

Good Corporate Governance

Corporate Governance Policy

The Board of Directors intends to supervise by adhering to the principles of good corporate governance as well as realizes the benefits and importance of good corporate governance. This contributes to the efficiency, transparency and accountability of management and operation which resulting in improving the Company's competitiveness and increasing economic value for shareholders in long term as well. Therefore, the Board of Directors and the management team have established a written policy on the principles of good corporate governance and have already approved this policy with details as follows.

1. To consider shareholders rights and to grant rights to shareholders in various matters, such as the right to propose an agenda for the shareholders' meeting in advance or the right to nominate persons to be elected as directors in advance, etc., as well as not to violate or deprive the rights of shareholders.
2. To treat shareholders, investors, stakeholders and all relevant persons equally and fairly to all parties.
3. To disclose information to shareholders, investors, stakeholders and all relevant persons correctly, adequately, equally and within the specified period through appropriate channels so that the shareholders and other relevant persons are able to access information conveniently, such as through the Company's website, etc.
4. To perform duties and responsibilities of the Board of Directors in supervising and managing with honesty, morality, prudence and carefulness in order to achieve the Company's goals, to gain the maximum benefit to the Company and shareholders as well as to prevent any conflicts of interest.
5. To manage with transparency under of internal control system and audits.
6. To control and manage risks to be in appropriate level to the Company's business operations.
7. To conduct business with honesty under the legal framework and business ethical framework.

Through the year 2020, the Board of Directors has perpetuated the intentions to enhance the Good Corporate Governance ("CG") in accordance with the international standards. The Board of Directors therefore applied the CG Self-Assessment for developing the Company's governance system under the CG established by The Stock Exchange of Thailand (SET). The purposes of this are for the most efficiency of management system including priority given to the shareholders' rights, equal treatment to shareholders, stakeholders' roles, data disclosure and transparency, and responsibilities of the Board of Directors. All those are for protecting the shareholders' interest.

In this connection, the Board of Directors has acknowledged the Corporate Governance Code for Listed Companies 2017 ("CG Code") and was well awarded of the governing body to create value for sustainable business including reviewing, policy assessing and the implementation in relation to the Company's corporate governance and each CG Code. The Board of Directors has assigned the Corporate Governance and Risk Management Committee or Company secretary to amend CG policy and Ethics of the Company as well as the directions in compliance with CG Code and adaptable to the rapid change of CG development.

In the year 2020, the Company's CG practices were divided into 5 parts, as follows:

Part 1 Shareholders' Rights

1.1 CG on Shareholders' Right Protection Policy

The Company's Board of Directors formulates the shareholders' right protection policy in writing in 2006. The policy emphasizes on allowing shareholders to have equal rights to have access to the Company's operational performance; and to participate in important decisions making, as well as protecting, promoting, encouraging but not to infringe shareholders' rights. The policies are as follows:

Policy on shareholders' right protection

1. The Board of Directors is responsible for protecting and respecting basic rights of the Company's shareholders, such as right to purchase, sell or transfer shares, right to the Company's profit sharing; right to obtain sufficient information about the Company's operation, right to attend the shareholders' meeting to appoint or terminate directors and independent auditors, allocate dividend payment, formulate or amend the provisions or Memorandum of Association, approve capital increase or decrease, and special items, etc.
2. The Board of Directors has duty to promote and support shareholders to exercise their rights in various areas at the Annual General Shareholders' Meeting, i.e. the right to propose meeting agenda in advance, the right to nominate persons as directors, the right to submit questions to the Company prior to the annual shareholders' meeting and the right to openly express opinions and ask questions at the shareholders' meeting, etc.
3. The Board of Directors shall not take any action which may violate or limit, or infringe the shareholders' right to study the Company's information that shall be disclosed according to the related requirements, and the right to attend shareholders' meeting; for example, not to distribute significant information document unexpectedly added, not to add agenda or amend the important data without advance notice to shareholders.
4. The Board of Directors has responsibility to facilitate the applying of the shareholders' rights such as giving the significant information updated via website, inviting the shareholders to visit factory, etc.

1.2 Allowing shareholders to study information prior to the shareholders' meeting

The Board of Directors and the Management have implemented the policy relating to shareholders' right that covers more the rights than those required by law, especially the right to general and significant information. At the Annual General Meeting of the Shareholders, the Company provided the shareholders with sufficient opportunity to study the information to the meeting date via the Company's website. Such information was also published in both Thai and English similar to the hard copy the Company submitted to shareholders.

1.3 Practice for shareholders prior to the shareholders' meeting, at the shareholders' meeting, and after the shareholders' meeting

To deliver to the documents of the Annual General Meeting of Shareholders ("Meeting"), the Company assigned the Thailand Securities Depository Company Limited (TSD), which is the Company's share registrar, to distribute the invitation to the Meeting to all shareholders 14 days prior to the Meeting date in order to provide shareholders with sufficient time to study the information. Such delivery period of meeting documents was more than that specified by the applicable laws.

At the Meeting, the Company facilitated shareholders to exercise their rights to attend the meeting by implementing a barcode system for registration and vote counting, as well as providing

the revenue stamps for proxy authorization. The label of registered shareholder was provided for access convenience while meeting, without time loss to recheck their documents.

In addition, at the Meeting, for the purpose of transparency and good corporate governance imposed by Securities and Exchange Commission Thailand (SEC), the Company has invited shareholders to witness the vote-counting. There were no shareholders volunteered. In this regards, Mr. Charupat Boon-Long, Legal Advisor, Baker & McKenzie Ltd. was assigned to witness the vote-counting.

Furthermore, the Company has informed the Meeting the number and ratio of attending shareholders either by themselves or by appointment of proxies, the procedures of vote-casting, vote-counting, including notification of voting result.

After the General Meeting of the Shareholders, the Company compiled the document, including agenda, meeting resolutions, voting results, questions and shareholders' opinion expressed at the meeting, so as to provide "The minutes of Annual General Meeting of the Shareholders for publishing on the Company's website is in compliance with the regulations of SEC and SET.

The Company held the 2020 Annual General Meeting of Shareholders held on 27 July 2020. In this regards, the Company provided upon requested the video of meeting atmosphere in soft file for publishing on the Company's website for shareholders who could not attend the meeting, apart from the minutes publicized in the channel of SET and the Company's website.

1.4 Preventing limitation of shareholders' rights to general information and information technology

Through publishing all information on the Company's website prior to the Annual General Meeting of the Shareholders, the Company's Board of Directors supported and not to infringe the shareholders' rights exercise while the Company did not distribute additional document containing significant information during the meeting, or add or change meeting agenda or amend significant information without advance notice. There has been no complaint from shareholders on this case.

1.5 Facilitating shareholders to exercise rights

The Company facilitated the shareholders and shareholders' proxy to register attending the meeting by implementing a barcode system for registration and vote counting as well as distributing voting ballots to the shareholders before meeting.

The Company clearly stated shareholders' meeting rules and process in the meeting invitation. The moderator of the meeting also informed the attending shareholders of the rule and voting process at the meeting. The shareholders' meeting minutes also included a record that the meeting was informed of the rules and voting process.

Moreover, the Company invited its shareholders to exercise their right to visit its factory. Regularly, the Company updates current information and data published on its website.

1.6 Providing time and opportunity for shareholders to express their opinions

The Chairman of the Board of Directors asked the meeting at the end of each agenda whether the shareholders ask questions related to the meeting agenda or related to the Company, whereby they could openly express their opinion. Any questions related to the meeting agenda or the Company together with shareholders' opinion as well as the answers or clarification made by the Board of Directors or the Company's management, were entirely recorded in the minutes.

The Company provided recording sound of the shareholders' meeting, and disclosed the significant matters arising during the meeting in the meeting minutes for reference in the future and enables shareholders who could not attend the meeting to follow up the meeting particulars.

1.7 Directors to attend the shareholders' meeting

With fully respect of shareholders' right, the attendance of all 11 Directors, including Chief Executive Officer, and Chief Financial Officer, comprised 12 persons attended the 2020 Annual General Meeting of Shareholders.

Part 2 Equitable treatment towards shareholders

2.1 Policy on facilitating the minor shareholders

The Board of Directors respected the equitable treatment to shareholders, and therefore the facilitation policy for minor shareholders was set as follows:

Policy on facilitating the minor shareholders

1. The Board of Directors has the duties to respect the shareholders' rights and treat them equally.
2. The Board of Directors has the duties to encourage and support the shareholders to exercise their rights in any respects for the annual general meeting of shareholders such as proposing an issue in the agenda in advance, nominating a person to be selectively director in advance, and submitting questions prior to the meeting, etc.
3. The Board of Directors has the duties to assist the shareholders in any respects such as supporting the shareholders to study information before making decision. For the voting, the Company supports the shareholders to authorize proxies by offering alternatives at least one independent director for the shareholders to authorize as their proxies.

