood for use in the construction of government agencies, schools, and temples in the Saraburi area to develop the community and society in the amount of 1.65 million baht.

3) **Activity: “Tra Petch Pansuk”:** The Company cares about the people’s health and the environment by supporting the “Classified Trash Can Set” to the temples and schools in the community near the factory area.

(E) Social Assistance Projects

1) **“Blood Donation” Project:** Company employees shared, sacrificed to society and communities by organizing a quarterly blood donation and organ donation project, and received a group donation certificate from the Thai Red Cross Society.

2) **Activity: “Diamond, Cooperation Against COVID-19”:** Diamond supported the prevention and reduction of the COVID-19 virus epidemic by supporting the budget for the purchase of medical equipment and P-100 safety masks to Saraburi Hospital to support the work of medical personnel in fighting the COVID-19 virus on April 2, 2020.

3) **Activity: “Diamond join forces to fight against COVID-19”:** Diamond supported beverages for community leaders, village chiefs, village headmen, and officers at the COVID-19 virus screening checkpoint in Tan Diao and Taling Chan sub-districts, Saraburi province on April 16, 2020.

4) **“Winter Supply for Kids” Project:** The Company delivers clothes, sweaters, blankets, and utensils donated by employees to alleviate suffering and give warmth both physically and emotionally to hill tribes in Fang District, Chiang Mai Province.

5) **Activity: “DBP Buddhist Lent Year 2020”:** Diamonds joined in promoting Thai traditions and supporting temples in the community by making offerings to Lent candle offering and offered dedicated to Buddhist monks at Nong Bua Temple and Na Bun Temple, Saraburi Province on July 5-6, 2020.

6) **Activity: “Kathina for Local Temples”:** Diamonds participated in promoting Thai traditions and supporting temples in the community by participating in the Kathin merit-making ceremony at Wat Tha Yay, Tambon Taling Chan, Amphur Muang, Saraburi Province on October 18, 2020.

(F) Social Investment and Social Impact Assessment

The Company establishes an annual budget for investments in the society that correspond to the business operation of the Company for the best interest of the community, creating jobs and profession for the people in the community. According to the assessment on social impact in the previous year, there was no complaint from the community concerning the Company’s business operation, such as air quality, dust, noise, water, and waste in the manufacturing process.

(G) Communication and Dissemination: Communication and dissemination of information are through the Company’s websites as follows:

- Internally within the Company via the Intranet: <http://drt/> under the topic of “Corporate Social Responsibility”.
- Outside the Company via Website: <http://www.dbp.co.th> in the part of “Investor Relations” under the topic of “Corporate Social Responsibility”.

3.5 SUPPORTING THE SDGS SUSTAINABLE DEVELOPMENT GOALS (SDGS)

Sustainable Business Operation Strategy According to the SDGs Year 2020

	SDGs Goal	Operating Strategy	Indicators and Sustainability Targets	Reference
Good governance	 <p>SDGs Goal 16.5</p> <ul style="list-style-type: none"> Reduce corruption in all forms 	Commit to be an organization with good governance and effective administration, transparent and verifiable, denying all form of corruption	Creating values of “ Determined, Transparent, Learning for Development, Environmental Protection ” The Company is a member of the Thailand’s Private Sector Collective Action against Corruption (CAC) project, certified by CAC membership, 1 st time in year 2015, 2 nd time in year 2018, and will request for renewal in March 2021.	Page 9
	 <p>SDGs Goal 1.4</p> <ul style="list-style-type: none"> Equal rights to economic resources and basic services, job creation, higher income, ownership over land and other forms of property. 	<p>In year 2020 the Company is committed to create equal access to basic life necessity, ensure good and safe wellbeing of employees, and promote industry, technological upgrading and innovation.</p> <p>1) Concern on Risk from Labor Shortage Diamond Heart Technicians Project:</p> <p>The Company transfers its theoretical and practical knowledge, skills, and experience in roof and siding board installations to the community and students of Muak Lek Technical College, Saraburi Province, and Phra Dabot School. The project is arranged for at least one class per year, with attendants of no less than 40 persons per class.</p>	<p>1) Job and Income Creation Results</p> <ul style="list-style-type: none"> Diamond Heart Technicians: Jobs and income creation with practical knowledge on how to build and repair one’s own home. The project has been ongoing from year 2013-2020, totaling 13 classes with actual job creation. Job creation in the community: The Company has a policy to hire local residents in the surrounding area to generate income for the community. With over 900 employees, over 75 percent are people from the community. 	Page 75
Social	 <p>SDGs Goal 8.2-8.5 and 8.8</p> <ul style="list-style-type: none"> Technological upgrading and innovation. Promote equitable job creation. Protect labor rights, and promote safe and secure working environment. 	<p>2) Concern on Safe Working Environment</p> <ul style="list-style-type: none"> Compilation of accident prevention measures and handbooks. Campaign on reducing risky behaviors - Unsafe Conditions, Stop Cards, Near Miss Reports ,etc. Safety training by OHS Committee and SHE Department. Issuance of measures prevent COVID-19. 	<p>2) Accident Prevention Results:</p> <ul style="list-style-type: none"> Accident statistics: from 22 times in 2014 to 3 times in year 2019 and 1 time in year 2020. Lost Time Injury Severity Rate (LTISR): from 23.33 in year 2015 to 4.86 in 2020. Over 40,000 working hour of safety training on record in 2020. In year 2020, Diamond people were safe from the COVID-19. 	Page 66
	 <p>SDGs Goal 9.4-9.5</p> <ul style="list-style-type: none"> Upgrade infrastructure. Retrofit industries to adopt environmentally sound technologies Enhance research and development. 	<p>3) Concern on Responsibility toward Products and Services: Create products and services that are environmental friendly to the society with innovations.</p> <ul style="list-style-type: none"> >90-percent target for satisfaction to products and services. Innovation Management as follow; <ul style="list-style-type: none"> Innovation at product level and development. Production innovation. Innovation for roof installation services. Sales and marketing innovation. Paperwork innovation. Learning toward “Innovation Value”. Strict tax responsibility. 	<p>3) Responsibility toward Products and Services:</p> <ul style="list-style-type: none"> Satisfaction to products and services for each product category is between 97-99 percent, which is over the target. Innovation on product and development: Develop new products, production formula, and energy-saving paint, Smart Factory project, etc. Production innovation: NT-11 project, automation and robotics project, solar rooftop project, central dust collector project, etc. Innovation for roof installation services: Sketchup application deployment, etc. Innovation for sales and marketing process management: QLIK, mobile application, and Web Sale, etc. Paperwork innovation: Organizing online meetings with communication technology systems, etc. 	Page 48

	SDGs Goal	Operating Strategy	Indicators and Sustainability Targets	Reference
Environment		<p>In year 2020, the Company was continuously committed to minimizing environmental impacts and to sustainable business operation. The effort on the concern of water shortage, air pollution, dust, odor, waste, chemicals, and energy are as follows:</p>	<p>Sustainable reductions of environmental impact are as follows:</p>	Page 54
	<p>SDGs Goal 6.3</p> <ul style="list-style-type: none"> Reduction of pollution, elimination of dumping and release of hazardous chemicals and materials, increase of recycling. 	<p>1) Water Management: The Company has established the policy, targets, and plan on water management as follows:</p> <ul style="list-style-type: none"> Treatment of water from manufacturing process. Reduction of water usage in manufacturing process. 	<p>1) Water Management</p> <p>Objective: Consumption of water from natural source not exceeding 0.50 cubic meters per ton-product.</p> <p>Results :</p> <ul style="list-style-type: none"> Consumption of water from natural source in manufacturing processes is at 450,258 cubic meters or 0.52 cubic meters per ton-product, an increase of 4% target due to testing of new several production lines project. Wastewater from manufacturing processes is treated and able to be reuse 216 times, or 24,240 cubic meters per year. 	
		<p>2) Waste Management: Waste can be categorized into two categories: non-hazardous waste and hazardous waste. The utilization of 3R strategy and circular economy is as follows:</p>	<p>2) Waste Management</p> <ul style="list-style-type: none"> In year 2020, 59,960 tons of non-hazardous waste was generated, and 12,019 tons of recyclable and reusable waste, an increase from 10% to 20% from the previous year. 	Page 56
	<p>SDGs Goal 7.2-7.3</p> <ul style="list-style-type: none"> Increase the share of renewable energy and improvement in energy efficiency. 	<ul style="list-style-type: none"> Reuse, such as bags, paint barrels, pallets, etc. Reduce, such as reduction of raw material and energy usage, etc. Recycle, such as recycling of dust and cement sediment as raw material. Disposal by law, such as wet sediment and paint are disposed by landfill according to the law. 	<ul style="list-style-type: none"> In year 2020, there were 3,222 tons of hazardous waste, a decrease of 856 tons, or a 21 percent decrease from year 2019, which has continued to decline. The project to reduce waste in plants using the 3R strategy aims to reduce waste of not more than 50 kilograms per ton of product, which in year 2020 has a waste rate of 45.29 kilograms per ton product, a decrease of 3.51 kilograms per ton of product. Sediment reduction using belt press with water from the production of cleats for tile support. The old paper project can exchange new paper for 5.28 tons. 	
		<p>3) Dust Management</p> <p>Due to large amount of dust from the manufacturing processes and the concern of PM 2.5 to human health, measures have been put in place as follows:</p> <ul style="list-style-type: none"> Dust reduction project. Dust recycle project. 	<p>3) Dust Management</p> <ul style="list-style-type: none"> Dust reduction projects at CT production line, such as dust trap chamber, dust trap on silos, etc. Central dust collector project as a central system that collects dust from wood planing, being able to recycle dust around 3,600 tons per year. Cement and sand dust reduction project by installing dust filter bags at the raw material mixing point. 	Page 59
	<p>SDGs Goal 12.3-12.5</p> <ul style="list-style-type: none"> Reduce waste from production process. Reduce the release of chemicals to air, water, and soil in order to minimize their adverse impacts on human health and the environment. 	<p>4) Solution Oder Management</p> <ul style="list-style-type: none"> Treatment and control of odor as legally required by law. Coating loss reduction project of CT production line. 	<p>4) Solution Oder Management</p> <ul style="list-style-type: none"> Odor treatment and air quality monitoring in manufacturing processes: the inspection showed that all indicators were in compliance with the standards as declared by the Department of Labour Protection and Welfare. 	
		<p>5) Energy Management</p> <ul style="list-style-type: none"> Reduction of electricity usage project. Optimization of steam usage in manufacturing process project. Energy conservation conscious campaign. 	<p>5) Energy Management</p> <p>Objective: Reduction of carbon dioxide emission to not exceeding 46.20 kilograms CO₂ per ton product.</p> <p>Result: In year 2020, CO₂ emissions were equal to 49.27 kilograms of CO₂ per ton product. This is higher than the target due to energy consumption in many projects on new production line machines and robots.</p>	Page 61
	<p>SDGs Goal 13.1-13.2</p> <ul style="list-style-type: none"> Strengthen resilience to climate-related hazards. Improve education, awareness-raising on climate change mitigation, adaptation, impact reduction, and early warning, etc. 			

3.6 SUMMARY OF SUSTAINABILITY PERFORMANCE FOR YEAR 2020

Key performance	Sustainable Development Information - Economic Performance					
	Unit	Target	2020	2019	2018	GRI
Revenues from sales and services	Million Baht	4,814.81	4,381.05	4,747.55	4,329.35	201-1
Cost of sales and cost of services	Million Baht	3,518.95	3,128.13	3,498.24	3,260.14	201-1
Net profit for the year	Million Baht	533.61	549.51	556.65	412.55	201-1
Earnings per share	Baht / share	0.56	0.62	0.59	0.44	
Book value per share	Baht / share	2.75	2.16	2.38	2.20	
Dividend-earnings ratio per share	%	< 50.00	67.74	67.80	81.82	201-1
Depreciation and amortization	Million Baht	241.11	255.92	223.78	221.33	201-1
Employee compensation	Million Baht	594.27	589.61	612.74	511.94	201-1
Corporate income tax	Million Baht	127.62	112.86	136.43	100.21	201-1
Employee retirement benefit obligations	Million Baht	178.71	224.43	205.01	129.16	201-3
Social support and charitable organizations	Million Baht	1.00	1.65	1.63	1.40	
Customer satisfaction survey on product groups	%	90	97-99	97-99	96-99	
Customer satisfaction survey with products and services	%	90	92-99	91-98	92-99	

Corporate governance, ethics

Average attendance rate of the board of directors	%	90.00	92.31	94.44	95.14	
Complaints of Code Violation and Anti-Corruption Measures						102-34
- Severe impact	Case	0	0	0	0	
- No impact	Case	0	1	0	2	

Key performance	Sustainable Development Information - Social Performance					
	Unit	Target	2020	2019	2018	GRI
Number of employees	Person		997	1,002	924	102-8
Male	Person		795	788	741	
Female	Person		202	214	183	
Male proportion	%		79.74	78.64	80.19	
Female proportion	%		20.26	21.36	19.81	405-1
Number of employees by age	Person		997	1,002	924	102-8
Employees younger than 40 years	Person		522	510	505	
Employees aged 40 years and over	Person		475	492	419	
Number of employees by job position	Person		997	1,002	924	202-2
Executive level	Person		72	67	66	
Supervisor level	Person		119	120	106	
Operational level	Person		806	815	752	

Key performance	Sustainable Development Information - Social Performance					
	Unit	Target	2020	2019	2018	GRI
Number of employees	Person		997	1,002	924	202-2
Saraburi Head Office	Person		946	952	875	
Phahonyothin Place Office, Bangkok	Person		29	27	28	
Khon Kaen Branch Office	Person		22	23	21	
Proportion of local employees	%		70.29	68.78	68.53	202-1
All new employees	Person		51	72	78	401-1
Total number of employees resigned.	Person		13	28	58	401-1
Resigned employees under 40	Person		9	21	51	
Resigned employees aged 40 and over	Person		4	7	7	
Total corporate turnover	%		1.29	2.89	6.81	401-1
Employee rate on maternity leave and return to work	%	100	100.00	100.00	100.00	401-3
Average employee training hours	Hr / person	4	4.16	8.42	4.28	404-1
Employee safety						
Accident statistics	Case	0	1	3	2	403-2
Accident with lost time	Case	0	1	3	1	403-2
Accident without lost time	Case	0	-	-	1	403-2
Lost time accident rate	LTISR	0	0.14	0.43	0.16	403-2
Severity rate	LTISR	0	4.86	4.56	1.62	403-2

Key performance	Sustainable Development Information - Environmental Performance					
	Unit	Target	2020	2019	2018	GRI
1. Energy management						
Greenhouse gas emissions	tCO ₂ e		45,283	45,428	42,637	
Greenhouse gas emission, scope 1	tCO ₂ e		2,265	2,465	2,170	305-1
Greenhouse gas emission, scope 2	tCO ₂ e		43,018	42,963	40,468	305-2
Quantity of diesel use	liter		608,309	656,696	569,343	
Quantity of Gasohol 95 use	liter		266,132	296,317	271,087	
Electricity use	kWh/year		49,143,071	48,434,774	45,152,254	302-1
Steam use	MMBTU/year		37,577	31,485	33,251	302-1
Natural gas use	MMBTU/year		146,488	168,664	154,037	302-1
Greenhouse gas emissions per ton of product	kgCO ₂ e/ ton of Product	46.20	49.27	46.07	45.80	302-5

Key performance	Sustainable Development Information - Environmental Performance					
	Unit	Target	2020	2019	2018	GRI
2. Air Quality Management						
Environmental monitoring according to industry standards						
Chrysotile dust content in the DBP1-2 working area						
FC raw material preparation area	fiber/cm ³	< 0.1	0.003-0.011	< 0.001	< 0.001	
Cover pacing/glazing area	fiber/cm ³	< 0.1	0.004	< 0.001	< 0.001	
Chrysotile storage area	fiber/cm ³	< 0.1	0.004	< 0.001	< 0.001	
Product discharge yard	fiber/cm ³	< 0.1	0.004	< 0.001	< 0.001	
Air Quality in the Work Area of DBP1-2						
Total suspended particulate in factory	mg/m ³	< 15	0.417-6.792	< 0.15-5.06	< 0.15-1.42	305-7
Particle matter (<10 micron)	mg/m ³	< 5	0.567-3.733	< 0.15-2.29	< 0.15-2.40	
Xylene	ppm	< 100	<0.050-1.263	0.008-10.605	< 0.004-2.319	
Air Quality from the Factory's Funnels of DBP1-2						
Total Suspended Particulate (TSP)	mg/m ³	< 400	3.16-26.32	<0.15-33.54	3.39-28.44	305-7
Sulfur Dioxide	ppm	< 500	<1.00-13	<1.30-7.02	< 0.05-14.71	305-7
Carbon Monoxide	ppm	< 870	3.00	<1.00-2.63	<1.00-8.50	305-7
Nitrogen Dioxide	ppm	< 200	19-25.02	6.00	<0.05-26.39	305-7
Xylene	ppm	< 200	0.328-62.290	2.269-18.037	0.031-4.267	
Air Quality around Factory Fences of DBP1-2						
Particle Matters (PM-10) 24-hr Avg.	mg/m ³	< 0.120	0.087-0.095	0.056-0.093	0.054-0.114	
Noise Level 24-hr Avg.	dB(A)	< 70	58.2-64.3	60.3-60.7	60.0-64.30	
Disturbance Sound Level 24-hr Avg	dB(A)	< 10	1.1-1.9	2.1-3.6	1.9-7.0	
3. Water management						
Natural water use	m ³		450,258	449,194	441,883	303-1
Natural water use/ton of product	m ³ /ton of product	0.50	0.52	0.40	0.48	
Amount of recycled water treatment	m ³		24,240	24,240	24,240	303-3
4. Waste management						
Total waste	ton		63,182	52,721	55,652	
Non-Hazardous Wastes Volume	ton		59,960	48,643	50,556	
Reuse	ton		4,212	453	9,704	306-2
Recycle	ton		7,807	4,421	176	306-2
Disposal	ton		47,941	43,769	40,676	306-2
Non-Hazardous Wastes Volume	ton		3,222	4,078	5,096	
Reuse	ton		104	90	80	306-2
Recycle	ton		495	733	135	306-2
Disposal	ton		2,623	3,255	4,881	306-2
Waste per ton of product	Kg/ton of product	<50	45.29	48.80	48.43	

Remark: fiber/cm³= fiber per cubic centimeter of air
mg/m³ = Milligrams per cubic meter, ppm = Part Per Million
dB(A) = Decibel A = Sound level meter unit

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3.8 SUSTAINABLE DEVELOPMENT REPORT

(1) REPORT HIGHLIGHTS

Diamond Building Products Public Company Limited (the Company) has prepared a sustainable development report continuously to demonstrate our commitment to disclosing important information on sustainable development. The Company's sustainability performance to Stakeholders are as follows:

- 1) To demonstrate vision, strategy, development, and key performance in terms of environment, society, and governance;
- 2) To disclose key sustainability issues that are both opportunities, risks, and factors that reflect the business's sustainable growth;
- 3) To disclose performance results in line with key sustainability issues.

(2) REPORTING SCOPE

The Corporate Social Responsibility Committee (CSR Committee) collected data on the operations' contents from January 1, 2020, to December 31, 2020, by considering the availability of information and the impact on the Company's sustainability performance. This was under the Company's business that manufactures and sells roofing products, boards, ceilings, siding boards, and other roof accessories and non-roof products and a service provider for roof stripping installation. It also covered the performance of Diamond Materials Company Limited, a subsidiary. Scope of reporting performance data is collected as follows:

- 1) Each department prepared detailed information and statistics of related social, community, and environmental projects;
- 2) CSR Committee established a report outline, review policies, and sustainability goals.
- 3) CSR Committee reviewed the report's content and scope annually to reflect corporate strategy, business value chain, stakeholders, and sustainability issues.

(3) GUIDELINES AND REPORTING FORMATS

This year, the company has prepared a sustainability report following international sustainability reporting standards, GRI standards, and data completeness based on key indicators. (Core), which is consistent with the Sustainable Development Goals (SDGs). This report is called **"Sustainable Development Report,"** compiled a book in the Annual Registration Statement / the Annual Report (Form 56-1 One Report) in the form of printed media and electronic documents published on the Company's website and the Stock Exchange of Thailand.

(4) FOR MORE INFORMATION

Company Secretary and Secretary of CSR Committee
 Diamond Building Products Public Company Limited
 69-70 Moo 1, Mitraphap Road, Km. 115, Tambon Talingchan, Amphur Muang, Saraburi 18000
 Tel: 0 3622 4171-8 Ext: 208 E-mail Address : nipaphat@dbp.co.th

4. MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

4.1 ANALYSIS OF OPERATING RESULTS AND FINANCIAL POSITION

(1) OVERALL OPERATING RESULTS

For the Consolidated Financial Statements of the Year Period Ending December 31, 2020

The Company and its subsidiary company (together referred to as the “Corporate Group”) have overall operating results for the year 2020 with revenue from sales and services of the Corporate Group totaling Baht 4,381.05 million, which decreased from the previous year by 7.72 percent and the net profit of Baht 557.42 million, which decreased from the previous year by 2.47 percent. However, if the extraordinary items were not included, the Corporate Group had a net profit of Baht 547.24 million or a decrease of 0.19 percent from the previous year.

The Coronavirus Disease 2019 (COVID-19) pandemic has continued to make an impact causing a decline on Corporate Group’s revenues from project customers due to slowdown in the real estate business, from the closing of modern trade stores according to the order of the Center for Covid-19 Situation Administration (CSSA) and from the decline of export business due to global economic situation. Meanwhile, there is a growth of customers from the domestic sales agent group, which is the main channel, with sales proportion of more than 50 percent with sales volume making up for the decline from others groups of customers. As a result, the revenue of the Corporate Group decreased by 7.72 percent from the previous year. In addition to the continuation of production cost management and good product mix management, the Corporate Group’s gross profit margin was as high as 29.05 percent, which was higher than the previous year despite lower net profit as compared with the previous year.

(2) ANALYSIS OF OPERATING RESULTS AND PROFITABILITY

(2.1) Revenues from Sales and Services

Description	Year 2020		Year 2019		Increase / (Decrease)	
	Million Baht	% of Total Revenue	Million Baht	% of Total Revenue	Million Baht	%
Revenues from Sales	4,069.35	92.29	4,326.87	89.67	(257.52)	(5.95)
Revenues from Services	311.70	7.07	420.68	8.72	(108.98)	(25.91)
Total Revenue from Sales and Services	4,381.05	99.36	4,747.55	98.39	(366.50)	(7.72)
Gain on Sales of Fixed Assets	22.47	0.51	64.21	1.33	(41.74)	(65.01)
Gain on Foreign Exchange Rate – Net	0.34	0.01	4.96	0.10	(4.62)	(93.15)
Other Revenue	5.29	0.12	8.64	0.18	(3.35)	(38.77)
Total Other Revenue	28.10	0.64	77.81	1.61	(49.71)	(63.89)
Total Revenue	4,409.15	100.00	4,825.36	100.00	(416.21)	(8.63)

The Corporate Group’s total revenue of year 2020 decreased from the previous year by 8.63 percent, consisting of:

- Revenues from sales were Baht 4,069.35 million, which decreased from the previous year by Baht 257.52 million or 5.95 percent, due to lower sales revenue from each sales channel while sales revenue from the domestic sales agent increased.
- Revenues from services were Baht 311.70 million, which decreased from the previous year by Baht 108.98 million or 25.91 percent, due to the decrease in revenue from services of Baht 82.51 million and decrease in revenue from transportation of Baht 26.47 million.
- Other revenue was Baht 28.10 million, which decreased from the previous year by Baht 49.71 million, due to revenue from the sale of unused land in Saraburi province for Baht 14.05 million. However, there was revenue from the sale of unused land in Chon Buri Province of Baht 63.30 million in the previous year.

(2.2) Cost of Sales and Services

Description	Year 2020		Year 2019		Increase / (Decrease)	
	Million Baht	% of Total Revenue	Million Baht	% of Total Revenue	Million Baht	%
Cost of Sales	2,799.60	63.90	3,060.00	64.45	(260.40)	(8.51)
Cost of Services	308.90	7.05	414.68	8.73	(105.78)	(25.51)
Total Cost of Sales and Services	3,108.50	70.95	3,474.68	73.19	(366.18)	(10.54)

The Corporate Group's total cost of sales and services of year 2020 decreased from the previous year by 10.54 percent, consisting of:

- Cost of sales was Baht 2,799.60 million, which decreased from the previous year by Baht 260.40 million or 8.51 percent, due to the decrease in revenues from sales.
- Cost of services was Baht 308.90 million, which decreased from the previous year by Baht 105.78 million or 25.51 percent, due to the decrease in the cost of services of Baht 58.97 million and decrease in transportation cost of Baht 46.81 million.

(2.3) Selling and Administrative Expenses

Description	Year 2020		Year 2019		Increase / (Decrease)	
	Million Baht	% of Total Revenue	Million Baht	% of Total Revenue	Million Baht	%
Selling Expenses	128.12	2.92	132.63	2.79	(4.51)	(3.40)
Administrative Expenses	439.99	10.04	453.29	9.55	(13.30)	(2.93)
Management's Remuneration*	54.42	1.24	50.92	1.07	3.50	6.87
Total Selling and Administrative Expenses	622.53	14.21	636.84	13.41	(14.31)	(2.25)

Remarks: * Management means the director, chief executive officer or the next four executives succeeding the chief executive officer, the persons holding equivalent position to the fourth executive and shall include the persons holding the position of manager or equivalent in accounting or finance departments.

The Corporate Group's selling and administrative expenses of year 2020 decreased from the previous year by 2.25 percent, consisting of:

- Selling expenses were Baht 128.12 million, which decreased from the previous year by Baht 4.51 million or 3.40 percent, due to the decrease in salary and benefits of the employees of Baht 5.89 million, decrease in traveling expenses of Baht 0.96 million, decrease in fuel expenses of Baht 0.94 million and decrease in entertainment expenses of Baht 0.79 million but there was an increase in marketing and sales promotion expenses of Baht 2.82 million and increase in service expenses of Baht 1.17 million.
- Administrative expenses were Baht 439.99 million, which decreased from the previous year by Baht 13.30 million or 2.93 percent, due to the decrease in salary and benefits of the employees of Baht 6.15 million, decrease in rental expenses of Baht 6.02 million, decrease in processing expenses for export products of Baht 5.81 million, decrease in the fee and commission from the sale of unused land of Baht 4.15 million, decrease in property tax expenses of Baht 4.99 million, decrease in product packaging expenses of Baht 3.18 million, decrease in consulting expenses of Baht 3.96 million and decrease in fuel expenses of Baht 1.43 million but there was an increase in depreciation and amortization of Baht 9.30 million, increase in other expenses of Baht 8.20 million, increase in allowance for impairment of fixed assets of Baht 3.56 million and increase in technology expenses of Baht 1.08 million.
- Management's remunerations were Baht 54.42 million, which increased from the previous year by Baht 3.50 million or 6.87 percent.

(2.4) Profitability

Description	Year 2020		Year 2019		Increase / (Decrease)	
	Million Baht	% of Total Revenue	Million Baht	% of Total Revenue	Million Baht	%
Revenues from Sales and Services	4,381.05	100.00	4,747.55	100.00	(366.50)	(7.72)
Costs of Sales and Services	3,108.50	70.95	3,474.68	73.19	(366.18)	(10.54)
GP	1,272.55	29.05	1,272.87	26.81	(0.32)	(0.03)
EBITDA	950.17	21.69	952.71	20.07	(2.54)	(0.27)
EBIT	678.11	15.48	713.84	15.04	(35.73)	(5.01)
NP (Including Extraordinary Items)	557.42	12.72	571.54	12.04	(14.12)	(2.47)
NP (Excluding Extraordinary Items)	547.24	12.49	548.27	11.55	(1.03)	(0.19)
EPS (Baht per Share) *	0.62		0.60		0.02	3.33
Weighted Average Number of Ordinary Shares	892.10		947.96		(55.86)	(5.89)
(Million Shares) *	26.57%		26.37%		0.20%	
Return on Equity (ROE) (%)	16.51%		17.67%		(1.16%)	

Remark: * Calculated based on the number of issued and paid-up ordinary shares deducted by the number of treasury share

GP = Gross Profit, EBITDA = Earnings before Interest, Tax, Depreciation & Amortization, EBIT = Earnings before Interest & Tax,

NP = Net Profit after Tax, EPS = Net Earnings per Share

Gross Profit (GP)

- The Corporate Group's gross profit of year 2020 was Baht 1,272.55 million, a decrease from the previous year by Baht 0.32 million or 0.03 percent, due to the decrease in revenues from sales and services of 7.72 percent but decrease in the cost of sales and services of 10.54 percent.

Net Profit (NP)

The Corporate Group's net profit and net earnings per share of year 2020 as follows:

- The Corporate Group's net profit was Baht 557.42 million, a decrease from the previous year by Baht 14.12 million or 2.47 percent, due to the decrease in gross profit margin of 0.03 percent, despite the decrease in selling and administrative expenses of 2.25 percent.
- The Corporate Group's net earnings per share was Baht 0.62 per share, an increase from the previous year of Baht 0.02 per share or 3.33 percent, due to the weighted average number of ordinary shares is lower than the treasury stock by 5.89 percent, despite the decrease in net profit of 2.47 percent.

EBITDA

- The Corporate Group's EBITDA of year 2020 was Baht 950.17 million, a decrease from the previous year of Baht 2.54 million or 0.27 percent, due to the decrease in gross profit margin of 0.03 percent, despite the decrease in selling and administrative expenses excluding depreciation of 3.91 percent.

Earnings Efficiency

- Return on Equity (ROE):** The Corporate Group's ROE increased from 26.37 percent as at end of 2019 to 26.57 percent as at December 31, 2020 or an increase of 0.20 percent, due to a decrease in net profit of 2.47 percent but there was a decrease in the shareholders' equity of 3.21 percent from the previous year.

- Return on Assets (ROA):** The Corporate Group's ROA decreased from 17.67 percent as at end of 2019 to 16.51 percent as at December 31, 2020 or a decrease of 1.16 percent, due to a decrease in net profit of 2.47 percent and there was an increase in total assets of 4.35 percent from the previous year.

(2.5) Financial Position

Description	Statement of Financial Position		Increase / (Decrease)	
	As at December 31, 2020	As at December 31, 2019		
	Million Baht	Million Baht	Million Baht	%
Total Assets	3,418.84	3,331.97	86.87	2.61
Total Liabilities	1,481.82	1,072.79	409.03	38.13
Total Shareholders' Equity	1,937.02	2,259.18	(322.16)	(14.26)
Weighted Average Number of Ordinary Shares*	892.10	947.96	(55.86)	(5.89)
Book Value (Baht per Share)*	2.17	2.38	(0.21)	(8.82)

Remark: * Calculated based on the number of issued and paid-up ordinary shares deducted by the number of treasury stock

- The Corporate Group's total assets as at December 31, 2020 increased from the end of year 2019 by Baht 86.87 million or 2.61 percent, due to increase in fixed assets of Baht 232.41 million, increase in right of use assets of Baht 55.18 million, increase in deferred income tax of Baht 5.16 million and increase in other current assets and other non-current assets of Baht 0.51 million but there were net decrease in inventory of Baht 153.51 million, decrease in cash advance payment for purchase of assets of Baht 26.47 million, decrease in cash and cash in bank of Baht 9.25 million, net decrease in trade accounts receivable and other accounts receivable of Baht 8.55 million, decrease in investment properties (unused land) of Baht 5.25 million and decrease in intangible assets of Baht 3.36 million.

- The Corporate Group's total liabilities as at December 31, 2020 increase from the end of year 2019 by Baht 409.03 million or 38.13 percent, due to the increase in short-term loan of Baht 454 million, increase in financial lease liabilities of Baht 41.75 million, increase in provision for post-employment benefits obligation of Baht 19.63 million and increase in other current liabilities of Baht 2.08 million but there was a decrease in trade accounts payable and other accounts payable of Baht 85.08 million and decrease in current income tax payable of Baht 23.35 million.

- The Corporate Group's total shareholders' equity as at December 31, 2020 decreased from the end of year 2019 by Baht 322.16 million or 14.26 percent, due to the increase in net profit of Baht 557.42 million but there was a dividend payment of Baht 360.60 million, payment for treasury shares of Baht 511.96 million and loss of Baht 7.02 million from new valuation of employee benefits established net of income tax resulting in a decrease in share book value from Baht 2.38 per share as at end of year 2019 to Baht 2.17 per share as at December 31, 2020.

(2.6) Cash Flows

Description	Unit: Million Baht	
	Year 2020	Year 2019
Cash Flows from Operating Activities	844.13	687.79
Cash Flows used in Investing Activities	(408.94)	(238.81)
Cash Flows used in Financing Activities	(444.87)	(437.94)
Effect of exchange rate changes on cash and cash equivalents	0.43	(0.03)
Cash Increase (Decrease) – Net	(9.25)	11.01
Cash at the Beginning of the Period	31.32	20.31
Cash at the Ending of the Period	22.07	31.32
CFROE = Cash Flow Return on Equity Increase (Decrease) (%)	39.80%	30.18%

- The Corporate Group's net cash from operating activities of year 2020 was Baht 844.13 million, which was higher than the net profit before tax by Baht 173.71 million, due to the transactions that did not affect the cash such as depreciation of assets and amortization of Baht 272.06 million, net decrease in inventory of Baht 148.18 million, net decrease in trade accounts receivable and other accounts receivable of Baht 6.93 million, increase in other non-current liabilities of Baht 10.87 million, increase in other current liabilities of Baht 9.76 million and decrease in other current assets of Baht 1.31 million but there were decrease in trade accounts payable and other accounts payable of Baht 113.14 million, increase in other non-current assets of Baht 8.46 million, increase in income from the sale of unused land of Baht 14.05 million and payment of accrued corporate income tax for year 2019 of Baht 50 million, payment of mid-year corporate income tax of year 2020 of Baht 86.21 million and payment of withholding tax of Baht 3.54 million.

- The Corporate Group's net cash used in investing activities of year 2020 was Baht 408.94 million, due to cash payment for the purchase of fiber cement machinery (NT-11) of Baht 250.60 million, cash payment for tools and equipment replacement after their useful life of Baht 176.39 million, cash advance payment for purchase of assets of Baht 9.06 million and cash payment for intangible assets of Baht 0.90 million but there were cash received from the sale of unused land of Baht 19.29 million, cash received from sale of damaged and unusable assets of Baht 8.69 million and cash received from interest income of Baht 0.03 million.

- The Corporate Group's net cash used in financing activities of year 2020 was Baht 444.87 million, due to the increase in short-term loan of Baht 454 million but there were dividend payment of Baht 360.60 million, repayment of financial lease of Baht 21.09 million, interest payment of Baht 5.22 million and payment for treasury shares of Baht 511.96 million.

(2.7) Financial Ratios

Financial Ratios	As at December 31, 2020	As at December 31, 2019
Current Ratio (Times)	1.02	1.64
Quick Ratio (Times)	0.44	0.65
Cash flow Liquidity Ratio (Times)	0.80	0.74
Account Receivable Turnover Ratio (Times)	9.51	9.77
Average Collection Period (Days)	38	37
Inventory Turnover Period (Days)	22	19
Average Payable Period (Days)	13	16
Cash Cycle (Days)	47	40
Total Debt to Equity Ratio (Times)	0.76	0.47
Interest Coverage Ratio (Times)	123.36	126.53
Debt Service Coverage Ratio (Times)	67.52	75.36

(3) ASSET MANAGEMENT CAPABILITY

(3.1) Debtor Quality, Accounts Receivable Aging, Provision and Sufficiency of Allowance for Doubtful Debts

The Corporate Group's trade accounts receivable and other accounts receivable as at December 31, 2020 account for 14.89 percent of the total assets with 75.14 percent not yet due for payment. The Corporate Group has established policy for setting provision or allowance for doubtful debts which is based on the analysis of accounts receivable aging and assessment of past debt collection experience. The Corporate Group had no bad debt during year 2019 to 2020.

(3.2) Inventory and Deterioration or Obsolescence

The Corporate Group's inventory as at December 31, 2020 accounts for 20.53 percent of the total assets, of which 24.44 percent are finished products, 24.44 percent are work in progress and 41.46 percent are raw materials. The Corporate Group conducts inventory inspection and has employed accounting policy for setting provision for inventory.

(4) LIQUIDITY AND CAPITAL SUFFICIENCY

The Corporate Group manages its capital by preparing cash flow projection in order to manage the working capital for sufficient liquidity and low financial cost, which can be summarized as follows.

- The Corporate Group's total debt to equity ratio as at December 31, 2020 was at 0.76 times, an increase from end of year 2019, due to the increase in total liabilities from the end of 2019 of 38.13 percent and the shareholders' equity decreased from the end of year 2019 by 14.26 percent and the interest coverage ratio was at 123.36 times, a decrease from end of 2019, due to an increase in cash flow from operating activities from the previous year of 22.73 percent but increase in interest on loan from the previous year of 23.04 percent.
- The Corporate Group's current ratio as at December 31, 2020 was 1.02 times, a decrease from the end of year 2019, due to a decrease in current assets of 12.11 percent but increase in current liability of 42.24 percent and the quick ratio of 0.44 times, which decreased from the end of year 2019, due to a decrease in inventory of 17.95 percent but increase in current liability of 42.24 percent and the cash flow liquidity ratio was 0.80 times, an increase from end of year 2019, due to the increase in cash flow from operating activities from the previous year of 22.73 percent.
- The Corporate Group's cash cycle as at December 31, 2020 was 47 days, an increase from the end of year 2019 of 7 days due to the increase in inventory turnover period of 3 days, increases in average collection period of 1 day and decreases in average payable period of 3 day.
- The Corporate Group's debt service coverage ratio increased from 75.36 times as at end of year 2019 to 67.52 times as at December 31, 2020 due to a decrease in EBITDA from end of year 2019 of 0.27 percent and an increase in interest on loan payment of 23.04 percent but there was the financial lease liabilities due within one year decreased by 0.16 percent.

The Corporate Group has policy for setting the credit term period as follows.

- **Debt Collection Period:** The credit term period is determined based on the risk assessment on payment by the customer, including contact period, financial position, guarantee and payment history, depending on the situation involving competition and sales promotion during each period of the Corporate Group by specifying the guarantee protection for credit limit as follows.

Risk Probability	Very Low	Low	Medium	High
Credit Term Period	60 days	45 days	30 days	Payment transfer first if no guarantee

- **Repayment Period:** The repayment period is determined based on the type of product and raw material or hiring services, order value and payment conditions from trade discount negotiation.

Work Value	Type and Order Value of Product and Raw Material
Credit Term Period	30 – 60 days

As at December 31, 2020, the Corporate Group's average collection period was 38 days, which was in line with the established policy and average repayment period of 13 days, which was lower than the established policy, as the Corporate Group had advanced payment for the raw materials in order to receive trade discount.

(5) DEBT OBLIGATION

The Corporate Group has policy to mitigate risk from interest fluctuation by taking long-term loan with fixed interest rate. Accordingly, as at December 31, 2020, the Corporate Group had no long-term debt obligation to comply with the terms and conditions of the loan agreement with the commercial bank.

4.2 FACTORS HAVING IMPACT ON FUTURE OPERATING RESULTS

The coronavirus disease 2019 (COVID-19) pandemic has brought about changing circumstances in the business operations, by which the Corporate Group has performed an assessment on factors affecting future operations and expects that such impact will be long lasting. Accordingly, the Corporate Group has reviewed its targets and business plan to be in line with such situation, which can be summarized as follows.

(1) Operational Aspect

(1.1) Revenue Aspect: The Corporate Group has sought for new market to increase its sales potential by adding distribution through ready-built house customers, which is in line with the Corporate Group has slogan, “**Complete Set of Beauty, Entirely Filled with Diamond Brand**”, and serves as strong network building, as well as complete distribution of products and services.

(1.2) Production Cost Aspect: The Corporate Group places importance on taking advantage of the machinery, procurement of modern tools and equipment and bringing in technology and innovation for product quality improvement and development, as well as reducing unnecessary production process and producing products that are convenient for installation and utilization, resulting in production cost reduction.

(1.3) Personnel Supervision Aspect : The Corporate Group has strictly conducted in accordance with the COVID-19 protection measures of the Center for Covid-19 Situation Administration (CSSA) and with full cooperation from every employee; thus, all the executives and employees have been safe and free of COVID-19 during the past year. Such protection measures have been continued until present.

(2) Financial Aspect

The Corporate Group has not been impacted financially, having the net cash flow from operations in year 2020 of Baht 844.13 million, which is higher than the previous year by 22.73 percent. Accordingly, the Corporate Group has ability to service debt and abide by the terms and conditions of the loan agreements, as well as continue to pay out dividend to the shareholders.

(3) Long-Term Plan to Handle the “New Normal”: In order to maintain competitiveness, the Corporate Group has developed new products and services with better differentiation, developed strong sales channels within the country and abroad, established fair and competitive selling prices, produced advertising media that are outstanding and competitive to support product sales of trading partners, as well as received purchase orders from customers through online Web Sale system, etc.

4.3 FINANCIAL INFORMATION

4.3.1 REPORT OF THE BOARD OF DIRECTORS’ RESPONSIBILITIES TO THE FINANCIAL STATEMENTS

The Board of Directors gives priority and is responsible for the financial statements year 2020 of Diamond Building Products Public Company Limited including financial information presented in the Annual Registration Statement / the Annual Report (Form 56-1 One Report) year 2020. The financial statements were prepared in compliance with the Notification of the Department of Business Development dated September 28, 2011 on specification of brief particulars in the financial statement B.E. 2554 (2011) in accordance with the regulations of the Stock Exchange of Thailand dated October 2, 2017 on preparation and submission of financial statements and reports on financial status and operating results of the listed company and in accordance with the accounting standards and generally accepted accounting principles in Thailand.

The Board of Directors is responsible for the financial statements of Diamond Building Products Public Company Limited, assuring that the financial statements, operating results, and cash flows are actual and reasonable by having complete and accurate accounting records. These financial statements are prepared in accordance with the generally accepted accounting standards by implementing suitable accounting policy corresponding to the Company's business that has been consistently followed as well as considering sufficient provisions for the uncertain transactions or transactions that may have significant impact on the future business. Important information is disclosed in the notes to the financial statements and the independent auditor has given opinions in the report of the independent auditor.

For this purpose, the Board of Directors has appointed the AC Committee comprising the independent and non-executive directors with complete qualifications in accordance with the Securities and Exchange Act (No. 4) B.E. 2551 (2008) and the regulations of the Capital Market Supervisory Board to verify the financial statements for compliance with the accounting standards, to review the internal control system, internal audit system, and risk management system for appropriateness and effectiveness; to review transparency of the operations in accordance with the Company's regulations and in compliance with all provisions of related laws and oversee that there is no conflict of interest; as well as to consider and propose for the appointment of the Company's independent auditor. Accordingly, the opinions of the AC Committee have been presented within the Report of the AC Committee included in the Form 56-1 One Report year 2020.

