



THE ANNUAL REGISTRATION STATEMENT

The Annual Report Year 2022 (Form 56-1 One Report)



Diamond Building Products Public Company Limited

สินค้าและบริการตราเพชร เพื่อสิ่งแวดล้อม



สิ่งแวดล้อม



สังคม



ธรรมาภิบาล

CONTENTS

	Page
PART 1: COMPANY PROFILE AND PERFORMANCE	7
1. Structure and Operations	7
2. Risk Management	36
3. Sustainable Business Development Report	40
4. Management Discussion and Analysis (MD&A)	103
5. General and Other Important Information	126
PART 2: CORPORATE GOVERNANCE	128
6. Corporate Governance Policy	128
7. Corporate Governance Structure and Important Information About the Board of Directors, Sub-Committees, Executives, Employees, and Others	146
8. Report of Key Performance on Good Governance	175
9. Internal Control and Related Transactions	198
PART 3: FINANCIAL STATEMENTS	209
ATTACHMENTS:	
Attachment 1: Details of Directors, Executives, Controlling Persons, the Person Taking the Highest Responsibility in Accounting and Finance, Person Supervising Accounting, and Company Secretary	261
Attachment 2: Details on the Directors of the Subsidiary Company	280
Attachment 3: Details of the Chief of Internal Audit and Chief of Compliance	282
Attachment 4: Details on Asset Valuation	284
Attachment 5: Corporate Governance Handbook (Full Version)	284
Attachment 6: Miscellaneous	284

STATEMENT FROM THE CHAIRMAN



**“Excellent” Corporate Governance
by the Thai Institute of Directors.**



**Received the “Thailand
Sustainable Investment (THSI)”
Award from the Stock Exchange
of Thailand.**

British Prime Minister Winston Churchill once said: “The pessimist sees difficulty in every opportunity. The optimist sees opportunity in every difficulty.” Because in year 2022, there were many important events. Especially in the international politics between Russia and Ukraine, directly and indirectly affects the global economy, making the Company’s business operations. It faces more significant and more severe challenges than the current situation of the coronavirus disease 2019 (COVID-19) pandemic. The Company was affected by the increase in raw material and energy costs due to such events.

Due to the changing context, the Company needs to adjust production, sales, marketing, and distribution channels. It aims to reduce the impact, maintain the performance to meet the goals, and be responsible for society, communities, and the environment. At the same time, the Company saw an opportunity for expansion and therefore invested in a project to expand the production capacity of concrete tiles with a production capacity of 100,000 tons per year, with an investment of 477 million baht.

For year 2022, the Company has revenue from sales of goods and services of 5,232.11 million baht. It compared to the year 2021 revenue of 4,815.47 million baht, an increase of 8.65 percent, resulting in an increase in net profit from 579.96 million baht in year 2021 to 642.15 million baht in year 2022 or an increase of 10.72 percent. It was due to the increase in revenue and the adjustment of impairment of investments in subsidiaries from the account, which was caused by the subsidiary’s continued good performance. As a result, net profit per share increased from 68 satangs in year 2021 to 75 satangs in year 2022 or an increase of 10.72 percent.

For the proud achievements of this year, the Company received various awards from the Stock Exchange of Thailand and other institutions, such as the Sustainable Stock Award or Thailand Sustainability Investment (“THSI”) for the sixth consecutive year and the ESG 100 received for the first time in year 2015 and continued in year 2019-2022, etc.

In this year, 2023, I would like to express my gratitude to the management and employees for their dedication to their duties and unyielding in the events that have led to the Company’s success. I wish everyone to overcome the crisis in year 2023 with good health in all respects.

|||||

Mr. Prakrit Pradipasen
Chairman of the Board



STATEMENT FROM THE CHIEF EXECUTIVE OFFICER



Received the **“Environmental Governance Project”** for building and developing an environmentally friendly industrial network of Khon Kaen



In year 2022, the world continued to be affected by the Coronavirus Disease 2019 (COVID-19) epidemic. Both from the mutation of the new breed, in conjunction with the implementation of the Zero COVID-19 policy of the People’s Republic of China since March 2022 by imposing measures to control travel in and out of the country throughout the year. It affects income from the tourism sector in Thailand and the ASEAN region. which is the Company’s primary export market. In addition, the conflict that has led to the war between Russia and Ukraine since February 2022 has also affected the cost of raw materials for producing goods. However, the management has planned and managed to cope with such situations very well to achieve the targeted performance for all involved parties. Especially the business results that **the Company can generate revenues of more than 5 billion baht, including gross profits and net profits with the highest value** since the Company’s establishment through strategic management in various areas, including

In terms of production, the Company has managed production efficiency by maintaining the average machine operation rate higher than the target. It is to support logistics costs and raw material prices that have increased due to the conflict between Russia and Ukraine, as well as product mix management that plans production and distribution to align with and achieve goals.

In terms of products and services, the Company has researched and developed new products in the market to meet the needs of technicians, contractors, and homeowners, including **“Innovative SPC-FC Hybrid Stairs”** that combine the strength and durability of fiber cement materials and the beauty of the wood texture of Stone Plastic Composite. In addition,

In terms of marketing to support, the target group of ready-made coffee shop installation services, “Diamond Cafe,” in year 2022, the Company has started participating in the exhibition “THAILAND COFFEE FEST 2022”. It had the opportunity to introduce new products to small and medium enterprises (SMEs) with good feedback. In addition, to reinforce and create brand awareness of the “Diamond Brand,” the Company continues to conduct marketing communications under the concept “Completely beautiful with a whole diamond house” that continually conveys a variety of “Diamond Brand Products.” The Company is continuing the campaign “Function X Fashion, when function and fashion go hand in hand” to communicate with consumers by making a difference in the construction materials industry, in addition to being functional but also beautiful, with striking colors and patterns that are also eye-catching.

In terms of social, community, and environmental responsibility, in addition to the determination to improve the production process of products to have a good working environment, continuously reduce the impact on society, community, and the environment. The Company also realizes the importance of producing products and providing environmentally friendly services. In year 2022, the Company published the media “**DIAMOND GREEN PRODUCT, diamond brand products, and services for the environment**” so that product users, and consumers, receive information about products and services that are qualified for the Company’s certification. The Company also received a plaque of high-efficiency energy-saving label from the Department of Alternative Energy Development and Efficiency from the project to promote high-efficiency machinery and equipment and materials for energy conservation by labeling, building confidence among consumers who choose to use energy-saving products.

|||||


4




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 2022, the Company has received 5 awards of pride from leading institutions as follows:

(1) **Thailand Sustainability Investment (THSI) Award of the year 2022 for the Six consecutive years 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 2022 organized by the Thai Institute of Directors Association, with a score of 92%, 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) **Five-star Award** () in the quality assessment of the year 2022 convening of the Annual General Meeting of Shareholders from the Thai Investors Association with a score of 100%, which is rated as **Excellent**.

(4) **In 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 the year 2022 Listed Securities Assessment companies organized by Thaipat Institute. The first award was presented in the year 2015 and has continued in the year 2019 until the year 2022.

(5) **Award for “Environmental Governance Project”** for building and developing an environmentally friendly industrial network of Khon Kaen Provincial Industrial Office. It is one of the five industrial factories in Khon Kaen that passed the environmental governance assessment criteria from the Ministry of Industry, Khon Kaen Province on July 7, 2022.

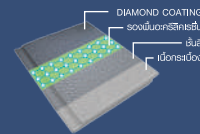
อดามัส เทาแอดแลนติก
สีสวย ทนนาน

ตรา
เพชร



FUNCTION x FASHION

กระเบื้องอดามัส แบบเรียบ
สีเทาแอดแลนติก สวย ทนนาน
ด้วยนวัตกรรมเคลือบสี Diamond Coating



เทาแอดแลนติก



เทาซินทรีย์



เทาวินา



เทาคริสตัล

สวยครบเซต ตราเพชรทั้งหลัง



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. Chaiyut 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**. 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**". 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**

**Environmental
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:

						
Diligence	Balance	Unity	Integrity	Learning	Differentiation	Social Responsibility
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.

(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 DEVELOPMENTS

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

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.

Year 2021

January

On January 25, 2021, a meeting of the Board of Directors of the Company resolved to approve the restructuring of management and appointment of new executives of the Company with effect from February 1, 2021, making the list of the Company's executives as follows:

1. Mr. Satid Sudbuntad, Chief Executive Officer and Management Committee Chairman
2. Mr. Sunthorn Suwannajade, Assistant Chief Executive Officer Production and Engineering and Management Committee Member
3. Ms. Peachayanant Lorvoralak, Assistant Chief Executive Officer Sales and Marketing and Management Committee Member
4. Mr. Krit Kullertprasert, Assistant Chief Executive Officer Central Management (CFO) and Management Committee Member
5. Mr. Kamchub Vatanatham, Division Manager (Senior) Sales and Marketing
6. Mr. Somkuan Sittichoketum, Division Manager (Senior) Production and Engineering
7. Mr. Seree Saengmark, Division Manager (Senior) Production and Engineering
8. Mr. Songkran Suwanmak, Division Manager (Senior) Central Management

April

On April 23, 2021, the 36th Annual General Meeting of Shareholders (Year 2021) passed a resolution approving the reduction of the Company's registered capital in the amount of 92,928,700 baht from the original registered capital of 947,961,800 baht to a new registered capital of 855,033,100 baht, divided into 855,033,100 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 7, 2021.



Year 2021

December

On December 13, 2021, a meeting of the Company's Board of Directors resolved to appoint Mr. Krit Kullertprasert, Assistant Chief Executive Officer, Central Management, to serve for another position as Company Secretary from January 1, 2022. It is due to Ms. Thanakarn Phanthapirat's resignation as Company Secretary, effective from December 31, 2021.

Year 2022

June

On June 27, 2022, the Board of Directors' meeting resolved to approve the investment in installing a concrete roof tile production machine with a capacity of 100,000 tons per year at the Saraburi plant. The investment budget is about 477 million baht because the Company currently uses more than 95 percent of its production capacity.

July

On July 25, 2022, the Company's Board of Directors meeting resolved to reduce the registered and paid-up capital of Diamond Materials Co., Ltd. ("Subsidiary"), which the Company holds 99.99 percent of all shares with voting rights of the subsidiary. It reduced the share value by 50 baht per share, totaling 100,000,000 baht from the original registered and paid-up capital of 200,000,000 baht. It is divided into 2,000,000 shares with a par value of 100 baht per share, which is registered and paid-up capital of 100,000,000 baht, and divided into 2,000,000 shares with a par value of 50 baht per share. The Company has completely registered the reduction of registered capital with the Ministry of Commerce on October 25, 2022.

1.1.3 COMPANY PROFILE

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	855,033,100 ordinary shares at a par value of Baht 1 per share totaling Baht 855,033,100, 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



Call Center : 0 2619 2333



www.dbp.co.th



E-mail : Corpcenter@dbp.co.th



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	2022		2021		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenues from sales and services						
1) Revenue from Product Sales	4,789.93	91.55%	4,452.60	92.46%	4,069.35	92.89%
• Roofing Products	2,350.38	44.92%	2,247.95	46.68%	2,123.48	48.47%
• Board and Ceiling Products	838.83	16.03%	819.91	17.03%	715.09	16.32%
• Siding Board Products	926.23	17.70%	891.41	18.51%	830.90	18.97%
• Special Products	674.49	12.90%	493.33	10.24%	399.88	9.13%
2) Revenue from Services	442.18	8.45%	362.87	7.54%	311.70	7.11%
Total Revenues from sales and services	5,232.11	100.00%	4,815.47	100.00%	4,381.05	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, Floor Plank and door frame, etc.

(D) Special Products Group, consisting of 3 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.

3) Other groups include readymade Coffee Shops (DIAMOND Cafe) and SPC (Stone Plastic Composite) stair planks, 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 construction business sector in 2022 was affected by the cost of transportation and construction materials from the war between Russia and Ukraine. It pushed the price of oil and essential construction materials, especially steel and cement, which contractors had to bear for their costs. Based on these factors, total construction investment in year 2022 is expected to grow at a rate of 1.5 – 2.0% from the previous year's YOY or 1,387 billion baht from a value of 1,364 billion baht in year 2021. The main supporting factor is the investment in large-scale government projects, especially projects related to the Eastern Economic Corridor (EEC) project and the project to expand transportation routes, especially rail, and road. It includes investment in construction projects in the private sector, both in residential and commercial real estate, which are likely to recover in line with economic conditions gradually. In this regard, it is expected that in year 2022, the value of public construction will grow by 1% YOY or 809 billion baht, up from 804 billion baht in year 2021, and the value of private construction will grow by 3% YOY or 578 billion baht, an increase from 560 billion baht in year 2021. It is driven by the number of areas requested for permission for residential construction, which will likely recover in year 2022 from the launch of new projects. In this regard, there are industry conditions and competition, which can be summarized as follows: (¹ Kanyarat Kanjanavisut, (2022), Economic Outlook and Construction Industry 2023, page 10)

Industrial Situation and Competition

1) Operators in the Industry

Construction material entrepreneurs need to adjust production management and inventory management in line with order volumes, planning production in line with market demand. It includes expanding the customer base of Gen Z consumers, who are good at recognizing and processing information and are about to become a large population in the future, which are new residents and have the potential to drive private consumption. For the household repair and decoration category, it helps create more demand for decorative products such as decorative boards or decorative synthetic wood. At the same time, the roofing product group has changed its use according to the values of house designs that require more modernity. In particular, replacement products such as metal roofing (Metal Sheet) have developed beautiful patterns, colors, and quick installation, causing entrepreneurs to adapt to changing needs and consumer behavior.

2) Competition in Domestic Market

Due to rising raw material and transportation costs, manufacturers must adjust product prices because they cannot bear all product costs. However, many manufacturers of synthetic wood products and wood substitute



boards have implemented the Fighting Brand strategy by reducing prices to expand the market, resulting in intense price competition. Meanwhile, concrete roof tiles and lightweight concrete products benefited from the expansion of the low-rise real estate sector, causing price competition to decrease from the previous year.

Domestic Market Shares are as follows:

Manufacturers (Unit: Million Baht)	Sales in year 2021		Sales in year 2020		Sales in year 2019	
	Amount	Market Share	Amount	Market Share	Amount	Market Share
1) Siam Cement Group	13,193.93	50.09%	10,843.79	47.01%	11,892.66	47.81%
2) Mahaphant Group	6,568.55	24.94%	6,114.63	26.51%	6,335.95	25.46%
3) Diamond Building Products	4,815.47	18.28%	4,381.05	18.99%	4,747.55	19.08%
4) Kitemit Group (Olanvanich)	932.23	3.54%	892.44	3.87%	855.73	3.44%
5) Conwood	828.42	3.15%	834.29	3.62%	1,050.44	4.22%
Total	26,338.60	100.00%	23,066.20	100.00%	24,882.33	100.00%

Source: Department of Business Development, Ministry of Commerce

3) Competition in Foreign Market

In year 2022, the value of exported roofing tiles, siding boards, boards and ceilings from Thailand to foreign market was Baht 9,296.16 million, an increase of 26.89 percent from year 2021, being categorized according to trading countries as follows:

Export Value of Construction Products are as follows:

Product Description (Unit: Million Baht)	2022	2021	2020
Fiber Cement Tiles	571.90	463.18	239.90
Concrete Tiles	654.17	709.92	741.79
Boards and Ceilings	6,278.21	4,945.73	4,377.83
Siding Boards	1,791.88	1,207.47	648.33
Total Export Value	9,296.16	7,326.30	6,007.55
Expansion rate increase (decrease) (%)	26.89%	21.95%	4.06%

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	0.00	0.00%	9.58	1.46%	2,113.34	33.66%	5.86	0.33%
Myanmar	86.56	15.14%	18.22	2.78%	1,154.23	18.38%	37.31	2.08%
Campodia	123.90	21.66%	310.54	47.47%	267.10	4.25%	70.87	3.96%
Laos	357.51	62.51%	302.29	46.21%	301.43	4.80%	74.26	4.14%
China	1.23	0.22%	2.57	0.39%	0.02	0.00%	0.25	0.01%
United Kingdom	0.00	0.00%	0.00	0.00%	8.10	0.13%	0.10	0.01%
Vietnam	0.00	0.00%	0.17	0.03%	756.79	12.05%	0.67	0.04%
Australia	0.00	0.00%	0.00	0.00%	550.33	8.77%	25.50	1.42%
India	0.00	0.00%	0.08	0.01%	143.24	2.28%	2.10	0.12%
Indonesia	0.00	0.00%	0.00	0.00%	139.87	2.23%	0.30	0.02%
South Korea	0.00	0.00%	0.00	0.00%	114.81	1.83%	0.00	0.00%
United States	0.00	0.00%	0.00	0.00%	0.00	0.00%	1,478.18	82.49%
Others	270	0.47%	10.72	1.64%	728.95	11.61%	96.48	5.38%
Total Export Value	571.90	100.00%	654.17	100.00%	6,278.21	100.00%	1,791.88	100.00%

Source: Thai Custom 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 2022 was at Baht 662.16 million or 7.12 percent of the total export value, a decreased of 8.11 percent from the previous year

4) Future Competitive Trends

- **Roofing product group:** : The demand for concrete roof tiles has increased. Because in the year 2022, the low-rise real estate market is back with a much higher growth rate. Especially in the group of single-detached houses or mid- to high-end townhomes that are popular in modern-style home construction to meet customers' needs that have changed according to the era. In addition, there are plans to develop new shades of concrete roofs, especially gray tones, and continuously improve product quality to meet customer's needs from the changing era.

- **Wood Substitute and Board Group:** The Company has developed products in the synthetic wood group and decorative board with finish color to replace the high-priced natural wood and meet the market's needs in a modern way to support the use of modern customers who require more ready-to-use products, together with the demand for materials for home decoration. While the competition in the market for such products is intense, and the management of product costs to make selling prices reasonable and competitive is therefore important in selling and increasing market share.



- **Autoclaved Aerated Concrete Group:** As a result of the expansion of the low-rise housing market, there is a demand for more autoclaved lightweight aerated concrete and reinforced aerated lightweight concrete (lintel beams). The management of the allocation of sales volume to each distribution channel is therefore critical to maintain the relationship and benefit of the Company's partners.

(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)	2022	Ratio	2021	Ratio	2020	Ratio
1) Domestic Market	4,127.77	86.18%	3,731.97	83.82%	3,397.86	83.50%
• Agent Group	2,721.79	56.82%	2,571.99	57.76%	2,407.83	59.17%
• Modern Trade Group	783.46	16.36%	725.96	16.30%	646.86	15.90%
• Housing Project Group	622.52	13.00%	434.02	9.76%	343.17	8.43%
2) Foreign Market (Export)	662.16	13.82%	720.63	16.18%	671.49	16.50%
Total	4,789.93	100.00%	4,452.60	100.00%	4,069.35	100.00%

The Company has four main distribution channels as follows:

1) **Domestic Market** has revenue proportion of 86.18 percent, categorized into 3 groups as follows:

- **Agent Group:** Distribution agents in year 2022 consisting of 625 stores, it has the policy to maintain existing dealers, drive sales of new products and services to increase sales value, and add new dealers continually.
- **Modern Trade Group:** After slowing down the opening of stores during the COVID-19 epidemic, modern building materials retailers in the country have continued to expand new stores. It is to support a new customer base that is more popular in shopping for home furnishings through the Modern Trade channel. In year 2022, modern building materials retail stores have expanded branches as follows: (1) Thai Watsadu increased from 60 branches to 65 branches (2) Global House increased from 75 branches to 77 branches (3) Mega Home increased from 14 branches to 19 branches, (4) Home Shop increased from 7 branches to 8 branches, and (4) Do Home increased from 16 branches to 21 branches, etc.

- **Housing Project Group:** Housing Project Group: Sansiri, Golden land, AP, Quality House, Supalai, and government or local projects are popular housing projects. In year 2022, the residential real estate market began to recover from confidence in the economic recovery after the impact of the COVID-19 epidemic subsided. Also, the recovery of the tourism sector has prompted residential real estate developers to accelerate their investment in launching more new projects. In addition, to support the growth in the low-rise housing market, especially the mid-to-high-end housing projects that still have a steady demand. Besides the aforementioned major real estate developers, the Company continuously focuses on expanding its customer base to entrepreneurs in the homebuilder business group in Bangkok and the surrounding areas.



2) Foreign Market (Export): In 2022, the proportion of revenue decreased to 13.82%, with the number of foreign dealers at 66 stores. It is due to cost-push inflation in the region, which has been intensifying since early year 2022. The war between Russia and Ukraine caused energy and transportation costs to increase worldwide. In addition, the depreciation of trading partner currencies resulted in a decrease in the purchasing power of foreign dealers in importing goods, which is the primary dealer's customer base in CLMV countries. Therefore, the Company has adjusted its strategy by focusing mainly on overseas partners with cash flow potential and distribution availability to reduce the risk of paying for goods. It also includes pushing new products that can grow to more distribution channels abroad, while small dealers can still buy the Company's products through primary dealers.

(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 improving efficient service, developing the Estimate Planning System for managing the sequence of reverse engineering and cost estimation. It can quickly plan and follow up on the reverse engineering and cost estimation of the Company's products. It also has a questionnaire for customer satisfaction with the Company's products and services to develop new products to meet customers' needs and improve services. As for communication channels with the Company, there are both offline and online via Call center and digital systems such as Line, Facebook, and other social media to increase customer convenience.

2) Development of timely and efficient product delivery

The Company expands customer groups for online ordering systems to increase the speed of order handling with the development of the Delivery Management System to maintain the standard of product delivery to be efficient according to the policy of delivering products to customers within 24 hours. It also includes visiting customers to give advice on logistics systems and systematic storage of products.

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 group gray roof tiles and colored wood flooring to increase differences and technology of glossy and durable roofing colors to the product. For Jatulon roof tiles, the length model is 3.60 m. which meets the needs of customers who want modern and low-slope roof products to replace metal roofs (Metal Sheets), etc.

4) Fair and competitive pricing

The Company has adjusted the selling price due to the risk of increasing raw material costs. But it does not cover all of the increased costs, as there is 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 developing and taking care of domestic and foreign dealers to be a strong and important force in pushing the Company's products and adding new potential dealers nationwide to increase market share. In terms of product communication, in year 2022, we will continue the Function x Fashion concept to reinforce and create awareness among consumers as a brand that makes a difference in presenting construction materials products, the Company focuses on communication via online media and television media (TVC: Television Commercial).



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

In year 2022, the Company continuously expanded its production capacity, with a total production capacity of 1,155,000 tons per year. The Company used a capacity rate of about 94 percent, which increased from the previous year when using 90 percent. It is due to growing sales channels and expanding regional markets.

(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 summarized 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 64.24 percent in year 2021 to 65.12 percent in year 2022.
- Foreign sources: raw materials such as asbestos and paper pulp, etc., are produced overseas. The proportion of raw material purchased from overseas sources has decreased from 35.76 percent in year 2021 to 34.88 percent in year 2022.

(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, 2022, the Company has fixed assets used in business operations totaling 1,722.24 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 74.20 million baht located at 263, Moo 10, Tambon Maefaek, Amphur Sansai, Chiang Mai, which can be summarized as follows:

Asset Types	Company		Subsidiary Company		Total
	Property	Book Value (in thousand Baht)	Property	Book Value (in thousand Baht)	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	266,774	Owned	33,397	300,171
3) Machinery and equipment	Owned	1,141,182	Owned	20,504	1,161,686
4) Office furniture fixture and equipment	Owned	22,398	Owned	194	22,592
5) Vehicles	Owned	2,493	Owned	8	2,501
6) Asset under construction	Owned	78,867	Owned	-	78,867
Total		1,722,236		74,200	1,796,436

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 year 2022, 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, 2022, the Company has investment property of 20.06 million baht, and the Company been appraised land that is not in use in year 2022 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	54,441
Total*			20,059	54,441

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 2022, 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, 2022, the Company has right-of-use assets of 20.13 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 right-of-use assets and lease liabilities, for subsidiaries, there are right-of-use assets amount 0.44 million baht as follows:

Asset Type	Book Value (in thousand baht)		
	Company	subsidiary	Total
Right-of-use assets			
1) Land	336	-	336
2) Building Structure	2,982	-	2,982
3) Machinery and equipment	-	-	-
4) Office furniture fixture and equipment	-	51	51
5) Vehicles	16,810	393	17,203
Total	20,128	444	20,572

(B) Intangible Asset

As of December 31, 2022, the Company had intangible assets totaling 8.71 million baht and its subsidiaries had intangible assets of 1.24 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 2013, 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 June 1, 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 10 years 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 10 years 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 10 years 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 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.
- Year 2021: The Document Flow (K2) system was developed for the purchase order system. It is to reduce the workflow in the purchasing system by creating a purchase order and delivering it to the seller automatically, reducing working time, reducing paper, and reducing errors in submitting documents for approval in each step. The royal license fee was 0.73 million baht with deferred license fee of a 10 years amortization period based on the software lifetime estimate. The deferred charge had commenced from June 7, 2021.
- Year 2021: Developed PR Auto Creation system for installation services. It reduces the manual work process resulting in more speed and accuracy. The royal license fee was 0.44 million baht with deferred license fee of a 10 years amortization period based on the software lifetime estimate. The deferred charge had commenced from September 6, 2021.
- Year 2021: The Sketchup Plugin Phase #2 has been developed for the roof truss design, quantity takeoff, and the contracting service program. It increases the accuracy of the quantity takeoff and installation cost estimation to reduce errors in data communication. 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 October 26, 2021.






- Year 2022, the Company developed the Auto Truck program to improve the system for receiving goods, and reduce the time for weighing the goods, including developing the information system for receiving the goods from all branches in the same database. It makes it easier to manage and support the development of future logistics programs. There is a royalty fee of 1 million baht, with deferred royalties having an amortization period of 10 years based on the software's estimated useful life, which started debiting on February 28, 2022.
- Year 2022, the Company developed the DMS Logistics System program to connect the system's data for receiving goods with the SAP system to quickly know the transportation costs that the Company has to pay and also help reduce traffic within the Company. There is a royalty fee of 2.75 million baht, with deferred royalties having an amortization period of 10 years based on the software's estimated useful life. Which started debiting on February 28, 2022.
- Year 2022, the Company developed a system for analyzing the costs and profits of installation services to plan to expand the installation services market effectively. There is a royalty fee of 0.65 million baht, with deferred royalties having an amortization period of 10 years based on the software's estimated useful life, which started debiting on June 30, 2022.
- In the Year 2022, the Company developed the E-Withholding Tax work system to increase the efficiency of the accounting system, reduce document storage, and shorten the waiting time for verification documents to submit withholding tax forms. In addition, the Company and the seller can check tax information from the website of the Revenue Department. (www.rd.co.th) at any time. There is a royalty fee of 0.26 million baht. The deferred license fee has an amortization period of 10 years based on the software's estimated useful life, which started debiting on August 23, 2022.

(C) Trademark

The Company has registered 31 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	Kor.142373	Thailand	23 February 1987	21 February 2027
	- Cement, ready-mixed concrete				
	Ceramic tiled roof	8856	Laos	19 June 2002	26 April 2032
	Concrete tiled roof				
	Construction lime				
	Ready-mixed concrete slabs	2852/02	Myanmar	23 May 2002	Indefinite
	Ready-mixed concrete wall panels				
	Cement columns	KH/2002/18146	Cambodia	7 July 2003	8 April 2032
	Prestressed concrete piles				
	Prefabricated paving blocks				
	Cement pipe, gypsum board, ceramic tiled floor Cement tiled roof, block brick				







Trademark	Product	Registered No.	Country of Registration	Date of Registration	Expiry Date
5), 6), 7), 8) Thai alphabets of Nor,Gor,Tho in a house 	- Cement, ready-mixed concrete	Kor.142905	Thailand	23 February 1987	21 February 2027
	Ceramic tiled roof	8855	Laos	19 June 2002	26 April 2032
	Concrete tiled roof	2851/02	Myanmar	23 May 2002	Indefinite
	Construction lime	KH/2022/17257	Cambodia	8 January 2003	8 April 2032
	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				
9), 10), 11), 12), 13) Diamond image and roof tile 	- Cement, ready-mixed concrete	Kor.170424	Thailand	29 October 2002	11 April 2031
	Ceramic tiled roof	8857	Laos	19 June 2002	26 April 2032
	Concrete tiled roof	2853/02	Myanmar	23 May 2002	Indefinite
	Construction lime	KH/2002/18147	Cambodia	7 July 2003	8 April 2032
	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				
14) Diamond image and ADAMAS English alphabet 	- Cement, ready-mixed concrete	Kor.415667	Thailand	28 April 2016	20 May 2024
	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				



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.415647	Thailand	28 April 2016	20 May 2024
16) 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	31 May 2006	28 August 2025
17) 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	31 May 2006	28 August 2025






Trademark	Product	Registered No.	Country of Registration	Date of Registration	Expiry Date
18) Diamond image and roof tile with English alphabet read Gran Onda	- Non-metal roof tiles	Kor.242366	Thailand	31 May 2006	8 August 2025
					
19) 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	6 February 2014	27 April 2031
					
20),21) Diamond image and Thai alphabets read TRAPETCH CERAMIC	- Cement adhesive, cement adhesive for tiles, cement adhesive for mosaic, ceramic and marble, floor tile adhesive - Tile grout, ready-made tile grout	Kor.376100 Kor.388211	Thailand Thailand	14 March 2014 21 November 2014	17 April 2032 17 April 2032
					
22) Diamond image and English alphabets read DCERA	- Ceramic roofing tiles	Kor.386091	Thailand	10 October 2014	18 June 2032
					



Trademark	Product	Registered No.	Country of Registration	Date of Registration	Expiry Date
23), 24) 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	1 July 2015 1 July 2015	17 February 2023 17 February 2023
25) English alphabet D 	- Brick, autoclaved aerated concrete, construction brick, flooring or wall cladding brick, refractory brick, heat-resistant brick, construction brick	Kor.399486	Thailand	21 August 2015	4 April 2023
26) English alphabets D-BP 	- Galvanized sheet	Kor.422159	Thailand	1 July 2016	2 January 2024
27) English alphabets D - TRUSS 	Metal roof trusses, Metal roof mounting brackets, Steel roof trusses, Aluminum roof truss, Metal roof parts	211117040	Thailand	14 September 2021	4 April 2027
28) English alphabets DIAMOND TRUSS 	Metal roof trusses, Metal roof mounting brackets, Steel roof trusses, Aluminum roof truss, Metal roof parts	211117070	Thailand	14 September 2021	4 April 2027



Trademark	Product	Registered No.	Country of Registration	Date of Registration	Expiry Date
29) English alphabets EMERALD 	Ceramic roof tiles	211121256	Thailand	3 November 2021	1 October 2030
30) Thai alphabets read TRAPETCH 	Metal roof structure	221110372	Thailand	28 March 2022	20 May 2031
31) English alphabets DIAMOND 	Metal roof structure	221110390	Thailand	28 March 2022	20 May 2031



(D) Future Projects

In year 2022, 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) **Automation projects** intend to replace human labor in risky areas to increase production efficiency, reduce production costs, and reduce dependence on human labor, such as the Automation Loading Grooving Machine No.2 project, which can reduce three human labor per day, etc. The goal is to continuously develop automation and robotics to cover the entire organization within the next five years, at least 50 projects, to be a sustainable “**innovative organization.**”

2) **Smart Factory project** intends to expand the Internet of Thing system so that concrete tile production lines can be used to measure machine operation in real-time, which will be further developed for all concrete tile production lines in the future.

3) **Robotic Process Automation (RPA) project** intends to develop RPA to replace time-consuming and repetitive tasks to reduce waste in work, increase accuracy and speed, such as manufacturing and logistics, and customer service work, including:

- Delivery Management System project: to manage car distribution in the warehouse.
- Warehouse Management System (WMS) project: to increase the efficiency of area management.
- Installation Online Inspector Project: to develop a program for checking installation work and can check the work via the online system.

• Order Management System Project: to improve the order management system in the SAP system.

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.

• Conveyor shredder project: to grind the remaining scraps from the production process for reuse and reduce waste disposal or landfill outside the factory.

• Booth Sealer & Tunnel Odor Treatment System Project: to preserve the environment to support the ISO14001 system.

• R-grade Dust Collector Project & sample products: to reduce the dispersion of dust in the air to support the ISO14001 system.

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 2023 are as follows:

• **Smart Quotation project:** to create quotation standards, reduce work processes and reduce mistakes in making quotations.

• **Asset Tracking Software Project:** to use management technology to manage the company’s asset system accurately and efficiently.

• **Project Invoice Online on Web Sale:** for convenience in browsing or downloading receipts through online channels.

• **Sale Forecast System Via Qlik project:** to create a sales forecast management system on Qlik, which can retrieve information online through Qlik efficiently.

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 1: 263, Moo 10, Tambon Maefaek, Amphur Sansai, Chiang Mai 50290
Tel: 0 3622 4171-8 Fax: 0 3622 4187

Branch Office 2: 64/132, Dynasty Project Building, F2C, Moo 10, Tambon Saladaeng, Amphur Muang, Ang Thong 14000
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 50 per share, totaling Baht 100,000,000.

Paid-up Capital: 2,000,000 ordinary shares at a par value of Baht 50 per share, totaling Baht 100,000,000.

Company's Shareholding: 1,999,995 ordinary shares at a par value of Baht 50 per share, totaling Baht 99,999,750, 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 by Diamond Materials Co., Ltd. 1st branch, Chiang Mai Province 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, and Diamond Materials Co., Ltd. 2nd branch, Ang Thong Province, the retail business of roofing tiles, wood substitutes, autoclaved aerated concrete, and aerated countertops produced by Diamond Building Products Public Company Limited (Parent Company).

As of December 31, 2022, Diamond Materials Co., Ltd., 2nd branch, Ang Thong Province, has already notified the branch termination with the Revenue Department.

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	57.06%
2) Bualuang Long-Term Equity Fund	23,947,600	2.80%
3) Mr. Prinya Tieworn	17,000,000	1.99%
4) Bualuang Long-Term Equity Fund 75/25	15,690,400	1.84%
5) Mr. Prakit Pradipasen *	14,539,500	1.70%
6) Thai NVDR Co.,Ltd.	14,400,392	1.68%
7) Mrs. Siriwan Jungthirapanich	11,000,000	1.29%
8) Bualuang Infrastructure Retirement Mutual Fund	9,082,800	1.06%
9) Mr. Chaiyut Srivikorn	8,766,200	1.03%
10) Bualuang Flexible Retirement Mutual Fund	8,662,100	1.01%
11) Myriad Materials Co.,Ltd.	244,096,208	28.54%
Total	855,033,100	100.00%

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

The Company has determined the name list of shareholders with rights to attend the 38th Annual General Meeting of Shareholders (Year 2023) and rights to receive dividends on the Record Date of Tuesday, March 7, 2023.

Currently, Myriad Material Co., Ltd. is the major shareholder of the Company, having the group of Mr. Chaiyut Srivikorn and group of Mr. Prakit 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. Prakit Pradipasen, Mr. Chaiyut Srivikorn, Mr. Warayut 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, 2022.

Names	Ordinary Shares (shares)		
	As at December 31, 2022	As at December 31, 2021	Increase / (Decrease)
Directors and Executives Holding the Company's Securities			
1) Mr. Prakit Pradipasen *	14,539,500	15,239,500	(700,000)
2) Mr. Chaityut Srivikorn	8,766,200	8,766,200	-
3) Mr. Warayu Pradipasen	710,000	210,000	500,000
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	9,000,000	-
8) Mr. Maitree Tawonatiwasna * (Ending on April 22, 2022)	-	3,700,000	(3,700,000)
9) Mr. Sunthorn Suwannajade	150,000	150,000	-
10) Ms. Peachayanant Lorvorlak	125,000	125,000	-
11) Mr. Krit Kullertprasert	420,000	420,000	-
12) Mr. Somkuan Sittichoketum	6,500	6,500	-
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			
5) Mr. Seree Saengmark			
6) Mr. Kamchub Vatanatham			
7) Mr. Songkran Suwanmak			
Total	41,214,800	45,114,800	(3,900,000)

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



1.4 REGISTERED CAPITAL AND PAID-UP SHARE CAPITAL

As at March 7, 2023, the Company has a registered capital being all ordinary shares of 855,033,100 shares at a par value of Baht 1 per share totaling Baht 855,033,100, 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 2022 are as follows:

Dividend	2022 *	2021	2020
Earnings Per Share (Baht Per Share)	0.75	0.68	0.62
Dividend Per Share (Baht Per Share)	0.50	0.46	0.42
Dividend Payout Ratio (%)	66.67%	67.65%	67.74%
Dividend Paid (Million Baht)	428	393	359
Number of Paid – up Common Shares (Million Shares)	855	855	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 2022, 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 2022; 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 7, 2023.

(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 2022, the RMC Committee held 8 meetings altogether, the meetings comprising of executives, totaling 8 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. It is divided into five levels: level 1 has the lowest risk, to level 5 has the highest risk.

- **Red Risk:** Risk Level 5: The highest risk factor that needs to be addressed urgently by setting a corrective approach to reduce the risk as the first priority.
- **Orange Risk:** Risk level 4: risk factors that need to be monitored, which may be risk factors that can prevent the risk from becoming more severe in the future.
- **Yellow Risk:** Risk Level 3: Medium-level risk factors must be monitored and tried to control to an acceptable level.
- **Green Risk:** Risk Level 2: Risk factors that are generally acceptable but still need to be monitored and controlled to prevent the risk from increasing.
- **Blue Risk:** Risk Level 1: It is a normal situation.

The RMC Committee has summarized the risk overview of the Company and its subsidiaries with the highest risk factors that need to be addressed urgently, including (Red Risk) three external and one internal risk factor. 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

According to a cabinet resolution in December 2014 regarding the elimination of using asbestos (chrysotile), the RMC Committee has closely followed the said policy; in year 2022, the government, private sector, and various organizations are still unclear on the cancellation of the use of asbestos.

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. The RMC committee can control the risk level without affecting the Company's overall management.

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

In year 2022, the Coronavirus Disease (COVID-19) epidemic is still severe and continuous, which is considered a significant risk in the Company's overall management. The RMC committee has been committed to risk management to control the spread of the COVID-19 virus more rigorously than last year. It manages risks according to the New Normal principle and has screening measures before entering the inner areas of the Company. A proactive ATK (Antigen Test Kit) testing plan was established to screen high-risk groups before entering the inner areas. It also emphasizes compliance with Universal Prevention, campaigning, and publicizing all three vaccination doses and additional booster doses. As for plans to support the impact of sales and marketing to meet the goals set during the COVID-19 epidemic control, the Company has focused on monitoring the results of production and distribution in all channels. The Company can carry out as plan for distributing to small and medium-sized dealers in the region that still has potential and can open a shop by communicating and promoting product information through electronic channels.

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.

In year 2022, despite the spread of the COVID-19 virus in many waves, especially the violence during the first half of the year, the RMC Committee effectively controlled the aforementioned risk without affecting the overall management of the Company.

(3) RAW MATERIALS MANAGEMENT

The crisis of epidemic of the COVID-19 virus is still severe and continuous, and the crisis of the war between Russia and Ukraine significantly affects the international shipping system. As a result, the Company's main raw material delivery plan, especially asbestos and paper pulp, mainly produced in European countries, is delayed with the risk of raw material shortage and raw material prices increase. The RMC committee has therefore closely set measures to prevent such risks by appointing a working group to supervise, in particular, to formulate plans with significant suppliers in developing new delivery routes with the Rail system, avoiding the impact of ship delivery, and enabling material delivery on time. The Company established a strategic procurement plan by recruiting new suppliers and/or manufacturers that are not



affected by the war between Russia and Ukraine, making it possible to recruit many new sources of manufacturers and sellers. Therefore, it can manage purchasing, delivery, stock storage, and develop production processes efficiently and effectively. It also reduces the risk of future raw material shortage and diversifies the delivery risk with a plan to research and develop product formulas that can use alternative raw materials.

Despite the year 2022, there are several waves of the spread of the COVID-19 virus, especially the violence from the war between Russia and Ukraine. But in the first half of the year, the RMC committee was able to effectively control the level of such risks and create a level of delivery and storage of raw materials sufficient to support production and distribution plans without affecting the overall management of the Company.