2.2 Criteria to provide the minor shareholders the opportunity to propose in advance an issue in the agenda of the shareholders' meeting

The Company allowed and assisted any shareholders to propose in advance an issue in the meeting agenda by providing the consideration criteria published via the data system of SET and the Company's website prior to the Annual General Meeting of Shareholders. The Board of Directors' Secretary was assigned to compile the meeting agenda and submitted to the independent directors for consideration. Basically, if the independent directors viewed such issue as proper, they shall propose to the Board of Directors. The criteria of proposing the agenda of the Annual General Meeting of Shareholders were the followings:

1. The qualifications of shareholders entitled to propose issue for the annual general meeting of shareholders agenda shall be the shareholder holding not exceeding 0.5% of the total voting shares of the Company, maybe a sole shareholder or combined shareholders, holding continuingly such shares not less than 12 months from the holding date to the proposal date.
2. An issue shall be proposed through the "Agenda Proposal Form for the Annual General Meeting of Shareholders with related complete and entire documents, to be submitted to the Company.
3. For an efficient AGM, the Company reserves its right not to include the following matters as the meeting agenda:
 - 1) Matters proposed by shareholders who are not qualified or do not follow the procedures set forth by the Company in the criteria for shareholders to propose the Agenda of AGM.
 - 2) Matters as stipulated by laws for consideration at AGM, which have been pursued regularly by the Company.
 - 3) Matters relating to a normal course of business of the Company and matters already undertaken by the Company.

- 4) Matters under the Company's management authority except ones causing material impacts on shareholders in general.
 - 5) Matters that shareholders already proposed in AGM within the past 12 months, and those under support by less than 10% of total voting shares, given that the factual events have not changed significantly.
 - 6) Matters unlikely to benefit the Company and matters previously submitted for consideration by other shareholders.
 - 7) Matters that violate applicable laws, rules, regulations of the government agencies or regulatory or involved agencies, or actions not in compliance with the objectives, Articles of Association and Statement of Business Conducts of the Company.
 - 8) Matters that are beyond the authority of the Company.
4. The Company's independent directors considered and screened the issues proposed by shareholders prior to submit to the Board of Directors. The Company would notify the consideration result after the meeting of the Board of Directors. The approved issues would be included in the agenda attached to the invitation to the Annual General Meeting of Shareholders

2.3 Consider not to add an issue in the shareholders' meeting agenda

The Board of Directors complied with the policy on monitoring the shareholders' rights. In the General Meeting of shareholders, the Board of Directors strictly conducted the meeting in line with the agenda and did not distribute any additional documents suddenly, or add any issue in the agenda or change any significant information without advance notice.

2.4 Criteria to provide the minor shareholders to nominate person for director position

The Company allowed and assisted any shareholders to nominate in advance qualified person for director position by providing the consideration criteria published via the data system of SET and the Company's website prior to the Annual General Meeting of Shareholders. The Board of Directors' Secretary was assigned to compile the accompanied information of the nominee's qualifications as well as his/her consent, and then submitted to the Nomination Committee to consider the qualifications of person nominated by the minor shareholders in accordance with the Company's nomination procedure. Generally, if the Nomination Committee viewed such person nominated as proper, it shall propose to the Board of Directors to consider and propose to the Annual General Meeting of Shareholders. The Criteria for the Nomination of Candidate for Directorship in the Annual General Meeting of Shareholders (AGM) Agenda are as follows:

1. Qualification of shareholder who has the right to nominate a qualified person as a candidate for the Company's directorship election must be the Company's shareholder holding continuously minimum of five percent of the total shares issued by the Company by one shareholder or several shareholders combined and shareholders must have held those shares continuously for at least 12 months by the date the shareholder nominates a qualified candidate.
2. Nomination of a qualified person as candidate for directorship, shareholder must fill out the following forms:
 - 1) Form Nominated Qualified Candidate for Directorship in AGM
 - 2) Form Personal Data on Qualified Candidate for Directorship in AGM
 - 3) Letter of Consent from the Nominated Candidate for Directorship in AGM

Together with other completed supplementary documents as required.

3. Candidate must have the qualifications in compliance with related laws and regulations as follows: Securities and Stock Exchange Commission, Thailand, The Stock Exchange of Thailand, The Public Company Limited Act, B.E. 2535 and the Company's Articles of Association.
4. The above nominated candidate, together with complete supplementary documents, as required shall be scrutinized by the Nomination Committee according to the Nomination Process of the Company, before further submission to the Board of Directors for consideration. The Company will notify the Board of Directors' (BOD) resolution after the BOD Meeting.

2.5 Encouraging the shareholders to use the Proxy Form

The Board of Directors encouraged the shareholders to use the Proxy Form in voting APPROVE, DISAPPROVE, ABSTAIN by providing the Proxy Form B. Besides, the Company provided the shareholders with the Proxy Form A (general Proxy Form) and the Proxy Form C (only for custodian) published on the website 14 days prior to the meeting date for download.

2.6 Encouraging the shareholders to vote

The Board of Directors provided convenience for shareholders who could not attend the meeting but wish to exercise their voting rights by allowing them to assign proxy. The Company arranged independent director to attend the meeting and vote on behalf of the shareholders. Shareholders can appoint one of the two independent directors as their proxy.

2.7 Giving the shareholders opportunity to exercise right to appoint individual director

The Board of Directors encouraged the shareholders to use their voting rights by providing and distributing voting ballots at the registration before meeting. Voting ballots were provided for each issue of the agenda, such as dividend payment approval, independent auditor remuneration, and individual director appointment. The vote counting was recorded in the minutes of each meeting for transparency and reference in case of objection later.

2.8 Measures to prevent directors, executives, and employees from using the internal information for own benefits

The Board of Directors stipulated the measures to prevent the directors, executives, and employees from using the internal information for their or others' benefits in the Code of Conduct covering the use of internal information for stock trading, the conflict of interest, and the confidentiality of information. The measures were notified through the business ethics, training, and the Company's website. Besides, the secretary of the Board of Directors was assigned to notify the rules in data disclosure and monitor that the Board of Directors and executives report their asset possession including the disclosure of the conflict of interest and connected transaction between directors and executives.

Part 3 Roles of stakeholders

3.1 Good Corporate Governance policy related to stakeholders

The Company respected and gave priority to all groups stakeholders' rights, not only particular to the applicable laws. In the past year, the Company newly considered indicating the stakeholders and established the additional policy and measure on monitoring the stakeholders in accordance with the Good Corporate Governance (CG) and CSR policy simultaneously adhered to conduct. The stakeholders of the Company shall be divided in 10 groups, as follows:

1. Employees and their families
2. Customers and creditors
3. Shareholders

4. Surrounding Community
5. Government Authorities
6. Suppliers and contractors
7. Analysts, Investors and Financial Institutions
8. Academics
9. Educational institutions
10. Mass media

The Board of Directors has established policies and measures for the treatment of stakeholders as follows;

3.1.1) Employees and their families

Employees and their families Treatment Policy

1. The Company provides compensation to employees based on fair performance consideration and measurable results, such as monthly salary, overtime income, production commission, life and health insurance, provident fund, etc.
2. The Company aims to continually promote and develop personnel to be knowledgeable and competent, such as providing trainings and seminars for executives and employees at all levels, etc.
3. The Company treats all employees with fairness and equality, such as the employee performance evaluation, the confidential resume and the use of employee welfares, etc.
4. The Company takes into account the rights of employees and provides opportunities for the employees to complain in the event that they do not receive fairness through various channels such as complaint boxes, human resources departments, etc. to take action to the matters.
5. The Company takes responsibility for maintaining work environment to be safe, hygienic and conducive to effective working, such as arranging cleaning activities (5S), setting up occupational health and safety department in order to control and take care of occupational health and safety of employees, etc.

3.1.2) Customers and Creditors

Customers Treatment Policy

1. The Company is responsible for building long-term relationships and cooperation with customers by adhering to honesty, trust and confidence on each other.
2. The Company has duty to achieve the highest customer satisfaction with responsibility, care, and giving priority to customers' problems and needs which requires all executives and employees to comply with the following measures;
 - 1) To adhere to presenting and delivering products that meet the quality standards as customer needs.
 - 2) To adhere to conditions as agreed with the customers at best.
 - 3) The price offering and trade terms for the customers in the same group shall be equal.

- 4) To provide accurate and truthful information to customers about the properties and quality of the manufactured products in order to build confidence and fairness to the Company's customers.
- 5) To be ready to answer customers' questions which includes handling complaints, giving advice and monitoring progress on various issues that has been notified from customers through the channels.