February 22, 2021

On Behalf of the Board of Directors of Diamond Building Products Public Company Limited

|||||

Mr. Prakit Pradipasen
Chairman of the Board

|||||

Mr. Satid Sudbuntad
Chief Executive Officer

4.3.2 SUMMARY OF THE REPORT OF INDEPENDENT AUDITOR

During 2018 – 2020, Ms. Chanarat Chanwa, Certified Public Accountant Registration No. 9052 from KPMG Phoomchai Audit Ltd., has audited the consolidated and separate financial statements, which comprise the consolidated and separate statements of financial position, the consolidated and separate statements of comprehensive income, consolidated and separate financial statements showing changes in equity, and cash flows. With independence and no restriction, the auditor has found that the Company's financial statements have shown that the consolidated and separate financial position and the consolidated and separate cash flows are essentially correct in accordance with the financial reporting standards,

4.3.3 SUMMARY OF IMPORTANT FINANCIAL INFORMATION

(Unit : Million Baht)	Consolidated Financial Statements			Separate Financial Statements		
	2020	2019	2018	2020	2019	2018
Financial status						
Total assets	3,419	3,332	3,138	3,477	3,387	3,182
Total liabilities	1,482	1,073	1,062	1,552	1,133	1,096
Total shareholders' equity	1,937	2,259	2,076	1,925	2,254	2,086
Operating results						
Revenue from sales of goods and rendering of service	4,381	4,748	4,329	4,381	4,748	4,329
Gross profit	1,273	1,273	1,088	1,253	1,249	1,069
Income before depreciation, finance costs and income tax expense (EBITDA)	950	953	768	926	923	742
Income before finance costs and income tax expense	678	714	531	670	699	521
Net income	557	572	423	550	557	413
Financial ratios						
Net profit margin (%)	12.72	12.04	9.77	12.54	11.72	9.53
EBITDA margin (%)	21.69	20.07	17.74	21.14	19.44	17.14
Return on equity (%)	26.57	26.37	20.78	26.30	25.65	20.12
Return on total assets (%)	16.51	17.67	13.74	16.01	16.95	13.25
Debt to equity ratio (Times)	0.76	0.47	0.51	0.81	0.50	0.53
Interest coverage ratio (Times)	123.36	126.53	72.99	122.40	125.93	72.85
Net gearing ratio (Times)	0.45	0.18	0.24	0.46	0.18	0.24
Earnings per share (Baht per share)	0.62	0.60	0.45	0.62	0.59	0.44
Book value (Baht per share)	2.17	2.38	2.19	2.16	2.38	2.20
Summary stock information "DRT"						
Market price as at year end (Baht per share)	5.85	6.25	5.30	5.85	6.25	5.30
Number of registered common shares (Million shares)	948	948	948	948	948	948
Number of paid – up common shares (Million shares)	948	948	948	948	948	948
Number of treasury common shares (Million shares)	93	-	-	93	-	-
Par value (Baht per share)	1.00	1.00	1.00	1.00	1.00	1.00
Market capitalization as at year end (Million Baht)	5,546	5,925	5,024	5,546	5,925	5,024
Price earnings ratio as at year end (Baht per share)	9.44	10.42	11.78	9.44	10.59	12.05
Dividend per share (Baht per share)	0.42	0.40	0.36	0.42	0.40	0.36
Dividend payout ratio (%)	67.74	66.67	80.00	67.74	67.80	81.82

(1) CONSOLIDATED FINANCIAL STATEMENTS

(A) Summary of Consolidated Financial Statements

Consolidated Statement of Financial Position

Description	2020		2019		2018	
	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
Current assets						
Cash and cash equivalents	22,068	0.65	31,316	0.94	20,315	0.65
Trade accounts receivable and other current receivables	509,096	14.89	517,646	15.54	552,923	17.62
Inventories	701,837	20.53	855,351	25.67	761,970	24.28
Other current assets	6,418	0.19	5,948	0.18	5,211	0.17
Non-current assets classified as held for sale	0	0.00	0	0.00	25,445	0.81
Total current assets	1,239,419	36.25	1,410,261	42.33	1,365,864	43.53
Non-current assets						
Investment in a subsidiary	0	0.00	0	0.00	0	0.00
Property, plant and equipment	2,036,605	59.57	1,804,195	54.15	1,695,080	54.02
Investment properties	20,059	0.59	25,305	0.76	22,805	0.73
Right-of-use assets	55,178	1.61	0	0.00	0	0.00
Intangible assets	12,168	0.36	15,522	0.47	16,384	0.52
Deferred tax assets	51,976	1.52	46,812	1.40	31,803	1.01
Other non-current assets	3,440	0.10	29,871	0.90	5,766	0.18
Total non-current assets	2,179,426	63.75	1,921,705	57.67	1,771,838	56.47
Total assets	3,418,845	100.00	3,331,966	100.00	3,137,702	100.00
Liabilities and equity						
Current liabilities						
Short-term loans from financial institutions	900,000	26.32	446,000	13.39	511,000	16.29
Trade accounts payable and other current payables	230,976	6.76	316,054	9.49	339,882	10.83
Current portion of long-term loans from financial institutions	0	0.00	0	0.00	0	0.00
Current portion of lease liabilities	21,045	0.62	6,387	0.19	6,397	0.20
Current tax payable	27,027	0.79	50,380	1.51	35,226	1.12
Other current liabilities	41,066	1.20	38,986	1.17	29,880	0.95
Total current liabilities	1,220,114	35.69	857,807	25.74	922,385	29.40
Non-current liabilities						
Long-term loans from financial institutions	0	0.00	0	0.00	0	0.00
Lease liabilities	36,003	1.05	8,914	0.27	9,383	0.30
Non-current provisions for employee benefits	225,701	6.60	206,070	6.18	129,841	4.14
Total non-current liabilities	261,704	7.65	214,984	6.45	139,224	4.44
Total liabilities	1,481,818	43.34	1,072,791	32.20	1,061,609	33.83

Description	2020		2019		2018	
	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
Equity						
Share capital						
Authorised share capital						
Ordinary shares (par value at Baht 1 per share)	947,962		947,962		947,962	
Issued and paid-up share capital						
Ordinary shares (par value at Baht 1 per share)	947,962	27.73	947,962	28.45	947,962	30.21
Share premium on ordinary shares	166,512	4.87	166,512	5.00	166,512	5.31
Share premium on treasury shares	165,206	4.83	165,206	4.96	165,206	5.27
Retained earnings						
Appropriated						
Legal reserve	105,000	3.07	105,000	3.15	105,000	3.35
Treasury shares reserve	511,961	14.97	0	0.00	0	0.00
Unappropriated	552,347	16.16	874,495	26.25	691,413	22.04
Treasury shares	(511,961)	(14.97)	0	0.00	0	0.00
Total equity	1,937,027	56.66	2,259,175	67.80	2,076,093	66.17
Total liabilities and equity	3,418,845	100.00	3,331,966	100.00	3,137,702	100.00

Consolidated Statement of Comprehensive Income

Description	2020		2019		2018	
	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
Revenue from sale of goods and rendering of services	4,381,046	100.00	4,747,554	100.00	4,329,350	100.00
Cost of sales of goods and rendering of services	3,108,501	70.95	3,474,677	73.19	3,241,612	74.88
Gross profit	1,272,545	29.05	1,272,877	26.81	1,087,738	25.12
Other income						
Gain on sales of fixed assets	22,472	0.51	64,205	1.35	1,670	0.04
Gain on foreign exchange rate – net	341	0.01	4,964	0.10	4,613	0.11
Other	5,287	0.12	8,633	0.18	7,393	0.17
Profit before expenses	1,300,645	29.69	1,350,679	28.45	1,101,414	25.44
Selling expenses	128,117	2.92	132,633	2.79	127,837	2.95
Administrative expenses	439,992	10.04	453,291	9.55	402,482	9.30
Management's remuneration	54,423	1.24	50,916	1.07	40,066	0.93
Total expenses	622,532	14.21	636,840	13.41	570,385	13.17
Profit before finance costs and income tax expense	678,113	15.48	713,839	15.04	531,029	12.27
Finance costs	(7,685)	(0.18)	(6,246)	(0.13)	(8,029)	(0.19)
Profit before income tax expense	670,428	15.30	707,593	14.90	523,000	12.08
Tax expense ⁴	(113,008)	(2.58)	(136,056)	(2.87)	(100,150)	(2.31)
Net Profit	557,420	12.72	571,537	12.04	422,850	9.77
Defined benefit plan actuarial losses	(8,759)	(0.20)	(35,288)	(0.74)	0	0.00
Income tax on other comprehensive income	1,752	0.04	7,058	0.15	0	0.00
Comprehensive income ¹	550,413	12.56	543,307	11.44	422,850	9.77
Basic earnings per share (Baht) ²	0.62		0.60		0.45	
Weighted Average Number of Ordinary Shares (thousand shares) ³	892,103		947,962		947,962	

¹ Comprehensive income is calculated from net profit outstanding during the year, adjusted for revenue and expenses, including adjustment of reclassified items that are not permitted to be recognized in the statement of income.

² Basic earnings per share are calculated by dividing the net profit with weighted average number of ordinary shares as at yearend.

³ Weighted average number of ordinary shares for the calculation of basic earnings per share.

⁴ Corporate income tax is calculated with corporate income tax rate year 2020, 2019, 2018 of 20 percent, 20 percent, and 20 percent, respectively.

Consolidated Statement of Cash Flows

Description	2020	2019	2018
	Thousand Baht	Thousand Baht	Thousand Baht
Cash flows from operating activities			
Net Profit	557,420	571,537	422,850
Adjustments to reconcile profit to cash receipts (payment) :			
Depreciation and Amortisation	271,687	237,018	234,814
Amortisation of premium on forward exchange contracts	374	1,853	2,147
Gain on sales of non-current assets classified as held for sale	0	(63,299)	0
Gain on sales of investment property	(14,046)	0	0
Gain on disposal of property, plant and equipment	(8,420)	(947)	(1,476)
Loss on disposal of intangible assets	0	41	29
Impairment loss on investment	(1,260)	(270)	(1,130)
Reversal of bad and doubtful debt expenses	1,793	0	0
Loss on disposal of inventories	5,554	1,779	144
Losses on inventories devaluation	1,059	(2,500)	0
(Reversal of) impairment loss recognised in profit or loss	15,952	43,920	10,580
Provision for employee benefits	1,170	(71)	914
Unrealised (gain) loss on exchange	(33)	(67)	(58)
Interest income	7,685	6,246	8,029
Finance costs	113,008	136,056	100,150
	951,943	931,296	776,993
Trade accounts receivable and other current receivables (increase) decrease	8,194	35,763	(7,867)
Inventories (increase) decrease	140,829	(95,160)	(186,318)
Other current assets increase	(882)	(2,552)	(717)
Other non-current assets increase	(39)	(79)	(7)
Trade accounts payable and other current payables increase (decrease)	(113,138)	(59,224)	28,134
Other current liabilities increase	2,074	9,568	4,202
Provision for employee benefits paid	(5,079)	(2,979)	(7,031)
Net cash generated from operating	983,902	816,633	607,389
Tax paid	(139,770)	(128,850)	(100,729)
Net cash from operating activities	844,132	687,783	506,660
Cash flows from investing activities			
Interest received	33	67	58
Payments for acquisition of property, plant and equipment	(426,992)	(294,485)	(121,015)
Prepayment for purchases of fixed assets	(9,060)	(33,487)	(20,813)
Payments for acquisition of intangible assets	(900)	(3,289)	0
Proceeds from sale of non-current assets classified as held for sale	0	88,745	0
Proceeds from sale of investment properties	19,291	0	0
Proceeds from sale of property, plant and equipment	8,691	3,635	1,801
Net cash used in investing activities	(408,937)	(238,814)	(139,969)

Description	2020	2019	2018
	Thousand Baht	Thousand Baht	Thousand Baht
Cash flows from financing activities			
Interest paid	(5,229)	(5,198)	(6,731)
Proceeds from (repayment of) short-term loans from financial institution	454,000	(65,000)	(14,000)
Purchase of treasury shares	(511,961)	0	0
Payments of lease liabilities	(21,085)	(7,521)	(7,591)
Dividends paid to owners of the Company	(360,597)	(360,223)	(341,264)
Net cash used in financing activities	(444,872)	(437,942)	(369,586)
Gain (Loss) of exchange rate changes on cash and cash equivalents	429	(26)	(619)
Net increase (decrease) in cash and cash equivalents	(9,248)	11,001	(3,514)
Cash and cash equivalents at 1 January	31,316	20,315	23,829
Cash and cash equivalents at 31 December	22,068	31,316	20,315

(B) Summary of Important Financial Ratios of the Consolidated Financial Statement

Consolidated Financial Ratios				
Description		2020	2019	2018
Liquidity ratios				
Current ratio	(Times)	1.02	1.64	1.48
Quick ratio	(Times)	0.44	0.65	0.65
Cash flow liquidity ratio	(Times)	0.80	0.74	0.54
Account receivable turnover ratio	(Times)	9.51	9.77	8.44
Average collection period	(Days)	38	37	43
Inventory turnover ratio	(Times)	16.45	18.83	19.45
Day's supply in inventory	(Days)	22	19	19
Account payable turnover ratio	(Times)	27.35	22.17	19.54
Average payable period	(Days)	13	16	18
Cash cycle	(Days)	47	40	44
Profitability Ratios				
Gross profit margin	(%)	29.05%	26.81%	25.12%
Operating profit margin	(%)	14.84%	13.40%	11.95%
Other revenue of total revenue	(%)	0.64%	1.61%	0.31%
Cash to profit margin	(%)	128.47%	102.87%	93.91%
Net profit margin	(%)	12.72%	12.04%	9.77%
Return on equity	(%)	26.57%	26.37%	20.78%
Efficiency ratios				
Return on assets	(%)	16.51%	17.67%	13.74%
Return on fixed assets	(%)	42.69%	45.69%	37.37%
Financial policy ratios				
Debt to equity ratio	(Times)	0.76	0.47	0.51
Interest coverage ratio	(Times)	123.36	126.53	72.99
Interest bearing deb to EBITDA ratio	(Times)	0.95	0.47	0.54
Debt service coverage ratio (DSCR)	(Times)	67.52	75.36	56.23
Dividend payout ratio	(%)	67.74%	66.67%	80.00%
Net gearing ratio	(Times)	0.45	0.18	0.24

(2) SEPARATE FINANCIAL STATEMENTS

(A) Summary of Separate Financial Statements

Separate Statement of Financial Position

Description	2020		2019		2018	
	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
Current assets						
Cash and cash equivalents	21,383	0.62	30,248	0.89	19,563	0.61
Trade accounts receivable and other current receivables	507,766	14.60	517,207	15.27	552,411	17.36
Inventories	684,160	19.68	842,902	24.88	749,011	23.54
Other current assets	6,304	0.18	5,893	0.17	5,180	0.16
Non-current assets classified as held for sale	0	0.00	0	0.00	25,445	0.80
Total current assets	1,219,613	35.08	1,396,250	41.22	1,351,610	42.47
Non-current assets						
Investment in a subsidiary	170,000	4.89	170,000	5.02	170,000	5.34
Property, plant and equipment	1,946,222	55.98	1,708,574	50.44	1,591,394	50.01
Investment properties	20,059	0.58	25,304	0.75	22,805	0.72
Right-of-use assets	55,177	1.59	0	0.00	0	0.00
Intangible assets	4,927	0.14	5,281	0.16	3,143	0.10
Deferred tax assets	57,403	1.65	52,100	1.54	37,476	1.18
Other non-current assets	3,390	0.10	29,821	0.88	5,716	0.18
Total non-current assets	2,257,178	64.92	1,991,080	58.78	1,830,534	57.53
Total assets	3,476,791	100.00	3,387,330	100.00	3,182,144	100.00
Liabilities and equity						
Current liabilities						
Short-term loans from financial institutions	900,000	25.89	446,000	13.17	511,000	16.06
Trade accounts payable and other current payables	303,481	8.73	377,486	11.14	375,403	11.80
Current portion of long-term loans from financial institutions	0	0.00	0	0.00	0	0.00
Current portion of lease liabilities	21,045	0.61	6,387	0.19	6,397	0.20
Current tax payable	27,027	0.78	50,380	1.49	35,226	1.11
Other current liabilities	40,426	1.16	38,748	1.14	29,408	0.92
Total current liabilities	1,291,979	37.16	919,001	27.13	957,434	30.09
Non-current liabilities						
Long-term loans from financial institutions	0	0.00	0	0.00	0	0.00
Lease liabilities	36,004	1.04	8,914	0.26	9,383	0.29
Non-current provisions for employee benefits	224,431	6.46	205,014	6.05	129,158	4.06
Total non-current liabilities	260,435	7.49	213,928	6.32	138,541	4.35
Total liabilities	1,552,414	44.65	1,132,929	33.45	1,095,975	34.44

Description	2020		2019		2018	
	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
Equity						
Share capital						
Authorised share capital						
Ordinary shares (par value at Baht 1 per share)	947,962		947,962		947,962	
Issued and paid-up share capital						
Ordinary shares (par value at Baht 1 per share)	947,962	27.27	947,962	27.99	947,962	29.79
Share premium on ordinary shares	166,512	4.79	166,512	4.92	166,512	5.23
Share premium on treasury shares	165,206	4.75	165,206	4.88	165,206	5.19
Retained earnings						
Appropriated						
Legal reserve	105,000	3.02	105,000	3.10	105,000	3.30
Treasury shares reserve	511,961	14.73	0	0.00	0	0.00
Unappropriated	539,697	15.52	869,721	25.68	701,489	22.04
Treasury shares	(511,961)	(14.73)	0	0.00	0	0.00
Total equity	1,924,377	55.35	2,254,401	66.55	2,086,169	65.56
Total liabilities and equity	3,476,791	100.00	3,387,330	100.00	3,182,144	100.00

Separate Statement of Comprehensive Income

Description	2020		2019		2018	
	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
Revenue from sale of goods and rendering of services	4,381,046	100.00	4,747,553	100.00	4,329,351	100.00
Cost of sales of goods and rendering of services	3,128,129	71.40	3,498,241	73.69	3,260,142	75.30
Gross profit	1,252,917	28.60	1,249,312	26.31	1,069,209	24.70
Other income						
Gain on sales of fixed assets	22,836	0.52	64,257	1.35	1,671	0.04
Gain on foreign exchange rate – net	341	0.01	4,964	0.10	4,613	0.11
Other	5,104	0.12	8,564	0.18	7,226	0.17
Profit before expenses	1,281,198	29.24	1,327,097	27.95	1,082,719	25.01
Selling expenses	128,110	2.92	132,630	2.79	127,837	2.95
Administrative expenses	428,613	9.78	444,218	9.36	394,029	9.10
Management's remuneration	54,423	1.24	50,916	1.07	40,066	0.93
Total expenses	611,146	13.95	627,764	13.22	561,932	12.98
Profit before finance costs and income tax expense	670,052	15.29	699,333	14.73	520,787	12.03
Finance costs	(7,685)	(0.18)	(6,246)	(0.13)	(8,029)	(0.19)
Profit before income tax expense	662,367	15.12	693,087	14.60	512,758	11.84
Tax expense ⁴	(112,859)	(2.58)	(136,433)	(2.87)	(100,206)	(2.31)
Net Profit	549,508	12.54	556,654	11.73	412,552	9.53
Defined benefit plan actuarial losses	(8,714)	(0.20)	(35,246)	(0.74)	0	0.00
Income tax on other comprehensive income	1,743	0.04	7,049	0.15	0	0.00
Comprehensive income ¹	542,537	12.38	528,457	11.13	412,552	9.53
Basic earnings per share (Baht) ²	0.62		0.59		0.44	
Weighted Average Number of Ordinary Shares (thousand shares) ³	892,103		947,962		947,962	

¹ Comprehensive income is calculated from net profit outstanding during the year, adjusted for revenue and expenses, including adjustment of reclassified items that are not permitted to be recognized in the statement of income.

² Basic earnings per share are calculated by dividing the net profit with weighted average number of ordinary shares as at yearend.

³ Weighted average number of ordinary shares for the calculation of basic earnings per share.

⁴ Corporate income tax is calculated with corporate income tax rate year 2020, 2019, 2018 of 20 percent, 20 percent, and 20 percent, respectively.

Separate Statement of Cash Flows

Description	2020	2019	2018
	Thousand Baht	Thousand Baht	Thousand Baht
Cash flows from operating activities			
Net Profit	549,508	556,654	412,552
Adjustments to reconcile profit to cash receipts (payment) :			
Depreciation and Amortisation	255,546	221,926	219,178
Amortisation of premium on forward exchange contracts	374	1,853	2,147
Gain on sales of non-current assets classified as held for sale	0	(63,299)	0
Gain on sales of investment property	(14,046)	0	0
Gain on disposal of property, plant and equipment	(8,783)	(999)	(1,478)
Loss on disposal of intangible assets	0	41	29
Reversal of bad and doubtful debt expenses	(1,260)	(270)	(1,130)
Loss on disposal of inventories	1,793	0	0
Losses on inventories devaluation	6,467	223	(41)
(Reversal of) impairment loss recognised in profit or loss	1,059	(2,500)	0
Provision for employee benefits	15,783	43,589	10,484
Unrealised (gain) loss on exchange	1,170	(70)	914
Interest income	(31)	(65)	(56)
Finance costs	7,685	6,246	8,029
Tax expense	112,859	136,433	100,206
	928,124	899,762	750,834
Trade accounts receivable and other current receivables (increase) decrease	9,085	35,692	(8,069)
Inventories (increase) decrease	145,144	(94,113)	(187,035)
Other current assets increase	(823)	(2,529)	(708)
Other non-current assets increase	(39)	(79)	(7)
Trade accounts payable and other current payables increase (decrease)	(101,456)	(33,053)	53,928
Other current liabilities increase	1,673	9,801	4,284
Provision for employee benefits paid	(5,080)	(2,979)	(7,031)
Net cash generated from operating	976,628	812,502	606,196
Tax paid	(139,770)	(128,850)	(100,729)
Net cash from operating activities	836,858	683,652	505,467
Cash flows from investing activities			
Interest received	31	65	56
Payments for acquisition of property, plant and equipment	(419,708)	(290,787)	(119,879)
Prepayment for purchases of fixed assets	(9,061)	(33,487)	(20,813)
Payments for acquisition of intangible assets	(900)	(3,289)	0
Proceeds from sale of non-current assets classified as held for sale	0	88,744	0
Proceeds from sale of investment properties	19,291	0	0
Proceeds from sale of property, plant and equipment	9,067	3,755	1,802
Net cash used in investing activities	(401,280)	(234,999)	(138,834)

Description	2020	2019	2018
	Thousand Baht	Thousand Baht	Thousand Baht
Cash flows from financing activities			
Interest paid	(5,229)	(5,198)	(6,731)
Proceeds from (repayment of) short-term loans from financial institution	454,000	(65,000)	(14,000)
Purchase of treasury shares	(511,961)	0	0
Payments of lease liabilities	(21,085)	(7,521)	(7,591)
Dividends paid to owners of the Company	(360,597)	(360,223)	(341,264)
Net cash used in financing activities	(444,872)	(437,942)	(369,586)
Gain (Loss) of exchange rate changes on cash and cash equivalents	429	(26)	(619)
Net increase (decrease) in cash and cash equivalents	(8,865)	10,685	(3,572)
Cash and cash equivalents at 1 January	30,248	19,563	23,135
Cash and cash equivalents at 31 December	21,383	30,248	19,563

(B) Summary of Important Financial Ratios of the Separate Financial Statements

Separate Financial Ratios

Description		2020	2019	2018
Liquidity ratios				
Current ratio	(Times)	0.94	1.52	1.41
Quick ratio	(Times)	0.41	0.60	0.63
Cash flow liquidity ratio	(Times)	0.75	0.69	0.52
Account receivable turnover ratio	(Times)	9.51	9.77	8.44
Average collection period	(Days)	38	37	43
Inventory turnover ratio	(Times)	17.62	19.92	20.80
Day's supply in inventory	(Days)	20	18	17
Account payable turnover ratio	(Times)	17.09	16.85	17.06
Average payable period	(Days)	21	21	21
Cash cycle	(Days)	37	34	39
Profitability ratios				
Gross profit margin	(%)	28.60%	26.31%	24.70%
Operating profit margin	(%)	14.65%	13.09%	11.72%
Other revenue of total revenue	(%)	0.64%	1.61%	0.31%
Cash to profit margin	(%)	128.99%	104.60%	95.54%
Net profit margin	(%)	12.54%	11.73%	9.53%
Return on equity	(%)	26.30%	25.65%	20.12%
Efficiency ratios				
Return on assets	(%)	16.01%	16.95%	13.25%
Return on fixed assets	(%)	43.53%	46.62%	38.27%
Financial policy ratios				
Debt to equity ratio	(Times)	0.81	0.50	0.53
Interest coverage ratio	(Times)	122.40	125.93	72.85
Interest bearing deb to EBITDA ratio	(Times)	0.97	0.48	0.55
Debt service coverage ratio (DSCR)	(Times)	65.80	73.01	54.34
Dividend payout ratio	(%)	67.74%	67.80%	81.82%
Net gearing ratio	(Times)	0.46	0.18	0.24

5. GENERAL AND OTHER IMPORTANT INFORMATION

5.1 REFERENCES

Registrar	Auditor
Thailand Securities Depository Co., Ltd. 93, 14 th Floors, Ratchadaphisek Road, Dindaeng, Bangkok 10400 Tel: 0 2009 9000, Fax: 0 2009 9991 SET Contact center : 0 2009 9999 E-mail : SETContactCenter@set.or.th Website : http://www.set.or.th/tsd	KPMG Phoomchai Audit Ltd. Empire Tower, 50 th – 51 st Floors, 1 South Sathorn Road, Yannawa, Sathorn, Bangkok 10120 Tel: 0 2677 2000, Fax: 0 2677 2222 E-mail (general issues) : info@kpmg.co.th E-mail (service request) : yyothakampinij@kpmg.co.th Website : www.kpmg.com

5.2 OTHER IMPORTANT INFORMATION: None

5.3 LEGAL DISPUTES: None

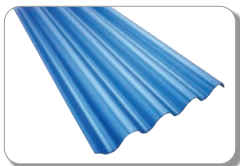


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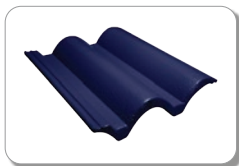
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PART 2 : CORPORATE GOVERNANCE

6. CORPORATE GOVERNANCE POLICY

6.1 OVERVIEW OF POLICIES AND PRACTICES OF CORPORATE GOVERNANCE

The Board of Directors is committed to being an organization that conducts business with efficiency, competitiveness, and good operating results with responsibility, carefulness, honesty, transparency, and ethics in business operations, taking fair and equitable care of all shareholders and stakeholders. The Company is committed to contributing to society and reducing the impact on the environment, not violating human rights, politically neutral, and anti-corruption to “**Create sustainable business value.**” Therefore, the corporate governance policy has been established to guide the operations of directors, executives, and employees at all levels as follows:

Corporate Governance Policy: The Company commits to be an organization with effective business operations, competitive advantage, and good operating results while being accountable, circumspect, honest, and transparent, including upholding the code of conduct, providing equitable treatment to all stakeholders, contributing to the society, minimizing environmental impact, no violation on human rights, upholding political neutrality, and zero tolerance toward corruption, all of which lead toward creating sustainable values for the enterprise in long term.

(1) CORPORATE GOVERNANCE STRUCTURE

As the leader of the enterprise, the Board of Directors has a duty to govern the business at policy level and set the direction for the operations by establishing objectives and main targets for the Company, as well as set out the vision, mission, and core values. To ensure that all directors, executives, and employees can implement the strategy and work plan successfully and effectively according to the objectives and main targets of the Company, leading to sustainable development, the policy shall be regularly reviewed at least once per year.

Executive Level	Roles / Important Issues
Board of Director 	<ul style="list-style-type: none"> Establishing objectives and main targets, providing strategies that drive good corporate governance for the enterprise. Creating sustainable value for the enterprise, ensuring competitiveness and good operating results. Fostering corporate values that uphold ethics by considering contribution to the society and minimizing environmental impact.
Chief Executive Officer, Deputy Chief Executive Officer and Assistant Chief Executive Officer 	<ul style="list-style-type: none"> Establishing strategies, targets, work plans, and annual budget according to the assigned objectives and main targets. Ensuring suitability and adequacy of risk management and internal control as assigned. Monitoring efficiency and effectiveness of the strategies (KPI).
Division Mangers	<ul style="list-style-type: none"> Implementing the strategies, monitoring, and reporting the operating results.



(2) MONITORING AND REPORTING ON OPERATING RESULTS TOWARD SUSTAINABILITY

All directors, executives, and employees at every level of the Company have duty to uphold the good corporate governance principles, as well as the code of conduct and best practices of the Company, as guidelines for work without neglecting the principles described in this handbook.

The Corporate Governance Committee (CGC Committee) has duty to monitor Company's operations to ensure compliance with the good corporate governance principles and the code of conduct. The CGC Committee also has duty to review Company's guidelines and provide opinions to the Board of Directors, leading to sustainable operating results.

The Audit Committee (AC Committee) has assigned the Internal Audit and Compliance Control Office (Internal Audit Office) to be the division responsible for auditing and monitoring compliance with the Company's good corporate governance principles and the code of conduct. The audit results shall be reported to the AC Committee for further proposal with opinion to the Board of Directors.

All directors, executives, and employees at every level of the Company can also report in good faith to their superiors regarding violation or potential violations on such principles. It is a duty of the superiors in inspecting and giving advice to the subordinates for compliance with the good corporate governance principles and the code of conduct.

Executive Level	Monitoring and Reporting Methods	Frequency
Board of Director	<ul style="list-style-type: none"> Board of Directors' meetings. 	<ul style="list-style-type: none"> Monthly
 Chief Executive Officer, Deputy Chief Executive Officer and Assistant Chief Executive Officer	<ul style="list-style-type: none"> MC Committee meetings. EXCO meetings following strategic plans. 	<ul style="list-style-type: none"> Weekly Monthly
 Division Managers Department Managers Section Managers	<ul style="list-style-type: none"> Division Managers' meetings in each plant. Executive meetings for Department Managers. Chief Executive Officer meetings with mid-level executives, section managers. Sustainability Report Preparation. 	<ul style="list-style-type: none"> Weekly, Monthly Quarterly Quarterly Annually

(3) CORPORATE GOVERNANCE CODE

The Company's Corporate Governance Code is divided into 8 principles as follows:

(A) Principle 1 :Establish Clear Leadership and Responsibilities of the Board

The Board of Directors is considered as the key to good corporate governance. It comprises a diverse set of qualified persons with knowledge, experience, leadership, vision, independence in decision making, full devotion of time and commitment to perform the duty of care and duty of loyalty for the best interest of the Company. The roles, duties, and responsibilities of the Board of Directors are established in the Board of Directors Charter (see details on page 131 under topic "Board information").

(B) Principle 2: Define Objectives that Promote Sustainable Value Creation

The Board of Directors has established clear and appropriate main objectives and goals as guidelines for employees at every level to move forward in the same direction. The Board of Directors also determines the vision, mission, core values, strategies, and annual plan that are in line with the nature of businesses, while considering all Stakeholders and the society overall to ensure sustainable value creation (see details on page 9 under topic "Vision, Mission, Core Values, Objectives and Strategies").

(C) Principle 3: Strengthen Board Effectiveness

1) The Board Structure: The Board of Directors has assigned the NRC Committee to determine and review the board structure, in terms of size, composition, and the proportion of independent directors that are appropriate and necessary so as to ensure its leadership role in achieving the Company's objectives (see details on page 131 under topic "Board information").

2) Sub-committees: The Board of Directors has authority to appoint specific sub-committee as necessary through consideration of the NRC Committee to ensure that important matters are carefully considered with detailed information in specific issues before further presenting with opinions to the Board of Directors (see details on page 131 under topic "Board information").

3) Nomination of the Board of Directors members and Sub-committee members: The Board of Directors has assigned the NRC Committee with a duty to select and nominate the Company's directors with a transparent and clear procedure, in compliance with the Company's regulations and regulations of the SEC and the Stock Exchange of Thailand, to obtain Company's director with appropriate qualifications as required by the Company, without discrimination toward genders, races, or religions (see details on page 156 under topic "Committee Recruitment, Development and Evaluation").

4) Consideration of Remuneration for the Board of Directors and Sub-committees: The NRC Committee has a duty to consider the structure and the rate of remunerations that are suitable for the roles and responsibilities. The remunerations must be attractive and motivating for the directors to lead the organization, ensuring that the operations are successful according to the objectives and the main targets, both in short-term and long-term of the remuneration policy of the Company (see details on Page 148 under topic "Remuneration Policy").

5) Accountability to Ones' Duties and Sufficient Time Allocation: The Board of Directors ensures that all directors are accountable for their duties and allocate sufficient time as directors of the Company (see details on page 131 under topic "Board information").

6) Policies on Investment in Subsidiaries / Affiliated Companies: The Board of Directors has established policies and operations of subsidiaries and other businesses with significant investment at a level appropriate for such businesses, ensuring that the subsidiaries and other invested businesses have mutual understanding on such matter. The Board of Directors shall appoint individuals to hold directorship, executive, or author itative positions in the subsidiaries in writing, ensuring operations that are consistent with the parent company. The operating results of the subsidiary are monitored to ensure standard-compliant and timely compilation of the Company financial statements (see details on page 26 under the topic "Investment in Subsidiary Company").

7) Self-Assessment on the Performance of the Board of Directors and Sub-committees as a Group and as an Individual: The Board of Directors has assigned the CGC Committee to establish self-assessment on the performance of the Board of Directors and sub-committees, both as a group and an individual, at least once per year. With some adaptations to suit the Company, the assessment form is derived from the guidelines of the Thai Institute of Directors and the Stock Exchange of Thailand (see details on page 131 under topic “Board information”).

8) Directors’ Training and Development: The Board of Directors ensures that sub-committees and each individual director recognize their roles, duties, and responsibilities as directors of the Company, nature of the businesses, and laws related to Company’s businesses. Additionally, all directors are encouraged to reinforce skills with regular training and development on directorship, including new director orientations to prepare and ensure expedient and effective transition with the Company Secretary as the coordinator. The details of the training and development of directors are disclosed in the Annual Registration Statement / the Annual Report (Form 56-1 One Report).

The development of knowledge of directors and executives in 2020 are as follows:

No.	Name of Director	Position	Institution / Training Course
1)	Mr. Warayu Pradipasen	Director and Corporate Governance Committee	Thai Institute of Directors Association (IOD): • Financial Statements for Directors (FSD 43/2020)
2)	Mr. Anun Louharanoo	Independent Director, Audit Committee, and Nomination and Remuneration Committee	Thai Institute of Directors Association (IOD): • Board Nomination & Compensation Program (BNCP 10/2020)

9) The Board of Directors’ Meetings: The Board of Directors ensures that directors’ works proceed smoothly with access to necessary information. The Board of Directors is to convene meetings at least 6 sessions per year. The Company Secretary has duty to prepare sufficient and appropriate meeting documents, and to send directors meeting invitations at least 5 working days before the meeting or within the period required by law. The Company Secretary shall compile minutes of the Board of Directors’ meeting within 14 days after the date of the meeting, including stipulating that a meeting of the Board of Directors without an executive director is present at least once a year.

As for the meetings of sub-committees, meetings shall be held as necessary and appropriate. The secretaries to the sub-committees have duty to inform members of the sub-committees and relevant persons on the meetings. The meetings of the Board of Directors and sub-committees may be held via electronic media as allowed by the law.

(D) Principle 4: Ensure Effective CEO and People Management

The Board of Directors ensures that a proper mechanism is in place for the nomination and development of top executives to ensure that they possess the knowledge, skills, experience, and characteristics necessary for the Company to achieve its objectives and goals.

1) Management Structure: The management structure comprises the Board of Directors, sub-committees, top executives, and Company's executives. The top executives must possess proper qualifications, with stated roles, duties, and responsibilities (see details on page 131 under topic "Board information").

2) Nomination of Top Executives: The NRC Committee has a duty to consider and screen individuals as per the procedure set out in the Company's regulations, by selecting individuals as top executives who possess knowledge, capabilities, and experience that would benefit the Company's operations to become Company's senior management. (see details on page 156 under topic "Committee Recruitment, Development, and Evaluation").

3) Consideration of Remuneration for Top Executives and Employees of the Company: The NRC Committee has a duty to consider the structure and amount of remuneration that are appropriate with the responsibilities and able to motivate top executives and employees of the Company to drive the Company toward its main objectives and goals, according to the short-term and long-term remuneration policies (see details on page 148 under topic "Executive Directors and Executives' Remuneration Policy").

4) Performance Assessment of Top Executives and Employees of the Company: The Board of Directors Together with the NRC Committee have prepared the performance assessment form for top executives and assigned the Chief Executive Officer and Human Resources Division Manager to arrange performance assessment for division managers and operational employees, which can be summarized as follows:

- **Performance Assessment for Top Executives:** The NRC Committee has arranged Performance assessments for top executives. The top executives are to fill out the assessment form, specifying each individual's responsible work plan including additional assigned tasks in the sub-committees. Key performance indicators (KPI) are jointly established by the assessor and the one being assessed, having incentives for the business management according to the main objectives and goals, in line with long-term benefits for the Company, and further propose to the NRC Committee for consideration.

- **Performance Assessment for Executives Ranking from Division Managers to Operational Employees:** The Chief Executive Officer assigns the Human Resources Division Manager to arrange Performance assessments for executives ranking from the division managers to operational employees. Each department shall determine the topics of assessment, which are in line with the overall KPI of the Company. Assessment forms are categorized into 6 forms for division managers to operational employees / mechanics / officers, namely, Form E (Executives), M (Managers), SP (Specialists), SV (Supervisors), S (Staff) / SS (Senior Staff) / P (Professional, and operational employees / mechanics / officers. The performance assessments shall be conducted twice per year, etc.

5) Top Executive Development: An orientation for all new directors is arranged to familiarize them with the nature of businesses and to prepare and expedite the executive to effectively undertake the directorship position. The Human Resources Division shall coordinate on various matters and provide support to the Chief Executive Officer and top executives to attend trainings and seminars being held by the Thai Institute of Directors, the Stock Exchange of Thailand, the SEC, and other independent institutions to expand their knowledge, skills, experience, and characteristics required for driving the Company forward toward the objectives. Plans are also put in place for job rotations and succession plan for top executives in case of vacancy, with regular assessment on the top executives.

6) **Executive Committee Meeting (EXCO):** The MC Committee has established that the executives, which comprises executives ranking of division managers and section managers, to regularly convene meetings to summarize the operating results as appropriate, for example, meetings of the MC Committee; meetings of the Executive Committee (EXCO), which comprises executives ranking from division managers or above; meetings of executives ranking from section managers or above, and meetings of mid-level executives, etc.

7) **Human Resource Management:** The Company places emphasis on human resource management to ensure proper response toward the changing economic climate and environment. The Company believes that our personnel has capabilities to operate businesses toward sustainable success (see details on page 150 under topic “Human Resource Development”).

8) **Shareholding Structure:** The Board of Directors attends to Company’s shareholders and relationship with major shareholders that may affect the operations of the Company. Therefore, rules for connected transaction approval have been established, by which major shareholders having more than 60 percent in aggregate shareholding, having controlling power in Company’s operations, and any persons with potential conflict of interests may not approve any transactions that are related to themselves, with consideration from the AC Committee before proceeding with the transactions.

(E) Principle 5: Nurture Innovation and Responsible Business

The Board of Directors places emphasis on and support creations of innovation that adds values for the Company, as well as provides benefits to customers, partners, or related parties, but still remain the responsibility toward society and environment, and thus the innovation shall not support inappropriate behavior, illegal or unethical activities.

As a framework for developing innovation toward the future, in year 2018, the Board of Directors has established the “Production Technology and Innovation Committee (PTI Committee)” with an objective to “**focus on fostering creativity among the personnel to create innovation for sustainable development**”, which is the direction of innovation development in the future. The PTI Committee has been assigned with the authorities, duties, and responsibilities to establish objectives and work plans related innovation, new product development, manufacturing process optimization and cost reduction. This is to improve competitiveness, ensure good operating results and benefits for the Company. The PTI Committee shall present its progress to the Board of Directors at least once every quarter, which can be outlined as follows:

Innovation Policy: The Company is committed to modernize business operations by developing personnel to be knowledgeable, ability and creative to create innovations in developing new products that will help increase potential and increase competitiveness, reduce the impact on society and the environment. This enables the company to adapt to a sustainable changing environment.

1) **Innovation Creation:** Products of the Company are construction materials, such as, roof tiles, siding boards, boards, autoclaved aerated concrete, and accessories. Innovation thus relates to differentiating existing products to create benefits which are unique, different and better than the competitors. Production development policies include utilization of modern, energy efficient technology, and reduction of real wood usage, leading to less deforestation, minimizing climate change and environmental impact. The priority is put on the development of Company’s employee to foster creativity, leading to innovation in sustainable development. The principle is to foster “**Innovative Culture**” as an important corporate culture for sustainable business operations of the Company.

2) **Code of Business Conduct:** The Board of Directors is committed to good corporate governance, and thus has established the Code of Conduct as the operating framework and guideline for all directors, executives, employees, ensuring effectiveness and transparency, inspiring confidence and acceptance among all stakeholders, leading to sustainable value creation for the businesses (see details on page 124 under topic “Code of Conduct”).

3) Effective Resource Management: The Company has an efficient and effective resource management by considering impacts and ensuring sustainable value chain for the best interest of all stakeholders, from procurement, manufacturing process, and logistic partners, to different types of customers, such as, domestic and overseas sale agents, as well as responsibility to the consumers. This is to ensure that the main objectives and goals are achieved as follows:

- **Sustainable Value Chain Management:** The Company recognizes the importance of procurement and hiring, manufacturing process, transportation system, domestic and overseas sale agents, and consumers. Marketing communication is utilized to promote correct usage of products for the best benefits for consumers, etc.

- **Energy Management and Conservation:** The Company attaches importance to energy management and has appointed an “**Energy Management Working Group**” to manage energy efficiency following the Energy Conservation Promotion Act and related laws, leading to effective energy and reduced energy cost. It also includes raising awareness about “**Reducing Global Warming**” by reducing greenhouse gases causing global warming or climate change. This was enabled by improving production processes to reduce energy consumption, reduce the use of chemical substances, or reduce refrigerants that cause ozone depletion, a greenhouse effect, etc.

- **Procurement Management:** The Company assigns the Purchasing Division to act on the procurement of supplies to be used for the Company’s best benefit, by the requirements of all parties with quality according to the specified standards and reducing the waste causing by the production process not to have any impact on the environment. The Company, therefore, determines the measures and procedures for procurement of supplies to meet the specified standards and procure the supplies systematically, accurately according to technical principles, with tight controls, and adjust the methods following the changes in trade business all the time, etc.

4) Information Technology Management: The Board of Directors has established a corporate IT governance and management framework that is in line with the company’s needs and overseeing the application of information technology to increase business opportunities, develop operations, and risk management so that the entity can achieve its main objectives and goals. It also gives importance to using the Company’s information system distributed to the public, adhering to the Code of Conduct and Ethics of the Company and under the Computer Crime Act and related laws with neat, efficient, and productive. As well as preventing problems that may arise with the company and the people involved, the Company has announced the social media communication policy and regulations on the use of information systems, which are the common responsibility of all employees, and use it as a guideline. It can be summarized as follows:

- **Policy regarding communication on social media:**

Social media refers to communication channels via the Internet that any persons can use to communicate and present information to the public via computers and communication devices. Examples of social media include, Facebook, Instagram, Twitter, and Line@, etc. In this regard, all employees are required to adhere to the social media communication policy strictly.

- **Directives regarding IT usage:**

IT usage refers to the act of communication or communication channels either via the Internet, locally within the Company, or publicly via the Company’s devices, including computer networks usage, e-mail usage, and software usage. For proper functions, orderly, efficient and of the same standard, the directives regarding IT usage have been established with clear guidelines, including (1) Computer network usage, (2) E-mail usage, (3) Software usage with the computer, (4) Marketing communication via social media and (5) Human resource management via social media, etc.

- **Penalties:** Penalties are put in place in case of violation of the above policies and directives.

5) **Corporate Social' Community, Environment Management:** The Company ensures that business operations uphold the good corporate governance, and incorporates the corporate social responsibility in the Code of Conduct. The Company recognizes that the “**society**” is an important mechanism that ensures sustainable growth of the Company with acceptance from all stakeholders, by starting from a small society within the organization, which includes directors, executives, and employees, who are the key to the development of potential and competitive advantage toward the society at the community level. The director, executives, and employees engage in a common framework that is in line with the core values: “**Determined, Transparent, Learning for Development, Environmental Protection**” (see details on page 36 under topic “Sustainable Business Development Report”).

(F) Principle 6: Strengthen Effective Risk Management and Internal Control

The Board of Directors ensures that the Company possesses suitable and sufficient risk management system and internal control system that ensure effective objective achievements and compliance with related laws and standards.

1) **Risk Management:** The Board of Directors ensures that the Company has sufficient risk management system by authorizing the MC Committee to appoint the RMC Committee to manage risks of the Company. Policies on risk management have been established in writing and communicated to all executives and employees as guidelines (see details on page 30 under topic “Risk Management”).

2) **Internal Control:** The Board of Directors ensures that the Company has adequate and appropriate internal control system, with regular assessments on relevant matters. The Internal Audit and Compliance Control Office has autonomy to directly report on its work to the AC Committee. International standards are used for the best interest of the Company and being accepted by all stakeholders (see details on page 176 under topic “Internal Control”).

3) **Use of Internal Information:** The Company has established measures and practices on use of Company’s significant internal information that have not been disclosed to the public for its own and other’s benefit. The directors and executives has a duty to report the possession of securities of the Company by oneself, spouse, and minors, as well as to report changes of the possession of the securities to the SEC as per Section 59 and Penal Code according to Section 275 of the Securities and Exchange Act B.E. 2535 (1992) (see details on page 162 under topic “Exploitation of Internal Information”).

4) **Confidentiality:** The Company has established measures and guidelines regarding confidentiality of trade secrets which are significant to business operations which cannot be disclosed to the public. Information security measures have been established which include measures and practices regarding confidentiality, integrity, and availability of information, as well as management of market sensitive information.

5) **Trading of Company’s Securities:** The Company has established rules and procedures for reports on sales and purchases of Company’s securities in possession of directors and executives of the Company, which abide by the regulations of the SEC and the Stock Exchange of Thailand, including (1) Report on possession of securities according to the regulations of the SEC and the Stock Exchange of Thailand, (2) Compliance with laws regarding use of internal information, (3) Security measures are established to prevent unsolicited disclosure of confidential information, (4) Directors and top executives may not trade Company’s security within 30 days before the disclosure of financial statements, and (5) Directors and top executives must in form the Company Secretary regarding their trade of Company’s securities at least one day prior to the trade of Company’s securities.

6) **Anti-Corruption Policy:** The Company is committed against all types of corruption and has thus established “**Anti-Corruption Policy**” in writing, raising awareness among all directors, executives, and employees about the danger of corruption, instilling proper values, and inspiring confidence from all stakeholders. The policy is also a clear guideline for business operations, leading to sustainable development (see details on page 163 under topic “ Anti-Corruption”).

7) **Channels for Whistleblowing or Complaint:** The Company has established guidelines for whistleblowing or complaints to comply with the anti-corruption policy as defined to perform the work according to the objectives. (see details on page 163 under topic “Whistleblowing”).

8) Connected Transactions and Transactions Related to Acquisition or Disposition of Assets: The Board of Directors has established measures and approval procedures for connected transactions and transactions related to acquisition or disposition of Company's assets to ensure compliance with regulations of the SEC, the Stock Exchange of Thailand, and related laws. The persons having interest in the transaction, or with potential conflict of interests, may not approve the transaction that is related to themselves. The price or compensation must be in accordance with normal business and general commercial terms. The AC Committee must consider the transaction before proposing with opinions to the Board of Directors, and the transaction must be disclosed according to the rules and procedures as required by the SEC.

9) Reports of Directors and Top Executives Interest: The Company has established rules, terms, and procedures for reports on the interest of directors, executives, and related persons according to Section 89/14 of Securities and Exchange Act B.E. 2535 (1992) as amended by Securities and Exchange Act (No. 4) B.E. 2551 (2008), which requires directors and executives to report their interest or of their related persons with the written and established timeframe and procedures. The Company Secretary shall forward a copy of the information to Chairman of the Board and Chairman of the AC Committee within 7 days after the Company has been informed of the report. The information shall also be disclosed in the Annual Registration Statement the Annual Report (Form 56-1 One Report).