2.2.2 RISKS FROM INTERNAL FACTORS

(1) RISK RELATED TO OCCUPATIONAL HEALTH AND SAFETY

The Occupational Health, Safety, and Workplace Environment Committee (OSH Committee) and the Safety, Health, and Environmental Unit (SHE) have assessed occupational safety risks to ensure that employees and related persons have Well-being and safety. It has prepared a manual on basic safety measures (SHE 7 Rules), measures for permission to work at risk seven items (7 Permits) and steps to report on unsafe actions (Unsafe Condition), and the almost accident report (Near Miss Report) is used in the Company. In year 2022, the Occupational Health, Safety, and Workplace Environment Committee (OSH Committee) and the Safety, Health, and Environmental Unit (SHE) plan to explore the different risk areas to find measures to control risks and reduce accidents. The Company added a centralized CCTV system to monitor risk behaviors and areas and leading to recruiting risk control measures and reducing accidents. As a result, Diamond employees and partners are alert and help prevent accidents. It also includes notifying or advising to correct risk behaviors regarding NM (Near Miss Report), UA (Unsafe Action), UC (Unsafe Condition) by employees, a total of 8,000 times in year 2022. It can control and prevent the occurrence of lost time accidents in the second half of the year, the overall image of occupational health and safety management was good, and the risk was reduced. In year 2022, participation measures and the rigor/joint responsibility of supervisors and executive safety officers increased. A monthly inspection plan for areas with high-security records has been established, and an overview, situation summary, recommendations to management have been summarized for improvement and prevention every month.

Summary of the overall picture in year 2022, the RMC committee has completely implemented the planned plan with effectively managing and controlling the KRIs of Red Risk in year 2022 according to the plan. There was no increased risk of severity, and no new risks arose.



กระเบื้อง CT เวนิส
ยิ่งสูง ก็ยิ่งสวย

ตรา
เพชร



FUNCTION x FASHION

กระเบื้อง CT เวนิส สีสน้ำตาลทาสคานี ลอนโค้งสูง สวย ได้อารมณ์สไตล์อิตาลี



น้ำตาลทาสคานี



แดงโรมัน



น้ำเงินกรोटโต



น้ำตาลคอนโดลา



เทาบีลาน

สวยครบเซต ตราเพชรทั้งหลัง



Awards of Pride



Received the “Thailand Sustainable Investment (THSI)” Award from the Stock Exchange of Thailand.



Received the “Environmental Governance Project” for building and developing an environmentally friendly industrial network of Khon Kaen



“ESG 100” Year 2022 Certification

Economic Management



Participated in Thailand Coffee Fest 2022 to present products “Diamond Cafe”



Roya I House Co., Ltd. visited the Company to see new product innovations



Opening Ceremony of a Thaiwatsadu branch



Home Product Center (public) co. Ltd visited the Company’s product line



Social Management



Activity "Prakaiphet Scholarship 2022" totaling 50 scholarships



Presentation of "Diamond of Perseverance" Awards to 73 employees



CSR with Mr.D CSR Activity "Petch Volunteer Spirit"



Fire Evacuation Drill

Environmental Management



Diamond's employees joined the project "Pluke Kla Petch, Diamond Green Day 2022"



Installed the wet scrubber system for Concrete tile production line - CT4



Installed automation and robotic systems for work safety in more than 10 projects in 2022.



Publicized the product and service manual of the diamond brand for the environment

Diamond Heart Technicians Project

Class 15. In Cooperation with Muak Lek Technical College, Sara uri Province



Mr. Krit Kullertprasert, Assistant Chief Executive Officer Central Management visited the project at Muak Lek Technical College to provide Class 15 training of rest rooms construction



3. SUSTAINABLE BUSINESS DEVELOPMENT REPORT

The Company is committed to developing the organization for sustainable growth and conducting business ethically and transparently. According to the principles of good corporate governance in management, it realizes responsibility for all stakeholders in economic, social, community, and environmental dimensions. Also, it is an essential mechanism in driving the organization to achieve sustainable growth by its objectives and primary goals. The policies and guidelines for corporate governance for sustainability are as follows:

3.1 SUSTAINABLE DEVELOPMENT POLICY

The Company has the policy to conduct business according to sustainable development guidelines by considering the needs and expectations delivered to all stakeholders through risk assessment from rapidly changing situations. It finds opportunities to improve work at all levels of the organization for setting business strategies to balance both economy and society and the environment, resulting in continuous development both in the short term and in the long term so that the business can grow sustainably as follows:

Economics: Develop organizational capabilities to deliver value and respond to the needs and expectations of all stakeholders by setting goals in line with rapidly changing circumstances with technology and innovation to achieve sustainable development.

Society: improve the quality of life of employees, create a way of living happily together, fairly and equally, and ensure work safety. Participation of all groups of stakeholders for communities in the areas that go into business to support job creation, create careers and give confidence in the way of social responsibility by conducting business with ethics.

Environment: to reduce the impact of climate change that causes the greenhouse effect by efficient use of resources for maximum benefit to maintain the balance of the ecosystem sustainably, and by developing technology and innovation in the work process and applying the circular economy to all activities according to the organizational management guidelines for sustainable development.

Guidelines for sustainable development in the business operations of the Company and its subsidiaries are as follows.

1) Technology development and innovation in work processes for maximum efficiency in utilizing resources and energy with the “**Circular Economy**” system to increase competitiveness, be environmentally friendly, safe, and keep pace with rapid changes.

2) The development of personnel and related persons to be proficient in the manufacturing and distribution of construction materials industry can continuously develop innovations to provide consumers with quality, safe, environmentally friendly products committed to sustainable development practices.

3) Sustainable social development is implemented by creating a way of living together happily, taking care of and developing surrounding communities, jointly solving, improving, developing together earnestly, and promoting sustainable development knowledge to adjust used at the community level and surrounding society.

4) Participation in environmental management inside and outside the organization encourages adopting the community’s and surrounding society’s circular economy system through activities to campaign for the joint development of a sustainable environment.

5) Promoting professional roof installation technicians through educational institutions and non-profit organizations to develop quality technician skills can reduce wastage, reduce quality problems from improper installation, and reduce



the shortage of skilled workers. It is done through the “**Diamond Heart Technicians**” project, which delivers the value of using products according to the needs and expectations of customers following sustainable development guidelines.

The Company’s Sustainability Committee (SC Committee) has set the sustainable development policy for use in managing the business in the same direction by creating a corporate culture based on the corporate values that “**Determined, Transparent, Learning for Development, Environmental Protection**” or “**D-BUILDS.**”

3.1.1 SUSTAINABLE OPERATION STRATEGY

The Company is committed to driving the organization toward sustainability, caring for and developing society, communities, and the surrounding environment. It started to take care of the diamond people in the house to the outside society surrounding the Company, focusing on building the organizational culture in the same direction as “Corporate Values”. Therefore, the strategy for sustainable operation is set 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, in line with the concept of the Circular Economy, environmental campaigns, 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. In year 2022, the Company reviewed the Corporate Governance Handbook to serve as a clear guideline for all stakeholders, including shareholders, customers, business partners, competitors, creditors, employees, society, and the environment. It also respects the law and human rights principles, culture, local customs, fair trade competition. It is based on adequacy, balance, and risk management to be accepted by all stakeholders, resulting in successful business operations and sustainable growth. (see details on page 128 under topic “Corporate Governance Policy”).

3.1.3 ANTI-CORRUPTION REPORT

The Company is committed to preventing and combating all forms of direct or indirect corruption and ensuring the Company’s operations with corruption risks are carefully assessed. The Company, therefore, has prepared an “**Anti-Corruption Policy**” and a written Anti-Corruption Manual for directors, executives, employees, and hiring at all levels, for using it as a strictly operational guideline. In addition, partners, dealers, or persons related to the Company’s business are also expected to support the implementation of this policy.

Anti-Corruption Policy: It is defined that “Prohibiting directors, executives, employees, and hiring of the Company from doing any activity related to corruption in any form for the direct or indirect benefit to oneself, family, friends, and acquaintances. Whether such the Company’s personnel is the recipient, giver, or offerer of a bribe, monetary or non-monetary, to a person, government official, government agency, or private entity that the Company has a business or contact with. All of the Company’s personnel will strictly comply with this anti-corruption policy.”

The Company regards risks, responsibilities, and fair and equitable treatment to partners and all groups of stakeholders according to the framework of laws, ethics, and good governance principles. In year 2022, the Company participated in the CAC Certification Ceremony 2022 under the theme “**From Unity to the Turning Point of Corruption**” via an online system on July 12, 2022, organized by the Coalition Against Corruption of the Thai Private Sector (CAC). There was a ceremony to present the 3rd renewal certificate to the Company, which was certified during the 1st quarter of 2021, on June 30, 2021, with a resolution to renew the certification for three years, due June 30, 2024. The Company has produced a video using the phrase “**Diamond Brand joins the fight against corruption to create a better society,**” demonstrating unity against corruption at the event. Also, the Company campaigned for the “**No Gift Policy**” project, refraining from accepting and giving gifts to directors, executives, and employees to jointly support and promote the anti-bribery and anti-corruption alliance during the New Year or on any other occasion.

Whistleblowing or Complaint Channels: The Company has established a channel for whistleblowing or complaints by allowing stakeholders to report clues or complaints on corruption safely. The channels are through the Chairman of the Audit Committee Telephone number 0 3622 4171-8 ext. 282 E-Mail Address: Audit_Com@dbp.co.th or send by post to Chairman of the Audit Committee, No. 69-70 Moo 1, Mitraphap Road, Km. 115, Tambon Talingchan, Amphur Muang, Saraburi 18000.

Process for receiving complaints about corruption:

The Internal Audit Office registers complaints and presents them to the Chief Executive Officer or the Chairman of the Audit Committee for review or to set up a working group to collect and investigate facts. The Internal Audit Office will propose closing the matter to report to the Audit Committee and present to the Board of Directors, respectively.

In year 2022, the Company had two complaints about corruption, and the Internal Audit Office concluded that the matter had no significant impact on the Company’s operations and does not find any conflict of interest issues for employees. (see details on page 182 under topic “Anti-Corruption Report”).





3.2 MANAGEMENT OF STAKEHOLDERS IMPACTS IN THE BUSINESS VALUE CHAIN

3.2.1 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. It can be classified into two groups as follows:

The main stakeholders are those directly close to the Company and receive benefits or direct impacts from the business operations, such as employees/family members, shareholders, customers, business partners, trade creditors, domestic and international, and communities surrounding the Company's location, etc.




Secondary stakeholders are those who are indirectly related to the Company or to the society beyond as those who receive indirect benefits or impacts from the business operations, such as government agencies, media, etc.

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. 5) Build good relationships within the organization.	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) Organizing activities in various festivals. 3) Organize safety and engagement related activities. 4) Receive complaints and suggestions. 5) Established Diamond Communities focusing on quick and immediate communication. 6) Prepare HR Channel to make media and increase communication channels for employees thoroughly.	Human Resources and Management Division





Stakeholders	Major Concerns	Sustainable Development Strategy	Communication	Responsible Unit
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
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) Adhere to equality, integrity in business operations, and mutual benefits. 2) Operate business based on international business relation standard not supporting trade monopoly. 3) Build confidence by strictly complying with contracts, financial responsibility and agreed conditions. 4) Do not ask or receive or pay any dishonest benefits.	1) Meeting with trading partners. 2) Visits from trading partners. 3) Receiving suggestions and complaints in writing or by E-mail.	Purchasing Department and Administration Division



Stakeholders	Major Concerns	Sustainable Development Strategy	Communication	Responsible Unit
Trading Partners – Contractors and Transport Operators 	1) Fair and competitive compensation as per the agreement. 2) Good and safe working environment. 3) no discrimination, 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) Continuously benefiting from service channels, investments, and other 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 issues, investments, exchange rates, and various electronic payment channels.	Through Bank offices or Bank's websites.	Accounting and Finance Division and Management Division
Communities 	1) Forter good relationship 2) Build jobs and promote people in the community for sustainable jobs. 3) Good and safe environment. 4) Participate in community development.	1) Hiring shall be from the surrounding community as a priority. 2) Create jobs in the community via "Diamond Heart Technicians" project. 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 and Management Division



Stakeholders	Major Concerns	Sustainable Development Strategy	Communication	Responsible Unit
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 Section 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

Sustainability Committee (SC Committee) consists of 10 directors and executives to perform duties according to the Company's sustainable development policy and guidelines in place of the Corporate Social and Environmental Responsibility Committee. It focuses more on efficiency and aligns with the Company's sustainable growth. In the year 2022, it has reviewed critical sustainable development issues under the situation of the epidemic COVID-19 and the war between Russia and Ukraine, which affects the economy, society, and the environment that changes.

There are steps from the analysis of sustainability issues to be assessed together with the Company's risk assessment for further development of sustainability operations as follows:

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 SC 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	The Company has been affected by the war between Russia and Ukraine, causing the cost of raw materials and energy to be high. Value chain management to be able to produce with quality and competitive costs is therefore important.	Fair treatment towards trading partners and stakeholder throughout the supply chain.	No. 3.2.3 page 55
2) Responsibility towards Products and Services	The Company is committed to developing production innovation and product quality, developing production formulas to recycle used raw materials to reduce environmental impact and create business opportunities for the Company.	Ensure customer’s satisfaction from standard-compliance products as required.	No. 3.2.3 (2) page 60
3) Responsibility towards Consumers	Create credibility for the brand to ensure continuous purchases. by producing quality products and services.	Offer quality product for consumers to ensure satisfaction.	No. 3.2.3 (1) (F) page 59
4) Innovation and Technology Management	Create a better alternative for increased productivity, reduced costs, reduced production time and reduce workspace in vulnerable areas with technology and innovation.	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 61
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.	No. 3.4.2 (1) (1.1) (F) page 83



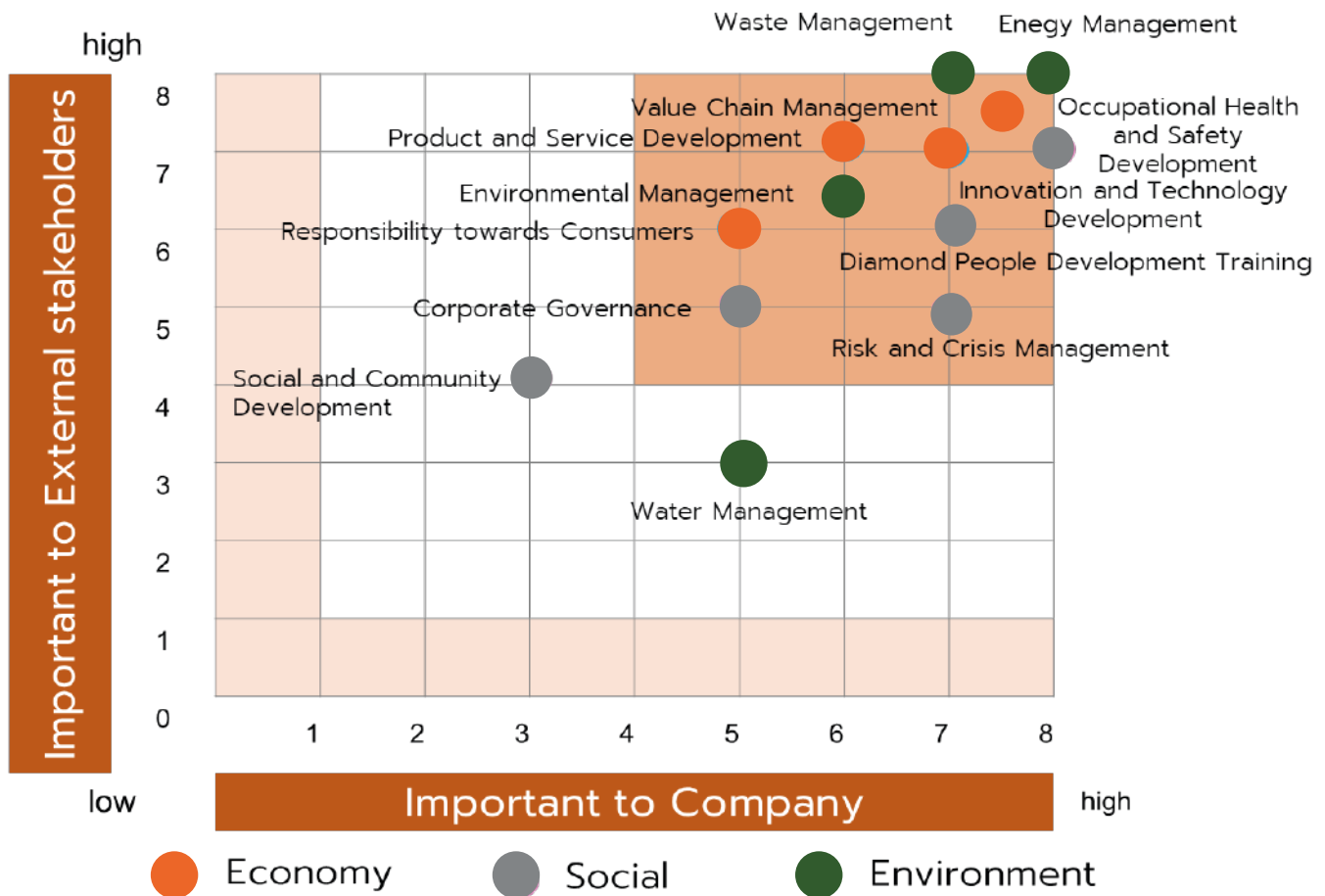
Environmental, Social, and Governance Factors (ESG) in Sustainable Development	Rationale for Sustainability		Page in the Report
	To the Company	To Stakeholders	
(B) Social Dimension: Operating Business with Principles on Equitable Access to Life Basic Necessities, and Responsibility towards Surrounding 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 80
2) Diamond People Development	Create knowledge base and foster continuous learning culture among Diamond People, based on corporate values of Determined, Transparent, Learning for Development, Environmental Protection, Potential, and Availability for career growth, which will lead to sustainable corporate development.	Arrange trainings for Diamond People for their knowledge, capabilities, skills in successful careers. be good people, and be capable of progressing to a higher position.	No. 3.4.2 (1.2) Page 83
3) Responsibility towards Society and Community	Continual business operation that is well accepted and gains cooperation from the community to generate continuous sales opportunities.	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 90
4) 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 128
• 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 78
• Fair Business Operation	Comply with the law and Operate business fairly according to the code of conduct.	All groups of stakeholders are treated equally.	No. 3.4.1 (3) Page 79

Environmental, Social, and Governance Factors (ESG) in Sustainable Development	Rationale for Sustainability		Page in the Report
	To the Company	To Stakeholders	
<ul style="list-style-type: none"> Anti-Corruption 	Operate business with transparency, accountability, anti-corruption in all forms, acceptable to investors and all groups of stakeholders, join CAC membership.	Campaign for Diamond people to be responsible for their duties following the legal framework, be aware of corruption's dangers, and be honest.	No. 8.1.4 (3) Page 182
(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 (3) Page 72
2) Waste Management	Use the Circular Economy concept and 3R strategy to reduce, reuse, and recycle to reduce costs and environmental impact.	Minimize waste disposal to the community, harming the environment. Ensure good wellbeing of the community.	No. 3.3.2 (1) Page 66
3) Environment Management <ul style="list-style-type: none"> Dust management Solution's Odor management 	Employ the 3R Strategy to reduce, reuse, and recycle by lessen odor, recycle dust, reusing as raw materials, use resources efficiently. 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 (2) Page 69
4) Energy Management	This year, the Company pays attention to reducing energy usage, mitigating global warming, and reducing CO ₂ emissions that harm the atmosphere and environment and significantly affect business costs.	Decrease impact to the environment. Minimize global warming.	No. 3.3.2 (4) Page 74



(4) PRIORITY ISSUES AFFECTING SUSTAINABLE DEVELOPMENT

The SC Committee resolved to approve the prioritization of priorities that affect the Company's sustainable development to be suitable for the changing situations both internally and externally. In year 2022, the war between Russia and Ukraine and the long-standing outbreak of COVID-19 affected the Company's operations and stakeholders as assessed in 13 issues. This year, the focus is on energy management to manage product costs to be competitive. It also focuses on occupational health and safety management issues and value chain management issues for development to be efficient and competitive. Moreover, it improves production formulas, creating flexibility in resource utilization in a sustainable framework and line with corporate strategies. It is summarized as follows:



3.2.2 BUSINESS VALUE CHAIN DEVELOPMENT

The Company focuses on developing the business value chain by bringing innovation and technology to use in various processes to create business value and benefit all groups of stakeholders.

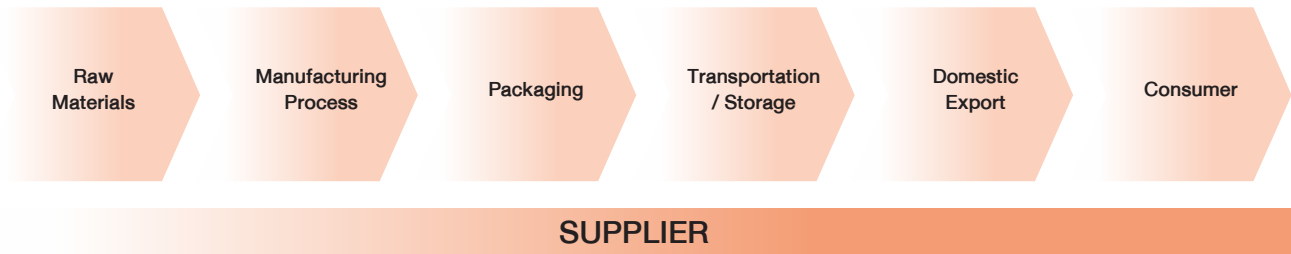


	Production Factors Management	Operations	Distributions and Services	Marketing and Sales	Aftersales Service
Business Activities	<ul style="list-style-type: none"> Procurement of machine installers / spare parts / supplies Procurement of raw materials / packaging Selection of contractors to produce products 	<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 Adding channels to receive orders from customers through the Web Sales system. 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 3,850.40 million baht Total liabilities 1,367.25 million baht Cash generated from operating activities 526.35 million baht 	<ul style="list-style-type: none"> Land, buildings and equipment 1,722.24 million baht Total assets 3,753.04 million baht 	<ul style="list-style-type: none"> 976 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 5,249.44 million baht EBITDA 1,095.02 million baht Net profit 642.15 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 4.41 percent Accident statistics of injurious leave is 0.28 LTISR 	<ul style="list-style-type: none"> Satisfaction towards products and services is 90-99 percent Satisfaction with the community without significant complaint, greenhouse gas emissions 	<ul style="list-style-type: none"> Greenhouse gas emissions 1st boundary amount 2,557 tCO₂e 2nd boundary amount 46,119 tCO₂e
Results for Stakeholders	<ul style="list-style-type: none"> Equity return ratio 28.45 percent for shareholder Earnings per share 0.75 baht per share Dividend 0.50 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 4.19 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 139.56 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					



3.2.3 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 , economically, environmentally and socially to partners in 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.

Purchasing/Employment Policy The Company has a procurement policy that complies with the requirements of system management, standards, and relevant laws, with social responsibility, community, and environment. by treating trading partners with equality and fairness.

Measures to expand the Coalition against Corruption: In year 2022, the Company sent a letter inviting business partners to join the Thai Private Sector Collective Action Coalition Against Corruption (CAC) to support anti-corruption guidelines. It gives the Company and its partners a transparent operating system that will lead the business toward sustainable development.

Supplier Management: The Company’s supplier risk management consists of valuation analysis in the supply chain to identify critical suppliers of the Company. It includes registering business partners or preparing contracts to examine each type of tax payment to the Revenue Department according to law and financial status to determine the qualifications and credibility of business partners who will join the business with the Company, which must pass the evaluation criteria in both technical, quality assurance under the contract. Moreover, It must pass the compliance with the environmental laws of the Company’s important partners and compliance with safety rules such as main raw material suppliers, contractors for product production, contractors for product installation, freight forwarders, etc.

Major trade partners are trade partners who produce and distribute products or services essential to the Company's business operations. It is the high spending in the group of primary raw materials and labor contracting work in the production line, etc.

Secondary trade partners are trade partners who produce and distribute products or services that tend not to affect the production and sale of the Company's products. But there may be a chance to cause a slight impact on operations in terms of society, environment, corporate governance, etc.

In year 2022, the Company's major trading partners comprised 61 persons, representing 6% of the total number of trading partners critical to the Company's business operations. The Company regularly assesses the supply chain system, problems, obstacles, product delivery, and product quality to create opportunities for sustainable business cooperation.

Number (supplier)	Major trade partners	Secondary trade partners	Total
Both domestic and international raw material sellers	25	62	87
labor contractor, transporter	18	77	95
Seller of parcels/products for sale/other	18	833	851
Total	61	972	1,033
Ratio	6%	94%	100%

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.

Every year, the Company will select new trading partners who pass the qualifications of raw materials or the quality of work according to the Company's standards, assess suppliers and improve the quality of its raw materials that do not affect society and the environment.

Number (supplier)	2022	2021	2020
New raw material seller	5	6	5
New contractor/transportor	35	42	18
others	123	177	133
Total of new seller/contractor	163	225	156
Ratio of new seller/contractor	7.95%	11.63%	10.06%

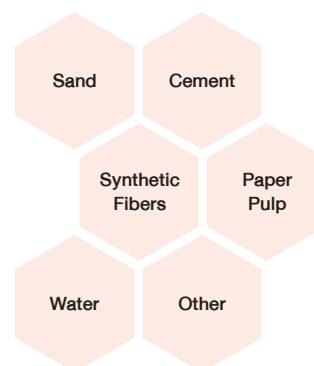
(A) Raw Materials

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)	2022	2021	2020
Quantity of production	1,003,384	961,026	873,055
Quantity of main raw materials	771,028	751,349	684,989
Reused raw materials	52,929	51,975	41,976
Ratio of reused raw materials	6.86%	6.92%	6.13%



(B) Manufacturing Process

The Company is committed to improving the production process by introducing new technologies and innovations in each step of the production process. Emphasis is placed on personnel development to have creative ideas in creating innovations with cooperation from all employees. There are multiplicative maintenance activities that all employees are involved in Total Productive Maintenance (TPM), and activities of Quality Control Cycle (QCC) and Material Cost Improve program (MCIP) to increase efficiency. Overall Equipment Effectiveness (OEE) is increased, and production costs are reduced, including management to minimize environmental impact. The Company employs the circular economy. In year 2022, the Company reused raw materials or waste in the production process for a total of 52,929 tons, representing 6.92%, able to reduce the use of raw materials that are natural resources of the total consumption of primary raw materials. It includes water management, air pollution reduction reduce, energy consumption and reduce greenhouse gas emissions, 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.

- In year 2022, the Company

built a container bridge (DOCKING RAMP) for shipping abroad to increase efficiency and safety in delivering goods into containers, 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.

- Encourage all transport service personnel or drivers to receive two doses of the COVID-19

vaccine and set measures to maintain distance and use protective equipment for the safety of both transport staff and customers.

3) Work Efficiency Improvement

The Company has implemented a Delivery Management System to manage the pick-up trucks at Factory 1 and Factory 2, resulting in the more efficient management of the pick-up time in the factory. It also can reduce the time to search for information, thereby increasing customer satisfaction.





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 has 875 domestic dealers, consisting of 674 dealers, 201 modern trades, real estate projects in government and private sectors, and foreign dealers totaling 66 stores, most of them in the CLMV group.

Dealer management: The Company has the policy to maintain existing dealers and focus on adding new dealers to cover all provinces. All dealers are treated as if they were a Diamond family. The Company provides appropriate and fair compensation management, continuously and clearly promoting the diamond brand's image and products, including consulting when experiencing operational problems, etc.

Dealers Training: The Company organizes training to develop dealers and sub-shops for continuous competitiveness. It sets goals and planning development training such as training salespeople or PCs in dealerships training technicians and contractors. It collaborates with significant dealers in the province or real estate projects in different areas, focusing on demonstrating how to properly install the product and introducing new products and services that need to drive sales. In addition, there are activities to provide product knowledge and product usage for students from educational institutions and dealers both in theory and practice. In year 2022, 323 training events were held throughout the year, with a total attendance of 1,817 participants.

Dealer Training Year 2022



(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, Twitter, TikTok and Line Official Account, 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.

(2) PRODUCT AND SERVICE

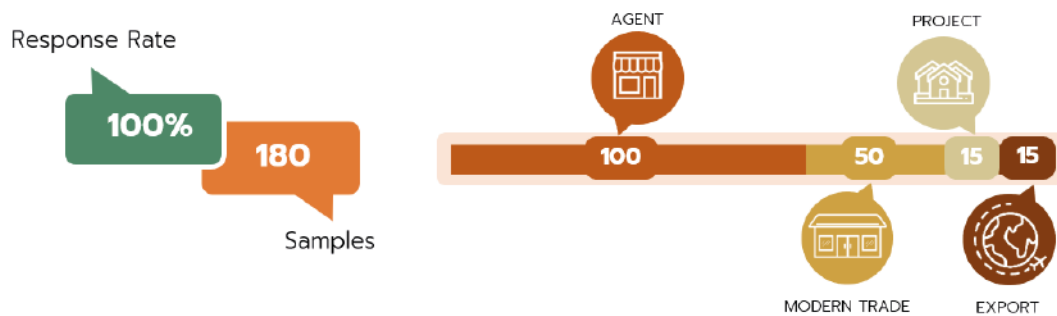
On capacity of the vision “To Be a Better Choice for Construction Materials and Services,” the Company is determined to manufacture environmental friendly products in accordance with established standards toward sustainable development as follows:

(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.

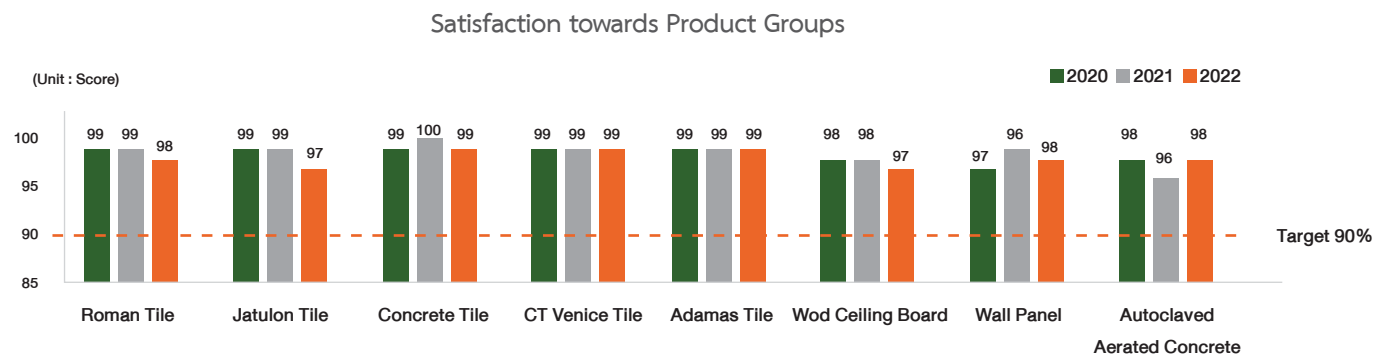
(B) Satisfaction Assessment on Products and Services

In year 2022, the Company assessed dealers’ satisfaction across the country. The study found that dealers are loyal to the “Diamond brand” brand, which has a variety of products that can build a whole house and systematic installation and after-sales services that are well known to consumers by the Company’s marketing department. It has evaluated the satisfaction of dealers across the country for 180 samples returned to 100% as targeted as follows:



Satisfaction towards Product Groups

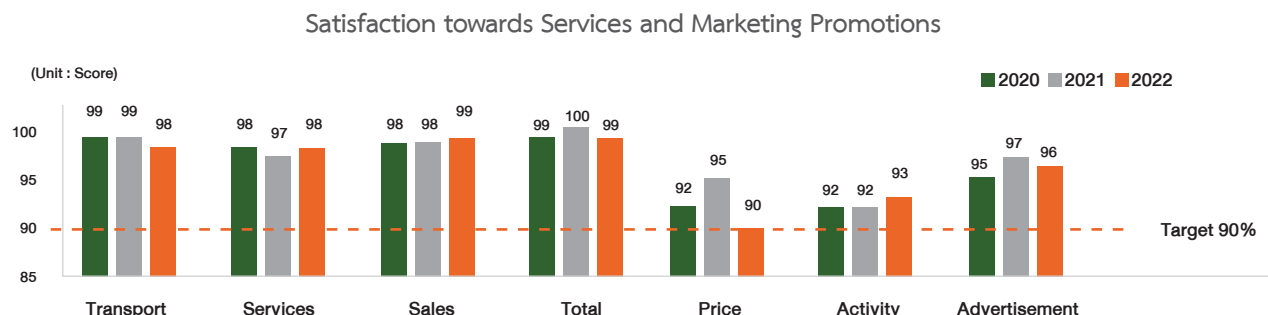
The Company has a satisfaction goal with the product group of 90%, with the results of the year 2022 satisfaction survey higher than the target of all product groups. The group with lower scores was the wood plank group, with a 2% decrease and a reduction in color fastness. In year 2023, the company plans to improve product quality in the wood plank group by increasing flexibility and the product’s stickiness and tested by doing Blind Test. Also, the Jatulon tile group has a plan to develop and inspect the quality of the paint, etc., as follows:





Satisfaction towards Services and Marketing Promotions

The Company has a goal of satisfaction with the service and marketing promotion equal to 90%, with the satisfaction survey results in year 2022 higher than the target in all aspects. The satisfaction level was the lowest in terms of price and was 5% lower than last year. The product groups that did not meet the price target were: Roof structure products, Jatulon fiber cement tiles, and lightweight concrete blocks due to price changes according to economic conditions resulting in higher raw material and energy costs. However, the Company still focuses on product development strategy rather than price competition, as shown below:

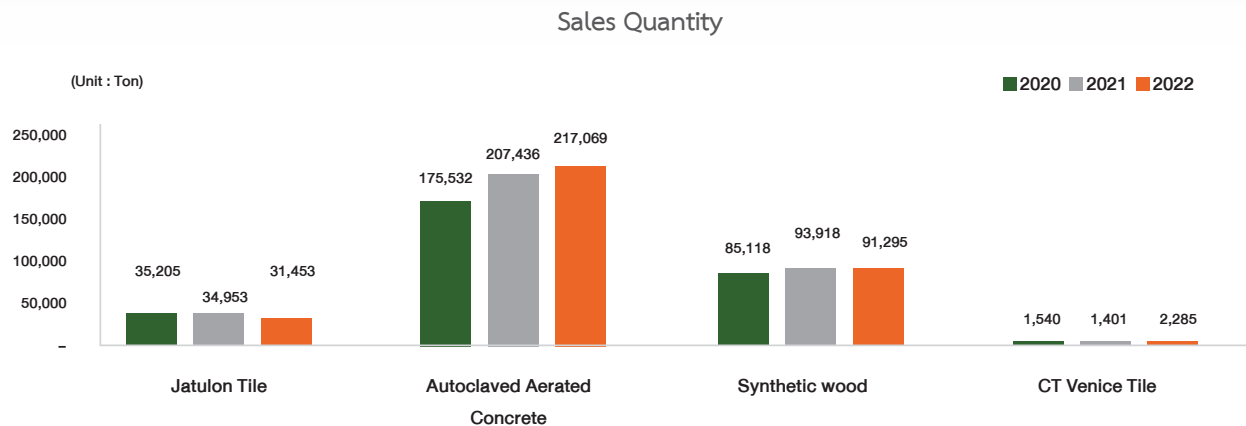


(3) INNOVATION AND TECHNOLOGY DEVELOPMENT

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 bringing technology and innovation to help improve production efficiency. Many projects originated from the beginning of making Kaizen QCC and TQM systems that the results of the experiments can be used in the production process and increase efficiency with technologies by automation and robotics innovation projects(Automation & Robotic), **upgrading factories to Smart Factory**, as well as energy and environmental management projects **under the Circular concept**. Economy and can reduce production costs and increase competitiveness as follows:

(A) Product product innovation and research and development: to enable the Company to achieve the vision of **“To Be a Better Choice for Construction Materials and Services”** and continuous development of environmentally friendly products. It received the standard **“High Energy Efficiency Label”** from the Department of Alternative Energy Development and Efficiency, Ministry of Energy to stick on the Company’s products. In year 2022, there were expenses related to research and development of approximately 3.7 million baht, with a goal of product growth of at least 5%. The overall product growth increased by 1% from the previous year, with the aerated concrete product group growing 5%. Because it is a product that has become more popular of its good properties, being able to insulate the house from heat and save time and labor in soundproofing construction as follows:



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

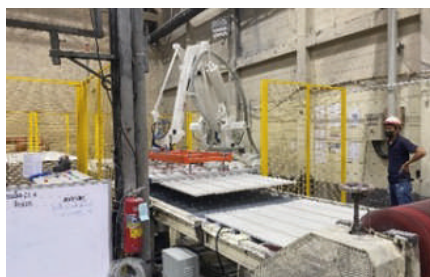
- 1) Research and development on the use of crushed tile scraps in the production process of concrete tiles (Gran Onda) to replace the crushed stone in 100%, helping to reduce the use of natural resources and reduce waste and environmental problems.
- 2) Research and development for using fiber cement tiles and aerated concrete blocks to be used as a mixture of more raw materials to reduce waste, the use of natural resources, and environmental problems.
- 3) The development of production formula by reusing the dust Groove from wood planing to produce boards and planks to replace the use of calcium carbonate. It can reduce 3,500 tons of dust per year, resulting in a better working environment.
- 4) Reusing wet scraps FC and NT as raw materials for producing NT and FC product groups, reducing the waste of wet scraps that can be reused for production.
- 5) The use of finely ground aerated concrete blocks as raw materials for producing CT concrete tiles.
- 6) In year 2022, the war between Russia and Ukraine affects the international transportation of goods, and the cost of imported raw materials and energy continues to rise. The Company focuses on research and development of recycled paper, domestic paper, and paper from agricultural waste such as white bond paper, cotton rag, eucalyptus fiber paper, palm fiber paper, bagasse paper, etc. They are used as raw materials to replace expensive foreign pulp to reduce the risk of raw material shortages, environmental impact, etc.

(B) Innovations in the production process: In the year 2022, the Company carried out production innovations to increase production efficiency in the Smart Factory project as follows:

1) Innovations in Manufacturing and Automation:

PTI Committee studies and develops machines, robots, and automation systems to increase productivity. It can reduce accident-prone, heavy-duty, and repetitive work areas which are not suitable for manual labor. It aims with a long-term goal of developing 50 robots within five years. The Company is committed to the development of automation and robotics to achieve the organization's goals of innovation for sustainability. In 2019-2022, 30 automation systems and robots were installed, and 12 Internet of Things or IoT systems were established by the Diamond Automation & Robotics Transformation Team: DART. Team).