Customer Relations
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 88 PASO Tower, 18th Floor, Silom Road, Suriyawong, Bangrak, Bangkok 10500
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Creditors Treatment Policy

1. The Company is responsible for building relationships and treating creditors by adhering to honesty, trust and confidence on each other.
2. The Company has duty to take responsibility, pay attention and give importance to conditions as agreed with creditors at best.

3.1.3) Shareholders

Shareholders Treatment Policy

1. The Company has duty to protect and respect the basic rights of shareholders, namely; the right to purchase or transfer shares, the right to share in the profits of the enterprise and the right to receive sufficient business information. As well as, the right to attend the shareholders' meetings in order to appoint or remove directors, to appoint auditors, to allocate dividend, to prescribe or amend regulations or memorandum of association, to reduce capital or increase capital increase and to approve special items.
2. The Company shall promote and support the shareholders to exercise their rights in various matters at the annual general meeting of shareholders, namely; the right to propose agendas for the shareholders' meeting in advance, the right to nominate persons to be elected as directors in advance, the right to forward questions to the meeting prior to the meeting and the right to express opinions and raise questions to the meeting, etc. through various channels:

Compliance Department
G Steel Public Company Limited
 88 PASO Tower, 18th Floor, Silom Road, Suriyawong, Bangrak, Bangkok 10500
 Tel: +66(0) 2634-2222
 e-mail : compliance@gsteeel.com

3. The Company shall not take any action which violates or restricts the rights of shareholders.

3.1.4) Surrounding Community

Surrounding Community Treatment Policy

1. The Company and its employees shall adhere to conduct themselves as good citizens and to behave for the benefit of society and community.
2. The Company has duty to act in a friendly manner towards the surrounding community to the factory location and shall provide assistance to support the well-being of the community As well as, the Company shall take responsibility to manage solutions in case of problems resulting from the Company's operation fairly and equally.
3. The company shall foster and support beneficial activities to society and willingly cooperate with the government authorities and various agencies to sacrifice for the public good.

3.1.5) Government Authorities

Government Authorities Treatment Policy

1. The Company has duty to perform in accordance with related laws and regulations and also to achieve better practice and / or more than as required by laws and regulations.
2. The company shall support activities of government agencies on various occasion as appropriate.

3.1.6) Suppliers and Contractors

Suppliers and Contractors Treatment Policy

1. The Company is responsible for building good relationship with all suppliers and contractors.
2. The Company shall allow all suppliers and contractors to present products / services fairly by requiring all directors and employees involved with suppliers and contractors to comply with the following provisions;
 - 1) To cooperate with suppliers and contractors honestly and equally.
 - 2) To make consideration and decisions based on quality comparison and other conditions by taking into account of the short-term and long-term benefits of the Company.
 - 3) To maintain confidential information of suppliers and contractors. Any bribe or commission from the suppliers and contractors are prohibited. As well as the information or offer of any suppliers and contractor shall not be disclosed to the others both directly and indirectly.

3.1.7) Analysts, Investors and Financial Institutions

Analysts, Investors and Financial Institutions Treatment Policy

1. The Company provides an opportunity for analysts, investors and financial institutions to receive information on the Company's operations and future trends in performance as appropriate in accordance with the terms of laws and good corporate governance of information disclosure.
2. The Company will facilitate by providing investment advice of the Company to investors through all channels:

Investor Relations - IR
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88 PASO Tower, 18th Floor, Silom Road, Suriyawong, Bangrak, Bangkok 10500

Tel: +66(0) 2634-2222

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3.1.8) Academics

Academics Treatment Policy

1. The Company provides an opportunity for academics to acknowledge the Company operation process as well as to exchange knowledge for the academic benefits and researches which are beneficial to domestic industry.
2. The Company supports the participation in the study of technological usage to improve production processes of the Company's products and the joint studies to develop useful innovations for the development of the country, such as; machinery, manufacturing processes, etc.

3.1.9) Educational Institutions

Educational Institutions Treatment Policy

1. The Company will promote knowledge on technology and production processes to educational institutions by giving priority to schools and educational institutions nearby the surrounding community.
2. The Company will support the educational institution's activities as appropriate.

3.1.10) Mass Media

Mass Media Treatment Policy

1. The Company considers the rights and freedom of the mass media to disseminate information and news of the Company to public.
2. The Company will support the mass media's activities as appropriate.

3.2 Preventive Measures for the Use of Internal Information for Directors, Executives and Employees

The Board of Directors has established measures for directors, executives and employees to comply with for the use of internal information as follows:

1. The Company's secretary is responsible for informing the directors and executives to report their securities holdings in their own company, spouse and underage children as well as to report on changes in securities holding under Section 59 and penalties under Section 275 of the Securities and Exchange Companies Act B.E. 2535.
2. The Board of Directors recommends the directors, executives and employees who know internal information to avoid trading the Company's shares before the disclosure of material information including the Company's financial statements which has an impact on changes in securities prices to the public, that is one month before the disclosure of information, and may offend to the Securities and Exchange Act.

The Company has established preventive measures for directors and executives from using internal information for wrongful self-interests or others in the Code of Conduct for executives and employees as follows;

3.3 Preventive Measures for Conflicts of Interest for Executives and Employees

1. The executives and employees must not take any actions for exploitation or misappropriation of property which should belong to the Company or the customers.
2. The executives and employees should avoid any situations, personal activities and financial interests that may conflict with the duties of executives and employees.
3. In case of the positions, duties and responsibilities of executives and employees give direct and indirect benefits to oneself or their family members (spouse, parents, children, relatives) or acquaintances, that executives and employees should not be involved in making any operational decision and must notify supervisors immediately.
4. The Company will avoid delegating duties and responsibilities to executives and employees in the event that it may lead to a situation causing conflict of interest of the Company or contrary to the benefits of the customers
5. When the executives and employees involve in conducting external activities or holding external positions, such as being a director, consultant, representative, or being an employee in other organizations, such activities must not create a conflict of interest with the Company and the customers either directly or indirectly, must not cause any damage to the Company as well as must not affect the performance of duties of that person.
6. The executives and employees are prohibited from joining or taking a position in any other organization that conducts business in the same manner as the Company, conducts business that compete with the Company, or conducts business that may have conflict of interest with the Company.

The Board of Directors has received the information on interest transaction of the directors, executives and employees with the Company regularly.

3.4 Preventive Measures for violations against Stakeholder

The Company has established preventive measures for violations against Stakeholder as follows;

1. Employees and their families

Preventive Measures for violations against Employees and their families

At present, the Company has arranged the employees' compensation and welfare thoroughly as well as strictly follow the employee treatment policy. Moreover, the Company also arranges complaint boxes for receiving complaints and/or suggestions from employees as a channel to report complaints from employees who suffered from work.

In the past year, The Company has not received any complaint from employees for damage from violations.

2. Customers and Creditors

Preventive Measures for violations against Customers and Creditors

At present, the Company has taken care of customers according to the customer treatment policy and set up the Customer Service Department to serve as a complaint center from customers in case of they have problem and need help.

To prevent damage from violations against debtors and creditors, the executives will consider the qualifications of all debtors and creditors prior to the transaction in order to prevent the later occurrence of problems. The consideration based honesty and reliability.

In the past year, the Company has not received any complaint from customers and creditors for damages from violations.

3. Shareholders

Preventive Measures for violations against Shareholders

At present, the Company has taken actions to protect and take care of the basic rights of shareholders, both the right to receive media information and the right to attend the shareholders' meeting along with supporting the exercise of rights in addition to the law.

In this regard, the Company has assessed and followed up on actions to prevent damage from violations against shareholder from both internal organization assessment, which will be evaluated by the management team who supervises the right of shareholders, and external organization assessment from Quality Assessment Program (AGM Checklist), which is annually evaluated by the SEC, Thai Investors Association and the Association of Listed Companies.

For the past year, the Company has not received any complaint from shareholders for damages from violations and also no damage from other matters or complaints about the restriction or deprivation of rights.

4. Surrounding Community

Preventive Measures for violations against Surrounding Community

The Company has prevented damage from violations against surrounding community by following the surrounding community treatment policy in building good relations with the society and surrounding community as well as provide assistance and support for the well-being of the community.

Therefore, in the past, the Company has not received a complaint for the damage caused by violations against the surrounding community. However, if there is such a case occurred, the Company has set measures by assigning the human resources department to handle complaints directly and report to the management team for consideration and further actions.

5. Government Authorities

Preventive Measures for violations against Government Authorities

The Company has prevented the damage from non-compliance with laws and regulations by having the legal department to monitor the performance of all departments in the Company regularly in order to comply with the law.

Therefore, in the past, the Company has no case of non-compliance with laws and regulations

6. Suppliers and Contractors

Preventive Measures for violations against Suppliers and Contractors

The Company has prevented the damage from violations against suppliers and contractors by setting policy to build good relationship with all suppliers and contractors as well as treating them equally.

Therefore, in the past, the Company has no case of damage from this violations.