10) Protection of personal information: The Company gives importance to the personal information of employees, customers, partners, and those involved in the Company's business operation, which must be protected, retention and use only with the consent of the data subject. Therefore, to comply with the Personal Data Protection Act, the Company has made a "Personal Information Protection Policy" in writing.

11) Important company document storage: The Company has set guidelines for keeping important company documents done in a neat, concise manner and according to the conditions specified by the law or according to the agreement that the Company has set. The Internal Audit Office is required to examine important documents of the Company from time to time to verify that the original is true and correct and complete following the control registration and to check all relevant departments' performance for compliance with the regulations and order strictly.

(G) Principle 7: Ensure Disclosure and Financial Integrity

The Board of Directors has a responsibility to ensure that financial reports and important information are made and disclosed correctly, completely, adequately, fairly, and punctual as per the related regulations, standards, and practices.

1) Financial Integrity Maintenance: The Company has assigned the Accounting and Finance Division to compile and disclose financial information, and ensures that the responsible persons have adequate knowledge, skills, and experience, with adequate number of persons. The Company has established those with duty to disclose financial information, namely, the Chief Executive Officer, top position in the Accounting and Finance Division, and Company Secretary. The following factors are considered concerning with the disclosure of financial information.

(A) Evaluation results of the adequacy of the internal control system.

(B) Opinions of the auditor on financial reports, observation of the auditor on the internal control system, and observation of the auditor through other channels of communication (if any).

(C) Opinions of the AC Committee.

(D) Consistency with main objectives and goals, strategies, and policies of the Company, etc.

(E) Measures have been in place to ensure that records are accurate, complete, and accountable, according to the generally accepted accounting standards and related laws. The involved personnel must exercise their duties with integrity and ethics, including accuracy of records and accounting and financial reports, and adherence to law, etc.

2) Information Disclosure: The Board of Directors ensures complete, timely, and transparent disclosure of important information related to the Company, including financial reports and non-financial information, as well as other related information as described in the regulations of the SEC and the Stock Exchange of Thailand, via Company website which is easily assessable, equitable and reliable.

Disclosure policy: Information disclosure to external persons is appropriate, timely, not causing misunderstanding and sufficient for the users of information to make decisions. Information must be equally accessible and up-to-date via the established channels, protecting confidential information and information sensitive to the Company's security price.

Communication Policy: Disclosable information according to the disclosure policy must be accurate, clear, presented in timely manner and fair to all parties. Inappropriate language or format must be avoided, including misinformation regarding the Company's security. Mutual understanding on the policy implementation must be ensured throughout the whole organization.

- **Information Disclosure:** The Company ensures that important information disclosure is valid, not causing misunderstanding, and sufficient for decision making by investors. Up-to-date information is disclosed via the Company website in both Thai and English to ensure equitable access by the information users. The information is disclosed in the Annual Registration Statement and the Annual Report (Form 56-1 One Report) according to regulations of the SEC and the Stock Exchange of Thailand.

- **Information being Disclosed on the Company Website:** Apart from disclosing information according to the required channels according to the Stock Exchange of Thailand, namely, the downloadable Annual Registration Statement (Form 56-1) and the Annual Report (Form 56-2) or the Annual Registration Statement / the Annual Report (Form 56-1 One Report) the Company also discloses information in both Thai and English on the Company website; including vision, mission, goals, strategies, business operations, curriculum vitae of the Board of Directors, executives, and Company Secretary, financial statements, reports on financial status, and operating results, direct and indirect shareholding structures, organizational structure, corporate group structure, major shareholders, shareholding of directors and executives, invitations to general and extraordinary meetings of shareholders, Company's regulations, Company's Memorandum of Association and Articles of Association, agreements between groups of shareholders (if any), policies, code of conduct, charters of the Board of Directors and sub-committees, information related to investor relations, and any other information or documents being presented to analysts and the media, etc.

3) Monitoring and Assessment on Company's Financial Status: The Board of Directors monitors and assesses the Company's financial status, sufficiency of liquidity, and debt payment ability, by establishing financial management policy to ensure that the Company has adequate financial liquidity, ability to pay debt and mechanism for management in case of financial difficulties. The management is authorized to have duty in financial management and establish provident fund to support savings for the employees' future usage; regularly monitor and assess financial status of the Company and report to the Board of Directors.

4) In Case of Financial Difficulties or Potential Financial Difficulties: The Company used to face financial difficulty during the global financial crisis in year 1997, resulting in operating loss and lack of liquidity, and the Company needed to take both short-term and long-term loans from financial institutions for over Baht 1 billion. In addition, there was also a problem with large surplus inventory during the crisis. As a result, the Board of Directors, in cooperation with the MC Committee, have established a long-term business plan, while monitoring the industry trend and ensuring that the operating results are in accordance with the established plan. Regarding sales and marketing, new sale channels with high revenue were added. On the production side, ineffective and unprofitable production lines were disposed in order to repay the loan. As for the finance, re-financing was engaged to find low cost financing sources. As for the supporting departments, various costs and expenses were reduced. Finally, the Company regained profit and was able to repay all the loans within year 2003.

From the past experience, the Board of Directors has ensured that the business operations proceed with circumspection to secure operating results according to established plan, resulting in good operating results, profit, and liquidity. The Company has been able to repay debt and regularly pay dividends to the shareholders, and never faced financial difficulties again. Regardless, businesses always have some risks. In case of financial difficulties or potential financial difficulties, the Board of Directors must ensure that the Company has in place rectification measures or mechanism for resolving the problems, while considering the rights of stakeholders. The Board of Directors shall be reported on the situation regularly until the problems have been solved.

5) Sustainability Report: The CSR Committee has a duty to compile the sustainability report at least once a year, and to establish the corporate social responsibility policy, ensuring that the business management is in the same direction under the core value of “**Determined, Transparent, Learning for Development, Environmental Protection**”. The sustainability report is disclosed in the Annual Registration Statement / the Annual Report (Form 56-1 One Report).

6) Investor Relations: The Board of Directors has assigned the management to establish the Investor Relations Office, which has a duty to communicate with shareholders and other stakeholders, such as investors and analysts, in a timely and appropriate manner. The communication policy and the disclosure policy have been established to ensure appropriate, equitable, and timely communication and disclosure to external persons. The communication and disclosure shall be made via the established channels to protect confidential and security price sensitive information. The persons in positions of Chief Executive Officer or above shall oversee works related to investor relations, ensuring effective direction and support.

7) Use of Technology in Disclosure: The Board of Directors promotes the use of information technology in disclosure, apart from disclosure according to the regulations and via the established channel of the Stock Exchange of Thailand. The Board of Directors regularly discloses information in both Thai and English via other channels, and provides up-to-date information on the Company website, as well as marketing information via mobile application, Facebook, Instagram, Line@, YouTube, etc., to suit the lifestyle of the current generation.

(H) Principle 8: Ensure Engagement and Communication with Shareholders

The Board of Directors ensures that shareholders are involved in the decision making process of important matters.

1) Shareholders' Meetings include:

(A) **General Meetings of Shareholders**, being held annually within four months after the end of accounting period of the Company.

(B) **Extraordinary Meetings of Shareholders**, being held to consider urgent matters, including matters requiring shareholders' approval before proceeding by law, such as, capital increase, capital reduction, debenture issuance, partial or full disposition or transfer of Company's businesses to other persons, acquisition or transfer of businesses of other companies to the Company, and amendments of the Memorandum of Association or Articles of Association of the Company, etc.

Arrangement of Shareholders' Meeting: The Company recognizes the importance of shareholders, who possess the right in business ownership, controlling the business via the appointment of directors as proxy. Shareholders also have a right in decision making of important changes and matters. The Company shall not violate or undermine the rights of shareholders, and shall encourage every shareholder to exercise their lawful and basic rights. The arrangement procedure of shareholders' meeting is as follows:

- **Important Matters as Shareholders' Meeting Agenda:** The Board of Directors recognizes the importance of placing important matters as shareholders' meeting agenda. Both matters required by law and matters that may affect the direction of business operations must be considered and/or approved by the shareholders meeting. It has been established that the Directors should not unnecessarily add meeting agenda that was not announced in advance, especially for matters that shareholders would require sufficient time for consideration before making decision.

- **Participation of Minority Shareholders:** The Company has a policy that ensures equitable rights among all shareholders, especially for the minority shareholders. One of the measures is to allow shareholders to propose meeting agenda and new directors appointment in advance. This established measure provides additional right to shareholders apart from the requirement by Company's regulation and related laws. The procedure for such proposals is disclosed on the Company website, by which shareholders may propose agenda within three months before the end of financial year, from October to December of every year.

- **Shareholders' Meeting Invitations:** The Company ensures that invitation to shareholders' meeting and related documents are delivered and disclosed on the Company website at least 30 days before the meeting in both Thai and English to provide shareholders sufficient time to study the information. The details of the invitation include (1) date, time, and venue of the shareholders' meeting that is conveniently accessible, (2) meeting agenda, (3) objectives, rationale, and opinions of the Board of Directors on each proposed agenda, including dividend payment approval agenda, director appointment agenda, directors' remuneration approval agenda, auditor appointment agenda, etc., (4) proxy forms as required by the Ministry of Commerce, and (5) meeting's supporting documents, such as, voting rules and practices of attendance and vote counting and reporting, etc.

- **Arrangement of Shareholders' Meeting**

Procedures Prior to the Shareholders' Meeting: The Company maintains its website to present important information and news related to shareholders' meeting, such as, quarterly and annual financial statements, annual registration statements (Form 56-1), annual reports (Form 56-2) or the Annual Registration Statement / the Annual Report (Form 56-1 One Report) and meeting invitations that specify date, time, venue, meeting agenda, and supporting information for decision making in each agenda to allow sufficient time for shareholders' consideration. Apart from providing shareholders with rights and opportunities to propose meeting agenda and nominate qualified persons as new directors in advance, shareholders can also send questions regarding the meeting agenda at least 3 weeks before the shareholders' meeting date, etc.

Procedures at the Shareholders' Meeting: To ensure swift, valid, and precise proceedings, the Company utilizes technology during shareholders' meeting, from the registration to vote counting and reporting. Shareholders are informed of the voting and vote counting procedure for each agenda prior to the commencement of the shareholders' meeting. Chairman of the Board, who chairs the shareholders' meetings, has duty to ensure that the meetings proceed according to related laws and Company's regulations. Sufficient time must be allocated for each agenda stated in the invitation, and shareholders must have opportunities to express opinion and make inquiries at the meeting on subjects related to the Company. The Company ensures that independent persons are responsible for vote counting and reviewing, as well as disclosure of voting results - Approve, Disapprove and Abstain - in each agenda, and record the results in the minutes of the meeting.

Procedures after the Shareholders' Meeting: The Company discloses shareholders' meeting resolutions and voting results for each meeting agenda on the next day after the shareholders' meeting by reporting to the Stock Exchange of Thailand and presenting accurate and complete minutes of the meeting to the Stock Exchange of Thailand within 14 days after the shareholders' meeting, as well as disclosing the minutes on the Company' website in both Thai and English. Additionally, the Company prepares the form for the quality assessment of the shareholders' meeting (AGM Checklist) compiled by the Thai Investors Association, as well as arranges plant visit at least once per year to provide opportunities for the shareholders and analysts to visit the businesses of the Company.

2) Communication with Shareholders:

The Company utilizes its website as a channel for communicating important information and news to external parties, such as, shareholders, institutional investors, and general investors. Every group of individuals is provided with equal opportunities to access and inquire for information. Information being communicated is categorized, such as, investor information, marketing information, and general information, etc., to ensure appropriateness in each group without putting any group at a disadvantage or loss of opportunity for investment. The characteristics of information have been established to ensure equitable communication and understanding to all related parties.

3) Dividend Payments

The Board of Directors has established the dividend payment policy of the Company and the subsidiary company that is in line with Company's regulations and related laws (see details on page 29 under topic "Dividend Payment Policy").

6.2 CODE OF CONDUCT

The Board of Directors is committed to good corporate governance, and thus has established the Code of Conduct as the operating framework and guideline for all directors, executives, employees, ensuring effectiveness and transparency, inspiring confidence and acceptance among all stakeholders, leading to sustainable value creation for the businesses, as follows:

(1) CODE OF CONDUCT FOR CONFLICT OF INTERESTST

The Company has established a policy not to allow directors, executives, and employees at all levels of the Company to seek personal benefits from the Company as follows:

- (A) Do not operate a business similar to that of the Company or in a competitive business with the Company.
- (B) A connected transaction should be avoided which may cause a conflict of interest with the Company.
- (C) If the transaction is beneficial to the Company or is unable to avoid such connected transaction, the person having an interest in the transaction must make a memorandum by the chain of command presented to the board of directors, by the directors, the management, or that employee must not be involved in consideration of approval. In this regard, “the transaction is like a transaction with a third party”.

- (D) Must keep the Company’s trade secrets and not use inside information for their own benefit in trading the Company’s shares or providing inside information to others for the benefit of trading the Company’s shares. Also, do not use the Company’s opportunities or inside information for personal gain, business competing with the Company, or conducting related businesses.

(2) CODE OF CONDUCT FOR SHAREHOLDERS

The Company has a policy of conducting business ethically. It will make every effort to develop its business to be competitive, perform better, and grow for the long term and generate a good return to the shareholders’ investment continuously and sustainably. The Company adheres to the principle of equitable treatment of all shareholders, determining measures to protect their fundamental rights equally and fairly, including preventing interest conflicts or using internal information to find interests for oneself and others, with the following guidelines:

- (A) To perform duties with honesty and make decisions with good faith, prudence, and fairness to the major and minor shareholders for the shareholders’ best interests as a whole.

- (B) To care and manage the assets of the Company not to be wrongly depreciated or lost.

- (C) To report on the status of the company regularly and truthfully.

- (D) To equally report to all shareholders on the Company’s future trends, both positive and negative, based on probability, with sufficiently supportive and reasonable information.

- (E) To ensure that directors, executives, and employees at all levels of the Company do not seek benefits for themselves and related parties by providing any undisclosed Company information to the public, disclosing the Company’s confidential information to third parties or take any action in any manner that may cause a conflict of interest with the Company.

(3) CODE OF CONDUCT FOR CUSTOMERS

The Company realizes the importance of customer satisfaction to the success of the business. The Company, therefore, has the intention to seek ways to respond to customers’ needs more efficiently and effectively with the following guidelines:

- (A) To deliver quality goods and services that meet or exceed customer expectations at fair prices.

- (B) To provide accurate, adequate, and up-to-date information to customers to keep them informed about products and services without exaggerating, causing customers to misunderstand quality, quantity, or any condition of that product or service.

- (C) To contact customers with courtesy, efficiency, and reliability and establish a system of complaints regarding the quality, quantity, and safety of the goods, as well as the speed of delivery of goods and services.

- (D) To maintain the confidentiality of the customers and not use it for their own benefit or those involved improperly.

- (E) To provide advice on using the Company’s products and services most effectively and benefit the customers.

(4) CODE OF CONDUCT FOR BUSINESS PARTNERS

The Company has the policy to treat trade partners equally and fairly, taking into account the company's best interests based on obtaining fair compensation to both parties, avoiding situations causing conflicts of interest benefit. We are also committed to providing truthful information, accurate reports, negotiating, solving problems, and finding solutions based on business relationships with the following guidelines:

- (A) not requesting, or accepting, or paying any dishonest business benefit to a business partner.
- (B) If any dishonest requesting, or accepting, or paying of benefits arises, the Company shall disclose the details to trading partners and jointly resolve the issue fairly and promptly.
- (C) strictly adhere to the agreed conditions.
- (D) If any condition cannot be complied with, the Company must notify in advance to jointly consider a solution.

(5) CODE OF CONDUCT FOR COMPETITORS

The Company has the policy to treat its competitors following international principles within the law framework on competitive practices. It does not fraudulently violate or acquire competitor secrets, with the following guidelines:

- (A) To behave within the framework of good competition.
- (B) Not seeking the competitor's confidential information through dishonest or improper means.
- (C) Not destroying the reputation of commercial competitors by mudslinging.

(6) CODE OF CONDUCT FOR TRADE CREDITORS

The Company has the policy to treat all trade creditors following international principles under the law on creditors' practices with the following guidelines:

- (A) To treat all trade creditors equitably and fairly and based on obtaining fair compensation to both parties.
- (B) To strictly abide by the contract, financial obligations, and agreed conditions, as well as not employing dishonest means, hiding information or facts causing damage to creditors. If the conditions cannot be met, the Company shall immediately notify creditors in advance to jointly consider finding solutions.

(7) CODE OF CONDUCT FOR EMPLOYEES

The Company realizes that employees are the factor of success in achieving the company's goals that are of great value, so it is the company's main policy to treat employees at all levels, whether they are fellow employees, supervisors, or subordinates with fairness, and humanitarian in terms of compensation, appointment, and migration, as well as potential development with the following guidelines:

- (A) To treat all employees with courtesy, respect for individuality and human dignity.
- (B) To pay compensation including rewards with fairness based on performance.
- (C) To always maintain a safe working environment for both life and property.
- (D) To appoint, transfer, and punish in good faith and based on knowledge, competence, and suitability of the respective employees.
- (E) To develop the potential of all employees by giving importance to the development of knowledge, competence by providing thorough and consistent opportunities.
- (F) To listen to opinions and suggestions by opening channels for expressing opinions and taking into account actions for the benefit of the Company.
- (G) To strictly abide by the laws and regulations related to the employees.
- (H) To avoid any unfair conduct that may affect job security or threaten and put pressure on the employee's mental state.

(8) CODE OF CONDUCT FOR SOCIAL AND ENVIRONMENTAL RESPONSIBILITY

The Company has a policy of conducting business with social and environmental responsibility, values the local traditions in which the Company is located, and behaves as a good corporate citizen by strictly complying with all applicable laws and regulations. The Company is also committed to enhancing the quality of society, community, and the surrounding environment, both independently operated and in cooperation with the government or community. The Company will operate to return a portion of profits to activities that contribute to society and the environment regularly and seriously and continuously instill employees' conscience at all levels of social and environmental responsibility for sustainable growth. The Company, therefore, determined **"Social and Environmental Responsibility Policy"** as follows:

- (A) To commit to conducting business ethically and with social and environmental responsibility.
- (B) To strive to develop social and surrounding communities in terms of economy, society, environment to promote a better quality of life.
- (C) To respect the law and human rights principles without unfair discrimination on race, nationality, religion, gender, and culture through managing with fairness and promote long-term sustainable development together.
- (D) To encourage employees to volunteer and to instill a conscious and continuous awareness of social and environmental responsibility for the common good without expecting anything in return.
- (E) To promote activities that create sustainable and stable benefits to society, communities, and the environment.

(9) CODE OF ETHICS FOR HUMAN RIGHTS AND LABOR PRACTICES

The Company is committed to the equal and fair treatment of personnel without discrimination for personnel to show their full potential in their work. In addition to respecting human rights, the Company also performs labor practices in accordance with international standards and comply with the Labor Protection Act and Thai Labor Standards as well as other relevant laws and regulations with the following objectives:

- (A) To prevent the violation or impact on human rights and labor practices in all business activities of the Company.
- (B) To protect personnel from all types of discrimination and harassment.
- (C) To promote collaboration, including giving personnel equal opportunities to develop themselves.

(10) CODE OF ETHICS FOR LOCAL CULTURE, CUSTOMS, TRADITIONS

The Company respects differences in culture and customs, local traditions by not taking any action which is inconsistent with that culture and customs and encourages employees of all levels to participate in activities according to local cultures and traditions such as Buddhist Lent Day, Vesak Day, and various merit events, etc.

(11) CODE OF CONDUCT FOR COMMUNICATION THROUGH SOCIAL MEDIA

The Company places great emphasis on using the Company's information system distributed to the public by adhering to the Company's ethics and codes of conduct according to the Computer Crime Act and related laws to be orderly, efficient, and maximum benefit. As well as to prevent problems that may arise with the Company and related persons, the Company has therefore issued announcements of the social media communication policy and regulations on the use of information systems, which are the common responsibility of all employees and use it as a guideline.

- (A) should refrain from incomplete or distorted or incomplete information.
- (B) should refrain from ignore false or misleading advertising.
- (C) should refrain from advertising or misrepresenting the media or a violation of culture and good morals or discredit a competitor, either directly or indirectly.

(12) CODE OF CONDUCT FOR POLITICAL CONTRIBUTIONS

The Company has set the policy of political support as a business code of conduct by respecting the democratic regime of government, giving importance to political neutrality, and encouraging employees of all levels to exercise their political rights following the legality of the law as good citizenship by setting up political support policies as follows:

The Company sets up a political contributions policy to conduct its business in a politically neutral, non-participating, and non-political in any party, any politician, or any political authority. The Company prohibits directors, executives, employees, and worker of the Company use his / her role to induce, pressure, or force colleagues and subordinates to sponsor any Company's property, place, time, or facility to benefit or support any political activity, political organizations, or members of the organization by direct and indirect political assistance for the benefit of the Company, except for the support of the democratic process as required by law.

(13) CODE OF CONDUCT FOR ANTI-CORRUPTION

The Company conducts its business with transparency and fairness, adheres to the principles of good corporate governance, business ethics, good policies and practices for all stakeholders, including strictly complying with relevant laws. The Company is committed to anti-corruption in all forms. “**Anti-Corruption Policy**” is written to instill awareness among the Company's directors, executives, employees, and workers of the dangers of corruption, create correct values, increase confidence to all stakeholders, including a clear practice in business operation and corporate development for sustainability. The anti-corruption policy is established as follows:

Anti-Corruption Policy: The Company prohibits directors, executives, employees, and workers of the Company from acting in connection with any form of corruption for direct benefits or indirectly to oneself, family, friends, and acquaintances, whether they are the recipient, giver, or offering of bribes, by giving of monetary or non-monetary to individuals, government officials, government agencies, or private entities of which the Company does business or contacts with. In this regard, the Company will strictly follow this anti-corruption policy.

(14) CODE OF CONDUCT FOR INVESTOR RELATIONS

The Board of Directors requires the management to establish the Investor Relations Office to serve as an appropriate, equitable, and timely communication with shareholders and stakeholders such as investors, analysts, and all stakeholders. The Investment Relations Office is required to perform duties based on the “**Code of Conduct for Investor Relations**” as follows:

- (A) shall perform duties honestly, fairly, and with responsibility.
- (B) shall disclose necessary data, information with accurate, clear, timely, and fair to all parties by refraining from using inappropriate words or formats causing a misunderstanding of the Company's securities.
- (C) shall provide opportunities for all concerned parties to access and make inquiries.
- (D) shall not present information affecting the company's stock price or may affect investment decisions or the shareholders' benefits prior to official publication to the Stock Exchange of Thailand.
- (E) shall not disclose uncertain or exaggerated information that has not yet been concluded or is in the process of negotiating.
- (F) shall perform duties based on the interests of shareholders and stakeholders.
- (G) shall build trust, positive image, and attitude of the Company as well as build good relationships with all stakeholders.

(H) shall maintain the Company's confidentiality and avoid any act or seeking any benefit that will benefit oneself based on the Company's inside information.

(I) shall perform duties with knowledge, full competence, professionalism, and acquire knowledge to improve work efficiency continually.

(J) shall follow the guidelines for not accepting an appointment for investors or analysts near the announcement of the financial statements following the stock trading practices specified by the Company.

(K) shall not buy/sell the Company's shares within 30 days before and after the earnings announcement.

(L) shall perform duties following relevant rules, regulations, laws, and regulatory bodies.

6.3 MAJOR CHANGES AND DEVELOPMENTS IN THE PAST YEAR

The Corporate Governance Committee (CGC Committee) has revised the principles of good corporate governance (Corporate Governance Code (CG Code)) in year 2018 and further improved in year 2020 following the revision of the principles of good corporate governance 2017 by the Securities and Exchange Commission. The main objective is to serve as a guideline for the Board of Directors who are the leaders or the most responsible person of the Company for the benefit of creating sustainable value for the business. In year 2020, there are issues that the Company has not yet acted as follows:

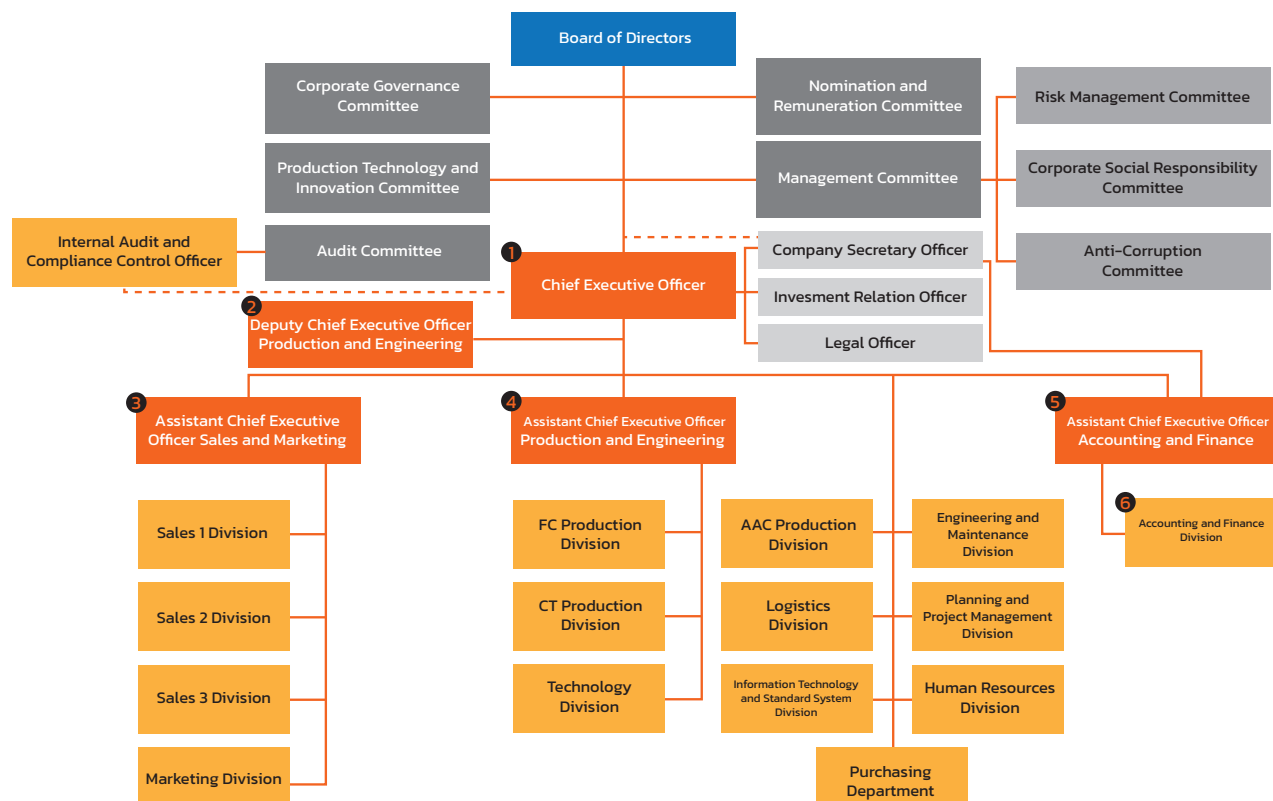
Not been acted item	Justification
The Board of Directors should determine the number of listed companies in which each director may hold a position of no more than five without exception.	Although the Company has not yet determined the number of listed companies that each director will serve, everyone has allocated appropriate and sufficient time for the Board of Directors' meetings for the management to propose matters and sufficiently for the directors to carefully and thoroughly discuss important issues. The directors can also exercise prudent discretion and give their opinions freely without any dominance of any person.
The Board should clearly state the term of office of independent directors in the corporate governance policy, which should be no more than 9 years without exceptions.	The Company has not yet set a term of office of an independent director for no more than 9 years without exception. However, independent directors who have served more than 9 years can express their opinions independently and still meet the Company's independent directors' qualifications with a wide range of expertise, especially in accounting and finance jobs and legal knowledge. The independent directors also brought their knowledge, experience, and expertise to provide useful suggestions in formulating the Company's business strategy and policy following sustainable development practices. Therefore, the Board of Directors proposed the Annual General Meeting of Shareholders to elect independent directors to resume as independent directors of the Company.
The Company should set a policy on the minimum number of quorum when the Board of directors votes at a board meeting that requires at least two-thirds of the total number of directors.	According to the Company's Articles of Association, Chapter 5, Clause 28 and the Public Act, Section 80 states that "In a meeting of the Board of Directors, the presence of not less than one-half of the total number of directors is required to constitute a quorum. If the Chairman of the Board is not present at the meeting or cannot perform duties and there is a Vice-Chairman, the Vice-Chairman shall preside. If there is no Vice-Chairman or is unable to perform duties, the members present at the meeting shall elect one among themselves to preside over the meeting".
The Chairman of the board should be an independent director.	Although the Chairman of the Board is not an independent director, the Chairman of the board has done the job of governing the Company fairly, transparently, taking into account the Company's interests as important and not for anyone's benefit. He also supports and encourages directors and independent directors to participate in discussions and express their opinions freely. There has never been a case where the Chairman of the board has exercised his voting rights to decide on any resolution.

In the past year, the Corporate Governance Committee has taken various actions (see details on page 170 under topic "Report on the Corporate Governance Committee's performance").

7. CORPORATE GOVERNANCE STRUCTURE AND IMPORTANT INFORMATION ABOUT THE BOARD OF DIRECTORS, SUB-COMMITTEES, EXECUTIVES, EMPLOYEES, AND OTHERS

7.1 CORPORATE GOVERNANCE STRUCTURE

The Organization Structure as at December 31, 2020:



Remark : 1-6 The Company's Executives according to SEC Regulation

In year 2021, the Company has made changes in the management structure and appointments of new executives, effective from February 1, 2021 onwards. Please refer to Attachment 6 for mor information.

7.2 BOARD INFORMATION

7.2.1 BOARD COMPOSITION

The management structure consists of the Board of Directors, the sub-committees, and the company's management, which has different qualifications, roles, duties, and responsibilities. It is clearly defined in the Good Corporate Governance Handbook, published on the Company's website in the "Investor Information" section to guide directors, executives, and employees as a guideline for their operations.

7.2.2 BOARD OF DIRECTORS INFORMATION

The Board of Directors comprises experts in various fields with expertise and experience such as industry, engineering, management, sales and marketing, accounting and finance, law, and corporate governance. At least one non-executive director must have the knowledge, understanding of the Company's business, leadership, vision, independence in decision-making. He/she is a person who devotes his/her time to perform his duties with responsibility, caution, and honesty for the best interests of the Company, shareholders, and all stakeholders.

As of December 31, 2020, the Board of Directors consists of 12 people, consisting of 4 independent directors, 6 non-executive directors, and 2 executive directors.

Name	Position
1) Mr. Prakit Pradipasen	Chairman of the Board
2) Mr. Chaikut Srivikorn	Director
3) Mr. Chatchai Teepsuwan	Director
4) Mr. Warayu Pradipasen	Director
5) Mr. Kamolaphat Teepsuwan	Director
6) Mr. Thanit Pulivekin	Independent Director (start Apr 24, 2013)
7) Mr. Sakda Maneeratchatchai	Independent Director (start Apr 17, 2009)
8) Mr. Anun Louharanoo	Independent Director (start Jan 10, 2005)
9) Mr. Woodthikrai Soatthiyanon	Independent Director (start Jan 12, 2011)
10) Mr. Asanee Chantong	Director
11) Mr. Satid Sudbuntad	Director / Chief Executive Officer
12) Mr. Maitree Tawonatiwasna	Director / Deputy Chief Executive Officer
13) Ms. Thanakarn Phanthapirat	Company Secretary

Directors authorized to sign on behalf of the Company are Mr. Prakit Pradipasen, Mr. Chaikut Srivikorn, Mr. Asanee Chantong, Mr. Satid Sudbuntad, and Mr. Maitree Tawonatiwasna with two out of these five directors jointly sign with the Company's seal.

7.2.3 ROLES, DUTIES, AND RESPONSIBILITIES OF THE BOARD

The Board of Directors has prepared a Board Charter that defines the roles, duties, and responsibilities of management in writing. It is determined following the objectives, main goals, the Articles of Association, and the shareholders' meeting resolutions. It also complies with the law on Securities and Exchanges; the requirements and best practices of the SEC and SET and the laws relating to the Company's operations are as follows.

(1) ROLE OF GOOD CORPORATE MANAGEMENT

The Board of Directors, as the leader of the organization, has set the following roles in good corporate management:

1) To establish clear and appropriate objectives, key goals that can guide employees at all levels to move in the same direction. Also, the vision, mission, and corporate values have been established, which are consistent with the creation of value for the Company, all stakeholders, and society as a whole, including a review at least once a year to ensure executives and employees aim the same direction firmly.

2) To establish operational policies, strategies, work plans, and annual budgets and allocate important resources appropriately with the management and oversee the administration of directors and executives to perform duties as assigned efficiently to achieve the stated main objectives and goals.

3) To establish a financial management policy and supervise the Company to have adequate financial liquidity, debt repayment ability, and operating mechanism in case of financial problems by empowering the management to manage the finances and set up the provident fund of the Company to encourage employees to save money for their future.

4) To establish regular monitoring, evaluation, and reporting of performance to ensure the operations' efficiency and benefit.

(2) ROLE IN CREATING SUSTAINABLE VALUE FOR THE ORGANIZATION

The Board of Directors, as the corporate leader in creating value for the organization and governing the business to lead to results of success, to be competitive, and to have good long-term performance, has set a role in building sustainable organization values are as follows:

1) To establish a written code of business conduct to create a corporate culture adhering to ethics and/or good governance, whereby the Board must behave as a role model as a leader to encourage employees at all levels to have an ethical consciousness. It increases confidence and is accepted by all stakeholders. A **"CGC Committee"** is assigned to supervise, monitor, and report on the Code of Business Conduct performance at least once a year.

2) To establish a written corporate governance policy following the law on Securities and Exchange and the laws related to the Company. A **"CGC Committee"** is assigned to supervise, monitor, and report the policy's implementation as well as review the policy implementation guidelines at least once a year.

3) To establish an appropriate and adequate internal control system to cover the entire organization. An **"Internal Audit Office"** is assigned to monitor and report performance to the AC Committee at least once a quarter and assesses the effectiveness of the internal control system at least once a year.

4) To establish an appropriate and adequate risk management policy to cover the entire organization. An **"RMC Committee"** is assigned to implement the policy, and an Internal Audit Office to monitor and report the performance to the AC Committee at least once a quarter and assess the risk management system's efficiency at least once a year.

5) To establish guidelines for conducting transactions that may have conflicts of interest between the Company and the Company's stakeholders. The stakeholders should not involve in decision-making. Along with establishing procedures for disclosing information that may have conflicts of interest to be correct and transparent in the Annual Registration Statement / the Annual report (Form 56-1 One Report).

6) To establish a written policy of social and environmental responsibility to promote and cultivate awareness of employees at all levels to be responsible, benefit society, and reduce environmental impact, acceptable to all stakeholders. A "CSR Committee" is assigned to implement the policy and report the performance to the Board of Directors at least once a year.

7) To establish a written anti-corruption policy to promote and instill awareness among directors, executives, and employees at all levels to be aware of the dangers of corruption by announcing the "Anti-Corruption Policy," published on the Company's website since year 2013. An "ACC Committee" is assigned to comply with the policy and report the performance to the Board of Directors at least once a year.

8) To supervise communication of information so that directors, executives, and employees at all levels understand and have sufficient mechanisms to facilitate the implementation of the aforementioned policies. The CGC Committee shall monitor and review the implementation of various policies regularly at least once a year.

(3) PERFORMING DUTIES WITH RESPONSIBLY, CAREFULLY, AND HONESTLY

1) To supervise the company's operations following the Articles of Association, the resolutions of the shareholders' meeting, the law on securities and exchange, and the laws related to the company for the organization's best interest.

2) The "Internal Audit Office" has the duty to audit or review the Company's operations following the rules and laws relevant to the Company, as well as the policies or guidelines set forth. It covers important approval processes such as investments in fixed assets, transactions with connected persons, acquisition or disposition of assets, dividend payments, or transactions having a significant impact on the business, etc. The Internal Audit Office will report the audit results or review them to the AC Committee at least once a quarter to propose opinions to the Board of Directors for further consideration.

(4) TO HAVE AUTHORITY TO APPOINT SUB-COMMITTEES, TOP EXECUTIVES, AND OTHER APPROVAL AUTHORITY

1) Appointment of sub-committees as appropriate, or in case of vacant positions of directors or members of sub-committees through nomination from NRC Committee for important matters to be scrutinized before submitting their opinions to the Board of Directors for further consideration as follows:

(A) AC Committee considers and scrutinizes the matters of compliance with the laws relevant to the company, ensures the risk management system and the internal control system is adequate and appropriate, etc.

(B) NRC Committee considers and scrutinizes the matters of recruiting and considering remuneration of directors, executives, employees, and workers of the Company, etc.

(C) CGC Committee considers and scrutinizes the matters of corporate governance to be following the law on securities and exchange and laws related to the company, etc.

(D) PTI Committee considers and scrutinizes the matters of investment and creation of innovation, production, and research and development of new products suitable for the company's operation to increase competitiveness, etc.

(E) MC Committee supports the board of directors' performance and managing daily work following the Company's objectives and main goals as assigned by the Board of Directors.

2) The appointment of top executives or, in the event of a vacancy, through the NRC Committee nomination with mutually agreed upon clearly and appropriately defines the roles, duties, and responsibilities.

3) Appointment of persons deemed appropriate to be company secretary and/or assistant secretary of the Company, or if such position is vacant by specifying qualifications, roles, duties, and responsibilities as stipulated by law, including disclosing information in the Annual Registration Statement / the Annual Report (Form 56-1 One Report).

4) Approval of formation, merger, or termination of a subsidiary company, affiliate, or joint venture following the requirements for the acquisition or disposal of assets by SEC and the laws relating to the Company.

5) Approval of fixed asset investment management, such as investment in a new factory or investment in a new production line, following the requirements for the acquisition or disposal of assets by SEC and the laws relating to the Company.

6) The Board of Directors has the authority to approve important matters in performing its duties to achieve the Company's objective.

(A) Financial approval that excess of power MC Committee as assigned ;

(B) Other approvals following the Company's regulations and related laws in order to be concise and benefit the organization.

(5) PRESCRIBING THAT THE CHAIRMAN OF THE BOARD OF DIRECTORS' POSITION IS A DIFFERENT PERSON FROM THE CHIEF EXECUTIVE OFFICER

It clearly sets separate roles, duties, and responsibilities and is regularly reviewed to be in line with the Company's operating directions as follows:

(A) The roles, duties, and responsibilities of the Chairman of the Board of Directors

1) The role of the Board of Directors must have leadership and vision by acting as the Chairman of the meeting at both the board of directors' meeting and the shareholders' meeting, supporting and encouraging the meeting attendees to exercise their voting rights and to comply with good corporate governance principles.

2) To supervise, monitor, and ensure that the board of directors' performance of duties is efficient, achieving the objectives and main goals of the Company.

3) To ensure that all directors participate in promoting an ethical corporate culture and good corporate governance and behaving as a role model for the organization.

4) To set the board of directors' meetings in consultation with the Chief Executive Officer and have measures to supervise important matters in the agenda.

5) To allocate appropriate and adequate time for the Board of Directors meetings for the management to propose matters and sufficiently for directors to thoroughly discuss important issues, as well as encouraging the directors to participate in the exercise of prudent discretion and to give opinions freely without any dominance of any one person.

6) To strengthen good relations between executive directors and non-executive directors, and between the board of directors and management, as well as overseeing the directors not to be under the influence of the management.

(B) The roles, duties, and responsibilities of the Chief Executive Officer

The Chief Executive Officer is responsible for executing the day-to-day following strategies, policies, plans, and budgets approved by the Board of Directors acting with responsibility, prudence, and honesty within the framework of the authority, assigned by the Board of Directors, and monitoring top executives and executives to perform their duties efficiently (see details on page 145 under topic "Management Information").

(6) DEFINING RESPONSIBILITIES AND ALLOCATE SUFFICIENT TIME FOR THE PERFORMANCE OF DUTIES

The Board of Directors supervises the Company's directors to have responsibility for performing their duties and allocating sufficient time to serve as the Company's directors as follows:

- 1) Board of Directors shall supervise and ensure that directors understand their roles, duties, and responsibilities.
- 2) Board of Directors shall establish criteria for serving directors' positions in other companies, considering their performance in many companies and ensuring that directors can devote sufficient time to perform their company duties. Therefore, the number of companies listed on the Stock Exchange of Thailand that each director will hold a position in is appropriate to the nature of the company's business condition, in total, should **not exceed 5 companies**. **Except for the Executive Director** who holds director position at other listed companies, in total, it should **not exceed 2 companies** because the performance of duties as a director may decrease if the number of companies holding office is too much.
- 3) The directors who hold directorship positions in other companies must disclose in the Annual Registration Statement / the Annual Report (Form 56-1 One Report).
- 4) The Company has established measures and procedures for approving the Company's connected transactions for directors or executives who have direct or indirect interests in other businesses that have a conflict of interest or can use the Company's opportunities or information for their own benefit. The AC Committee must review this before being proposed to the Board of Directors for consideration and must be disclosed in the Annual Report / the Annual Report (Form 56-1 One Report) or notified to the shareholders as appropriate.
- 5) Each director should attend not less than 75% of the total number of board meetings held in the year.

(7) PREPARATION OF THE BOARD OF DIRECTORS CHARTER AND THE SUBCOMMITTEE'S CHARTER (BOARD CHARTER)

The Board of Directors and all committees are required to prepare its Board Charter to clearly define each committee's roles, duties, and responsibilities as a reference for the performance of their duties. The Board Charter is reviewed at least once a year to reflect the company's long-term objectives and operational goals.

(8) PREPARING A REPORT ON THE PERFORMANCE OF THE COMMITTEE

All sub-committees must prepare their performance report at least once a year for submission to the Board of Directors to consider and disclose in the Annual Registration Statement / the Annual Report (Form 56-1 One Report), which the Chairman of the sub-committee signed the report. However, the number of meetings and the number of times each director attends each year must be specified.

(9) PREPARING THE SELF-PERFORMANCE ASSESSMENT FORM FOR AN INDIVIDUAL COMMITTEE AND PERSON

The Board of Directors and all committees must prepare a self-assessment form for an individual committee and person at least once a year by proposing to the CGC Committee for consideration and opinions before presenting to the Board of Directors for further consideration.

(10) TO HAVE AUTHORITY TO APPOINT A PERSON OR A CONSULTING FIRM (PROFESSIONAL SEARCH FIRM)

The Board of Directors and every sub-committees have the power to appoint a competent and independent person or advisor, or without conflict of interest, to be an advisor to the Board of Directors in case of its lack of expertise in such matters. The Director Pool database is also used to nominate new directors by disclosing advisors' information in the Annual Registration Statement / the Annual Report (Form 56-1 One Report).

(11) KNOWLEDGE DEVELOPMENT FOR THE BOARD OF DIRECTORS AND SUB-COMMITTEES

The Board of Directors supports and encourages all directors to attend training and seminars on a number of courses on an ongoing basis, either organized by the Thai Institute of Directors Association, the SEC, SET, or other independent organizations. It is to build knowledge, improve performance of work that is beneficial to the performance of duties more efficiently. The training and development information is disclosed in the Annual Registration Statement / the Annual Report (Form 56-1 One Report).

(12) SUCCESSION PLAN

The Board of Directors takes steps to ensure that the Company has an appropriate system for recruiting employees who will be responsible for all important management positions through the NRC Committee's recruiting process. There is a plan for recruiting successors to prevent the lack of top personnel, which will significantly impact business operations. The lack of personnel may arise from early retirement or promotion. Therefore, the Company has established strategies for recruiting important successors to prevent such problems from occurring by following steps: (1) analyze the Company's situation (2) explore which positions are at risk (3) planning for recruiting and developing staff members; (4) evaluating staff performance and assessing potential (5) assigning successors and (6) developing and evaluating periodic performance, etc.

(13) CRITERIA FOR SELECTING INDEPENDENT DIRECTORS

The Company has defined the definition of independent director following the law on securities and exchange and related laws. Details on the selection of independent directors and independent directors' qualifications are provided in the good corporate governance manual published on the Company's website. (www.dbp.co.th).

7.3 INFORMATION ON SUB-COMMITTEES

The Board of Directors can appoint sub-committees on specific matters as needed through the nomination of the NRC Committee for important matters are carefully scrutinized on specific important issues before presenting their opinions to the Board of Directors for further consideration for the best interest of the Company.

7.3.1 AUDIT COMMITTEE (AC COMMITTEE)

The AC Committee consists of at least 3 independent directors with a term of 3 years and is recruited by the NRC Committee. If the AC Committee member has completed his/her term of office, or for any reason, the AC Committee member cannot complete his/her term, and the number of members is less than the specified number of 3 people. In this regard, the Board of Directors or the shareholders' meeting must appoint a new AC Committee member immediately or at the latest within 3 months from the date on which the number of members is incomplete to ensure continuity in the AC Committee's operation.

As of December 31, 2020, the Company has 3 Audit Committee members as follows:

Name	Position
1) Mr. Sakda Maneeratchatchai	AC Committee Chairman
2) Mr. Anun Louharanoo *	AC Committee Member
3) Mr. Thanit Pulivekin	AC Committee Member

Remark: * Mr. Anun Louharanoo is the audit committee member who possesses knowledge and experience sufficient for audit reliability of the Company's financial statements and Ms. Wasana Tochuwong as the Secretary to the Audit Committee.