In year 2022, the Company has implemented ten innovative automation and robotics projects of 10 projects with a total budget of 16 million baht. It can reduce work risk areas of employees and workers 23 rates, reduce fatigue, reduce workplace accidents, and increase work efficiency and standards as follows:



Project	Objective	Completed
1) Slurry Auto CT Adamas installation project at the CT production line	Installing automatic slurry mixing control to reduce the risk area in work by one rate by reducing fatigue from repetitive work.	August 2022
2) Extruder Rid Automation Installation Project at CF-1 Production Line	Installing an automatic system for the 1 st ridge cover forming machine to reduce work in risky areas by three people, reducing labor fatigue and workplace accidents.	October 2022
3) Auto Loading Roofing Tile installation project at CL-7 production line	Installing automation systems and robots to replace old machines that have begun to deteriorate, reduce maintenance costs by about 10% from automated innovation, reduce worker accidents	December 2022
4) Automatic Loading installation project at CL-4 production line	Using automation and robots instead of labor to enter the workpiece into the painting system can reduce work in risky areas by nine people/day, reduce work fatigue, and reduce workplace accidents.	December 2022
5) Robot Loading Project at Pack No.4 production line	Using automation and robots instead of labor to feed workpieces into the 4 th packing machine to reduce the work in risky areas by six people/per day, fatigue in areas with complex and repeated work, reducing accidents.	December 2022
6) Automatic Loading project at Grooving line No.4	Using an automated system to work instead of manual labor feeding synthetic wood into the Groove machine to reduce the work in risky areas by three people/day, reducing the risk of accidents.	December 2022
7) Green Cake hardness and temperature meter installation project at AAC production line	Installing a pressure measuring device (Load cell) and torque (Servo controller) with temperature measurement of Green cake to increase quality, reduce waste in the production process, and reduce the use of natural resources.	December 2022
8) Automatic paint filling machine project at Water Paint production line	Installing a water-based paint-filling machine by pumping from a 200-liter storage tank into the paint tin to reduce the rework area by one person/day.	December 2022
9) Automatic mixing solution project at concrete tile production line	Installing a solution preparation machine by the specified mix ratio automatically with a feeding system to fill it into the original color mixing molding bucket to reduce repetitive work and the smell of the solution.	December 2022
10) Automatic glue water conveying system project	Installing glue water conveying machine with a conveying system to fill the original color mixing molding bucket automatically.	December 2022



2) Smart Factory Project

The Company has introduced the Internet of Things (IoT) system to play a role in managing production, maintenance, supporting automation, improving quality, reducing the risk of epidemic. It connects devices, tools, or machines together via the Internet to improve work efficiency. and support the Company's Smart Factory project. In this regard, it installed IoT Ball Mill No.1, 2 and Cellulose No. 2, 3, 4 and IoT Mixer FC6, NT10 and NT11, etc.

In year 2022, expand the IoT system for five high-priority machines: the IoT Ball Mill and Boiler of the Aerated Concrete production line, the IoT Tile Machine and Mixer of the CT2 concrete tile production line, and the IoT Central Dust Collector Groove of the fiber cement tile production line. It can reduce the problem of machine downtime, know the machine status through the vibration sensor, alert when the value exceeds the standard, and reduce work accidents in risky areas of labor.

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.
- **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

- **K2 program:** It is an electronic workflow technology that can help reduce the amount of paperwork, reduce errors in the approval process, reduce the use of form paper, and increase productivity. It can link to SAP programs to reduce redundant work, including local purchasing system, budget system, purchase orders/employment systems, purchase orders, parcel receipts (PR), etc. This year, a parcel receipt system (RC Phase II) has been added, which develops project receipt forms and purchase vouchers to support payment approval in the K2 system.
- **Delivery Management System program:** It is the transportation management system at Factory 1 and 2. It starts from calling the vehicle to the factory, weighing, discharging, inspecting, and weighing the departure vehicle until delivering to the customer. As a result, it can effectively increase efficiency in managing the time of truck pick-up in the factory. It also can reduce the time to search for information to increase customer satisfaction in receiving the product.
- **Installation Management System program:** It is a product installation service system in the form of Application & Web Brower to manage work processes. It starts from the beginning to the end of the process to develop and improve the tracking of installation services to be effective.



- **Estimate Planning System:** In year 2022, a system was developed to manage reverse engineering ranking and cost estimation to quickly plan and follow up on the reverse engineering and cost estimation of the Company's products and increase customer satisfaction.

5) **Learning Promotion toward "Innovative Culture":** In year 2022, the Company supported employees to attend training courses for developing innovations and several information system projects, as well as study visits to Vortex Hydra S.R.L concrete roof tile manufacturing technology in Hungary and Italy. It aims for innovation development to occur continuously according to the goals set as follows:

(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) The Company has benefits from various government tax breaks, extension of tax payment as well as using the right to deduct income from investment in machinery, etc.

6) In year 2022, 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 2022, 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 May 12 - 13, 2020, on June 16 - 19, 2021, and on May 2 - 5, 2022 by Smile Laboratory Co., Ltd., to observe the company's environmental quality and criteria. The standard meets all goals, (see details on page 96 under topic "Environmental monitoring according to industry standards"), including:

- (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) WASTE MANAGEMENT

The Company has the policy to manage waste in the production process to reduce the impact on the environment due to its direct health hazard of employees and the cause of all environmental problems. The Company has adopted the 3R strategy and the **Circular Economy concept** to manage waste under ISO 14001 guidelines for maximum benefits and effectively reduce production costs. The Company's target of production process aims to be **Zero Waste to Landfills** in 2030. It divides waste into two types: non-hazardous waste and hazardous waste, summarized as follows:

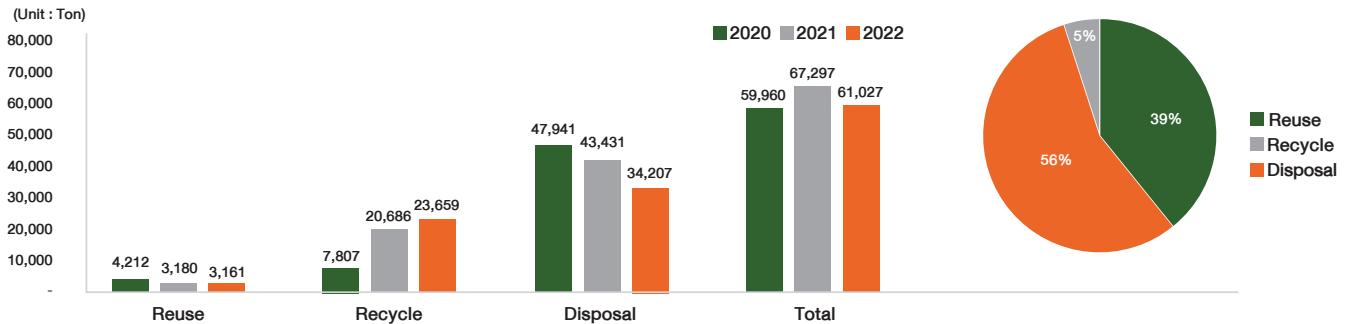
(A) **Non-Hazardous Wastes** which mainly are tile chips, woodchips, plastic pieces, scrap iron, scrap paper, dust, and other garbage are treated based on ISO 14001 guideline as follows:

- 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.



Non - Hazardous Wastes

Non - Hazardous Wastes 2022



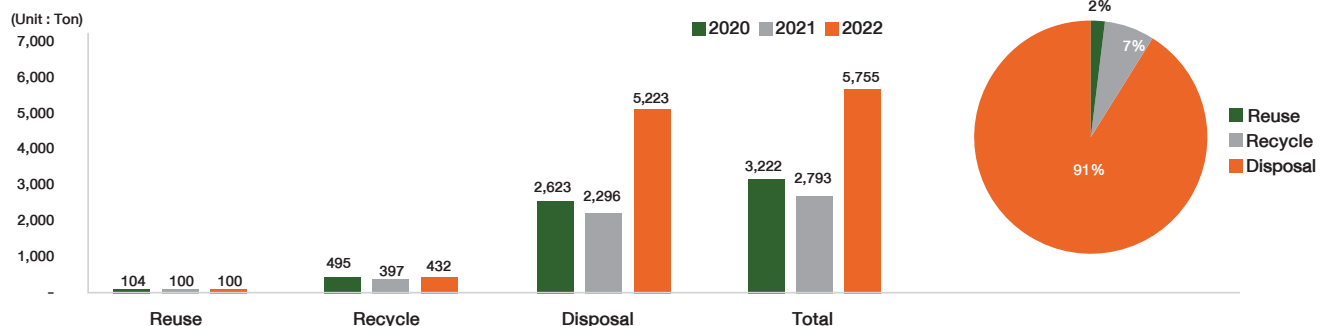
In year 2022, through the implementation of the 3R strategy for waste management, there is a total of 61,027 tons of non-hazardous waste, of which 26,820 tons can be recycled and reused, or 44% of the total non-hazardous waste. This is an increase from year 2021 when only 36% of all non-hazardous waste can be recycled and reused.

(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:

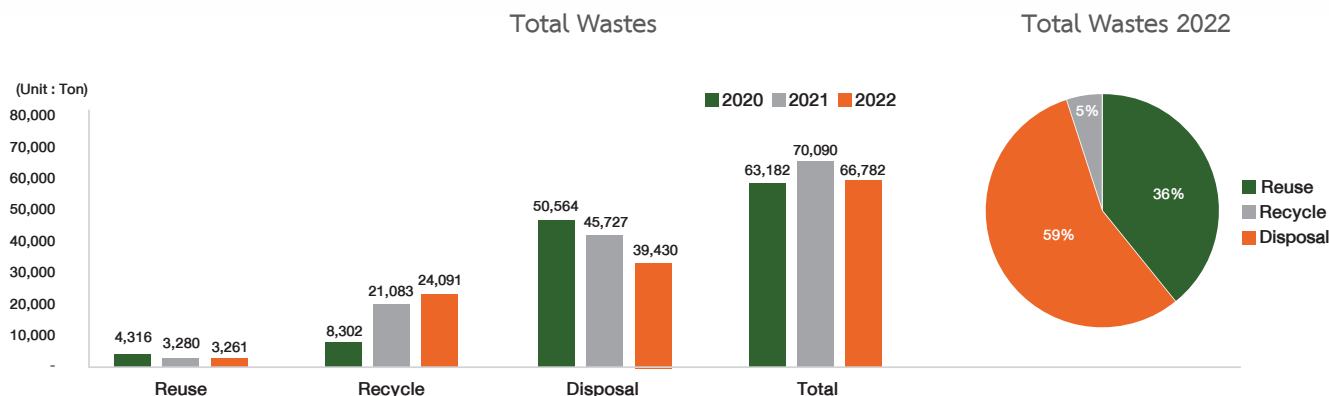
- Reuse: such as oil barrels, paint containers, solvent containers, which are being used several times.
- Recycle: for example, recycling the waste of lime water in the turbid water tank from the drainage to produce cleats for tile support or paving blocks, or the removal of sediment debris from the sludge dewatering to transform into a footpath and concrete panels for blocking the road to use within the factory. It includes filtering some sealers for reuse. The oil paints, sealers, and other contaminants will be used as the 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.

Hazardous Wastes

Hazardous Wastes 2022



In year 2022, with the implementation of the 3R strategy for hazardous waste management, there were 5,755 tons of waste, of which 532 tons could be recycled and reused, representing 9% of the total hazardous waste, an increase from year 2021.



The implementation of the 3R strategy to manage hazardous and non-hazardous waste, it was found that In year 2022 there was a total of 66,782 tons of waste, a decrease of 3,308 tons from year 2021, representing 4.72% from the previous year, and can be recycled and reused 27,352 tons, accounting for 41% of total waste.

(C) Factory Garbage Reduction Project

In year 2022, the 3R strategy to manage waste that may affect society and the environment in many projects to control the amount of waste resulted in a waste generation rate of 31.56 kg per ton of product. It met the target of not more than 34 kg per ton of goods. It decreased from year 2021 with a waste rate of 36.83 kg per ton of product, 5.27 kg per ton of product, or 14.31 percent. It can be summarized as follows:

3R strategy	Project	Production Line	Reduced amount (tons)
Reduce	1) Filter press/sludge press machine	FC	6,487
	2) Reducing the discarded tiles with color check	CT	518
	3) Reducing use of Sealer CT5 (Airless from 2 heads to 3 heads)	CT	11
	4) Reducing the consumption of CT5 oil paint by improving Fluid Csp.	CT	14
	5) Reducing waste water from aluminum wash	AAC	58
	6) Reduce the use of plastic bags for packaging raw materials.	CT	4
Total			7,092
Reuse	1) Refilling containers	FC/CT/PU/AAC	400
	2) Using returned pallets from customers	CS	2,861
Total			3,261
Recycle	1) Reducing wet debris by using it to make Tile backer board/Paving Blocks.	FC	108
	2) Processing wet sludge into traffic panels and footpaths	SHE	10
	3) Compaction for road construction	SHE	1,055
	4) Repairing pallet to bring it back to use	CS/AAC/CT/FC	761
	5) Grooving dust back to the mix	FC	4,004
	6) Grinding the brick back to mix instead of sand	AAC	8,501
	7) Crushing tile scraps to replace crushed stone	CT	8,949
	8) Filteringing Sealer over spray for reuse	CT	12
	9) Separating the sand and gravel, disposed of in the chamber	CT	90
	10) Other Recycle Waste		601
Total			24,091
Grand Total			34,444

Sources : FC = Fiber Cement Production Division, CT = Concrete Tile Production Division, AAC = Autoclaved Aerated Concrete Production Division, SHE = Occupational Healthand Safety Unitand HumanResources Division, PU = Purchase Department and CS = Sales Service Division.



(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. The Company continues to work in minimizing the environmental impact on the surrounding.

2) Belt Press Project- NT : It is to remove sludge from wastewater for reuse. It can reduce the amount of NT sludge by 2,000 tons per year and reduce disposal costs. Also, the Company can process the sludge to sell or donate to the society.

3) Autoclaved Aerated Concrete Recycling Project: It is to reduce waste from the production process. It brings broken bricks from the manufacturing process to grind them with sand and chemicals and feed into the masher, causing the increased strength value. In year 2022, the Company can recycle the broken bricks and reduce waste disposal. In year 2022, the ability to bring bricks to grind risen by 8,501 tons. It also reduces the purchase of natural raw materials such as sand, gypsum, etc.

4) Recycle degraded concrete tile scraps project: It is to replace crushed stone or sand, reduce the purchase of crushed stone, reduce environmental pollution, reduce waste disposal costs, reduce waste removal costs and landfill cost. The goal is to recycle scraps at the concrete tile production line CT2 and CT5, about 7,200 tons per year, which started operating in November 2021. In year 2022, 8,949 tons of concrete tiles can be reused, reducing the use of limited natural resources and creating a better society.

5) Exchange old paper for a new paper with SCG Paper X project: It is an ongoing project for the efficient use of resources. The employees participate in proper waste separation, reducing the amount of waste taken to landfills. As a Circular Economy, it can be recycled and used as new. In year 2022, there is the exchange of 6 tons. it reduces tree cutting or uses of natural resources.

(2) ENVIRONMENTAL MANAGEMENT

The Company is aware of environmental management by giving importance to the risk assessment of environmental impacts in the Company's production process. It starts from importing raw materials, production, and processing goods, affecting employees' health, people in the community, and all groups of stakeholders. It includes the respiratory system, vision, dust, odor, and air pollution, affecting the environment and the Company's stakeholders as follows:

(2.1) DUST MANAGEMENT

Particulate matter air pollution affects health, respiratory system, vision, and destruction of buildings. Most of them are heavy dust, not PM 2.5, but they also affect employees' health, people in the community, and other stakeholders. Therefore, the Company carried out various projects to create a better working environment for employees and to reduce the impact on society, community, and surrounding environment continuously as follows:

(A) Dust reduction for concrete tile production line (CT) project

In the concrete tile (CT) manufacturing process, main raw materials are used such as sand, cement powder, crushed stone, and fly ash. The process is conveying, blowing, weighing, mixing, rolling, and polishing, resulting in a lot of dust. Therefore, the project to reduce dust in concrete tile production (CT) has been set up in Saraburi province and Khon Kaen Province. The Company continuous operation for all production lines as follows:



1) **Construction of a dust chamber (Setting chamber):** It is a large dust chamber that allows dust to fall onto the floor with its weight, not dispersing, suitable for sizeable coarse dust or heavy dust.

2) **Installing a dust collector on a silo (SILO-TOP):** A high-efficiency dust collector is used to trap dust from blowing cement powder into the silo through a special filter material to fall inside the silo. It makes it possible to recycle all captured cement dust, reduce material wastage, reduce production costs, and reduce dust outside.

3) **Construction of a large dust collector (Dust Collector):** It is used to extract dust from the production process as a system to remove small, fine dust. It can be used to collect dust from the mixing, weighing, polishing, and conveying processes which can be recycled entirely. It reduces the wastage of raw materials, reduces production costs, and reduces dust coming out.

4) **Installing the dust collector on the paint mixer and aluminum pallet brush set:** It is used to trap dust from the production process with a filter cloth system by removing fine dust particles of cement and paint powder. The dust from the trapping can be recycled entirely, reducing production costs and minimizing the emission of dust.

5) **Installation of the quick opening-closing door of the coating spraying room:** Inside the coating spraying room, there is a spray of coating at all times. The installation of electric doors is convenient for employees to open and close, significantly reducing the dispersion of the solution outside the room.

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 concrete tile production lines.

(B) Cement dust reduction at CT production line project

Install dust extraction systems and filter bags where various mortar mixes are made, or the tile and Aluminum Palle surface is polished. It constructed a room to cover the tile cutting kit at all concrete tile production lines. Also, a dust extraction system of concrete mixer for Gran Onda ridge was established. It helps reduce the amount of dust in the workplace, making a better working environment.

(C) Cental Dust Collector from wood planing project (Central Dust Collector)

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 3,600 tons per year, reducing dust dumping to the outside. 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. The project is still ongoing.

(2.2) SOLUTION ODOR MANAGEMENT

In the production of concrete tiles, raw materials are used as a volatile solution mixed with resin to spray varnish on the tile surface. It creates a shiny, beautiful, durable solution, which is a substance from petrochemicals with a relatively strong smell, affecting employees' health and nearby communities. Therefore, the Company installed the **solution odor treatment system** that is a solution absorbing odor with activated carbon or activated charcoal to absorb various substances well.

In year 2022, the Company built more solvent odor treatment system projects at CT4, and CF2 concrete tile production lines started operating in October 2022. It shows the Company's commitment to managing the environment to continuously reduce the smell of solvents that affects the health of employees and people in surrounding communities as follows:



Location	Installation and improvement of the solution odor treatment system		
1) Concrete tile production line (CT4 and CF2)	Start using October 2022		
2) Concrete tile production line (CT3 and CF1)	Start using August 2021		
3) Concrete tile production line CT2 and CT5, Saraburi Province	Start using June 2020		
4) Concrete tile production line, Khon Kaen branch	Starting to use in April 2014, improving the efficiency of the odor treatment system, 1 st set, the year 2021		
		System 1	System 2
			System 3

The Company has monitoring and inspection of the odor treatment system include (1) the varnish spraying area (SYSTEM-1), (2) the conveying system area to the storage rack, and the mouth of the tiles curing tunnel (SYSTEM-2), and (3) inside the tiles curing tunnel (SYSTEM 3). The monitoring results are under the standards announced by the Department of Labor Protection and Welfare on the concentration of hazardous chemicals 2017 and the Company Schedule's quantitative goals to measure air quality (see details on page 96 under topic "Environmental monitoring according to industry standards").



In year 2022, the Company's Khon Kaen concrete tile factory participated in the project to build and develop an environmentally friendly industrial network of Khon Kaen Provincial Industrial Office. It received a plaque from the Inspector General of the Ministry of Industry as an establishment that passed the assessment criteria for environmental governance on July 7, 2022.

(3) 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) 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

The Company manages water in the production process as a closed system. It does not release wastewater left over from the production process outside the factory by providing a water treatment system with processed and reused. The water quality has been improved by controlling the use of chemicals and reducing water loss in the production process at No. 1 fiber cement tile and concrete tile production line. It allows the water to be reused for up to 223 cycles, or a volume of 25,000 cubic meters per year, significantly reducing the impact on water resources in the community.



For the second factory area, the AAC production line, the Company has built a 90,000 cubic meter water reservoir to store rainwater during the rainy season and the unused water from the production process to prevent further flowing outside.

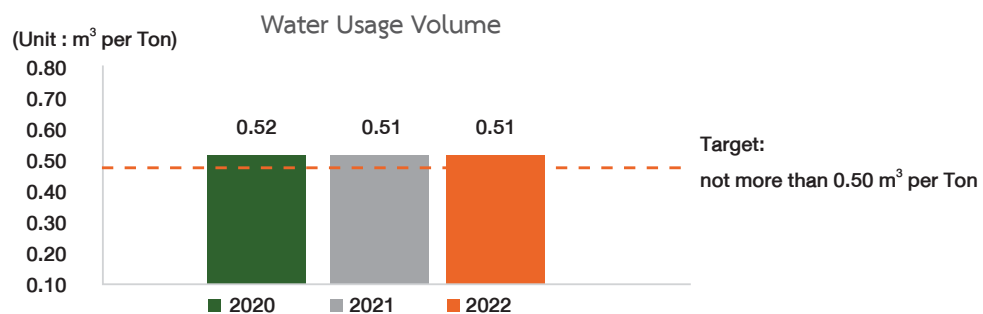
2) Water Consumption Reduction Measures

- **Recycle water:** the autoclaved aerated concrete production process can reuse RO water as 100% of the water fed into the BOILER, reducing the blowdown by 17%, saving heat energy, and not releasing water to the community. It has been operated continuously since 2020.
- **The use of condensate water** from autoclaved aerated concrete baking process aims to be used as raw water to produce a sand slurry, mixing and washing of 15 million liters, which can replace the use of new water in the production process for 120,000 baht per year.
- **The reduction of tap water use** by installing a sand filter tank system aims to filter lye sediment before being fed to the shaft neck seal to reduce clogging problems and reduce maintenance in the production line FC1 to NT10. It also replaces tap water to provide the shaft neck in the production process. It is still in continuous use.
- **The reduction of tap water use** by using water from the RO system of the NT8 production line to wash hands in the bathroom area, the maintenance workshop instead of tap water instead of tap water, it can reduce tap water consumption by 2,000 liters per month.
- **Increase the efficiency of water usage and drainage** within the factory by installing a water pump in the CT3 and CT4 area for efficient use and removing the drain gutter to increase the water catchment area within the factory.



3) Results of Water Usage Reduction in Manufacturing Process

In year 2022, the Company used natural water in its production process with a total volume of 505,787 cubic meters, representing 0.51 cubic meters per ton of product, a decrease of 0.001 or 0.2% cubic meters per ton of product from year 2021 with efficiency close to the water use target set at 0.50 cubic meter per ton of product with control in accordance with water-saving measures.





(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 2022, the Company focused on reducing energy consumption to reduce greenhouse gas emissions and planning long-term plans to reduce energy consumption in all production processes. It can be summarized as follows:

(A) Electricity Usage Reduction Project

1) **The Energy Management Committee** has established 11 projects to reduce electricity consumption, which can reduce electricity consumption by 304,002 kWh per year, amounting to 1.13 million baht per year, reducing carbon dioxide (CO₂) emissions at 177 tons of CO₂ per year.

Project	Location/ production line	Reduction (kWh per year)
1) Lamp replacement project to LED.	CL4, CL7, Bill board	70,189
2) Lamp replacement project to LED.	CT5, CT canteen	3,624
3) Auto drain system improvement for zero-loss air compressor of Air Holding Tank project	NT11, CL, groove	23,316
4) Air leak reduction project for compressed air system production line.	FC, CT, AAC	50,047
5) Improvement of Vacuum sheet suction box Depiller.	NT8	2,754
6) Improvement of reducing motor rotation of Roller Conveyor NO Load.	NT8	5,219
7) Improvement of Motor Mixer to IE3 High-Efficiency Motor.	CT3	18,189
8) Improvement of efficiency of the Blower head Set for blowing debris after forming roll.	FC3, FC4	5,846
9) Managing the reduction of blowing wind for oil spray set trough.	CT3	33,134
10) Improvement of the size of the motor, boot pump, vitreous seal, pump shaft neck.	FC	55,080
11) Improvement of turning to reduce the size of the Chiller Pump impeller.	AAC	36,604
Total		304,002

Remark : Electricity cost per kilowatt-hour (kWh) = 3.72 baht (average electricity cost Jan. – Nov. 22)

2) **Modify the use of air conditioning refrigerant project:** Together with the maintenance division, the Energy Management Committee carried out a project to replace non-repairable air conditioners with models, using R32 and R410A refrigerants instead of the former models, using R22 refrigerants. Those refrigerants use affects the



ozone layer and makes the world a greenhouse effect. In year 2022, the refrigerant can be changed from R22 to R32, an additional 14 units, totaling 74 units in 2017-2021, a total of 88 units. It makes it possible to reduce the emission rate of carbon dioxide (CO₂) to a capacity of 23.8 tons (only in year 2022), reduce electricity consumption, and reduce global warming continuously.

3) Solar Rooftop Project:

- Concrete tile production line, Khon Kaen province, has installed a Solar Roof Top system on the factory roof with 168 kW. By 2021-2022, electricity consumption can be reduced by an average of 39.65% per year by replacing electricity from solar with clean energy. In year 2022, carbon dioxide (CO₂) can be reduced by 100.63 tons per year.

Year	Reduce electricity consumption (baht/year)	Reduce CO ₂ (tons/year)
2021	639,667.10	95.96
2022	518,811.93	100.63

- Autoclaved aerated concrete production line, Factory 2, Saraburi Province, has installed solar power generation panels on the roof with 252 kW. Since 2019 - 2022, it can save electricity by 9.1 percent per year, In year 2022, reducing CO₂ emissions, which is a group of greenhouse gases of 191.13 tons per year.

Year	Reduce electricity consumption (baht/year)	Reduce CO ₂ (tons/year)
2020	1,232,327.74	193.87
2021	1,216,214.20	191.34
2022	1,328,626.87	191.13

(B) Optimization of steam usage in manufacturing process project

1) **Recycling of Vented Steam:** This project has been ongoing since year 2017. By year 2022, the baking process has been sequenced so that the remaining steam can be transferred to the next autoclave. It can reduce natural gas (NG) consumption In year 2022 by 20,777 MMBTU or result in energy savings of 8.0 million baht. In addition, it can reduce the amount of steam released by 7,137 tons, reducing the emission of waste steam and heat from the steam released into the atmosphere and reducing global warming.

2) **The project to install the vacuum pump:** This project is a continuation project from 2021 that has changed the design of the air exhaust system to create vacuum in the Autoclave from the Venturi system to use a Centrifugal Vacuum air exhaust system instead. In year 2022, it can reduce NG energy costs by 4,268 MMBTU, amounting to 1.32 million baht, reduce steam emissions to the outside by 1,468 tons, and reduce noise from steam.

(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 that affects stakeholders and the Company's operations in all aspects strategy, process, finance, etc.

Risks: include more regulated laws, Trade regulations, floods, droughts, customer demands, and stakeholder expectations, change to support global warming, etc.

Opportunities: include creating environmentally friendly technologies and innovations, products with low greenhouse gas emissions, products that can reuse waste to produce new innovations, investments, or new businesses, etc.

With social and environmental responsibility, the Company has continuously set up measures/campaigns to reduce energy consumption through various activities. The results are summarized as follows:

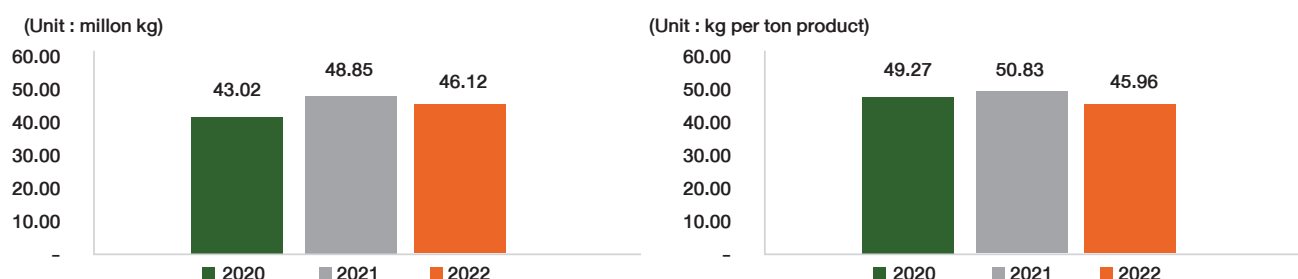
Scope of operation	Greenhouse gas emissions (tCO ₂ e)*		
	2022	2021	2020
Scope 1	2,557	2,427	2,265
Scope 2	46,119	48,848	43,018
Term	48,676	51,275	45,283

Remark : * tCO₂e refers to tons of carbon dioxide.

Set the target: reduce CO₂ emissions per ton of goods by no more than 46.20 kilograms of CO₂ per ton of goods and reduce CO₂ emissions by at least 1% per year.

Performance: In year 2022, total CO₂ emissions were 45.96 kilograms of CO₂ per ton of goods, which can reduce carbon dioxide emissions per ton of goods by 9.58% from energy-saving cooperation of employees, planning the use of machinery and equipment that unnecessary, and control of the production of energy-intensive products, etc. It can be summarized as follows:

Carbon dioxide (CO₂) emissions
The target is no more than 46.20 kg CO₂ per ton of product.



(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 with Diamond employees participated in the activity **“Pluke Kla Petch, Diamond Green Day 2022”** Acacia tree and mahogany, Which is a total of 200 economic plants to restore the environment, increase green areas, bring used water to be treated and reused for new production, preserve the environment in the factory area, etc..

In year 2022, the Company was committed to implementing projects to reduce the impact on biodiversities, and inventing new production formulas to use resources efficiently. such as recycling resources such as cement, sand, other raw materials. It also preserves water as a natural resource by not releasing wastewater from the factory.

Activity “Pluke Kla Petch, Diamond Green Day” on December 28, 2022

Employees participated in tree planting activities with executives to increase green areas and reduce global warming according to ESG guidelines at Saraburi 2 factory



(6) INVESTMENT ON REDUCTION OF ENVIRONMENTAL IMPACT

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

Year	Description	Investment (million baht)
2020	NT sludge separation system from base solution pond, CT2; CT5; CT3; and CF1 tunnel odor treatment system, tile chip grinder, CF3 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
2021	CT4 odor treatment system , Groove powder blowing system, Alkaline water filter, Paint sludge dewatering machine, and Water retention pond.	20.27
2022	Slurry & sealer conveyor system, intermediate NT11 dust collector, spray alkaline water filter, groove NT9 double knife CT5, odor treatment system CT4, and transfer steam NT11.	9.88

3.4 SUSTAINABILITY MANAGEMENT IN THE SOCIAL DIMENSION

3.4.1 SOCIAL POLICY AND PRACTICE

Social Responsibility Policy: The Company aims to develop society and community by adhering to good governance principles to promote good quality of life and respect the principles of social equality without discrimination. The Company's social management is in the same direction as the organization's values of **"Determined, Transparent, Learning for Development, Environmental Protection"** and the following operational guidelines have been established.

- Adhere to ethical business operations under environmental, social, and governance management.
- Determined to develop society and surrounding communities in terms of economy, society, community, and environment to promote a better quality of life.
- Respect the law, and human rights principles by managing with fairness, not discriminating against race, nationality, gender, religion, and culture, and promoting sustainable mutual development.
- Encourage employees to have a volunteer spirit and instill a sense of social and environmental responsibility seriously and continuously for the common interest without expecting anything in return.
- Encourage activities that create sustainable benefits for society, communities, and the environment.

(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.

Human Rights Due Diligence: In year 2022, the Company and its subsidiaries did not find any complaints about human rights violations from employees, business partners, or other stakeholders. It is due to the Company's business concept that does not support human rights violations. It respects human rights to all stakeholders, including the Company's employees, shareholders, customers, business partners, competitors, consumers, media, communities. It also includes people with disabilities. The Company employs two persons with disabilities to work by arranging the job characteristics and working environment appropriately to reduce the burden on the community, etc.

The Company adheres to the Code of Business Conduct as a guideline for its 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 details on page 167 under topic "Human Resource Development").



In year 2022, 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 2022, the Company held an award ceremony, “**Petch Hang Khawm Pien**” (Diamonds of Perseverance), for employees who work with perseverance, with the 25th, 30th, and 35th year of service for the morale and morale of the work. It also organized a new regular health promotion activity amid the spread of the COVID-19 virus, “**DBP Health Me Club!**” to promote good health for both older and high-risk employees for a better quality of life.

In year 2022, 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, delivering quality products, and complying with environmental laws, standards management requirements, and related laws. 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, antitrust sales, 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) It promotes the employment of people with disabilities and the payment of contributions. It follows the Employment of Persons with Disabilities Act B.E. 2554 (2011) and the Ministerial Regulation on determining the number of people with disabilities that employers must accept to work.

(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 2022, 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 in terms of corruption that has a significant impact on the Company in any way.

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 3 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
2020	1	1	-	1	-	-	1	-
2021	5	2	3	5	-	-	5	-
2022	5	-	5	4	1	-	2	3



Accident Statistics from the Past 3 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
2020	0.14	0.14	4.86
2021	0.71	0.71	8.34
2022	0.70	0.28	1.41

In year 2022, the Company was certified of ISO 45001:2018, which is the standard for occupational health and safety management in order to optimize the engagement, take into account of risks, opportunities, legal requirements, and other more international aspects.

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) Provide “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) Provide 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) Provide “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., inspections have been done on working conditions in general work areas. The inspections have been conducted 937 times to fix the items at risk.

4) Extending the fire water pipe system to the fiber cement tile factory (FC) and the concrete tile factory (CT) for an additional distance of 300 meters to increase the efficiency of the fire control and suppression system.

5) In year 2022, the Company installed a CCTV center for area owners and occupational health and safety departments to inspect safety through CCTV in accident-prone areas, machine working areas, and traffic areas. It included setting up measures for forklift drivers to check themselves and the condition of the forklift before driving to ensure readiness, then using a smartphone to scan a QR Code to report the inspection to prevent accidents, etc.

Security Check



(B) Risky Behavior Reduction Campaign Year 2022

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, 3,314 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 5,923 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 1,060 reports.

4) **Safety Talk and KYT (Kiken Yoshi Training)**: An activity to help remind about safety, promote campaigns, and tell safety stories in over 15 areas per week, totaling over 500 times per year.

5) **In year 2022, the Company began carrying out a report on safety advice or Preventive Action Report: PA**, such as teaching / introducing safe work procedures, alerts to be careful, notification of prohibitions, etc. When the recommendation is complete, it proceeds to report through the channel of using a smartphone to scan the QR Code, which has performed 1,627 transactions.

(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 32,000 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 2022, the OHS Committee and SHE Department performed safety checks in manufacturing plants to ensure compliance with regulations, which increased from 937 per year in year 2021 to 1,287 per year in year 2022,

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

In year 2020-2022, there has been the pandemic of COVID-19 around the world and in Thailand and the severity decreased In year 2022. However, the Company continues to take measures to prevent infection in the factory. The situation continues to be monitored at a weekly meeting of the Management Committee to assess the situation and issue regulations. The important points are summarized 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) Screen outsiders to enter the area within the Company, with ATK test results showing no later than 24 hours.
- 3) Public relations for employees, contractors, deliverers, freight forwarders, and contact persons to comply with anti-virus measures for COVID-19 by complying with the laws and measures set by the Company.
- 4) Social distancing in all areas, including finger scan; food purchase; product ticket submission; meeting room, etc.
- 5) Provide VDO Conference channels
- 6) Publicize knowledge about COVID-19 infection and self-hygiene care.
- 7) Cleaning / disinfecting areas, bathrooms, cafeterias, meeting rooms, guardhouses, etc.
- 8) ATK proactive checked for employees and business partners.
- 9) Campaign for employees and business partners to get the 3rd, 4th and 5th vaccination.

(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.

In year 2022, the Company aimed to train Diamond employees 4 hours per person per year. There are 70 training courses, and 77 models, representing 3,774 hours of training (Training Hours), an average of 4.19 hours per person per year, with a training cost of approximately 0.76 million baht. This year's development training focuses on developing management knowledge and risk management-related areas appropriate to the position. It also includes developing and promoting the role of executives as leaders and developing sales representatives and PC employees to compete in the current market conditions.

Trainings of Employees in year 2022

Target: Total 4 hrs./person/year

Average Training Hours (hr./person/year) 4.19

Average Training Hours by Genders

Male 5.6

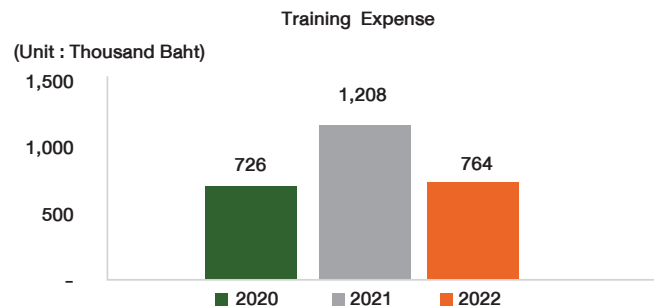
Female 3.8

Average Training Hours by Employee Levels

Executives 11.0

Supervisors 3.9


Operations 3.7



Type of Courses	Year 2020 Training Hours	Year 2021 Training Hours	Year 2022		
			Number of Courses	Number of Class	Training Hours
1) Productivity Improvement	625	975	6	6	282
2) Standard System (ISO/Law)	63	180	14	14	492
3) Human Resource Development	436	1,380	20	20	1,389
4) Technical Training	1,443	477	9	9	198
5) Safety	1,236	891	9	13	978
6) Energy	52	15	3	3	186
7) Others	-	165	9	12	249
Total	3,855	4,083	70	77	3,774

(1.3) 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 2022, the operations were as follows:

Happy Workplace	Project Title	Description
1) Happy Body	Activity “Diamond joins hands against COVID - free ATK”	Diamond brand cooperated with NHSO and organized an activity to provide free ATK testing kits to employees and contractors from March to June to promote and take care of the health of personnel within the organization and prevent the spread of the COVID-19 virus during a severe outbreak.
		



Happy Workplace	Project Title	Description
	Activity “DBP Health me Club League” 	To promote good health in a new way (New Normal) for employees, both very old and high-risk groups, and campaigning for the new generation to pay attention to their health through Application Wind Training by organizing exercise programs according to the principles of Thai Health to suit lifestyle.
	Activity “Build up friendship through traditional Sports” 	To promote health and build good relationships and unity for employees within the organization.
	Activity “Diamond Brand Gives Care and Far Away from COVID” 	To protect and take care of the health of our employees, Diamond has provided Pfizer vaccination against COVID-19 for employees, contractors, and community members free of charge at Diamond Kitchen on October 7, 2022.
2) Happy Heart	Activity “Diamond...Volunteer Spirit, Social Development - CSR with Mr.D” Activity “Diamond Brand...Caring for Society” 	To provide opportunities for employees to participate in developing their community by jointly improving the landscape together with community leaders and villagers. To follow up on donating products to maximize benefits and follow up to help lay warm bricks for temples and schools.
3) Happy Body	Activity “DBP Gives Light on Buddhist Lent Day 2022”  Activity “Hosting Kathin offerings for community temples” 	To support Buddhist activities with temples and villagers in the community at Wat Na Boon and Wat Khon Hom, Saraburi Province, during the Buddhist Lent festival on July 14, 2022. To support Buddhist activities with temples and villagers in the community by co-hosting the Kathin Ceremony and joining the almshouse at Wat Na Boon and Tha Yiam Temple, Saraburi Province, on October 30 and November 6, 2022.

Happy Workplace	Project Title	Description
	Activity “Diamond Member: I would like to keep you in my heart” 	For employees to participate in self-assessment of happiness and participate in activities to win gift vouchers from Diamond Café.
4) Happy Relax	Activity “Thirsty quenching water from Diamond Heart Year 11 th ” 	To distribute cool drinking water to all employees and contractors during April 2022 to refresh and cheer up in the summer.
	Activities “New Year’s Eve Celebration” 	To give as gifts, and prizes during the New Year festival And to create morale and spirit for employees on December 28, 2022.
	Activity “60 years beautiful diamond, joyful retirement” 	To create good memories for retired employees by giving souvenirs and dining together with the executives.
5) HappyFamily	Activity “Prakaiphet Scholarship 2022” 	To help with expenses for employees and to promote good relationships within the family, scholarships were organized for employees’ children in the form of online meetings from elementary to tertiary level, totaling 50 scholarships on October 26, 2022.



Happy Workplace	Project Title	Description
6) Happy Society	Activity “Employee Committee Election”	To take care of the society within our organization to be happy and have a good quality of life will result in our organization is vital. Therefore, we emphasize taking good care of Diamond people by encouraging employees to comply with the law.
		
	Activity “Pluke Kla Petch, Diamond Green Day”	To allow employees to participate in taking care of the environment within the company, adding green space to the world, with an activity for employees to plant trees together with the executives on December 28, 2022.
		
	Awards Ceremony “Diamond of Perseverance”	Organized an award ceremony for 73 employees who have worked for 35 years, 30 years, and 25 years to build morale and encouragement and to build bonds with employees who have worked with diligence for a long time on November 29, 2022.
		