7. Analysts, Investors and Financial Institutions

Preventive Measures for violations against Analysts, Investors and Financial Institutions

The Company provides the opportunity for analysts, investors and financial institutions to receive information on the Company's operations and future trends in performance. In addition, the Company also provides investment advice through channels. Inquiries can be sent both via Investor Relations Tel. 02-634-2222 ext. 5954 and via the Company's website.

As a result, the Company has never received any complaint for the lack of information from analysts, investors and financial institutions.

8. Academics

Preventive Measures for violations against Academics

The Company has provided the opportunity for academics to visit the factory and has given information on methods, operational processes of the company's products production for academic benefits as well as has regularly cooperated with academics to study and improve production technologies.

Therefore, in the past, the Company has no case of damage from this violations.

9. Educational Institutions

Preventive Measures for violations against Educational Institutions

The Company has cooperated with educational institutions to provide the opportunities to visit the Company's factories and arrange lectures on technology and production processes to educational institutions as well as provide support for various activities consistently.

Therefore, in the past, the Company has no case of damage from this violations.

10. Mass Media

Preventive Measures for violations against Mass Media

The Company has strictly adhered to the policy of taking into account the rights and freedoms of the media in disseminating the Company's news to the public and has consistently provided support for various activities.

Therefore, in the past, the Company has no case of damage from this violations.

3.5 Stakeholder Engagement Mechanism

The Board of Directors has established the stakeholder engagement mechanism as follows:

1. The Company provides complaint and/or comment boxes which is prominently installed in front of the office and in front of the Company's factory.
2. The Company arranges public relations, such as outdoor advertising by the safety department and the human resources department will travel to publicize the environmental care in production process for the surrounding community to acknowledge and understand as well as asking for opinions from people in the community.
3. The Company provides channel to directly send suggestions to the directors through the Company's website on the topic of Investor.
4. The Company sends its representatives to visit the surrounding community every year.

3.6 Whistleblower Protection Mechanisms

The Board of Directors has established a channel for whistleblowing or complaints of acts that violate or fail to comply with the law, the principles of good corporate governance, the business ethics, the Company policies and regulations and actions that may imply corruption. All employees and third parties can report the matters through the complaint channels:

- **Internal Complaint**

Chanel 1

Internal Audit Department
Tel. 02-634-2222 ext. 1241, 1242
e-mail : IA@gsteel.com or Send mail to :
Internal Audit Department
G Steel Public Company Limited
88 PASO Tower, 18th Floor, Silom Road, Suriyawong,
Bangrak, Bangkok 10500

Chanel 2

Human Resource and Administration Department
Tel 038-869-323 ext. 4111
e-mail : HRA@gsteel.com or Send mail to :
Corruption Reporting Box at the front of Factory's entrance
and the front entrance door of Head-Office.

- **External Complaint**

Compliance Department
G Steel Public Company Limited
88 PASO Tower, 18th Floor, Silom Road, Suriyawong,
Bangrak, Bangkok 10500
Tel. 02-634-2222 ext. 5151, 1559
e-mail : compliance@gsteel.com

The Board of Directors has set up protection for whistleblowers by not disclosing but collecting information of the whistleblower confidentially and has set a process for actions after a whistleblower has reported an issue.

Part 4 Information disclosure and transparency

4.1 Results of the execution of good corporate governance policy

Last year, the Company accurately, adequately, timely and transparently disclosed the financial and non-financial information required by the SEC and SET through SET's online system and the Company's website. The Company has never been punished by the SEC or SET for not disclosing the information as required. Also, the Company regularly appraises the efficiency of information disclosure process and strictly follows the regulations.

Moreover, the Company published and regularly updated all significant information submitted to the SET and other current information on its website as well as provided all shareholders and stakeholders with such information both in Thai and English so as for equal access to the information.

4.2 Remuneration for the directors and the management

The Nomination and Remuneration Committee formulated the policy on remuneration for directors, Chief Executive Officer and top executives as follows;

Policy on remuneration for directors, Chief Executive Officer and top executives

1. Remuneration of the Company's directors, Chief Executive Officer and top executives shall be set in accordance with their duty, scope of responsibility, fairness and attractiveness, which should be compared to those for directors in other listed companies in the same industry and similar size, including the Company's performance, business surroundings, and overall economic conditions.
2. The Nomination and Remuneration Committee shall be responsible for initial consideration and propose for the approval of the Board of Directors and the Annual General Meeting of the Shareholders the maximum remuneration of the year, position remuneration and meeting allowance.
3. The Nomination and Remuneration Committee shall comply with the resolution of the Annual General Meeting of the Shareholders on the remuneration budget and details which are also disclosed in the annual report. The remuneration that the directors received from positions in other companies, such as consultancy fee, and directorship in the Company's subsidiaries shall also be disclosed.
4. Any director who currently holds management position in the Company and receives the remuneration in the forms of monthly salary will not be entitled to receive the remuneration.

The Nomination and Remuneration Committee proposed to the Board of Directors, and the Annual General Meeting of the Shareholders to approve the remunerations for the non-executive and non-employee directors as shown in Remuneration for Directors and the Management Chapter. Any director being the subsidiary's director shall not be entitled to take any remuneration from such subsidiary.

4.3 Board of Directors' Report

The Company provided the Board of Directors' responsibility report on financial statements together with the independent auditor's report, as published in the annual report under the Board of Directors' Responsibility towards financial statements.

4.4 Relationship with investors

The Company has a policy on significant information, including general information, to be disclosed properly, completely, reliably, sufficiently, timely, and transparently, including general information that may affect the Company's share price, assigning the Company's representative to communicate with the institute and individual investors as well as analysts and concerned government agencies. The Company's website is used as a channel to distribute all information, such as the information regarding the Company, business, financial information, news that may affect investment decision, reports submitted to the SET, the Company's activities, and shareholders' meeting details, in order to enable shareholders to keep updated of the Company's movement and information.

Part 5 The Board of Directors' Responsibilities

5.1 Policy on Good Corporate Governance

The Board of Directors intends to supervise by adhering to the principles of good corporate governance as well as realizes the benefits and importance of good corporate governance. This contributes to the efficiency, transparency and accountability of management and operation which resulting in improving the Company's competitiveness and increasing economic value for shareholders in long term as well. Therefore, the Board of Directors and the management team have established a written policy on the principles of good corporate governance and have already approved this policy with details as follows.

1. To consider shareholders rights and to grant rights to shareholders in various matters, such as the right to propose an agenda for the shareholders' meeting in advance or the right to nominate persons to be elected as directors in advance, etc., as well as not to violate or deprive the rights of shareholders.
2. To treat shareholders, investors, stakeholders and all relevant persons equally and fairly to all parties.
3. To disclose information to shareholders, investors, stakeholders and all relevant persons correctly, adequately, equally and within the specified period through appropriate channels so that the shareholders and other relevant persons are able to access information conveniently, such as through the Company's website, etc.
4. To perform duties and responsibilities of the Board of Directors in supervising and managing with honesty, morality, prudence and carefulness in order to achieve the Company's goals, to gain the maximum benefit to the Company and shareholders as well as to prevent any conflicts of interest.
5. To manage with transparency under of internal control system and audits.
6. To control and manage risks to be in appropriate level to the Company's business operations.
7. To conduct business with honesty under the legal framework and business ethical framework.

5.2 Structure of the Board of Directors

The Board of Directors consists of management directors, whose knowledge and ability can give in-depth commentary on the steel business and plan business strategies. While the independent directors and non-executive directors are versed in the overall industry, finance, banking, asset management, legal auditing and other business knowledge, which make the opinions expression at the Board of Directors' meetings be constructive. The consideration and decision making of the Board of Directors depend on the benefit of the Company as priority.

The Company seriously takes into account the balance of the management of the Board of Directors (Check and Balance). In addition, there is a clear diversity in the structure of the Board of Directors (Board Diversity). At present, the Board of Directors has various qualification of skills, experiences and talents that are beneficial to the Company. They also dedicate time and effort in performing duties in order to strengthen the Company to have a strong Board of Directors. The sub-committees has been appointed to support the Board of Directors to study the details, to monitor, to control operations and to screen the assigned business. The scope of duties and responsibilities are clearly defined. Currently, there are 5 sub-committees have been appointed with different roles and duties as detailed in the topic "Sub-committee".

The Board of Directors disclosed the list of the directors and committee members in terms of names, positions, age, education, shareholdings, work experience and relationship with the

Company's executives in various channels, including the annual report and the Company's website. There is no director holding directorships more than 5 listed companies. At a meeting of the Board of Directors, there must not be less than one half of the total number of directors present to form a quorum. In addition, the meeting schedule for year was provided to directors in advance annually in order for the directors' attendance availability.