The roles, duties, and responsibilities of the AC Committee can be summarized as follows:

- 1) To review to ensure that the Company has accurate and adequate financial reporting;
- 2) To review to ensure that the company has an appropriate and effective internal control system and internal audit system and to consider the independence of the internal audit unit as well as to approve the consideration of the appointment, transfer, termination of the head of the internal audit unit or any other unit responsible for the internal audit;
- 3) To review that the Company complies with the law on securities and exchange, the regulations of the Stock Exchange of Thailand, and laws related to the Company's business;
- 4) To select and propose the appointment of the Company's auditor and propose the auditor's remuneration considering the reliability, adequacy of resources, and audit workload of that audit firm. This also includes the experience of the employees who have been assigned to conduct the audit of the Company and the attendance of the meeting with the external auditors without attending of the management at least once a year;
- 5) To consider connected transactions or any transactions leading to conflicts of interest following the laws and SET's regulations. This is to ensure that such transactions are reasonable and in the best interest of the Company;
- 6) To review the accuracy of reference documents and self-assessment form on the Company's anti-corruption measures under Thailand's Private Sector Collective Action Coalition Against Corruption Project;
- 7) To prepare a report of the AC Committee by disclosing it in the Annual Registration Statement / the Annual Report (Form 56-1 One Report), in which the said report is signed by the Chairman of the AC Committee,
- 8) Perform any other actions as specified by the Board of Directors. Assigned with approval from the AC Committee.
- 9) To report the AC Committee's operation to the Board of Directors periodically at least once a quarter. In performing the above duties, the AC Committee has direct responsibility to the Board of Directors, and the Board of Directors still has responsibility for the operation of the company to third parties;
- 10) In the performance of the AC Committee's duties, if it is found or in doubt that any transaction or action may have a material effect on the company's financial position and performance, the AC Committee shall report to the Board of Directors of the Company to make adjustments within the time that the AC Committee deems appropriate;
- 11) To achieve the goals of the AC Committee, it has the following authority:
 - (A) Authority related to management: to have the power to invite the management and/or related executives to attend meetings, give clarifications, give opinions, or submit documents as the AC Committee deems relevant and necessary in all respects.
 - (B) Authority related to the Company's internal auditors to approve the appointment, dismissal, transfer, termination of employment, and consider the merits of the head of the internal audit department.
 - (C) Authority related to external auditors:

(1) To review and evaluate the performance of external auditors, including to approve, to appoint, to remove, and to terminate the employment of external auditors.

(2) To propose the list of auditors to the Board of Directors together with the annual audit fee for appointment from the shareholders' general meeting and to review the assessment of the auditor's performance.

(3) To set rates of wages for service and other consulting engagements provided by the external auditor.

(4) If it gets a notification from the external auditor regarding suspected circumstances that top executives or a person responsible for conducting an operation has committed an offense, the AC Committee shall report the results of the preliminary examination to the SEC and external auditors to acknowledge within 30 days from the date of receiving notification from the external auditors.

If the AC Committee fails to act as the external auditor has notified above, the external auditor shall continue to notify the SEC.

(D) Other authorities.

(E) The AC Committee has the authority to examine relevant parties and related matters within the scope of duties and responsibilities of the AC Committee and the authority to hire specialized experts to consult and can give opinions as the AC Committee has considered appropriate. In this regard, the various departments shall perform their roles and duties concerning the AC Committee.

In this regard, the Company has set up the Internal Audit and Compliance Control Office (Internal Audit Office), responsible for monitoring and reviewing the operation in accordance with the work system or according to the specified internal control standards and as a coordinator, support, and assist the AC Committee in good corporate governance. Ms. Wasana Tochuwong, Department Manager of the Internal Audit and Compliance Control Office is the internal audit office, has also been appointed as the secretary of the AC Committee.

7.3.2 NOMINATION AND REMUNERATION COMMITTEE (NRC COMMITTEE)

NRC Committee consists of at least 3 non-executive directors, and at least one person must be an independent director appointed by the Board of Directors. If the NRC Committee member has completed his/her term of office or there is any other cause that cannot complete his/her term and results in less than the number of members required, the Board of Directors will select and appoint a new NRC Committee member to the number immediately or at the latest within 3 months from the date that the number of members is less than the specified number to ensure continuity of the NRC Committee's operations.

As of December 31, 2020, the company has a total of 3 NRC Committee member, consisting of:

Name	Position
1) Mr. Chaiyut Srivikorn	NRC Committee Chairman
2) Mr. Chatchai Teepsuwan	NRC Committee Member
3) Mr. Anun Louharanoo	NRC Committee Member

Mr. Satid Sudbuntad, Chief Executive Officer, is the secretary of NRC Committee.

The roles, duties, and responsibilities of the NRC Committee can be summarized as follows:

1) To select the Company's directors and top executives;

The NRC Committee is responsible for determining the criteria and process for recruiting transparently and clearly, providing sufficient information for consideration, and proposing opinions to the Board of Directors for approval on top executives' appointments. In this regard, directors' appointments must be presented to the shareholders' meeting for further approval (see details on page 156 under topic "the Nomination, Development, and Evaluation of the Board's Performance").

- 2) To consider remuneration for directors, top executives, and employees of the Company;

The NRC Committee is responsible for determining the format and criteria for determining the remuneration of directors, top executives, and company employees transparently and clearly, with sufficient information to consider for short-term, long-term returns, and others (see details on page 140 under topic “Executive Directors and Executives’ Remuneration Policy”).

- 3) NRC Committee has the authority to invite executives of the company and / or relevant employees at all levels to attend the meeting and to clarify related matters in all cases.

- 4) To perform any other activities assigned by the Board of Directors to carry out each matter in each case.

7.3.3 CORPORATE GOVERNANCE COMMITTEE (CGC COMMITTEE)

The CGC Committee consists of at least 3 non-executive directors, and at least one of them must be independent and nominated by the NRC Committee. If a CGC Committee Member has completed his term of office or there is any other cause that cannot complete his term and results in less than the number of members required, the NRC Committee will consider recruiting, selecting, and proposing to appoint a new CGC Committee Member in the complete number immediately or at the latest, within 3 months starting from the date that the number of members is less than the specified number to ensure continuity of the CGC Committee operations.

As of December 31, 2020, the company has 3 CGC Committee Member consisting of:

Name	Position
1) Mr. Thanit Pulivekin	CGC Committee Chairman
2) Mr. Woodthikrai Soatthiyanon	CGC Committee Member
3) Mr. Warayu Pradipasen	CGC Committee Member

Mr. Krit Kullertprasert, Accounting and Finance Manager, is the secretary of the CGC Committee.

The roles, duties, and responsibilities of the CGC Committee are summarized as follows:

- 1) To establish policies, criteria, and guidelines for good practice in various businesses following good corporate governance principles by preparing the Good Corporate Governance Handbook and Code of Business Conduct. It is to enable directors, executives, and employees at all levels to adhere to the operational guidelines. It is also an important obligation of directors, executives, and employees of all levels to not neglect to follow the principles contained in this manual.
- 2) To follow up, review, and revise the Company’s corporate governance following the SEC’s good corporate governance principles, SET, and related laws.
- 3) To encourage the dissemination of good corporate governance within the organization to be understood by directors, executives, and employees at all levels and have practical effects until organizational culture.
- 4) To establish policies and support a regular assessment of corporate governance standards at least once a year to identify problems and obstacles causing the operations to fail to achieve the objectives and targets set and report them to the Board of Directors for further acknowledgment and consideration.
- 5) To perform any other activities assigned by the Board of Directors to carry out in each case.
- 6) To consider and review the Self Assessment of the Board of Directors’ Performance to be appropriate at least once a year and propose opinions on the Board of Directors’ performance assessment results and various sub-committees to the Board of Directors for further consideration.

The year 2020 still used the self-assessment form according to the year 2019, which can be summarized as follows:

6.1) Objectives:

(A) To identify problems and obstacles causing the performance to fail to achieve its objectives during the past year;

(B) To enhance the effectiveness of the Board of Directors and the sub-committees is work for an individual committee and person, as their roles, duties, and responsibilities are clearly identified;

(C) To know how to use the knowledge, ability, and independence in expressing opinions by the Board of Directors.

6.2) The self-assessment results of the Board of Directors and the sub-committee for an individual committee and person for the year 2020 was of an average score of 91.2% - 99.5%. The directors gave recommendations to improve the performance of each committee that is beneficial to the Company. The assessment scores for all faculties are summarized as follows:

Committee	Individual committee self-assessment		Individual person self-assessment	
	2020 *	2019	2020 *	2019
1) Board of Directors	97.7%	97.8%	97.5%	96.9%
2) Audit Committee	97.7%	96.6%	96.6 %	95.6%
3) Nomination and Remuneration Committee	96.3%	94.0%	96.7%	93.3%
4) Corporate Governance Committee	97.0 %	96.4%	96.6%	95.7%
5) Management Committee	99.5%	98.5%	99.5 %	98.5%
6) Risk Management Committee	91.4 %	95.8%	91.2 %	95.8%
7) Production Technology and Innovation Committee	99.2 %	95.8%	99.2 %	95.8%
8) Corporate Social Responsibility Committee	95.1 %	93.7%	94.1 %	94.3%
9) Anti-Corruption Committee	91.7%	95.4%	91.8%	95.1%

Remark: * In year 2020, the committee self-assessment form was revised for an individual committee and person, and all sub-committee approved by the Board of Directors Meeting No. 344 on November 30, 2020.

7) To consider and review the self-assessment form of the Chief Executive Officer (CEO) to be appropriate at least once a year to assess the performance of the organization's top executives. Also, opinions of the CEO's performance assessment results are presented to the Board of Directors for further consideration. The topics for evaluation are following the guidelines of SET, namely (1) leadership (2) strategy setting, (3) strategy implementation, (4) financial planning, and performance (5) relationship with the committee, (6) external relations (7) Management and personnel relations (8) succession (9) knowledge of products and services and (10) personal characteristics. The CEO's performance assessment results in year 2020 was of 100%, equal to that of year 2019.

7.3.4 PRODUCTION TECHNOLOGY AND INNOVATION COMMITTEE (PTI COMMITTEE)

The Board of Directors is committed to conducting business in a modern and efficient manner by employing new technology and manufacturing innovations to enable the Company to adapt to changing environments. Therefore, PTI Committee has been set up to take charge of technology and product innovation, which is an important factor in generating income. PTI Committee invests in manufacturing innovations such as launching new products and reducing production costs, increasing the potential and competitiveness for the future.

As of December 31, 2020, the Company has 3 PTI Committee Members directors as follows:

Name	Position
1) Mr. Asanee Chantong	PTI Committee Chairman
2) Mr. Maitree Tawonatiwasna	PTI Committee Member
3) Mr. Satid Sudbuntad	PTI Committee Member

Mr. Sunthorn Suwannajade, Assistant Chief Executive Officer Production and Engineering, is the PTI Committee secretary.

The roles, duties, and responsibilities of the PTI Committee are summarized as follows:

- 1) To layout guidelines to reduce production costs and expenses to increase the efficiency and effectiveness in the production of products.
- 2) To establish a plan for innovation and new product development.
- 3) To consider the investment budget to expand production capacity and increase production efficiency.
- 4) To consider the annual work plan and budget before submitting it to the Board of Directors for further approval.
- 5) To follow up on the performance of investment budget, production costs, and expenses monthly and report the PTI Committee's performance to the Board of Directors for acknowledgment at least once a quarter.
- 6) To perform any other activities as assigned by the Board of Directors to undertake individual cases.

7.3.5 MANAGEMENT COMMITTEE (MC COMMITTEE)

Management Committee consists of at least 3 executives from the level of Assistant Chief Executive Officer, who the Board of Directors appoints. The Chief Executive Officer is the Chairman of the MC Committee by the position and appoints an MC Committee Members or an executive who deems appropriate as the secretary of the MC Committee to perform the duty of preparing the meeting as well as being a coordinator for reporting to the Board of Directors and other relevant agencies (if any).

As of December 31, 2020, the Company has 5 MC Committee Members, consisting of:

Name	Position
1) Mr. Satid Sudbuntad	MC Committee Chairman
2) Mr. Maitree Tawonatiwasna	MC Committee Member
3) Mr. Sunthorn Suwannajade	MC Committee Member
4) Ms. Peachayanant Lorvorlak	MC Committee Member
5) Ms. Thanakarn Phanthapirat	MC Committee Member and Secretary

The roles, duties, and responsibilities of the MC Committee can be summarized as follows:

- 1) To manage the Company following the objectives, directions, goals, policies, missions, strategies, business plans, and budgets as approved by the Board of Directors.
- 2) To consider and scrutinize the management's proposals to set objectives, directions, goals, policies, missions, strategies, business plans, annual budgets, financial and investment plans, human resource management plans, information technology, etc. The Company will assess the Company's achievement according to the KPI score (Key Performance Indicator) to submit opinions to the Board of Directors for further approval.

- 3) To direct, supervise, and monitor the operating results for the monthly, quarterly, and annual basis compared with the target and budget set by presenting opinions to the Board of Directors for acknowledgment and consideration regularly and continuously.
- 4) To build an organizational culture that adheres to ethics and business ethics and behaving as a role model for the organization.
- 5) To determine, review the organizational structure, the scope of the organization's management, including the appointment; commissioning; transferring; demotion; determination of wages; compensation; annual award money; termination of employment from the employee level to the department manager level. The opinion related to these issues shall be presented to the NRC Committee for consideration and approval and further propose to the Board of Directors for acknowledgment and approval later.
- 6) To consider the interim and annual dividend payments according to the Company's operating results for each year by submitting their opinions to the Board of Directors for acknowledgment and to propose to the shareholders' meeting for further approval.
- 7) To have authority to authorize one or more persons, and/or management, or any other person to perform any action within a specified period of time. It is under the supervision and supervision of the MC Committee, including the cancellation, or withdrawal, or change, or improve the authorized person or that authority as it deems appropriate.
- 8) To have authority to approve the financial following the operating regulations and approval authority as already approved by the Board of Directors' meeting.
- 9) To have authority to appoint committees or sub-committee to scrutinize details of information on important matters. It shall define scope, authority, duties, and responsibilities and direct and supervise the operations of the sub-committee to achieve the objectives and goals set as follows:
 - (A) Risk Management Committee: To supervise the Company to have an appropriate and adequate risk management system.
 - (B) Corporate Social Responsibility Committee: To supervise the Company to create benefits and develop for society or reduce the impact on the environment.
 - (C) Anti-Corruption Committee: To supervise the company to have an appropriate and adequate anti-corruption system.
 - (D) To establish other sub-committee from time to time as they deem appropriate on a case-by-case basis.
- 10) To perform any other activities assigned by the Board of Directors on a case by case basis.

(1) RISK MANAGEMENT COMMITTEE (RMC COMMITTEE)

The Board of Directors assigns MC Committee to appoint the RMC Committee to ensure that the Company has an appropriate and adequate risk management system. The RMC Committee comprises executive directors and executives ranking from department manager level and above totalling at least 10 members. In this regard, One RMC Committee members is appointed as the Chairman of the RMC Committee.

The roles, duties, and responsibilities of the RMC Committee can be summarized as follows:

- 1) To establish a risk management policy in line with the objectives, main goals, strategies, and acceptable risks of the entity for the framework of the risk management process for everyone and all departments in the organization to be in the same direction. The early warning signs should be emphasized, and the risk management policy is reviewed periodically according to changing circumstances and events.
- 2) To analyze all types of risks, both internal and external factors, opportunities, and potential impacts on the company's overall operations. It is divided into Strategic Risk, Operation Risk, Financial Risk, and Compliance Risk, etc.

3) To establish measures and action plans to manage risks that may be risk acceptance, risk reduction, risk avoidance, risk transfer, or risk sharing.

4) The results from the analysis and assessment of various risk factors of the company are used to formulate guidelines for management and correction to manage the risks according to the risk factors that arise and make a risk map as follows:

(A) **Red Risk:** Risk factors that need to be addressed urgently, with solutions to reduce the risks as the priority.

(B) **Yellow Risk:** Risk factors that need to be monitored and may be risk factors for which there is a way to prevent them.

(C) **Green Risk:** Risk factors that are not yet considered a risk which must be managed immediately.

5) To follow up on unacceptable risk management results, how to improve and prevent future risks. The risk management report is prepared and presented to the MC Committee, AC Committee, and the Board of Directors for each case at least once a quarter;

6) To review policies and risk factor supervision systems defined or established to assess risk management and monitoring. It includes audit and reporting processes to ensure that the Company has a concise and appropriate risk management framework, sufficient and efficient and effective.

7) To regulate, supervise and monitor compliance with applicable national and international laws and standards, as well as to review the disclosure of information, risks to regulators and the public correctly and appropriately and up to date.

8) To prepare a report on the tightness and adequacy of the risk management system by submitting it to the MC Committee and AC Committee for consideration and approval from time to time as it deems appropriate on a case by case basis.

9) To require the subsidiaries and/or affiliates to operate following the same tight risk management and internal control systems as the parent company.

10) To perform any other activities assigned by the Board of Directors, or the AC Committee, or MC Committee to undertake on a case by case basis.

In the year 2020, the RMC Committee has supervised the risk management activities with responsibility and caution, able to control all risks to a level that does not cause any negative impact on the Company's operations.

(2) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR COMMITTEE)

The Board of Directors assigns MC Committee to appoint the CSR Committee to ensure that the Company creates benefits for social development or reduces the impact on the environment. The CSR Committee comprises executive directors and executives ranking from department manager level and above totalling at least 10 members. In this regard, One CSR Committee members is appointed as the Chairman of the CSR Committee.

The roles, duties, and responsibilities of the CSR Committee can be summarized as follows:

- 1) To prepare a policy of social and environmental responsibility to present to the MC Committee for consideration and approval before submitting to the Board of Directors for further approval;
- 2) To prepare work plans and budget for each year by presenting to the MC Committee for consideration and approval before implementing;
- 3) To implement the approved plans and budgets, which may assign individuals, agencies, or appoint sub-committee to carry out each matter or use external experts as necessary and appropriate, owing to its lack of knowledge and expertise in such matters with the approval of the Board of Directors on a case by case basis;
- 4) To follow up and evaluate the progress of the operation and submit comments to the MC Committee for further consideration;
- 5) To prepare a sustainability report, a report on CSR performance for the company's past year and present to the MC Committee and the Board of Directors for approval and disclosed in the Annual Registration Statement / the Annual Report (Form 56-1 One Report);
- 6) To perform any other activities assigned by the Board of Directors and/or MC Committee to carry out on a case by case basis.

(3) ANTI-CORRUPTION COMMITTEE (ACC COMMITTEE)

The Board of Directors assigns MC Committee to appoint the ACC Committee to ensure that the Company operates its business with transparency, has good work practices, and be accepted by all stakeholders by covering operational guidelines and appropriate and adequate anti-corruption measures. The ACC Committee comprises executive directors and executives ranking from department manager level and above totalling at least 10 members, including the Law Office Manager and the Internal Audit Office. In this regard, One ACC Committee Member is appointed to the Chairman of the ACC Committee.

The roles, duties, and responsibilities of the ACC Committee can be summarized as follows:

- 1) To formulate policies and measures related to the Company's anti-corruption.
- 2) To establish manuals, good operating practices, anti-corruption regulations, and financial authorization to comply with relevant policies and orders. This includes penalties if management and/or employees violate the aforementioned manuals and or regulations.
- 3) To arrange for an annual or periodic assessment and review of the corruption risks of each department as it deems appropriate by establishing a strong anti-corruption risk prevention measure and suitable for the business operation of the Company.
- 4) To prepare a self-assessment on anti-corruption measures to obtain a certificate of membership in the Private Sector Collective Action Coalition Against Corruption (CAC) Project and also review it at specified intervals.
- 5) To review plans, policies, risk assessments, and measures. Corruption as deemed appropriate from time to time to have measures for supervision and monitoring to reflect transparent operations and have good operational guidelines ready to be inspected at all times.

6) To provide communication, public relations, and follow-up to ensure that the operations of all departments are following the anti-corruption policy as specified by the Company.

7) To perform any other activities assigned by the Board of Directors, the AC Committee, or MC Committee to undertake on a case by case basis.

(4) OTHER COMMITTEES

The Board of Directors assigns MC Committee to appoint other committees to carry out work for the best interest of the Company such as Occupational Health, Safety and Workplace Environment Committee (OSH Committee), Energy Management Committee, Energy Management Assessors Committee, Procurement Committee, Standard System Management Committee, Total Product Improvement (TPM) Promotion Committee and Employee Committee, etc.

7.4 MANAGEMENT INFORMATION

7.4.1 NAMES AND POSITIONS OF MANAGEMENT

The Company has a policy to recruit knowledgeable, capable and experienced executives with good working records and ethics, who can contribute well to the Company. The nomination of such persons must pass through consideration by the NRC Committee and approval by the Board of Directors. The executives at the level of Assistant Chief Executive Officer and above are appointed as members of the Management Committee by position.

As of December 31, 2020, The Company had 6 Executives as follows.

Name	Position
1) Mr. Satid Sudbuntad	Chief Executive Officer
2) Mr. Maitree Tawonatiwasna	Deputy Chief Executive Officer Production and Engineering
3) Ms. Thanakarn Phanthapirat	Assistant Chief Executive Officer in Finance and Accounting (CFO)
4) Mr. Sunthorn Suwannajade	Assistant Chief Executive Officer Production and Engineering
5) Ms. Peachayanant Lorvoralak	Assistant Chief Executive Officer Sales and Marketing
6) Mr. Krit Kullertprasert	Accounting and Finance Division Manager (Chief Accountant)

(A) The Roles, Duties, and Responsibilities of the Chief Executive Officer can be summarized as follows:

With responsibility, diligence and integrity, the Chief Executive Officer ensures that the Company daily operations comply with the objectives, policies, business plans and budget as approved by the Board of Directors, and must perform their duties responsibly, carefully, and honestly. The scope of authorities, duties, and important responsibilities of the Chief Executive Officer are as follows:

1) To establish vision, corporate values, objectives, policies, directions, business plans, operating strategy, financial plan, investment management, human resources management, annual budget, Key Performance Indicators (KPI) target, and assess Company's performance before presenting opinions to the MC Committee before proposing to the Board of Directors for further approval.

2) To monitor and evaluate the Company's performance regularly to prevent risks from various internal and external risk factors that may adversely impact achievement of the Company's performance not achieving the specified targets.

3) To have authority to set salaries, compensation, bonuses or annual remunerations, as well as benefits for the employees ranking from the Division Manager level and below.

4) To have authority to issue rules and regulations, directives, notifications for the operations to be in line with the Company's objectives, directions, and main targets to maintain disciplines, effective operation within, and best interest for the organization.

5) To have authority to approve for the purchase and hiring, and financial approval authority in accordance with the work regulations and approval authority as approved by the Board of Directors so that the Management has authority to manage daily routine work efficiently and effectively with specified financial amount for Division Manager positions or higher and sub-committees, including matters that must be proposed for the Board of Directors for consideration and approval. Approval authorities are specified which can be summarized as follows:

(A) Accounting and taxation: authorized persons are specified for each item.

(B) Approval for purchasing/hiring and repairing: financial amount is specified by rank.

(C) Financial approval, cash or check payment: financial amount is specified by rank.

(D) Service employment contracts not more than 3 year term: financial amount is specified by rank.

(E) Short-term loan not more than 1 year term: financial amount is specified by rank.

(F) Matters that are beyond the authority of the Chief Executive Officer and MC Committee must be submitted to the Board of Directors for approval before proceeding.

6) To have authority to appoint persons or working groups for the company's operation or administration by setting the scope of authority, duties, responsibilities, and supervising the implementation of the specified goals. It also has the authority to authorize one or more executives to perform any action within a specified period of time, subject to the MC Committee's supervision, including the termination, or revocation, or amendment of any authorization as deemed appropriate and appropriate on a case by case basis.

7) To ensure compliance with Company's regulations and laws regarding securities and exchange, regulations and best practice of the SEC and SET, as well as laws relevant to Company's businesses.

8) To perform other duties as required by law or assigned by the Board of Directors for each matter on a case by case basis.

(B) The Roles, Duties, and Responsibilities of the Deputy Chief Executive Officer

Having roles, duties, and responsibilities to manage the Company's daily operations related to the Production Division, Engineering Division, and Technology Division and perform other duties assigned by the Board of Directors. It focuses on sustainable corporate development, achieving objectives, key goals, annual budgets, KPI goals, and Company performance evaluation. The qualifications and scope of authorities, duties, and responsibilities of the position comply with the rules Company's Articles of Association And laws related to the Company.

(C) The Roles, Duties, and Responsibilities of the Assistant Chief Executive Officer in Finance and Accounting (CFO)

Have roles, duties, and responsibilities to manage the Company's daily operations related to the highest line of accounting and finance. The person in the position must be knowledgeable and competent in accounting and finance, ensuring that prepared financial statements to be credible and auditable with accurate and sufficient information, being accepted by directors, executives, and all stakeholders. The person in position also has a duty to oversee other tasks assigned by the Board of Directors and the MC Committee in achieving objectives, key goals, annual budgets, KPI goals, and Company performance evaluation. The qualifications and scope of authorities, duties, and responsibilities of the position are according to the laws regarding securities and stock exchange, regulations of the SEC, SET, Company's regulations, and related laws.

(D) The Roles, Duties, and Responsibilities of the Assistant Chief Executive Officer in Production and Engineer

Having roles, duties, and responsibilities to manage the Company's daily operations related to the Production Division, Engineering Division, and Technology Division and perform other duties assigned by the Board of Directors and MC Committee. It focuses on developing the organization towards sustainability, improving the production process to **"Innovative organization"** by applying automation and robots in the production process to increase production efficiency and reduce the impact on society, community, and the surrounding environment with achieving objectives, key goals, annual budgets, KPI goals, and Company performance evaluation. The qualifications and scope of authorities, duties, and responsibilities of the position comply with the rules Company's Articles of Association And laws related to the Company.

(E) The Roles, Duties and Responsibilities of the Assistant Chief Executive Officer in Sales and Marketing

Having roles, duties, and responsibilities to manage the Company's daily operations related to sales and marketing, and to perform other duties assigned by the Board of Directors and MC Committee. It focuses on strategic sales, marketing, and branding with achieving objectives, key goals, annual budgets, KPI goals, and Company performance evaluation. The qualifications and scope of authorities, duties, and responsibilities of the position comply with the rules Company's Articles of Association And laws related to the Company.

(F) The Roles, Duties, and Responsibilities of the Accounting and Finance Division Manager (Chief Accountant)

Having roles, duties, and responsibilities to manage the Company's daily operations related to controlling accounting and finance. The person in the position must be knowledgeable and competent in accounting and finance, ensuring that prepared financial statements follow generally accepted accounting standards and credible, auditable with accurate and sufficient information to be used as information for directors and executives to make timely decisions. The qualifications and scope of authorities, duties, and responsibilities of the position are according to the laws regarding securities and stock exchange, regulations of the SEC, SET, Company's regulations, and related laws.

(G) Performance Assessments of the Executives from the Assistant Chief Executive Officer Level and Higher

The Company has conducted performance assessments of the executives from the Assistant Chief Executive Officer level and higher. Each executive is assigned with annual Key Performance Indicator or KPI corresponding to the overall KPI of the Company. Annual salary adjustments are according to achievements as per the KPI targets of each individual. The resulting salary increase shall be proposed to the NRC Committee for consideration before proposing to the Board of Directors of the Company for consideration and approval.

(H) Senior management's responsibility for the performance of duties and allocations of time

- 1) The Board of Directors shall supervise and support ensuring that top executive understands the roles, duties, and responsibilities assigned to carry out the Company's objectives and main goals;
- 2) The Board of Directors shall establish criteria for serving in other companies for the **Chief Executive Officer (CEO) and top executive**, taking into account performance in multiple companies and ensuring that the **CEO and senior management** can devote sufficient time to perform their duties in the Company. Therefore, the number of listed companies listed on the Stock Exchange of Thailand that CEO and top executive will hold positions is appropriate to the company's nature or business condition, in total, should not exceed 2 companies. Since it may reduce the performance of duties as **CEO and top executive**, if the number of companies holding positions is excessive, and such criteria should be disclosed in the Annual Registration Statement / the Annual Report (form 56-1 One Report).

7.4.2 EXECUTIVE DIRECTORS AND EXECUTIVES' REMUNERATION POLICY

Nomination and Remuneration Committee (NRC Committee) is responsible for determining the remuneration of directors, executives, and employees of the Company and proposing opinions to the Board of Directors for consideration, and proposing to the shareholders' meeting for further approval.

Remuneration Policy: The Company is committed to fair and appropriate compensation, both short-term and long-term, based on the scope of duties and responsibilities, performance of work, and expected benefits from directors, executives, and employees. The evaluation is based on the Company's performance and the Board of Directors' performance as a whole, which can be compared with other companies and companies listed on the Stock Exchange of Thailand in the same industry.

(1) CRITERIA FOR CONSIDERATION OF REMUNERATION FOR DIRECTORS, EXECUTIVES, AND EMPLOYEES

(A) Board of Directors and sub-committees

The NRC Committee considers the form and criteria for fair and appropriate remuneration of the Board of Directors and sub-committees by considering the following:

- 1) To consider and compare with other companies and companies listed on the Stock Exchange of Thailand in the same industry.
- 2) To consider the scope of accountability and responsibility, including the benefits expected to be received from each director, with the directors assigned more duties should receive fair and appropriate remunerations such as members of the sub-committees, etc.
- 3) To consider from the performance of the Company each year.
- 4) To consider the Self Assessment of the Board of Directors' performance, both individual committee and person each year to use the assessment data to improve the Board of Director's performance further.
- 5) To consider and review all types of compensation forms and criteria every year for the appropriate amount and proportion of compensation as follows: Monthly compensation (such as meeting allowances) and annual compensation (such as bonus or gratuity) paid to the Board of Directors and the sub-committees and present the opinions to the Board of Directors for further submission to the shareholders' meeting for approval.

(2) EXECUTIVES AND EMPLOYEES

The NRC Committee determines the form and criteria for short-term and long-term compensation and benefits for executives and employees of the Company as follows:

(A) Considering short-term compensation, including salary payments and annual award payments (bonuses), is as follows:

- 1) To determine the salary structure, annual reward (bonus), and annual salary increase rate of the company's executives and employees.
- 2) To consider setting criteria for measuring the success of the company's operations as KPI score to be used for adjusting salary rates and annual reward (bonus) payments to executives and employees based on the annual budget and the achievement of the company's main goals, as well as market and economic conditions at the same industry level and propose to the Board of Directors for further approval.

3) To determine the criteria for assessing top executive and executives' performance who are assigned additional duties aligned with the overall company KPIs to consider adjusting the salary rate and annual reward payment (bonus) and propose opinions to the Board of Directors for further approval.

4) To consider the benefits and other welfare of the company's employees, both monetary and non-monetary.

(B) Considering long-term compensation, including paying at retirement or when leaving work, is as follows:

1) The Company has established a provident fund for employees to support the savings of employees. Since year 2016, employees can pay at the rate of 3%, 5%, 8% to 15%, the company contributes at the rate of 3% 5% 8%, and in year 2019 has adjusted the contribution from no more than 8% to no more than 9% of Salary base based on the age of employment and employee voluntary. It will be paid back to the employee upon retirement or when leaving work.

2) The Company conducts an assessment of employee benefits upon retirement or retirement. The actuarial calculation is based on estimating the employee benefit obligations entitled to retirement pay under the Labor Protection Act. The obligation is calculated by an independent actuary and based on actuarial assumptions using the Projected Unit Credit Method, estimated from the present value of the cash flows of the expected benefits pay in the future. It is calculated based on employee salary, employee turnover rate, mortality rate, service life, and other factors.

3) Other compensation, such as offering warrants to the Company's directors and employees (ESOP), is intended to incentivize employees to do their best and increase Company's share value. It is also an incentive for employees who are knowledgeable and important to enhance the company's competitiveness, etc.

(C) The remuneration of the Company

	Chief Executive Officer	Executive	Employees	Type of payment	Remuneration Objective
Short-term benefits					
1) Salary	✓	✓	✓	cash	Motivate and retain knowledgeable, competent employees and reward them for performing their duties and responsibilities according to their positions.
2) Annual bonus.	✓	✓	✓	cash	As a reward for the achievement of the results determined each year.
Long-term benefits					
1) Provident fund	✓	✓	✓	cash	Create security and safety for employees.
2) Retirement compensation	✓	✓	✓	cash	Motivate employees to work with the Company.
3) Other remuneration	✓	✓		Warrants (ESOP)	Motivate employees to work hard, which will increase the Company's share value.

7.4.3 TOTAL REMUNERATION FOR EXECUTIVE DIRECTORS AND EXECUTIVES

(1) REMUNERATION FOR DIRECTORS AND EXECUTIVES

Remuneration (Unit: million baht)	2020		2019		2018	
	Number of people	Amount	Number of people	Amount	Number of people	Amount
Directors' remuneration and bonus	12	13.01	12	13.01	12	12.25
Executive salaries, bonuses, etc. *	6	41.41	6	37.91	4	28.39
Total		54.42		50.92		40.64

Remark : * Total provident fund for year 2020: 2019: 2018 = 2.67: 2.03: 1.64 million baht.

(2) OTHER REMUNERATION

There are no benefits other than the remuneration mentioned above.

7.5 EMPLOYEE DATA

7.5.1 HUMAN RESOURCE DEVELOPMENT

The Board of Directors recognizes the importance of human resource management, as it is crucial in response to changing business and economic conditions. The Company believes that its employees have potential to achieve sustainable business success. Its human resource strategy has been established, as follows:

Policy on Human Resources: Focuses on preparing the personnel within the organization to strictly adhere to integrity and transparency and ensuring that they have good quality of life and safe living. This is accomplished by developing their manufacturing and sale related knowledge, capability, and skills, in order that they are ready to propel the organization toward its success and excellence to support sustainable growth in both domestic and export markets.

(1) PERSONNEL RECRUITMENT

The Company has had a fair recruitment policy and procedure, considering the qualifications, educational background, experience, physical conditions and other requirements for employees in individual positions in several channels, as follows:

(A) Constantly communicating recruitment opportunities on the Internet, Facebook, DBP Career and LINE @DBP Career, etc.

(B) Modernizing the recruitment system and applying technology to assist in recruitment and selection, as follows:

- An online test system, whereby a QR Code is sent to job applicants to take tests, the results of which can be seen by the Company in real time. The tests consist of: (1) English Test, (2) Epps Test (The Edwards Personal Preference Schedule), and (3) Intelligence Test. This system provides quick results and reduces paper use, which is beneficial to the Company.

- Organized storage of applicant data in the database to allow it to be used quickly and correctly, which reduces document search time.

(C) Approaching local higher education institutions for recruitment in areas in the vicinity of the Company such as Khon Kaen, Nakhon Ratchasima and Lopburi Provinces.

(D) Strictly implementing **the personal data protection policy**, through clear communication of the policy on requesting personal data of job applicants, together with its use, storage and destruction, and all complaint channels on the job application day.

(2) PERSONNEL DEVELOPMENT

The Company has had employee skill and capacity development programs to accommodate future growth by establishing a knowledge base within the organization, promoting engagement in expressing opinions about the organization, as well as planning training and development in advance on a yearly basis to enhance personnel potential and enhance their competitiveness.

In year 2020, the Company focused on training and development via the online system in the New Normal, e.g. development of the replication of innovations, development of knowledge and skills of product consultants, development of worker skills based on the National Skill Standard in sectors required by law, as well as providing knowledge about anti-corruption measures, as well as raising awareness of safety and environmental care. In year 2020, a total of 74 courses, with 77 classes, were provided, covering 3,855 training hours (4.16 hours per person per year on average), as required by law.

(3) EMPLOYEE RETENTION

The Company has placed great emphasis on ensuring that its employees are happy at work by setting fair and appropriate compensation rates for its employees in line with their job descriptions and merit; taking care of employee welfare and benefits; maintaining the safe and sanitary workplace environment; organizing activities to create happiness for employees all year long; and providing its employees with the opportunity to express their opinions about how to optimize their work and the Company's work. In year 2020, the following programs were carried out.

(A) **Diversity Management:** The Company has had a policy on diversity management which places importance on equitable treatment of all genders in terms of positions and compensation, which can be summarized as follows:

Positions by genders

Level	Female	%	Male	%	Total
Executive	12	16.67%	60	83.33%	72
Supervisor	44	36.97%	75	63.03%	119
Employee	146	18.11%	660	81.89%	806
Total	202	20.26%	795	79.74%	997

Compensation ratio by genders

Compensation ratio	Female	Male
Compared against* the total compensation median	9.10%	(2.96%)
	Higher	Lower

Remarks: * The total compensation median refers to the median of the total compensation for females and males. The median is then the base value for the comparison with the compensation median for females and that for males.

(B) **Benefits:** The Company organized additional activities to improve its employees' quality of life, as follows:

1) "DBP Health Me Club!," which promoted good health in the New Normal for senior employees who were a high-risk group and campaigned to encourage new-generation employees to have health concerns via online activities, which provided knowledge and promoted good health and included many exercise activities for prizes.

- Organizing the activity "influenza Vaccination" at a special price for employees.
- Sponsoring the running race "The North Face 2020" for employees who were healthy running lovers.
- Distributing face masks to all employees to promote their well-being and prevent COVID-19.

2) The 4th Awards Ceremony “**The Diamond of Perseverance,**” whereby awards were presented to employees whose employment period was at least 25 and 30 years to boost the morale and encouragement for employees who loved the organization continuously.

3) Scholarship Ceremony “**Prakaiphet Scholarship,**” where a total of 50 scholarships were granted to employees’ children, each valued at 1,500 baht.

4) Event “**60-Year Happy Retirement,**” which aimed to create good memories for employees who retire each year.

5) Product creativity contest “**Diamond CSR Contest 2020,**” with prizes of over 100,000 baht.

(C) **Activities promoting “Happy Workplace”** : The Company has continuously arranged activities promoting “Happy Workplace,” whereby employees and members of surrounding communities do activities together in eight areas: (1) Happy Body, (2) Happy Heart, (3) Happy Soul, (4) Happy Relax, (5) Happy Family, (6) Happy Society, (7) Happy Brain, and (8) Happy Mone, etc.

(D) **Promotion of labor relations in the “bilateral system”** by having meetings with the representatives of the employees committee on a continuous basis to clarify the Company’s policies and trends, discuss employee welfare benefits, and carry out activities together within the Company or with external organizations regularly.

(4) SAFETY

The Occupational Health, Safety, and Workplace Environment Committee (OSH Committee) and the Safety, Health, and Environmental Unit (SHE) have jointly assessed occupational risks to ensure safety and well-being among employees and relevant persons. They have developed the manuals on, and implemented, different measures, including the SHE 7 Rules, 7 Permits, Unsafe Action Report, Unsafe Condition Report, and Near Miss Report. In year 2020, the OSHWE and SHE unit added the plan on surveying different prone areas and identifying risk control measures to reduce accidents. Diamond employees and its business partners contributed to accident prevention. The reported number of incidents in year 2020 was 7,376, while that in year 2019 was 8,600, which showed a 14 percent decrease, which demonstrated that Diamond employees and its business partners have helped to reduce risk behaviors on a continuous basis.

(5) HEALTHCARE AND DISEASE PREVENTION

The Company has health concerns, as witnessed through its assessment of health risks and surveillance of potential diseases and the COVID-19 pandemic to ensure good healthy and disease free conditions of its employees, in compliance with law and the ISO 45001 standard. Some of its relevant activities were as follows:

- (A) Providing a nursing room with professional nurses, which is open 24 hours a day, seven days a week.
- (B) Providing clean restrooms, handwashing stations, and liquid soap in all restrooms.
- (C) Placing hand sanitiser gel at the factory entrance/exit doors.
- (D) Providing clean dining rooms, with fork/spoon UV light sterilizers.
- (E) Providing health checkups for employees before they start working and annual health checkups.
- (F) Requesting all employees to wear a surgical mask or cloth mask while working to prevent germs and dust.
- (G) Cleaning office door knobs on a daily basis and providing alcohol spray to clean individual areas.
- (H) Spraying disinfectants at risk areas, such as the security guard boxes and dining rooms regularly.
- (I) Training Diamond people and business partners in health care.
- (J) Carrying out public relations and campaigns for disease prevention regularly.

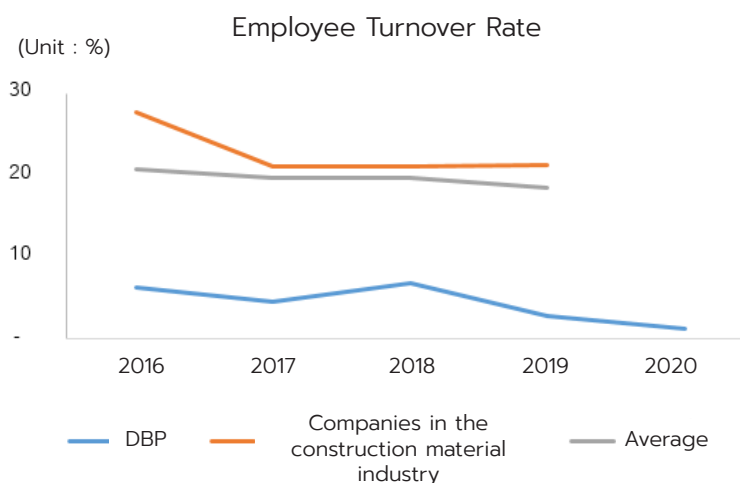
(6) WORK MONITORING

In order for the policies to be implemented in a correct and appropriate manner, the Company has established a system for regular monitoring and reporting to the immediate supervisor.

(7) PERFORMANCE ASSESSMENT

The performance assessment procedure has been established for the probation period and annual performance period twice a year for considering remuneration and bonus adjustment, including consideration of job promotion. The employees who propose guidelines or give comments on work optimization will be promoted, given a reward, and recognized by the Company. The employees whose performance do not meet the Company's criteria have to undergo a work optimization process and performance follow-up every three to six months. If they fail to improve their performance efficiency, the Company has to take actions in pursuance to its articles of association, including informing the employees of such process on the day when they sign the performance assessment result form, sending them a salary adjustment letter, or providing individual evaluation and monitoring etc.

(8) RESIGNATION OF EMPLOYEES



The Company has continuously taken care of its employees in different dimensions. It has organized different activities which promote employee engagement in creating happiness at work (**8 Workplace**), supervising the occupational safety and environment, and improving employee benefits to ensure they cover major necessities of the employees. Thus, **the employee turnover rate in year 2020 represented 1.29 percent, which was lower than that in year 2019, which accounted for 2.89 percent.** Its employee turnover rate was significantly lower than that of surveyed companies in the same industry or different industries. This has made the Company confident that its employees have love for, pride in, and attachment with, it and that it has adequately efficient human resource management.

(9) SUCCESSION PLAN

The Company has a proper system for selecting employees to assume important executive positions at all levels. The nomination of Assistant CEO and above has complied with the process defined by the NRC Committee (see details on page 131 under topic "Board Information").

7.5.2 NUMBER OF STAFF

As for 31st December 2020, the Company had 997 staff and its subsidiaries had 60 staff in total.

Personnel under the line of command	Number of staff	
	Company	Subsidiary
Management	16	4
Plant	633	45
Office	348	11
Total	997	60

The total compensation for the Company's employees in year 2019 and 2020 amounted to approximately 612.74 million baht and 589.61 million baht, respectively. It consisted of salaries, overtime pay, allowances and bonuses, including the contribution to the Provident Fund amounting to 21.44 million baht and 25.88 million baht, respectively. The Company has never had any labor disputes in the past three years because it has always had a good relationship with its employees. Its employee turnover rate was low, and its employees organized its trade union on 18 April 2013.

In year 2019 and 2020, the Company's expenditure on training and human resource development was approximately 1.55 million baht and 0.42 million baht, respectively. The Company has the policy towards staff development, by providing in-house offline and online training for its executives and employees or sending them out to attend seminars within or outside the country. In year 2019, it held 55 seminar training courses, attended by 1,093 participants and held 74 seminar training courses in year 2020, attended by 538 participants.

Its subsidiary has paid compensation to its employees and had the policy toward staff development as the same as the Company. The total compensation for its employees in year 2019 and 2020 amounted to approximately 14.04 million baht and 13.19 million baht, respectively. Its expenditure on training and human development in year 2019 totaled approximately 0.03 million baht, which included three seminar training courses, with 44 participants. The expenditure in year 2020 totaled approximately 0.02 million baht, including two seminars, consisting of 47 participants.

7.6 OTHER IMPORTANT INFORMATION

7.6.1 LIST OF PERSONS ASSIGNED

Name	Positions within the Company	Assigned position
1) Ms.Thanakarn Phanthapirat	Assistant Managing Director, Accounting and Finance (Ending on December 31, 2020) Company Secretary	- Chief Financial Officer (CFO) (Ending on December 31, 2020) - Company Secretary
2) Mr. Krit Kunlertprasert	Manager, Accounting and Finance (Ending on December 31, 2020) Senior Manager, Accounting and Finance (Ending on January 30, 2021) Assistant Managing Director, Accounting and Finance (Starting on February 1, 2021)	- Chief Financial Officer (CFO) (Starting on January 1, 2021) - Chief Accounting Officer (January 1, 2007)
3) Ms. Wassana Tochuwong	Manager Internal Audit and Compliance Control Office	Head of Internal Audit and Head of Compliance Control

See the qualifications of the Company Secretary, Chief Financial Officer (CFO) and Chief Accounting Officer in Attachment 1, and see the qualifications of the Head of Internal Audit and Head of Compliance Control in Attachment 3.