7) Happy Brain	HR Channel “Promote knowledge to employees and contractors.”	To support and promote knowledge to employees and contractors by organizing educational activities regularly, such as the right to file taxes, the right to change the social security hospital, the use of group health insurance, policies and measures to prevent marijuana and drugs, preparation for vaccination, etc.
		
8) Happy Money	Activity “Diamond Brand invites you to shop for special price products.”	To help support and provide financial knowledge to employees and contractors and help with household expenses, with banks providing services and shops in Saraburi to sell products cheaper than particular markets Year 2022 at Diamond Kitchen on July 27, 2022.
		

(1.4) Process for driving sustainability and participation of Diamond People

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:

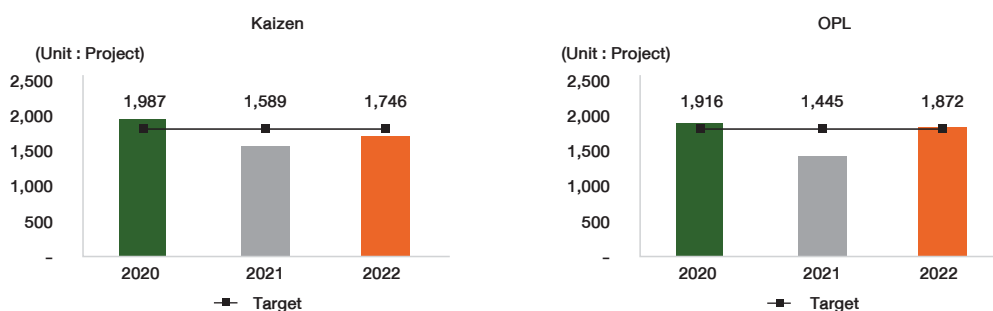
(A) Productivity Improvement

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	2019	2022		2021		2020	
		BM	Target	Actual	Target	Actual	Target	Actual
FC Plant	%	80.00	90.00	95.50	90.00	94.98	85.00	87.05
CT Plant	%	91.40	92.70	92.71	90.70	92.70	90.00	90.05
AAC Plant	%	80.00	91.50	89.22	90.00	83.07	83.00	88.66
Truss Plant	%	-	88.35	80.90	87.79	79.83	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 2022, OPL program was conducted with a total 1,872 lessons. It also publicized an announcement to appreciate employees who present the most OPL quarterly and annually.



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 2022, there were 1,746 Kaizen projects proposed by employees. It also publicized an announcement to appreciate employees who present the most Kaizen quarterly and annually.

In year 2022, the Company focused on supporting and organizing the contest Kaizen for work safety to prevent accidents that are important to the management of occupational safety and health and to know the level of risk in work. It also includes finding the cause of problems affecting employees' work to improve safety continuously.

The suggestions sent to the contest and won the Kaizen Award for the year 2022 are as follows:

Prize	Suggestions for improvement	Type
Winner	Proximity change with discontinuing the FC1 production line relay.	Work safety
Compliment	Preparation of test piece with cutting-free accelerated weathering tester.	Work safety
Compliment	Improving the Roll Lifting Hook for space roll in the production of covers.	Work safety

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 2022 are from the following six teams, with winners as follows.

No.	Projects	Team	Division
1)	Felt fabric quality control to increase service life	Team NT9	FC
2)	Increase alternative sources of aluminum raw materials	Team AAC 2022	AAC
3)	Troubleshoot Cutter Forming Roll FC/NT	Team Maintenance FC	MT
4)	Reduction of oil consumption in CT KK production line	Team CT-KK Commitment to development	CT
5)	Optimize D-Truss Production	Design&Truss group	CS
6)	Reduce the number of color tile trials in the production line several times.	Research and development group 2	TN

Source : FC = Fiber Cement Tile Production Division, CT = Concrete Tile Production Division, MT = Maintenance Division, AAC = Autoclave Aerated Concrete, CS = Customer Service, and TN = Technology Division

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 Company has a **5S Award** contest among departments within the Company every year. The departments that received the 5S Award In year 2022 are as follows:

Areas	Average score	Notable areas
Large Factory	95.70	Cellulose Plant & crushed sand, Fiber Cement Tile Production Division
Small Factory	97.80	Research and development Section: Technology Division
Warehouse	94.20	Central Warehouse Section: Maintenance Division
Offices	98.50	Accounting and Finance 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, and create awareness of disease prevention from the participation of Diamond people, etc.

(2) RESPONSIBILITY TOWARD DIAMOND COMMUNITY

The Company has conducted business to benefit the surrounding Diamond community to be able to live in harmony with the community and society and create sustainable shared values, equality in basic living factors such as creating a career, increasing income, improving the quality of life. The support also includes encouragement to people in the community to gain a better quality of life, promote learning to enhance ability to build or repair homes by themselves. There is also a continuous support of products and facilitators in the “**Diamond Heart Technician**” project including organizing activities to help people in the community in the event of disaster, raise consciousness 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 **2013-2022, a total of 15 classes** have been held, in the year 2022 organized 1 training class as follows:

Class 15th : Diamond brand with Muak Lek Technical College Saraburi Province provided a training for students at the Vocational Certificate (Voc. Cert.) level and High Vocational Certificate (High Voc. Cert.) level in the field of Construction Engineers, to obtain knowledge in related to the installation of the Company’s products both in theory and practice. There had been a supporting of products and equipment to create “**Diamond Brand Prefabricated Toilets**” on the grounds of Muak Lek Technical College Saraburi for further use whereas there were more than 30 students participated in the project.



(B) 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.

(C) Happy Society Activities for the Diamond Community”

1) **Activity: “National Children’s Day”:** The Company supports gifts and prizes for organizing Children’s Day activities for Wat Huai Lee School, Wat Ban Khoksaad School, and schools in various communities in Saraburi Province to create happiness for children and people in the community.

2) **Activity: “Community Relations”:** The Company supported roof tiles and synthetic wood for the use in constructions of government agencies, educational institutions and temples in the area closeby the factory. The Company also supported the project to build houses for the underprivileged for the quality of life in Kaeng Khoi District for community and social development.



(D) Social Assistance Projects

1) **“Diamond Supports Education” activity:** Diamond supports year 2022 to make great merit of giving to educational to develop and repair the school for Wat Huai Lee School, Taling Chan Sub-district, an area near the factory on February 4, 2022.

2) **Activity: “Diamond Brand Supports Fighting Against COVID-19”:** Diamond supported safety masks for community leaders, and village headmen in the Taling Chan Sub-district and Tan Diao Sub-district, Saraburi Province on April 29, 2022.

3) **Activity: “DBP Giving Light on the Buddhist Lent Day”:** Diamond brand joined in promoting Thai traditions and supporting temples in the community by co-making merit, offering candles and the offerings of Sangkhathan to Wat Naboon and Wat Khon Hom in Saraburi Province on July 14, 2022.

4) **Activity: “Diamond Co-ceremony of Kathin”:** Diamond brand promoted Thai traditions and supported temples in the community by joining to make merit on Kathin ceremony at Wat Naboon Tan Diao Sub-district, Tha Yiem Temple, Taling Chan Sub-district, Mueang District, Saraburi.

5) **CSR with Mr.D CSR Activity “Petch Volunteer Spirit”**: Diamond brand led the team of employees in the production line and in communities in Saraburi province in doing landscape development activities for the public benefit together with community leaders and villagers in the community.



- Nong Bua Community: Paint the Nong Bua Temple Pavilion and Nong Bua Public Service Center on August 24, 2022.
- Tha Yai Community: Paint the Viharn of Tha Yai Temple and the village community hall on September 9, 16, 2022.
- Na Boon Community: Paint the sermon hall at Wat Na Boon and lay bricks for religious ceremonies on September 23, 2022.

6) **“Worm Brick Donation” Activity**: The Company supports worm bricks made from leftovers from the production process to benefit government agencies, educational institutions, and various temples in the area close to the factory for community development.



(E) 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.



3.5 SUPPORTING THE SDGS SUSTAINABLE DEVELOPMENT GOALS (SDGS)

Sustainable Business Operation Strategy According to the SDGs Year 2021

	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 	<p>Commit to be an organization with good governance and effective administration, transparent and verifiable, denying all form of corruption</p>	<p>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, 1st time in year 2015, 2nd time in year 2018, and 3rd renewal in year 2021 with validity until year 2024.</p>	Page 8
	 <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 2022 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: 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 40-50 persons per class.</p> <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>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"> Product level innovation and research development. Innovation in production processes and automation. Smart Factory Project. Innovation in sales and marketing. Innovation in document management system. Promote learning towards “Innovative Culture” Strict tax responsibility. 	<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 2013-2022, totaling 15 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 976 employees, over 75 percent are people from the community. <p>2) Accident Prevention Results:</p> <ul style="list-style-type: none"> Accident statistics: from 12 times in year 2015 to 5 times in year 2022. Lost Time Injury Severity Rate (LTISR): from 23.33 in year 2015 to 1.41 in year 2022. Over 32,000 working hour of safety training on record in year 2022. In year 2020-2022 Diamond people are safe from the COVID-19 virus with the true spirit of participating in disease prevention of employees. <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 90-99 percent, which is over the target. Innovation on product and development: Develop new products, production formula, and energy-saving paint, Smart Factory project, etc. Innovations in manufacturing processes and automation: More than ten automation and robotics projects to reduce risky workforce areas. Smart Factory Project: lot development, 5 Project. Innovative Sales and Marketing Process Management: installed Qlik Mobile Application and Web Sale programs, etc. Innovative Work System Management: K2 program, DMS and IMS program, etc. to increase efficiency in the products distribution system. 	<p>Page 90</p> <p>Page 80</p> <p>Page 60</p>
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>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. 			



SDGs Goal	Operating Strategy	Indicators and Sustainability Targets	Reference
 <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>In year 2021, 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>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>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> <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. <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>4) Solution Odor 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>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>Sustainable reductions of environmental im-pact are as follows:</p> <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 505,787 or 0.51 percent cubic meters from the previous year by 0.001 cubic meter per ton or 0.2 percent Wastewater from manufacturing processes is treated and able to be reuse 223 times, or 25,000 cubic meters per year. <p>2) Waste Management</p> <ul style="list-style-type: none"> In year 2022, there were 61,027 tons of non-hazardous wastes, 26,820 tons or 44 percent was reusable and recyclable, from total non-hazardous wastes. In year 2022, there were 5,755 tons of hazardous waste, of which 532 tons could be recycled and reused, representing 9% of the total hazardous waste, an increase from the previous year. But when combined with non-hazardous waste, the amount of waste decreased from the last year by 3,308 tons, representing 4.72% of the previous year. Wastes Reduction Project in factories using the 3R strategy aiming to reduce wastes not more than 34 kilograms per ton of product, which in year 2022 the wastes generation rate was 31.56 kilograms per ton of product which had decreased from the previous year by 5.27 kg per ton of product or 14.31 percent, from the project to reduce sludge, the project to recycle the lightweight bricks and the project to recycle the crushed concrete tile scraps to produce new ones. <p>3) Dust Management</p> <ul style="list-style-type: none"> Dust Reduction Project at the concrete tile production line, such as building a dust chamber, installing a dust collector, etc. Central Dust Collector Program is a system to collect dust from wood shaving in the reused wood processing. <p>4) Solution Odor 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> <p>Objective: Reduction of carbon dioxide emission to not exceeding 46.20 kilograms CO₂ per ton product. and reduction of CO₂ emissions by at least 1% per year.</p> <p>Result: In year 2022, CO₂ emissions were equal to 45.96 kilograms of CO₂ per ton product. , which can reduce carbon dioxide emissions per ton of product by equal to 9.58% from cooperation in saving energy of employees and increasing green space to reduce global warming in planting activities. “Kla Phet,” etc.</p>	<p>Page 72</p> <p>Page 66</p> <p>Page 69</p> <p>Page 70</p> <p>Page 74</p>
 <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. 			
 <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>SDGs Goal 13.1-13.2</p> <ul style="list-style-type: none"> Strengthen resilience to climate-related hazards. Improve education, awareness-raising on climatechange mitigation, adaptation, impact reduction, and early warning, etc. 			



3.6 SUMMARY OF SUSTAINABILITY PERFORMANCE FOR YEAR 2022

Sustainable Development Information - Economic Performance						GRI
Key performance	Unit	Target	2022	2021	2020	
Revenues from sales and services	Million Baht	4,875.84	5,232.11	4,815.47	4,381.05	201-1
Cost of sales and cost of services	Million Baht	3,499.00	3,850.40	3,467.80	3,128.13	201-1
Net profit for the year	Million Baht	595.36	642.15	579.96	549.51	201-1
Earnings per share	Baht / share	0.70	0.75	0.68	0.62	
Book value per share	Baht / share	2.74	2.79	2.49	2.16	
Dividend-earnings ratio per share	%	>50.00	66.67	67.65	67.74	201-1
Depreciation and amortization	Million Baht	309.49	306.00	295.99	255.92	201-1
Employee compensation	Million Baht	604.17	604.89	611.12	594.40	201-1
Corporate income tax	Million Baht	127.87	139.56	122.17	112.86	201-1
Employee retirement benefit obligations	Million Baht	239.13	200.63	222.56	224.43	201-3
Social support and charitable organizations	Million Baht	0.00	0.59	0.57	1.65	
Customer satisfaction survey on product groups	%	90	97-99	96-100	97-99	
Customer satisfaction survey with products and services	%	90	90-99	92-100	92-99	
Corporate governance, ethics						
Average attendance rate of the board of directors	%	90.00	95.83	97.22	92.31	
Complaints of Code Violation and Anti-Corruption Measures						
- Severe impact	Case	0	0	0	0	
- No impact	Case	0	2	0	1	
Complaints on violation of ethics and human rights						
- Severe impact	Case	0	0	0	0	
- No impact	Case	0	0	0	0	
Sustainable Development Information - Social Performance						GRI
Key performance	Unit	Target	2022	2021	2020	
Number of employees	Person		976	963	997	102-8
Male	Person		762	770	795	
Female	Person		214	193	202	
Male proportion	%		78.07	79.96	79.74	
Female proportion	%		21.93	20.04	20.26	405-1
Number of employees by age	Person		976	963	997	102-8
Employees younger than 40 years	Person		468	516	522	
Employees aged 40 years and over	Person		508	447	475	
Number of employees by job position	Person		976	963	997	202-2
Executive level	Person		72	70	72	
Supervisor level	Person		254	259	119	
Operational level	Person		650	634	806	
Number of employees	Person		976	963	997	202-2

Sustainable Development Information - Social Performance						GRI
Key performance	Unit	Target	2022	2021	2020	
Saraburi Head Office	Person		924	911	946	
Phahonyothin Place Office, Bangkok	Person		31	31	29	
Khon Kaen Branch Office	Person		21	21	22	
Proportion of local employees	%		68.03	67.60	70.29	202-2
All new employees	Person		64	34	51	401-1
Total number of employees resigned.	Person		58	22	13	401-1
Resigned employees under 40	Person		41	14	9	
Resigned employees aged 40 and over	Person		17	8	4	
Total corporate turnover	%		4.41	2.35	1.29	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	4.19	4.24	4.16	404-1
Employee safety						
Accident statistics	Case	0	5	5	1	403-2
Accident with lost time	Case	0	2	5	1	403-2
Accident without lost time	Case	0	3	-	-	403-2
Lost time accident rate	LTISR	0	0.28	0.71	0.14	403-2
Severity rate	LTISR	0	1.41	8.34	4.86	403-2
Number of fatalities in operations-employees	Person	0	0	0	0	403-9
Number of fatalities in operations-contractors	Person	0	0	0	0	403-9
Sustainable Development Information - Environmental Performance						GRI
Key performance	Unit	Target	2022	2021	2020	
1. Energy management						
Greenhouse gas emissions	tCO _{2e}		48,676	51,275	45,283	
Greenhouse gas emission, scope 1	tCO _{2e}		2,557	2,427	2,265	305-1
Greenhouse gas emission, scope 2	tCO _{2e}		46,119	48,848	43,018	305-2
Quantity of diesel use	liter		716,264	678,226	608,309	
Quantity of Gasohol 95 use	liter		264,118	252,949	266,132	
Electricity use	kWh / year		52,738,205	54,741,531	49,143,071	302-1
Steam use	MMBTU / year		31,831	46,226	37,577	302-1
Natural gas use	MMBTU / year		178,858	167,380	146,488	302-1
Greenhouse gas emissions per ton of product	kgCO ₂ e/ ton product	46.20	45.96	50.83	49.27	302-5
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	0.003-0.005	N.D.-0.002	0.003-0.011	
Cover pacing/glazing area	fiber/cm ³	<0.1	0.002	0.003	0.004	



Sustainable Development Information - Environmental Performance						GRI
Key performance	Unit	Target	2022	2021	2020	
Chrysotile storage area	fiber/cm ³	<0.1	0.002-0.011	0.001	0.004	
Product discharge yard	fiber/cm ³	<0.1	0.004	0.001	0.004	
Air Quality in the Work Area of DBP1-2						
Total suspended particulate in factory	mg/m ³	<15	0.793-1.747	0.455-2.792	0.417-6.792	305-7
Particle matter (<10 micron)	mg/m ³	<5	0.264-1.469	0.302-1.306	0.567-3.733	
Xylene	ppm	<100	0.345-4.563	<0.050-4.81	<0.050-1.263	
Air Quality from the Factory's Funnels of DBP1-2						
Total Suspended Particulate (TSP)	mg/m ³	<400	1.5-59	2-34	3.16-26.32	305-7
Sulfur Dioxide	ppm	<500	<1.00-35	<1.00-32	<1.00-13	305-7
Carbon Monoxide	ppm	<870	10-120	13-119	3.00	305-7
Nitrogen Dioxide	ppm	<200	21	29	19-25.02	305-7
Xylene	ppm	<200	0.785-36.014	1.689-37.323	0.328-62.290	
Air Quality around Factory Fences of DBP1-2						
Particle Matters (PM-10) 24-hr Avg.	mg/m ³	<0.120	0.087	0.083-0.091	0.087-0.095	
Noise Level 24-hr Avg.	dB(A)	<70	56.9-62.8	59.2-65	58.2-64.3	
Disturbance Sound Level 24-hr Avg	dB(A)	<10	0.5-9.7	0-9.8	1.1-1.9	
3. Water management						
Natural water use	m ³		505,787	485,273	450,258	303-1
Natural water use/ton of product	m ³ /ton product	0.50	0.51	0.51	0.52	
Amount of recycled water treatment	m ³		25,000	25,000	24,240	303-3
4. Waste management						
Total waste	ton		66,782	70,090	63,182	
Non-Hazardous Wastes Volume	ton		61,027	67,297	59,960	
Reuse	ton		3,161	3,180	4,212	306-2
Recycle	ton		23,659	20,686	7,807	306-2
Disposal	ton		34,207	43,431	47,941	306-2
Non-Hazardous Wastes Volume	ton		5,755	2,793	3,222	
Reuse	ton		100	100	104	306-2
Recycle	ton		432	397	495	306-2
Disposal	ton		5,223	2,296	2,623	306-2
Waste per ton of product	Kg/ton of product	<34	31.56	36.83	45.29	

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

3.7 GRI CONTENT INDEX

Disclosure Number	Disclosure	Page
GRI 102 : General Disclosures		
Organizational profile		
102-1	Name of the organization	14
102-2	Activities, brands, products, and services	15
102-3	Location of headquarters	14
102-4	Location of operations	14
102-5	Ownership and legal form	33
102-6	Markets served	16-21
102-7	Scale of the organization	35
102-8	Information on employees and other workers	95, 168, 172
102-9	Supply chain	54, 55-65
102-10	Significant changes to the organization and its supply chain	12, 146
102-11	Precautionary Principle or approach	36-38
102-12	External initiatives	182
102-13	Membership of associations	93-94
Strategy		
102-14	Statement from senior decision-maker	2, 195-196
102-15	Key impacts, risks, and opportunities	36-38
Ethics and integrity		
102-16	Values, principles, standards, and norms of behavior	8-11
102-17	Mechanisms for advice and concerns about ethics	203-204
102-18	Governance structure	146-174
102-19	Delegating authority	160
102-20	Executive-level responsibility for economic, environmental, and social topics	195-196
102-21	Consulting stakeholders on economic, environmental, and social topics	203
102-22	Composition of the highest governance body and its committees	147, 176
102-23	Chair of the highest governance body	147-152
102-24	Nominating and selecting the highest governance body	175-177
102-25	Conflicts of interest	205-207
102-26	Role of highest governance body in setting purpose, values, and strategy	10
102-27	Collective knowledge of highest governance body	130-131
102-28	Evaluating the highest governance body's performance	156
102-29	Identifying and managing economic, environmental, and social impacts	195-196
102-30	Effectiveness of risk management processes	36-38
102-31	Review of economic, environmental, and social topics	16-21



Disclosure Number	Disclosure	Page
102-32	Highest governance body's role in sustainability reporting	49
102-33	Communicating critical concerns	183-185
102-34	Nature and total number of critical concerns	182
102-35	Remuneration policies	165
102-36	Process for determining remuneration	165-166
102-37	Stakeholders' involvement in remuneration	175
102-38	Annual total compensation ratio	178
Stakeholder engagement		
102-40	List of stakeholder groups	33, 45
102-41	Collective bargaining agreements	45
102-42	Identifying and selecting stakeholders	45-48
102-43	Approach to stakeholder engagement	45-48
102-44	Key topics and concerns raised	49-52
Reporting practice		
102-45	Entities included in the consolidated financial statements	103-110
102-46	Defining report content and topic Boundaries	49
102-47	List of material topics	49-52
102-48	Restatements of information	53
102-49	Changes in reporting	43
102-50	Reporting period	138
102-51	Date of most recent report	102
102-52	Reporting cycle	102
102-53	Contact point for questions regarding the report	102
102-54	Claims of reporting in accordance with the GRI Standards	102
102-55	GRI content index	98-101
GRI 103 : Management Approach		
103-1	Explanation of the material topic and its Boundary	40-102
103-2	The management approach and its components	40-102
103-3	Evaluation of the management approach	40-102
GRI 200 : Economic		
GRI 201 : Economic Performance		
201-1	Direct economic value generated and distributed	17
201-2	Financial implications and other risks and opportunities due to climate change	95-97
201-3	Defined benefit plan obligations and other retirement plans	95-97
201-4	Financial assistance received from government	95-97
GRI 202 : Market Presence		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	95-97, 168
202-2	Proportion of senior management hired from the local community	95-94



Disclosure Number	Disclosure	Page
GRI 205 : Anti-corruption		
205-1	Operations assessed for risks related to corruption	182
205-2	Communication and training about anti-corruption policies and procedures	182
205-3	Confirmed incidents of corruption and actions taken	182
GRI 206 : Anti-competitive Behavior		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	140-144
GRI 300 : Environment		
GRI 301 : Materials		
301-1	Materials used by weight or volume	57
301-2	Recycled input materials used	57, 68
GRI 302 : Energy		
302-1	Energy consumption within the organization	74-76, 96
302-2	Energy consumption outside of the organization	57-59
302-3	Energy intensity	74-75
302-4	Reduction of energy consumption	74-75
302-5	Reductions in energy requirements of products and services	76, 96
GRI 303 : Water		
303-1	Water withdrawal by source	69-72, 97
303-2	Water sources significantly affected by withdrawal of water	69-72
303-3	Water recycled and reused	73, 97
GRI 304 : Biodiversity		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	66-69
304-2	Significant impacts of activities, products, and services on biodiversity	61-65
GRI 305 : Emissions		
305-1	Direct (Scope 1) GHG emissions	75-76, 96
305-2	Energy indirect (Scope 2) GHG emissions	75-76, 96
305-4	GHG emissions intensity	75-76
305-5	Reduction of GHG emissions	75-78
305-6	Emissions of ozone-depleting substances (ODS)	74-75
GRI 306 : Effluents and Waste		
306-1	Water discharge by quality and destination	72
306-2	Waste by type and disposal method	66-68
306-3	Significant spills	73
306-4	Transport of hazardous waste	66-68
306-5	Water bodies affected by water discharges and/or runoff	72
GRI 308 : Supplier Environmental Assessment		
308-1	New suppliers that were screened using environmental criteria	56-57



Disclosure Number	Disclosure	Page
308-2	Negative environmental impacts in the supply chain and actions taken	56-57
GRI 400 : Social		
GRI 401 : Employment		
401-1	New employee hires and employee turnover	95-97, 161
GRI 403 : Occupational Health and Safety		
403-1	Workers representation in formal joint management-worker health and safety committees	80
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	80-81, 96
403-3	Workers with high incidence or high risk of diseases related to their occupation	170
403-4	Health and safety topics covered in formal agreements with trade unions	80-83
GRI 404 : Training and Education		
404-1	Average hours of training per year per employee	83-84
404-2	Programs for upgrading employee skills and transition assistance programs	168
404-3	Percentage of employees receiving regular performance and career development reviews	132
GRI 405 : Diversity and Equal Opportunity		
405-1	Diversity of governance bodies and employees	95-97, 168
405-2	Ratio of basic salary and remuneration of women to men	168
GRI 406 : Non-discrimination		
406-1	Incidents of discrimination and corrective actions taken	79
GRI 408 : Child Labor		
408-1	Operations and suppliers at significant risk for incidents of child labor	78
GRI 409 : Forced or Compulsory Labor		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	78
GRI 411 : Rights of Indigenous Peoples		
411-1	Incidents of violations involving rights of indigenous peoples	79
GRI 413 : Local Communities		
413-1	Operations with local community engagement, impact assessments, and development programs	90
GRI 414 : Supplier Social Assessment		
414-1	New suppliers that were screened using social criteria	56
GRI 417 : Marketing and Labeling		
417-1	Requirements for product and service information and labeling	59
GRI 418 : Customer Privacy		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	60-61



3.8 SUSTAINABLE DEVELOPMENT REPORT

(1) REPORT HIGHLIGHTS

Diamond Building Products Public Company Limited (the Company) has issued a Sustainability Driven Report 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 Sustainability Committee (SC Committee) collected data on the operations' contents from January 1, 2022, to December 31, 2022, 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) The Company's relevant departments prepare content and statistics for social, community, and environmental projects.
- 2) SC Committee established a report outline, review policies, and sustainability goals.
- 3) SC 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) COMMUNICATION AND DISSEMINATION

Communication outside the company via the website: <http://www.dbp.co.th> in the section of "**Information for Investors**" under the topic "**Form 56-1 One Report**" for internal communications via Intranet: [http:// dirt/ Topic "Social Responsibility"](http://dirt/Topic/Social%20Responsibility)

(5) FOR MORE INFORMATION

Company Secretary and Secretary of SC 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 or 314 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, 2022

The Company and its subsidiary company (together referred to as the “Corporate Group”) have overall operating results for the year 2022 with revenue from sales and services of the Corporate Group totaling Baht 5,232.45 million, which increased from the previous year by 8.67 percent and the net profit of Baht 625.61 million, which increased from the previous year by 6.86 percent.

The Company has managed its production efficiency by maintaining average machine availability rate at a higher level than the established target to support the increased costs of logistics and raw materials resulting from the conflict between Russia and Ukraine, as well as managing its product mix to be in line with the production and distribution plan, having achieved the targets, resulting in the net profit increase for the Corporate Group.

(2) ANALYSIS OF OPERATING RESULTS AND PROFITABILITY

(2.1) Revenues from Sales and Services

Description	Year 2022		Year 2021		Increase / (Decrease)	
	Million Baht	% of Total Revenue	Million Baht	% of Total Revenue	Million Baht	%
Revenues from Sales	4,790.28	91.24	4,452.29	92.27	337.99	7.59
Revenues from Services	442.17	8.42	362.86	7.52	79.31	21.86
Total Revenue from Sales and Services	5,232.45	99.66	4,815.15	99.79	417.30	8.67
Gain on Sales of Fixed Assets	4.27	0.08	2.98	0.06	1.29	43.29
Gain on Foreign Exchange Rate – Net	1.45	0.03	-	-	1.45	-
Other Revenue	11.88	0.23	7.32	0.15	4.56	62.30
Total Other Revenue	17.60	0.34	10.30	0.21	7.30	70.87
Total Revenue	5,250.05	100.00	4,825.45	100.00	424.60	8.80

The Corporate Group’s total revenue of year 2022 increased from the previous year by 8.80 percent, consisting of:

- Revenues from sales were Baht 4,790.28 million, which increased from the previous year by Baht 337.99 million or 7.59 percent, due to increase in revenues from product sales through group of housing projects of 43.43 percent, group of modern trade customers of 8.01 percent and group of domestic distribution agents of 5.82 percent.

- Revenues from services were Baht 442.17 million, which increased from the previous year by Baht 79.31 million or 21.86 percent, due to the increase in revenue from services of Baht 51.85 million and increase in revenue from transportation of Baht 27.46 million.

- Other revenue was Baht 17.60 million, which increased from the previous year by Baht 7.30 million or 70.87 percent, due to the gain on foreign exchange rate of Baht 1.45 million, increase in gain on sales of fixed assets of Baht 1.29 million and increase in other income of Baht 4.56 million.

(2.2) Cost of Sales and Services

Description	Year 2022		Year 2021		Increase / (Decrease)	
	Million Baht	% of Sales	Million Baht	% of Sales	Million Baht	%
Cost of Sales	3,375.45	64.51	3,087.26	64.12	288.19	9.33
Cost of Services	454.86	8.69	365.65	7.59	89.21	24.40
Total Cost of Sales and Services	3,830.31	73.20	3,452.91	71.71	377.40	10.93

The Corporate Group's total cost of sales and services of year 2022 increased from the previous year by 10.93 percent, consisting of:

- Cost of sales was Baht 3,375.45 million, which increased from the previous year by Baht 288.19 million or 9.33 percent, due to the increase in product sales volume of 3.51 percent and increase in the costs of raw materials and energy.
- Cost of services was Baht 454.86 million, which increased from the previous year by Baht 89.21 million or 24.40 percent, due to the increase in the transportation cost of Baht 42.63 million and increase in cost of services of Baht 46.58 million.

(2.3) Selling and Administrative Expenses

Description	Year 2022		Year 2021		Increase / (Decrease)	
	Million Baht	% of Sales	Million Baht	% of Sales	Million Baht	%
Selling Expenses	144.94	2.77	134.75	2.80	10.19	7.56
Administrative Expenses	451.56	8.63	471.36	9.79	(19.80)	(4.20)
Executives' Remuneration*	55.06	1.05	48.92	1.02	6.14	12.55
Total Selling and Administrative Expenses	651.56	12.45	655.03	13.60	(3.47)	(0.53)

Remarks: * Executives mean 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 2022 decreased from the previous year by 0.53 percent, consisting of:

- Selling expenses were Baht 144.94 million, which increased from the previous year by Baht 10.19 million or 7.56 percent, due to the increase in salary and benefits of the employees of Baht 3.60 million, increase in sales promotion expenses of Baht 2.08 million, increase in travelling expenses of Baht 1.55 million, increase in fuel expenses of Baht 1.45 million, increase in rental expenses of Baht 0.36 million, increase in depreciation and amortization of Baht 0.31 million and increase in other expenses of Baht 1.68 million, but there was a decrease in donation expenses of Baht 0.28 million and decrease in entertainment expenses of Baht 0.56 million.



- Administrative expenses were Baht 451.56 million, which decreased from the previous year by Baht 19.80 million or 4.20 percent, due to the decrease in salary and benefits of the employees of Baht 15.69 million, decrease in tax and other fees of Baht 17.84 million, decrease in allowance for dead stock of Baht 16.14 million, decrease in the consulting fees of Baht 1.81 million, but there were increase in product packaging expenses of Baht 13.02 million, increase in depreciation and amortization of Baht 5.48 million, increase in local maintenance and property tax of Baht 2.79 million, increase in maintenance expenses of Baht 2.25 million, increase in fuel expenses of Baht 2.08 million, increase in electricity expenses of Baht 1.80 million, increase in allowance for doubtful debts of Baht 1.27 million, increase in travelling expenses of Baht 0.96 million, increase in technology expenses of Baht 0.77 million and increase in other expenses of Baht 1.26 million.

- Executives' remunerations were Baht 55.06 million, which increased from the previous year by Baht 6.14 million or 12.55 percent, due to the appointments of executives.

(2.4) Profitability

Description	Year 2022		Year 2021		Increase / (Decrease)	
	Million Baht	% of Sales	Million Baht	% of Sales	Million Baht	%
Revenues from Sales and Services	5,232.45	100.00	4,815.15	100.00	417.30	8.67
Costs of Sales and Services	3,830.31	73.20	3,452.91	71.71	377.40	10.93
GP	1,402.14	26.80	1,362.24	28.29	39.90	2.93
EBITDA	1,092.23	20.87	1,030.58	21.40	61.65	5.98
EBIT	768.19	14.68	717.51	14.90	50.68	7.06
NP	625.61	11.96	585.44	12.16	40.17	6.86
EPS (Baht per Share) *	0.73		0.68		0.05	6.86
Weighted Average Number of Ordinary Shares (Million Shares) *	855.03		855.03		-	-
Return on Equity (ROE) (%)	27.60%		28.67%		(1.07%)	
Return on Assets (ROA) (%)	17.38%		17.02%		0.36%	

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 2022 was Baht 1,402.14 million, an increase from the previous year by Baht 39.90 million or 2.93 percent, due to the increase in revenues from sales and services of 8.67 percent and increase in the cost of sales and services of 10.93 percent.

Net Profit (NP)

The Corporate Group's net profit and net earnings per share of year 2022 as follows:

- The Corporate Group's net profit was Baht 625.61 million, an increase from the previous year by Baht 40.17 million or 6.86 percent, due to the increase in gross profit margin of 2.93 percent and decrease in selling and administrative expenses of 0.53 percent.

- The Corporate Group's net earnings per share was Baht 0.73 per share, an increase from the previous year of Baht 0.05 per share or 6.86 percent, due to increase in net profit of 6.86 percent.

EBITDA

- The Corporate Group's EBITDA of year 2022 was Baht 1,092.23 million, an increase from the previous year of Baht 61.65 million or 5.98 percent, due to the increase in gross profit margin of 2.93 percent and decrease in selling and administrative expenses excluding depreciation of 1.52 percent.

Earnings Efficiency

- Return on Equity (ROE):** The Corporate Group's ROE decreased from 28.67 percent as at end of 2021 to 27.60 percent as at December 31, 2022 or a decrease of 1.07 percent, due to an increase in net profit of 6.86 percent, but there was an increase in average shareholders' equity of 11.03 percent from the previous year.

- Return on Assets (ROA):** The Corporate Group's ROA increased from 17.02 percent as at end of 2021 to 17.38 percent as at December 31, 2022 or an increase of 0.36 percent, due to an increase in net profit of 6.86 percent, but there was an increase in average total assets of 4.68 percent from the previous year.

(2.5) Financial Position

Description	Statement of Financial Position		Increase / (Decrease)	
	As at December 31, 2022	As at December 31, 2021		
	Million Baht	Million Baht	Million Baht	%
Total Assets	3,740.61	3,459.47	281.14	8.13
Total Liabilities	1,353.38	1,313.22	40.16	3.06
Total Shareholders' Equity	2,387.23	2,146.25	240.98	11.23
Weighted Average Number of Ordinary Shares (Million Shares)*	855.03	855.03	-	-
Book Value (Baht per Share)*	2.79	2.51	0.28	11.16

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, 2022 increased from the end of year 2021 by Baht 281.14 million or 8.13 percent, due to the net increase in inventory of Baht 350.15 million, increase in cash advance payment for purchase of assets of Baht 55.46 million, net increase in trade accounts receivable and other accounts receivable of Baht 50.20 million, increase in other current assets and other non-current assets of Baht 2.05 million and increase in intangible assets of Baht 0.30 million, but there were decrease in cash and cash in bank of Baht 11.62 million, net decrease in fixed assets of Baht 141.95 million, decrease in right of use assets of Baht 17.18 million and decrease in deferred income tax of Baht 6.27 million.

- The Corporate Group's total liabilities as at December 31, 2022 increased from the end of year 2021 by Baht 40.16 million or 3.06 percent, due to the increase in short-term loan of Baht 84 million, increase in trade accounts payable and other accounts payable of Baht 52.72 million and increase in current income tax payable of Baht 9.04 million, but there were decrease in long-term loan of Baht 60 million, decrease in financial lease liabilities of Baht 17.80 million, decrease in provision for post-employment benefits obligation of Baht 21.55 million and decrease in other current liabilities of Baht 6.25 million.

- The Corporate Group's total shareholders' equity as at December 31, 2022 increased from the end of year 2021 by Baht 240.98 million or 11.23 percent, due to the increase in net profit of Baht 625.61 million and increase in the profit projection according the actuarial science principle for the employee benefits project of Baht 25.79 million,



but there was a dividend payment of Baht 410.42 million, resulting in an increase in share book value from Baht 2.51 per share as at end of year 2021 to Baht 2.79 per share as at December 31, 2022.

(2.6) Cash Flows

Description	Unit: Million Baht	
	Year 2022	Year 2021
Cash Flows from Operating Activities	632.54	810.22
Cash Flows used in Investing Activities	(229.57)	(153.93)
Cash Flows used in Financing Activities	(416.12)	(656.03)
Effect of exchange rate changes on cash and cash equivalents	1.53	0.67
Cash Increase (Decrease) – Net	(11.62)	0.93
Cash at the Beginning of the Period	23.00	22.07
Cash at the Ending of the Period	11.38	23.00
CFROE = Cash Flow Return on Equity Increase (%)	25.37%	39.61%

- The Corporate Group's net cash from operating activities of year 2022 was Baht 632.54 million, which was lower than the net profit before tax by Baht 128.30 million, due to the transactions that did not affect the cash such as depreciation of assets and amortization of Baht 324.04 million, increase in trade accounts payable and other accounts payable of Baht 70.76 million, increase in other non-current liabilities of Baht 10.68 million and increase in other current liabilities of Baht 1.28 million, but there were net increase in inventory of Baht 350.15 million, net increase in trade accounts receivable and other accounts receivable of Baht 53.75 million, increase in other non-current assets of Baht 4.24 million, increase in other current assets of Baht 0.56 million and payment of accrued corporate income tax for year 2021 of Baht 28.33 million, payment of mid-year corporate income tax of year 2022 of Baht 92.49 million and payment of withholding tax of Baht 5.54 million.

- The Corporate Group's net cash used in investing activities of year 2022 was Baht 229.57 million, due to cash payment for tools and equipment replacement after their useful life of Baht 171.77 million, cash advance payment for purchase of assets of Baht 57.47 million and cash payment for intangible assets of Baht 4.66 million, but there were cash received from sale of damaged and unusable assets of Baht 4.31 million and cash received from interest income of Baht 0.02 million.

- The Corporate Group's net cash used in financing activities of year 2022 was Baht 416.12 million, due to repayment of long-term loan of Baht 120 million, dividend payment of Baht 410.41 million, repayment of financial lease of Baht 23.67 million and interest payment of Baht 6.04 million, but there was an increase in short-term loan of Baht 84 million and increase in long-term loan of Baht 60 million.

(2.7) Financial Ratios

Financial Ratios	As at December 31, 2022	As at December 31, 2021
Current Ratio (Times)	1.66	1.42
Quick Ratio (Times)	0.58	0.59
Cash flow Liquidity Ratio (Times)	0.56	0.73
Account Receivable Turnover Ratio (Times)	9.80	9.99
Average Collection Period (Days)	37	36
Inventory Turnover Period (Days)	19	18
Average Payable Period (Days)	13	11
Cash Cycle (Days)	43	43
Total Debt to Equity Ratio (Times)	0.57	0.61
Interest Coverage Ratio (Times)	96.76	94.62
Debt Service Coverage Ratio (Times)	7.35	33.37

(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, 2022 accounted for 16.20 percent of the total assets with 75.90 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. Accordingly, the Corporate Group has experienced no bad debt.

(3.2) Inventory and Deterioration or Obsolescence

The Corporate Group's inventory as at December 31, 2022 accounted for 31.14 percent of the total assets, of which 19.70 percent are finished products, 14.82 percent are work in progress, 55.87 percent are raw materials, 2.81 percent are goods in transits and 6.80 percent are supplies.