5.3 Leadership and vision

The Board of Directors has strong leadership, vision and independence in making decision for the best benefit of the Company and its shareholders. Roles and responsibilities of the Board of Directors and the Management are clearly separated, i.e. the Management is responsible for compiling necessary information for the Board of Directors' consideration.

With a goal to ensure stable business with long-term sustainability and success, the Board of Director, in cooperation with the Management in reviewing and ensuring that vision and mission best address the changing environment, the business goals, business plan and budget are prepared by taking into consideration the maximum added value and long-term stability of the Company and its shareholders. The Board of Directors also directs the business and ensures that the business operation is efficiently executed by the Management.

The Board of Directors encourages good corporate governance within the organization and formulates good corporate governance practice, code of ethics, measures and approval procedure of connected transactions between the Company and related parties or persons who may have conflict of interest, as well as clearly separates the authority of shareholders from that of the Board of Directors, also that between the Board of Directors and the executives and other committees, in order to balance the power, and each other shall be independently examined.

5.4 Conflict of interest

The Board of Directors shall consider connected transactions that may cause conflict of interest between shareholders, directors and the Management, with best prudence, integrity, reasonableness and independence within good business ethic framework. It also discloses complete information for the best benefit of the Company. The Board of Directors shall strictly conform to the criteria and procedures or regulations set by SET whereby the Audit Committee shall provide information about the necessity and appropriateness of such transaction.

The Board of Directors has formulated measures and approval procedure of connected transactions between the Company and its subsidiaries or persons who may have conflict of interest. The persons who may have direct or indirect conflict of interest shall not be allowed to make decision on the matter. The Audit Committee is required to participate in the consideration and provide opinions on the necessity and reasonableness of the items proposed for the best benefits of the Company. The connected transactions are also required to be disclosed in the Notes to the Financial Statements prepared by using the generally accepted accounting principles published in the Annual Report.

5.5 Business ethics

The Board of Directors has prepared the Management and Employees' Code of Conduct for the Company's Management and employees to use as guideline in performing their duties and to strictly and consistently implement in terms of business operations, equitably with fair treatment towards stakeholders, including the matters related to conflict of interest, information confidentiality and possible fraudulent use of information, bribes, and gifts, including the anti-corruption. In this regard of the Code of Conduct, the Board of Directors assigned the Internal Audit Department to monitor and audit the implementation.

The Board of Directors itself shall monitor and ensure that the Company's business operation, directors' ability to perform their duties, the Management's operation, and employees' work are within ethical framework in addition to the Company's regulations and related laws.

The Board of Directors has also formulated a policy requiring directors, executives and employees who are involved with inside information to avoid or not trade the Company's shares 1 month before the significant information, such as financial information which may affect the Company's share prices, is disclosed to the public.

5.6 Power balance of non-executive directors

The structure of the Company's Board of Directors comprises the executive directors totaling 5 persons, 1 non-executive director, and 3 independent directors, totaling 9 persons. The balance of power by independent directors is 33.33 percent.

5.7 Combining or separating positions for a Balance of Management Power

The Board of Directors has clearly separated the scope of duties and responsibilities among the Board of Directors, Audit Committee, Nomination and Remuneration Committee, The Good Corporate Governance and Risk Management Committee, the Executive Committee, including the Chief Executive Officer. Moreover, the person who holds the position of the Chairman of the Board of Directors is determined to have no relationship with management team in order to prevent any executive from having unlimited power as well as to be able to review and balance the management.

5.8 Roles and responsibilities of the Board of Directors

In the past year, the Board of Directors reviewed and approved significant operational matters and directed the Management to efficiently implement the policies and plans, including to effectively managing the budget.

Further to the Board of Directors having stipulated and approved the written good corporate governance policy, a review is to be made at least once a year.

The Board of Directors provided and distributed the Code of Conduct in writing to the new directors, executives and employees; and reviewed other ethics for the existing directors, executives and employees to understand ethical standards applied to its business operation. The Board of Directors assigned the Internal Audit Department to closely monitor the execution of such Code of Conduct.

The Board of Directors, having carefully studied and considered conflict of interest and connected transactions which may cause conflict of interest to the Company taking into account the shareholders' best benefits, found none of such items.

The Board of Directors provided a financial statement control and regulations implementation. The Internal Audit Department independently performed its duty in monitoring the implementation of these regulations as well as the control measures. It is at least once a year to review such control.

The Roles and Responsibilities of the Board of Directors

The Company's Board of Directors has the power and duties in accordance with the law and resolutions of the shareholders' meeting. However, the board cannot approve or consider anything except by approval of the majority vote of the attending directors of the board meeting on the following matters:

1. Supervise and manage the operations of the Company in accordance with the law, regulations, policies against corruption and Articles of Association as well as a resolution of the shareholders' meeting, protect the interests of the Company and its shareholders on the basis

- of the principles of corporate governance and disclose sufficiently accurate, standardized and transparent to shareholders and related parties.
2. Define vision, mission and strategic direction of the Company, including review vision, mission and strategy regularly to ensure compliance with the Company's business plan.
 3. To consider and approve the budget and operations of the Company, including the use of company resources.
 4. The Board of Directors has the power to sell or mortgage any immovable property of the Company or lending any of the company's real estate over than 3 years old or give or compromise, or filed in any court, arbitrator, or both, under the enforcement of the public limited company law.
 5. Arrange a meeting of shareholders at the Annual General Meeting not later than 4 months after the year-end closing of the company and arrange Extraordinary General Meeting of Shareholders when it is needed.
 6. Ensure that the communication with shareholders and stakeholders of each company is appropriate.
 7. Provide accounting system, financial reporting and auditing as well as ensure that the system of internal control and internal audit is efficient and effective.
 8. Provide the statement of financial position, Cash Flow Statement and the income statement at the end of the accounting year of the Company, offer to the shareholders in the Annual General Meeting to consider and approve the Balance Sheet, Cash Flow Statement, and profit and loss statement. The Board of Directors shall arrange for the audit to be completed prior to submission to the Shareholders' Meeting.
 9. Provide financial reports and other information important to shareholders with accurate, complete and adequate with verification and monitoring data reports.
 10. Oversee and manage conflicts of interest that may arise in related party transaction.
 11. Establish a committee such as the Risk Management Committee, the Nomination and Remuneration Committee, Corporate Governance Committee, with monitoring and supervision.
 12. Provide guidelines for comprehensive risk management and the management systems or an effective process for managing risk to control and audit the preparation of financial controls, operational and regulatory performance including control and risk management.
 13. Ensure the Nomination and Remuneration Committee to be transparency and independence in performing their duties, taking into account the specifications as defined by the Company and according to the principles of good governance set by the Stock Exchange of Thailand.
 14. Provide supporting policy and promote the implementation of good corporate governance principles in the management and operation of the Board of Directors, the management and staff substantially to ensure the organization will be managed in a transparent and fair to all stakeholders supporting by anti-corruption policy in accordance with the principles of corporate governance to build confidence among shareholders, investors and stakeholders.
 15. The Board of Directors has the authority to appoint members of the board of directors to be Executive Committee to control the management of the Company. The Executive Committee shall report to the Board of Directors.

16. The Board of Directors has the authority to appoint any person as a Chief Executive Officer to manage the affairs of the Company under the control of the Board which can be withdrawn by the Board of Directors.
17. The Board of Directors must inform the Company without delay if there is an interest in a contract made by the Company, directly or indirectly, shares or debentures, increase or decrease in the Company or its affiliates.

However, in the case of any implementation on any matter that any directors or possible vested interests according to the notification of the Security and Exchange Commission (“SEC”) and/or the Stock Exchange of Thailand (“SET”) as stakeholders or conflict of interests, and the Company has designated it, so that director has no power to approve that matter. However, it is only for the overall benefit of the Company or the shareholders as priority.

5.9 The Board of Directors’ meeting

The Board of Directors convened at least 4 times a year and arranged the meeting in accordance with the Company’s Articles of Association, the Public Limited Company Act B.E. 2535, and SET’s regulations. The Chairman of the Board of Directors, in the capacity of the meeting chairman, would promote prudence in any consideration; provide sufficient time for the Management to present significant information and for directors to discuss the matter. Meeting minutes for every meeting was made for future reference and checking. It is the duty of the Board members to attend every meeting, except for a certain unavoidable case.

At the meeting of the Board of Directors of the end of the year 2019, the Company Secretary prepared meeting schedule for the year 2020 for the Board of Directors to be able to schedule their time for the meetings.

In considering the number of meetings, the Board of Directors considered the duty and responsibility of the Board of Directors. The Company Secretary shall prepare the whole year meeting agenda and matters to be considered in each meeting in order to provide sufficient detailed information for the Board of Directors. For example, in the March meeting, the Board of Directors shall approve the annual financial statements, and schedule the annual general shareholders’ meeting as well as set the date of the closing of the Company’s registration book to suspend the share transfer, while the meetings in May, August and December are scheduled for reviewing and approving financial statements for the first, second and third quarters, then the December meeting is organized to consider budget for the following year.