7.6.2 INVESTOR RELATIONS

Investor Relations Office/ Company Secretary Office

Ms. Thanakarn Phanthapirat

Diamond Building Products Public Company

69-70 Moo 1, Mitraphap Road, Km. 115, Tambon Talingchan,

Amphur Muang, Saraburi 18000

Tel: 0 36224-171-8, Ext. 193, Fax: 0 3622 1464

E-mail address: corpcenter@dbp.co.th

Website: www.dbp.co.th

7.6.3 AUDIT FEE OF THE COMPANY

The Company has appointed KPMG Phoomchai Audit Ltd., as the certified public accountant for the Company and the Group from year 2013 to 2020 according to the resolution from the Annual General Meeting of Shareholders. The appointed certified public accountant in 2018 to 2020 was Ms. Chanarat Chanwa, certified public accountant registration no. 9052. The audit fee in year 2020 increased from 2019 by 5.81 percent, having details as follows.

Description (Unit: Baht)	2020	2019	Increase / (Decrease)	
			Amount	%
Audit Fee of the Company				
Annual audit fee	1,420,000	1,320,000	100,000	7.58
Interim financial statements audit fee	150,000	150,000	-	-
consolidated financial statements audit fee	150,000	150,000	-	-
Other expenses *	119,855	95,217	24,638	25.88
Total	1,839,855	1,715,217	124,638	7.27
Audit Fee of the Subsidiary Company				
Annual audit fee	350,000	350,000	-	-
Interim financial statements audit fee	60,000	60,000	-	-
Other expenses *	6,000	6,850	(850)	(12.41)
Total	416,000	416,850	(850)	(0.20)
Total	2,255,855	2,132,067	123,788	5.81

Remark: * The other expenses such as travelling expense, photocopy expense and telephone expense, etc.

In year 2020, the Company and subsidiary company only engaged KPMG Phoomchai Audit Ltd. as the Company's financial auditor only without engaging in other services from KPMG Phoomchai Audit Ltd. and individual or business related to the auditor or audit office that the auditor belongs to.

7.6.4 COMPANY SECRETARY

The Board of Directors has resolved to appoint Ms. Thanakarn Phanthapirat to act as the Company Secretary from 1 August 2008 at the Board of Director Meeting, No. 195, on 28 July 2008. The Board of Directors required that the Company Secretary perform her duties with responsibility, due care, and integrity.

The Company Secretary's roles, duties and responsibilities are outlined as follows:

- 1) Holding Shareholder Meetings and Board of Director Meetings in compliance with laws and the Company's Articles of Association, as well as practices of relevant government agencies.
- 2) Writing meeting minutes for Shareholder Meetings and Board of Director Meetings and doing follow-ups to ensure the compliance with resolutions of the meetings.
- 3) Ensuring that the disclosure of data and information reports in the areas of responsibility complies with the Office of the Securities and Exchange Commission's regulations and requirements.
- 4) Preparing and keeping the following documents:
 - (A) Director register.
 - (B) Invitations to the Board of Director Meetings and Board of Director Meeting Minutes.
 - (C) Invitations to the Shareholder Meetings and Board of Shareholder Meeting Minutes.
 - (D) Company Annual Reports.
- 5) Keeping reports of interests reported by directors and executives to the Company.
- 6) Providing initial advice to directors on the Company's requirements, rules, and articles of association, doing follow-ups to ensure correct and regular compliance, and reporting material changes to directors.
- 7) Taking care of activities of the Board of Directors and carry out other matters as required by law, as assigned by the Board of Directors, or as specified by the Capital Market Supervisory Board.

See the qualifications of the Company Secretary in Attachment 1.

8. REPORT OF KEY PERFORMANCE ON GOOD GOVERNANCE

8.1 SUMMARY OF COMMITTEE PERFORMANCE OVER THE PAST YEAR

8.1.1 COMMITTEE RECRUITMENT, DEVELOPMENT, AND EVALUATION

The NRC Committee has a duty to consider and screen individuals based on the principles and procedures specified in the Company's Articles of Association before proposing the said individuals to the Board of Director or Shareholder Meeting for consideration and approval. The guidelines for director and executive nomination are available in the Nomination and Remuneration Committee Charter and in the Good Corporate Governance Handbook, which can be outlined below:

(1) THE BOARD OF DIRECTORS

The NRC Committee has a duty to consider and screen individuals who possess knowledge, capability and qualifications in accordance with the Office of the Securities and Exchange Commission's notifications and present a list of individuals qualified to directorship positions to the Board of Directors to the Shareholder Meeting for consideration, as follows:

- 1) The NRC Committee shall nominate and select directors of the Company in accordance with established nomination rules using the board skill matrix as reference information. The considerations include knowledge, specialties that are useful for the Company, experience in the key industries operated by the Company. This will enable the Board to achieve the Company's key objectives and goals effectively and efficiently. Director information can be sought from the Director Pool, which provides sufficient details to assist with consideration, e.g. educational background and work experience without discrimination against genders, races and religions, for the benefit of decision making by the Board of Directors and shareholders.

The Board Skill Matrix includes individuals equipped with knowledge, capability, experience and professional skills required for the nomination of directors in the areas: (1) Construction materials business, (2) Business administration, (3) Engineering and/or industry and/or innovation. (4) Internal audit, (5) Accounting, (6) Finance and banking, (7) Jurisprudence and laws related to the business, (8) Risk management, (9) Corporate governance, (10) Marketing and competitive strategy, (11) Economics, (12) Transport and logistics, (13) Information technology, etc.

2) The NRC Committee has a policy to provide equal rights to all shareholders, especially free-float shareholders in the nomination of new directors in advance. It has established rules, conditions and procedures for the nomination, which are available on the Company's website (www.dbp.co.th) under the heading “Investors Information,” whereby the period for exercising the right is at least three months before the end of fiscal year. Subsequently, the NRC Committee will select the directors under the established rules and conditions.

3) The NRC Committee selects the Company's directors based on the established rules and present them to the Board of Directors for its consideration and approval before presenting them to the Shareholder Meeting for further consideration and appointment.

4) The appointment of the Company's directors must comply with the Company's articles of association and relevant laws. The Shareholder Meeting will consider appointing the Company's directors based on the following rules and procedures:

(A) For each shareholder, one share is one vote. That is, the number of votes cast by a shareholder varies according to the number of shares he/she has.

(B) Each shareholder must cast all his/her votes as in (A) for one or more candidates for the directorship position but is not allowed to allocate a higher or a lower number of votes for particular candidates.

(C) The candidates who earn the highest number of votes in an ascending order will be appointed as directors, and the number of newly appointed directors will be equal to a required number of directors in that meeting. In the event when the number of candidates who earn the next highest number of votes exceeds the required number in that meeting, the Chairman of the Meeting shall have the casting vote.

(2) SUB-COMMITTEES

The NRC Committee is responsible for nominating and selecting new sub-committee members in the event of retirement by rotation or vacancies for other reasons. The NRC Committee shall present a list of suitable candidates to the Board of Directors to consider for appointment. The sub-committees consist of:

1) The AC Committee, comprising at least three non-executive directors and independent directors, at least one of whom shall possess accounting and financial knowledge.

2) The NRC Committee, comprising at least three non-executive directors, at least one of whom shall be an independent director.

3) The CGC Committee, comprising at least three non-executive directors, at least one of whom must be an independent director.

4) The PTI Committee, comprising at least three non-executive directors and executive directors or senior executives as Assistant Chief Executive Officer or higher, whereby a non-executive director shall serve as the PTI Committee Chairman.

5) The MC Committee, comprising at least three executives as Assistant Chief Executive Officer or higher, whereby the Chief Executive Officer serves as the MC Committee Chairman ex officio.

(3) EXECUTIVES

The NRC Committee is responsible for considering and screening for persons equipped with knowledge, ability, and experience which are of the interest of the Company's business to serve as executives, as Assistant Chief Executive Officer or higher. The criteria and process for nominating senior executives are as follows:

1) The Board of Directors is responsible for ensuring an appropriate number of executives for the Company's business operations. The Board of Directors and/or the NRC Committee, together with the Chief Executive Officer, consider the criteria and methods for nominating candidates deemed to be suitable to select and appoint as the Company's executives.

2) The Board of Directors is responsible for supervising the Company's operations to ensure that they go on continuously, with a succession plan in place to prepare for the succession to the position of executives or executives with potential. The Chief Executive Officer shall report the results of the succession plan implementation on a regular basis, at least once per year.

3) The NRC Committee is responsible for considering, defining, and reviewing the Company's management structure to ensure it is in line with the Company's existing and future business components and presenting it to the Board of Directors to consider for approval.

4) The NRC Committee is in charge of considering, defining, and reviewing the criteria and methods for nominating qualified persons to hold executive positions to fill vacancies and presenting its opinion to the Board of Directors to consider for approval.

5) The NRC Committee is responsible for nominating and selecting persons equipped with knowledge, abilities, skills, and experience required for driving the corporate to achieve its objectives and goals, as executives. The priority is placed on the Company's executives with potential based on the succession plan. Persons outside the Company will be nominated if no executives of the Company are suitable to hold the position.

The Company provided the opportunity for its shareholders to propose meeting agenda items and nominate candidates to serve as new directors based on the good corporate governance principle through the Company's website: www.dbp.co.th between 1 October 2020 and 31 December 2020. There was no shareholder proposing any meeting agenda items or nominating any candidates.

8.1.2 MEETING ATTENDANCE AND REMUNERATION OF DIRECTORS/COMMITTEE MEMBERS

(1) MEETING ATTENDANCE BY DIRECTORS/COMMITTEE MEMBERS

Name	Meeting attendance per year (time)					
	Board of Directors	AC Committee	NRC Committee	CGC Committee	PTI Committee	MC Committee
Directors						
1) Mr. Prakit Pradipasen	12/13					
2) Mr. Chaiyut Srivikorn	11/13		3/3			
3) Mr. Chatchai Teepsuwan	10/13		3/3			
4) Mr. Warayu Pradipasen	11/13			4/4		
5) Mr. Kamolaphat Teepsuwan	11/13					
6) Mr. Thanit Pulivekin	13/13	6/6		4/4		
7) Mr. Sakda Maneeratchatchai	12/13	6/6				
8) Mr. Anun Louharanoo	13/13	6/6	3/3			
9) Mr. Woodthikrai Soatthiyanon	12/13			4/4		
10) Mr. Asanee Chantong	13/13				12/12	
11) Mr. Satid Sudbuntad	13/13				12/12	50/50
12) Mr. Maitree Tawonatiwasna *	13/13				12/12	50/50
Executives						
1) Mr. Sunthorn Suwannajade						48/50
2) Ms. Peachayanant Lorvoralak						50/50
3) Ms. Thanakarn Phanthapirat *						47/50

Remarks: * On January 1, 2021, Mr. Maitree Tawonatiwasna left the position 'Deputy Chief Executive Officer, Production and Engineering' and Ms. Thanakarn Phanthapirat left the position 'Assistant Chief Executive Officer, Accounting and Finance' due to retirement.

In year 2020, the Company's Board of Directors held 13 meetings, one of which was the Board of Director Meeting, which was attended by non-executive directors. Occurring on February 30, 2020, this meeting was attended by nine out of ten non-executive directors (90 percent). The agenda items of the meeting included the succession plan for the executive in charge of efficient manpower development and control of the Company's important documents in line with the Company's Strategic Plan.

(2) REMUNERATION FOR DIRECTORS/COMMITTEE MEMBERS

(A) Monthly Remuneration for Directors/Committee Members (As per December 31, 2020)

Position (Unit : thousand Baht)	Monthly Remuneration per Person			
	Board of Directors	AC Committee	NRC Committee	CGC Committee
Chairman of the Board	80.00	30.00	20.00	20.00
Directors	50.00	20.00	10.00	10.00

(B) Yearly Monthly Remuneration for Directors/Committee Members (As per December 31, 2020)

Name (Unit : million Baht)	Annual Remuneration *				Bonuses	Total
	Board of Directors	AC Committee	NRC Committee	CGC Committee		
1) Mr. Prakit Pradipasen	0.96	-	-	-	0.35	1.31
2) Mr. Chaiyut Srivikorn	0.60	-	0.24	-	0.30	1.14
3) Mr. Chatchai Teepsuwan	0.60	-	0.12	-	0.30	1.02
4) Mr. Warayu Pradipasen	0.60	-	-	0.12	0.30	1.02
5) Mr. Kamolaphat Teepsuwan	0.60	-	-	-	0.30	0.90
6) Mr. Thanit Pulivekin	0.60	0.24	-	0.24	0.30	1.38
7) Mr. Sakda Maneeratchatchai	0.60	0.36	-	-	0.30	1.26
8) Mr. Anun Louharanoo	0.60	0.24	0.12	-	0.30	1.26
9) Mr. Woodthikrai Soatthiyanon	0.60	-	-	0.12	0.30	1.02
10) Mr. Asanee Chantong	0.60	-	-	-	0.30	0.90
11) Mr. Satid Sudbuntad	0.60	-	-	-	0.30	0.90
12) Mr. Maitree Tawonatiwasna	0.60	-	-	-	0.30	0.90
Total	7.56	0.84	0.48	0.48	3.65	13.01

Remarks: * Members of the PTI Committee received no remuneration for the position, while members of the MC Committee received remuneration as executives.

8.1.3 GOVERNANCE OF THE SUBSIDIARY AND ASSOCIATED COMPANY

The subsidiary's management consists of the Board of Directors and Plant Managers, with sufficient production functions, quality control functions, and supporting units for its operations to achieve its defined objectives, which are outlined as follows:

(1) SUBSIDIARY'S BOARD OF DIRECTORS

The subsidiary's Board of Directors is composed of qualified individuals in different fields who are equipped with expertise, experience, leadership, vision, independence in making decisions, as well as devotion of time and full effort to fulfill responsibilities with responsibility, due care, and integrity for the best interest of the subsidiary, its shareholders, and all stakeholders.

As of December 31, 2020, the subsidiary's board consisted of three directors, who were appointed by the Parent Company.

Name	Position
1) Mr. Satid Sudbuntad	Chairman of the Board
2) Mr. Maitree Tawonatiwasna	Director
3) Ms. Thanakan Phanthapirat	Director and Secretary

The directors acting as authorized signatories on behalf of the subsidiary are two directors co-signing and affixing the subsidiary seal.

Roles and responsibilities of the subsidiary's Board of Directors are outlined as follows:

- 1) Defining policies, strategies, goals, work plans and annual budget; supervising the management conducted by the Board of Directors and Plant Managers so that they fulfill assigned responsibilities efficiently for the best interest of the subsidiary and its shareholders; and requiring regular performance monitoring and evaluation.
- 2) Requiring appropriate and adequate systems for internal control, risk management, regulations, and authorization of financial and procurement approval.
- 3) Defining the scope of the authority and responsibilities of Plant Managers, appointing sub-committees on specific matters as necessary, and defining the scope of the authority and responsibilities of the sub-committees as deemed appropriate to allow the operations to achieve the objectives.

4) Appointing the Secretary to the subsidiary's Board of Directors and defining the scope of his/her authority and responsibilities as the coordinator coordinating among the Plant Managers, Directors, and shareholders of the subsidiary; as well as organizing the subsidiary's shareholder and board of director meetings and writing meeting minutes.

(2) PLANT MANAGERS

The Plant Managers' roles and responsibilities are outlined as follows:

Managing daily work to allow it to achieve objectives, policies, and goals under the authority framework assigned by the subsidiary's Board of Directors.

(3) INTERNAL CONTROL

The AC Committee of the Parent Company is responsible for reviewing operations to ensure that they comply with the subsidiary's policies, regulations, and articles of association, as well as laws, regulations, and requirements of relevant regulatory agencies; promoting the development of the financial and accounting reporting system that is aligned with generally accepted accounting standards; conducting reviews to ensure that the subsidiary has an internal control system, internal audit system, and risk management system that are robust, appropriate and efficient; and disclosing sufficient information to ensure transparency in line with the good corporate governance principle while adhering to international standards.

(4) RISK MANAGEMENT

The Parent Company's RMC Committee is responsible for assessing risks of the subsidiary to ensure that these risks are managed and the guidelines for preventing potential risks are in place; conducting supervision; taking corrective actions; and monitoring the management of unacceptable risks to ensure that the subsidiary has an adequate, suitable and efficient risk management framework.

(5) RELATED TRANSACTIONS

In year 2020, the subsidiary had significant transactions with the Parent Company. The Parent Company held 99.99 percent of shares in the subsidiary and shared three directors with the subsidiary. Therefore, the transactions were considered to be related transactions; however, they met the conditions and criteria which were mutually agreed upon as in normal business practice, which are outlined as follows:

- **Trading lightweight concrete blocks:** The Parent Company traded 55,749.63 tons of lightweight concrete blocks, valued at approximately 124.90 million baht, with a pricing policy as in normal business practice.

Reasons and necessity

The Parent Company established the subsidiary to serve as the base of production and distribution of lightweight concrete blocks in northern Thailand; therefore, this is normal business practice under general trade terms and conditions to ensure it has sufficient products for sales and delivery to its customers within a short time in northern Thailand. Thus, the trends of lightweight concrete block trading between these companies is necessary for future business operations.

8.1.4 MONITORING THE COMPLIANCE WITH THE GOOD CORPORATE GOVERNANCE POLICY

(1) PREVENTION OF CONFLICTS OF INTEREST

The Company has the policies to allow no directors, executives or employees at all levels of the Company to seek personal benefits from the Company, which are outlined below:

- 1) Don't conduct business with the same characteristics as the Company's or business that competes with the Company's.
- 2) Avoid conducting related transactions which may cause a conflict of interest with the Company.
- 3) If the related transactions benefit the Company or are unavoidable, the stakeholders in the transactions must make a memorandum and send it to the line of command to present to the Company's Board of Directors. The director, executive or employee who has conducted the transaction must not partake in the consideration and approval of the transaction. Thus. **"the transaction is treated to be a transaction conducted with the third party."**
- 4) Keep the Company's trade secrets confidential, do not use internal information for your own benefit in trading the Company's shares or provide internal information to other persons for the benefit of trading the Company's shares, as well as avoid taking the opportunity or exploit the Company's internal information for personal interest, doing business that competes with the Company's, or conducting related business.

(2) EXPLOITATION OF INTERNAL INFORMATION

The Company has formulated the measures and guidelines for ensuring that the Company's unpublicized material internal information for personal benefits or other benefits in the Good Corporate Governance Manual, which is outlined below:

- 1) The Company has notified the directors and executives of their obligation to report their, their spouse's, and non-mature children's securities holding in the Company, as well as report the change in securities holding, to the Office of Securities and Exchange Commission (SEC) under Section 59 and Section 275 (penalties) of the Securities and Exchange Act, B.E. 2535 (1992).
- 2) The Company prohibits its directors, executives and employees at all levels from using the Company's unpublicized internal information which is material to the change in the price of the Company's securities for personal interest, including for securities trading. The Company prohibits anyone knowing about unpublicized internal information from trading the Company's securities for a period of 30 days before it is publicized. If the Company finds that any shareholders, directors, executives and employees at all levels violate the announcement, it will take a legal action and impose absolute penalties on the offenders.
- 3) In the event that any directors, executives and employees at all levels of the Company commit a criminal offense against the securities and exchange law, the Company will impose a penalty or a combination thereof, as follows:
 - (A) Cutting salary or remuneration
 - (B) Dismissing, firing or discharging them from the positions of executives or employees of the Company by considering that they deliberately damage the Company. In the case when the offenders are directors, present their case to the Company's Shareholder Meeting.
 - (C) Reporting such offense to the Stock Exchange of Thailand and/or the Office of the Securities and Exchange Commission (SEC).
 - (D) Reporting to the police or inquiry officers.
 - (E) Taking any other action based on the resolutions of the Company's Board of Directors or Shareholder Meeting.
- 4) The Company requires that its directors, executives and employees at all levels report, in good faith, any practice that violates, or is suspected to violate, the principle of internal information use for personal interest, to their supervisor; and that it is the supervisor's responsibility for overseeing and advising subordinates on using the Company's internal information for personal interest to ensure the adherence to the principle set-forth.

(3) ANTI-CORRUPTION

The Company and subsidiary have adhered to ethical business operations based on the good corporate governance principle and sense of responsibility for community, society, the environment, and all stakeholders with **integrity and transparency** without illegitimate or illegal exploitation while adhering to the “**anti-corruption**” principle to achieve the main objectives and goals of the Company’s business operations.

The Company declared its intention to participate in the Private Sector Collective Action Coalition Against Corruption (CAC). It became the CAC’s member on October 16, 2015, and it had its first membership renewed on August 21, 2018, which will expire on August 21, 2021. In year 2020, “**the Against Corruption Committee**” (**ACC Committee**) prepared for the application to the third membership renewal to manifest its intention and determination to combat all forms of corruption on a continuous basis. The ACC Committee has played a key role in formulating the measures for preventing and combatting corruption. It has reviewed and improved its anti-corruption policy, Anti-corruption Manual, and measures for preventing all forms of corruption. It has conducted self-assessment on the risk of corruption for all units, outlined the impacts and monitoring the measures for preventing such risks, and provided training for employees at all levels to equip them with an understanding of the harm of corruption, which affects the organization, society and country. This is accomplished by communicating and publicizing the Anti-Corruption Manual on the Company’s website to enable the Company’s directors, executives, employees and/or the subsidiary’s employees, and all stakeholders to use as the guidelines for conducting business with integrity, transparency and a shared standard.

In year 2020, the ACC Committee developed a 71 items self-assessment form for applying for the 3rd CAC membership renewal at the beginning of the year 2021. Participating in the “**No Gift Policy**” Project, the Company prepared the letter entitled “**Request for cooperation to give no gifts**” to help reduce the chance of offering and receiving bribes and communicated it to all groups of stakeholders through the Company’s and the subsidiary’s website. It also partook in the No Gift Policy Logo Contest with the CAC Project for campaigns and public relations.

In year 2020, the Company had no legal dispute or law violation in relation to corruption. It carried out monitoring and evaluation of the risk of corruption in all units and found no significant problems and or defects that would damage the Company and its subsidiary as a whole. The Company’s directors, executives and employees were aware of the responsibility for performing duties under the legal framework and the good corporate governance principle to establish correct values and develop the organization towards stability and sustainability in the long run.

(4) WHISTLEBLOWING

The Company has formulated the guidelines for whistleblowing or filing complaints. To comply with the anti-corruption policy as approved by the Board of Directors, the following guidelines have been formulated.

Policy and Objectives: To encourage the Company’s directors, executives and employees to fulfill their responsibilities in a proper, transparent and auditable fashion, the Company has provided safe channels for internal and external stakeholders to report, file complaints or undertake whistleblowing to inform the Company of actions that violate or suspected to be inconsistent with the good corporate governance principle, anti-corruption principle, Business Code of Conduct, or related laws for improvement or corrective actions while protecting all parties against harassment, intimidation or any other unfair practices.

(A) The scope of whistleblowing or filing complaints

One can undertake whistleblowing or filing complaints when they suspect about, or witness, actions suspected to be against best practices, as outlined below:

- 1) Non-compliance with the good corporate governance principle and Business Code of Conduct.
- 2) Violation of the Company's rules, regulations, and articles of association.
- 3) Unfair treatment in relation to work.
- 4) Corruption.
- 5) Illegal acts.

(B) Providing opportunities for stakeholders to undertake whistleblowing or filing complaints

Employees or stakeholders who wish to contact the Company's directors directly without going through their supervisor to express opinions about business operations and undertake whistleblowing or filing complaints, they can use the following channels.

- 1) Undertaking whistleblowing or filing complaints about corruption.
 - Via the Audit Committee:
 - Chairman of the Audit Committee
 - Tel: 0 3622 4171-8, Ext. 282
 - E-Mail address: Audit_Com@dbp.co.th

2) In the case where an issue which has a serious impact on the Company's reputation is identified, this should be reported **urgently to the Chief Executive Officer**.

(C) Actions after whistleblowing or complaint filing

1) Case registration and submission

The persons receiving the cases as in (B) shall send relevant information to the Office of Internal Control and Compliance to register, compile statistics, and accelerate the process, as follows:

- In the case where the Company's reputation is seriously affected, an action shall be taken **urgently**.
- In other cases, an action should be taken **quickly**.

Record the information from the complainant, as follows: (1) Name of the complainant, external or internal, except for an anonymous complainant, (2) Date of complaint filing, (3) Name of the person or incident included in the complaint, (4) Name of the person in charge of investigation, and (5) Other relevant information.

2) When the complaint is received, it will be **classified based on its content, and the following actions will be taken:**

- Submitting the case to the Chief Executive Officer to consider undertaking fact-finding, which can be assigned to the Office of Internal Control and Compliance or the Fact Investigation Working Group, which is appointed on an ad-hoc basis.

- In the case of a complaint against a director, the Chief Executive Officer, or Assistant/Deputy Chief Executive Officer, it will be sent to the Audit Committee for considering actions to take, including receiving the cases, searching for relevant information, investigating facts as informed in order to report to the Company's Board of Directors, as well as jointly conducting consideration of the case and defining penalties as deemed appropriate.

- In the case when an issue that must be reported urgently is identified, the Chief Executive Officer must consider and investigate facts and report to the Company's Board of Directors urgently.

3) Compiling facts

- The persons assigned to investigate the complaint shall have the power to find facts and advise relevant persons to have proper conduct or performance. If a disciplinary action is required, it is necessary to consult with the Human Resources Department to ensure its compliance with the Company's regulations.
- In the case when the persons assigned to investigate the complaint have no authority to summon the relevant employee to inquire about or penalize, the case shall be submitted to the Chief Executive Officer by sending facts to consider punishing or adjusting practices, as the case may be.
- In the case when the complaint is filed by an anonymous person and additional information cannot be sufficiently sought, the person assigned to investigate the complaint shall submit the report on fact investigation and opinions about the complaint to the Chief Executive Officer to ask for an appropriate guideline. If the Chief Executive Officer regards that no action can be taken in relation to the complaint, the case shall be closed and a copy of the case file shall be sent to the Office of Internal Control and Compliance to close the case in the register and report to the Audit Committee.
- After fact investigation is completed and if the person complained about is proved to be innocent, the case is derived from misunderstanding, or the person complained about or relevant person is given advice on proper behavior or conduct and consider and it is deemed that the case should be closed without any punishment, the case shall be presented to the Chief Executive Officer to request the approval for case closure. A copy of the case file shall be submitted to the Office of Internal Control and Compliance for acknowledgement to report to the Audit Committee.

4) Fact investigation

In the event that the investigator or the working group and the Human Resources Department consider that a disciplinary action shall be taken, the Human Resources Department shall present the case to the Chief Executive Officer to bring facts into consideration for the approval of an disciplinary action and improvement of regulations whereby defects in work are identified to enhance their clarity.

(D) Protection of whistleblowers or complainants

- 1) The stakeholder who is the whistleblower or complainant as in Section (3) above does not need to disclose his/her name.
- 2) The Company shall protect but shall not demote, punish, or negatively affect the employee who denies the corruption and the employee who cooperates to file the case, provide facts, and report corruption although this will cause the Company to lose a business opportunity. Supervisors at all levels shall communicate this with their employees to establish a correct understanding for business activities in the area of their responsibility and ensure efficient performance.
- 3) The person who receives the complaint and stakeholders in the fact finding process shall keep relevant information confidential and they shall disclose it as necessary while considering safety and damage to the complainant, the persons who cooperate in fact investigation, sources of information, or relevant persons, including employees or people outside of the organization.
- 4) If the whistleblower or the complainant gives a statement or any information which proves that he/she has done that act in bad faith, in the case where the offender is an employee of the Company, he/she will be subject to a disciplinary action. If the person who causes damage to the Company is a person outside of the organization, the Company will prosecute him/her.

(E) Corrective Measures and Damage Compensation

In the case when the employee or stakeholder undergoes damage as a result of violation of legal rights, the Company is willing to listen to his/her opinions or complaint. It will immediately address the defects or impacts and identify measures to prevent the incident from reoccurring and consider paying damages to the abused person appropriately on a case by case basis.

8.2 PERFORMANCE REPORT OF THE AUDIT COMMITTEE

The Company's Board of Directors has appointed and assigned the Audit Committee to perform their duties in accordance with the Charter. The performance of the Audit Committee of the year 2020 was outlined below:

(1) Verifying the Company's and subsidiary's financial statements on a quarter basis and for the year 2020. It was opined that the financial statements were correct and reliable, were prepared in accordance with generally accepted accounting standards, and disclosed sufficient and appropriate data.

(2) Verifying the work plan on, and the scope of, internal control for the year 2020 to ensure that it covered major risks and anti-corruption practices and to identify if the internal control system of the Company and subsidiary was adequate. It advised the management to improve and rectify work systems and defects to allow them to be more appropriate and robust.

(3) Verifying and focusing on management based on the corporate governance code in compliance with laws relevant to the Company's business and anti-corruption practices in year 2020. It focused on correctness, completeness and adequacy of information disclosed to all stakeholders in a transparent, fair and equal manner, which is referred to and audited in a straightforward manner.

(4) Verifying the transactions concerning asset acquisition and disposition, as well as related transactions or transactions that may involve a conflict of interest in year 2020. It was opined that the transactions included prices and trade terms and conditions as in normal business.

(5) Verifying the risk management system and preventive and security measures in relation to the Covid-19 pandemic in year 2020. It advised the management to improve and rectify work systems and defects to allow them to be more appropriate and robust.

(6) Verifying the progress of the Company's legal cases and collection of debts against which litigation had not been initiated yet in year 2020. It advised the management to improve and rectify litigation and collect outstanding debts to allow them to be more appropriate and robust.

(7) Considering and selecting accounting auditors and setting the audit fee for the year 2021. It considered accounting auditors with a good level of qualifications, quality and performance standards to present to the Company's Board of Directors to consider for approval at the General Meeting of Shareholders 2021. It proposed the appointment of Ms. Chanarat Chanwa, certified public accountant registration no. 9052, or Ms. Thanyalux Kaedkeaw, certified public accountant registration no. 8179, or Ms. Sophit Prompol, certified public accountant registration no. 10042, of KPMG Phoomchai Audit Ltd., who were qualified as accounting auditors for listed companies under the requirement of the Office of the Securities and Exchange Commission (SEC), as the accounting auditor of the Company and subsidiary. The audit fee for the year 2021 for the Company amounted to 1,620,000 baht, which dropped by 100,000 baht, and the audit fee for the subsidiary amounted to 360,000 baht, which decreased by 50,000 baht. The total amount of the fee was 1,980,000 baht, which decreased by 150,000 baht in total, which represented 7.04 percent. The remuneration was deemed to be appropriate.

(8) Conducting self-assessment on a panel and individual basis in year 2020 by specifying strengths, weaknesses, as well as areas for improvement and rectification. It jointly considered the self-assessment results and formulated the guidelines for improving and rectifying work to enhance its efficiency and effectiveness in the following year.

(9) Reporting its performance results to the Board of Directors for acknowledgement and consideration once a quarter and for the year 2020, which will be publicized in the Form 56-1, Year 2020 and the Form 56-2, Year 2020 (Annual Report).

(10) The Audit Committee held six meetings in year 2020, all of which were attended by its Chairman and three members.

The Audit Committee had independence to perform its work within the scope of its designated authority and responsibility. It had meetings with relevant executives on a periodic basis and with the accounting auditor every quarter to be informed of his/her observations about financial statements and the accounting internal control system. No significantly defective and unusual transactions were identified.

February 9, 2021

On behalf of the Audit Committee

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Mr. Sakda Maneeratchatchai

Chairman of the Audit Committee

Perfect Park View

ADAMAS

กระเบื้อง อดาเมัส

เทาอิตาลี : Spanish Gray

8.3 PERFORMANCE REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE

The report on the Nomination and Remuneration Committee (NRC Committee) for the year 2020 revealed that the NRC Committee fulfilled responsibilities assigned by the Board of Directors. In year 2020, the NRC Committee held three meetings to consider different significant matters before presenting them to the Board of Directors for further consideration. Its substantive matters are as follows:

(1) Nomination of directors to replace those retired by rotation

One-third of the directors must be retired by rotation at the Annual General Meeting of Shareholders. Thus, qualified individuals must be nominated and selected to fill the vacancies. The NRC Committee has defined the nomination methods and procedures, as follows:

(A) The NRC Committee is informed of the list of directors to be retired by rotation and the list of external persons nominated as directors by the Board of Directors and free float shareholders.

(B) The NRC Committee considers and selects suitable candidates to act as directors from the list of nominated candidates. The candidates to be selected and appointed as directors shall be qualified and have no prohibited characteristics as prescribed by law.

(C) The NRC Committee selects and nominates a list of appropriate candidates to be appointed as directors in replacement of those to be required by rotation to the Board of Director Meeting to consider before presenting it at the Annual General Meeting of Shareholders to approve the appointment subsequently.

(2) Consider the remunerations for the Board of Directors

The NRC Committee has defined the criteria for considering the remuneration for directors, as well as members of committees, as follows:

(A) The remuneration must be appropriate and be in line with the roles and responsibilities of individual directors/committee members.

(B) The remuneration must be comparable with that of other companies which have a similar level of performance in the same industry within the Stock Exchange of Thailand. In addition, it must be at an adequate level for incentivizing and retaining high-quality directors/committee members.

(C) The remuneration must be in linked to the Company's overall performance. The NRC Committee has resolved to propose the remuneration rate to the Board of Directors to consider for approval at the Annual General Meeting of Shareholders in the following matters:

- 1) Amount of monthly remuneration for the Chairman of the Board and for the company directors.
- 2) Amount of monthly remuneration for the Chairman of the AC committee and AC Committee members.
- 3) Amount of monthly remuneration for the Chairman of the NRC Committee and the NRC Committee members.
- 4) Amount of monthly remuneration for the Chairman of the CGC Committee and the CGC Committee members.
- 5) Payment of annual remunerations or bonuses to the Board of Directors according to the overall Company's performance each year.

(3) Consideration of the criteria for measuring the Company's performance

The NRC Committee has considered the criteria for measuring the Company's performance or KPI (key performance indicators) to consider adjusting the rate of salaries and annual rewards or bonuses for employees based on the Company's budget and operational targets along with market and economic conditions each year.

(4) Consideration of salary adjustment and payment of annual rewards or bonuses for executives and employees

(A) The NRC Committee has considered salary raises and the payment of annual rewards and bonuses to Senior executives of the Company by taking into account the Company's overall performance and the performance of individual executives. The criteria for paying annual bonuses for senior executives is the same as that for employees.

(5) Nomination the Audit Committee to replace the whole Audit Committee required by rotation

(6) Consideration of renewal of employment contracts of senior executives

(7) Consideration of the Succession Plan for key executives

(8) Consideration of optimizing the Manpower Development Plan

(9) Development of the Self-assessment Form of the NRC Committee on a panel and individual basis

(10) Development training in year 2020 : The Company sent out members of the NRC Committee to attend the course “Board Nomination & Remuneration” (BNCP 10/2020), which was organized by the Thai Institute of Directors (IOD). This aimed to allow members to learn about approaches to nomination and remuneration for directors and the Chief Executive Officer, which helped equip members to work with persons who were ready to devote their time to the cooperate and able to upgrade and create growth to the cooperate in the long run.

January 14, 2021

On behalf of the NRC Committee

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Mr. Chaivut Srivikorn

Chairman of the NRC Committee

8.4 PERFORMANCE REPORT OF THE CORPORATE GOVERNANCE COMMITTEE

The Corporate Governance Committee (CGC Committee) has performed in conformity to the corporate governance code to ensure that that Company's management is efficient, transparent and fair, with the Business Code of Conduct to “**create sustainable value to the business,**” and to ensure that it is accepted by all stakeholders. In year 2020, the CGC Committee had four meetings to consider different matters, which are outlined below:

(1) Improving the Good Corporate Governance Handbook to ensure it is in line with the **Corporate Governance Code (CG Code)** for listed companies, 2017 based on the Notification by the Securities and Exchange Commission (SEC) and improving best practices and the Business Code of Conduct, which were publicized on the Company's intranet and website.

(2) Monitoring and ensuring the compliance with the Good Corporate Governance Handbook and the Business Code of Conduct to develop into cooperate culture by incorporating good corporate governance and the Business Code of Conduct as part of employee training and disseminating them to employees.

(3) Reviewing the performance self-assessment of the Committee on a panel and individual basis at least once a year using the self-assessment form of the IOD and the Stock Exchange of Thailand as the guidelines for tailoring the Assessment Form to the Company's needs. The performance self-assessment is required for the Board of Directors and committees on a panel and individual basis, as well as the Chief Executive Officer. Its objectives are as follows:

(A) To be informed of problems and obstacles resulting in failure to achieve the operational objectives in the previous years.

(B) To optimize the scope of work of the Board of Directors as directors are clearly aware of their own roles and responsibilities.

(C) To help improve the relationship between the Board of Directors and the management.

(4) Completing the Self-assessment Form on a panel and individual basis at least once a year to be informed of problems and obstacles resulting in the failure to achieve operational objectives in the previous year as respective members are clearly aware of their own roles and responsibilities; and helping to provide efficient performance monitoring and evaluation against the targets approved by the Board of Directors.

(5) The results of performance self-assessment of the Board of Directors committees on a panel and individual basis for the year 2020 ranged between 91.2 and 99.5 percent. The CGC Committee provided useful suggestions for improving the performance of individual committee members, which was useful for the Company.

(6) **Awards of Pride** In year 2020: The Company received eight awards in the categories: Good corporate governance and Sustainability, which were awards of pride (see details on page 5 under topic “Awards of Pride”).

(7) Development training in year 2020: The Company sent out members of the CGC Committee to attend the course entitled “Financial Statements for Directors” (FSD 43/2020), which was held by the Thai Institute of Directors (IOD). This allowed them to understand the basic concepts and key principles of accounting, read and understand financial statements, as well as make better inquiries and provide better opinions in the view of the Committee about the accounting transactions shown in financial statements.

(8) Guidelines for the improvement of corporate governance in 2021:

(A) Monitoring, reviewing, and improving the Company's corporate governance code in line with the Good Corporate Governance Handbook.

(B) Disseminating good corporate governance within the organization to establish undersatnding directors, executives and employees at all levels and make it effective so that this becomes corporate culture.

In year 2020, the CGC Committee carried out corporate governance activities based on its work plan and will be committed to developing good corporate governance to allow the corporate to have efficient and transparent management, which will create confidence and acceptance by all stakeholders.

January 25, 2021

On behalf of the CGC Committee



Mr. Thanit Pulivekin

Chairman of the CGC Committee

8.5 PERFORMANCE REPORT OF THE PRODUCTION TECHNOLOGY AND INNOVATION COMMITTEE

The Production Technology and Innovation Committee (PTI Committee) has introduced technology and innovations into the manufacturing process to improve production efficiency, reduce production costs, and increase competitiveness so that it is accepted by all groups of stakeholders. In year 2020, the PTI Committee had a total of 12 meetings to consider different investment projects, which are outlined below:

(1) **Non-A Project:** This aimed to improve machines for producing non-asbestos tiles and support the abolition of the use of asbestos in roof tiles within five years in accordance with the Draft Resolution of the National Health Assembly to present to the Cabinet on July 14, 2020 by improving the NT6 Production Line to serve as the prototype for manufacturing and monitoring of the quality of Non-A tiles, which was completed in December 2020.

(2) **FC3-FC6 Energy Efficiency and Warehouse Project:** Its objective was to reduce energy consumption by replacing electric light bulbs with LED bulbs, which reduced power consumption by 194,832 kWh per year and reduce 113 tons of CO₂. This project was completed in October 2020.

(3) **Robotics and Automation Innovation Projects** – The projects included (1) NT11 Project, (2) Robot CL5 Project, (3) Robopack No.4 Project, (4) Robopack No.5 Project, (5) Packing Machine No.6 Project, (6) Solar Rooftop CT-KK Project, (7) Smart Factory Project (8) CL4 Improvement Project, (9) NT8 Automatic Wood Splitter Project, (10) Calander Station NT11 Project, and (11) Automatic Marking Machine for Jeranai Tile Project. (see details on page 45 under topic “Innovation and Technology Development”).

(4) **Study trips, research and relevant activities** – In year 2020, the PTI Committee carried out activities, as follows:

(A) Joining the competition “**Thailand Kaizen Award 2020**,” organized by the Thailand-Japan Technology Promotion Association (TJTPA). The PTI Committee presented “**The Project on the Optimization of Wooden Fence Picket Smoothing Machine.**” The competition was joined by 369 projects from 112 organizations were. The Company received a Bronze Award in the category “Genba Kaizen”.

(B) Studying the development of pigmented colors on Adamas concrete tiles to improve the color quality and fastness. This was completed for three colors in year 2020, and there is a plan for additional colors in year 2021.

(C) Studying the introduction of **Robotic Process Automation (RPA)** for time-consuming, repetitive tasks to reduce the wastage of work and to increase accuracy and speed. In the work system, **RPA** can be applied in accounting and finance, manufacturing and logistics, and customer service.

(D) Asking the Supply Chain Innovation Working Group to study rail transport through loading freight into the containers, pallet development, as well as the development of the packing process with time constraints in rail transport in the future.

(5) The PTI Committee completes the Self-assessment Form on a panel and individual basis at least once a year to reveal problems and obstacles resulting in the failure to achieve operational objectives in the previous year as respective members are clearly aware of their own roles and responsibilities. It also helps to provide efficient performance monitoring and evaluation against the targets approved by the Board of Directors.

In year 2020, the PTI Committee could execute its plans. It gained cooperation from employees from all units in presenting its achievements and efficient performance related to the Company's operations. The PTI Committee believes that the Company's employees are knowledgeable and capable of creating innovations and are the key to creating "innovation culture" to ensure sustainable business operations.

December 24, 2020

On behalf of the PTI Committee

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Mr. Asanee Chantong

Chairman of the PTI Committee

8.6 PERFORMANCE REPORT OF THE RISK MANAGEMENT COMMITTEE

In year 2020, the Risk Management Committee (RMC Committee), composed of 14 committee members and executives from all units, had a total of 7 meetings to consider and review risks at all levels, formulated efficient risk prevention and mitigation measures, and carried out risk control activities throughout the year, which are outlined as follows:

(1) Regularly reviewing risks at all levels by assessing and analyzing risk factors for all units based on plans and strategies, such as production, sales, service, marketing, human resource development, legislation, and other areas that will impact the Company's business operations. It has ranked the risks into risks that need to be urgently addressed (red risks) and risks that must be monitored, which may be potential risks in the future (orange risks).

(2) Considering the formulation of risk management plans and the guidelines for risk control to manage the risks so that they are at an acceptable level for the Company and the formulation of plans for responding, preventing, or reducing the possibility of future risks.

(3) Closely and efficiently Monitoring the results of the management of risks that need to be urgently addressed and the guidelines for preventing potential risks in the future by summarizing achievements to present to the MC Committee and the AC Committee at least once a quarter before proposing them to the Board of Directors for acknowledgment and consideration.

(4) Planning management in crisis and the audit and reporting processes to ensure that the Company has an appropriate and efficient risk management system.

(5) Providing governance to ensure the compliance with the risk management framework and verifying the disclosures of risk information to regulatory agencies and the general public in a correct and consistent manner.

(6) Developing the Corruption Risk Self-Assessment Form for all units together with the ACC Committee to allow all units to do self-assessment. The assessment results will be taken into account to amend regulations and orders that cover the risks. The Company requires reviewing the Corruption Risk Self-assessment Form and self-assessment of all units at least once a year.

(7) Completing the Self-assessment Form on a panel and individual basis at least once a year to reveal problems and obstacles resulting in the failure to achieve operational objectives in the previous year as respective members are clearly aware of their own roles and responsibilities. It also helps to provide efficient performance monitoring and evaluation against the targets approved by the Board of Directors.

In year 2020, the RMC Committee performed its duties efficiently in line with the guidelines for good corporate governance, which enabled it to control risks so that they are at the level that doesn't affect its Company's operations to ensure the utmost benefits for the Company and all parties of stakeholders.

December 22, 2020

On behalf of the RMC Committee

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Mr. Satid Sudbuntad

Chairman of the RMC Committee

8.7 PERFORMANCE REPORT OF THE CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In year 2020, the Corporate Social Responsibility Committee (CSR Committee), consisting of 14 committee members and executives from all units, had 3 meetings to formulate the guidelines for taking social and environmental responsibility-related actions and other relevant actions to achieve sustainable development and growth, which are outlined below:

(1) Reviewing the policy toward social and environmental responsibility, setting quantitative targets as operational KPIs for sustainability, supporting the UN's Sustainable Development Goals (SDGs), and allocating budget for social and environmental efforts to maintain the well-being of employees, society and communities and reduce negative environmental impacts.

(2) In terms of responsibility for the **"Diamond Society"** – In year 2020, the outbreak of COVID-19, the Company had concern over the health of all employees and all visitors to the Company. It planned its operations, monitored the travel of employees, provided temperature measurement, and strictly practiced distancing as recommend by the Department of Disease Control. Thus, in the first wave of the outbreak, the Company's employees stayed safe from COVID-19 infection. It also organized activities related to work-life balance to achieve the **"Happy Workplace"** in eight areas, such as good health, good heart, peace of mind, relaxation, good family, good society, knowledge enhancement, and use of money wisely, which were carried out continuously for sustainable growth.

(3) In terms of responsibility for the **"Diamond Community,"** it is committed to developing people in nearby communities under the project **"Diamond-Heart Workers."** In year 2020, it collaborated with the Muak Lek Technical College to train students in theories on construction materials and organize a study trip for them on concrete tile manufacturing. As for the practical part, the students were instructed how to install roofs and roof frames, as the basic knowledge about construction materials in their class. It also provided relationship-building activities and social assistance projects in nearby communities continuously.