(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, 2022 was at 0.57 times, a decrease from end of year 2021, due to the increase in total liabilities from the end of 2021 of 3.06 percent, but the shareholders' equity increased from the end of year 2021 by 11.23 percent and the interest coverage ratio was at 96.76 times, an increase from end of 2021, due to a decrease in cash flow from operating activities from the previous year of 21.93 percent, but decrease in interest on loan from the previous year of 25.39 percent.

- The Corporate Group's current ratio as at December 31, 2022 was at 1.66 times, an increase from the end of year 2021, due to an increase in current assets of 27.95 percent and increase in current liability of 9.88 percent and the quick ratio of 0.58 times, which decreased from the end of year 2021, due to an increase in inventory of 42.99 percent and increase in current liability of 9.88 percent and the cash flow liquidity ratio was 0.56 times, a decrease from end of year 2021, due to the decrease in cash flow from operating activities from the previous year of 21.93 percent.



- The Corporate Group's cash cycle as at December 31, 2022 was 43 days, which was equivalent to the end of year 2021, due to the increase in inventory turnover period of 1 day and increases in average collection period of 1 day, but there was an increases in average payable period of 2 days.

- The Corporate Group's debt service coverage ratio decreased from 33.37 times as at end of year 2021 to 7.35 times as at December 31, 2022, due to an increase in EBITDA from end of year 2021 of 5.98 percent, but there were decrease in interest on loan from the previous year of 25.39 percent and increase in financial lease liabilities and long-term loan due within one year of 574.96 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, 2022, the Corporate Group's average collection period was 37 days, in line with the established policy and the average repayment period was 13 days, which was less than the established policy, as the Corporate Group made payments for the raw materials on a cash-basis term in order to receive trade discounts.

(5) DEBT OBLIGATION

The Corporate Group has established policy to mitigate risk from interest fluctuation by taking long-term loan with fixed interest rate. Currently, the Corporate Group has obligation to comply with the terms and conditions of the loan agreement with commercial bank in the country as follows:

(5.1) Investment in the machinery installation project for production of fiber cement tiles (NT-11) with loan amount of Baht 300 million with interest rate starting since the first loan installment until September 30, 2023 at a fixed interest rate of 2.10 percent per annum and a loan repayment period within 2 years and 6 months with monthly repayment term and the first loan repayment starting on April 30, 2021. As at December 31, 2022, the outstanding loan balance was Baht 90 million.

(5.2) Investment in the machinery installation project for production of concrete roof tiles (CT-6) with loan amount of Baht 400 million with interest rate starting since the first loan installment until April 30, 2027 at a fixed interest rate of 3.50 percent per annum and a loan repayment period within 3 years and 6 months with monthly repayment term and the first loan repayment starting on June 30, 2024. As at December 31, 2022, the outstanding loan balance was Baht 60 million.



As at December 31, 2022, the Corporate Group had long-term debt obligations with commercial banks totaling Baht 150 million. Accordingly, the Corporate Group must comply with the terms and conditions stipulated in the loan agreements, which state that the Total Debt to Equity Ratio (D/E Ratio) must not exceed 2 times and the Debt Service Coverage Ratio (DSCR) must not be less than 1.25 times. As at December 31, 2022, the Corporate Group was able to maintain the above financial ratios as stipulated by such loan agreements.

4.2 FACTORS HAVING IMPACT ON FUTURE OPERATING RESULTS

The Corporate Group has assessed factors that may impact its operations in the future, which are expected to have long term effects and consistently reviewed its targets and business plan in accordance with such situation, which can be summarized as follows.

(1) Revenue Aspect: The Corporate Group has placed this aspect as its first priority, having reviewed the sales target to be in accordance with market potential and searching for new market to increase its sales potential as well as appropriately managing on sales promotion

(2) Production Cost Aspect: Impact from supply chain has caused the increase in raw materials and energy prices, continuing to increase the cost of production, which is the external factor that cannot be controlled. Therefore, the Corporate Group needs to manage the problem internally by utilizing production cost management, reducing expenses and delaying unnecessary investment plan, improving and maintaining equipment and machinery to be efficient constantly in order to produce good quality products with competitive cost.

(3) Innovation Aspect: The development of automation and robot system, replacing human labor at risky or hazardous areas and repetitive work areas in order to increase work efficiency, resulting in the reduction of production cost, etc.

4.3.2 SUMMARY OF THE REPORT OF INDEPENDENT AUDITOR

During year 2020 – 2022, 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		
	2022	2021	2020	2022	2021	2020
Financial status						
Total assets	3,741	3,459	3,419	3,753	3,537	3,477
Total liabilities	1,353	1,313	1,482	1,367	1,409	1,552
Total shareholders' equity	2,388	2,146	1,937	2,386	2,128	1,925
Operating results						
Revenue from sales of goods and rendering of service	5,232	4,815	4,381	5,232	4,815	4,381
Gross profit	1,402	1,362	1,273	1,382	1,348	1,253
Income before depreciation, finance costs and income tax expense (EBITDA)	1,092	1,031	950	1,095	1,008	926
Income before finance costs and income tax expense	768	718	678	789	712	670
Net income	626	585	557	642	580	550
Financial ratios						
Net profit margin (%)	11.96	12.16	12.72	12.27	12.04	12.54
EBITDA margin (%)	20.87	21.40	21.69	20.93	20.93	21.14
Return on equity (%)	27.60	28.67	26.57	28.45	28.62	26.30
Return on total assets (%)	17.38	17.02	16.51	17.62	16.54	16.01
Debt to equity ratio (Times)	0.57	0.61	0.76	0.57	0.66	0.81
Interest coverage ratio (Times)	96.76	94.62	123.36	83.16	94.05	122.40
Net gearing ratio (Times)	0.28	0.29	0.45	0.28	0.30	0.46
Earnings per share (Baht per share)	0.73	0.68	0.62	0.75	0.68	0.62
Book value (Baht per share)	2.79	2.51	2.17	2.79	2.49	2.16
Summary stock information "DRT"						
Market price as at year end (Baht per share)	8.05	8.35	5.85	8.05	8.35	5.85
Number of registered common shares (Million shares)	855	855	948	855	855	948
Number of paid – up common shares (Million shares)	855	855	948	855	855	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)	6,883	7,140	5,546	6,883	7,140	5,546
Price earnings ratio as at year end (Baht per share)	11.03	12.28	9.44	10.73	12.28	9.44
Dividend per share (Baht per share)	0.50	0.46	0.42	0.50	0.46	0.42
Dividend payout ratio (%)	68.49	67.65	67.74	66.67	67.65	67.74

(1) CONSOLIDATED FINANCIAL STATEMENTS

(A) Summary of Consolidated Financial Statements

Consolidated Statement of Financial Position

Description	2022		2021		2020	
	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
Current assets						
Cash and cash equivalents	11,379	0.30	22,997	0.66	22,068	0.65
Trade accounts receivable and other current receivables	605,957	16.20	555,757	16.06	509,096	14.89
Inventories	1,164,697	31.14	814,547	23.55	701,837	20.53
Other current assets	6,844	0.18	4,763	0.14	6,418	0.19
Total current assets	1,788,877	47.82	1,398,064	40.41	1,239,419	36.25
Non-current assets						
Investment in a subsidiary	-	0.00	-	0.00	-	0.00
Property, plant and equipment	1,796,436	48.03	1,938,388	56.03	2,036,605	59.57
Investment properties	20,059	0.54	20,059	0.58	20,059	0.59
Right-of-use assets	20,572	0.55	37,753	1.09	55,178	1.61
Intangible assets	9,951	0.27	9,649	0.28	12,168	0.36
Deferred tax assets	46,294	1.24	52,565	1.52	51,976	1.52
Other non-current assets	58,423	1.56	2,994	0.09	3,440	0.10
Total non-current assets	1,951,735	52.18	2,061,408	59.59	2,179,426	63.75
Total assets	3,740,612	100.00	3,459,472	100.00	3,418,845	100.00
Liabilities and equity						
Current liabilities						
Short-term loans from financial institutions	526,000	14.06	442,000	12.78	900,000	26.32
Trade accounts payable and other current payables	376,264	10.06	323,548	9.35	230,976	6.76
Current portion of long-term loans from financial institutions	90,000	2.41	120,000	3.47	-	0.00
Current portion of lease liabilities	9,626	0.26	22,046	0.64	21,045	0.62
Current tax payable	37,378	1.00	28,336	0.82	27,027	0.79
Other current liabilities	39,253	1.05	45,506	1.32	41,066	1.20
Total current liabilities	1,078,521	28.83	981,436	28.37	1,220,114	35.69



Consolidated Statement of Financial Position (continuous)

Description	2022		2021		2020	
	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
Non-current liabilities						
Long-term loans from financial institutions	60,000	1.60	90,000	2.60	-	0.00
Lease liabilities	12,400	0.33	17,772	0.51	36,003	1.05
Non-current provisions for employee benefits	202,459	5.41	224,012	6.48	225,701	6.60
Total non-current liabilities	274,859	7.35	331,784	9.59	261,704	7.65
Total liabilities	1,353,380	36.18	1,313,220	37.96	1,481,818	43.34
Equity						
Share capital						
Authorised share capital						
Ordinary shares (par value at Baht 1 per share)	855,033		855,033		947,962	
Issued and paid-up share capital						
Ordinary shares (par value at Baht 1 per share)	855,033	22.86	855,033	24.72	947,962	27.73
Share premium on ordinary shares	166,512	4.45	166,512	4.81	166,512	4.87
Share premium on treasury shares	165,206	4.42	165,206	4.78	165,206	4.83
Retained earnings						
Appropriated						
Legal reserve	105,000	2.81	105,000	3.04	105,000	3.07
Treasury shares reserve	-	0.00	-	0.00	511,961	14.97
Unappropriated	1,095,481	29.29	854,501	24.70	552,347	16.16
Treasury shares	-	0.00	-	0.00	(511,961)	(14.97)
Total equity	2,387,232	63.82	2,146,252	62.04	1,937,027	56.66
Total liabilities and equity	3,740,612	100.00	3,459,472	100.00	3,418,845	100.00

Consolidated Statement of Comprehensive Income

Description	2022		2021		2020	
	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
Revenue from sale of goods and rendering of services	5,232,452	100.00	4,815,151	100.00	4,381,046	100.00
Cost of sales of goods and rendering of services	3,830,305	73.20	3,452,910	71.71	3,108,501	70.95
Gross Profit	1,402,147	26.80	1,362,241	28.29	1,272,545	29.05
Other income						
Gain on sales of fixed assets	4,273	0.08	2,980	0.06	22,472	0.51
Gain on foreign exchange rate – net	1,448	0.03	-	0.00	341	0.01
Other	11,879	0.23	7,317	0.15	5,287	0.12
Profit before expenses	1,419,747	27.13	1,372,538	28.50	1,300,645	29.69
Selling expenses	144,942	2.77	134,752	2.80	128,117	2.92
Administrative expenses	451,555	8.63	471,357	9.79	439,992	10.04
Management's remuneration	55,065	1.05	48,923	1.02	54,423	1.24
Total expenses	651,562	12.45	655,032	13.60	622,532	14.21
Profit before finance costs and income tax expense	768,185	14.68	717,506	14.90	678,113	15.48
Finance costs	(7,341)	(0.14)	(9,839)	(0.20)	(7,685)	(0.18)
Profit before income tax expense	760,844	14.54	707,667	14.70	670,428	15.30
Tax expense ⁴	(135,233)	(2.58)	(122,228)	(2.54)	(113,008)	(2.58)
Net Profit	625,611	11.96	585,439	12.16	557,420	12.72
Defined benefit plan actuarial gains (losses)	32,231	0.62	-	0.00	(8,759)	(0.20)
Income tax on other comprehensive income	(6,446)	(0.12)	-	0.00	1,752	0.04
Comprehensive income ¹	651,396	12.45	585,439	12.16	550,413	12.56
Basic earnings per share (Baht) ²	0.73		0.68		0.62	
Weighted Average Number of Ordinary Shares (thousand shares) ³	855,033		855,033		892,103	

Remarks : 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 2022, 2021, 2020 of 20 percent, 20 percent, and 20 percent, respectively.



Consolidated Statement of Cash Flows

Description	2022	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht
Cash flows from operating activities			
Net Profit	625,611	585,439	557,420
Adjustments to reconcile profit to cash receipts (payment) :			
Depreciation and Amortisation	324,040	313,066	271,687
Amortisation of premium on forward exchange contracts	-	-	374
Gain on sales of investment property	-	-	(14,046)
Gain on disposal of plant and equipment	(4,270)	(2,980)	(8,420)
Reversal of impairment loss on investment	-	-	-
Reversal of bad and doubtful debt expenses	(144)	(1,413)	(1,260)
Loss on disposal of inventories	-	-	1,793
(Reversal) Losses on inventories devaluation	(9,049)	5,851	5,554
(Reversal) impairment loss recognized in profit or loss	-	-	1,059
Provision for employee benefits	16,772	16,517	15,952
Unrealised (gain) loss on exchange	1,742	(5,334)	1,170
(Gain) Loss on fair value adjustment of forward exchange contracts	194	(194)	-
Interest income	(16)	(15)	(33)
Finance costs	7,341	9,839	7,685
Tax expense	135,233	122,228	113,008
	1,097,454	1,043,004	951,943
Trade accounts receivable and other current receivables (increase) decrease	(53,608)	(40,493)	8,194
Inventories (increase) decrease	(341,100)	(118,813)	140,829
Other current assets (increase) decrease	(2,276)	1,849	(882)
Other non-current assets (increase) decrease	30	224	(39)
Trade accounts payable and other current payables increase (decrease)	70,763	59,722	(113,138)
Other current liabilities increase (decrease)	(6,258)	4,436	2,074
Provision for employee benefits paid	(6,094)	(18,205)	(5,079)
Net cash generated from operating	758,911	931,724	983,902
Tax paid	(126,365)	(121,508)	(139,770)
Net cash from operating activities	632,546	810,216	844,132

Consolidated Statement of Cash Flows (Continuous)

Description	2022	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht
Cash flows from investing activities			
Interest received	16	15	33
Payments for acquisition of plant and equipment	(171,771)	(154,153)	(426,992)
Prepayment for purchases of fixed assets	(57,468)	(1,434)	(9,060)
Payments for acquisition of intangible assets	(4,657)	(1,815)	(900)
Proceeds from sale of non-current assets classified as held for sale	-	-	19,291
Proceeds from sale of property, plant and equipment	4,310	3,463	8,691
Cash received from capital reduction in a subsidiary	-	-	-
Net cash used in investing activities	(229,570)	(153,924)	(408,937)
Cash flows from financing activities			
Interest paid	(6,041)	(8,027)	(5,229)
Proceeds from (repayment of) short-term loans from financial institution	84,000	(458,000)	454,000
Proceeds from long-term loans from financial institutions	60,000	300,000	-
Purchase of treasury shares	-	-	(511,961)
Repayment of long-term loans from financial institutions	(120,000)	(90,000)	-
Payments of lease liabilities	(23,670)	(23,795)	(21,085)
Dividends paid to owners of the Company	(410,411)	(376,210)	(360,597)
Net cash used in financing activities	(416,122)	(656,032)	(444,872)
Gain of exchange rate changes on cash and cash equivalents	1,528	669	429
Net increase (decrease) in cash and cash equivalents	(11,618)	929	(9,248)
Cash and cash equivalents at 1 January	22,997	22,068	31,316
Cash and cash equivalents at 31 December	11,379	22,997	22,068



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

Consolidated Financial Ratios

Description		2022	2021	2020
Liquidity Ratios				
Current ratio	(Times)	1.66	1.42	1.02
Quick ratio	(Times)	0.58	0.59	0.44
Cash flow liquidity ratio	(Times)	0.56	0.73	0.80
Account receivable turnover ratio	(Times)	9.80	9.99	9.51
Average collection period	(Days)	37	36	38
Inventory turnover ratio	(Times)	19.02	20.33	16.45
Day's supply in inventory	(Days)	19	18	22
Account payable turnover ratio	(Times)	26.85	33.53	27.35
Average payable period	(Days)	13	11	13
Cash cycle	(Days)	43	43	47
Profitability Ratios				
Gross profit margin	(%)	26.80%	28.29%	29.05%
Operating profit margin	(%)	14.34%	14.69%	14.84%
Other revenue of total revenue	(%)	0.34%	0.21%	0.64%
Cash to profit margin	(%)	76.62%	114.36%	128.47%
Net profit margin	(%)	11.96%	12.16%	12.72%
Return on equity	(%)	27.60%	28.67%	26.57%
Efficiency Ratios				
Return on assets	(%)	17.38%	17.02%	16.51%
Return on fixed assets	(%)	50.31%	44.76%	42.69%
Financial Policy Ratios				
Debt to equity ratio	(Times)	0.57	0.61	0.76
Interest coverage ratio	(Times)	96.76	94.62	123.36
Interest bearing deb to EBITDA ratio	(Times)	0.62	0.63	0.95
Debt service coverage ratio (DSCR)	(Times)	7.31	33.37	67.52
Dividend payout ratio	(%)	68.49%	67.65%	67.74%
Net gearing ratio	(Times)	0.28	0.29	0.45

(2) SEPARATE FINANCIAL STATEMENTS

(A) Summary of Separate Financial Statements

Separate Statement of Financial Position

Description	2022		2021		2020	
	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
Current assets						
Cash and cash equivalents	10,892	0.29	22,384	0.63	21,383	0.62
Trade accounts receivable and other current receivables	604,115	16.10	554,861	15.69	507,766	14.60
Inventories	1,156,145	30.81	805,810	22.78	684,160	19.68
Other current assets	6,844	0.18	4,753	0.13	6,304	0.18
Total current assets	1,777,996	47.37	1,387,808	39.23	1,219,613	35.08
Non-current assets						
Investment in a subsidiary	100,000	2.66	170,000	4.81	170,000	4.89
Property, plant and equipment	1,722,236	45.89	1,855,374	52.45	1,946,222	55.98
Investment properties	20,059	0.53	20,059	0.57	20,059	0.58
Right-of-use assets	20,128	0.54	37,688	1.07	55,177	1.59
Intangible assets	8,710	0.23	5,408	0.15	4,927	0.14
Deferred tax assets	45,520	1.21	58,055	1.64	57,403	1.65
Other non-current assets	58,386	1.56	2,908	0.08	3,390	0.10
Total non-current assets	1,975,039	52.63	2,149,492	60.77	2,257,178	64.92
Total assets	3,753,035	100.00	3,537,300	100.00	3,476,791	100.00
Liabilities and equity						
Current liabilities						
Short-term loans from financial institutions	526,000	14.02	442,000	12.50	900,000	25.89
Trade accounts payable and other current payables	394,260	10.51	421,742	11.92	303,481	8.73
Current portion of long-term loans from financial institutions	90,000	2.40	120,000	3.39	-	0.00
Current portion of lease liabilities	9,474	0.25	22,036	0.62	21,045	0.61
Current tax payable	36,346	0.97	28,336	0.80	27,027	0.78
Other current liabilities	38,435	1.02	44,790	1.27	40,426	1.16
Total current liabilities	1,094,515	29.16	1,078,904	30.50	1,291,979	37.16



Separate Statement of Financial Position (continuous)

Description	2022		2021		2020	
	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
Non-current liabilities						
Long-term loans from financial institutions	60,000	1.60	90,000	2.54	-	0.00
Lease liabilities	12,109	0.32	17,719	0.50	36,004	1.04
Non-current provisions for employee benefits	200,627	5.35	222,555	6.29	224,431	6.46
Total non-current liabilities	272,736	7.27	330,274	9.34	260,435	7.49
Total liabilities	1,367,251	36.43	1,409,178	39.84	1,552,414	44.65
Equity						
Share capital						
Authorised share capital						
Ordinary shares (par value at Baht 1 per share)	855,033		855,033		947,962	
Issued and paid-up share capital						
Ordinary shares (par value at Baht 1 per share)	855,033	22.78	855,033	24.17	947,962	27.27
Share premium on ordinary shares	166,512	4.44	166,512	4.71	166,512	4.79
Share premium on treasury shares	165,206	4.40	165,206	4.67	165,206	4.75
Retained earnings						
Appropriated						
Legal reserve	105,000	2.80	105,000	2.97	105,000	3.02
Treasury shares reserve	-	0.00	-	0.00	511,961	14.73
Unappropriated	1,094,033	29.15	836,371	23.64	539,697	15.52
Treasury shares	-	0.00	-	0.00	(511,961)	(14.73)
Total equity	2,385,784	63.57	2,128,122	60.16	1,924,377	55.35
Total liabilities and equity	3,753,035	100.00	3,537,300	100.00	3,476,791	100.00

Separate Statement of Comprehensive Income

Description	2022		2021		2020	
	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
Revenue from sale of goods and rendering of services	5,232,106	100.00	4,815,467	100.00	4,381,046	100.00
Cost of sales of goods and rendering of services	3,850,397	73.59	3,467,797	72.01	3,128,129	71.40
Gross Profit	1,381,709	26.41	1,347,670	27.99	1,252,917	28.60
Other income						
Gain on sales of fixed assets	4,283	0.08	2,983	0.06	22,836	0.52
Gain on foreign exchange rate – net	1,448	0.03	-	0.00	341	0.01
Other	11,600	0.22	6,948	0.14	5,104	0.12
Profit before expenses	1,399,040	26.74	1,357,601	28.19	1,281,198	29.24
Selling expenses	144,942	2.77	134,751	2.80	128,110	2.92
Administrative expenses	410,012	7.84	461,965	9.59	428,613	9.78
Management's remuneration	55,065	1.05	48,922	1.02	54,423	1.24
Total expenses	610,019	11.66	645,638	13.41	611,146	13.95
Profit before finance costs and income tax expense	789,021	15.08	711,963	14.78	670,052	15.29
Finance costs	(7,317)	(0.14)	(9,837)	(0.20)	(7,685)	(0.18)
Profit before income tax expense	781,704	14.94	702,126	14.58	662,367	15.12
Tax expense ⁴	(139,556)	(2.67)	(122,166)	(2.54)	(112,859)	(2.58)
Net Profit	642,148	12.27	579,960	12.04	549,508	12.54
Defined benefit plan actuarial gains (losses)	32,412	0.62	-	0.00	(8,714)	(0.20)
Income tax on other comprehensive income	(6,482)	(0.12)	-	0.00	1,743	0.04
Comprehensive income ¹	668,078	12.77	579,960	12.04	542,537	12.38
Basic earnings per share (Baht) ²	0.75		0.68		0.62	
Weighted Average Number of Ordinary Shares (thousand shares) ³	855,033		855,033		892,103	

Remarks : 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 2022, 2021, 2020 of 20 percent, 20 percent, and 20 percent, respectively.



Separate Statement of Cash Flows

Description	2022	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht
Cash flows from operating activities			
Net Profit	642,148	579,960	549,508
Adjustments to reconcile profit to cash receipts (payment) :			
Depreciation and Amortisation	306,004	295,992	255,546
Amortisation of premium on forward exchange contracts	-	-	374
Gain on sales of investment property	-	-	(14,046)
Gain on disposal of plant and equipment	(4,280)	(2,983)	(8,783)
Reversal of impairment loss on investment	(30,000)	-	-
Reversal of bad and doubtful debt expenses	(144)	(1,413)	(1,260)
Loss on disposal of inventories	-	-	1,793
(Reversal) Losses on inventories devaluation	(9,989)	6,351	6,467
(Reversal) impairment loss recognized in profit or loss	-	-	1,059
Provision for employee benefits	16,578	16,330	15,783
Unrealised (gain) loss on exchange	1,742	(5,334)	1,170
(Gain) Loss on fair value adjustment of forward exchange contracts	194	(194)	-
Interest income	(14)	(13)	(31)
Finance costs	7,317	9,837	7,685
Tax expense	139,556	122,166	112,859
	1,069,112	1,020,699	928,124
Trade accounts receivable and other current receivables (increase) decrease	(52,663)	(40,928)	9,085
Inventories (increase) decrease	(340,346)	(128,253)	145,144
Other current assets (increase) decrease	(2,284)	1,745	(823)
Other non-current assets (increase) decrease	(19)	260	(39)
Trade accounts payable and other current payables increase (decrease)	(9,505)	86,300	(101,456)
Other current liabilities increase (decrease)	(6,360)	4,359	1,673
Provision for employee benefits paid	(6,094)	(18,205)	(5,080)
Net cash generated from operating	651,841	925,977	976,628
Tax paid	(125,493)	(121,508)	(139,770)
Net cash from operating activities	526,348	804,469	836,858

Separate Statement of Cash Flows (continuous)

Description	2022	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht
Cash flows from investing activities			
Interest received	14	13	31
Payments for acquisition of plant and equipment	(165,528)	(148,345)	(419,708)
Prepayment for purchases of fixed assets	(57,468)	(1,434)	(9,061)
Payments for acquisition of intangible assets	(4,657)	(1,815)	(900)
Proceeds from sale of non-current assets classified as held for sale	-	-	19,291
Proceeds from sale of property, plant and equipment	4,320	3,470	9,067
Cash received from capital reduction in a subsidiary	100,000	-	-
Net cash used in investing activities	(123,319)	(148,111)	(401,280)
Cash flows from financing activities			
Interest paid	(6,041)	(8,027)	(5,229)
Proceeds from (repayment of) short-term loans from financial institution	84,000	(458,000)	454,000
Proceeds from long-term loans from financial institutions	60,000	300,000	-
Purchase of treasury shares	-	-	(511,961)
Repayment of long-term loans from financial institutions	(120,000)	(90,000)	-
Payments of lease liabilities	(23,597)	(23,789)	(21,085)
Dividends paid to owners of the Company	(410,411)	(376,210)	(360,597)
Net cash used in financing activities	(416,049)	(656,026)	(444,872)
Gain of exchange rate changes on cash and cash equivalents	1,528	669	429
Net increase (decrease) in cash and cash equivalents	(11,492)	1,001	(8,865)
Cash and cash equivalents at 1 January	22,384	21,383	30,248
Cash and cash equivalents at 31 December	10,892	22,384	21,383



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

Separate Financial Ratios

Description		2022	2021	2020
Liquidity Ratios				
Current ratio	(Times)	1.62	1.29	0.94
Quick ratio	(Times)	0.57	0.54	0.41
Cash flow liquidity ratio	(Times)	0.43	0.68	0.75
Account receivable turnover ratio	(Times)	9.79	9.99	9.51
Average collection period	(Days)	37	36	38
Inventory turnover ratio	(Times)	19.44	21.57	17.62
Day's supply in inventory	(Days)	19	17	20
Account payable turnover ratio	(Times)	18.82	18.15	17.09
Average payable period	(Days)	19	20	21
Cash cycle	(Days)	37	33	37
Profitability Ratios				
Gross profit margin	(%)	26.41%	27.99%	28.60%
Operating profit margin	(%)	14.75%	14.58%	14.65%
Other revenue of total revenue	(%)	0.33%	0.21%	0.64%
Cash to profit margin	(%)	60.76%	114.39%	128.99%
Net profit margin	(%)	12.27%	12.04%	12.54%
Return on equity	(%)	28.45%	28.62%	26.30%
Efficiency Ratios				
Return on assets	(%)	17.62%	16.54%	16.01%
Return on fixed assets	(%)	52.42%	45.60%	43.53%
Financial Policy Ratios				
Debt to equity ratio	(Times)	0.57	0.66	0.81
Interest coverage ratio	(Times)	83.16	94.05	122.40
Interest bearing deb to EBITDA ratio	(Times)	0.62	0.65	0.97
Debt service coverage ratio (DSCR)	(Times)	7.33	32.64	65.80
Dividend payout ratio	(%)	66.67%	67.65%	67.74%
Net gearing ratio	(Times)	0.28	0.30	0.46

5. GENERAL AND OTHER IMPORTANT INFORMATION

5.1 REFERENCES

Registrar	Auditor
<p>Thailand Securities Depository Co., Ltd. The Stock Exchange of Thailand Building, 1st Floors, 93, Ratchadaphisek Road, Dindaeng, Bangkok 10400 SET Contact center : 0 2009 9999 E-mail : SETContactCenter@set.or.th Website : www.set.or.th/tsd</p>	<p>KPMG Phoomchai Audit Ltd. Empire Tower, 50th Floors, 1 South Sathorn Road, Yannawa, Sathorn, Bangkok 10120 Tel: 0 2677 2000, Fax: 0 2677 2222 Website : www.home.kpmg/th</p>

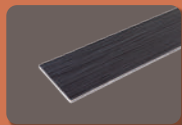
5.2 OTHER IMPORTANT INFORMATION: None

5.3 LEGAL DISPUTES: None

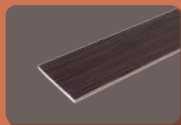
ไม้ฝา คอฟfeeซีรีส์
สีสวยเข้ม ได้กลิ่นอายเอสเปรสโซ

FUNCTION x FASHION

ไม้ฝา คอฟfeeซีรีส์ ตราเพชร สีสวยสำเร็จ เข้มได้ใจ



เอสเปรสโซ



มอคค่า



ลาเต้



มิวว

สวยครบเซต ตราเพชรทั้งหลัง

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, Assistant Chief Executive Officer and Division Manager (Senior)	<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 Managers	<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, Assistant Chief Executive Officer and Division Manager (Senior)	<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 section Managers. Executive meetings for Department 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 147 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 8 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 147 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 147 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 175 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 165 under topic "Executive Directors and Executives' Remuneration Policy").

5) **Accountability to Ones' Duties and Sufficient Time Allocation:** The Board of Directors ensures that alldirectors are accountable for their duties and allocate sufficient time as directors of the Company (see details on page 147 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 32 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 Directorsand the Stock Exchange of Thailand (see details on page 147 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 Board of Directors has achieved training courses organized for 12 directors, or 100% of the total number of directors.

The development of knowledge of directors in year 2022 are as follows:

No.	Name of Director	Position	Institution / Training Course
1)	Mr. Chaityut Srivikorn	Director and NRC Committee Chairman	Thai Institute of Directors Association (IOD): • What Directors need to Know about Digital Assets (4/2022)
2)	Mr. Thanit Pulivekin	Independent Director, AC Committee Member and CG Committee Chairman	Thai Institute of Directors Association (IOD): • Ethical Leadership Program (ELP23/2021)
3)	Mr. Woodthikrai Soatthiyanon	Independent Director and CG Committee Member	Thai Institute of Directors Association (IOD): • Subsidiary Governance Program (SGP 3/2022)
4)	Mr. Sunthorn Suwannajade	Director, PTI Committee Member and Assistant Chief Executive Officer Production and Engineering	Thai Institute of Directors Association (IOD): • Director Accreditation Program (DAP 195/2022) • Risk Management Program for Corporate Leaders (RCL 29/2022)
5)	Mr. Warayu Pradipasen	Director and CG Committee Member	Thailand Energy Academy • Energy Literacy for a Sustainable Future YTEA Class 8

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 147 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 175 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 165 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 167 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 140 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) **In procurement management,** the Company has established a procurement policy that is friendly to the environment, safety, and occupational health in working with partners, ensuring that the procurement of raw materials, materials, subcontracting, and service employment is accurate and appropriate by established criteria. It includes selecting new vendors/service providers/partners, an annual assessment of the existing registered vendors/service providers/partners effectively, and ensuring the competence and potential of the currently registered vendors/service providers will be evaluated regularly and effectively. It is the guidelines for the control of occupational health practices, safety, and environment of contractors or sub-contractors and control procurement of products, equipment or tools, and machinery that may affect the above mention areas. It also includes selecting new raw materials / new vendors by considering occupational health, safety, and environmental issues by the related Company's policy. The suppliers must submit information documents relating to the occupational health, safety, and environment management system to evaluate occupational health, safety, and the environment once a year.



(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 36 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 198 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 181 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 182 under topic “Anti-Corruption Report”).

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 183 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 SC Committee prepares at least once a year a sustainability report that takes into account nationally accepted reporting frameworks and international sustainability reporting standards and establishes a sustainable development 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 35 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 INTEREST

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 the policy to conduct business according to sustainable development guidelines by considering the needs and expectations delivered to all stakeholders through risk assessment from rapidly changing situations. It finds opportunities to improve work at all levels of the organization for setting business strategies to balance both economy and society and the environment, resulting in continuous development both in the short term and in the long term so that the business can grow sustainably as follows:

- (A) **Economics:** Develop organizational capabilities to deliver value and respond to the needs and expectations of all stakeholders by setting goals in line with rapidly changing circumstances with technology and innovation to achieve sustainable development.
- (B) **Society:** improve the quality of life of employees, create a way of living happily together, fairly and equally, and ensure work safety. Participation of all groups of stakeholders for communities in the areas that go into business to support job creation, create careers and give confidence in the way of social responsibility by conducting business with ethics.
- (C) **Environment:** to reduce the impact of climate change that causes the greenhouse effect by efficient use of resources for maximum benefit to maintain the balance of the ecosystem sustainably, and by developing technology and innovation in the work process and applying the circular economy to all activities according to the organizational management guidelines for sustainable development.



(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. It also provides human rights and labor practice risk assessments 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 2022, there are issues that the Company has not yet acted as follows:



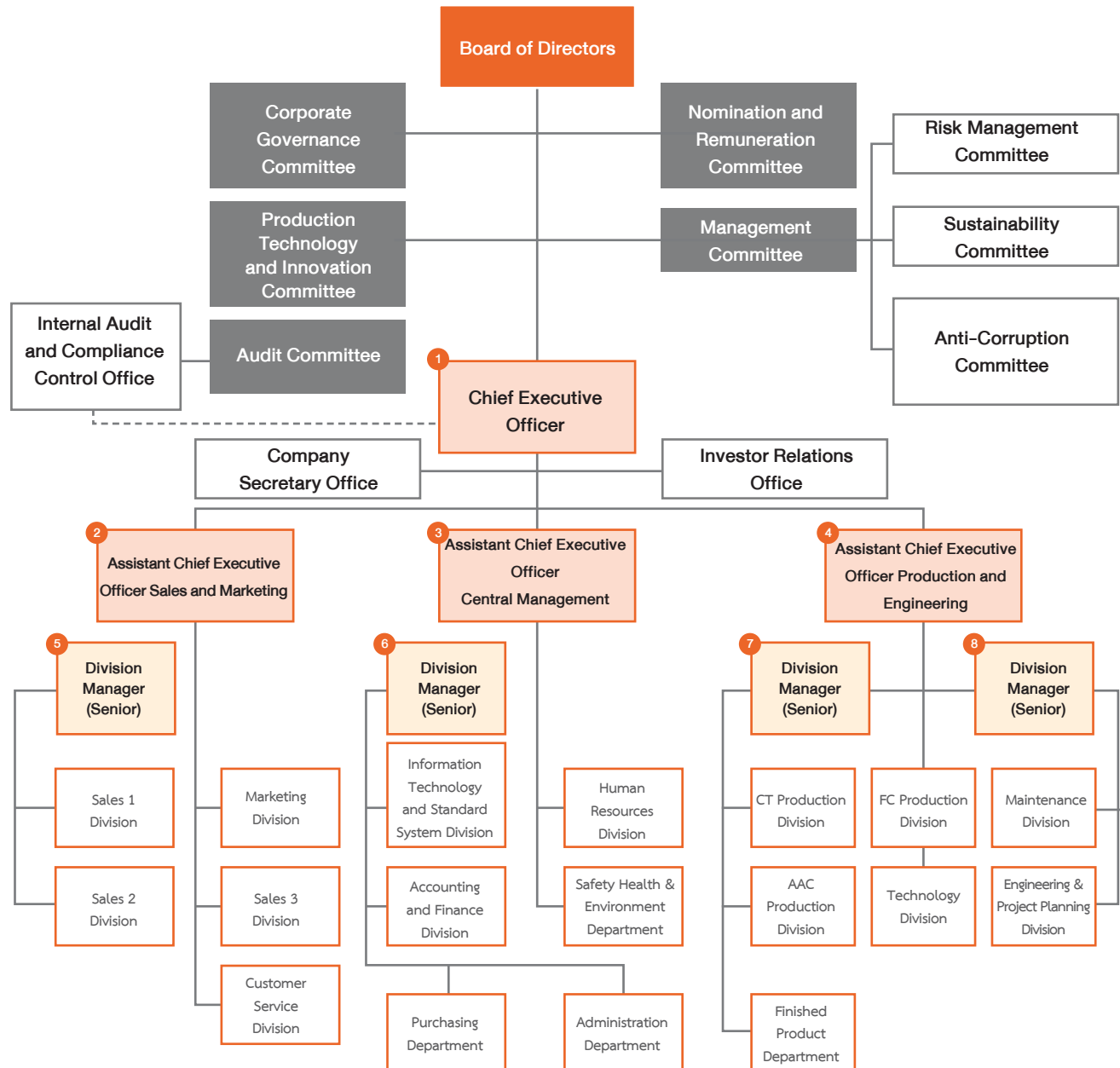
Not been acted item	Justification
<p>The Board of Directors should determine the number of listed companies in which each director may hold a position of no more than five without exception.</p>	<p>Although the Company has not yet determined the number of listed companies that each director will serve, 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.</p>
<p>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.</p>	<p>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.</p>
<p>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.</p>	<p>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."</p>
<p>The Chairman of the board should be an independent director.</p>	<p>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.</p>

In the past year, the Corporate Governance Committee has taken various actions (see details on page 190 under topic "Performance Report of the Corporate Governance Mommittee").

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, 2022:



Remark : 1 – 8 The Company's Executives according to SEC Regulation



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, 2022, 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. Kamolphat 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. Sunthorn Suwannajade	Director / Assistant Chief Executive Officer Production and Engineering
13) Mr. Krit Kullertprasert	Company Secretary / Assistant Chief Executive Officer Central Management

Directors authorized to sign on behalf of the Company are Mr. Prakit Pradipasen, Mr. Chaikut Srivikorn, Mr. Asanee Chantong, Mr. Satid Sudbuntad, and Mr. Sunthorn Suwannajade 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 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 for the welfare of employees.
- 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 Sustainability to promote and cultivate awareness of employees at all levels to be responsible, benefit society, and reduce environmental impact, acceptable to all stakeholders. A “**SC 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 162 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 from retirement or early retirement. 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, 2022, 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, 2022, the company has a total of 3 NRC Committee member, consisting of:

Name	Position
1) Mr. Chaityut 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 175 under topic "Committee Recruitment, Development, and Evaluation").

- 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 165 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, 2022, 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, Assistant Chief Executive Officer Central Management, 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.

In year 2022, the Company still used the assessment form of the year 2021, 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 2022 was of an average score of 93.9% - 100%. 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	
	2022	2021	2022	2021
1) Board of Directors	98.5%	98.7%	97.9%	98.2%
2) Audit Committee	99.5%	98.7%	98.7%	98.4%
3) Nomination and Remuneration Committee	96.3%	97.5%	96.7%	97.1%
4) Corporate Governance Committee	98.9%	97.0%	97.0%	96.6%
5) Management Committee	100.0%	97.8%	100.0%	97.8%
6) Risk Management Committee	99.0%	93.6%	98.9%	93.4%
7) Production Technology and Innovation Committee	98.8%	99.2%	97.9%	99.2%
8) Sustainability Committee	97.9%	95.1%	97.9%	95.1%
9) Anti-Corruption Committee	93.9%	93.3%	93.9%	93.3%

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 2022 was of 100%, equal to that of year 2021.

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, 2022, the Company has 5 PTI Committee Members directors as follows:

Name	Position
1) Mr. Asanee Chantong	PTI Committee Chairman
2) Mr. Satid Sudbuntad	PTI Committee Member
3) Mr. Krit Kullertprasert	PTI Committee Member
4) Ms. Peachayanant Lorvoralak	PTI Committee Member
5) Mr. Sunthorn Suwannajade	PTI Committee Member and 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, 2022, the Company has 4 MC Committee Members, consisting of:

Name	Position
1)Mr. Satid Sudbuntad	MC Committee Chairman
2)Mr. Sunthorn Suwannajade	MC Committee Member
3)Ms. Peachayanant Lorvoralak	MC Committee Member
4)Mr. Krit Kullertprasert	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. he 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 Division Manager (Senior) level of every department. 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 year 2022, 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) SUSTAINABILITY COMMITTEE (SC COMMITTEE)

The Board of Directors assigns MC Committee to appoint the SC Committee to ensure that the Company creates benefits for social development or reduces the impact on the environment. The SC Committee comprises executive directors and executives ranking from department manager level and above totalling at least 10 members. In this regard, One SC Committee members is appointed as the Chairman of the SC Committee.