In each meeting, the Company Secretary provided the agenda and related information and distributed them to the directors for average 5 days prior to the meeting.

The meetings were strictly held in compliance with the Company’s rules and regulations, and the Public Limited Company Act B.E. 2535. The directors were given opportunity to discuss carefully the important problems. The Company Secretary attended the meeting and prepared the recording, so as for the minutes of the meeting, which included also the directors’ questions and recommendation in the meeting.

In each meeting, the Chairman of the Board of Directors would conduct the meeting, which was sufficient for the Management to present the matters for consideration and for the directors to carefully and equally discuss the important issues. The Chairman of the Board of Directors encouraged the attending directors to use their best consideration. The Chairman also asked whether there was any question or other opinion on each issue of the agenda in every meeting.

5.10 Remuneration for directors and executives

In 2020, The Nomination and Remuneration Committee resolved, in accordance with the scope of duty and responsibility assigned and at the same range as that offered to directors in listed companies of similar size and in the same industry, and also the Company's performance, business environment and economy as a whole, to propose to the Board of Directors and to the Shareholders in the Annual General Shareholders' Meeting to approve the total amount of the Directors' remuneration 2020 same as rates 2019 year.

5.11 Self-Assessment of the Board of Directors

For year 2020, the Company Secretary has prepared the "CG Self-Assessment", and submitted to individual directors for considering his/her achievement and for resolving problems individually, as well as for the work efficiency improvement.

5.12 Directors and executives development

The Board of Directors encouraged and provided the training courses to develop and educate the Company's directors and members of committees so as for the continuous improvement in performing their tasks.

The Company Secretary prepared Directors' guidebook with criteria on information disclosure, profile, shareholdings, changes in shareholding of directors, etc. and distributed to new directors. The secretary shall also invite new directors to visit the Company's plant to introduce to them the hot rolled coil business as well as the Company's business operations.

The Board of Directors has stipulated that the Management prepare a regular report for the Board of Directors to update on the development and succession plans in case they could not perform their duties.

The Board of Directors, in parallel to the succession plan, implemented the executive development plan by assigning the Management to report progress of executive development plan undertaken during the year.

In 2020, details of Directors and executive' attendance of training are as follows:

No.	Name and Position	Course	By Organization
1	Mr. Rajeev Jhawar Chief Financial Officer	E-learning CFO Orientation	The Stock Exchange of Thailand
2	Ms. Arttaya Sookto Company Secretary	Fundamentals for Corporate Secretaries 2020	Thai Listed Companies Association

Sub-committee

As at 31 December 2020, the Company's Management Structure consists of the Board of Directors and 5 sub-committees namely the Executive Committee, Audit Committee, Nomination and Remuneration Committee, Corporate Governance and Risk Management Committee and Strategic Steering Committee. Details of the Committee's scope of authorities and responsibilities are as follows;

1. Audit Committee

Audit Committee Member means persons appointed by The Board of Directors or the Company's Shareholders. The Audit Committee members must be independent directors and not to be directors assigned by the Board of Directors to make decision on business operations of the Company, parent companies, subsidiaries, joint venture, similar subsidiaries, or any juristic persons that may have conflict of interest. They must be neither the director of parent companies, subsidiaries,

joint venture, or similar subsidiaries. They must have qualifications and responsibilities as announced by the SEC and as per the SET's regulations on the qualifications and work scope of audit committee. They must also have sufficient knowledge and experience to review the reliability of the financial statements and perform other duties in the capacity as Audit Committee members.

In the year 2020, the Audit Committee has performed audit duties in reviewing the financial statements of the Company and its subsidiaries, reviewing the internal audit report from the Internal Audit Department on a monthly basis, including attending meeting with the auditors in determining guidelines for consideration of various matters. In addition, the Chairman of the Audit Committee will report a summary of important matters to the Board of Directors' meeting for acknowledgment and consideration by filling in the meeting agenda and also providing comment from acting through the report of the Audit Committee.

For the year 2020, the Audit Committee held a total of 13 meetings, the details of the meeting attendance of Members are as follows:

No.	Name	Number of Attendance
1.	Mr. Li* Zhong Yuan	12 / 13
2.	Mr. Christopher* Michael Nacson	11 / 11
3.	Dr. Chainarong* Monthienvichienchai	4 / 4

Remarks:

- 1) The Board of Directors' Meeting No. 2/2563 held on 2 March 2020, acknowledged the resignation of Mr. Teerapol Pussadet from being the Company's independent director and the Audit Committee member, with effect from 3 March 2020 onwards. Mr. Teerapol Pussadet attended the audit committee meeting during holding office of director 2 times out of 2 meetings
- 2) The Board of Directors' Meeting No. 10/2563 held on 11 August 2020, acknowledged the resignation of Asst. Prof. Dr. Teerachai Arunruangsiriler from being the Company's independent director and the Audit Committee member, with effect from 7 August 2020 onwards. Asst. Prof. Dr. Teerachai Arunruangsiriler attended the audit committee meeting during holding office of director 8 times out of 8 meetings
- 3) The Board of Directors' Meeting No. 2/2563 held on 2 March 2020 resolved to approve the appointment of Mr. Christopher Michael Nacson as an Audit Committee member, with effect from 3 March 2020 onwards.
- 4) The Board of Directors' Meeting No. 10/2563 held on 11 August 2020, resolved to approve the appointment of Dr. Chainarong Monthienvichienchai as an Audit Committee member, with effect from 11 August 2020 onwards.

*Member of the Audit Committee possessing the relevant knowledge and experience in finance and accounting, and able to review the credibility of the Financial Statements

Responsibilities of the Audit Committee

1. Internal Control And Internal Audit
 - 1.1 Review the Company's internal control system and internal audit system to ensure that it is suitable and effective.
 - 1.2 Review the independence of the Internal Audit Department.
 - 1.3 Consider and approve the annual audit plan of the Company together with the Internal Audit Department, including the budget used in the audit process taking into account the risks involved.
 - 1.4 Supervise the management to correct any defects found any follow up and correct the deficiencies to make the operation more efficient.

- 1.5 Review evidence if there is any doubt about the operation that may have significant impact on the organization or defective or there are conflicts of interest that may affect the operation or internal control system, and propose to the Board of Directors for further consideration.
- 1.6 Review the measures taken by the Company for countering the anti-corruption and bribe as part of good corporate governance.
- 1.7 Consider and approve the appointment, transfer, terminate of the chief internal audit.
- 1.8 Evaluate performance and approve wages bonus or other compensation of internal auditors.
- 1.9 Promote understanding among the Audit Committee, the Management, the Internal Audit Department and the Auditor in order to ensure a unified direction.
- 1.10 Review the scope of the audit with the Company's auditor to ensure consistency and mutual contribution.
2. Financial Statements and Disclosure
 - 2.1 Review the Company's financial reporting process to ensure that it is accurate and adequate.
 - 2.2 Review the connected transactions, or the transactions that may lead to conflicts of interest, to ensure that they are in compliance with the laws and the regulations of the SET, and are reasonable and for the highest benefit of the Company.
 - 2.3 Review the evidence if there is any doubt about the operation that may have a significant impact on the company's performance or conflicts of interest that may affect the operation of the Company.
3. External Auditor
 - 3.1 Consider, evaluate, select and propose the appointment of an independent person to appoint as the Company's auditor based on creditability, resource adequacy, workload of the audit firm and experience of auditor. In addition, in order to ensure the independence of the external auditor, the audit committee shall consider factors such as non-audit services that may conflict with the auditor's independence, efficiency and professionalism.
 - 3.2 Recommend the removal of the auditor due to lack of ability dereliction or malpractice.
 - 3.3 Attend the meeting with the auditor without the management attends the meeting at least once a year.
 - 3.4 Suggest that the auditor review or exam the items deemed necessary and it is important during the audit of the Company.
 - 3.5 Review the work of accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audits, review or attest services for the Company (including resolution of disagreements between management and the auditor regarding financial reporting).
4. Compliance and Law
 - 4.1 Verify that the company has complied with the applicable laws, securities and the SET regulations or government regulations.

4.2 Review evidence in case there are any suspected transactions or acts that may violate the law or the regulations of the SEC, the SET or government regulations which has or may have an impact to the financial position and performance of the company significantly.

5. Risk Management

Review the corporate risk management system at least once a year.

6. Other Responsibilities

Other tasks assigned by the Board of Directors with the opined by the Audit Committee.

7. Expertise

In case of necessity, the Audit Committee may recommend the Board of Directors to hire specialists to consult and solve problems of the Company, unless such consultation or solution relates to the duties and obligations of the Audit Committee which shall then be in accordance with the Evaluation of the Audit Committee.