(4) In terms of responsibility for **"the environment"** it is committed to improving the manufacturing process to reduce adverse environmental impacts continuously, such as reducing dust particulates and air pollution, reducing the loss of coating substances, reducing material waste and sludge through reusing and recycling, and reducing energy consumption. This year, its focus is on using more technology and innovations.

(5) Development training and activities related to social and environmental responsibility in year 2020 were as follows:

(A) Online training, organized by the Corporate Social Responsibility Institute (CSRI) and the Stock Exchange of Thailand (SET) – Members of the CSR Committee and management were assigned to join the training course in business management for sustainable development at the basic and operational level, so that they applied the knowledge as the operational guidelines and a tool for organizational development towards sustainability.

(B) Carrying out public relations campaigns on occupational health and safety of employees to prevent accidents, reduce risk behaviors, and prevent the spread of COVID-19; carrying out energy use reduction campaigns; and raising employees' awareness of participation in driving sustainability by encouraging all of them in presenting ways to reduce energy consumption and reduce paper use, etc.

(C) Project “**Diamond CSR Contest 2020,**” which aimed to encourage its employees to present their works to win prizes by reusing low-grade products that had to be destroyed to make usable items, such as pavilions, bookshelves and trash bins. The Company donated the works to temples and schools in the vicinity of the Company.

(6) Inhouse training – The Stock Exchange of Thailand (SET) realized that it was important for listed companies to improve the quality of sustainability reports, so it sent their speakers to provide training and advice for individual companies. The Company was selected to participate in different relevant projects, as presented below:

(A) The Project on Sustainability Report Quality Promotion for Listed Companies, which provided training in, and advice on, the analysis of value chains and stakeholders, greenhouse gas reporting, and key issues in sustainability reporting. It also trained how to prepare Form 56-1 One Report. This aimed to allow the CSR Committee to apply the knowledge and understanding to improve the quality of the year 2020 Sustainability Report.

(B) The Project on the Preparation of the year 2020 Sustainability Report, which aimed to ensure that the Report complied with the GRI Standards, had complete data based on core indicators, and were in line with the UN Sustainable Development Goals (SDGs). The year 2020 was the first year when the Company prepared the Report based on the GRI Standards, as suggested.

(7) Awards of Pride – In year 2020, the Company received eight awards in the categories: Good corporate governance and Sustainability (see details on page 5 under topic “Awards of Pride”).

(8) The CSR Committee completes the Self-assessment Form on a panel and individual basis at least once a year to learn about problems and obstacles resulting in the failure to achieve operational objectives in the previous year and its roles and responsibilities. This also helps to provide clear performance monitoring and evaluation based on the Company's objectives and goals.

In year 2020, the CSR Committee's performed followed its plans. It gained cooperation from all employees from all units who were aware of the importance of social, community and environmental responsibility, as a key mechanism which will drive the Company's business to exist, enjoy sustainable growth, and be recognized by all stakeholders.

December 14, 2020

On behalf of the CSR Committee

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Mr. Satid Sudbuntad

Chairman of the CSR Committee

8.8 PERFORMANCE REPORT OF THE ANTI-CORRUPTION COMMITTEE

In year 2020, the Anti-Corruption Committee (ACC Committee), consisting of 21 committee members and executives from all units, held a total of 3 meetings to review policies and follow-up on anti-corruption efforts to boost confidence of all groups of stakeholders and support the Company to achieve its goals sustainably.

In year 2020, the ACC Committee planned the preparation for applying to renew certification under the Private Sector Collective Action Coalition Against Corruption Program (CAC) for the second time, with the following actions taken:

(1) Reviewing the anti-corruption policy, Anti-Corruption Handbook, as well as other relevant policies and related regulations and orders; and communicating these to all groups of stakeholders and all Diamond employees to adhere as their operational guidelines under the legal framework.

(2) Preparing a Self-assessment Form consisting of 71 items, as the latest revised version (4.0 Version), to apply for a renewal of CAC Certification, which will expire in 2021.

(3) Preparing the Corruption Risk Assessment Form for all units across the organization, developing the measures for assessable risk prevention and control, and providing constant monitoring.

(4) The Company joined participated in the “**No Gift Policy**” Project to reduce the chance of offering and receiving bribes and communicated this to all groups of stakeholders through via its website. It also partook in the No Gift Policy Logo Contest under the CAC Project for campaigns and public relations on ‘no gift offering-receiving’ for the year 2021.

(5) In year 2020, the ACC Committee assigned its members to attend the Anti-Corruption Working Paper Course (1/2020 Batch), organized by the Thai Institute of Directors in collaboration with the Federation of Accounting Professions under the Royal Patronage of His Majesty the King, which aimed to allow its members to learn about corruption issues, risk assessment guidelines, as well as proper review of corruption-related policies and measures.

(6) The ACC Committee completes the Self-assessment Form on a panel and individual basis at least once a year to be informed of problems and obstacles resulting in the failure to achieve operational objectives in the previous year as respective members are clearly aware of their own roles and responsibilities. This also helps to provide efficient performance monitoring and evaluation against the targets approved by the Board of Directors.

In year 2020, the ACC Committee performed its duties based on the defined objectives and targets to encourage directors, executives and employees at all levels of the Company to be aware of their responsibility for fulfilling responsibilities under the legal framework and code of ethics and creating the right values to develop the organization towards sustainability.

December 14, 2020

On behalf of the ACC Committee

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Mr. Satid Sudbuntad

Chairman of the ACC Committee

9. INTERNAL CONTROL AND RELATED TRANSACTIONS

9.1 INTERNAL CONTROL

The Company's Board of Directors has required that the Company have an adequately robust and appropriate internal control system and provide constant evaluation and monitoring. The Internal Audit Office has monitored performance results and reported them to the AC Committee while adhering to the international audit standards to ensure it yields the maximum benefit to the Company and is accepted by all stakeholders. In year 2020, the evaluation of the Company's internal control system was carried out in accordance with international standards, and the AC Committee was opined that the Company had an adequately robust and appropriate internal control system, as outlined as follows:

9.1.1 ADEQUACY AND APPROPRIATENESS OF THE INTERNAL CONTROL SYSTEM

(1) Control Environment

(A) The Company has adhered to ethics and the value of integrity, with the following guidelines:

- 1) Developing the Code of Conduct and reviewing it against existing situations for directors, executives, employees, and workers of the Company, subsidiary company, and joint venture companies to use as their operational guidelines with integrity and transparency, covering appropriate daily operations and treatment of business partners, customers and the third party. It published the Code of Conduct on its Intranet and website.
- 2) Including measures and procedures for approving related transactions or transactions featuring conflicts of interest and transactions on the acquisition or disposition of the Company's assets in the Good Corporate Governance Handbook.
- 3) Formulating the Anti-corruption Policy in writing for its directors, executives, employees, and workers of the Company to implement.
- 4) Requiring monitoring and evaluation of the compliance with the Code of Conduct. The executives of all units have to conduct self-assessment while the Internal Audit Office shall review the Self-Assessment Form on an annual basis.
- 5) Appropriately reviewing and improving/rectifying actions that are against with the integrity and ethical principles for business operations on a periodic basis.

(B) The Board of Directors are independent from the management. They have provided oversight and development of the internal control system, with the following guidelines.

1) The Company has assigned roles and the scope of authority and responsibility of the Board of Directors that are clearly separate from those of the management by prescribing them in the Charter of the Board of Directors and Sub-committees, which are outlined below:

- The Board of Directors is responsible for setting policies, strategies, goals, plans and annual budgets; overseeing and controlling the management of directors and executives to ensure they fulfil assigned responsibilities in an efficient and effective manner; and ensuring regular and constant performance monitoring and evaluation.
- The management is responsible for managing the Company's and subsidiary company's daily activities in accordance with the objectives, policies, plans, and budgets approved by the Board of Directors each year.

2) The Board of Directors needs to have knowledge and understanding about the Company's business and have diverse expertise that benefits the Company's business operations. At least one-third of the Board of Directors are independent directors. They need to possess knowledge, ability and independence to perform their duties. Such as they shall have neither business relationship with the Company or the subsidiary company nor any other relationship that may influence independent discretion and duty performing.

The Board of Directors is in charge of overseeing the development of the internal control system, which covers creating the control environment, risk assessment, data control, communication and monitoring in an appropriate, constant fashion.

(C) The management provides a suitable organizational structure by defining proper roles and responsibilities and authority to give orders to achieve objectives under the Board of Directors' oversight, with the following guidelines:

1) The MC Committee, consisting of executives as the Assistant Chief Executive Officer or higher, who defines the organizational structure which supports work to achieve objectives by taking into account business and legal suitability. It provides adequately robust and appropriate internal control by dividing roles and authority in key functions, which will allow for check and balance. The Internal Audit Office, which is directly under the AC Committee, will provide verification and audit as well.

2) The MC Committee has defined the chain of command and required reporting based on the roles and responsibilities of respective functions. In the event that this concerns several units, a working group composed of the management of each function will be established, who will jointly consider, and make decisions on, issues, in order to achieve objectives and report to the head of the working group.

3) The Board of Directors has assigned Sub-committees to develop their Charter, which must clearly define the roles and the scope of authority and responsibilities of the committees and the Chief Executive Officer and all top executives up to Division Manager. The Human Resources Manager together with the Manager of each department must conduct supervision and control and define the roles and scope of authority and responsibilities of all positions to meet the objectives and follow plans with targets each year.

(D) The Company has been committed to motivating, developing and retaining talents while attaching great importance to human resource management in order to be able to respond to changes in business and economic conditions. The Company believes that its personnel have the potential to operate their business to achieve success securely and sustainably (see details on page 150 under topic "Human Resource Development").

(E) The Company has assigned its personnel with the roles and scope of the authority and responsibility for internal control to take the actions to achieve the objectives and plans with targets as follows:

1) The Internal Audit Office is responsible for inspecting, analyzing, evaluating and monitoring the performance of all units to ensure their compliance with specified criteria. If any processes lack good practices, it will develop them with relevant units to ensure compliance of all people. In the case when it finds that the current practices have flaws that may involve the risk of corruption, it will rectify the risks to ensure that the practices are robust and appropriate in line with actual situations.

2) The Board of Directors and executives defined KPIs to incentivize and reward performance by taking into account both the compliance with the Company's Code of Conduct and short- and long-term objectives. It also provides review for the KPIs in work plans and budget plans on an annual basis.

3) The Board of Directors and executives has considered using KPIs that do not place excessive pressure on individual employees by focusing on KPIs that link to the success of the implementation of the internal control system as well.

(2) Risk Assessment

(A) The Company has defined adequately clear and appropriate objectives to enable it to assess risks involved in the achievement of the objectives, with the following actions:

1) The Company has complied with accounting standards that are generally accepted and are in line with business by showing its actual financial reports, rights or obligations with fair and appropriate values, as well as disclosing correct and complete information through verification by the AC Committee and audit by the Certified Public Accountant certified by the SEC every year.

2) The Company has prepared financial reports by taking into account key factors, such as the financial reports presented to the Board of Directors and those presented to the executives, which have different sizes of transactions, and the trends of business. This aims to provide sufficient information for decision making, which truly reflects the Company's operations.

3) The RMC Committee has prepared the risk management policy and guidelines in writing which are part of the Good Corporate Governance Handbook. It has published them on the Company's Intranet and website and has communicated them to the executives and employees at all levels to acknowledge and adhere to as the guidelines for performing in a systematic and effective fashion.

(B) The Company has required the analysis of all types of risks that may affect the achievement of objectives across the organization. The Board of Directors has appointed the RMC Committee, consisting of at least 10 executives from all units. They have meetings to conduct analysis and assessment of all types of risks, including both internal and external factors, opportunities, and potential impacts on the operations of the organization, units and functions. The analysis and assessment results will be studied to formulate measures and operational plans for management of such risks. The results of analysis and assessment of various risk factors will be summarized in the form of a risk map and used for formulating the guidelines for improvement and rectification for risk management, as follows:

1) Red risks: Risk factors which need to be addressed urgently, for which the improvement and rectification guidelines for risk mitigation will be developed first.

2) Orange risks: Risk factors that need to be monitored, which may be the risk factors for which preventive guidelines are provided.

The RMC Committee prepares the Risk Management Report to submit to the AC Committee and the Board of Directors once a quarter to report the improvement and rectification guidelines, risk prevention measures, and risk management monitoring within the appropriately defined timeframe.

(C) The Company has considered the likelihood of fraud in risk assessment which may lead to the failure to achieve organizational objectives, with the following actions.

1) The Company has announced the anti-corruption policy in writing clearly.

2) The Board of Directors has resolved that the Company should declare its intention to join the Private Sector Collective Action Coalition Against Corruption (CAC) to ensure the Company's transparent operations. So far, its CAC membership has been approved twice, and it will apply to renew its CAC membership at the beginning of year 2021.

3) The Company reviews its operational goals during the formulation of work and budget plans annually. It considers the feasibility of the given goals/targets and the reasonableness of incentives or remuneration that may encourage employees to have inappropriate act, such as setting too high sales targets, leading to making up sales figures, etc.

4) The AC Committee has required that the Internal Audit Office plan its annual audit to ensure that all units' performance is in line with plans and guidelines set forth. In the case where it detects non-compliance with the prescribed guidelines and any acts that indicate dishonesty, it will propose improvement and rectification guidelines and add preventive measures. It will have meetings with the executives of the units it has audited to jointly develop the measures.

5) The Company has communicated and publicized the Anti-Corruption Handbook on its website and Intranet to ensure that its directors, executives and employees at all levels understand and comply with the policies and guidelines.

(D) The Company has assessed changes that may have an impact on the internal control system by means of the assessment of risks resulting from changes from external and internal factors which may affect business operations, internal control, and financial reports. In addition, it has formulated adequately appropriate measures for responding to such changes, as follows:

- 1) Risks from external factors, such as government measures for asbestos use control, drought-related disasters, the spread of COVID-19, and ransomware.
- 2) Risks from internal factors, such as environmental impacts, occupational health and safety, and shortages of raw materials.

The Company did not change its business model or corporate leaders that might affect its business operations, internal control, and any financial reports last year.

(3) Control Activities

(A) The Company has control measures to reduce the risk of failure to achieve its objectives to be at an acceptable level by carrying out the followings:

- 1) The Company has assigned the RMC Committee to monitor the performance of all units that have risks, provided corrective measures to allow the risks to be at an acceptable level, as well as prepared a progress report to present to the AC Committee and the Board of Directors to acknowledge and consider on a periodic basis.
- 2) The Company has established an internal control system in writing, which covers all processes in an adequately robust and appropriate manner, such as approval-related regulations and authority, procurement, general administration, storage of important documents, as well as protection of personal information, etc. It has defined the scope of authority, responsibility, procedures and funds limits for executives at each level in a clear and concise manner to prevent dishonesty. It also has defined the procedures for approval in mega-investment projects, which are subject to the approval by the Board of Directors.
- 3) The Company has required that the Company Secretary collect data on major shareholders, directors, executives, persons related to these individuals, as well as connected persons and always update it.
- 4) The Company has required that the contracts which bind the Company for over a year must be approved by the Board of Directors. The Internal Audit Office shall monitor the compliance with contractual conditions during the time the Company is bound by the contracts.
- 5) The Company has required an adequately robust and appropriate internal control system, such as manual and automated control, preventive control, and regulatory control.
- 6) The Company has separated roles and responsibilities in three areas to verify and cross-check: (1) Approving, (2) Recording accounting transactions and information, and (3) Maintaining assets.

(B) The Company has selected and developed general control activities using technology to support the achievement of its objectives, as follows:

- 1) The Company has been aware of a need to improve the information technology system to optimize the work system to attain improved efficiency and effectiveness and linkage across the corporate. It has introduced the entire information technology system into Enterprise Resources Planning (ERP) by using SAP ECC6 Model and developing a real-time database system to provide accurate, fast and sufficient data management to allow for efficient and effective decision-making on management for the Board of Directors and executives. It has also developed: (1) The Business Intelligence System (BI), to ease report preparation, (2) K2 software, to reduce the amount of documentation, (3) Qlik software, which helps to develop data analysis models, (4) Sketchup software, to help with calculation for installation design, (5) The Web Sale system, which allows customers to place orders 24 hours a day/7 days a week, and (6) The E-Payment System, which allows for online filing of taxation forms and transfer of funds of all banks locally and internationally. The Information and Standard System Division has authorized their access in the computer system to allow performance, transaction approval, or retrieval of reports to be under the authority and responsibility of individual units.

2) The Company has defined the responsibility of all employees who will have to use the information technology and communication system under the legal requirements, regulations and orders, standards, the Computer Use Act. The Information and Standard System Division has provided proper and robust controls for the security of the technological system and the process of acquisition, development and maintenance of technological system.

(C) The Company has carried out control activities through its policies, which specify expectations and procedures to put the policies in practice, by taking the following actions:

1) Defining the measures and procedures for approving related transactions or asset acquisition or disposition transactions. It has prohibited the persons who have interest or may have a conflict of interest from approving transactions related to them and the transactions must be approved by the AC Committee to prevent seeking or exploiting the Company's interest for their personal use. The transactions will be treated as arms' length basis in accordance with the requirements of the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) and relevant legal provisions.

2) Monitoring the performance of the subsidiary company by appointing its directors and executives to supervise and monitor its operations to ensure its compliance with standards, policies, goals, work plans, operational regulations, approval authority, and articles of associations of the Parent Company.

3) Valuing the internal control system and the risk management system by assigning the Department Managers in respective functions to communicate the management policy and process and the rectification process to their subordinates to acknowledge and implement in an appropriate timeframe and to review policies, goals, plans and operational processes to make sure that they are in line with changing situations at least once a year.

(4) Information and Communication System

(A) The Company has provided relevant high-quality data to enable the internal control system to operate as planned, as follows:

1) The Company has required the collection of data used for operations inside and outside of the organization by the Information and Standard System Division. It has developed the ERP System using SAP to have a real time database, while authorizing the access to the data and preventing damage to the database by means of Fire Wall to acquire high-quality data and secure data.

2) The Board of Directors has required at least one meeting a month. It has assigned the Company Secretary to prepare documents for individual agenda items, which include adequate details about matters for acknowledgement and consideration, reasons, impacts on the Company, and key alternatives, which will assist with decision making and to send them to the directors at least five working days before the meeting day and/or within the time specified by law so that the directors have enough time to study the documents beforehand. The Company Secretary can ask for more details in the case when they are inadequate. The Company Secretary has to prepare minutes of the Board of Director Meetings which contain sufficient details with traceability in relation to the appropriateness of the performance of individual directors; storing complete meeting handouts in categories at the end of each meeting; and organizing Shareholder Meetings, where the Company Secretary has to prepare meeting agenda items and meeting handouts providing sufficient details for shareholders' decision making.

(B) The Company has required communication of information inside and outside of the Company to support the internal control system so that it is operated as planned in an efficient, appropriate manner, with the following communication channels:

1) Internal communication channels:

- The Company's Intranet: <http://drt/> under the heading "Good Corporate Governance Handbook" and "Anti-Corruption.", etc.

2) External communication channels

- The Company has the Investor Relations Office. It has designated the Chief Executive Officer to be responsible for communicating with, and providing information for, investors, analysts, shareholders and interested public. The office can be contacted via the telephone number: 0 3622 4171-8 and E-mail address: Corpcenter@dbp.co.th.

- On Company's website: <http://drt-th.listedcompany.com/home.html> under the heading "Information for Investors."

3) Channels for whistleblowing or filing complaints: The Company has set policies and channels for its stakeholders to express opinions about its business operations, do whistleblowing, or file complaints, such as wrongful actions or defects, violation of law or the Code of Conduct, and corruption. Complaints can be filed to the AC Committee directly without going through the Company's executives, via the following channel:

- Mail to the Audit Committee Chairman: 69-70 Moo 1, Mitraphap Road, Km. 115, Tambon Talingchan, Amphur Muang, Saraburi 18000, Tel: 0 3622 4171-8, ext. 282 or email to Audit_Com@dbp.co.th

(5) Monitoring System

(A) The Company has the system for monitoring and evaluating internal control to ensure that the internal control system is operated in a complete and appropriate manner, with the following actions:

1) The Company has provided the process for monitoring compliance with the Code of Conduct, internal control system, as well as requirements that prohibit executives and employees from acting in the way that may create a conflict of interest. It requires individual units to monitor their performance by themselves and report the results to their supervisor in the function on a monthly basis and requires the Internal Audit Office to verify the internal control system of all units and all activities in an independent manner and report the verification results directly to the AC Committee. It has preventive audit policies in place, which are beneficial to the units, and it considers the reliability of financial reports and appropriate and adequate disclosures.

2) The Company has encouraged the Internal Audit to perform in line with the International Standards for the Professional Practice of Internal Auditing (IIA) to ensure transparency and conduct audits in accordance with good corporate governance practices to enhance the efficiency and effectiveness of the Company's operations.

(B) The Company has conducted evaluation and communicated deficiencies of internal control in a timely manner to persons in charge, which includes top executives and the Board of Directors as appropriate. The Company has established a policy for the executives to report to the Board of Directors and the AC Committee immediately in the case of fraud or suspicion of fraud, violation of law, or unusual actions which may materially affect the Company's reputation and financial position. It shall report material defects along with corrective suggestions and report the progress of corrective actions for significant deficiencies to the Board of Directors and the AC Committee for acknowledgment and consideration at the earliest opportunity or within a reasonable period of time.

9.2 RELATED TRANSACTIONS

The Company has established measures and procedure concerning the approval of connected transaction and transaction concerning acquisition or disposal of the assets of the Company in compliance with the regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand, as well as related laws within the Corporate Governance Handbook, which can be summarized as follows.

- (1) The stakeholder or person who may have conflict of interest may not approve the transaction that is connected to oneself.
- (2) The establishment of price or compensation must be based on normal business and general commercial terms with consideration on the best interest of the Company.
- (3) The AC Committee has to consider and provide comments prior to making such transaction. If the AC Committee lacks expertise in a particular matter or transaction, an independent expert must be engaged to provide comments to the AC Committee as part of the consideration before proposing to the Board of Directors and/or the Shareholders Meeting for further consideration and approval.

In case that such transaction is a trade agreement of similar nature to agreements that a reasonable person would engage with another party in similar circumstances; with trade negotiating power in absence of influences from own positions as directors, executives, or related persons, whichever the case; or of normal business transactions or normal supporting transactions with general trade conditions such agreement must be approved by the Board of Directors, or be approved in principle by the Board of Directors, prior to engagement in such transaction. This is in compliance with Section 89/12 (1) of the Securities and Exchange Act (No. 4) B.E. 2551 (2008).

- (4) The Company must disclose the information on such transaction in accordance with the regulation and procedure as established by Securities and Exchange Commission.

- (5) Every director must comply with Section 88 of the Public Limited Companies Act B.E. 2535 (1992) stipulating that the director shall inform the Company without delay when the following cases occur.

- Having interest either directly or indirectly in any agreement executed by the Company during the accounting period by specifying facts related to the characteristics of the agreement, names of agreement's parties, and interest of the director in that agreement (if any).
- Holding ordinary shares or debentures in the Company or subsidiary companies by specifying total amount increase and decrease during the accounting period (if any).

In any case, Section 114 of the Public Limited Companies Act stipulates that the Company must disclose details as notified by the directors according to the abovementioned Section 88 in the Company's annual report.

- (6) Every top executive from the level of Assistant Chief Executive Officer or higher, including Accounting and Finance Department Manager, must follow the procedure in the same manner as the director as described in Item 5, by informing the Company Secretary as well.

In year 2020, the Company had related transactions with related persons as follows.

(A) Product Sales and Service Rendering

Company	Relationship	Transaction	Amount (Million Baht)			
			Product Sales and Services		Accounts Receivable	
			2020	2019	2020	2019
Wisdom Enterprise Co., Ltd. (Buyer)	Having mutual directors but no possession of inter-related shares. • Diamond Building Products Plc. (Seller) having Mr. Chatchai Teepsuwan as Director and Nomination and Remuneration Committee and Mr. Kamolaphat Teepsuwan as Director. • Wisdom Enterprise Co., Ltd. (Buyer) having Mr. Chatchai Teepsuwan and Mr. Kamolaphat Teepsuwan as Director.	Purchase of tiles including installation at normal prices and commercial conditions in general.	-	0.63	-	-
		Pricing Policy				
		Use normal pricing as compared with real estate development group with normal commercial conditions in general.				
Pattaya Grand Village Co., Ltd. (Buyer)	Having mutual directors but no possession of inter-related shares. • Diamond Building Products Plc. (Seller) having Mr. Prakit Pradipasen as Chairman of the Board, Mr. Chatchai Teepsuwan as Director and Nomination and Remuneration Committee and Mr. Kamolaphat Teepsuwan as Director. • Pattaya Grand Village Co., Ltd. (Buyer) having Mr. Prakit Pradipasen as Director, Mr. Chatchai Teepsuwan as Managing Director and Mr. Kamolaphat Teepsuwan as Director.	Purchase of tiles including installation at normal prices and commercial conditions in general.	3.27	1.22	-	-
		Pricing Policy				
		Use normal pricing as compared with real estate development group with normal commercial conditions in general.				
Total			3.27	1.85	-	-

(B) Purchase of Finished Products for Sale

Company	Relationship	Transaction	Amount (Million Baht)			
			Purchase of Finished Products		Account Payable	
			2020	2019	2020	2019
Diamond Materials Co.,Ltd. (Seller)	Subsidiary of Diamond Building Products Plc. (Buyer) holding 99.99% of paid-up shares in Diamond Materials Co., Ltd.	Purchase of autoclaved aerated concrete for sale to customers and market expansion.	124.90	146.83	78.11	68.86
		Pricing Policy				
		Use market price according to normal business.				
Total			124.90	146.83	78.11	68.86

(C) Office Rental and Property Service Fee

Company	Relationship	Transaction	Amount (Million Baht)			
			Office Rental and Property Service Fee		Lease liabilities	
			2020	2019	2020	2019
Phahol 8 Co., Ltd. (Service Provider)	Having mutual directors but no possession of inter-related shares. • Diamond Building Products Plc. (Service Receiver) having Mr. Chatchai Teepsuwan and Mr. Kamolaphat Teepsuwan as Director. • Phahol 8 Co., Ltd. (Service Provider) having Mr. Chatchai Teepsuwan and Mr. Kamolaphat Teepsuwan as Director.	Usage of property within Phaholyothin Place Office Building as an office of the Company.	2.40	3.47	1.86	-
		Pricing Policy				
		Use rental and service fee not exceeding the average rental fee of nearby rental buildings.				
Total			2.40	3.47	1.86	-

Opinion of the AC Committe

The AC Committee has reviewed the related transactions occurred in the Company's accounting record during the year 2020 as described above and found that these transactions had conditions and pricing that were fair and appropriate, which had been approved by the MC Committee or the Board of Directors before the transactions were executed.

Future Related Transactions

Related transactions of the Company in the future shall be transactions of normal business operation without transferring any interest between the Company and related companies or persons. The Company shall strictly adhere to and follow the regulations of the Stock Exchange of Thailand and Securities and Exchange Commission (SEC) as well as relevant laws, considering the reasonability and appropriateness of the conditions and market price which can be referred to in order to ensure that the shareholders and every stakeholder receive fair and equitable benefits according to the Company's good corporate governance policy.

ระบาย...
อย่างมีสไตล์

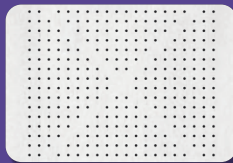


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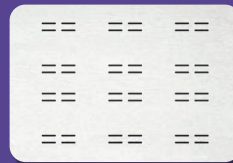
ผ้าระบายอากาศแบบผิวเรียบและลายไม้
สวย มีสไตล์ ช่วยลดความร้อนภายในบ้าน



ผิวเรียบ รูกะปูล



ผิวเรียบ รูกกลม



ลายไม้ รูกะปูล

สวยครบเซต ตราเพชรทั้งหลัง



มีจำหน่ายที่ :



ฟ.โอ. 55 คุณก่อสร้าง 1997



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PART 3 : FINANCIAL STATEMENTS

Independent Auditor's Report

To the Shareholders of Diamond Building Products Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Diamond Building Products Public Company Limited and its subsidiary (the "Group") and of Diamond Building Products Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2020, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2020 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

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 issued by the Federation of Accounting Professions that is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Valuation of inventories	
Refer to Notes 2 (c), 4 and 9 to the financial statements.	
The key audit matter	How the matter was addressed in the audit
<p>The Group's inventories are material to the financial statements where are measured at the lower of cost and net realisable value. High market competition affects to the determination of the Group's selling price. Therefore, there is a risk that inventories may be presented at cost higher than net realisable value including the occurrence of the inventory obsolescence. The Group considers the allowance for decline in value and obsolescence by the management estimates and judgment. Consequently, I consider that this is a significant matter.</p>	<p>My audit procedures were designed to assess the appropriateness of the allowance for decline in value of inventories and obsolescence included:</p> <ul style="list-style-type: none"> - Understanding the policies and procedures that the Group's management applied for providing allowance for decline in value of inventories. - Performing test on a sample basis items in the inventory aging report and corroborating on whether these items were classified in the appropriate aging bracket. - Performing test on a sample basis of net realisable value of inventories by investigating with the sales documents after period end whether there were any sales at price lower than cost to assess management's estimates and decision whether the allowance for decline in value of inventories was appropriate and adequate. - Considering the historical accuracy of the allowance for decline in value of inventories for evaluating the appropriateness of the assumptions made in the current year and assessing the reasonableness of assumptions made by management on the extent of long-outstanding inventories and sales at price lower than cost to consider the appropriateness of the allowance for decline in value of inventories. - Considering of the adequacy of the Group's disclosures in accordance with the related Thai Financial Reporting Standards.

Impairment of investment in subsidiary and related property plant and equipment in consolidated financial statements	
Refer to Notes 2 (c), 4, 10 and 12 to the financial statements.	
The key audit matter	How the matter was addressed in the audit
<p>The Company has investment in subsidiary where the cost of investment has been higher than the net book value as a result of continuing operational losses.</p> <p>The Company's valuation of investment was depending on operating results of the subsidiary affecting to the carrying amount of the Group's property, plant and equipment pertaining to the subsidiary which may be higher than recoverable amount. Accordingly, property plant and equipment needs to be reviewed for impairment.</p>	<p>My audit procedures were designed to assess the appropriateness of the impairments of investment in subsidiary and related property, plant and equipment included:</p> <ul style="list-style-type: none"> - Assessing and making inquiries of management regarding processes related to identification of potential impairments of investment in subsidiary and related property, plant and equipment, the preparation of discounted cash flows and approval by management.

Impairment of investment in subsidiary and related property plant and equipment in consolidated financial statements	
Refer to Notes 2 (c), 4, 10 and 12 to the financial statements.	
The key audit matter	How the matter was addressed in the audit
The Group considered that recoverable amount of the assets should be determined based on the value in use. The net present value of projected future cash flows is calculated based on the assumptions such as sales, costs and discount rate. The calculation result is sensitive that may affect the significant change in present value of projected cash flows depending upon the assumptions which involves management judgment in estimation. Consequently, I consider that this is a significant matter.	<ul style="list-style-type: none"> - Inquiring management of discounted cash flows model including the understanding of the business, strategy and considering data and assumptions used in discounted cash flows model by comparing with the historical trend and the industry trend to assess the reliability of management's forecast. I assessed the current and forecasted performance and considered whether any factors exist that would suggest the investment in subsidiary and related property plant and equipment was impaired. - Considering of the appropriateness and adequacy of the Group's disclosures in accordance with the related Thai Financial Reporting Standards.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me 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, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 and request that the correction be made.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as management determines is 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 and the Company'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 and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate 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 is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism 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 management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated 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.

|||||

(Chanarat Chanwa)

Certified Public Accountant

Registration No. 9052

KPMG Phoomchai Audit Ltd.

Bangkok

22 February 2021

Diamond Building Products Public Company Limited and its Subsidiary

Statement of financial position

(in Baht)

Assets	Note	Consolidated financial statements		Separate financial statements	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
Current assets					
Cash and cash equivalents	7	22,067,896	31,315,728	21,382,812	30,247,970
Trade accounts receivable	6, 31	447,918,876	458,046,234	447,918,876	458,046,234
Other current receivables	8	61,177,393	59,600,410	59,846,714	59,160,583
Inventories	9	701,837,109	855,351,095	684,159,922	842,902,076
Other current assets		6,417,744	5,947,898	6,304,379	5,893,233
Total current assets		1,239,419,018	1,410,261,365	1,219,612,703	1,396,250,096
Non-current assets					
Investment in a subsidiary	10	-	-	170,000,000	170,000,000
Investment properties	11	20,058,994	25,304,374	20,058,994	25,304,374
Property, plant and equipment	3, 12	2,036,605,298	1,804,194,873	1,946,221,918	1,708,573,778
Right-of-use assets	3, 13	55,177,423	-	55,177,423	-
Intangible assets	14	12,167,941	15,521,925	4,926,845	5,280,829
Deferred tax assets	28	51,976,384	46,812,102	57,403,528	52,099,527
Other non-current assets		3,439,671	29,871,301	3,389,672	29,821,301
Total non-current assets		2,179,425,711	1,921,704,575	2,257,178,380	1,991,079,809
Total assets		3,418,844,729	3,331,965,940	3,476,791,083	3,387,329,905

The accompanying notes are an integral part of these financial statements.

Diamond Building Products Public Company Limited and its Subsidiary

Statement of financial position (Continuous)

(in Baht)

Liabilities and equity	Note	Consolidated financial statements		Separate financial statements	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
Current liabilities					
Short-term loans from financial institutions	15	900,000,000	446,000,000	900,000,000	446,000,000
Trade accounts payable	6	89,353,513	137,978,364	164,166,331	201,929,838
Other current payables	16	141,622,218	178,075,907	139,314,949	175,556,123
Current portion of lease liabilities (2019: Current portion of finance lease liabilities)	3, 6, 15	21,045,025	6,386,660	21,045,025	6,386,660
Current tax payable		27,026,603	50,380,132	27,026,603	50,380,132
Other current liabilities	17	41,066,219	38,986,490	40,426,248	38,747,777
Total current liabilities		1,220,113,578	857,807,553	1,291,979,156	919,000,530
Non-current liabilities					
Lease liabilities (2019: Finance lease liabilities)	3, 6, 15	36,003,744	8,914,252	36,003,744	8,914,252
Non-current provisions for employee benefits	18	225,700,478	206,069,515	224,431,122	205,014,592
Total non-current liabilities		261,704,222	214,983,767	260,434,866	213,928,844
Total liabilities		1,481,817,800	1,072,791,320	1,552,414,022	1,132,929,374

The accompanying notes are an integral part of these financial statements.

Diamond Building Products Public Company Limited and its Subsidiary

Statement of financial position (Continuous)

(in Baht)

Liabilities and equity	Note	Consolidated financial statements		Separate financial statements	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
Equity					
Share capital:					
Authorised share capital <i>(947,961,800 ordinary shares, par value at Baht 1 per share)</i>		947,961,800	947,961,800	947,961,800	947,961,800
Issued and paid-up share capital <i>(947,961,800 ordinary shares, par value at Baht 1 per share)</i>		947,961,800	947,961,800	947,961,800	947,961,800
Share premiums:					
Share premium on ordinary shares		166,511,520	166,511,520	166,511,520	166,511,520
Share premium on treasury shares		165,206,460	165,206,460	165,206,460	165,206,460
Retained earnings					
Appropriated					
Legal reserve	20	105,000,000	105,000,000	105,000,000	105,000,000
Treasury shares reserve	20	511,961,400	-	511,961,400	-
Unappropriated		552,347,149	874,494,840	539,697,281	869,720,751
Treasury shares	19	(511,961,400)	-	(511,961,400)	-
Total equity		1,937,026,929	2,259,174,620	1,924,377,061	2,254,400,531
Total liabilities and equity		3,418,844,729	3,331,965,940	3,476,791,083	3,387,329,905

The accompanying notes are an integral part of these financial statements.

Diamond Building Products Public Company Limited and its Subsidiary

Statement of comprehensive income

(in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended			
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
Revenue					
Revenue from sale of goods and rendering of services	6, 21	4,381,046,562	4,747,553,698	4,381,046,562	4,747,553,698
Other income	22	28,098,968	77,802,233	28,280,603	77,784,688
Total revenue		4,409,145,530	4,825,355,931	4,409,327,165	4,825,338,386
Expenses					
Cost of sales of goods and rendering of services		3,108,500,729	3,474,676,568	3,128,129,298	3,498,240,863
Distribution costs	23	128,117,206	132,632,540	128,110,164	132,629,597
Administrative expenses	24	494,414,944	504,207,934	483,036,130	495,134,452
Finance costs	27	7,685,185	6,246,132	7,685,131	6,246,132
Total expenses		3,738,718,064	4,117,763,174	3,746,960,723	4,132,251,044
Profit before income tax expense		670,427,466	707,592,757	662,366,442	693,087,342
Tax expense	28	(113,007,567)	(136,055,524)	(112,858,742)	(136,432,962)
Profit for the year		557,419,899	571,537,233	549,507,700	556,654,380
Other comprehensive income					
Item that will not be reclassified to profit or loss					
Losses on remeasurements of defined benefit plans, net of tax	18	(7,007,210)	(28,230,297)	(6,970,790)	(28,197,221)
Total comprehensive income for the year		550,412,689	543,306,936	542,536,910	528,457,159
Earnings per share (in Baht)	29				
Basic earnings per share		0.62	0.60	0.62	0.59

The accompanying notes are an integral part of these financial statements.

Diamond Building Products Public Company Limited and its Subsidiary

Statement of changes in equity

(in Baht)

	Note	Consolidated financial statements					Total equity
		Issued and paid-up share capital	Share premium on ordinary shares	Share premium on treasury shares	Retained earnings Legal reserve	Unappropriated	
Year ended 31 December 2019							
Balance at 1 January 2019		947,961,800	166,511,520	165,206,460	105,000,000	691,413,388	2,076,093,168
Transactions with owners, recorded directly in equity							
Distributions to owners of the Company							
Dividends to owners of the Company	30	-	-	-	-	(360,225,484)	(360,225,484)
Total distributions to owners of the Company		-	-	-	-	(360,225,484)	(360,225,484)
Comprehensive income for the year							
Profit						571,537,233	571,537,233
Other comprehensive income	18	-	-	-	-	(28,230,297)	(28,230,297)
Total comprehensive income for the year		-	-	-	-	543,306,936	543,306,936
Balance at 31 December 2019		947,961,800	166,511,520	165,206,460	105,000,000	874,494,840	2,259,174,620

The accompanying notes are an integral part of these financial statements.

Diamond Building Products Public Company Limited and its Subsidiary

Statement of changes in equity (Continuous)

		Consolidated financial statements							(in Baht)
	Note	Issued and paid-up share capital	Share premium on ordinary shares	Share premium on treasury shares	Retained earnings		Treasury shares	Total equity	
					Legal reserve	Treasury shares reserve			
Year ended 31 December 2020									
Balance at 1 January 2020		947,961,800	166,511,520	165,206,460	105,000,000	-	874,494,840	-	
Transactions with owners, recorded directly in equity									
Distributions to owners of the Company									
Treasury shares purchased	19	-	-	-	-	511,961,400	(511,961,400)	(511,961,400)	
Dividends to owners of the Company	30	-	-	-	-	-	(360,598,980)	(360,598,980)	
Total distributions to owners of the Company		-	-	-	-	511,961,400	(872,560,380)	(872,560,380)	
Comprehensive income for the year									
Profit		-	-	-	-	-	557,419,899	557,419,899	
Other comprehensive income	18	-	-	-	-	-	(7,007,210)	(7,007,210)	
Total comprehensive income for the year		-	-	-	-	-	550,412,689	550,412,689	
Balance at 31 December 2020		947,961,800	166,511,520	165,206,460	105,000,000	511,961,400	552,347,149	1,937,026,929	

(in Baht)

The accompanying notes are an integral part of these financial statements.

Diamond Building Products Public Company Limited and its Subsidiary

Statement of changes in equity (Continuous)

(in Baht)

	Note	Separate financial statements					Total equity
		Issued and paid-up share capital	Share premium on ordinary shares	Share premium on treasury shares	Retained earnings	Unappropriated	
					Legal reserve		
Year ended 31 December 2019							
Balance at 1 January 2019		947,961,800	166,511,520	165,206,460	105,000,000	701,489,076	2,086,168,856
Transactions with owners, recorded directly in equity							
Distributions to owners of the Company							
Dividends to owners of the Company	30	-	-	-	-	(360,225,484)	(360,225,484)
Total distributions to owners of the Company		-	-	-	-	(360,225,484)	(360,225,484)
Comprehensive income for the year							
Profit							
Other comprehensive income	18	-	-	-	-	556,654,380 (28,197,221)	556,654,380 (28,197,221)
Total comprehensive income for the year		-	-	-	-	528,457,159	528,457,159
Balance at 31 December 2019		947,961,800	166,511,520	165,206,460	105,000,000	869,720,751	2,254,400,531

The accompanying notes are an integral part of these financial statements.

Diamond Building Products Public Company Limited and its Subsidiary

Statement of changes in equity (Continuous)

(in Baht)

	Note	Separate financial statements						Treasury shares	Total equity
		Issued and paid-up share capital	Share premium on ordinary shares	Share premium on treasury shares	Legal reserve	Treasury shares reserve	Unappropriated		
Year ended 31 December 2020									
Balance at 1 January 2020		947,961,800	166,511,520	165,206,460	105,000,000	-	869,720,751	-	2,254,400,531
Transactions with owners, recorded directly in equity									
Distributions to owners of the Company	19	-	-	-	-	511,961,400	(511,961,400)	(511,961,400)	(511,961,400)
Treasury shares purchased						-	(360,598,980)	-	(360,598,980)
Dividends to owners of the Company	30	-	-	-	-	-	-	-	-
Total distributions to owners of the Company		-	-	-	-	511,961,400	(872,560,380)	(511,961,400)	(872,560,380)
Comprehensive income for the year									
Profit		-	-	-	-	-	549,507,700	-	549,507,700
Other comprehensive income	18	-	-	-	-	-	(6,970,790)	-	(6,970,790)
Total comprehensive income for the year		-	-	-	-	-	542,536,910	-	542,536,910
Balance at 31 December 2020		947,961,800	166,511,520	165,206,460	105,000,000	511,961,400	539,697,281	(511,961,400)	1,924,377,061

The accompanying notes are an integral part of these financial statements.

Diamond Building Products Public Company Limited and its Subsidiary

Statement of cash flows

(in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended			
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
Cash flows from operating activities					
Profit for the year		557,419,899	571,537,233	549,507,700	556,654,380
Adjustments to reconcile profit to cash receipts (payment)					
Tax expense	28	113,007,567	136,055,524	112,858,742	136,432,962
Finance costs		7,685,185	6,246,132	7,685,131	6,246,132
Depreciation	12, 13	267,433,597	232,907,118	254,292,037	220,815,754
Amortisation of intangible assets	14	4,253,984	4,110,053	1,253,984	1,110,053
(Reversal of) impairment loss recognised in profit or loss		1,058,700	(2,500,000)	1,058,700	(2,500,000)
Provision for employee benefits	18	15,951,613	43,919,857	15,782,704	43,588,873
Unrealised (gain) loss on exchange		1,170,240	(70,379)	1,170,240	(70,379)
Amortisation of premium on forward exchange contracts		373,886	1,853,472	373,886	1,853,472
Reversal of bad and doubtful debt expenses		(1,260,000)	(270,000)	(1,260,000)	(270,000)
Losses on inventories devaluation		5,554,236	1,778,771	6,467,267	222,566
Loss on disposal of inventories		1,792,744	-	1,792,744	-
Gain on sales of invesment property		(14,045,370)	-	(14,045,370)	-
Gain on disposal of property, plant and equipment		(8,419,678)	(947,769)	(8,783,113)	(999,450)
Loss on disposal of intangible assets		-	41,195	-	41,195
Gain on sales of non-current assets classified as held-for-sale		-	(63,298,583)	-	(63,298,583)
Interest income		(33,385)	(66,923)	(31,311)	(65,032)
		951,943,218	931,295,701	928,123,341	899,761,943

The accompanying notes are an integral part of these financial statements.

Diamond Building Products Public Company Limited and its Subsidiary

Statement of cash flows (Continuous)

(in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended			
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
<i>Changes in operating assets and liabilities</i>					
Trade accounts receivable		11,381,083	38,900,630	11,381,083	38,900,630
Other current receivables		(3,186,733)	(3,136,509)	(2,295,880)	(3,208,227)
Inventories		140,829,116	(95,159,959)	145,144,253	(94,113,269)
Other current assets		(881,693)	(2,552,102)	(822,994)	(2,528,893)
Other non-current assets		(39,108)	(79,307)	(39,108)	(79,307)
Trade accounts payable		(48,556,907)	(38,137,330)	(37,695,563)	(11,909,881)
Other current payables		(64,580,772)	(21,086,897)	(63,760,711)	(21,143,238)
Other current liabilities		2,074,100	9,568,373	1,672,842	9,801,623
Provisions for employee benefits paid		(5,079,662)	(2,979,168)	(5,079,662)	(2,979,168)
Net cash generated from operating		983,902,642	816,633,432	976,627,601	812,502,213
Taxes paid		(139,769,946)	(128,849,878)	(139,769,946)	(128,849,878)
Net cash from operating activities		844,132,696	687,783,554	836,857,655	683,652,335
Cash flows from investing activities					
Proceeds from sale of invesment properties		19,290,750	-	19,290,750	-
Proceeds from sale of property, plant and equipment		8,691,588	3,635,846	9,067,245	3,755,219
Payments for acquisition of property, plant and equipment		(426,992,400)	(294,485,086)	(419,708,323)	(290,787,157)
Payments for acquisition of intangible assets		(900,000)	(3,288,900)	(900,000)	(3,288,900)
Prepayment for purchases of assets		(9,060,654)	(33,487,067)	(9,060,654)	(33,487,067)
Proceeds from sale of non-current assets					
classified as held-for-sale		-	88,743,913	-	88,743,913
Interest received		33,385	66,923	31,311	65,032
Net cash used in investing activities		(408,937,331)	(238,814,371)	(401,279,671)	(234,998,960)

The accompanying notes are an integral part of these financial statements.