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

1) Set policies and guidelines for implementing responsibilities towards the economy, society, community, environment, and corporate governance following international sustainability criteria for companies listed on the Stock Exchange of Thailand, etc.

2) Analyze key sustainability issues, value chains, and stakeholder needs, and assess opportunities and risks that affect sustainability in the Company's business operations. In this regard, persons, agencies, and sub-committees may be appointed, or external experts may be used to carry out each matter.

3) Prepare plans, related projects, and budgets for each year.

4) Follow up on project implementation according to plans and budgets that have been approved.

5) Implement projects in conjunction with the Stock Exchange of Thailand or other sustainability agencies as appropriate to participate in the sustainability assessment of companies listed on the stock exchange for the Company to be listed in the Sustainable Stock List, including other sustainability projects, etc.

6) Prepare a sustainability report of the Company to disseminate to stakeholders.

(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, 2022, The Company had 8 Executives as follows.

Name	Position
1) Mr. Satid Sudbuntad	Chief Executive Officer
2) Mr. Sunthorn Suwannajade	Assistant Chief Executive Officer Production and Engineering
3) Ms. Peachayanant Lorvoralak	Assistant Chief Executive Officer Sales and Marketing
4) Mr. Krit Kullertprasert	Assistant Chief Executive Officer Central Management
5) Mr. Somkuan Sittichoketum	Division Manager (Senior) Production and Engineering
6) Mr. Seree Saengmark	Division Manager (Senior) Production and Engineering
7) Mr. Kamchub Vatanatham	Division Manager (Senior) Sales and Marketing
8) Mr. Songkran Suwanmak	Division Manager (Senior) Central Management

(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) Assistant Chief Executive Officer, Central Management (ACEO - Officer Central Management)

This position has roles, duties, and responsibilities in the day-to-day management of the Company in the lines of Accounting and Finance, Information Technology and Standards Systems, Purchasing, Human Resources, and the Company Secretary office. Also, it includes the other assigned task by the Board of Directors and Management Committee to achieve objectives, main goals, annual budget, KPI goals, and evaluation of the Company's success. The Company has set the qualifications, roles, duties, and responsibilities following the rules and regulations of the Company, the Securities and Exchange Act, and the laws related to the Company.

(C) Assistant Chief Executive Officer, Production and Engineering (ACEO - Production and Engineering)

This position has roles, duties, and responsibilities in the day-to-day management of the Company in the lines of production, engineering and maintenance, and other operations. Also, it includes the other assigned task by the Board of Directors and Management Committee. It focuses on the organization's development towards sustainability, improving the production process to **"Innovative organization"** by applying automation and robots in the production process. The aim is to increase production efficiency and reduce the impact on society, the community, and the surrounding environment to achieve the objectives, main goals, annual budget, KPI goals, and evaluation of the Company's success. The Company has set the qualifications, roles, duties, and responsibilities following the rules and regulations of the Company and the laws related to the Company.

(D) Assistant Chief Executive Officer, Sale and Marketing (ACEO - Sale and Marketing)

This position has roles, duties, and responsibilities in the day-to-day management of the Company in the lines of sales and marketing. Also, it includes the other assigned task by the Board of Directors and Management Committee. It focuses on formulating sales and marketing strategies, branding to achieve the objectives, main goals, annual budget, KPI goals, and evaluation of the Company's success. The Company has set the qualifications, roles, duties, and responsibilities following the rules and regulations of the Company and the laws related to the Company.

(E) Division Manager (Senior) Central Management (DM (S) - Officer Central Management)

This position has roles, duties, and responsibilities in the day-to-day management of the Company in the lines of Accounting and Finance, Information Technology and Standards Systems, Purchasing, Occupational Health and Safety and Administration. Also, it includes the other assigned task by the Board of Directors and Management Committee to achieve the objectives, main goals, annual budget, KPI goals, and evaluation of the Company's success. The Company has set the qualifications, roles, duties, and responsibilities following the rules and regulations of the Company and the laws related to the Company.

(F) Division Manager (Senior) Production and Engineering (DM (S) – Production and Engineering)

This position has roles, duties, and responsibilities in the day-to-day management of the Company in the lines of Manufacturing and Engineering, Investment Project Management. Also, it includes the other assigned task by the Board of Directors and Management Committee. It focuses on the organization's development towards sustainability, improving the production process to “**Innovative organization**” by applying automation and robots in the production process. The aim is to increase production efficiency and reduce the impact on society, the community, and the surrounding environment to achieve the objectives, main goals, annual budget, KPI goals, and evaluation of the Company's success. The Company has set the qualifications, roles, duties, and responsibilities following the rules and regulations of the Company and the laws related to the Company.

(G) Division Manager (Senior) Sale and Marketing (DM (S) - Sale and Marketing)

This position has roles, duties, and responsibilities in the day-to-day management of the Company in the lines of sales and marketing. Also, it includes the other assigned task by the Board of Directors and Management Committee. It focuses on formulating sales and marketing strategies to achieve the objectives, main goals, annual budget, KPI goals, and evaluation of the Company's success. The Company has set the qualifications, roles, duties, and responsibilities following the rules and regulations of the Company and the laws related to the Company.

(H) 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.

(I) 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 **Chief Executive Officer (CEO) and top executive** 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 Chief Executive Officer (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.

(B) Executives And Employees

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:

- 1) **Considering short-term compensation**, including salary payments and annual award payments (bonuses), is as follows:
 - 1.1) To determine the salary structure, annual reward (bonus), and annual salary increase rate of the company's executives and employees.
 - 1.2) 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.

1.3) 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.

1.4) To consider the benefits and other welfare of the company's employees, both monetary and non-monetary.

2) Considering long-term compensation, including paying at retirement or when leaving work, is as follows:

2.1) The Company has established a provident fund for employees to support their savings. Employees can apply to become members of the fund voluntarily. Members can choose to pay contributions to the fund at a rate of 3%-15%. From year 2022 onwards, the Company will increase the contribution to the rate of 3%, 5% 10% of the wages according to the length of service. When an employee retires or retires from being a member, they will receive savings and/or contributions, including benefits, depending on the case. Currently, there are more than 80% of the 900 employees.

2.2) 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.

2.3) 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.

3) 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)	2022		2021		2020	
	Number of people	Amount	Number of people	Amount	Number of people	Amount
Directors' remuneration and bonus	12	13.29	12	13.01	12	13.01
Executive salaries, bonuses, etc. *	8	41.77	8	35.91	6	41.41
Total		55.06		48.92		54.42

Remark : * Total provident fund for year 2022: 2021: 2020 = 3.03 : 2.82 : 2.67 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, via social media such as Facebook, and Line, focusing on creating Employer Branding to build a brand for employers, creating an image consistent with the values. There is a by-product of attracting Talent to want to join the work as well.

(B) Developing a recruiting system: It simultaneously uses various technological systems by applying for a job through a QR-Code link testing via a mobile phone (Test on Line). There is an interviewees database system. As a result, the job applicant information can be used quickly, accurately, and efficiently, including adherence to the principles of data collection, collection methods, data collection, and use of the applicant's data according to the Personal Data Protection Act.

(C) Adjusting the recruitment and selection process: It uses online job interviews through various channels such as Zoom, Microsoft Team, Google Meet, Line Meeting, etc., to pre-screen applicants. It also improves the testing

process to screen candidates suitable for each position, such as onsite surveys, practical tests, creating simulations, and giving direct supervisors a more significant role in the candidate selection process, etc.

(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.

The personal development training in year 2022 focuses on developing appropriate managerial knowledge for the position. It includes the development of executive roles as leaders, development of sales representatives, and PC (Product Consultant) employees to be able to compete in the current market conditions. The Company also provides knowledge on anti-corruption measures, raising awareness of safety and taking care of the environment together with development to further innovation. In addition, in year 2022, the Company applied the development and training system LMS: DBP E-learning for employees who enter the Development Program (head level and above) and is used for new employee orientation and knowledge review for supervisor level. The objective is to allow employees to learn by themselves without limits, including training and personnel development over 104 courses, divided into over 72 courses of In-House Training and Public Training, LMS system: DBP E-learning, over 32 courses, representing Training hours (Training Hours) over 4,518 hours.

(3) EMPLOYEE RETENTION

The Company attaches great importance to personnel retention from the probation period to adapt to the working environment and understand the responsibilities. It also focuses on taking care of all personnel to be happy at work, with fair remuneration as appropriate to the nature of the job and employees' ability, providing welfare, maintaining safe and hygienic working conditions, organizing happiness activities throughout the year. The employees can comment on how to improve their work efficiency and the Company even better. In year 2022, the operations were as follows:

(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	13	18.06%	59	81.94%	72
Supervisor	24	11.71%	181	88.29%	205
Employee	177	25.32%	522	74.68%	699
Total	214	21.93%	762	78.07%	976

Compensation ratio by genders

Compensation ratio	Female	Male
Compared against* the total compensation median	8.59%	(2.30%)
	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) **"HR Channel"** is a new communication development (New Normal) for employees and contractors to be thoroughly informed about various labor relations news through online activities.

2) **"DBP Health Me Club League"** promotes good health in a new way (New Normal) for employees, both old and high-risk groups, as well as campaigning for the new generation to pay attention to their health through Application Wind Training. The Company also organizes exercise programs according to the principles of the Thai Health Promotion Foundation (Thai Health Promotion Foundation) to suit each person's lifestyle. There are also many exercise activities to win prizes to promote good health for employees.

3) Organize the project **"Diamond Member: Keep You in My Heart"** by allowing employees to self-assess their happiness with an activity to give gift vouchers from Diamond Café to employees participating in the assessment;

4) Organized an activity called **"Giving water to cool down"** to refresh and give morale to employees and contractors of the Company and its subsidiaries to cool off the heat in April 2022.

5) Organized the activity **"Diamond Collaborates Against COVID: Free ATK Giveaway"** to prevent the risk of the spread of the COVID-19 virus in collaboration with the National Health Security Office (NHSO) to organize Activity to provide free ATK testing kits to employees and contractors From March - June 2022.

6) Organized activities for **"special price products"** by bringing shops in Saraburi and OTOP shops in Kaeng Khoi to sell products lower than the market for expenses for employees and contractors in July 2022.

7) Organized the **"Phet Perm Poom"** activity to promote good health for personnel within the organization by providing Pfizer vaccination to prevent COVID-19 by medical personnel from Kaeng Khoi Hospital. Saraburi Province to employees, contractors, and people in nearby communities in October 2022.

8) Organize a **"Traditional Sports Relations"** activity to promote health and build unity within the group.

9) Organize tree planting activities **"Kla Petch"** Diamond Green Day to increase green space and promote a good environment in the workplace.

10) Organize the **"CSR with Mr.D"** project under the Diamond Volunteer Spirit for Social Development project as an opportunity for employees to participate in developing their communities by improving the landscape in the community near the factory in Saraburi province namely, Nong Bua community, Tha Yiam community, and Na Boon community, etc.

11) Hold an award ceremony the 6th **"Diamond of Perseverance"** is given to employees who have completed 25 and 30 years of service to build good spirit.

12) Scholarship Ceremony the 4th **"Prakaiphet Scholarship"**, where a total of 50 scholarships were granted to employees' children, each valued at 1,500 baht.

13) Event **"60-Year Happy Retirement"**, which aimed to create good memories for employees who retire each year.

(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. The results of the year 2022 corporate engagement survey are at a very satisfied level.

(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 (OHS Committee), the Occupational Health and Safety (SHE), and other agencies manage the audit process and assess occupational safety risks. In year 2022, the Closed Circuit Television System (CCTV) was deployed as a centralized Real Time online to keep employees and related parties safe, which is an addition to the 7 Basic Safety Measures Manual (SHE 7 Rules)), Measures to apply for permission to work at risk 7 items (7 Permits), and measures to report to correct risky behavior (Unsafe Action), report to correct unsafe conditions (Unsafe Condition), report almost an accident (Near Miss) used within the Company. As a result, employees, personnel, and business partners become alert and participate in helping to prevent accidents. The Company also increases plans to explore various risky areas, focusing on recruiting and determining risk control measures to reduce accidents. All departments and employees are involved in informing and advising to correct risky behavior (Unsafe Action), correct unsafe conditions (Unsafe Condition), and effectively report and resolve near-miss incidents. As a result, accident statistics tend to decrease.

(5) HEALTHCARE AND DISEASE PREVENTION

The Company pays attention to health care by evaluating health risks and monitoring for various diseases that may occur, especially with the spread of the COVID-19 virus, focusing on screening employees, and personnel before entering the inner space, covering the entire organization, and emphasizing high-risk groups. It aims to prevent infection in the internal areas and to keep employees healthy and free from disease by the law and according to ISO 45001 standards, which are:

- (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) Wearing a mask to work or a hygienic mask for dust protection and prevention of germs
- (G) Cleaning the door/knob/office daily and spraying alcohol at each point.
- (H) Spraying disinfection in risk areas such as guardhouses, canteens, etc.
- (I) Training to educate about health care.
- (J) Publicizing, campaigning, and disease-preventing.
- (K) Proactively checking ATK for employees and business partners.
- (L) Building a Factory Accommodation Isolation (FAI) to care for infected people with the COVID-19 virus before going to the hospital according to public health procedures.
- (M) Preparing the employee quarters area as a detention facility for employees at risk of contracting the COVID-19 virus.
- (N) Joint public relations, campaign, coordination with government agencies, and Kaeng Khoi Hospital, Saraburi Province, to vaccinate booster needles 3, 4, and 5 for employees and partners who do business with the Company to prevent the viral infection of COVID-19 that has spread a new round.

(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.

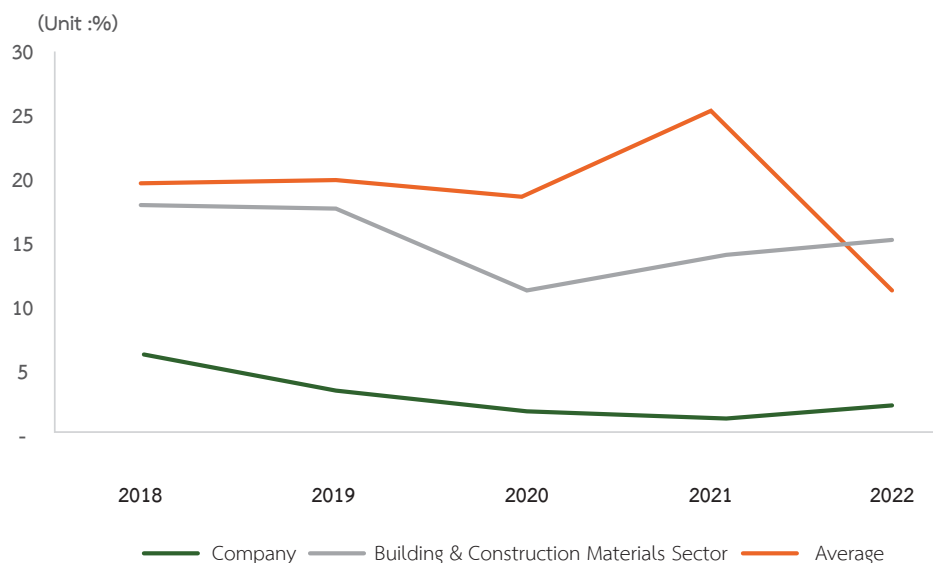
(8) SUCCESSION PLAN

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 147 under topic "Board Information").

(9) RESIGNATION OF EMPLOYEES

The Company has continuously taken care of employees in various dimensions in terms of activities to encourage employee participation and activities to create employee happiness (8 Workplace) in various activities, taking care and giving importance to safety and the working environment, Improving welfare by covering most of the necessary burdens of employees. It ensures that employees have love, pride, and commitment to the organization and have effective and efficient human resource management. As a result, employees have a resignation rate in year 2022 of 4.41%, which is higher than the year 2021 rate of 2.35% compared to the average from the survey in the same business or all business groups; it is considered to be in a much lower criterion.

Employee Turnover Rate



Source: HR Center Co., Ltd.

7.5.2 NUMBER OF STAFF

As for December 31, 2022, the Company had 976 staff and its subsidiaries had 60 staff in total.

Personnel under the line of command	Number of staff	
	Company	Subsidiary
Management	16	4
Plant	625	45
Office	335	11
Total	976	60

The total compensation for the Company's employees in year 2021 and 2022 amounted to approximately 611.12 million baht and 604.89 million baht, respectively. It consisted of salaries, overtime pay, allowances and bonuses, including the contribution to the Provident Fund amounting to 25.88 million baht and 27.62 million baht, respectively.

In year 2021 and 2022, the Company's expenditure on training and human resource development was approximately 1.21 million baht and 0.76 million baht, respectively. The Company has a policy towards staff development, promoting employee learning and skill development at all levels by providing internal and external training. In year 2022, more focus was placed on online learning. In year 2021, it held 88 seminar training courses, attended by 883 participants and held 70 seminar training courses in year 2022, attended by 509 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 2021 and 2022 amounted to approximately 13.87 million baht and 12.93 million baht, respectively. Its expenditure on training and human development in year 2021, the Company did not provide staff training. In year 2022 amounted to approximately 0.02 million baht, which included 13 seminar training courses, with 180 participants.

7.6 OTHER IMPORTANT INFORMATION

7.6.1 LIST OF PERSONS ASSIGNED

Name	Positions within the Company	Assigned position
1) Mr. Krit Kullertprasert	- Assistant Chief Executive Officer Central Management - Company Secretary	- Chief Financial Officer (CFO) - The Person Taking the Highest Responsibility in Accounting and Finance - Company Secretary
2) 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/ COMPANY SECRETARY OFFICE

Mr. Krit Kullertprasert
 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. 312, 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 2022 according to the resolution from the Annual General Meeting of Shareholders. The appointed certified public accountant in 2018 to 2022 was Ms. Chanarat Chanwa, certified public accountant registration no. 9052. The audit fee in year 2022 increased from 2021 by 0.29 percent, having details as follows.

Description (Unit: Baht)	2022	2021	Increase / (Decrease)	
			Amount	%
Audit Fee of the Company				
Annual audit fee	1,320,000	1,320,000	-	-
Interim financial statements audit fee	150,000	150,000	-	-
consolidated financial statements audit fee	150,000	150,000	-	-
Other expenses *	30,766	22,523	8,243	36.60
Total	1,650,766	1,642,523	8,243	0.50
Audit Fee of the Subsidiary Company				
Annual audit fee	300,000	300,000	-	-
Interim financial statements audit fee	60,000	60,000	-	-
Other expenses *	3,000	5,500	(2,500)	(45.45)
Total	363,000	365,500	(2,500)	(0.68)
Total	2,013,766	2,008,023	5,743	0.29

*Remark: * The other expenses such as travelling expense, photocopy expense and telephone expense, etc.*

In year 2022, 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 Mr. Krit Kullertprasert, Assistant Chief Executive Officer Central Management, to serve another position as Company Secretary. It is effective from January 1, 2022, onwards. at the Board of Director Meeting, No. 357, on December 13, 2021. The Board of Directors required that the Company Secretary perform the 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 Registration Statement / the Annual Report (Form 56-1 One Report).
- 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 October 1, 2022 and December 31, 2022. 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 2022 (time)					
	Board of Directors	AC Committee	NRC Committee	CGC Committee	PTI Committee	MC Committee
Directors						
1) Mr. Prakit Pradipasen	12/12					
2) Mr. Chaiyut Srivikorn	10/12		5/5			
3) Mr. Chatchai Teepsuwan	11/12		5/5			
4) Mr. Warayu Pradipasen	12/12			5/5		
5) Mr. Kamolaphat Teepsuwan	11/12					
6) Mr. Thanit Pulivekin	11/12	7/7		5/5		
7) Mr. Sakda Maneeratchatchai	12/12	7/7				
8) Mr. Anun Louharanoo	11/12	7/7	5/5			
9) Mr. Woodthikrai Soatthiyanon	12/12			5/5		
10) Mr. Asanee Chantong	12/12				12/12	
11) Mr. Satid Sudbuntad	12/12				12/12	51/51
12) Mr. Sunthorn Suwannajade *	8/8				12/12	50/51
Mr. Maitree Tawonatiwasna	3/4					
Executives						
1) Ms. Peachayanant Lorvorlak					12/12	49/51
2) Mr. Krit Kullertprasert					11/12	50/51

Remarks: * On April 22, 2022, Mr. Sunthorn Suwannajade was appointed by the 37th Annual General Meeting of Shareholders (Year 2022) to be the Company's director in replacement of Mr. Maitree Tawonatiwasna.

In year 2022, the Company's Board of Directors held 12 meetings, one of which was the Board of Director Meeting, which was attended by non-executive directors. Occurring on November 28, 2022, this meeting was attended by ten out of eleven non-executive directors (100 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, 2022)

Position (Unit : thousand Baht)	Monthly Remuneration per Person				
	Board of Directors	AC Committee	NRC Committee	CGC Committee	PTI Committee *
Chairman of the Board	80.00	30.00	20.00	20.00	20.00
Directors	50.00	20.00	10.00	10.00	10.00

Remarks: * Remuneration (PTI Committee) is received only for non-executive directors.

(B) Yearly Monthly Remuneration for Directors/Committee Members (As per 31 December 2022)

Name (Unit : million Baht)	Annual Remuneration *					Bonuses	Total
	Board of Directors	AC Committee	NRC Committee	CGC Committee	PTI 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	-	-	-	0.24	0.30	1.14
11) Mr. Satid Sudbuntad	0.60	-	-	-	-	0.30	0.90
12) Mr. Sunthorn Suwannajade *	0.40	-	-	-	-	-	0.40
Mr. Maitree Tawonatiwasna	0.20	-	-	-	0.04	0.30	0.54
Total	7.56	0.84	0.48	0.48	0.28	3.65	13.29

Remarks: * On April 22, 2022, Mr. Sunthorn Suwannajade was appointed by the 37th Annual General Meeting of Shareholders (Year 2022) to be the Company's director in replacement of Mr. Maitree Tawonatiwasna.



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, 2022, 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. Sunthorn Suwannajade	Director
3) Ms. Peachayanant Lorvoralak	Director
4) Mr. Krit Kullertprasert	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 2022, the subsidiary had significant transactions with the Parent Company. The Parent Company held 99.99 percent of shares in the subsidiary and shared four 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 and lintel:** The Parent Company traded 70,131.49 tons of lightweight concrete blocks and lintel, valued at approximately 173.27 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.

- **Trading roof tiles, wood substitutes, autoclaved aerated concrete, and aerated countertops:** The subsidiary company sells roof tiles, wood substitutes, autoclaved aerated concrete, and aerated countertops amounting to 68.57 tons, valued at approximately 0.51 million baht, with a pricing policy as normal business practices.

Reason and necessity

The subsidiary has established the 2nd branch in Ang Thong Province for the retail sale of roof tiles, wood substitutes, autoclaved aerated concrete, and aerated countertops. They are manufactured by Diamond Building Products Public Company Limited (the parent company). It aims to deliver the product to customers in provinces that do not have dealers in the Ang Thong area and expand the market. It is a normal business operation and general trading conditions. Therefore, the tendency to purchase roof tiles, wood substitutes, autoclaved aerated concrete, and aerated countertops between each other 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.

5) The Company has prepared a conflict of interest report form in an electronic format requiring personnel at all levels of the Company to report conflicts of interest from the first time they become personnel, including a continuous report every January of every year. However, in year 2022, the Company still needs to complete the process.

In the past year, the Company published documents via e-mail to educate directors, executives, and employees about preventing conflicts of interest in the Company.

(2) EXPLOITATION OF INTERNAL INFORMATION

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.

5) The Company requires the Company Secretary Office to send e-mails to notify directors, executives, and employees to prohibit directors, executives, and employees, including their close relatives, from buying or selling, or transferring the Company's securities for at least one month in advance before reporting the operating results to the Stock Exchange of Thailand each quarter, including penalties if committing an offense. However, in year 2022, the Company started operating by reporting the operating results to the Stock Exchange of Thailand in the 3rd quarter of year 2022.

In the past year, the Company published documents via e-mail to educate directors, executives, and employees about the prevention of the use of insider information of the Company.

(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 has announced its intention to become a Private Sector Collective Action against Corruption (CAC) member. The Company was certified as a CAC member for the first time on October 16, 2015. It was certified for the third consecutive renewal of CAC membership on June 30, 2021, with a certification period of 3 years, which will expire on June 30, 2024.

The Anti-Corruption Committee (ACC Committee) plays a vital role in formulating anti-corruption policy by seeking approval from the Board of Directors and regularly reviewing and improving the anti-corruption handbook and measures. The Company arranges for every department to assess the risky activities related to corruption of their units annually and use the information from assessing such opportunities, risks, and impacts to set measures to prevent such risky events used as a measure to prevent corruption for employees to adhere to properly. It also provides training to employees at all levels to understand the dangers of corruption that affect the organization, society, and the nation and disseminates the anti-corruption policy and handbook on the Company's website. Therefore, directors, executives, employees, and/or employees of the Company, its subsidiaries, and all stakeholders can use it as a guideline for continuing business operations with honesty, transparency, and the same standard.

This year the Company participated in the **"No Gift Policy"** campaign to support the anti-bribery and corruption alliance during the New Year or on any other occasion with responsibility and fair and equitable treatment to customers/partners, all groups of stakeholders on a legal basis, principles of ethics and good governance. For the first time, the Company has launched a campaign to increase whistleblowing channels about corruption via QR Code to provide opportunities for all stakeholders to report clues more conveniently and quickly. It also prevents and reduces the chances of corruption.

In year 2022, 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 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 Audit Committee has been assigned to perform duties and responsibilities in accordance with the Charter established by the Board of Directors by requesting a report on the Audit Committee's performance in the year 2022, which is summarized as follows:

(1) Reviewing the Company's and its subsidiaries financial statements on a quarterly basis for the year 2022, which is believed to be accurate and reliable, and the financial statements been prepared generally in accordance with accepted accounting standards on sufficient and appropriate disclosure of information.

(2) Verifying the work plan on, and the scope of, internal control for the year 2022 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) Reviewing and providing importance to the management in accordance with the principles of good corporate governance complying with the laws related to the Company's and subsidiary, by emphasizing the accuracy, completeness and sufficiency of the information disclosed to all stakeholders fairly and equally, which can be referenced and verifiable straightforwardly and transparently.

(4) Reviewing the acquisition and disposition of assets including connected transactions or transactions that may have conflicts of interest that occurred in the year 2022 and had been considered to be transactions with prices and trading conditions in the normal course of business.

(5) Reviewing the risk management system for the year 2022 by suggesting the management to execute the operation plans, supporting the impact of the COVID-19 pandemic and the war between Russia and Ukraine, as well as to improve the work system and various deficiencies in order to be more concise and adequate.

(6) Reviewing the progress of litigation in the year 2022 by suggesting the management to improve the litigation and the collection of outstanding debts to be more concise and adequate.

(7) Conducting self-assessment of the audit committee both collectively and individually in the year 2022 by specifying strengths and weaknesses, including issues needed to be corrected. The Audit Committee has jointly considered the results of the assessment and formulated a guideline to improve the work in order to be more efficient and effective in the following year.

(8) Considering and selecting accounting auditors and setting the audit fee for the year 2023. 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 2023. 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 2023 for the Company amounted to 1,620,000 baht, and the audit fee for the subsidiary amounted to 360,000 baht. The total amount of the fee was 1,980,000 baht, which is the same as previous year. The remuneration was deemed to be appropriate.



(9) Holding a total of 7 meetings during the year 2022, whereby the Chairman of the Audit Committee and the three Audit Committee members attended the meetings regularly every time. The performance results were reported to the Board of Directors to acknowledge and consider on a quarterly basis, as well as reporting the performance of the Audit Committee in the year 2022 to the shareholders and disclosed it in the Annual Registration Statement /The Annual Report Year 2022 (Form 56-1 One Report).

The Audit Committee is independent in carrying out the tasks assigned by having periodic meetings with relevant management and consulting with the auditor on a quarterly basis to obtain observations on the financial statements and the internal control system in relation to accounting without any significant defects and/or abnormalities found.

February 14, 2023

On behalf of the Audit Committee

|||||

Mr. Sakda Maneeratchatchai

Chairman of the Audit Committee

8.3 PERFORMANCE REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE

Report on the performance of the Nomination and Remuneration Committee (NRC Committee) for the year 2022 with a total of five meetings to consider various matters, which can be summarized 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 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) Amount of monthly remuneration for the Chairman of the PTI Committee and the PTI Committee members.
- 6) 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) Nomination of the whole Nomination and Remuneration Committee (NRC Committee) who will retire



by rotation: The NRC Committee has considered persons with appropriate knowledge and abilities to be elected NRC Committee Members to replace positions that must be retired by rotation according to criteria and procedures for nomination. It presented the Board of Directors to consider and approve the reappointment of NRC members who retired by rotation to serve as NRC members for another term.

(5) Nomination of the whole Corporate Governance Committee (CGC Committee) who will retire by rotation; the NRC Committee has considered a person with relevant knowledge and skills to be a member of the CGC Committee to replace the position that must be retired by rotation according to the criteria and procedures for nomination. It proposed to the Board of Directors to consider and approve the appointment of directors CGC Committee who retired by rotation to resume their position as a CGC Committee for another term.

(6) Nomination of Directors of Diamond Materials Co., Ltd., a subsidiary: The NRC Committee has considered the nomination of directors of Diamond Materials Co., Ltd., a subsidiary, since Mr. Maitree Tawonatiwasna and Ms. Thanakarn Phanthapirat has expressed their intention to resign from the position of director on the day of the Annual General Meeting of Shareholders of Diamond Materials Company Limited for the year 2022. Therefore, it is necessary to recruit someone knowledgeable and suitable for the business of Diamond Materials Company Limited to propose an appointment as a director to replace the vacant director.

(7) 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.

(B) The NRC Committee has considered salary raises and annual reward and bonus payment to employees based on the Company's overall performance and market, economic and employment conditions in comparison with the statistics of salary raises and annual reward or bonus payment of other companies which are at the same level in the same industry.

(8) Consideration of the demands of the Company's labor unions Diamond Building Products Public Company Limited ("labor union"): The NRC Committee has considered the demand of the union, which is valid for three years, ending on August 8, 2022. It has provided beneficial guidelines for negotiating with the labor union that achieves common goals for both parties.

(9) Development of the Self-assessment Form of the NRC Committee on a panel and individual basis : The NRC 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 conclusion, the NRC Committee has carried out the work in year 2022 with efficiency and effectiveness in line with good corporate governance practices and as assigned by the Board of Directors for the most significant benefit of the Company's business operations.

January 12, 2023

On behalf of the Nomination and Remuneration Committee

|||||

Mr. Chaityut Srivikorn

Chairman of the Nomination and Remuneration Committee

8.4 PERFORMANCE REPORT OF THE CORPORATE GOVERNANCE COMMITTEE

The 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 2022, 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 according to the survey criteria for the Corporate Governance Survey of Thai Listed Companies 2023 of the Thai Institute of Directors (IOD) 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, a total of 9 committees, including the CEO's self-assessment form, 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 2022 ranged between 93.90 and 100 percent. It collected recommendations from each committee's evaluation to report and improve the work of each committee further.

(6) **Awards of Pride in year 2022:** The Company received eight awards in the categories: Good corporate governance and Sustainability, which were awards of pride from leading institutions in the amount of 5 awards (see details on page 5 under topic “Awards of Pride”).

(7) Development training in year 2022 : The directors attended the Subsidiary Governance Program (SGP) program organized by the Thai Institute of Directors Association to help directors understand good corporate governance principles and approaches to address challenges appropriate for various contexts. It includes acknowledging legal issues and guidelines for preventing the parent company's liability from the subsidiary's operations to balance the interests of the subsidiary and the parent company.



(8) Guidelines for the improvement of corporate governance in 2023:

(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 understanding directors, executives and employees at all levels and make it effective so that this becomes corporate culture. For example, the Company has published documents via e-mail to educate directors, executives, and employees about the prevention of using inside information about the Company and conflicts of interest. It also notifies the Company's directors, executives, and employees of the trading prohibition date, etc.

(C) Preparing a conflict of interest report form in an electronic form requiring personnel at all levels of the Company to report conflicts of interest from the first time they become personnel, including a continuous report every January of every year.

Corporate governance operations in the past year can be carried out according to the planned work plan and will strive to develop good corporate governance. It aims for the efficiency, effectiveness, and good transparency of business management, which will build confidence and be accepted by all stakeholders.

January 23, 2023

On behalf of the Corporate Governance Committee

|||||

Mr. Thanit Pulivekin

Chairman of the Corporate Governance Committee

8.5 PERFORMANCE REPORT OF THE PRODUCTION TECHNOLOGY AND INNOVATION COMMITTEE

Performance report of the Production Technology and Innovation Committee (PTI Committee) for the year 2022, where PTI Committee has promoted knowledge and innovation ideas for executives and related employees to have innovation, creativity, and application in the organization. It is the process of enabling Sustainable Development (SDGs) to create a mindset toward ESG goals for employees across the organization at each level. It applies technology and innovation to the production process and sales service to increase production efficiency, and sales service, reduce environmental impact, enhance competitiveness, and improve operational processes enabling the business to proceed continuously and sustainably. In year 2022, there were a total of 12 meetings, which can be summarized as follows:

(1) Automation and Robotic Innovation Project: The objective is to increase production efficiency and prepare to enter an aging society. Currently, automation and robotics are used in the production process, a total of 18 projects using ten sets of robots. Last year, there were investments in 12 more automation and robotics projects using eight robots. It is divided into four concrete roof tile production projects, five fiber cement tile production projects, one lightweight concrete production project, and two paint production and packaging projects. The total investment value of 20 million baht, reducing labor use by 42 positions per year and reducing wages by 6.3 million baht per year.

(2) Smart Factory Project: The objective is to apply Internet of Things (IoT) and artificial intelligence (AI) technologies to manage production, maintenance, support automation, and improve quality by reducing workload. Currently, there is six Internet of Things projects. In the past year, there were six additional investments in the IoT system, divided into two concrete tile production projects, two fiber cement tile production projects, and two lightweight concrete production projects. The total investment value is 2 million baht.

(3) Circular Economy Project: The objective is to improve the production process by reducing the use of resources, reusing, and reusing according to the Double Knife installation project in the production of Adamas tiles by controlling the length of tiles to be equal in every sheet to reuse too long raw materials. It also uses dust from wood processing to produce fiber cement roof tiles instead of 3% raw materials, transfer steam system project to Produce NT11 wood by reusing exhausted steam, etc.

(4) Energy and Environment Management Project: The objective is to manage energy use, reduce environmental impact and global warming (GHGs.), and reduce production costs. There are 12 energy improvement projects with electricity measures, nine projects to reduce electricity consumption by 181,353 kWh per year, and NGV heat measures for one project to reduce NGV consumption. 1,532 MMBTU per year, two steam measures reduced steam consumption by 651 tons per year, reducing CO₂ emissions by 585 tons per year. Also, the management project to reduce the impact of odor totals two projects.

(5) Production Capacity Expansion and Production Efficiency Improvement Project: The objective is to expand production capacity and improve production efficiency, reducing **7 Wastes**. It supports the increasing sales growth from Press Machine investment in the production of round ridge capping, Slurry & Sealer Application of special ridge capping, curved ridge capping for concrete roof tiles, and investment in the 2nd purlin production machine. The Company also signed an investment contract for the production of Gran Onda roof tiles, Adamas (CT6), and the production of roof tiles for Adamas roof tiles (CF4), with a production capacity of 100,000 tons per year for sales growth in year 2024, etc.



(6) In the field of study visits, research, and related activities, in year 2022, the PTI Committee has carried out the following tasks:

- (a) Study on income tax exemption from investment in automation according to the Royal Decree issued under the Revenue Code No. 738 B.E. 2564 (2021) for investment in automation projects B.E. 2565 (2022).
- (b) Studying the process of using NT board scraps to replace crushed stone in concrete roof tiles production.
- (c) Study and visit technology in producing concrete roof tiles of Vortex Hydra S.R.L. in Hungary and Italy between 14 – 21 September 2022.
- (d) Study the use of information systems in order management to optimize customer service.

(7) **Prepare a self-assessment form for the PTI Committee**, both committee group and individual, at least once a year to identify problems and obstacles that cause operations to fail to achieve objectives in the past year. It also assists in monitoring and evaluating the performance following the goals approved by the Board of Directors effectively.

Operations of the PTI Committee in year 2022 can proceed as planned by cooperating with all departments' employees to develop innovations related to the Company's operations effectively. The Company's employees have the knowledge and ability to create innovations and are the key to creating an **"Innovative Culture"** for business operations sustainability.

December 26, 2022

On behalf of the Production Technology and
Innovation Committee

|||||

Mr. Asanee Chantong

Chairman of the Production Technology and
Innovation Committee

8.6 PERFORMANCE REPORT OF THE RISK MANAGEMENT COMMITTEE

In year 2022, the performance the Risk Management Committee (RMC Committee) consisted of 8 directors and executives from all departments. A total of 8 meetings were held to consider reviewing the Risk at every level, establish guidelines for effective prevention and reduction of risks, and organize risk control activities throughout the year. It can be summarized as follows:

(1) Regularly reviewing risks at all levels by assessing and analyzing risk factors for all units based on plans and strategies that are defined include: 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 according to the plan and the targets approved by the Board of Directors.

The operations of the RMC Committee in the past 2022 have been carried out with efficiency and effectiveness following good corporate governance practices. It is possible to control various risks to a level that does not affect the Company's operations for the maximum benefit to the Company and all stakeholders.

December 20, 2022

On behalf of the Risk Management Committee

|||||

Mr. Satid Sudbuntad

Chairman of the Risk Management Committee



8.7 PERFORMANCE REPORT OF THE SUSTAINABILITY COMMITTEE

In year 2022, the Sustainability Committee (SC Committee) consisted of 10 directors and executives from all departments to perform duties per the Company's sustainable development policies and guidelines on behalf of the Corporate Social and Environmental Responsibility Committee. In year 2022, there were two meetings to set guidelines for sustainable business operations of the Company and organize related social and environmental activities. It can be summarized as follows:

(1) Set a sustainable development policy and quantitative targets to be used as KPIs in sustainability operations. It also supports the United Nations Sustainable Development Goals (SDGs), risk management coupled with socially and environmentally responsible operations. It allocated operating budgets to take care of the well-being of employees, society, and communities to reduce negative impacts on the environment continuously.

(2) Responsibility **"Diamond Society"** from the epidemic Coronavirus Disease 2019 (COVID-19) that lasted for more than three years had a direct impact on the health and daily life of employees remarkably. In year 2022, the Company focused on health and safety care, screening before entering the inner space, building a waiting center, and coordinating with government agencies and hospitals for employees, contractors, and people in nearby communities to receive complete booster vaccination, needle 3 and 4 to prevent a new wave of outbreaks. This year, the Company continues to carry out activities to engage employees and stakeholders to create a balance of life and work to be a **"Happy Workplace"** to continue to grow sustainably.

(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 2022, it collaborated with the Muak Lek Technical College to organize theoretical and practical training for technical students on basic knowledge of construction materials continuously. The **"Diamond Brand Social Development Volunteer"** project allows employees to participate in landscape improvement activities in their communities surrounding the factory, and the **"Kla Petch"** project to increase green areas in the community and workplace and organize activities to build relationships with various social assistance projects in nearby communities continuously.

(4) In terms of responsibility for **"the environment,"** in year 2022, the impact of the war between Russia and Ukraine has dramatically increased production costs. The Company focuses on using technology to research and develop products to be competitive. It strives to improve production processes and innovations to reduce negative impacts on the environment, reduce raw material and energy consumption, reduce dust and air pollution emissions, reduce material waste by removing sludge, and reused degraded products as much as possible.

(5) Development training and activities related to social and environmental responsibility in year 2022, the Company organized public relations activities through online systems on occupational health and safety of employees to prevent accidents, reduce risky behaviors, and prevent the spread of the COVID-19 virus, energy reduction campaign activities, raising awareness of employee involvement in driving sustainability by allowing all employees to participate, etc.

(6) In year 2022, the Company prepared a report in GRI format for the third year. The Sustainable Development Report for the year 2022 was prepared following international standards. It reported sustainability in the form of GRI Standards and the level of data integrity based on the Core Indicators and in line with the UN Sustainable Development Goals (SDGs).