In any case where any Audit Committee member or parties with possible conflict of interest, have conflict of interest with the Company or its affiliates, the acquisition or sale of assets of listed companies and connected transactions (if any), as per announcements of the SEC and/or the SET, the Audit Committee shall report the matter to the Board of Directors and/or the shareholders' meeting for consideration and approval in compliance with related law and regulations.

2. Nomination and Remuneration Committee

Nomination and Remuneration Committee Member means a person appointed by the Board of Directors as a member of the Nomination and Remuneration Committee. For the transparency and independence in performance of duties, the Chairman of the Nomination and Remuneration Committee shall be an independent director and no less than half of total number of the committee members shall be the independent directors. In addition, the committee member shall have sufficient knowledge and experience to nominate directors and senior executives of the Company and to conduct other duties as the nomination and remuneration committee member, provided that the qualifications of the committee member shall be prescribed by the Company and in accordance with the corporate governance principles prescribed by the SET.

For the year 2020, the Nomination and Remuneration Committee held a total of 5 meetings, the details of the meeting attendance of Members are as follows:

No.	Name	Number of Attendance
1.	Mr. Li ⁽¹⁾ Zhong Yuan	1 / 1
2.	Mr. Christopher ⁽²⁾ Michael Nacson	3 / 3
3.	Miss Kannikar Yomchinda	5 / 5
4.	Mr. Andreas Rizal Vourloumis	5 / 5

Remarks:

- 1) The Board of Directors' Meeting No. 12/2563 held on 10 November 2020 resolved to approve the appointment of Mr. Li Zhong Yuan as a Chairman of the Nomination and Remuneration Committee, with effect from 10 November 2020 onwards.
- 2) The Board of Directors' Meeting No. 4/2563 held on 29 April 2020 resolved to approve the appointment of Mr. Christopher Michael Nacson as a Nomination and Remuneration Committee Member, with effect from 30 April 2020 onwards.

Responsibilities of the Nomination and Remuneration Committee

1. To formulate criteria and policy in nominating directors, members of different committees and the Chief Executive Officer.
2. To consider and nominate appropriate persons to be appointed as directors, and members of different committees as well as the Chief Executive Officer for approval by the Board of Directors and/or Shareholders' Meeting.
3. To stipulate all rules and policies on remunerations for the Board of Directors, committees and Chief Executive Officer for approval by the Board of Directors and/or, as the case may be, the Shareholders' Meeting.
4. To set necessary and appropriate annual remunerations for the Board of Directors, committees and the Chief Executive Officer.
5. To report to the Board of Directors the Nomination and Remuneration Committee meeting results or other matters the Board of Directors should be informed.
6. Other duties assigned by the Board of Directors.

3. Corporate Governance and Risk Management Committee

Corporate Governance and Risk Management Committee Member means a person appointed by the Board of Directors as a member of the Corporate Governance and Risk Management Committee. The Corporate Governance and Risk Management Committee will perform their duties to review and assess the effectiveness of the risk management, to report to the Internal Audit Committee any risk progress and risk management measures in due courses and to propose, review and implement the guidelines for good corporate governance including the related laws that regularly changed and to be utmost benefit of the Company.

The Corporate Governance and Risk Management Committee has performed the duties in reviewing the system and assessing the effectiveness of risk management, reporting on the progress of the nature of the risk with guidelines for risk management to the Audit Committee within the prescribed period, proposing good corporate governance practices to the Board of Directors, including reviewing and amending such practices to be constantly in accordance with the changing regulations and related laws in order to achieve good governance according to international standards and gain the most benefits to the Company.

For the year 2020, the details of the meeting attendance of Members are as follows:

No.	Name	Number of Attendance
1.	Mr. Li ⁽¹⁾ Zhong Yuan	1 / 1
2.	Dr. Chainarong ⁽²⁾ Monthienvichienchai	1 / 1
3.	Mr. Sharad Bajpai	2 / 2
4.	Mr. Sudhir ⁽²⁾ Maheshwari	0 / 1

Remarks:

- 1) The Board of Directors' Meeting No. 12/2563 held on 10 November 2020 resolved to approve the appointment of Mr. Li Zhong Yuan as a Chairman of the Corporate Governance and Risk Management Committee, with effect from 10 November 2020 onwards
- 2) The Board of Directors' Meeting No. 12/2563 held on 10 November 2020 resolved to approve the appointment of Dr. Chainarong Monthienvichienchai and Mr. Sudhir Maheshwari as a Corporate Governance and Risk Management Committee Member, with effect from 10 November 2020 onwards.

Responsibilities of the Corporate Governance and Risk Management Committee

Duties and Responsibilities

1. To set a risk management policy that can be applied to all the organization.
2. To review and assess the effectiveness of the risk management at least two (2) times a year and every period that the risk level changes, including paying attention and monitor risk warning signs as well as irregular items, including anti-corruption risk.
3. To report to the Audit Committee any risk progress and risk management measures within the provided period for the best benefits of the Company.
4. To propose and review the policy on the good corporate governance, and anti-corruption policy of the Company to the Board of Directors.
5. To develop and review the process or guidelines on good corporate governance to present or recommend to the Board of Directors.
6. To follow up and monitor the operations of the management to comply with the policies and guidelines on good corporate governance of the Company approved by the Board of Directors.
7. To perform other duties as the Board of Directors assigns related to the good corporate governance.
8. To report on the operations about the supervision of the Company to the Board of Directors.
9. To review disclosure regarding risk contained in the Company's Annual Report and Annual Registration Statement (Form 56-1) and from 1 January 2022, the 56-1 One Report which shall substitute and replace Annual Report and the Annual Registration Statement.
10. To recommend and advise the Sub-Risk Management Committee and/or departments and/or the relevant working committees about significant risks and risk management, as well as evaluate the appropriate means to improve various databases that are related to the development of risk management solutions.
11. To consider the guidelines, offer recommended policy/guidelines of ethics and business ethics according to the good corporate governance regularly to the Board of Directors, management, and employees.
12. To coordinate with the Audit Committee by sharing knowledge and information about the risk and internal control that cause effect or potential impact on the Company.
13. The Committee shall coordinate with the Audit Committee to assist the Audit Committee in its review of the Company's risks that have been delegated to the Audit Committee in its Charter.
14. Motivate and build the campaign about Good Corporate Governance to be a part of Company's cultures.

Authority of the Committee

1. The Committee shall have authority to invite members of the management, directors and/or any responsible persons to attend the meeting in order to provide relevant information to the Committee, discuss, clarify or answer any issues relating to the scope of duties and responsibilities of the Committee.
2. The Committee shall have appropriate access to the information of the Company with support from the management in order to ensure that the Committee obtains information and inputs sufficient and relevant for the Committee to fulfill its responsibilities and duties.

3. The Committee may require the Company to engage any external expert(s) in order to support its activities, reviews and investigations in order to discharge its responsibilities and duties, as agreed upon by the Board of Directors.

4. Executive Committee

In the past year, The Executive Committee has performed the duties in managing the Company's business, considering and setting up various policies, business plans, investment plans and annual budget plans of the Company to present to the Board of Directors for approval as well as monitoring, supervising and controlling the operation in order to achieve the goals of the plan approved by the Board of Directors and as assigned by the Board of Directors. In addition, The Executive Committee has reported the Company's operating results in each quarter throughout the year including the annual turnover to the Board of Directors for acknowledgment.

5. Strategic Steering Committee

Strategic Steering Committee Member means a person appointed by the Board of Directors as a member of the Strategic Steering Committee. The Corporate Governance and Risk Management Committee will perform their duties check, give advice and closely monitor the day-to-day operation of the Executive Committee.

The Strategic Steering Committee comprises of 6 members as follows:

No.	Name		Position
1.	Dr. Somsak	Leeswadtrakul	Member
2.	Miss Kannikar	Yomchinda	Member
3.	Mr. Andreas	Rizal Vourloumis	Member
4.	Mr. Sharad	Bajpai	Member
5.	Mr. Sudhir	Maheshwari	Member
6.	Mr. Davinder	Chugh	Member

Nomination and Appointment of Directors

For the process of recruiting directors, the Board of Directors has established a formal method based on transparency without the influence of management team or controlling shareholders, that is, the Nominating Committee will select persons to hold the position of directors from suitable persons by considering qualifications, abilities, work experience, etc. in order to be appropriate with the duties and responsibilities of the Board of Directors and /or members of sub-committees. When the appropriate person has been selected, then that person will be proposed to the Board of Directors for further approval of the appointment.

Independent Director

Qualifications of Independent Directors

1. Hold not exceeding 0.5% of the total voting shares of the Company, its subsidiaries, nor being a major shareholder, affiliates or other juristic persons with possible conflict of interest, including the shares held by their related persons (under Section 258 of Securities and Exchange Act).
2. Neither involving in management, non-controlling, nor being the Company's executive/ employees, salaried consultant, competent authorized person to control the Company, its subsidiaries, affiliates or other juristic person with possible conflict of interest at present and in the last 3 years before appointment.