Diamond Building Products Public Company Limited and its Subsidiary

Statement of cash flows (Continuous)

(in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended			
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
Cash flows from financing activities					
Proceeds from (repayment of) short-term loans from financial institution		454,000,000	(65,000,000)	454,000,000	(65,000,000)
Payments of lease liabilities (2019: payments by a lessee for reduction of the outstanding liabilities relating to finance leases)		(21,085,027)	(7,520,754)	(21,085,027)	(7,520,754)
Purchase of treasury shares	19	(511,961,400)	-	(511,961,400)	-
Dividends paid to owners of the Company	30	(360,596,980)	(360,223,584)	(360,596,980)	(360,223,584)
Interest paid		(5,228,274)	(5,197,614)	(5,228,219)	(5,197,614)
Net cash used in financing activities		(444,871,681)	(437,941,952)	(444,871,626)	(437,941,952)
Net increase (decrease) in cash and cash equivalents, before effect of exchange rates		(9,676,316)	11,027,231	(9,293,642)	10,711,423
Effect of exchange rate changes on cash and cash equivalents		428,484	(26,327)	428,484	(26,327)
Net increase (decrease) in cash and equivalents		(9,247,832)	11,000,904	(8,865,158)	10,685,096
Cash and cash equivalents at 1 January		31,315,728	20,314,824	30,247,970	19,562,874
Cash and cash equivalents at 31 December	7	22,067,896	31,315,728	21,382,812	30,247,970
Non-cash transactions:					
Acquisitions of property, plant and equipment for which payments have not yet been made		27,984,481	34,625,457	27,376,935	34,364,805
Transfer of prepayments for purchases of assets to property, plant and equipment		35,531,391	9,460,653	35,531,391	9,460,653
Transfer inventory to property, plant and equipment		5,337,891	-	5,337,891	-
Transfer of property, plant and equipment to intangible assets		-	3,088,900	-	3,088,900
Acquisitions of right-of-use assets under lease agreements (2019: Acquisitions of property, plant and equipment under finance lease agreements)		60,505,892	6,138,384	60,505,892	6,138,384

The accompanying notes are an integral part of these financial statements.

Diamond Building Products Public Company Limited and its Subsidiary

Notes to the financial statements

For the year ended 31 December 2020

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These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the directors on 22 February 2021.

1 General information

Diamond Building Products Public Company Limited, the “Company”, is incorporated in Thailand and was listed on the Stock Exchange of Thailand in November 2005. The Company’s registered office at 69 - 70 Moo 1, Mitraphab Road (Km. 115), Tambon Talingchan, Amphur Muang, Saraburi, Thailand.

The Company’s major shareholder during the financial year was Myriad Materials Co., Ltd. (51.46% shareholding), which was incorporated in Thailand.

The principal business of the Company and its subsidiary is manufacturing of roof tiles, artificial woods and autoclaved aerated concrete. Details of the Company’s subsidiary as at 31 December 2020 and 2019 are given in note 10.

2 Basis of preparation of financial statements

(a) *Statement of compliance*

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission.

New and revised TFRS are effective for annual accounting periods beginning on or after 1 January 2020. The initial application of these new and revised TFRS has resulted in changes in certain of the Group’s accounting policies.

The Group has initially applied TFRS - Financial instruments standards which comprise TFRS 9 Financial Instruments and relevant standards and interpretations and TFRS 16 Leases and disclosed impact from changes to significant accounting policies in note 3.

In addition, the Group has not early adopted a number of new and revised TFRS, which are not yet effective for the current period in preparing these financial statements. The Group has assessed the potential initial impact on the financial statements of these new and revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.

(b) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company's functional currency.

(c) Use of judgements and estimates

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Group's accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

(1) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

4 (K) and 13	Leases:
	- whether an arrangement contains a lease;
5	Impact of COVID-19 Outbreak

(2) Assumptions and estimation uncertainties

Information about assumption and estimation uncertainties at 31 December 2020 that have a significant risk of resulting in a material adjustments to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

4(k)	Determining the incremental borrowing rate to measure lease liabilities;
5	Impact of COVID-19 outbreak;
9	Valuation of inventories: key assumptions underlying allowance for decline in value of inventories;
10	Impairment test: key assumptions underlying recoverable amounts;
18	Measurement of defined benefit obligations: key actuarial assumptions;

3 Change in accounting policies

From 1 January 2020, the Group has initially applied TFRS - Financial instruments standards and TFRS 16. Impact of changes in accounting policies are as follow:

(a) *TFRS - Financial instruments standards*

These TFRS - Financial instruments standards establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting. The impact from adoption of TFRS - financial instruments standards will be no material on the consolidated and separate financial statements.

(b) *TFRS 16 Leases*

From 1 January 2020, the Group has initially adopted TFRS 16 on contracts previously identified as leases according to TAS 17 Leases and TFRIC 4 Determining whether an arrangement contains a lease using the modified retrospective approach.

Previously, the Group, as a lessee, recognised payments made under operating leases in profit or loss on a straight-line basis over the term of the lease. Under TFRS 16, the Group assesses whether a contract is, or contains, a lease. If a contract contains lease and non-lease components, the Group allocates the consideration in the contract based on stand-alone selling price (transaction price). As at 1 January 2020, the Group recognised right-of-use assets and lease liabilities, as a result, the nature of expenses related to those leases was changed because the Group recognised depreciation of right-of-use assets and interest expense on lease liabilities.

On transition, the Group also elected to use the practical expedients which do not recognise right-of-use assets and lease liabilities for leases with less than 12 months of lease term and leases of low-value assets.

Impact from the adoption of TFRS 16	Consolidated / Separate financial statements (in thousand Baht)
<i>At 1 January 2020</i>	
Increase in right-of-use assets	25,765
Decrease in property, plant and equipment	(14,267)
Increase in lease liabilities	11,498

Measurement of lease liability	Consolidated / Separate financial statements (in thousand Baht)
Operating lease commitment as disclosed at 31 December 2019	37,734
Recognition exemption for short-term leases	(96)
Recognition exemption for leases of low-value assets	(270)
	37,368
Present value of remaining lease payments, discounted using the incremental borrowing rate at 1 January 2020	11,498
Finance lease liabilities recognised as at 31 December 2019	15,301
Lease liabilities recognised at 1 January 2020	26,799
Weighted-average incremental borrowing rate (% per annum)	2.1 - 15.8

4 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements except as explained in note 3.

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiary (together referred to as the “Group”)

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

(b) *Investments in subsidiary*

Investments in subsidiary in the separate financial statements of the Company are measured at cost less allowance for impairment losses.

Disposal of investments in the separate financial statements

On disposal of an investment, the difference between net disposal proceeds and the carrying amount is recognised in profit or loss.

If the Company disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

(c) *Foreign currency transactions*

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions.

Foreign currency differences are generally recognised in profit or loss.

(d) *Financial instruments*

Accounting policies applicable from 1 January 2020

(d.1) *Recognition and initial measurement*

Trade receivables and trade payables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset and financial liability (unless it is a trade receivable without a significant financing component or measured at FVTPL) is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price. A financial asset and a financial liability measured at FVTPL are initially recognised at fair value.

(d.2) Classification and subsequent measurement

Financial assets - classification

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value to other comprehensive income (FVOCI); or fair value to profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cashflows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets - assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, ‘principal’ is defined as the fair value of the financial asset on initial recognition. ‘Interest’ is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features; and
- terms that limit the Group’s claim to cash flows from specified assets (e.g. non-recourse features).

Financial assets - subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities - classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(d.3) *Derecognition*

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(d.4) *Offsetting*

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(d.5) *Derivatives*

Derivative are recognised at fair value. At the end of each reporting period the fair value is measured. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

Accounting policies applicable before 1 January 2020

Derivatives

Gains and losses from forward exchange contracts and currency swaps used to hedge anticipated future currency transactions are recognised in profit or loss.

Premiums or discounts on forward foreign exchange contracts are amortised to profit or loss over the term of the contracts.

(e) Cash and cash equivalents

Cash and cash equivalents in the statement of cash flows comprise cash balances, call deposits and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of financing activities for the purpose of the statement of cash flows.

(f) Trade and other accounts receivable and contract assets

A receivable is recognised when the Group has an unconditional right to receive consideration. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset.

A receivable is measured at transaction price less allowance for expected credit loss (2019: allowance for doubtful accounts) which is determined based on an analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

Contract assets are measured at the amount of consideration that the Group is entitled to, less impairment losses.

(g) Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost is calculated using the moving average principle, and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work-in-progress, cost is calculated using standard cost adjusted to approximate average cost includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

(h) *Investment properties*

Investment properties are properties which are held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are measured at cost less impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, and other costs directly attributable to bringing the investment property to a working condition for its intended use and capitalised borrowing costs.

Any gains and losses on disposal of investment properties are determined by comparing the proceeds from disposal with the carrying amount of investment property, and are recognised in profit or loss.

No depreciation is provided on freehold land or assets under construction.

(i) *Property, plant and equipment*

Recognition and measurement

Owned assets

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised in profit or loss.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

Buildings, structures and improvement	5 - 20	Years
Machinery and equipment	5 - 20	Years
Office furniture, fixtures and equipment	3 - 5	Years
Vehicles	5	Years

No depreciation is provided on freehold land or assets under construction and installation.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(j) Intangible assets

Intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortisation

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives for the current and comparative periods are as follows:

Deferred know-how and technical assistance fees	10 Years
Software licences	10 Years

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(k) *Leases*

Accounting policies applicable from 1 January 2020

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in TFRS 16.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date, except for leases of low-value assets and short-term leases which is recognised as an expense on a straight-line basis over the lease term.

Right-of-use asset is measured at cost, less any accumulated depreciation and impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. The lease payments included fixed payments less any lease incentive receivable and variable lease payments that depend on an index or a rate. Variable lease payments that do not depend on index or a rate are recognised as expenses in the accounting period in which they are incurred.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in lease term, change in lease payments. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Accounting policies applicable before 1 January 2020

As a lessee, leases in terms of which the Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit or loss.

Assets held under other leases were classified as operating leases and lease payments are recognised in profit or loss on a straight-line basis over the term of the lease. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

(l) Impairment of financial assets

Accounting policies applicable from 1 January 2020

The Group recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost including cash and cash equivalents, trade receivables, other receivables and contract assets.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; or
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of a financial instrument.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both current and forecast general economic conditions at the reporting date.

Loss allowances for all other financial instruments, the Group recognises ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, significant deterioration in financial instruments's credit rating, significant deterioration in the operating results of the debtor and existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Increased in loss allowance is recognised as an impairment loss in profit or loss. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence of credit-impairment includes significant financial difficulty, a breach of contract such as more than 90 days past due, probable the debtor will enter bankruptcy.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

Accounting policies applicable before 1 January 2020

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The impairment loss is recognised in profit or loss.

Calculation of recoverable amount

The recoverable amount of held-to-maturity securities carried at amortised cost is calculated as the present value of the estimated future cash flows discounted at the original effective interest rate.

Reversal of impairment

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss. For financial assets carried at amortised cost, the reversal is recognised in profit or loss.

(m) *Impairment of non-financial assets*

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The impairment loss is recognised in profit or loss.

Calculation of recoverable amount

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversal of impairment

Impairment losses recognised in prior periods in respect of non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(n) *Employee benefits*

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligations is performed regularly by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any application minimum funding requirements.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(o) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(p) *Fair value measurement*

‘Fair value’ is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Group’s accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as ‘active’ if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1 : quoted prices in active markets for identical assets or liabilities.
- Level 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 : inputs for the asset or liability that are based on unobservable input.

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

(q) Treasury shares

When share capital recognised as equity is repurchased, the amount of consideration paid, including directly attributable costs, is classified as treasury shares and recognised as a deduction from equity. An equal amount is appropriated from retained earnings and taken to a reserve for treasury shares within equity. When treasury shares are sold, the amount received is recognised as an increase in equity by crediting the cost of the treasury shares sold, calculated using the weighted average method, to the treasury shares account and transferring the equivalent amount back from reserve for treasury shares to retained earnings. Surpluses on the sale of treasury shares are taken directly to a separate category within equity, 'Share premium on treasury shares'. Net deficits on sale or cancellation of treasury shares are debited to retained earnings after setting off against any remaining balance of surplus on treasury shares.

(r) Revenue

Revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts and volume rebates.

Sale of goods and services

Revenue from sales of goods is recognised when a customer obtains control of the goods, generally on delivery of the goods to the customers. For contracts that permit the customers to return the goods, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore the amount of revenue recognised is adjusted for estimated returns, which are estimated based on the historical data.

Revenue for rendering of services is recognised as the services are provided. The related costs are recognised in profit or loss when they are incurred.

For bundled packages, the Group accounts for individual products and services separately if they are distinct (i.e. if a product or service is separately identifiable from other items and a customer can benefit from it) or the multiple services are rendered in different reporting periods. The consideration received is allocated based on their relative stand-alone selling prices which are determined based on the price list at which the Group sells the products and services in separate transactions.

(s) *Interest*

Accounting policies applicable from 1 January 2020

Effective Interest Rate (EIR)

Interest income or expense is recognised using the effective interest method. The EIR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Accounting policies applicable before 1 January 2020

Interest income is recognised in profit or loss at the rate specified in the contract.

Interest expenses and similar costs are charged to profit or loss for the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial periods of time to be prepared for its intended use or sale.

(t) *Income tax*

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

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 same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(u) *Earnings per share*

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held.

(v) *Related parties*

A related party is a person or entity that has direct or indirect control, or has significant influence over the financial and managerial decision-making of the Group; a person or entity that are under common control or under the same significant influence as the Group; or the Group has direct or indirect control or has significant influence over the financial and managerial decision-making of a person or entity.

(w) *Segment reporting*

Segment result that are reported to the Group's CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

5 Impact of COVID-19 Outbreak

Due to the COVID-19 outbreak at the beginning of 2020, Thailand and many other countries have enacted several protective measures against the pandemic, e.g. the order to temporarily shut down operating facilities or reduce operating hours, social distancing, etc. This has significantly affected world economy, production, supply chain of goods and business operation of many entities in wide areas. The management is closely monitoring the situation to ensure the safety of the Group's staff and to manage the negative impact on the business as much as possible.

At 31 December 2020, the situation of COVID-19 outbreak is still ongoing, resulting in estimation uncertainty on the potential impact, therefore, the Group elected to apply accounting guidance on temporary accounting relief measures for additional accounting options in response to impact from the situation of COVID-19 outbreak on the following:

(a) *Impairment of assets*

The Group considered impairment of trade accounts receivable under simplified approach using historical loss rate and did not take forward-looking information into account.

The Group elected to exclude the COVID-19 situation as impairment indicator for property, plant and equipment, investment properties and intangible assets.

(b) Deferred tax assets

The Group elected to exclude the factor of COVID-19 situation in considering sufficiency of future taxable profits to review the amount of deferred tax assets at 31 December 2020.

6 Related parties

Relationships with subsidiary is described in notes 10. Other related parties that the Group had significant transactions with during the year were as follows:

Name of entities	Country of incorporation	Nature of relationships
Phahol 8 Company Limited	Thailand	Common director
Wisdom Enterprise Company Limited	Thailand	Common director
Pattaya Grand Village Company Limited	Thailand	Common director

The pricing policies for transactions with related parties are explained further below:

Transactions	Pricing policies
Sale of goods and rendering of services	Market price based on normal course of business
Purchase of goods	Market price based on normal course of business
Office rental and space service fee	Market price based on normal course of business

Significant transactions for the years ended 31 December with related parties were as follows:

(in thousand Baht)

Year ended 31 December	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Subsidiary				
Purchase of goods	-	-	124,898	146,834
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	45,802	41,769	45,802	41,796
Post-employment benefits	1,000	1,850	1,000	1,850
Total	46,802	43,646	46,802	43,646
Other related parties				
Sales of goods and rendering of services	3,266	1,850	3,266	1,850
Office rental and space service fee	2,398	3,468	2,398	3,468

Balances as at 31 December with a related party were as follows:

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade accounts payable				
Subsidiary				
Diamond Materials Co., Ltd.	-	-	78,110	68,857
Current portion of lease liabilities				
Other related parties				
Phahol 8 Company Limited	1,056	-	1,056	-
Lease liabilities				
Other related parties				
Phahol 8 Company Limited	807	-	807	-

7 Cash and cash equivalents

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash on hand	100	100	100	100
Cash at banks - current accounts	6,019	25,912	6,016	25,906
Cash at banks - savings accounts	15,949	5,304	15,267	4,242
Total	22,068	31,316	21,383	30,248

8 Other current receivables

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Accrued sales discount	36,390	35,261	36,294	35,236
Advance for purchase of goods	7,670	1,797	6,697	1,778
Prepaid expenses	14,549	20,478	14,351	20,167
Others	2,568	2,064	2,505	1,980
Total	61,177	59,600	59,847	59,161

9 Inventories

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Finished goods	158,995	187,824	144,775	179,037
Merchandise goods	12,536	18,673	12,536	18,673
Semi-finished goods	107,763	98,286	107,763	98,286
Work in progress	63,796	63,346	63,796	63,346
Raw materials	290,594	414,324	287,350	410,087
Supplies	72,407	60,640	70,599	58,707
Goods in transit	16,196	27,154	16,196	27,154
	722,287	870,247	703,015	855,290
<i>Less allowance for decline in value</i>	(20,450)	(14,896)	(18,855)	(12,388)
Total	701,837	855,351	684,160	842,902
Inventories recognised as an expense in ‘cost of sales of goods’:				
- Cost	2,801,483	3,059,259	2,819,984	3,084,320
- Write-down to net realisable value	-	736	-	-
- Reversal of write-down	(1,885)	-	(757)	(760)
Net	2,799,598	3,059,995	2,819,227	3,083,560

10 Investment in a subsidiary

Separate financial statements														
	Description of business	Country of operation	Ownership interest		Paid-up capital		Cost		Impairment losses		At cost - net			
			2020	2019	2020	2019	2020	2019	2020	2019	2020	2019		
			%		(in thousand Baht)									
Subsidiary Diamond Materials Co., Ltd.	Manufacturing of autoclaved aerated concrete	Thailand	99.99	99.99	200,000	200,000	200,000	200,000	(30,000)	(30,000)	170,000	170,000		
Total					200,000	200,000	200,000	200,000	(30,000)	(30,000)	170,000	170,000		

The subsidiary was incorporated and operates in Thailand. The Company did not received dividend for the year 2020 and 2019.

The recoverable amount of this CGU was based on its value in use, determined by discounting the future cash flows to be generated from the continuing use of the CGU.

(unit : %)

Key assumptions used in the estimation of value in use	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Discount rate	9.0	9.4	9.0	9.4
Growth rate	5.0	6.0	5.0	6.0

The discount rate was a pre-tax measure based on the rate of 10-year government bonds issued by the government in the relevant market and in the same currency as the cash flows, adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the specific CGU.

Five years of cash flows were included in the discounted cash flow model. A long-term growth rate into perpetuity has been determined as the lower of the nominal gross domestic product (GDP) rates for the countries in which the CGU operates.

Budgeted EBITDA was based on expectations of future outcomes taking into account past experience, adjusted for anticipated revenue growth. Revenue growth was projected taking into account the average growth levels experienced over the past three years and the estimated sales volume and price growth for the next five years.

Following the impairment loss recognised in the Group's CGU, the recoverable amount was equal to the carrying. Therefore, any adverse movement in a key assumption would lead to further impairment.

11 Investment properties

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<i>Cost</i>				
At 1 January	25,305	25,305	25,305	25,305
Disposals	(5,246)	-	(5,246)	-
At 31 December	20,059	25,305	20,059	25,305
<i>Allowance for impairment</i>				
At 1 January	-	(2,500)	-	(2,500)
Reversal of allowance for impairment	-	2,500	-	2,500
At 31 December	-	-	-	-
<i>Net book value</i>				
At 1 January	25,305	22,805	25,305	22,805
At 31 December	20,059	25,305	20,059	25,305

Investment properties are land held for future projects. The fair value of investment properties, as at 31 December 2020 of Baht 50.2 million (2019: Baht 63.3 million) was determined by an independent valuer based on the market approach. The fair value measurement for investment property has been categorised as a Level 3 fair value.

12 Property, plant and equipment

(in thousand Baht)

	Consolidated financial statements					
	Land and improvement	Building structures and improvement	Machinery and equipment	Office furniture, fixtures and equipment	Vehicles	Assets under construction and installation
Cost						Total
At 1 January 2019	230,619	787,142	3,908,606	87,590	66,634	5,139,390
Additions	-	3,242	25,681	6,396	7,555	347,799
Transfers	-	37,315	132,266	1,799	-	(3,089)
Disposals	-	(1,352)	(21,683)	(3,320)	(8,934)	(35,289)
At 31 December 2019 and 1 January 2020	230,619	826,347	4,044,870	92,465	65,255	5,448,811
Recognition of right-of-use assets on initial application of TFRS 16 (see note 3(b))	-	-	-	-	(33,737)	(33,737)
At 1 January 2020 - as adjusted	230,619	826,347	4,044,870	92,465	31,518	5,415,074
Additions	-	8,139	37,402	7,331	186	495,846
Transfers	-	48,243	550,859	5,646	111	-
Disposals	-	(848)	(86,734)	(1,040)	(3,514)	(92,136)
At 31 December 2020	230,619	881,881	4,546,397	104,402	28,301	5,818,784

(in thousand Baht)

	Consolidated financial statements					
	Land and improvement	Building structures and improvement	Machinery and equipment	Office furniture, fixtures and equipment	Vehicles	Assets under construction and installation
Accumulated depreciation						
At 1 January 2019	-	473,903	2,847,410	74,271	44,875	-
Depreciation charge for the year	-	33,214	185,219	6,262	8,212	-
Disposals	-	(868)	(21,427)	(3,309)	(6,997)	-
						3,440,459
						232,907
						(32,601)
At 31 December 2019 and 1 January 2020						
Recognition of depreciation of right-of-use assets on initial application of TFRS 16 (see note 3(b))	-	506,249	3,011,202	77,224	46,090	-
	-	-	-	-	(19,470)	-
						(19,470)
At 1 January 2020 - as adjusted						
Depreciation charge for the year	-	506,249	3,011,202	77,224	26,620	-
Disposals	-	36,089	202,317	7,677	1,755	-
	-	(848)	(86,475)	(1,027)	(3,514)	-
						247,838
						(91,864)
At 31 December 2020						
	-	541,490	3,127,044	83,874	24,861	-
						3,777,269

(in thousand Baht)

	Consolidated financial statements						
	Land and improvement	Building structures and improvement	Machinery and equipment	Office furniture, fixtures and equipment	Vehicles	Assets under construction and installation	Total
<i>Allowance for impairment</i>							
At 1 January 2019	-	-	-	-	-	3,851	3,851
At 31 December 2019 and 1 January 2020	-	-	-	-	-	3,851	3,851
Increase	-	-	-	-	-	1,059	1,059
At 31 December 2020	-	-	-	-	-	4,910	4,910
Net book value							
At 31 December 2019							
Owned assets	230,619	320,098	1,033,668	15,241	4,898	185,404	1,789,928
Asset under finance leases	-	-	-	-	14,267	-	14,267
Total	230,619	320,098	1,033,668	15,241	19,165	185,404	1,804,195
At 1 January 2020 - as adjusted	230,619	320,098	1,033,668	15,241	4,898	185,404	1,789,928
At 31 December 2020	230,619	340,391	1,419,353	20,528	3,440	22,274	2,036,605

The gross amount of the Group's fully depreciated plant and equipment that was still in use as at 31 December 2020 amounted to Baht 2,267.7 million (2019: Baht 2,195.5 million).

(in thousand Baht)

	Separate financial statements					
	Land and improvement	Building structures and improvement	Machinery and equipment	Office furniture, fixtures and equipment	Vehicles	Assets under construction and installation
Cost						Total
At 1 January 2019	210,522	715,772	3,826,003	87,032	64,005	4,962,133
Additions	-	3,242	23,512	6,299	7,489	343,841
Transfers	-	37,314	130,862	1,799	-	(3,089)
Disposals	-	(1,351)	(21,850)	(3,526)	(8,934)	(35,661)
At 31 December 2019 and 1 January 2020	210,522	754,977	3,958,527	91,604	62,560	5,267,224
Recognition of right-of-use assets on initial application of TFRS 16 (see note 3(b))	-	-	-	-	(33,737)	(33,737)
At 1 January 2020 - as adjusted	210,522	754,977	3,958,527	91,604	28,823	5,233,487
Additions	-	7,937	32,809	7,290	250	487,956
Transfers	-	47,509	548,365	5,646	-	-
Disposals	-	(849)	(87,629)	(1,041)	(5,887)	(95,406)
At 31 December 2020	210,522	809,574	4,452,072	103,499	23,186	5,626,037

(in thousand Baht)

	Separate financial statements					
	Land and improvement	Building structures and improvement	Machinery and equipment	Office furniture, fixtures and equipment	Vehicles	Assets under construction and installation
Accumulated depreciation						
At 1 January 2019	-	450,537	2,799,961	73,793	42,597	-
Depreciation charge for the year	-	29,126	177,345	6,213	8,132	-
Disposals	-	(868)	(21,523)	(3,517)	(6,997)	-
						3,366,888
						220,816
						(32,905)
At 31 December 2019 and 1 January 2020						
Recognition of depreciation of right-of-use assets on initial application of TFRS 16 (see note 3(b))	-	478,795	2,955,783	76,489	43,732	-
	-	-	-	-	(19,470)	-
						(19,470)
At 1 January 2020 - as adjusted						
Depreciation charge for the year	-	478,795	2,955,783	76,489	24,262	-
Disposals	-	31,982	193,446	7,615	1,654	-
	-	(849)	(87,369)	(1,016)	(5,887)	-
						3,535,329
						234,697
						(95,121)
At 31 December 2020	-	509,928	3,061,860	83,088	20,029	-
						3,674,905

(in thousand Baht)

	Separate financial statements					
	Land and improvement	Building structures and improvement	Machinery and equipment	Office furniture, fixtures and equipment	Vehicles	Assets under construction and installation
<i>Allowance for impairment</i>						
At 1 January 2019	-	-	-	-	-	3,851
At 31 December 2019 and 1 January 2020	-	-	-	-	-	3,851
Increase	-	-	-	-	-	1,059
At 31 December 2020	-	-	-	-	-	4,910
<i>Net book value</i>						
At 31 December 2019						
Owned assets	210,522	276,182	1,002,744	15,115	4,561	185,183
Asset under finance leases	-	-	-	-	14,267	-
						1,694,307
						14,267
Total	210,522	276,182	1,002,744	15,115	18,828	185,183
At 1 January 2020 - as adjusted	210,522	276,182	1,002,744	15,115	4,561	185,183
At 31 December 2020	210,522	299,646	1,390,212	20,411	3,157	22,274
						1,946,222

The gross amount of the Company's fully depreciated plant and equipment that was still in use as at 31 December 2020 amounted to Baht 2,256.0 million (2019: Baht 2,184.1 million).

Property, plant and equipment under construction

During the year ended 31 December 2020, the Group and the Company had equipment under installation. Costs incurred until 31 December 2020 were totaling Baht 442.8 million and Baht 439.7 million, respectively (2019: Baht 304.9 million and Baht 303.3 million, respectively).

Capitalised borrowing costs relating to the acquisition of the new production line for the Group are amounted to Baht 2.3 million (2019: 0.9 million), with a capitalisation rate of 1.2% to 1.4% (2019: 1.4%).

In 2020 and 2019, the Group performed an impairment testing of property plant and equipment of the subsidiary by determining the recoverable amounts based on value in use of asset which the period for estimated future cash flow were five years. The recoverable amount was higher than its carrying amount of subsidiary's property plant and equipment and no impairment was required.

13 Leases

As a lessee

(in thousand Baht)	
At 31 December 2020	Consolidated / Separate financial statements
<i>Right-of-use assets - net</i>	
Land	1,342
Building	1,844
Vehicles	51,991
Total	55,177

In 2020, additions to the right-of-use assets of the Group were Baht 60.51 million

The Group leased land, building and vehicles for 2 years 9 months to 5 years and paid fixed lease payments over the lease terms. The rental are payable monthly as specified in the lease agreements.

(in thousand Baht)

For the year ended 31 December	Consolidated / Separate financial statements	
	2020	2019
Amounts recognised in profit or loss		
Depreciation of right-of-use assets:		
- Land	168	-
- Building	1,053	-
- Vehicles	18,374	-
Interest on lease liabilities	2,414	-
Expenses relating to short-term leases	1,176	-
Expenses relating to leases of low-value assets	1,929	-
Lease expense	-	14,185

In 2020, total cash outflow for leases of the Group were Baht 21.1 million.

14 Intangible assets

(in thousand Baht)

	Consolidated financial statements		
	Deferred know-how and technical assistance fees	Software licences	Total
<i>Cost</i>			
At 1 January 2019	30,000	33,421	63,421
Additions	-	200	200
Transfers	-	3,089	3,089
Disposals	-	(419)	(419)
At 31 December 2019 and 1 January 2020	30,000	36,291	66,291
Additions	-	900	900
At 31 December 2019	30,000	37,191	67,191
<i>Accumulated amortisation</i>			
At 1 January 2019	16,759	30,278	47,037
Amortisation for the year	3,000	1,110	4,110
Disposals	-	(378)	(378)
At 31 December 2019 and 1 January 2020	19,759	31,010	50,769
Amortisation for the year	3,000	1,254	4,254
At 31 December 2020	22,759	32,264	55,023
<i>Net book value</i>			
At 31 December 2019	10,241	5,281	15,522
At 31 December 2020	7,241	4,927	12,168

(in thousand Baht)

	Separate financial statements Software licences
<i>Cost</i>	
At 1 January 2019	33,421
Additions	200
Transfers	3,089
Disposals	(419)
At 31 December 2019 and 1 January 2020	36,291
Additions	900
At 31 December 2020	37,191
<i>Accumulated amortisation</i>	
At 1 January 2019	30,278
Amortisation for the year	1,110
Disposals	(378)
At 31 December 2019 and 1 January 2020	31,010
Amortisation for the year	1,254
At 31 December 2020	32,264
<i>Net book value</i>	
At 31 December 2019	5,281
At 31 December 2020	4,927

15 Interest-bearing liabilities

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Current				
Short-term loans from financial institutions				
Unsecured	900,000	446,000	900,000	446,000
Current portion of lease liabilities				
(2019: Current portion of finance lease liabilities)	21,045	6,387	21,045	6,387
Total current interest-bearing liabilities	921,045	452,387	921,045	452,387
Non-current				
Lease liabilities (2019: Finance lease liabilities)	36,004	8,914	36,004	8,914
Total non-current interest-bearing liabilities	36,004	8,914	36,004	8,914

As at 31 December 2020, the Group had unutilised credit facilities amounting to Baht 2,657.6 million (2019: Baht 3,052.9 million).

Short-term loans from financial institutions

Short-term loans from financial institutions are promissory notes. The loans are due within 1 month to 3 months and bear interest at the rates of 1.1% - 1.7% per annum (2019: 1.4% - 2.0% per annum).

Lease liabilities (2019: Finance lease liabilities)

The Company entered into lease agreements with several local leasing companies to lease land, building and vehicles. The agreements are repayable within 2 years 9 months to 5 years and bear interest at the rates of 1.2% - 15.8% per annum in 2020 (2019: 5.9% - 15.8% per annum).

Finance lease liabilities as at 31 December 2019 were payable as follows:

(in thousand Baht)

Finance lease liabilities	Consolidated / Separate financial statements		
	Minimum lease payments	Interest	Present value of minimum lease payments
At 31 December 2019			
Within 1 year	7,207	820	6,387
1 - 5 years	9,864	950	8,914
Total	17,071	1,770	15,301

The remaining contractual maturities of lease liabilities as at 31 December 2020 are given in note 31.

Changes in liabilities arising from financing activities

(in thousand Baht)

	Consolidated / Separate financial statements		
	Loans	Lease liabilities (2019: Finance lease liabilities)	Total
2020			
Balance at 1 January	446,000	15,301	461,301
Changes from financing cash flows	454,000	(21,085)	432,915
Other changes - new leases	-	60,506	60,506
Changes in other non-cash movement	-	2,327	2,327
Balance at 31 December	900,000	57,049	957,049
2019			
Balance at 1 January	511,000	15,780	526,780
Changes from financing cash flows	(65,000)	(7,520)	(72,520)
Other changes - new finance leases	-	6,138	6,138
Changes in other non-cash movement	-	903	903
Balance at 31 December	446,000	15,301	461,301

16 Other current payables

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Accrued operating expenses	51,715	64,078	51,275	63,502
Payables for acquisition of assets	27,984	34,625	27,377	34,365
Others	61,923	79,373	60,663	77,689
Total	141,622	178,076	139,315	175,556

17 Other current liabilities

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Revenue department payable	15,437	14,203	15,065	14,138
Contract guarantee	21,780	20,733	21,512	20,560
Retention	3,827	4,021	3,827	4,021
Others	22	29	22	29
Total	41,066	38,986	40,426	38,748

18 Non-current provisions for employee benefits

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Post-employment benefits	225,700	206,070	224,431	205,015
Total	225,700	206,070	224,431	205,015

Defined benefit plan

The Group operate a defined benefit plan based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service. The defined benefit plans expose the Group to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

(in thousand Baht)

Present value of the defined benefit obligations	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
At 1 January	206,070	129,841	205,015	129,158
Included in profit or loss:				
Current service costs	12,840	9,818	12,691	9,691
Past service costs	-	28,969	-	28,797
Interest on obligation	3,112	5,133	3,092	5,101
	15,952	43,920	15,783	43,589
Included in other comprehensive income				
Actuarial loss				
- Demographic assumptions	-	471	-	539
- Financial assumptions	167	35,496	221	35,299
- Experience adjustment	8,592	(679)	8,493	(591)
	8,759	35,288	8,714	35,247
Benefits paid	(5,081)	(2,979)	(5,081)	(2,979)
	(5,081)	(2,979)	(5,081)	(2,979)
At 31 December	225,700	206,070	224,431	205,015

On 5 April 2019, the Labour Protection Act was amended to include a requirement that an employee, who is terminated after having been employed by the same employer for an uninterrupted period of twenty years or more, receives severance payment of 400 days of wages at the most recent rate. The Group has therefore amended its retirement plan in accordance with the changes in the Labour Protection Act in 2019. As a result of this change, the provision for retirement benefits as well as past service cost recognised increased.

(unit : %)

Principal actuarial assumptions	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Discount rate	1.62, 2.10	1.63, 1.88	1.62	1.63
Future salary growth	5.00, 6.00	5.00, 6.00	6.00	6.00
Employee turnover	0 - 60	0 - 60	0 - 60	0 - 60

Assumptions regarding future mortality have been based on published statistics and mortality tables.

At 31 December 2020, the weighted-average duration of the defined benefit obligation of the Company and its subsidiary was 14 years and 22 years, respectively (2019: 15 years and 23 years, respectively).

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.

(in thousand Baht)

Effect to the defined benefit obligation At 31 December	Consolidated financial statements			
	0.5% increase in assumption		0.5% decrease in assumption	
	2020	2019	2020	2019
Discount rate	(10,752)	(10,261)	11,661	11,135
Future salary growth	11,152	10,647	(9,727)	(9,276)

Effect to the defined benefit obligation At 31 December	Separate financial statements			
	0.5% increase in assumption		0.5% decrease in assumption	
	2020	2019	2020	2019
Discount rate	(10,638)	(10,163)	11,533	11,025
Future salary growth	11,022	10,535	(9,621)	(9,185)

(million shares / in million Baht)

	Par value per share (in Baht)	Consolidated / Separate financial statements					
		2020			2019		
		Number	Treasury shares	Treasury shares reserve	Number	Treasury shares	Treasury shares reserve
Treasury shares							
At 1 January	1	-	-	-	-	-	-
Treasury shares	1	93	(512)	512	-	-	-
At 31 December	1	93	(512)	512	-	-	-

In March 2020, the Board of Directors of the Company approved a treasury share plan (the “Plan”) to re-purchase not more than 9.92%, or 94 million shares of the Company’s shares then in issue. The purpose of the Plan is to increase the Company’s return on equity, earnings per share and dividend yield. The maximum amount approved for share re-purchase under the Plan is Baht 517 million or Baht 5.50 per shares. The Company had informed the resolution of the Board of Directors to the Stock Exchange of Thailand (SET) in April 2020 and had already purchased the shares offer to general shareholders during the period from 7 May 2020 to 26 May 2020.

The treasury shares account within equity comprises the cost of the Company’s own shares held by the Company.

As at 31 December 2020, the Company held the Company’s shares of 93 million shares (2019: Nil), or 9.80% (2019: Nil) of the Company’s issued and paid-up share capital, at a total cost of Baht 511.96 million (2019: Nil). The Company appropriated retained earnings to treasury share reserve in the amount equal to the full amount paid for the treasury shares.

In accordance to the Ministerial Regulation relevant to the repurchase of shares, the Company shall dispose all of its treasury shares not more than 3 years from the completion of the share repurchased which the Company could dispose of the treasury shares after 6 months from the completion of each share repurchase and shall dispose all treasury shares thereof within the timeframe specified. If the Company does not dispose or is unable to dispose all, the Company shall reduce its paid-up capital by deducting therefrom the registered treasury shares not disposed of which is the cancellation of treasury shares in terms of accounting basis.

20 Reserves

Legal reserve

Section 116 of the Public Companies Act B.E. 2535 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account (“legal reserve”), until this account reaches an amount not less than 10% of the authorised capital. The legal reserve is not available for dividend distribution.

Treasury shares reserve

The treasury shares reserve represents the amount appropriated from retained earnings equal to the cost of the Company’s own shares held by the Company. The treasury shares reserve is not available for dividend distribution.

21 Segment information and disaggregation of revenue

Segment information

The Group operates in one business segment which is manufacturing of roof tiles, artificial woods and autoclaved aerated concrete which is integrated and complementary line of products. Therefore, management considers that the Group has only one segment. As a result, income, profit and all assets presented in the financial statements relating to manufacturing of roof tiles, artificial woods and autoclaved aerated concrete.

Disaggregation of revenue

In the following table, revenue is disaggregated by primary geographical market, major products and service lines and timing of revenue recognition.

(in thousand Baht)

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Primary geographical markets				
Thailand	3,705,274	4,014,468	3,705,274	4,014,468
Overseas	675,773	733,086	675,773	733,086
Total revenue	4,381,047	4,747,554	4,381,047	4,747,554
Major products / service lines				
Revenue from sale of goods	4,069,344	4,326,945	4,069,344	4,326,945
Revenue from rendering of services	311,703	420,609	311,703	420,609
Total revenue	4,381,047	4,747,554	4,381,047	4,747,554
Timing of revenue recognition				
At a point in time	4,381,047	4,747,554	4,381,047	4,747,554
Over time	-	-	-	-
Total revenue	4,381,047	4,747,554	4,381,047	4,747,554

Major customers

The Group has no external customer as major customers of the Company.

22 Other income

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Gain on exchange rate	341	4,964	341	4,964
Gain on disposal of assets	22,472	64,205	22,836	64,257
Reversal of doubtful debts and bad debts	1,260	270	1,260	270
Others	4,026	8,363	3,844	8,294
Total	28,099	77,802	28,281	77,785

23 Distribution costs

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Sales promotional expenses	32,401	29,582	32,394	29,579
Employee benefit expenses	62,012	67,907	62,012	67,907
Others	33,704	35,144	33,704	35,144
Total	128,117	132,633	128,110	132,630

24 Administrative expenses

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Employee benefit expenses	266,808	269,446	262,089	265,296
Storage expenses	91,620	100,911	91,453	100,897
Depreciation and amortisation	36,915	27,618	33,745	25,721
Service fees	33,808	34,483	32,917	33,577
Tax and fees	10,650	21,426	10,603	21,154
Fuel and energy expenses	7,568	8,996	7,280	8,718
Rental expense	2,215	8,237	2,017	8,051
Utilities expenses	6,784	6,684	6,535	6,528
Others	38,047	26,407	36,397	25,192
Total	494,415	504,208	483,036	495,134

25 Employee benefit expenses

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Salaries, wages and bonus	449,085	446,994	440,161	437,771
Contribution to provident fund	25,884	21,439	25,884	21,439
Post-employment benefits	15,952	43,920	15,783	43,589
Contribution to social securities fund	7,064	8,542	6,753	8,144
Others	109,559	105,843	105,817	101,794
Total	607,544	626,738	594,398	612,737

Defined benefit plan

Details of the defined benefit plan are given in note 18.

Defined contribution plan

The defined contribution plan comprises provident fund established by the Company for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rates ranging from 3% to 15% of their basic salaries and by the Company at the same rates but not exceed 9% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by licensed Fund Manager.

26 Expenses by nature

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Changes in inventories of finished goods and work in progress	25,039	(35,479)	30,472	(35,687)
Raw materials and consumables used	1,493,905	1,668,864	1,441,854	1,610,318
Employee benefit expenses	607,544	626,738	594,398	612,737
Storage expenses	364,188	434,672	356,750	426,945
Service fees	298,630	368,788	290,131	361,235
Depreciation and amortisation	272,061	238,871	225,920	223,779
Others	669,666	809,063	769,751	926,678
Total cost of sales of goods and rendering of services, distribution costs and administrative expenses	3,731,033	4,111,517	3,739,276	4,126,005

27 Finance costs

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Interest expense:				
Loans from financial institutions	7,568	6,212	7,568	6,212
Interest on leases liabilities (2019: Interest on finance leases liabilities)	2,414	898	2,414	898
Total interest expense	9,982	7,110	9,982	7,110
Less Capitalised as cost of assets under construction	(2,297)	(864)	(2,297)	(864)
Net	7,685	6,246	7,685	6,246

28 Income tax expense

(in thousand Baht)

Income tax recognised in profit or loss	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Current tax expense				
Current year	116,798	143,935	116,798	143,935
Adjustment for prior years	(378)	72	(378)	72
	116,420	144,007	116,420	144,007
Deferred tax expense				
Movements in temporary differences	(3,412)	(7,951)	(3,561)	(7,574)
Total income tax expense	113,008	136,056	112,859	136,433

(in thousand Baht)

Income tax	Consolidated financial statements					
	2020			2019		
	Before tax	Tax expense	Net of tax	Before tax	Tax expense	Net of tax
Recognised in other comprehensive income						
Defined benefit plan actuarial losses	8,759	(1,752)	7,007	35,288	(7,058)	28,230
Total	8,759	(1,752)	7,007	35,288	(7,058)	28,230

(in thousand Baht)

Income tax	Separate financial statements					
	2020			2019		
	Before tax	Tax expense	Net of tax	Before tax	Tax expense	Net of tax
Recognised in other comprehensive income						
Defined benefit plan actuarial losses	8,714	(1,743)	6,971	35,247	(7,050)	28,197
Total	8,714	(1,743)	6,971	35,247	(7,050)	28,197

Reconciliation of effective tax rate	Consolidated financial statements			
	2020		2019	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit before income tax expense		670,427		707,593
Income tax using the Thai corporation tax rate	20.00	134,085	20.00	141,519
Tax losses not recognised		(1,689)		(2,903)
Expenses not deductible for tax purposes		4,606		1,377
Expenses with tax deductible benefits		(23,616)		(4,009)
Under (over) provided in prior years		(378)		72
Total	16.86	113,008	19.23	136,056

Reconciliation of effective tax rate	Separate financial statements			
	2020		2019	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit before income tax expense		662,366		693,087
Income tax using the Thai corporation tax rate	20.00	132,473	20.00	138,617
Expenses not deductible for tax purposes		4,458		1,755
Expenses with tax deductible benefits		(23,694)		(4,011)
Under (over) provided in prior years		(378)		72
Total	17.04	112,859	19.68	136,433

(in thousand Baht)

Deferred tax At 31 December	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Deferred tax assets	51,976	46,812	57,404	52,100
Deferred tax liabilities	-	-	-	-
Net	51,976	46,812	57,404	52,100

(in thousand Baht)

Deferred tax 2020	Consolidated financial statements			
	(Charged) / Credited to:			
	At 1 January	Profit or loss	Other comprehensive income	At 31 December
<i>Deferred tax assets</i>				
Trade accounts receivable (doubtful accounts)	1,642	(252)	-	1,390
Inventories (allowance for decline in value)	2,979	1,110	-	4,089
Property, plant and equipment (allowance for impairment)	770	212	-	982
Lease liabilities	207	168	-	375
Provision for employee benefits	41,214	2,174	1,752	45,140
Total	46,812	3,412	1,752	51,976

(in thousand Baht)

Deferred tax 2019	Consolidated financial statements			
	(Charged) / Credited to:			
	At 1 January	Profit or loss	Other comprehensive income	At 31 December
<i>Deferred tax assets</i>				
Trade accounts receivable (doubtful accounts)	1,696	(54)	-	1,642
Inventories (allowance for decline in value)	2,624	355	-	2,979
Investment properties (allowance for impairment)	500	(500)	-	-
Property, plant and equipment (allowance for impairment)	770	-	-	770
Finance lease liabilities	245	(38)	-	207
Provision for employee benefits	25,968	8,188	7,058	41,214
Total	31,803	7,951	7,058	46,812

(in thousand Baht)

Deferred tax 2020	Separate financial statements			
	(Charged) / Credited to:			
	At 1 January	Profit or loss	Other comprehensive income	At 31 December
Deferred tax assets				
Trade accounts receivable (doubtful accounts)	1,642	(252)	-	1,390
Inventories (allowance for decline in value)	2,478	1,293	-	3,771
Investment in subsidiary (allowance for impairment)	6,000	-	-	6,000
Property, plant and equipment (allowance for impairment)	770	212	-	982
Lease liabilities	207	168	-	375
Provision for employee benefits	41,003	2,140	1,743	44,886
Total	52,100	3,561	1,743	57,404

(in thousand Baht)

Deferred tax 2019	Separate financial statements			
	(Charged) / Credited to:			
	At 1 January	Profit or loss	Other comprehensive income	At 31 December
Deferred tax assets				
Trade accounts receivable (doubtful accounts)	1,696	(54)	-	1,642
Inventories (allowance for decline in value)	2,433	45	-	2,478
Investment properties (allowance for impairment)	500	(500)	-	-
Investment in subsidiary (allowance for impairment)	6,000	-	-	6,000
Property, plant and equipment (allowance for impairment)	770	-	-	770
Finance lease liabilities	245	(38)	-	207
Provision for employee benefits	25,832	8,121	7,050	41,003
Total	37,476	7,574	7,050	52,100

(in thousand Baht)

Unrecognised deferred tax assets	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Tax losses	9,985	17,113	-	-
Total	9,985	17,113	-	-

The tax losses of a subsidiary will expire in 2021. The deductible temporary differences do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of this item because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom.