(7) Sustainability Award 2022, the Company participated in the evaluation and was selected to be on the list of **"Sustainable Stocks"** or Thailand Sustainability Investment (THIS) for the year 2022 for the 6th year organized by the Stock



Exchange of Thailand. It also received the **ESG100** award as one of the companies with outstanding performance in the environment, society, and governance (Environmental Social and Governance: ESG), which has been on the list for five years, assessed by Thaipat Institute. In addition, the Company received an award from the assessment of good corporate governance and other sustainability awards, which is an award of pride (See page 5 for details. Awards of pride.)

(8) The Sustainability 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. This also helps to provide clear performance monitoring and evaluation based on the Company's objectives and goals.

The operations of the SC Committee in year 2022 has performed its duties according to the plans and goals set forth with cooperation from all employees in all departments who realize the importance of social responsibility and the environment. Also, it is accepted by all groups of stakeholders. It is an important mechanism that will help promote and drive the Company's business to persist and grow sustainably.

December 26, 2022

On behalf of the Sustainability Committee

|||||

Mr. Satid Sudbuntad

Chairman of the Sustainability 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 2022, 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, and developing a conflict of interest code of conduct 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 167 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-term 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 8 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 to announce the Company's intention to apply to be a member of the Thai Private Sector Collective Action Against Corruption (CAC). It is to ensure transparency of the Company's operations. The Company was certified as a CAC member for the 3rd time on June 30, 2021. The certificate will be valid for three years from the date of approval.

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. The Company has defined a "No gift Policy" project and added a channel to report clues via QR Code.

(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, the spread of Coronavirus COVID-19, and raw material shortage, etc.

2) Risks from internal factors, such as occupational health and safety impacts, 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 three 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) K2 software, to reduce the amount of documentation, (2) Qlik software, which helps to develop data analysis models, (3) Sketchup software, to help with calculation for installation design, (4) The Web Sale system, which allows customers to place orders 24 hours a day, (5) Online tax filing, and (6) The E-Payment System, money transfers of all banks domestically and internationally, etc. 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. It set a guideline for all employees to acknowledge and strictly comply with, published in the Good Corporate Governance Handbook, which the Information and Standards Systems Department controls the safety of the technology system. The Company also provides the budget for the development and maintenance of technology systems appropriately and concisely, as well as having security measures in information systems to protect against external threats as follows:

- Compliance with information security standards (ISO 27001).
- Continuous monitoring and auditing of the system by reporting intrusions from outside and prevention measures to the management monthly.
- Communicating measures and guidelines to all employees so that employees are aware of threats will increase their caution.
- Assessment of information security level according to international standards.
- Rehearsals to deal with various events that the business may have to be disrupted (Business Continuity Plan: BCP) in disaster recovery planning to ensure smooth business operations. There is a system test every month with a big test from every department once a year.

(C) The Company has carried out control activities through its policies, which specify expectations and procedures to put the policies into 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 and Division Manager (Senior), 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 2022, the Company had related transactions with related persons as follows.

(A) Purchase of Finished Products for Sale

Company	Relationship	Transaction	Amount (Million Baht)			
			Purchase of Finished Products		Account Payable	
			2022	2021	2022	2021
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. Pricing Policy Use market price according to normal business.	173.27	145.68	27.22	103.88
Total			173.27	145.68	27.22	103.88

(B) Office Rental and Property Service Fee

Company	Relationship	Transaction	Amount (Million Baht)			
			Office Rental and Property Service Fee		Lease liabilities	
			2022	2021	2022	2021
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. Pricing Policy Use rental and service fee not exceeding the average rental fee of nearby rental buildings.	2.35	2.36	3.01	1.21
Total			2.35	2.36	3.01	1.21



(C) Sale of Finished Goods for Sale

Company	Relationship	Transaction	Amount (Million Baht)			
			Sale of finished goods		Accounts Receivable	
			2022	2021	2022	2021
Diamond Materials Co.,Ltd. (Seller)	Subsidiary of Diamond Building Products Plc. (Buyer) holding 99.99% of paid-up shares in Diamond Materials Co., Ltd.	Selling roofing tiles, wood substitutes, autoclaved aerated concrete, and aerated countertops for retail sales to customers and expanding the market.	0.51	0.41	-	0.44
Pricing Policy						
Use market price according to normal business.						
Total			0.51	0.41	-	0.44

Opinion of the AC Committee

The AC Committee has reviewed the related transactions occurred in the Company's accounting record during the year 2022 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.

เชิงชายพลัส
สีสวย ติดตั้งง่าย



FUNCTION x FASHION

ไม้สังเคราะห์ เชิงชายพลัส ตราเพชร สีสวยสำเร็จ ติดตั้งง่าย จบในขั้นตอนเดียว



สีกกระชู้



แดงทับทิม



น้ำตาลเบอร์รี่



น้ำตาลประตู



แดงทิวลิป

สวยครบเซต ตราเพชรทั้งหลัง



Part 3:
Financial statements

**Diamond Building Products Public Company Limited
and its Subsidiary**

Financial statements for the year ended
31 December 2022
and
Independent Auditor's Report



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 2022, 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 2022 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 including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. 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 Note 7 to the financial statements.	
The key audit matter	How the matter was addressed in the audit
The Group's and the Company's inventories are material to the financial statements which 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 and the Company consider the allowance for decline in value and obsolescence by the management estimates and judgment. Consequently, I consider that this is a key audit matter.	<p>My audit procedures included:</p> <ul style="list-style-type: none"> - Understanding the policies and procedures that 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 disclosures in accordance with the 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, actions taken to eliminate threats or safeguards applied.

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
14 February 2023

Diamond Building Products Public Company Limited and its Subsidiary**Statement of financial position**

Assets	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		31 December		31 December	
		2022	2021	2022	2021
		<i>(in Baht)</i>			
<i>Current assets</i>					
Cash and cash equivalents	4	11,378,982	22,997,224	10,891,653	22,383,561
Trade accounts receivable	3, 5	553,726,472	503,351,174	553,726,472	503,790,802
Other current receivables	6	52,230,446	52,405,473	50,389,010	51,069,963
Inventories	7	1,164,696,708	814,547,155	1,156,144,733	805,810,104
Other current assets		6,844,557	4,762,936	6,843,680	4,753,278
Total current assets		1,788,877,165	1,398,063,962	1,777,995,548	1,387,807,708
<i>Non-current assets</i>					
Investment in a subsidiary	8	-	-	100,000,000	170,000,000
Investment properties	9	20,058,994	20,058,994	20,058,994	20,058,994
Property, plant and equipment	10	1,796,435,866	1,938,387,821	1,722,236,235	1,855,374,303
Right-of-use assets	11	20,571,911	37,752,765	20,128,310	37,687,672
Intangible assets	12	9,950,990	9,649,094	8,709,894	5,407,998
Deferred tax assets	21	46,293,568	52,565,459	45,520,457	58,055,124
Other non-current assets		58,422,893	2,994,237	58,385,893	2,908,237
Total non-current assets		1,951,734,222	2,061,408,370	1,975,039,783	2,149,492,328
Total assets		3,740,611,387	3,459,472,332	3,753,035,331	3,537,300,036

The accompanying notes are an integral part of these financial statements.



Diamond Building Products Public Company Limited and its Subsidiary

Statement of financial position

		Consolidated		Separate	
		financial statements		financial statements	
		31 December		31 December	
Liabilities and equity	Note	2022	2021	2022	2021
<i>(in Baht)</i>					
Current liabilities					
Short-term loans from financial institutions	13	526,000,000	442,000,000	526,000,000	442,000,000
Trade accounts payable	3	168,736,937	116,596,400	191,210,436	218,062,494
Other current payables	14	207,526,868	206,951,654	203,050,190	203,679,808
Current portion of long-term loans from financial institutions	13	90,000,000	120,000,000	90,000,000	120,000,000
Current portion of lease liabilities	3, 13	9,625,654	22,046,307	9,473,636	22,036,107
Current tax payable		37,378,199	28,335,747	36,345,882	28,335,747
Other current liabilities	15	39,253,100	45,506,117	38,435,044	44,789,757
Total current liabilities		1,078,520,758	981,436,225	1,094,515,188	1,078,903,913
Non-current liabilities					
Long-term loans from financial institutions	13	60,000,000	90,000,000	60,000,000	90,000,000
Lease liabilities	3, 13	12,399,929	17,772,408	12,108,687	17,718,659
Non-current provisions for employee benefits	16	202,458,774	224,012,027	200,627,742	222,555,462
Total non-current liabilities		274,858,703	331,784,435	272,736,429	330,274,121
Total liabilities		1,353,379,461	1,313,220,660	1,367,251,617	1,409,178,034

The accompanying notes are an integral part of these financial statements.

Diamond Building Products Public Company Limited and its Subsidiary**Statement of financial position**

		Consolidated		Separate	
		financial statements		financial statements	
		31 December		31 December	
Liabilities and equity	<i>Note</i>	2022	2021	2022	2021
<i>(in Baht)</i>					
Equity					
Share capital:	17				
Authorised share capital (855,033,100 ordinary shares, par value at Baht 1 per share)		<u>855,033,100</u>	<u>855,033,100</u>	<u>855,033,100</u>	<u>855,033,100</u>
Issued and paid-up share capital (855,033,100 ordinary shares, par value at Baht 1 per share)		855,033,100	855,033,100	855,033,100	855,033,100
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	18	105,000,000	105,000,000	105,000,000	105,000,000
Unappropriated		<u>1,095,480,846</u>	<u>854,500,592</u>	<u>1,094,032,634</u>	<u>836,370,922</u>
Total equity		<u>2,387,231,926</u>	<u>2,146,251,672</u>	<u>2,385,783,714</u>	<u>2,128,122,002</u>
Total liabilities and equity		<u>3,740,611,387</u>	<u>3,459,472,332</u>	<u>3,753,035,331</u>	<u>3,537,300,036</u>

The accompanying notes are an integral part of these financial statements.



Diamond Building Products Public Company Limited and its Subsidiary
Statement of comprehensive income

		Consolidated		Separate	
		financial statements		financial statements	
		For the year ended		For the year ended	
		31 December		31 December	
	<i>Note</i>	2022	2021	2022	2021
		<i>(in Baht)</i>			
Revenue					
Revenue from sales of goods					
and rendering of services	3, 19	5,232,452,111	4,815,151,386	5,232,105,695	4,815,466,845
Other income		17,600,175	10,297,087	17,330,651	9,930,775
Total revenue		5,250,052,286	4,825,448,473	5,249,436,346	4,825,397,620
Expenses					
Cost of sales of goods					
and rendering of services	20	3,830,305,331	3,452,909,513	3,850,396,843	3,467,797,002
Distribution costs	20	144,941,522	134,752,013	144,941,522	134,750,727
Administrative expenses	20	506,620,282	520,280,152	495,077,555	510,887,655
Reversal of impairment loss on investment					
in a subsidiary	8	-	-	(30,000,000)	-
Total expenses		4,481,867,135	4,107,941,678	4,460,415,920	4,113,435,384
Profit from operating activities		768,185,151	717,506,795	789,020,426	711,962,236
Finance costs		(7,341,073)	(9,839,215)	(7,316,601)	(9,836,980)
Profit before income tax expense		760,844,078	707,667,580	781,703,825	702,125,256
Income tax expense	21	(135,233,355)	(122,228,273)	(139,555,607)	(122,165,751)
Profit for the year		625,610,723	585,439,307	642,148,218	579,959,505
Other comprehensive income					
Item that will not be reclassified to					
 profit or loss					
Gains on remeasurements of defined benefit					
plans, net of tax	16	25,785,419	-	25,929,382	-
Total comprehensive income for the year		651,396,142	585,439,307	668,077,600	579,959,505
Earnings per share (in Baht)	22				
Basic earnings per share		0.73	0.68	0.75	0.68

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

Consolidated financial statements									
		Retained earnings							
		Issued and paid-up share capital	Share premium on ordinary shares	Share premium on treasury shares	Legal reserve	Treasury shares reserve	Unappropriated	Treasury shares	Total equity
Note							(in Baht)		
Year ended 31 December 2021									
	Balance at 1 January 2021	947,961,800	166,511,520	165,206,460	105,000,000	511,961,400	552,347,149	(511,961,400)	1,937,026,929
Transactions with owners, recorded directly in equity									
Distributions to owners of the Company									
17	Reduction of ordinary shares	(92,928,700)	-	-	-	-	92,928,700	-	-
17	Reduction of shares purchased	-	-	-	-	(511,961,400)	-	511,961,400	-
23	Dividends to owners of the Company	-	-	-	-	-	(376,214,564)	-	(376,214,564)
Total distributions to owners of the Company		(92,928,700)	-	-	-	(511,961,400)	(283,285,864)	511,961,400	(376,214,564)
Comprehensive income for the year									
	Profit	-	-	-	-	-	585,439,307	-	585,439,307
	Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the year		-	-	-	-	-	585,439,307	-	585,439,307
	Balance at 31 December 2021	855,033,100	166,511,520	165,206,460	105,000,000	-	854,500,592	-	2,146,251,672

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

	Note	Consolidated 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	(in Baht)	
Year ended 31 December 2022							
Balance at 1 January 2022		855,033,100	166,511,520	165,206,460	105,000,000	854,500,592	2,146,251,672
Transactions with owners, recorded directly in equity							
<i>Distributions to owners of the Company</i>							
Dividends to owners of the Company	23	-	-	-	-	(410,415,888)	(410,415,888)
<i>Total distributions to owners of the Company</i>		-	-	-	-	(410,415,888)	(410,415,888)
Comprehensive income for the year							
Profit		-	-	-	-	625,610,723	625,610,723
Other comprehensive income		-	-	-	-	25,785,419	25,785,419
Total comprehensive income for the year		-	-	-	-	651,396,142	651,396,142
Balance at 31 December 2022		855,033,100	166,511,520	165,206,460	105,000,000	1,095,480,846	2,387,231,926

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

	Note	Separate financial statements							Total equity
		Retained earnings							
		Issued and paid-up share capital	Share premium on ordinary shares	Share premium on treasury shares	Legal reserve	Treasury shares reserve	Unappropriated	Treasury shares	
		(in Baht)							
Year ended 31 December 2021									
Balance at 1 January 2021		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
Transactions with owners, recorded directly in equity									
Distributions to owners of the Company									
	17	(92,928,700)	-	-	-	-	92,928,700	-	-
	17	-	-	-	-	(511,961,400)	-	511,961,400	-
	23	-	-	-	-	-	(376,214,564)	-	(376,214,564)
Total distributions to owners of the Company		(92,928,700)	-	-	-	(511,961,400)	(283,285,864)	511,961,400	(376,214,564)
Comprehensive income for the year									
	Profit	-	-	-	-	-	579,959,505	-	579,959,505
	Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the year		-	-	-	-	-	579,959,505	-	579,959,505
Balance at 31 December 2021		855,033,100	166,511,520	165,206,460	105,000,000	-	836,370,922	-	2,128,122,002

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

	Note	Separate financial statements					Total equity
		Issued and paid-up share capital	Share premium on ordinary shares	Share premium on treasury shares	Retained earnings Legal reserve (in Baht)	Unappropriated reserve	
Year ended 31 December 2022							
Balance at 1 January 2022		855,033,100	166,511,520	165,206,460	105,000,000	836,370,922	2,128,122,002
Transactions with owners, recorded directly in equity							
<i>Distributions to owners of the Company</i>							
Dividends to owners of the Company	23	-	-	-	-	(410,415,888)	(410,415,888)
<i>Total distributions to owners of the Company</i>		-	-	-	-	(410,415,888)	(410,415,888)
Comprehensive income for the year							
Profit		-	-	-	-	642,148,218	642,148,218
Other comprehensive income		-	-	-	-	25,929,382	25,929,382
Total comprehensive income for the year		-	-	-	-	668,077,600	668,077,600
Balance at 31 December 2022		855,033,100	166,511,520	165,206,460	105,000,000	1,094,032,634	2,385,783,714

The accompanying notes are an integral part of these financial statements.

Diamond Building Products Public Company Limited and its Subsidiary

Statement of cash flows

		Consolidated		Separate	
		financial statements		financial statements	
		Year ended		Year ended	
		31 December		31 December	
	Note	2022	2021	2022	2021
		(in Baht)			
Cash flows from operating activities					
Profit for the year		625,610,723	585,439,307	642,148,218	579,959,505
<i>Adjustments to reconcile profit</i>					
<i>to cash receipts (payment)</i>					
Tax expense	21	135,233,355	122,228,273	139,555,607	122,165,751
Finance costs		7,341,073	9,839,215	7,316,601	9,836,980
Depreciation	10, 11	319,684,744	308,732,031	304,648,642	294,657,746
Amortisation of intangible assets	12	4,355,104	4,333,847	1,355,104	1,333,847
Reversal of impairment loss on investment					
in a subsidiary	8	-	-	(30,000,000)	-
Provision for employee benefits	16	16,772,435	16,517,003	16,577,921	16,329,794
Unrealised (gain) loss on exchange		1,742,095	(5,333,347)	1,742,095	(5,333,347)
(Gain) loss on fair value adjustment of					
forward exchange contracts		194,065	(194,065)	194,065	(194,065)
Reversal of impairment loss on fianacial assets					
recognised in profit or loss	5	(144,000)	(1,413,000)	(144,000)	(1,413,000)
(Gain) loss on inventories devaluation		(9,049,123)	5,851,079	(9,988,535)	6,350,896
Gain on disposal of plant and equipment		(4,269,850)	(2,979,739)	(4,279,849)	(2,983,105)
Interest income		(15,913)	(14,958)	(13,551)	(12,709)
		1,097,454,708	1,043,005,646	1,069,112,318	1,020,698,293

The accompanying notes are an integral part of these financial statements.



Diamond Building Products Public Company Limited and its Subsidiary

Statement of cash flows

	Consolidated		Separate	
	financial statements		financial statements	
	Year ended		Year ended	
	31 December		31 December	
	2022	2021	2022	2021
	<i>(in Baht)</i>			
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	(50,250,800)	(54,010,203)	(49,811,171)	(54,449,832)
Other current receivables	(3,357,990)	13,516,729	(2,852,064)	13,521,559
Inventories	(341,100,431)	(118,812,676)	(340,346,094)	(128,252,628)
Other current assets	(2,275,686)	1,848,872	(2,284,468)	1,745,166
Other non-current assets	30,182	223,995	(18,818)	259,995
Trade accounts payable	52,422,747	27,152,888	(26,569,848)	53,806,165
Other current payables	18,339,501	32,568,627	17,064,455	32,493,498
Other current liabilities	(6,257,865)	4,435,565	(6,359,561)	4,359,175
Provisions for employee benefits paid	(6,093,914)	(18,205,454)	(6,093,914)	(18,205,454)
Net cash generated from operating	758,910,452	931,723,989	651,840,835	925,975,937
Tax paid	(126,365,367)	(121,508,204)	(125,493,150)	(121,508,204)
Net cash from operating activities	632,545,085	810,215,785	526,347,685	804,467,733
<i>Cash flows from investing activities</i>				
Proceeds from sale of plant and equipment	4,310,009	3,463,126	4,320,009	3,470,526
Payments for acquisition of plant and equipment	(171,771,236)	(154,153,255)	(165,528,340)	(148,345,219)
Payments for acquisition of intangible assets	(4,657,000)	(1,815,000)	(4,657,000)	(1,815,000)
Prepayment for purchases of assets	(57,467,515)	(1,434,018)	(57,467,515)	(1,434,018)
Cash received from capital reduction in a subsidiary	-	-	100,000,000	-
Interest received	15,913	14,958	13,551	12,709
Net cash used in investing activities	(229,569,829)	(153,924,189)	(123,319,295)	(148,111,002)

The accompanying notes are an integral part of these financial statements.

Diamond Building Products Public Company Limited and its Subsidiary

Statement of cash flows

		Consolidated		Separate	
		financial statements		financial statements	
		Year ended		Year ended	
		31 December		31 December	
	Note	2022	2021	2022	2021
		(in Baht)			
Cash flows from financing activities					
Proceeds from (repayment of) short-term loans					
from financial institutions		84,000,000	(458,000,000)	84,000,000	(458,000,000)
Proceeds from long-term loans from financial institutions		60,000,000	300,000,000	60,000,000	300,000,000
Repayment of long-term loans from financial institutions		(120,000,000)	(90,000,000)	(120,000,000)	(90,000,000)
Payments of lease liabilities		(23,669,702)	(23,794,843)	(23,596,502)	(23,788,592)
Dividends paid to owners of the Company	23	(410,411,040)	(376,210,230)	(410,411,040)	(376,210,230)
Interest paid		(6,040,971)	(8,026,638)	(6,040,971)	(8,026,603)
Net cash used in financing activities		(416,121,713)	(656,031,711)	(416,048,513)	(656,025,425)
Net increase (decrease) in cash and cash equivalents,					
before effect of exchange rates		(13,146,457)	259,885	(13,020,123)	331,306
Effect of exchange rate changes on cash					
and cash equivalents		1,528,215	669,443	1,528,215	669,443
Net increase (decrease) in cash and equivalents		(11,618,242)	929,328	(11,491,908)	1,000,749
Cash and cash equivalents at 1 January		22,997,224	22,067,896	22,383,561	21,382,812
Cash and cash equivalents at 31 December	4	11,378,982	22,997,224	10,891,653	22,383,561
Non-cash transactions:					
Acquisitions of plant and equipment					
for which payments have not yet been made		43,243,341	61,019,196	41,816,560	59,522,203
Transfer of prepayments for purchases					
of assets to plant and equipment		2,008,677	1,655,458	2,008,677	1,655,458
Acquisitions of right-of-use assets under lease agreements		4,588,036	4,478,305	4,159,998	4,410,306
Transfer inventory to plant		-	251,551	-	251,551

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 2022

Note	Contents
1	General information
2	Basis of preparation of the financial statements
3	Related parties
4	Cash and cash equivalents
5	Trade accounts receivable
6	Other current receivables
7	Inventories
8	Investment in a subsidiary
9	Investment properties
10	Property, plant and equipment
11	Leases
12	Intangible assets
13	Interest-bearing liabilities
14	Other current payables
15	Other current liabilities
16	Non-current provisions for employee benefits
17	Treasury shares
18	Reserves
19	Segment information and disaggregation of revenue
20	Expenses by nature
21	Income tax
22	Earnings per share
23	Dividends
24	Financial instruments
25	Capital management
26	Commitments with non-related parties

Diamond Building Products Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2022

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 Board of Directors on 14 February 2023.

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), Thambol Talingchan, Amphur Muang, Saraburi, Thailand.

The Company’s major shareholder during the financial year was Myriad Materials Co., Ltd. (57.06% 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 2022 and 2021 are given in note 8.

2 Basis of preparation of financial statements

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. The financial statements are presented in Thai Baht, which is the Company’s functional currency. The accounting policies are described in each notes have been applied consistently to all periods presented in these financial statements.

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 that are described in each note are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

3 Related parties

A related party is a person or entity that has direct or indirect control or joint control, or has significant influence over the financial and managerial decision-making of the Group; a person or entity that is under common control or under the same significant influence as the Group; or a person or entity over which the Group has direct or indirect control or joint control or has significant influence over the financial and managerial decision-making.

Relationships with parent and subsidiary are described in notes 1 and 8. Other related parties which the Group had significant transactions with during the years were as follows:

Name of entities	Country of incorporation	Nature of relationships
Phahol 8 Company Limited	Thailand	Having a common director



Diamond Building Products Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2022

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:

	Consolidated financial statements		Separate financial statements	
<i>Year ended 31 December</i>	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Subsidiary				
Purchase of goods	-	-	173,272	145,681
Sale of goods and rendering of services	-	-	167	411
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	47,596	48,972	47,596	48,972
Post-employment benefits	1,122	1,263	1,122	1,263
Total key management personnel compensation	48,718	50,235	48,718	50,235
Other related parties				
Office rental and space service fee	2,349	2,360	2,349	2,360

Balances as at 31 December with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Trade accounts receivable				
Subsidiary				
Diamond Materials Co., Ltd.	-	-	-	440
Trade accounts payable				
Subsidiary				
Diamond Materials Co., Ltd.	-	-	27,218	103,878
Lease liabilities				
Other related parties				
Phahol 8 Company Limited	3,012	1,211	3,012	1,211

Diamond Building Products Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2022

4 Cash and cash equivalents

Accounting policy

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand are a component of cash and cash equivalents for the purpose of the statement of cash flows.

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Cash on hand	100	100	100	100
Cash at banks	11,279	22,897	10,792	22,284
Total	11,379	22,997	10,892	22,384

5 Trade accounts receivable

Accounting policy

A trade receivable is recognised when the Group has an unconditional right to receive consideration. A trade receivable is measured at transaction price less allowance for expected credit loss. Bad debts are written off when incurred.

The Group estimates lifetime expected credit losses (ECLs), using a provision matrix to find the ECLs rates. This method groups the debtors based on shared credit risk characteristics and past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date.

	Consolidated financial statements		Separate financial statements	
<i>At 31 December</i>	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Within credit terms	459,907	423,479	459,907	423,919
Overdue:				
Less than 91 days	94,315	79,805	94,315	79,805
91 - 180 days	-	67	-	67
181 - 360 days	-	-	-	-
More than 360 days	4,897	5,537	4,897	5,537
Total	559,119	508,888	559,119	509,328
Less allowance for expected credit loss	(5,393)	(5,537)	(5,393)	(5,537)
Net	553,726	503,351	553,726	503,791

Allowance for expected credit loss

	Consolidated / Separate financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
At 1 January	5,537	6,950
Reversal	(144)	(1,413)
At 31 December	5,393	5,537

Information of credit risk is disclosed in note 24



Diamond Building Products Public Company Limited and its Subsidiary

Notes to the financial statements

For the year ended 31 December 2022

6 Other current receivables

Accounting policy

Other current receivable is recognised when the Group has an unconditional right to receive consideration. Other current receivable are stated at cost.

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Accrued sales discount	33,751	34,078	33,958	33,983
Advance for purchase of goods	664	1,329	83	539
Prepaid expenses	17,203	13,555	15,793	13,110
Others	612	3,443	555	3,438
Total	52,230	52,405	50,389	51,070

7 Inventories

Accounting policy

Inventories are measured at the lower of cost and net realisable value. Cost is calculated using the moving average cost principle. Cost includes direct costs incurred in acquiring the inventories. In the case of manufactured inventories and work-in-progress, 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.

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Finished goods	208,183	128,700	205,448	124,983
Merchandise goods	26,382	39,598	26,380	39,272
Semi-finished goods	113,480	96,428	113,480	96,428
Work in progress	68,821	73,032	68,821	73,032
Raw materials	651,660	392,174	647,163	388,603
Supplies	80,647	67,267	77,294	65,049
Goods in transit	32,776	43,649	32,776	43,649
	1,181,949	840,848	1,171,362	831,016
<i>Less allowance for decline in value</i>	<i>(17,252)</i>	<i>(26,301)</i>	<i>(15,217)</i>	<i>(25,206)</i>
Total	1,164,697	814,547	1,156,145	805,810
Inventories recognised in 'cost of sales of goods':				
- Cost	3,375,572	3,087,711	3,395,731	3,102,143
- Write-down to net realisable value	67	5	-	5
- Reversal of write-down	(195)	(455)	(195)	-
Net	3,375,444	3,087,261	3,395,536	3,102,148

Diamond Building Products Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2022

8 Investment in a subsidiary

Accounting policy

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. Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated on consolidation. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities and other components of equity of the subsidiary. Any resulting gain or loss is recognised in profit or loss.

Investments in subsidiaries in the separate financial statements are measured at cost less allowance for impairment losses. Dividend income is recognised in profit or loss on the date on which the Group's right to receive dividend is established. If the Company disposes of part of its investment, the deemed cost of the part sold is determined using the weighted average method. Gains and losses on disposal of the investments are recognised in profit or loss.



Diamond Building Products Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2022

	Description of business	Country of operation	Separate financial statements											
			Ownership interest (%)		Paid-up capital		Cost		Impairment losses		At cost - net			
			2022	2021	2022	2021	2022	2021	2022	2021				

The subsidiary was incorporated and operates in Thailand. The Company did not received dividend for the year 2022 and 2021.

Diamond Building Products Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2022

<i>Significant movements</i> <i>Year ended 31 December</i>	Separate financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
At 1 January	170,000	170,000
Capital reduction in the subsidiary	(100,000)	-
Reversal of impairment loss on investment	30,000	-
At 31 December	100,000	170,000

Capital reduction in the subsidiary

On 25 July 2022, the Board of Directors Meeting of the Company approved the reduction of registered and paid-up capital of Diamond Materials Company Limited (the “subsidiary”). Then, the Extraordinary General Meeting of the Shareholders of the subsidiary held on 19 September 2022 approved the reduction of registered and paid-up capital from Baht 200 million (2 million ordinary shares, par value at Baht 100 per share) to Baht 100 million (2 million ordinary shares, par value at Baht 50 per share).

The subsidiary registered the reduction of registered capital with the Ministry of Commerce on 25 October 2022.

Reversal of impairment loss on investment

The subsidiary registered the reduction of capital with the Ministry of Commerce and partially repaid the capital to the Company in October 2022 which resulted in the recoverable amount being higher than the book value of investment in the subsidiary. Therefore, the Company reversed impairment loss on investment in the subsidiary of Baht 30 million in 2022.

9 Investment properties

Accounting policy

Investment properties are measured at cost less impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the investment property.

No depreciation charged on freehold land and assets under construction.

Differences between the proceeds from disposal and the carrying amount of investment property are recognised in profit or loss.

	Consolidated / Separate financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
Cost		
At 1 January and 31 December	20,059	20,059
Net book value		
At 1 January and 31 December	20,059	20,059



Diamond Building Products Public Company Limited and its Subsidiary

Notes to the financial statements

For the year ended 31 December 2022

Investment properties are land held for future projects. The fair value of investment properties, as at 31 December 2022 of Baht 54.4 million (2021: Baht 50.2 million) was determined by an independent value based on the market approach. The fair value measurement for investment property has been categorised as a Level 3 fair value.

10 Property, plant and equipment

Accounting policy

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 capitalised borrowing costs and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Differences between the proceeds from disposal and the carrying amount of property, plant and equipment are recognised in profit or loss.

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item when 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 is calculated on a straight-line basis over the estimated useful lives of each component of an asset and recognised in profit or loss. No depreciation is provided on freehold land and assets under construction.

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

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 in profit or loss if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. 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. An impairment loss of asset recognised in prior periods is reversed if there has been a change in the estimates used to determine the recoverable amount, but only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

The recoverable amount is assessed from the estimated future cash flows 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.



Diamond Building Products Public Company Limited and its Subsidiary

Notes to the financial statements

For the year ended 31 December 2022

	Consolidated financial statements					
	Land and improvement	Building structures and improvement	Machinery and equipment	Office furniture, fixtures and equipment <i>(in thousand Baht)</i>	Vehicles	Assets under construction and installation
Cost						Total
At 1 January 2021	230,619	881,881	4,546,397	104,402	28,301	5,818,784
Additions	-	844	5,491	598	96	189,095
Transfers	-	27,135	108,492	11,180	458	-
Disposals	-	(184)	(24,170)	(4,467)	(1,846)	(30,667)
At 31 December 2021 and 1 January 2022	230,619	909,676	4,636,210	111,713	27,009	5,977,212
Additions	-	-	3,653	53	-	152,298
Transfers	-	13,644	106,178	9,131	1,553	(130,506)
Disposals	-	-	(40,186)	(1,110)	(4)	(41,300)
At 31 December 2022	239,619	923,320	4,705,855	119,787	28,558	6,091,916
Accumulated depreciation						
At 1 January 2021	-	541,490	3,127,044	83,874	24,861	3,777,269
Depreciation charge for the year	-	40,369	236,181	8,763	1,516	286,829
Disposals	-	(173)	(24,126)	(4,456)	(1,428)	(30,183)
At 31 December 2021 and 1 January 2022	-	581,686	3,339,099	88,181	24,949	4,033,915
Depreciation charge for the year	-	41,463	245,230	10,109	1,112	297,914
Disposals	-	-	(40,160)	(1,095)	(4)	(41,259)
At 31 December 2022	-	623,149	3,544,169	97,195	26,057	4,290,570



Diamond Building Products Public Company Limited and its Subsidiary

Notes to the financial statements

For the year ended 31 December 2022

	Consolidated financial statements					
	Land and improvement	Building structures and improvement	Machinery and equipment	Office furniture, fixtures and equipment (in thousand Baht)	Vehicles	Assets under construction and installation
<i>Allowance for impairment</i>						
At 1 January 2021	-	-	-	-	-	4,910
At 31 December 2021 and 1 January 2022	-	-	-	-	-	4,910
At 31 December 2022	-	-	-	-	-	4,910
<i>Net book value</i>						
At 31 December 2021	230,619	327,990	1,297,111	23,532	2,060	1,938,387
At 31 December 2022	230,619	300,171	1,161,686	22,592	2,501	1,796,436

The gross amount of the Group's fully depreciated plant and equipment that was still in use as at 31 December 2022 amounted to Baht 2,604.0 million (2021: Baht 2,294.3 million).

For the year ended 31 December 2022

Accumulated depreciation



Diamond Building Products Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2022

	Separate financial statements					
	Land and improvement	Building structures and improvement	Machinery and equipment	Office furniture, fixtures and equipment (in thousand Baht)	Vehicles	Assets under construction and installation
<i>Allowance for impairment</i>						
At 1 January 2021	-	-	-	-	-	4,910
At 31 December 2021 and 1 January 2022	-	-	-	-	-	4,910
At 31 December 2022	-	-	-	-	-	4,910
<i>Net book value</i>						
At 31 December 2021	210,522	290,625	1,272,303	23,289	1,890	56,745
At 31 December 2022	210,522	266,774	1,141,182	22,398	2,493	78,867
						1,855,374
						1,722,236

The gross amount of the Company's fully depreciated plant and equipment that was still in use as at 31 December 2022 amounted to Baht 2,591.0 million (2021: Baht 2,281.8 million).

Borrowing costs related to the acquisition of new production line, capitalized as part of the Group's cost of assets, amounted to Baht 0.1 million (2021 : Nil), bearing interest rates of 1.6% and 3.5%. (2021: Nil)

Diamond Building Products Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2022

11 Leases

Accounting policy

At inception of a contract, the Group assesses that a contract is, or contains, a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At commencement or on modification of a contract, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices of each component. For the leases of property, the Group has elected not to separate non-lease components and accounted for the lease and non-lease components wholly 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 are recognised as an expenses on a straight-line basis over the respective lease terms.

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 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 all lease payments that shall be paid under the lease. The Group uses the Group's incremental borrowing rate to discount the lease payments to the present value. 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 lease modification. 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.

<i>Right-of-use assets - net</i> <i>At 31 December</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Land	336	839	336	839
Buildings	2,982	1,193	2,982	1,193
Vehicles	17,203	35,656	16,810	35,656
Office equipment	51	65	-	-
Total	20,572	37,753	20,128	37,688

In 2022, additions to the right-of-use assets of the Group and the Company were Baht 4.6 million and Baht 4.2 million, respectively (2021: Baht 4.5 million and Baht 4.4 million, respectively).

The Group and the Company leased property, plant and equipment for 3 years to 5 years and paid fixed lease payments over the lease terms. The rental are payable monthly as specified in the lease agreements.



Diamond Building Products Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2022

<i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<i>Amounts recognised in profit or loss</i>				
Depreciation of right-of-use assets:				
- Land	503	503	503	503
- Buildings	1,209	1,151	1,209	1,151
- Vehicles	20,042	20,246	20,007	20,246
- Office equipment	14	3	-	-
Interest on lease liabilities	1,234	2,034	1,209	2,032
Expenses relating to short-term leases	2,642	2,151	2,642	2,151
Expenses relating to leases of low-value assets	645	449	645	449

In 2022, total cash outflow for leases of the Group and the Company were Baht 23.7 million and Baht 23.6 million. (2021: Baht 23.8 million and Baht 23.8 million, respectively)

12 Intangible assets

Accounting policy

Intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and impairment losses. Subsequent expenditure is capitalised only when it increases the future economic benefits.

Amortisation is calculated on a straight-line basis over the estimated useful lives of intangible assets and recognised in profit or loss. The estimated useful lives are as follows:

Deferred know-how and technical assistance fees	10	years
Software licences	10	years

Diamond Building Products Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2022

Consolidated financial statements

	Deferred know-how and technical assistance fees	Software licences (in thousand Baht)	Total
Cost			
At 1 January 2021	30,000	37,191	67,191
Additions	-	1,815	1,815
At 31 December 2021 and 1 January 2022	30,000	39,006	69,006
Additions	-	4,657	4,657
At 31 December 2022	30,000	43,663	73,663
Accumulated amortisation			
At 1 January 2021	22,759	32,264	55,023
Amortisation for the year	3,000	1,334	4,334
At 31 December 2021 and 1 January 2022	25,759	33,598	59,357
Amortisation for the year	3,000	1,355	4,355
At 31 December 2022	28,759	34,953	63,712
Net book value			
At 31 December 2021	4,241	5,408	9,649
At 31 December 2022	1,241	8,710	9,951

	Separate financial statements Software licences (in thousand Baht)
Cost	
At 1 January 2021	37,191
Additions	1,815
At 31 December 2021 and 1 January 2022	39,006
Additions	4,657
At 31 December 2022	43,663
Accumulated amortisation	
At 1 January 2021	32,264
Amortisation for the year	1,334
At 31 December 2021 and 1 January 2022	33,598
Amortisation for the year	1,355
At 31 December 2022	34,953
Net book value	
At 31 December 2021	5,408
At 31 December 2022	8,710



Diamond Building Products Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2022

13 Interest-bearing liabilities

The Group recognises and measures financial liabilities as disclosed in note 24.

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Current				
Short-term loans from financial institutions				
Unsecured	526,000	442,000	526,000	442,000
Current portion of long-term loans from financial institutions				
Secured	90,000	120,000	90,000	120,000
Current portion of lease liabilities	9,626	22,046	9,473	22,036
Total current interest-bearing liabilities	625,626	584,046	625,473	584,036
Non-current				
Long-term loans from financial institutions				
Secured	60,000	90,000	60,000	90,000
Lease liabilities	12,400	17,773	12,109	17,719
Total non-current interest-bearing liabilities	72,400	107,773	72,109	107,719

As at 31 December 2022, the Group had unutilised credit facilities amounting to Baht 2,812.2 million (2021: Baht 2,651.0 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 0.7% - 1.9% per annum (2021: 0.7% - 1.2% per annum).

Long-term loans from financial institutions

On 8 March 2021, the Company entered into a credit facility agreement with a local financial institution of Baht 300 million. The loan bears interest at 2.1% per annum and due within 2 years and 6 months. The principal is repayable on a monthly basis, commencing the first payment on 30 April 2021. The Company had already drawn the loan in full amount.

On 1 December 2022, the Company entered into a credit facility agreement with a local financial institution of Baht 400 million. The loan bears interest at 3.5% per annum and due within 3 years and 6 months. The principal is repayable on a monthly basis, commencing the first payment on 30 June 2024. During the year 2022, Baht 60 million of the loan was drawn down by the Company.

Under the loan agreement, the Company has to comply with certain conditions under right and duty of borrower such as the maintenance of debt to equity ratio and DSCR ratio.

Lease liabilities

The Group entered into lease agreements with several local leasing companies to lease property, plant and equipment. The agreements terms are within 3 years to 5 years and bear interest at the rates of 0.9% - 19.8% per annum in 2022 (2021: 0.9% - 19.8% per annum).