3. Not being a person related by blood or legal registration such as father, mother, spouse, sibling, and child, including spouse of the child, to executives, major shareholders, controlling persons, or persons to be nominated as executive or controlling person of the Company or its subsidiary, and be independent from major shareholders, executives and controlling persons.
4. Not being person who has, or used to have, business relationship with the Company, subsidiaries, affiliate companies, major shareholder, or authorized controller, by offering professional and trade service, according to the SET's requirement on connected transaction, except that he has no longer had such relation for at least 3 years.
5. Not be or used to be auditor of the Company, subsidiaries, affiliate companies, major shareholder, or authorized controller, and not being shareholder.
6. Not being a person who has been appointed as a representative of the Company's Director, major shareholders or shareholders who are related to the major shareholders.
7. Not having any characteristics which make him/her incapable in expressing independent opinions.
8. Be capable in protecting all shareholders' benefits equally and supervising in order to prohibit any conflict of interest between the Company and related persons, and able to attend the meetings of the Board of Directors in order to make a decision on significant issues.

Furthermore, this definition of independent directors has been revised so as to be stricter than that defined by the SEC.

Criteria in selecting independent director

The Company selects independent directors taking into account the knowledge, experience good understanding in related businesses, vision, as well as sufficient time to perform duty, also with the qualities as stated in the concerned government agencies' announcements, regulations and rules. The Company would invite qualified persons to be its independent directors. The Company considers that the aforementioned independent directors are able to exercise their knowledge and capability as well as provide opinions that are useful and appropriate to support the Company's business operation.

The Nomination of Directors

Criteria in nominating directors

(1) Nomination of Directors

When the position of Company's directors is vacant, the Nomination and Remuneration Committee are responsible for selecting and nominating the persons to take these positions. The Nomination and Remuneration Committee shall consider person with knowledge, capability, and experience with specialization that are crucial and essential to the Company's operation. The Nomination and Remuneration Committee shall consider the following qualifications:

1. Qualification as per Clause 68 of the Public Limited Company Act, B.E. 2535, and announcement or rules and regulations of the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC) and the Company's regulations.
2. The candidates' knowledge, capability, experience and specializations that would contribute to the Company's operational efficiency.
3. The candidates' qualifications shall support good corporate governance practices, such as ethics, independence, assertiveness, creativity, carefulness and integrity as well as ability to dedicate their time for the Company.

(2) Nomination of Directors (In case of retiring by legal rotation)

The election of The Company's directors to replace the directors who have to retire by rotation must be approved by the Annual General Meeting of Shareholders, whereby the Nomination and Remuneration Committee has duty to select appropriate persons who deserve to be nominated as directors, by taking into account the qualifications, knowledge, capabilities, experience, work history, progressive leadership and sweeping vision, including having morality, ethics, and positive attitude towards the organization and fully devotes their time to the Company.

The election of a Board of Directors member to replace director who must retire at the end of his/her term shall be approved by the Annual General Shareholder's Meeting and by majority vote of the shareholders present at the meeting. Criteria and selection method are as follows:

1. A shareholder shall have one vote per one share.
2. Each shareholder shall exercise all his/her voting right as mentioned above in selecting one or many person as directors but cannot separate votes for any person(s).
3. The persons receiving the highest votes will be selected as directors. The number of persons selected shall be equal to the number of directors to be selected. In case there are persons with the highest votes more than the number of directors required, the meeting chairman shall have the right to make decision.

In addition, in selecting new directors to replace vacant positions due to other reasons than end of term according to the law shall be approved by the Board of Directors' meeting and thus with no less than third-fourth of the votes of the remaining directors. The new directors who replace the vacant position shall be in the position for the remaining term of the vacant position.

In case directors resign, the Company's regulations allow the Board of Directors to appoint new directors as replacement.

The Nomination of the Executives

The Chief Executive Officer is authorized to nomination and appoints persons with appropriate qualifications in terms of education, knowledge, capability and business experience. The selection shall follow the Company's rules related to human resources management. For position equivalent to Senior Vice President or higher, the appointment of the person shall be reported to the Board of Directors for acknowledgement, while an appointment of positions equivalent to the Internal Audit Department executives shall be made with the Audit Committee's discretion.

Supervision of Subsidiaries

In the past, the Company nominated and exercised voting rights to appoint a person to be a director of the Company's subsidiaries through the management team. The person appointed as a director of a subsidiary or an associated company have duty to manage and act for the best benefit of that subsidiary. The Company determines that the appointed person must be approved by the Board of Directors before passing a resolution or exercising the right to vote on important matters at the same level as requiring the approval of the Board of Directors if operated by the Company itself. However, sending of a director to represent in the subsidiary or associated company is based on the shareholding proportion.

Internal Information Inspection

Internal Audit Department of the Company performs audits on finance, operation and compliance to rules, regulations and related laws in order to ensure that the Company's operations and key activities are carried out in accordance with the established guidelines efficiently. In order to let the

Internal Audit Department be independent to be able to fully check and balance, the Company therefore let the Internal Audit Department report the audit results directly to the Audit Committee and the Board of Directors.

In the year 2020, the Audit Committee held 13 meetings to consider the rationale of related transactions, the sufficiency of the internal control systems, including, the meetings held with auditors to review financial statements and to consider financial disclosure reports in financial statements as well as to review the annual audit plan and follow up on internal audit reports.

Internal Information Protection

The Company has established ethical policy that the directors, executives and employees must follow for the use of the Company's internal material information which has not been disclosed to the public for personal or others benefits, including trading in the Company's securities. The methods to protect executives from using the Company's internal information for personal or other benefits are as follows:

1. To notify executives of each departments to realize their duty to report the securities obligation of their own business, spouse and underage children, as well as report the changes in securities holding under Section 59 and penalties under Section 275 of the Securities and Exchange Act B.E. 2535.
2. To submit a circular to notify executives who have received internal material information including financial statements which affect to the change in securities prices to avoid or refrain from trading the Company's securities during a period of 1 month and shall not disclose the internal material information to others before those financial statements or internal information are disclosed to the public.

Therefore, the Company has imposed penalties for any violation of the use of internal information for personal benefits in the Company's regulations, with the penalties ranging from verbal admonition to dismissal.

Audit Fee

As the year 2020 Annual General Meeting of Shareholders held on 27 July 2020, resolved to approve the appointment of Baker Tilly Audit and Advisory Services (Thailand) Co., Ltd. as the Auditor of the company, in the auditing for the year 2020 and reviewing the quarterly financial statements, details of the certified public accountant are as follows:

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|----------------------------------|--|
| (1) Mr. Apichart Sayasit | Certified Public Accountant License No. 4229 |
| (2) Miss Wimolsri Jongudomsombut | Certified Public Accountant License No. 3899 |
| (3) Miss Waleerat Akkarasrisawad | Certified Public Accountant License No. 4411 |

Audit fee

In the year 2020, the Company paid the audit fee to the Company's auditors in the amount of 4,000,000 baht. In addition, Baker Tilly Audits and Advisory Services (Thailand) Co., Ltd. was also the auditor for the Company's subsidiary which is G J Steel Public Company Limited with an audit fee of 3,600,000 baht.

Non-Audit Fee

-None-

Adoption of the Corporate Governance Code for Listed Companies 2017 (CG Code)

In the year 2020, there are principles of Corporate Governance Code for Listed Companies 2017 (“CG Code”) that the Company has not been adopted, such as providing outsource consultants to help setting up guidelines and recommend issues for performance evaluation of the Board of Directors every 3 years and disclosing such actions in the annual report.

However, the Company arranges the Board of Directors to do an individual performance appraisal annually by using the self-assessment form of the Board of Directors (CG Self-Assessment) in accordance with the standards of the Stock Exchange of Thailand then present to the Board of Directors meeting for performance consideration and problems solutions as well as improving efficiency and work effectiveness.

Other corporate governance practices**Arranging to have independent auditors for vote counting in shareholders’ meetings**

At the 2020 Annual General Meeting of Shareholders, the Company provides opportunities for shareholders who wish to volunteer to become Vote Counselor but no one volunteered. In this regard, Mr. Charupat Boon-Long, a legal advisor from Baker & McKenzie Co., Ltd., has been assigned as a vote-counting inspector together with the Company to supervise in the shareholders’ meeting to be transparent, lawful and in accordance with the Company's Articles of Association and good arrangement for shareholders' meetings’ as per guidelines of the Securities and Exchange Commission.

Changes in shareholding of directors and executives in the year 2020

During the year 2020, there was no change in the Company's shareholdings of directors and executives.