29 Earnings per share

(in thousand Baht/thousand share)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<i>Profit attributable to ordinary shareholders for the year ended 31 December</i>				
Profit attributable to ordinary shareholders of the Company (basic)	557,420	571,537	549,508	556,654
<i>Ordinary shares outstanding</i>				
Number of ordinary shares outstanding at 1 January	947,962	947,962	947,962	947,962
Effect of own shares held	(55,859)	-	(55,859)	-
Weighted average number of ordinary shares outstanding (basic) at 31 December	892,103	947,962	892,103	947,962
Earnings per share (basic) (in Baht)	0.62	0.60	0.62	0.59

30 Dividends

The dividends paid by the Group to the shareholders are as follows:

	Approval date	Payment schedule	Dividend rate per share (Baht)	Amount (in thousand Baht)
<i>2020</i>				
Interim dividend	31 August 2020	September 2020	0.20	171,007
<i>2019</i>				
Annual dividend	24 April 2020	May 2020	0.40	379,185
Interim dividend	26 August 2019	September 2019	(0.20)	(189,593)
Additional dividend paid			0.20	189,592

31 Financial instruments

(a) Carrying amounts and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

(in thousand Baht)

	Carrying amount	Consolidated / Separate financial statements Fair value			
		Level 1	Level 2	Level 3	Total
31 December 2019					
Financial liability not measured at fair value					
Forward exchange contracts	-	-	(79)	-	(79)

Financial instruments measured at fair value

Type

Valuation technique

Forward exchange contracts *Forward pricing:* The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.

(b) Financial risk management policies

Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(b.1) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from receivables from customers.

(b.1.1) Trade accounts receivable

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate. Detail of concentration of revenue are included in note 21.

The Group has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms. The Group's review industry information and in some cases bank references. Sale limits are established for each customer and reviewed regularly. Any sales exceeding those limits require approval from the authorised person as specified in credit control policy.

The Group limits its exposure to credit risk from trade accounts receivable by establishing a payment period from 30 days to 120 days.

The following table provides information about the exposure to credit risk and ECLs for trade accounts receivables.

(in thousand Baht)

At 31 December 2020	Consolidated / Separate financial statements	
	Trade accounts receivable	Allowance for impairment losses
Within credit terms	382,528	(555)
Overdue:		
Less than 91 days	64,986	(212)
91 - 180 days	138	(103)
181 - 360 days	74	(70)
More than 360 days	7,143	(6,010)
Total	454,869	(6,950)
<i>Less allowance for expected credit loss</i>	<i>(6,950)</i>	
Net	447,919	

Loss rates are based on actual credit loss experience over the past three years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Trade accounts receivable

Consolidated / Separate
financial statements
(in thousand Baht)

At 31 December 2019

Within credit terms	407,348
Overdue:	
Less than 91 days	49,632
91 - 180 months	1,446
181 - 360 months	2,501
More than 360 days	5,329
Total	466,256
Less allowance for doubtful accounts	(8,210)
Net	458,046

The normal credit term granted by the Group ranges from 30 days to 120 days

Movement of allowance for expected credit loss
of trade accounts receivable

Consolidated / Separate
financial statements
(in thousand Baht)

At 1 January 2020	8,210
Reversal	(1,260)
At 31 December 2020	6,950

(b.1.2) Cash and cash equivalent and derivatives

The Group's exposure to credit risk arising from cash and cash equivalents and derivative assets is limited because the counterparties are banks and financial institutions with a minimum credit rating of AA- and A- assigned by Fitch Rating (Thailand) Limited and Tris Rating Co., Ltd, respectively, for which the Group considers to have low credit risk.

(b.2) Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

The following table are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

(in thousand Baht)

At 31 December 2020	Consolidated financial statements				
	Carrying amount	1 year or less	Contractual cash flows		Total
			More than 1 year but less than 2 years	More than 2 years but less than 5 years	
Non-derivative financial liabilities					
Short-term loans from financial institutions	900,000	900,000	-	-	900,000
Trade accounts payable	89,354	89,354	-	-	89,354
Lease liabilities	57,049	23,063	22,215	15,523	60,801
Total	1,046,403	1,012,417	22,215	15,523	1,050,155

(in thousand Baht)

At 31 December 2020	Separate financial statements				
	Carrying amount	1 year or less	Contractual cash flows		Total
			More than 1 year but less than 2 years	More than 2 years but less than 5 years	
Non-derivative financial liabilities					
Short-term loans from financial institutions	900,000	900,000	-	-	900,000
Trade accounts payable	164,166	164,166	-	-	164,166
Lease liabilities	57,049	23,063	22,215	15,523	60,801
Total	1,121,215	1,087,229	22,215	15,523	1,124,967

(in thousand Baht)

At 31 December 2019	Consolidated / Separate financial statements				
	Effective interest rate (% per annum)	Within 1 year	After 1 year but within 5 years	After 5 years	Total
Financial liability					
Short-term loans from financial institutions	1.4 - 2.0	446,000	-	-	446,000

(b.3) Market risk

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivatives for speculative or trading purposes.

(b.3.1) Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies. The Group primarily utilises forward exchange contracts with maturities of less than one year to hedge such financial assets and liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases and sales, denominated in foreign currencies, for the subsequent period.

(in thousand Baht)

Exposure to foreign currency at 31 December	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
United States Dollars				
Cash and cash equivalents	7,875	722	7,875	722
Trade accounts receivable	1,385	2,752	1,385	2,752
Other current receivables	26,051	23,736	26,051	23,736
Trade accounts payable	(1,526)	(20,295)	(1,526)	(20,295)
Other current payables	-	(491)	-	(491)
Euro				
Trade accounts payable	-	(1,248)	-	(1,248)
Net statement of financial position exposure	33,785	5,176	33,785	5,176
Forward exchange purchase contracts	-	21,122	-	21,122
Net exposure	33,785	26,298	33,785	26,298

Sensitivity analysis

A reasonably possible strengthening (weakening) of the US dollar and Euro against all other currencies at 31 December 2020 would not have affected the measurement of financial instruments denominated in a foreign currency.

(b.3.2) Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because loan interest rates are mainly fixed. The Group is primarily exposed to interest rate risk from its borrowings (see note 15). The Group mitigates this risk by ensuring that the majority of its borrowings are at fixed interest rates

Fair value sensitivity analysis for fixed-rate instruments

The Group does not account for any fixed-rate financial assets or financial liabilities, at FVTPL, and the Group does not designate derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

32 Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity and also monitors the level of dividends to ordinary shareholders.

33 Commitments with non-related parties

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Capital commitments				
Agreements of construction and acquisition of machinery and equipment	18,046	305,991	17,959	305,991
Total	18,046	305,991	17,959	305,991
Other commitments				
Short-term leases and leases of low-value assets commitments	103	37,734	103	37,734
Unused letters of credit	147,004	134,331	147,004	134,331
Forward exchange purchase contracts	-	21,122	-	21,122
Total	147,107	193,187	147,107	193,187

Operating lease agreements

As at 31 December 2020, The Group has lease agreements for office space and other services for the periods of 1 year to 3 years up to February 2022 at the agreed amount stipulated in the agreements.

34 Events after the reporting period

As disclosed in note 5, the Group has elected to apply accounting guidance on temporary accounting relief measures for additional accounting options in response to impact from the situation of coronavirus pandemic (COVID-19). The guidance expired on 31 December 2020.

The COVID-19 pandemic continued subsequent to the expiration of the guidance as increasingly affected cases were found and spread all over Thailand. In response to the situation, Thailand has enacted measures to monitor and control the spread, encouraging people to keep social distancing, avoid crowded gathering and travel less. Meanwhile, according to information from the World Health Organization (WHO), vaccines for COVID-19 have become available and are being rolled out around the world. However, it is still not possible to predict for how long and to what extent the vaccines will provide protection and when the spread will be over.

As the situation is highly uncertain and fluid, it is currently not possible to determine the impact of the continued pandemic, government measures and roll out of the vaccination on the business of the Group. Management is closely monitoring the situation and managing to lessen the impact as much as possible.

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ATTACHMENT 1 : DETAILS OF DIRECTORS, EXECUTIVES, CONTROLLING PERSONS, THE PERSON TAKING THE HIGHEST RESPONSIBILITY IN ACCOUNTING AND FINANCE, PERSON SUPERVISING ACCOUNTING, AND COMPANY SECRETARY

(AS AT DECEMBER 31, 2020)



1 Mr. Prakt Pradipasen

Age **78** Years / Nationality : Thai

Shareholding in the Company as of Year **2019 : 2020 = 1.59% : 1.77%**
of the paid-up capital and total voting rights.

Position :

- Chairman : Started from January 9, 2003, totaling 17 years
- Directors authorized to sign on behalf of the Company

Education

- Bachelor of Science in Business Administration Silliman University, Philippines
- Master of Business Administration Wayne State University, USA
- Citibank Credit Training Center, Philippines
- Senior Executive Program, Stanford National of Singapore, Singapore
- Special Program of National Defence College, Joint Public & Private Sector Class 3
- Program for Senior Executive The Sloan School of Management Massachusetts Institute of Technology, USA

Trainings of the Thai Institute of Directors (IOD)

- Year 2003 Director Accreditation Program
- Year 2007 Role of Chairman Program

Work Experience

Time	Position	Company	Type of Business
Listed Companies			
2019 – Present	Independent Director and Audit Committee Chairman	Toray Textiles (Thailand) Plc.	Fashion
2000 – Present	Chairman and Independent Director	Asian Marine Service Plc.	Transportation & Logistics
2000 – Present	Independent Director and Audit Committee	Susco Plc.	Energy & Utilities
2000 – Present	Independent Director and Audit Committee Chairman	Hardthip PCL	Food & Beverage

Work Experience

Time	Position	Company	Type of Business
Companies (Not listed companies)			
2019 – Present	Director	Pattaya Grand Village Co., Ltd	Property Development
2018 – Present	Director	Rugby School Thailand	International School
2002 – Present	Director	Myriad Materials Co., Ltd.	A holding company that does not mainly invest in financial business.
2000 – 2019	Chairman	Angthong Sugar Terminal Plc.	Transportation & Logistics
2000 – 2019	Independent Director and Audit Committee Chairman	Luckytex (Thailand) Plc.	Fashion
2000 – 2018	Independent Director, Chairman of the Audit Committee and Chairman of the Nomination and Compensation Committee	Supalai Plc.	Property Development
2000 – 2018	Chairman, Independent Director and Nominating and Corporate Governance Committee Chairman	The Erawan Group Plc.	Tourism & Leisure
2000 – 2016	Independent Director and Audit Committee Chairman	Thai Carbon Black Plc.	Petrochemicals & Chemicals



2 Mr. Chaikut Srivikorn

Age 54 Years / Nationality : Thai

Shareholding in the Company as of Year 2019 : 2020 = 0.33% : 0.36%
of the paid-up capital and total voting rights.

Position :

- Director : Started from January 20, 2003, totaling 17 years
- Nomination and Remuneration Committee Chairman :
Start from February 26, 2007, totaling 13 years
- Directors authorized to sign on behalf of the Company

Education

- Bachelor of Economics, New York University, USA
- Master of Public Administration, NIDA

Trainings of the Thai Institute of Directors (IOD)

- Year 2005 Director Accreditation Program
- Year 2008 Role of the Compensation Committee
- Year 2011 Successful Formulation and Execution of Strategy
- Year 2016 Anti-Corruption the Practical Guide
- Year 2016 Corporate Governance for Executives

Work Experience

Time	Position	Company	Type of Business
Listed Companies : None			
Companies (Not listed companies)			
2016 – Present	Chairman	Srivikorn Foundation	Foundation
2015 – Present	Executive Director	TCMC Furniture (UK.) Co., Ltd.	Home & Office Products
2012 – Present	Chairman	Action Perfect Co., Ltd.	Sport
2002 – Present	Director	Myriad Materials Co., Ltd.	A holding company that does not mainly invest in financial business.
1999 – Present	Chairman	TCH Suminoe Co., Ltd.	Automotive
1999 – Present	Chairman	Thai Outdoor Sport Co., Ltd.	Sport
1998 – Present	Executive Director	Srivikorn Group Holdings Co., Ltd.	A holding company that does not mainly invest in financial business.
1991 – Present	Executive Director	President Hotel and Tower Co., Ltd.	Tourism & Leisure
2012 – 2018	Director	Serenity Asset Co.,Ltd.	Tourism & Leisure
2004 – 2014	Chairman	K M C Apparel Co.,Ltd.	Fashion
1996 – 2014	Chairman	Thai Tech Garment Manufacturing Co.,Ltd.	Fashion



3 Mr. Thanit Pulivekin

Age **70** Years / Nationality : Thai

Shareholding in the Company as of Year **2019** : **2020** = -None-

Position :

- Independent Director : Started from April 24, 2013, totaling 7 years
- Audit Committee Member : Started from April 29, 2013, totaling 7 years
- Corporate Governance Committee Chairman : Started from November 5, 2013, totaling 7 years

Education

- B.SC (Chemical Engineering), Chulalongkorn University

Trainings of the Thai Institute of Directors (IOD)

- Year 2013 Director Accreditation Program
- Year 2013 Audit Committee Program

Work Experience

Time	Position	Company	Type of Business
Listed Companies			
2002 – 2010	Vice President-Technical and Engineering	Siam City Cement Plc.	Construction Materials
Companies (Not listed companies)			
2018 – Present	Chairman	Baan Phaholyothin Place Juristic Person	Property Development
2014 – Present	Director	Phaholyothin Place Juristic Person	Property Development



4 Sakda Maneeratchatchai

Age **76** Years / Nationality : Thai

Shareholding in the Company as of Year **2019 : 2020 = 0.43% : 0.48%**
of the paid-up capital and total voting rights.

Position :

- Independent Director : Started from April 17, 2009, totaling 11 years
- Audit Committee Chairman : Started from April 29, 2013, totaling 7 years

Education

- Bachelor of Electrical Engineering, FEATI University, Philippines

Trainings of the Thai Institute of Directors (IOD)

- Year 2005 Director Accreditation Program
- Year 2005 Audit Committee Program
- Year 2016 R-ACF-Audit Committee Forum

Work Experience

Time	Position	Company	Type of Business
Listed Companies			
2007 – 2008	Advisor	Diamond Building Products Plc.	Construction Materials
1999 – 2006	Director, Executive Director and Managing Director	Diamond Building Products Plc.	Construction Materials

Companies (Not listed companies) : None



5 Mr. Anun Louharanoo

Age **67** Years / Nationality : Thai

Shareholding in the Company as of Year **2019** : **2020** = **0.25%** : **0.27%**
of the paid-up capital and total voting rights.

Position :

- Independent Director : Started from January 10, 2005, totaling 15 years
- Audit Committee Member : Started from January 10, 2005, totaling 15 years
- Nomination and Remuneration Committee Member : Started from February 26, 2007, totaling 13 years

Education

- Bachelor of Accounting, Thammasat University
- Bachelor of Laws, Thammasat University

Trainings of the Thai Institute of Directors (IOD)

- Year 2003 Director Accreditation Program
- Year 2003 Director Certification Program
- Year 2004 Audit Committee Program
- Year 2006 Director Certification Program (Refresher Course)
- Year 2006 Improving the Quality of Financial Reporting
- Year 2007 Monitoring the System of Internal Control and Risk Management
- Year 2007 Monitoring the Internal Audit Function
- Year 2007 Corporate Governance Workshop Board Performance Evaluation
- Year 2008 Role of the Compensation Committee
- Year 2016 R-ACF-Audit Committee Forum
- Year 2020 Board Nomination & Compensation Program

Work Experience

Time	Position	Company	Type of Business
Listed Companies			
2003 – Present	Director	Thai Agro Energy Plc.	Energy & Utilities
1985 – Present	Director and Financial Adviser	Lanna Resources Plc.	Energy & Utilities
2019 – 2019	Acting Chief Executive Officer	Thai Agro Energy Plc.	Energy & Utilities
2012 – 2018	Independent Director and Audit Committee Chairman	TCM Corporation Plc.	Construction Materials
Companies (Not listed companies)			
2016 – Present	Director	Lanna Power Generation Co.,Ltd.	Energy & Utilities
2008 – Present	Commissioner	PT. Singlurus Pratama	Energy & Utilities
2006 – Present	Director	PT. Lanna Power Indonesia	Energy & Utilities
1998 – Present	Commissioner	PT. Lanna Harita Indonesia	Energy & Utilities
2004 – 2015	Director	PT.Citra Harita Mineral (dissolved)	Energy & Utilities



6 Mr. Woodthikrai Soatthiyanon

Age **67** Years / Nationality : Thai

Shareholding in the Company as of Year **2019 : 2020 = -None-**

Position :

- Independent Director : Started from January 12, 2011, totaling 9 years
- Corporate Governance Committee Member : Started from November 5, 2013, totaling 7 years

Education

- LL.B., Ramkhamhang University
- Thai Barrister at Law
- Master of Public and Private Management, School of Public Administration, National Institute of Development Administration

Trainings of the Thai Institute of Directors (IOD)

- Year 2011 Director Accreditation Program

Work Experience

Time	Position	Company	Type of Business
Listed Companies			
2007 – 2008	Director	Ayudhya Allianz C.P. Life Plc.	Insurance
2005 – 2006	SVP-Bancassurance Strategie Support, Bancassurance Dapt	Ayudhya Allianz C.P. Life Plc.	Insurance
Companies (Not listed companies)			
2008 – Present	Managing Partner	Woodthikrai Soatthiyanon Law office	Professional Services



7 Mr. Asanee Chantong

Age 68 Years / Nationality : Thai

Shareholding in the Company as of Year 2019 : 2020 = 0.11% : 0.12%
of the paid-up capital and total voting rights.

Position :

- Director : Started from January 1, 2007, totaling 14 years
- Production Technology and Innovation Committee Chairman :
Started from January 1, 2018, totaling 3 years
- Directors authorized to sign on behalf of the Company

Education

- Bachelor of Science (Chemistry), Chiang Mai University
- Master of Management, Sasin Graduate Institute of Business
Administration, Chulalongkorn University

Trainings of the Thai Institute of Directors (IOD)

- Year 2007 Director Accreditation Program
- Year 2009 Financial Statements for Directors

Work Experience

Time	Position	Company	Type of Business
Listed Companies : None			
Companies (Not listed companies)			
2013 – 2017	Chairman	Diamond Materials Co., Ltd.	Construction Materials
2004 – 2006	Managing Director	S.K.I. Ceramics Co., Ltd.	Ceramics
2000 – 2004	Joint Managing Director	Kohler (Thailand) Plc.	Construction Materials



8 Mr. Satid Sudbuntad

Age 60 Years / Nationality : Thai

Shareholding in the Company as of Year 2019 : 2020 = 0.84% : 1.05%
of the paid-up capital and total voting rights.

Position :

- Director : Started from January 24, 2000, totaling 20 years
- Chief Executive Officer : Started from January 1, 2018, totaling 3 years
- Management Committee Chairman : Started from January 1, 2018, totaling 3 years
- Production Technology and Innovation Committee Member : Started from January 1, 2018, totaling 3 years
- Directors authorized to sign on behalf of the Company and subsidiary company

Education

- Bachelor of Engineering, King Mongkut's Institute of technology North Bangkok
- Master of Science in Engineering Administration (Major in Marketing Technology) The George Washington University, Washington D.C., USA
- Managing Change and Change of Management in Asia, Insead Euro-Asia Center, Hong Kong (2/2000)
- Orchestrating Winning Performance International Institute for Management Development, Lausanne, Switzerland (6/2000)

Trainings of the Thai Institute of Directors (IOD)

- Year 2001 Director Certification Program
- Year 2003 Finance for Non-Finance Director
- Year 2005 Audit Committee Program

Work Experience

Time	Position	Company	Type of Business
Listed Companies : None			
Companies (Not listed companies)			
2018 – Present	Chairman	Diamond Materials Co., Ltd.	Construction Materials
2013 – 2017	Director	Diamond Materials Co., Ltd.	Construction Materials
1995 – 1999	Director	Karat faucet Co., Ltd.	Construction Materials



9 Mr. Maitree Tawonatiwasna *

Age **74** Years / Nationality : Thai

Shareholding in the Company as of Year **2019 : 2020 = 0.33% : 0.41%** of the paid-up capital and total voting rights.

Position :

- Director : Started from January 12, 2011, totaling 9 years
- Management Committee Member : Started from January 1, 2007, totaling 14 years as at December 31, 2020
- Production Technology and Innovation Committee Member : Started from January 1, 2018, totaling 3 years
- Deputy Chief Executive Officer Production and Engineering : Started from January 1, 2015, totaling 5 years as at December 31, 2020
- Directors authorized to sign on behalf of the Company and subsidiary company

Education

- Bachelor of Industrial Electrical Technology, King Mongkut's Institute of technology North Bangkok
- Master of Business Administration, NIDA

Trainings of the Thai Institute of Directors (IOD)

- Year 2011 Director Accreditation Program

Work Experience

Time	Position	Company	Type of Business
Listed Companies : None			
Companies (Not listed companies)			
2013 – Present	Director	Diamond Materials Co., Ltd.	Construction Materials
1997 – 2004	Managing Director	Kohler (Thailand) Plc.	Construction Materials

Remark: * On January 1, 2021, Mr. Maitree Tawonatiwasna retired from Deputy Chief Executive Officer Production and Engineering.



10 Mr. Warayu Pradipasen

Age **43** Years / Nationality : Thai

Shareholding in the Company as of Year **2019 : 2020 = 0.02% : 0.02%**
of the paid-up capital and total voting rights.

Position :

- Director : Started from November 5, 2015, totaling 5 years
- Corporate Governance Committee Member : Started from January 30, 2018, totaling 2 years

Education

- Bachelor of Science, Civil Engineering Rensselaer Polytechnic Institute, New York, USA
- Master of Science, Business Administration (Logistics and Transportation) University of Maryland at College Park, Maryland, USA

Trainings of the Thai Institute of Directors (IOD)

- Year 2016 Director Accreditation Program
- Year 2020 Financial Statements for Directors

Work Experience

Time	Position	Company	Type of Business
Listed Companies : None			
Companies (Not listed companies)			
2019 – Present	Head of Rail Transpost Group	Office of the Permanent Secretary	Government Organization
2018 – 2019	Manager, Aviation Industry Promotion Department	The Civil Aviation Authority of Thailand	Government Organization
2015 – 2018	Head of Infrastructure	Office of the Permanent Secretary	Government Organization
2014 – 2015	Development Group Senior Analyst	Office of the Permanent Secretary	Government Organization



11 Mr. Chatchai Teepsuwan

Age **51** Years / Nationality : Thai

Shareholding in the Company as of Year **2019** : **2020** = -None-

Position :

- Director : Started from April 25, 2016, totaling 5 years
- Nomination and Remuneration Committee Member :
Started from January 30, 2018, totaling 2 years

Education

- MBA, Graduate Institute of Business Administration (SASIN)
- BA, Boston University, Boston, Mass. USA

Trainings of the Thai Institute of Directors (IOD)

- Year 2016 Director Certification Program

Work Experience

Time	Position	Company	Type of Business
Listed Companies : None			
Companies (Not listed companies)			
2015 – Present	Director	Myriad Materials Co.,Ltd.	A holding company that does not mainly invest in financial business.
2012 – Present	Managing Director	Pattaya Grand Village Co., Ltd	Property Development
2005 – Present	Director	Phahol 8 Co., Ltd	Property Development
2000 – 2012	Manager	Merrill Lynch International Bank Pte., Singapore	Bank



12 Mr. Kamolaphat Teepsuwan

Age **53** Years / Nationality : Thai

Shareholding in the Company as of Year **2019 : 2020 = -None-**

Position :

- Director : Started from January 29, 2018, totaling 2 years

Education

- Worcester Polytechnic Institute Management Engineering , USA
- Master of Business Administration (MBA), Boston University, USA

Trainings of the Thai Institute of Directors (IOD)

- Year 2015 Finance for Non-Finance Director
- Year 2018 Director Accreditation Program

Work Experience

Time	Position	Company	Type of Business
Listed Companies : None			
Companies (Not listed companies)			
2018 – Present	Director	Myriad Materials Co.,Ltd.	A holding company that does not mainly invest in financial business.
2016 – Present	Director	Wisdom Enterprise Co., Ltd	Educational Institution
2016 – Present	Director	Royal Porcelain Plc.	Home & Office Products
2014 – Present	Director	Pattaya Grand Village Co., Ltd	Property Development
2007 – Present	Director	Phahol 8 Co., Ltd	Property Development



13 Mr. Sunthorn Suwannajade

Age **57** Years / Nationality : Thai

Shareholding in the Company as of Year **2019 : 2020 = 0.00% : 0.02%** of the paid-up capital and total voting rights.

Position :

- Management Committee Member : Started from July 1, 2019, totaling 1 year
- Assistant Chief Executive Officer Production and Engineering : Started from July 1, 2019, totaling 1 year

Education

- Bachelor of Architecture (Industrial Design), King Mongkut's Institute of Technology Ladkrabang
- Master of Economics (Business Economics), Kasetsart University

Trainings of the Thai Institute of Directors (IOD)

- None -

Work Experience

Time	Position	Company	Type of Business
Listed Companies			
2007 – 2019	Last position as Senior Manager	Diamond Building Products Plc.	Construction Materials
Companies (Not listed companies)			
1989 – 2007	Last position as Production Operation Manager	Kohler (Thailand) Plc.	Construction Materials



14 Ms. Peachayanant Lorvorlak

Age **43** Years / Nationality : Thai

Shareholding in the Company as of Year **2019 : 2020 = 0.01% : 0.01%**
of the paid-up capital and total voting rights.

Position :

- Management Committee Member : Started from July 1, 2019, totaling 1 year
- Assistant Chief Executive Officer Sales and Marketing :
Started from July 1, 2019, totaling 1 year

Education

- B.B.A., International Business Management, Faculty of Commerce and Accountancy, Chulalongkorn University
- M.S., Marketing, California State University, Sacramento, USA
- Doctor of Business Administration, Asian Institute of Technology, Thailand

Trainings of the Thai Institute of Directors (IOD)

- None -

Work Experience

Time	Position	Company	Type of Business
Listed Companies			
2007 - 2019	Last position as Senior Manager	Diamond Building Products Plc.	Construction Materials
Companies (Not listed companies)			
2015 - Present	Director	Win Win Coffee Co., Ltd.	Food and Beverage



14 Mr. Krit Kullertprasert *

Age 52 Years / Nationality : Thai

Shareholding in the Company as of Year 2019 : 2020 = 0.04% : 0.05% of the paid-up capital and total voting rights.

Position :

- Accounting and Finance Manager : Started from March 20, 2007, totaling 13 years, ending December 31, 2020
- Person Supervising Accounting : Started from March 20, 2007
- Assistant Chief Executive Officer Central Management : Started from February 1, 2021
- The Person Taking the Highest Responsibility in Accounting and Finance : Started from February 1, 2021

Education

- B.B.A., Accounting, Ramkhamhaeng University
- Graduate Diploma, Auditing, Thammasart University

Trainings of the Thai Institute of Directors (IOD)

- Year 2018 Company Secretary Program
- Year 2018 Company Reporting Program
- Year 2019 Effective Minutes Taking
- Year 2019 Board Reporting Program
- Year 2020 Accounting and Finance (Orientation Course)

Continuous Development on Accounting Knowledge

- Year 2020 Agricultural Accounting System Design, Class 1/2020, Federation of Accounting Professions, totaling 12 hours

Work Experience

Time	Position	Company	Type of Business
Listed Companies : None			
Companies (Not listed companies)			
1997 – 2007	Last position as Audit Department Manager	Kohler (Thailand) Plc.	Construction Materials

Remark: * Due to the changes in management structure and executive appointments as per the notification to the Stock Exchange of Thailand ref. DBP 012/2021, Re: Board Resolution Concerning Changes in Management Structure and Executive Appointments, dated January 26, 2021, whereby the Board of Directors has resolved to appoint Mr. Krit Kullertprasert as Assistant Chief Executive Officer Central Management, which is the person taking the highest responsibility in accounting and finance, effective from February 1, 2021 onwards.



15 Ms. Thanakarn Phanthapirat *

Age **65** Years / Nationality : Thai

Shareholding in the Company as of Year **2019 : 2020 = 0.29% : 0.32%**
of the paid-up capital and total voting rights.

Position :

- Management Committee Member : Started from January 1, 2007, totaling 14 years, ending December 31, 2020
- Assistant Chief Executive Officer Accounting and Finance Started from January 1, 2007, totaling 14 years, ending December 31, 2020
- Company Secretary : Started from August 1, 2008, totaling 12 years
- The Person Taking the Highest Responsibility in Accounting and Finance : Started from January 1, 2007, totaling 14 years, ending December 31, 2020
- Directors authorized to sign on behalf of the Subsidiary Company

Education

- Bachelor of Accounting, Chiang Mai University
- Master of Business Administration, NIDA

Trainings of the Thai Institute of Directors (IOD)

- Year 2004 Company Secretary Program

Continuous Development on Accounting Knowledge

- Year 2020 Information System Design for Decision Making, Class 2/2020, Federation of Accounting Professions, totaling 6 hours
- Year 2020 Development of Accounting Information System Fundamental, Class 2/2020 (2nd Course), Federation of Accounting Professions, totaling 6 hours

Work Experience

Time	Position	Company	Type of Business
Listed Companies			
2001 – 2006	Accounting and Finance Manager	Diamond Building Products Plc.	Construction Materials
Companies (Not listed companies)			
2013 – Present	Director and Company Secretary	Diamond Materials Co., Ltd.	Construction Materials
1997 – 2000	Accounting Manager	Toyota (Thailand) Co., Ltd.	Automotive

Remark : * On January 1, 2021, Ms. Thanakarn Phanthapirat retired from Assistant Chief Executive Officer Accounting and Finance.

ATTACHMENT 2 : DETAILS ON THE DIRECTORS OF THE SUBSIDIARY COMPANY

POSITION INFORMATION (AS AT DECEMBER 31, 2021)

(1) DIRECTORS AND EXECUTIVES

Directors and Executives	Company	Subsidiary Company	Related Companies					
		Diamond Materials Co., Ltd.	Myriad Materials Co., Ltd.	Lanna Resources Plc.	Baan Phaholyothin Place Juristic Person	Phahol 8 Co., Ltd.	Wisdom Enterprise Co., Ltd.	Pattaya Grand Village Co., Ltd.
1) Mr. Prakit Pradipasen	A		B					B
2) Mr. Chaiyut Srivikorn	B, F		B					
3) Mr. Warayu Pradipasen	B, K		B					
4) Mr. Kamolaphat Teepsuwan	B		B			B	B	B
5) Mr. Asanee Chantong	B, M							
6) Mr. Satid Sudbuntad	B, N, H	A						
7) Mr. Thanit Pulivekin	C, E, J				B			
8) Mr. Sakda Maneeratchatchai	C, D							
9) Mr. Anun Louharanoo	C, E, G			B, L				
10) Mr. Maitree Tawonatiwasna *	B, N, H	B						
11) Mr. Chatchai Teepsuwan	B, G		B			B	B	B
12) Mr. Woodthikrai Soatthiyanon	C, K							
13) Ms. Thanakarn Phanthapirat *	H, I	B, I						
14) Mr. Sunthorn Suwannajade	H							
15) Ms. Peachayanant Lorvorlak	H							
16) Mr. Krit Kullertprasert	H							

Remark :

A - Chairman of the Board B - Director C - Independent Director D - AC Committee Chairman
 E - AC Committee Member F - NRC Committee Chairman G - NRC Committee Member H - Executives
 I - Company Secretary J - CGC Committee Chairman K - CGC Committee Member L - Financial Adviser
 M - PTI Committee Chairman N - PTI Committee Member

* From January 1, 2021 onwards, Mr. Maitree Tawonatiwasna has left the position of Deputy Chief Executive Officer Production and Engineering due to retirement, and Ms. Thanakarn Phanthapirat has left the position of Assistant Chief Executive Officer Accounting and Finance due to retirement.

(2) RELATED PARTIES

Related parties of directors and executives hold no positions in the Company, affiliated company, joint venture company, or company related to Diamond Building Products Public Company Limited.

SHAREHOLDING INFORMATION (AS AT DECEMBER 31, 2020)

(1) DIRECTORS AND EXECUTIVES

Directors and Executives	Company		Subsidiary Company	Related Companies					
			Diamond Materials Co., Ltd.	Myriad Materials Co., Ltd.	Lanna Resources Plc.	Baan Phaholyothin Place Juristic Person	Phahol 8 Co., Ltd.	Wisdom Enterprise Co., Ltd.	Pattaya Grand Village Co., Ltd.
	No. of Shares (shares)	%	Proportion (%)						
1) Mr. Prakit Pradipasen *	15,169,500	1.78	-	25.11	-	-	-	-	-
2) Mr. Chaiyut Srivikorn	3,100,100	0.36	-	40.00	-	-	-	-	-
3) Mr. Warayu Pradipasen	210,000	0.02	-	-	-	-	-	-	-
4) Mr. Kamolaphat Teepsuwan	-	-	-	-	-	-	10.50	-	-
5) Mr. Asanee Chantong	1,048,000	0.12	-	-	-	-	-	-	-
6) Mr. Satid Sudbuntad	9,000,000	1.05	-	-	-	-	-	-	-
7) Mr. Thanit Pulivekin	-	-	-	-	-	-	-	-	-
8) Mr. Sakda Maneeratchatchai	4,099,600	0.48	-	-	-	-	-	-	-
9) Mr. Anun Louharanoo	2,350,000	0.27	-	-	-	-	-	-	-
10) Mr. Maitree Tawonatiwasna **	3,500,000	0.41	-	-	-	-	-	-	-
11) Mr. Chatchai Teepsuwan	-	-	-	-	-	-	10.50	-	-
12) Mr. Woodthikrai Soatthiyanon	-	-	-	-	-	-	-	-	-
13) Ms. Thanakarn Phanthapirat **	2,760,000	0.32	-	-	-	-	-	-	-
14) Mr. Sunthorn Suwannajade	150,000	0.02	-	-	-	-	-	-	-
15) Ms. Peachayanant Lorvorlak	125,000	0.01	-	-	-	-	-	-	-
16) Mr. Krit Kullertprasert	420,000	0.05	-	-	-	-	-	-	-

Remark : * Number of shareholding including spouse and minor child.

** From January 1, 2021 onwards, Mr. Maitree Tawonatiwasna has left the position of Deputy Chief Executive Officer Production and Engineering due to retirement, and Ms. Thanakarn Phanthapirat has left the position of Assistant Chief Executive Officer Accounting and Finance due to retirement.

(2) RELATED PARTIES

Related parties of directors and executives holding shares in the Company, affiliated company, joint venture company, or company related to Diamond Building Products Public Company Limited are as follows:

- Mrs. Prasama Vatanatham, child of Mr. Prakit Pradipasen, holds 0.01 percent of the Company shares.

Life & Living Bangphra

CT GRAN ONDA

กระเบื้อง CT แกรนออนต้า

เทคซา : Casa Blanca Gray

ATTACHMENT 3 DETAILS OF THE CHIEF OF INTERNAL AUDIT AND CHIEF OF COMPLIANCE

Name: Ms. Wasana Tochuwong
Position: Manager of the Internal Audit and Compliance Control Office
 Secretary to the AC Committee and the ACC Committee

Education background/Training History:

- (1) Bachelor's Degree in Accounting, Southeast Asia University.
- (2) Training history:
 - Courses by the Thai Institute of Directors Association:
 - Corporate Fraud : A Risk That Needs to be managed
 - Company Secretary Program (CSP 81/2017)
 - Anti-Corruption Working Paper (1/63 Batch)
 - Courses by the Institute of Internal Auditors of Thailand:
 - Skill for New Auditor-in-charge
 - Enterprise Risk Management
 - Courses by the Federation of Accounting Professions under the Royal Patronage of His Majesty the King:
 - Techniques for Auditing the Income Cycle for the Accounts Receivable and the Expense Cycle for Accounts Payable.
 - Integrated Internal Control for the Sale System and Accounts Receivable.
 - Corporate Governance Audit,

Work experience:

Time	Position	Company	Type of Business
2017 - present	Division Manager of the Internal Audit and Compliance Control Office	Diamond Building Products PCL	Construction materials
2015 - 2016	Department Manager of the Internal Audit and Compliance Control Office	Diamond Building Products PCL	Construction materials
June 2004 - 2014	Internal Auditor	Diamond Building Products PCL	Construction materials
1997 - May 2004	Internal Auditor	Central Retail Corporation Co., Ltd.	Commerce
1996 - 1997	Accountant	A. J. Plast PCL.	Packaging
1993 - 1996	Accountant	D. Enterprises Co., Ltd.	Industrial materials and machines

Responsibility & Accountability:

The Department Manager of the Internal Audit and Compliance Control Office has the authority and independence in evaluating the effectiveness of the risk management system, internal control system, and corporate governance of the Company to ensure that the Company has an efficient management system that is acceptable for all groups of stakeholders, with the scope of authority and responsibility as follows:

(1) Ensuring that performance of the Internal Audit and Compliance Control Office is reported to the AC Committee at least once a quarter.

(2) Preparing a three-year and annual internal audit plan based on risk-based methodology and presenting in to the AC Committee to consider and approve to serve as the performance guidelines.

(3) Verifying operations to identify if they comply with the policy, good practices, approval regulations and authority, law on securities and stock exchange, as well as other relevant laws.

(4) Carrying out an audit in accordance with the work plan approved by the AC Committee, with the following methods:

- Coordinating with units to audit to be informed of the schedule and matters to audit.

Exception: Special projects requested and/or ordered by AC Committee and MC Committee or the Chief Executive Officer. In the event when a special audit is required but the internal auditor has no expertise, it is possible to engage a qualified external auditor.

- When the audit is completed, hold a closing meeting with the management of the audited unit to clarify, discuss and exchange opinions about facts and identified defects; as well as formulate corrective measures and specify the date when the corrective action is planned to be completed.

(5) Reporting the audit report in writing by describing the objectives and scope of the audit, findings, corrective suggestions, as well as corrective measures proposed by the audited unit along with the date when the corrective action is planned to be completed to executives of the audited unit. In the event when the auditees' opinions contradict the findings and suggestions provided by the internal auditor, the internal auditor shall include the auditees' opinions in the Audit Report for the Chief Executive Officer to consider and give orders accordingly.

(6) Following up on the implementation of the suggestions provided in the Audit Report and liaising with the auditees to give corrective suggestions.

(7) Supporting operations and providing information/data that is necessary for the work of the AC Committee and the MC Committee or the Chief Executive Officer in relation to the audit.

(8) Developing the personnel of the audited unit to equip them with sufficient professional and business knowledge and expertise in accordance with the International Standards for the Professional Practice of Internal Auditing (IIA) and encouraging them to possess relevant professional certifications.

(9) Conducting other activities as assigned by the AC Committee.

ATTACHMENT 4 : DETAILS ON ASSET VALUATION

The Company has a policy to conduct valuation of fixed assets that are unused land every three years. In year 2020, the valuation of fixed assets that are unused land can be summarized as follows:

Type of Asset	:	Unused land
Name of Evaluating Company	:	Sasirachada Company Limited
Certifying Person	:	Ms Korawan Chansawake
Evaluation Objective	:	To know the current value for accounting purpose
Evaluation Criteria	:	To determine the market value
Evaluation Method	:	Market approach
Date of Evaluation	:	November 26, 2019



The Grand Greenery

CT GRAN ONDA

กระเบื้อง CT กรอนออนด้า
เงินกุลพันธ์ : Elegant Silver

ATTACHMENT 5 : CORPORATE GOVERNANCE HANDBOOK (FULL VERSION)

The Company created the Corporate Governance Handbook (Full Version) and published it on the Company website (www.dbp.co.th) in “Investor Relations” section.



Believe Hill

CT GRAN ONDA

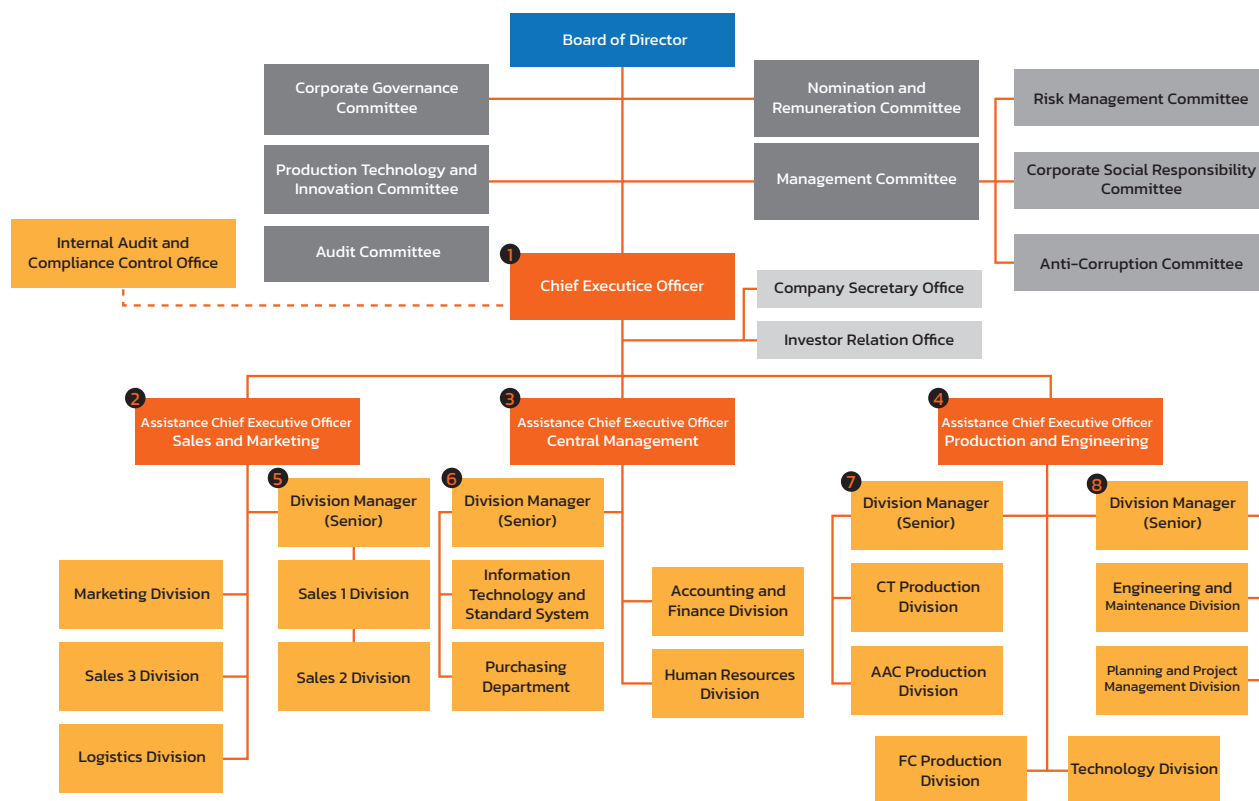
กระเบื้อง CT ไกรนออนด้า

น้ำตาลพิบูล : Bullet Woody Brown

ATTACHMENT 6 : MISCELLANEOUS

ORGANIZATION STRUCTURE (AS AT FEBRUARY 1, 2021)

The Board of Directors meeting No. 346 on January 25, 2021 has resolved to approve the change in organization structure and appointments of new executives, effective from February 1, 2021 onwards. The resulting organization structure is as follows:



Remark : 1 – 8 The Company's Executives according to SEC Regulation



DIAMOND

Design Contest 2020



DIAMOND BUILDING PRODUCTS PUBLIC COMPANY LIMITED



DIAMOND BUILDING PRODUCTS PUBLIC COMPANY LIMITED

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Branch Office 1

408/163-165, Phaholyothin Place Bldg., 40th Floor,
Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400
Tel. : 0 2619 0742 | Fax : 0 2619 0488

Branch Office 2

269 Moo 3, Tambon Samran, Amphur Muang,
Khon Kaen 40000
Tel. : 0 4339 3390-1

Branch Office 3

169-170 Moo 4, Mitraphap Road, Tambon Tan Diao,
Amphur Kaengkhroi, Saraburi 18110
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