Diamond Building Products Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2022

Changes in liabilities arising from financing activities

	Consolidated financial statements			Total
	Short-term loans	Long-term loans (in thousand Baht)	Lease liabilities	
2022				
Balance at 1 January 2022	442,000	210,000	39,819	691,819
Changes from financing cash flows	84,000	(60,000)	(23,670)	330
Other changes - leases	-	-	4,588	4,588
Changes in other non-cash movement	-	-	1,289	1,289
Balance at 31 December 2022	526,000	150,000	22,026	698,026
2021				
Balance at 1 January 2021	900,000	-	57,049	957,049
Changes from financing cash flows	(458,000)	210,000	(23,795)	(271,795)
Other changes - leases	-	-	4,478	4,478
Changes in other non-cash movement	-	-	2,087	2,087
Balance at 31 December 2021	442,000	210,000	39,819	691,819

	Separate financial statements			Total
	Short-term loans	Long-term loans (in thousand Baht)	Lease liabilities	
2022				
Balance at 1 January 2022	442,000	210,000	39,755	691,755
Changes from financing cash flows	84,000	(60,000)	(23,597)	403
Other changes - leases	-	-	4,160	4,160
Changes in other non-cash movement	-	-	1,264	1,264
Balance at 31 December 2022	526,000	150,000	21,582	697,582
2021				
Balance at 1 January 2021	900,000	-	57,049	957,049
Changes from financing cash flows	(458,000)	210,000	(23,789)	(271,789)
Other changes - leases	-	-	4,410	4,410
Changes in other non-cash movement	-	-	2,085	2,085
Balance at 31 December 2021	442,000	210,000	39,755	691,755



Diamond Building Products Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2022

14 Other current payables

Accounting policy

Other current payables are stated at cost.

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Accrued operating expenses	84,813	70,729	83,786	70,316
Payables for acquisition of assets	43,243	61,019	41,817	59,522
Others	79,471	75,204	77,447	73,842
Total	207,527	206,952	203,050	203,680

15 Other current liabilities

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Revenue department payable	10,820	17,554	10,496	17,372
Contract guarantee	23,415	23,304	22,921	22,770
Retention	4,987	4,622	4,987	4,622
Others	31	26	31	26
Total	39,253	45,506	38,435	44,790

16 Non-current provisions for employee benefits

Accounting policy

Defined contribution plan

Obligations for contributions to the Group's provident fund are expensed as the related service is provided.

Defined benefit plans

The Group net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligations is discounted to the present value, which performed regularly by a qualified actuary using the projected unit credit method.

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.

Diamond Building Products Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2022

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.

	Consolidated financial statements		Separate financial statements	
<i>At 31 December</i>	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Post-employment benefits	202,459	224,012	200,628	222,555
Total	202,459	224,012	200,628	222,555

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.

<i>Present value of the defined benefit obligations</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
At 1 January	224,012	225,700	222,555	224,431
Recognised in profit or loss:				
Current service costs	13,289	13,239	13,125	13,078
Interest on obligation	3,483	3,279	3,453	3,252
	16,772	16,518	16,578	16,330
Recognised in other comprehensive income				
Actuarial profit				
- Demographic assumption	17,546	-	17,137	-
- Financial assumptions	(54,607)	-	(54,028)	-
- Experience adjustment	4,830	-	4,480	-
	(32,231)	-	(32,411)	-
Benefits paid	(6,094)	(18,206)	(6,094)	(18,206)
	(6,094)	(18,206)	(6,094)	(18,206)
At 31 December	202,459	224,012	200,628	222,555

<i>Principal actuarial assumptions</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(%)</i>			
Discount rate	3.69, 4.13	1.62, 2.10	3.69	1.62
Future salary growth	5.00	5.00, 6.00	5.00	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.



Diamond Building Products Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2022

At 31 December 2022, the weighted-average duration of the defined benefit obligation of the Company and its subsidiary was 13 years and 21 years, respectively (2021: 14 years and 22 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.

Consolidated financial statements				
Effect to the defined benefit obligation	0.5% increase in assumption		0.5% decrease in assumption	
At 31 December	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Discount rate	(8,320)	(10,816)	8,967	11,714
Future salary growth	8,778	12,292	(7,719)	(10,691)

Separate financial statements				
Effect to the defined benefit obligation	0.5% increase in assumption		0.5% decrease in assumption	
At 31 December	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Discount rate	(8,166)	(10,691)	8,795	11,574
Future salary growth	8,600	12,142	(7,573)	(10,568)

17 Treasury shares

Accounting policy

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.

Consolidated / Separate financial statements							
		2022			2021		
	Par value per share (in Baht)	Number	Treasury shares	Treasury shares reserve (million shares / in million Baht)	Number	Treasury shares	Treasury shares reserve
Treasury shares							
At 1 January	1	-	-	-	93	(512)	512
Treasury shares purchased	1	-	-	-	-	-	-
Cancellation of treasury shares	1	-	-	-	(93)	512	(512)
At 31 December	1	-	-	-	-	-	-

Diamond Building Products Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2022

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.

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 term of accounting basis.

To comply with the stated Ministerial Regulation, at the annual general meeting of shareholders of the Company held on 23 April 2021, the shareholders approved the reduction of the registered and paid-up share capital from previously in the amount of Baht 948 million to be new registered and paid-up capital in the amount of Baht 855 million by cancelling the unsold treasury shares of 93 million shares, amounting to Baht 511.96 million, comprising 9.80% of the Company’s issued share capital. The Company registered the reduction of capital with the Ministry of Commerce on 7 May 2021.

18 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.



Diamond Building Products Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2022

19 Segment information and disaggregation of revenue

Accounting policy

(1) Financial report disaggregation by segment

Segment results that are reported to the Group's the chief operating decision maker include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

(2) Revenue recognition

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 or other sales taxes and is after deduction of any trade discounts and volume rebates. Revenue in a foreign currency is translated into the functional currency at the exchange rate at the date of transaction.

Revenue from sales of goods is recognised on the date on which the goods are delivered to the customers. For the sales that permit the customers to return the goods, the Group estimates the returns based on the historical return data, does not recognise revenue and cost of sale for this transaction and remains recognition of inventory for the estimated products to be returned.

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 recognises revenue from sales of products and rendering of services separately 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.

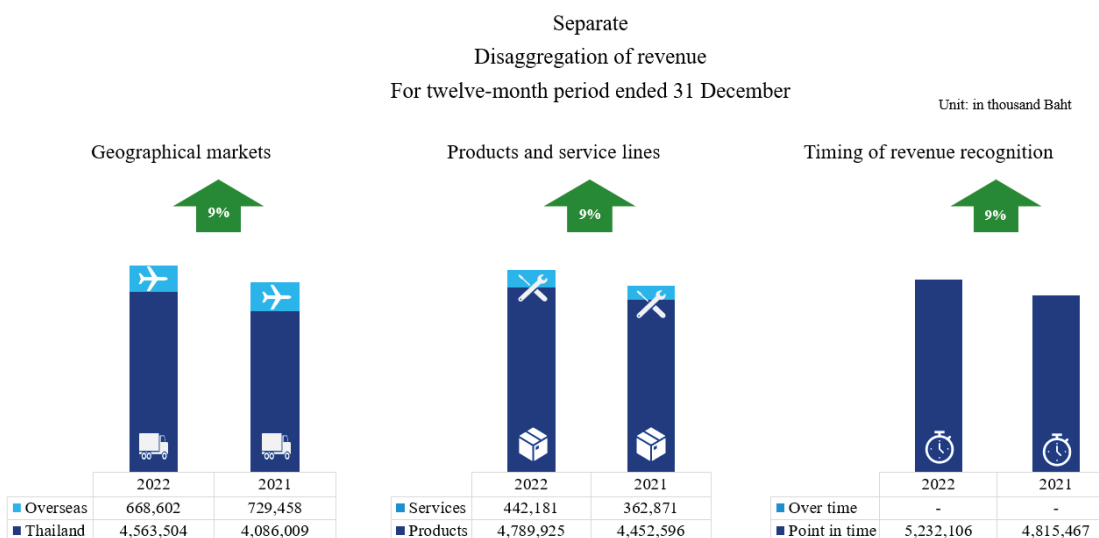
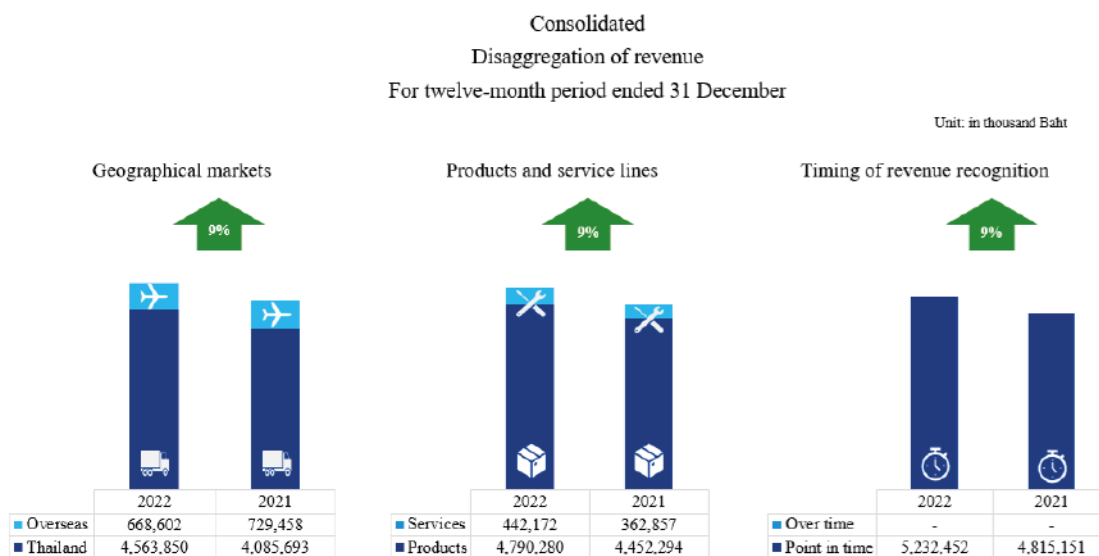
(a) Segment information

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.

Diamond Building Products Public Company Limited and its Subsidiary Notes to the financial statements For the year ended 31 December 2022

(b) Disaggregation of revenue

In the following table, revenue is disaggregated by primary geographical market, major products and service lines and timing of revenue recognition.



Major customers

The Group has no external customer as major customers of the Group.



Diamond Building Products Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2022

20 Expenses by nature

Accounting policy

The Group recognizes expenses as disclosed in notes 7, 10-12, 16.

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Changes in inventories of finished goods and work in progress	(79,109)	5,332	(80,415)	(4,845)
Raw materials and consumables used	1,984,053	1,608,388	1,917,687	1,556,024
Employee benefit expenses	622,958	624,984	608,644	611,119
Storage expenses	473,498	411,587	465,628	404,002
Service fees	396,872	341,540	385,658	332,301
Depreciation and amortisation	324,040	313,066	306,004	295,992
Others	759,555	803,045	887,210	918,842
Total cost of sales of goods and rendering of services, distribution costs and administrative expenses	4,481,867	4,107,942	4,490,416	4,113,435

21 Income tax expense

Accounting policy

Income tax expense for the year comprises current and deferred tax, which is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax is recognised in respect of 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 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, using tax rates enacted or substantively enacted at the reporting date. Current deferred tax assets and liabilities are offset in the separate financial statements.

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. 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.

Diamond Building Products Public Company Limited and its Subsidiary**Notes to the financial statements****For the year ended 31 December 2022**

<i>Income tax recognised in profit or loss</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Current tax expense				
Current year	135,408	122,817	133,503	122,817
Adjustment for prior years	-	-	-	-
	<u>135,408</u>	<u>122,817</u>	<u>133,503</u>	<u>122,817</u>
Deferred tax expense				
Movements in temporary differences	(175)	(589)	6,053	(651)
Total income tax expense	<u>135,233</u>	<u>122,228</u>	<u>139,556</u>	<u>122,166</u>

Consolidated financial statements						
<i>Income tax</i>	2022			2021		
	Before tax	Tax expense	Net of tax	Before tax	Tax expense	Net of tax
	<i>(in thousand Baht)</i>					
Recognised in other comprehensive income						
Defined benefit plan actuarial gains	32,231	(6,446)	25,785	-	-	-
Total	<u>32,231</u>	<u>(6,446)</u>	<u>25,785</u>	<u>-</u>	<u>-</u>	<u>-</u>

Separate financial statements						
<i>Income tax</i>	2022			2021		
	Before tax	Tax expense	Net of tax	Before tax	Tax expense	Net of tax
	<i>(in thousand Baht)</i>					
Recognised in other comprehensive income						
Defined benefit plan actuarial gains	32,411	(6,482)	25,929	-	-	-
Total	<u>32,411</u>	<u>(6,482)</u>	<u>25,929</u>	<u>-</u>	<u>-</u>	<u>-</u>

Reconciliation of effective tax rate				
	Consolidated financial statements			
	2022	2021		
	<i>Rate (%)</i>	<i>(in thousand Baht)</i>	<i>Rate (%)</i>	<i>(in thousand Baht)</i>
Profit before income tax expense		<u>760,844</u>		<u>707,668</u>
Income tax using the Thai corporation tax rate	20.00	152,169	20.00	141,534
Tax losses not recognised		-		(1,132)
Expenses not deductible for tax purposes		5,058		5,189
Expenses with tax deductible benefits		(21,994)		(23,363)
Total	<u>17.77</u>	<u>135,233</u>	<u>17.27</u>	<u>122,228</u>

**Diamond Building Products Public Company Limited and its Subsidiary****Notes to the financial statements****For the year ended 31 December 2022****Reconciliation of effective tax rate**

	Separate financial statements			
	2022		2021	
	<i>Rate (%)</i>	<i>(in thousand Baht)</i>	<i>Rate (%)</i>	<i>(in thousand Baht)</i>
Profit before income tax expense		<u>781,704</u>		<u>702,125</u>
Income tax using the Thai corporation tax rate	20.00	156,341	20.00	140,425
Expenses not deductible for tax purposes		5,017		5,127
Expenses with tax deductible benefits		<u>(21,802)</u>		<u>(23,386)</u>
Total	17.85	139,556	17.40	122,166

Deferred tax At 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
		<i>(in thousand Baht)</i>		
Deferred tax assets	46,294	52,565	45,520	58,055
Deferred tax liabilities	-	-	-	-
Net	46,294	52,565	45,520	58,055

	Consolidated financial statements			
	(Charged) / Credited to:			
	At	Profit or	Other	At
<i>Deferred tax</i>	1 January	loss	comprehensive	31 December
		<i>(in thousand Baht)</i>		
2022				
Deferred tax assets				
Trade accounts receivable <i>(allowance for expected credit loss)</i>	1,107	(29)	-	1,078
Inventories <i>(allowance for decline in value)</i>	5,260	(1,809)	-	3,451
Property, plant and equipment <i>(allowance for impairment)</i>	982	-	-	982
Lease liabilities	414	(123)	-	291
Provision for employee benefits	44,802	2,136	(6,446)	40,492
Total	52,565	175	(6,446)	46,294

Diamond Building Products Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2022

	At 1 January	Consolidated financial statements (Charged) / Credited to:		At 31 December
		Profit or loss (in thousand Baht)	Other comprehensive income	
Deferred tax				
2021				
Deferred tax assets				
Trade accounts receivable (allowance for expected credit loss)	1,390	(283)	-	1,107
Inventories (allowance for decline in value)	4,089	1,171	-	5,260
Property, plant and equipment (allowance for impairment)	982	-	-	982
Lease liabilities	375	39	-	414
Provision for employee benefits	45,140	(338)	-	44,802
Total	51,976	589	-	52,565

	At 1 January	Separate financial statements (Charged) / Credited to:		At 31 December
		Profit or loss (in thousand Baht)	Other comprehensive income	
Deferred tax				
2022				
Deferred tax assets				
Trade accounts receivable (allowance for expected credit loss)	1,107	(29)	-	1,078
Inventories (allowance for decline in value)	5,041	(1,998)	-	3,043
Investment in subsidiary (allowance for impairment)	6,000	(6,000)	-	-
Property, plant and equipment (allowance for impairment)	982	-	-	982
Lease liabilities	414	(123)	-	291
Provision for employee benefits	44,511	2,097	(6,482)	40,126
Total	58,055	(6,053)	(6,482)	45,520

**Diamond Building Products Public Company Limited and its Subsidiary****Notes to the financial statements****For the year ended 31 December 2022**

	At 1 January	Separate financial statements (Charged) / Credited to:		At 31 December
		Profit or loss (in thousand Baht)	Other comprehensive income	
Deferred tax				
2021				
Deferred tax assets				
Trade accounts receivable (allowance for expected credit loss)	1,390	(283)	-	1,107
Inventories (allowance for decline in value)	3,771	1,270	-	5,041
Investment in subsidiary (allowance for impairment)	6,000	-	-	6,000
Property, plant and equipment (allowance for impairment)	982	-	-	982
Lease liabilities	375	39	-	414
Provision for employee benefits	44,886	(375)	-	44,511
Total	57,404	651	-	58,055
Unrecognised deferred tax assets				
	Consolidated financial statements	Separate financial statements		
	2022	2021	2022	2021
		(in thousand Baht)		
Tax losses	-	5,267	-	-
Total	-	5,267	-	-

22 Earnings per share**Accounting policy**

Basic earnings per share (EPS) is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group and the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	(in thousand Baht / thousand shares)			
Profit attributable to ordinary shareholders of the Company (basic)	625,611	585,439	642,148	579,960
Weighted average number of ordinary shares outstanding (basic) at 31 December	855,033	855,033	855,033	855,033
Earnings per share (basic) (in Baht)	0.73	0.68	0.75	0.68

Diamond Building Products Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2022

23 Dividends

	Approval date	Payment schedule	Dividend rate per share (Baht)	Amount (in thousand Baht)
<i>2022</i>				
Interim dividend 2022	22 August 2022	September 2022	0.24	205,208
<i>2021</i>				
Annual dividend 2021	22 April 2022	May 2022	0.46	393,315
Interim dividend 2021	16 August 2021	September 2021	(0.22)	(188,107)
Additional dividend paid			0.24	205,208

24 Financial instruments

Accounting policy

(1) Classification and measurement

Financial assets and financial liabilities (except trade accounts receivable (see note 5)) are initially recognised when the Group becomes a party to the contractual provisions of the instrument, and measured at fair value plus or minus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition.

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI); or 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.

On initial recognition, financial liabilities are classified as measured at amortised cost using the effective interest method or FVTPL. Interest expense, foreign exchange gains and losses and any gain or loss on derecognition are recognised in profit or loss.

Financial assets measured at amortised costs are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit losses. Interest income, foreign exchange gains and losses, expected credit loss and any gain or loss on derecognition are recognised in profit or loss.

Financial assets and financial liabilities in foreign currencies are translated to the respective functional currencies of each entity in the Group at exchange rates at the dates of the transactions, and the balances at the end of reporting period are translated at the exchange rate at the reporting date. Foreign currency differences are generally recognised in profit or loss.

(2) Derecognition and offset

The Group derecognises a financial asset when the contractual rights to receive 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.



Diamond Building Products Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2022

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.

The difference between the carrying amount extinguished and the consideration received or paid is recognised in profit or loss.

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 the Group intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(3) Derivatives

Derivatives are recognised at fair value and remeasured at fair value at each reporting date. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

(4) Impairment of financial assets other than trade accounts receivable

The Group recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost.

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.

ECLs are a probability-weighted estimate of credit losses based on forward-looking and historical experience. Credit losses are measured as the present value of all cash shortfalls discounted by the effective interest rate of the financial asset.

The Group considers a financial asset to have low credit risk when its credit rating is equivalent to the globally understood definition of 'investment grade'. The Group recognises ECLs for low credit risk financial asset as 12-month ECLs.

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 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.

(5) Write offs

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.

Diamond Building Products Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2022

(6) Interest

Interest income and expense is recognised in profit or loss using the effective interest method. 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.

(7) 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.

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 an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and asset positions at a bid price and liabilities and liability 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, the financial instrument is initially measured at fair value adjusted for the difference between the fair value on initial recognition and the transaction price and the difference is recognised in profit or loss immediately. However, for the fair value categorised as level 3, such difference is deferred and will be recognised in profit or loss on an appropriate basis over the life of the instrument or until the fair value level is transferred or the transaction is closed out.

(a) Carrying amounts and fair value

Most of financial assets and liabilities of the Group were short-term. The fair value of financial assets and liabilities is taken to approximate the carrying value as determined in the statement of financial position.

The fair value of long-term loan approximates the carrying amount due to its interest rate approximates the market interest rate.

(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



Diamond Building Products Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2022

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 19.

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 Group limits its exposure to credit risk from trade accounts receivable by establishing a maximum payment period of 120 days. Outstanding trade accounts receivable are regularly monitored by the Group. An impairment analysis is performed by the Group regularly. The provision rates of expected credit loss are based on days past due for individual trade accounts receivable to reflect differences between economic conditions in the past, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Information relevant to trade accounts receivable are disclosed in note 5.

(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 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.



Diamond Building Products Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2022

The following table shows 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.

Consolidated financial statements				
Contractual cash flows				
<i>At 31 December 2022</i>	Carrying amount	1 year or less (in thousand Baht)	More than 1 year but less than 5 years	Total
Non-derivative financial liabilities				
Short-term loans from financial institutions	526,000	526,000	-	526,000
Trade accounts payable	168,737	168,737	-	168,737
Long-term loan from financial institution	150,000	92,876	61,514	154,390
Lease liabilities	22,026	10,383	12,931	23,314
Total	866,763	797,996	74,445	872,441

Separate financial statements				
Contractual cash flows				
<i>At 31 December 2022</i>	Carrying amount	1 year or less (in thousand Baht)	More than 1 year but less than 5 years	Total
Non-derivative financial liabilities				
Short-term loans from financial institutions	526,000	526,000	-	526,000
Trade accounts payable	191,210	191,210	-	191,210
Long-term loan from financial institution	150,000	92,876	61,514	154,390
Lease liabilities	21,582	10,180	12,605	22,785
Total	888,792	820,266	74,119	894,385

Consolidated financial statements				
Contractual cash flows				
<i>At 31 December 2021</i>	Carrying amount	1 year or less (in thousand Baht)	More than 1 year but less than 5 years	Total
Non-derivative financial liabilities				
Short-term loans from financial institutions	442,000	442,000	-	442,000
Trade accounts payable	116,596	116,596	-	116,596
Long-term loan from financial institution	210,000	123,250	90,782	214,032
Lease liabilities	39,819	23,262	18,581	41,843
Total	808,415	705,108	109,363	814,471



Diamond Building Products Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2022

	Separate financial statements			
		Contractual cash flows		
<i>At 31 December 2021</i>	Carrying amount	1 year or less <i>(in thousand Baht)</i>	More than 1 year but less than 5 years	Total
<i>Non-derivative financial liabilities</i>				
Short-term loans from financial institutions	442,000	442,000	-	442,000
Trade accounts payable	218,062	218,062	-	218,062
Long-term loan from financial institution	210,000	123,250	90,782	214,032
Lease liabilities	39,755	23,232	18,527	41,759
Total	909,817	806,544	109,309	915,853

(b.3) Market risk

The Group is exposed to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is as follows:

(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.

<i>Exposure to foreign currency at 31 December</i>	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
United States Dollars				
Cash and cash equivalents	3,085	10,733	3,085	10,733
Trade accounts receivable	673	571	673	571
Other current receivables	21,778	23,771	21,778	23,771
Trade accounts payable	<u>(17,588)</u>	<u>(9,227)</u>	<u>(17,588)</u>	<u>(9,227)</u>
Net statement of financial position exposure	7,948	25,848	7,948	25,848
Forward exchange purchase contracts	<u>-</u>	<u>44,884</u>	<u>-</u>	<u>44,884</u>
Net exposure	7,948	70,732	7,948	70,732

Sensitivity analysis

A reasonably possible strengthening (weakening) of Thai Baht against all other foreign currencies at the reporting date would not have significantly affected the measurement of financial instruments denominated in a foreign currency.

Diamond Building Products Public Company Limited and its Subsidiary**Notes to the financial statements****For the year ended 31 December 2022****(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 (see note 13) are mainly fixed. So the Group has low interest rate risk. The sensitivity impact to the increase or decrease in interest expenses from borrowings, as a result of changes in interest rates is immaterial on financial statements of the Group.

25 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 regularly monitors the return on capital, by evaluating result from operating activities divided by total shareholders' equity and also monitors the level of dividends to ordinary shareholders.

26 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<i>Capital commitments</i>				
Agreements of construction and acquisition of machinery and equipment	186,330	21,133	185,894	21,046
Total	186,330	21,133	185,894	21,046
<i>Other commitments</i>				
Short-term leases and leases of low-value assets commitments	920	1,166	920	1,166
Unused letters of credit	456,843	410,255	456,843	410,255
Forward exchange purchase contracts	-	44,884	-	44,884
Bank guarantees	1,709	3,109	1,163	2,563
Total	459,472	459,414	458,926	458,868

Operating lease agreements

As at 31 December 2022, the Group has lease agreements for office space and other services for the periods of 1 year to 5 years up to December 2023 at the agreed amount stipulated in the agreements.



ATTACHMENT

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, 2022)



(1) Mr. Prakit Pradipasen

Age 80 Years / Nationality : Thai

Shareholding in the Company as of
Year 2021 : 2022 = 1.78% : 1.70%
of the paid-up capital and total
voting rights.

Position

- Chairman : Started from January 9, 2003, totaling 19 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 Energy
2000 – Present	Independent Director and Audit Committee	Susco Plc.	& Utilities
2000 – Present	Independent Director and Audit Committee Chairman	Hardthip PCL	Food & Beverage
Companies (Not listed companies)			
2019 – Present	Chairman	American University Alumni Association Language center	Teach English
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	Anghong 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



(2) Mr. Chaikut Srivikorn

Age 56 Years / Nationality : Thai

Shareholding in the Company as of
Year 2021 : 2022 = 1.03% : 1.03%
of the paid-up capital and total
voting rights.

Position

- Director : Started from January 20, 2003, totaling 19 years
- Nomination and Remuneration Committee Chairman :
Start from February 26, 2007, totaling 15 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
- Year 2021 Ethical Leadership Program
- Year 2022 What Directors need to Know about Digital Assets

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
2013 – Present	Director	CPanel Public Co., Ltd.	Manufacturing Precast
2012 – Present	Chairman	Action Perfect Co., Ltd.	Retail Business focusing in Sport, Travel & Life Style
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.	Retail Business focusing in Sport, Travel & Life Style
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



(3) Mr. Thanit Pulivekin

Age 72 Years / Nationality : Thai

Shareholding in the Company as of
Year 2021 : 2022 = - None -

Position

- Independent Director : Started from April 24, 2013, totaling 9 years
- Audit Committee Member : Started from April 29, 2013, totaling 9 years
- Corporate Governance Committee Chairman : Started from November 5, 2013, totaling 9 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
- Year 2022 What Directors Need to Know about Digital Assets

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) Mr. Sakda Maneeratchatchai

Age 78 Years / Nationality : Thai

Shareholding in the Company as of
Year 2021 : 2022 = 0.48% : 0.48%
of the paid-up capital and total
voting rights.

Position

- Independent Director : Started from April 17, 2009, totaling 13 years
- Audit Committee Chairman : Started from April 29, 2013, totaling 9 years

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

Education

- Bachelor of Electrical Engineering, FEATI University, Philippines

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 69 Years / Nationality : Thai

Shareholding in the Company as of
Year 2021 : 2022 = 0.27% : 0.27%
of the paid-up capital and total
voting rights.

Position

- Independent Director : Started from January 10, 2005, totaling 17 years
- Audit Committee Member : Started from January 10, 2005, totaling 17 years
- Nomination and Remuneration Committee Member : Started from February 26, 2007, totaling 15 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 and Nomination and Remuneration Committee Member	Thai Agro Energy Plc.	Energy & Utilities
1985 – Present	Director, Risk Management Committee Chairman, Nomination and Remuneration Committee Member and Financial Advisor	Lanna Resources Plc.	Energy & Utilities
2012 – 2018	Independent Director and Audit Committee Chairman	TCM Corporation Plc.	Construction Materials
Companies (Not listed companies)			
2020 – Present	Director	SRT Power Pellet Co., Ltd.	Energy & Utilities
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



(6) Mr. Woodthikrai Soatthiyanon

Age 69 Years / Nationality : Thai

Shareholding in the Company as of
Year 2021 : 2022 = - None -

Position

- Independent Director : Started from January 12, 2011, totaling 11 years
- Corporate Governance Committee Member: Started from November 5, 2013, totaling 9 years

Trainings of the Thai Institute of Directors (IOD)

- Year 2011 Director Accreditation Program
- Year 2021 Ethical Leadership Program
- Year 2022 Subsidiary Governance Program

Education

- LL.B., Ramkhamhang University
- Thai Barrister at Law
- Master of Public and Private Management, School of Public Administration, National Institute of Development Administration

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 70 Years / Nationality : Thai

Shareholding in the Company as of
Year 2021 : 2022 = 0.12% : 0.12%
of the paid-up capital and total
voting rights.

Position

- Director : Started from January 1, 2007, totaling 15 years
- Production Technology and Innovation Committee Chairman : Started from January 1, 2018, totaling 5 years
- Directors authorized to sign on behalf of the Company

Trainings of the Thai Institute of Directors (IOD)

- Year 2007 Director Accreditation Program
- Year 2009 Financial Statements for Directors

Education

- Bachelor of Science (Chemistry), Chiang Mai University
- Master of Management, Sasin Graduate Institute of Business Administration, Chulalongkorn University

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 62 Years / Nationality : Thai

Shareholding in the Company as of
Year 2021 : 2022 = 1.05% : 1.05%
of the paid-up capital and total
voting rights.

Position

- Director : Started from January 24, 2000, totaling 22 years
- Chief Executive Officer : Started from January 1, 2018, totaling 5 years
- Management Committee Chairman : Started from January 1, 2018, totaling 5 years
- Production Technology and Innovation Committee Member : Started from January 1, 2018, totaling 5 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. Warayu Pradipasen

Age 45 Years / Nationality : Thai

Shareholding in the Company as of
Year 2021 : 2022 = 0.02% : 0.08%
of the paid-up capital and total
voting rights.

Position

- Director : Started from November 5, 2015, totaling 7 years
- Corporate Governance Committee Member : Started from January 30, 2018, totaling 4 years

Trainings of the Thai Institute of Directors (IOD)

- Year 2016 Director Accreditation Program
- Year 2020 Financial Statements for Directors

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

Work Experience

Time	Position	Company	Type of Business
Listed Companies : - None -			
Companies (Not listed companies)			
2021 – Present	Director, Strategy & Planning Division	Office of the Permanent Secretary	Government Organization
2019 – 2021	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 Development Group	Office of the Permanent Secretary	Government Organization
2014 – 2015	Senior Analyst	Office of the Permanent Secretary	Government Organization



(10) Mr. Chatchai Teepsuwan

Age 53 Years / Nationality : Thai

Shareholding in the Company as of
Year 2021 : 2022 = - None -

Position

- Director : Started from April 25, 2016, totaling 7 years
- Nomination and Remuneration Committee Member :
Started from January 30, 2018, totaling 4 years

Trainings of the Thai Institute of Directors (IOD)

- Year 2016 Director Certification Program

Education

- MBA, Graduate Institute of Business Administration (SASIN)
- BA, Boston University, Boston, Mass. USA

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



(11) Mr. Kamolaphat Teepsuwan

Age 54 Years / Nationality : Thai

Shareholding in the Company as of
Year 2021 : 2022 = - None -

Position

- Director : Started from January 29, 2018, totaling 4 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



(12) Mr. Sunthorn Suwannajade

Age 59 Years / Nationality : Thai

Shareholding in the Company as of
Year 2021 : 2022 = 0.02% : 0.02%
of the paid-up capital and total
voting rights.

Position

- Director : Started from April 22, 2022, totaling 1 years
- Management Committee Member : Started from July 1, 2019, totaling 3 year
- Production Technology and Innovation Committee Member : Started from January 1, 2022, totaling 1 years
- Assistant Chief Executive Officer Production and Engineering : Started from July 1, 2019, totaling 3 year
- Directors authorized to sign on behalf of the Company and Subsidiary Company

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)

- Year 2022 Director Accreditation Program
- Year 2022 Risk Management Program for Corporate Leaders

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



(13) Ms. Peachayanant Lorvorlak

Age 45 Years / Nationality : Thai

Shareholding in the Company as of
Year 2021 : 2022 = 0.01% : 0.01%
 of the paid-up capital and total
 voting rights.

Position

- Management Committee Member : Started from July 1, 2019, totaling 3 year
- Production Technology and Innovation Committee Member : Started from January 1, 2022, totaling 1 years
- Assistant Chief Executive Officer Sales and Marketing : Started from July 1, 2019, totaling 3 year
- Directors authorized to sign on behalf of the Subsidiary Company

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 Division Manager (Senior)	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 56 Years / Nationality : Thai

Shareholding in the Company as of
Year 2021 : 2022 = 0.05% : 0.05%
of the paid-up capital and total
voting rights.

Position

- Management Committee Member : Started from February 1, 2021, totaling 2 year
- Production Technology and Innovation Committee Member : Started from January 1, 2022, totaling 1 years
- Person Supervising Accounting : Started from March 20, 2007, totaling 15 year
- Assistant Chief Executive Officer Central Management : Started from February 1, 2021, totaling 2 year
- The Person Taking the Highest Responsibility in Accounting and Finance : Started from March 19, 2021, totaling 15 year
- Company Secretary : Started from January 1, 2022, totaling 1 year
- Directors authorized to sign on behalf of the Subsidiary Company

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)
- Year 2021 Ethical Leadership Program

Continuous Development on Accounting Knowledge

- Year 2022: Corporate Governance Audit from the Federation of Accounting Professions Under the Royal Patronage, amount 6 hours.
- Year 2022: Corporate Finance Class 3/2023 from the Federation of Accounting Professions Under the Royal Patronage, amount 6 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



(15) Mr. Kamchub Vatanatham

Age 51 Years / Nationality : Thai

Shareholding in the Company as of
Year 2021 : 2022 = - None -

Position

- Division Manager (Senior) Sales and Marketing : Started from February 1, 2021, totaling 2 year

Trainings of the Thai Institute of Directors (IOD)

- None -

Education

- MBA – FINANCE : MERCER UNIVERSITY (ATLANTA), GEORGIA, USA
- BBA – FINANCE & BANKING : ASSUMPTION UNIVERSITY

Work Experience

Time	Position	Company	Type of Business
Listed Companies			
2015 - 2020	Last position as Sales Manager	Diamond Building Products Plc.	Construction Materials

Companies (Not listed companies) : - None -



(16) Mr. Somkuan Sittichoketum

Age 55 Years / Nationality : Thai

Shareholding in the Company as of
Year 2021 : 2022 = 0.001% : 0.001%
of the paid-up capital and total voting
rights.

Position

- Division Manager (Senior) Production and Engineering : - None -
Started from February 1, 2021, totaling 2 year

Trainings of the Thai Institute of Directors (IOD)

Education

- Master's degree in Public and Private Management,
National Institute of Development Administration
- Bachelor of Engineering, Khon Kaen University

Work Experience

Time	Position	Company	Type of Business
Listed Companies			
2006 - 2020	Last position as Manager of Concrete Tile Production Division	Diamond Building Products Plc.	Construction Materials

Companies (Not listed companies) : - None -



(17) Mr. Songkran Suwanmak

Age 56 Years / Nationality : Thai

Shareholding in the Company as of
Year 2021 : 2022 = - None -

Position

- Division Manager (Senior) Central Management :
Started from February 1, 2021, totaling 2 year

Trainings of the Thai Institute of Directors (IOD)

- None -

Education

- Bachelor's degree in Engineering (Mechanical Engineering), Rajamangala University of Technology
- Master's degree in Economics (Business Economics), Kasetsart University

Work Experience

Time	Position	Company	Type of Business
Listed Companies			
1996 - 2020	Last position as Manager	Diamond Building Products Plc.	Construction Materials

Companies (Not listed companies) : - None -



(18) Mr. Seree Saengmark

Age 56 Years / Nationality : Thai

Shareholding in the Company as of
Year 2021 : 2022 = - None -

Position

- Division Manager (Senior) Production and Engineering : - None -
Started from February 1, 2021, totaling 2 year

Trainings of the Thai Institute of Directors (IOD)

Education

- Bachelor's degree in Engineering (Electrical Engineering),
Rajamangala University of Technology
- Master's degree in Economics (Business Economics),
Kasetsart University

Work Experience

Time	Position	Company	Type of Business
Listed Companies			
2017 - 2020	Last position as Engineering and Maintenance Division Manager	Diamond Building Products Plc.	Construction Materials

Companies (Not listed companies) : - None -



ATTACHMENT 2 DETAILS ON THE DIRECTORS OF THE SUBSIDIARY COMPANY

POSITION INFORMATION (AS AT DECEMBER 31, 2022)

(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. Chatchai Teepsuwan	B, G		B			B	B	B
11) Mr. Woodthikrai Soatthiyanon	C, K							
12) Mr. Sunthorn Suwannajade	B, N, H	B						
13) Ms. Peachayanant Lorvoralak	N, H	B						
14) Mr. Krit Kullertprasert	N, H, I	B						

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



(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, 2022)

(1) DIRECTORS AND EXECUTIVES

Directors and Executives			Subsidiary Company		Related Companies				
	Company		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 *	14,539,500	1.70	-	25.11	-	-	-	-	-
2) Mr. Chaikut Srivikorn	8,766,200	1.03	-	40.00	-	-	-	-	-
3) Mr. Warayu Pradipasen	710,000	0.08	-	-	-	-	-	-	-
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. Chatchai Teepsuwan	-	-	-	-	-	-	10.50	-	-
11) Mr. Woodthikrai Soatthiyanon	-	-	-	-	-	-	-	-	-
12) Mr. Sunthorn Suwannajade	150,000	0.02	-	-	-	-	-	-	-
13) Ms. Peachayanant Lorvoralak	125,000	0.01	-	-	-	-	-	-	-
14) Mr. Krit Kullertprasert	420,000	0.05	-	-	-	-	-	-	-
15) Mr. Somkuan Sittichoketum	6,500	0.001	-	-	-	-	-	-	-
16) Mr. Seree Saengmark	-	-	-	-	-	-	-	-	-
17) Mr. Kamchub Vatanatham	-	-	-	-	-	-	-	-	-
18) Mr. Songkran Suwanmak	-	-	-	-	-	-	-	-	-

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

(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 0.04 percent of the Company shares.



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
 - Fraud Audit, fraud investigation
 - 10 key points about PDPA according to ISO/IEC 27701, ISACA and IAPP
 - 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 annual 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 writing audit to explain objectives, the scope of the audit, findings, and suggestions for improvement of the audited agency, along with specifying the scheduled completion date for the Chief Executive Officer, executives of the departments being audited, and the Audit Committee. Suppose the auditor has an opinion that does not match what the internal auditor finds. In that case, the auditor's opinion shall be reported in the report for the Chief Executive Officer to consider and order.

(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.

(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 2022, 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	: August 16, 2022

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.

ATTACHMENT 6 MISCELLANEOUS

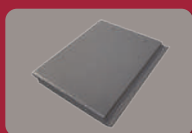


FUNCTION x FASHION

สวຍกรบเซต ตราเพชรทั้งหลัง



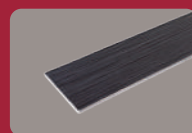
กระเบื้อง CT เวนิส



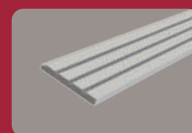
กระเบื้องดามัส



เซิงชายพลัส



ไมฟา



ไม้ตากแต่งเซาะร่อง



DIAMOND CAFE

“

TO BE A BETTER CHOICE FOR
CONSTRUCTION MATERIALS AND
SERVICE

”

Head Office :

📍 69-70 Moo 1, Mitraphap Road,
Km. 115, Tambon Talingchan,
Amphur Muang, Saraburi
18000

☎ 0 3622 4171-8

📠 0 3622 4187

Branch Office 1 :

📍 408/163-165, Phaholyothin
Place Bldg., 40th Floor,
Phaholyothin Road,
Samsennai, Phayathai,
Bangkok 10400

☎ 0 2619 0742

📠 0 2619 0488

Branch Office 2 :

📍 269 Moo 3, Tambon Samran,
Amphur Muang, Khon Kaen
40000

☎ 0 4339 3390-1

Branch Office 3 :

📍 169-170 Moo 4, Mitraphap
Road, Tambon Tan Diao,
Amphur Kaengkhroi,
Saraburi 18110

☎ 0 3622 4171-8 Ext. 401-420



www.dbp.co.th