

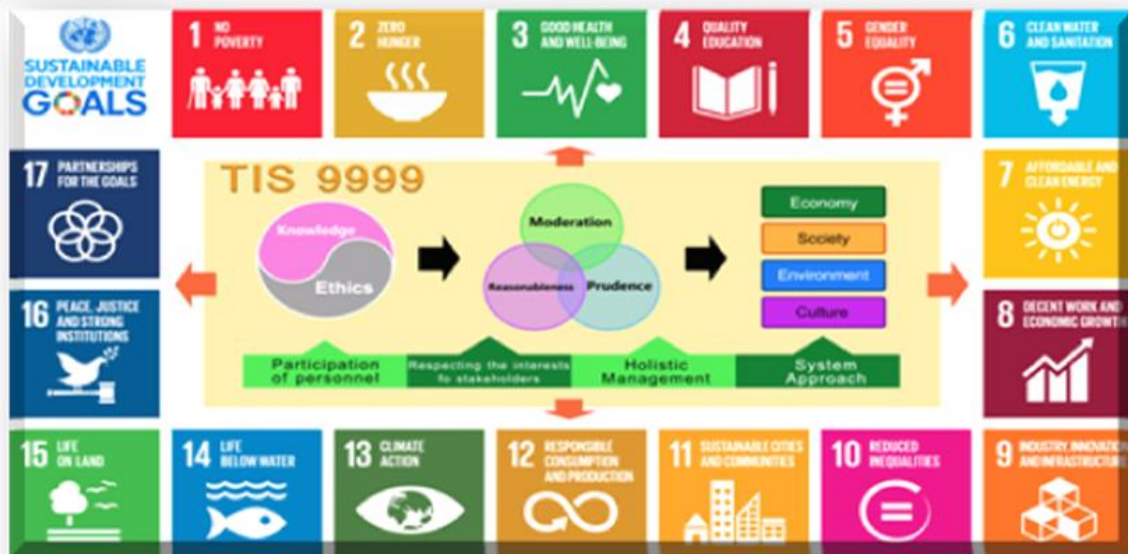


CORPORATE GOVERNANCE POLICY

Empathy, Accessibility, Impartiality



→ *CG Code* → *SEP for SDGs*



Sufficiency Economy Philosophy in accordance with TIS 9999

For sustainable development goals. Update : Year 2018

**Approved by The Board of Director and
the Corporate Governance Committee,**

hold on February 27, 2018

Vision

“Business operation incorporating good governance with empathy, access ability, and development collaboration toward customers’ satisfaction; treating shareholders, customers, business partners, and employees equally; responsive to economy, environment, society, and safety; acts collectively against all forms of corruption.”

Mission

To employees: Promote corporate culture of safety at work and service minded to serve all clients

To shareholders: Excel at providing services to promote governance and satisfaction

Shared Mission

The mission is abbreviated as SSSC which stands for:

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

Core Values

All executives and employees adhere to team working and volunteering as corporate culture dictating their behaviors and actions which in turn creating the following organizational resolution that is.

“Employees are happy and enjoy working.”

CORPORATE GOVERNANCE

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CORPORATE GOVERNANCE

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

The Company realizes the importance of acquiring stakeholders' confidence in its existing good corporate governance principle that is transparent, just, fair, efficient, and auditable leading to business growth that accountable for Environment, Social, and Governance (ESG). The Company regards these as a solid foundation for capacity enhancement and business strengthening to attain sustainable growth as well as long term good returns to investors. On 11 August 2017, the Company's Board resolved for the Company to apply the Corporate Governance Code for Listed Companies 2017 (CG Code) set forth by the Securities and Exchange Commission. In connection to this, the Company's Governance Committee has been entrusted with overseeing the application of CG Code and reporting the results to the Company's Board at least once a year so as to ensure the following governance outcomes.

1. Competitiveness and performance with long-term perspective
2. Ethical and responsible business
3. Good corporate citizenship
4. Corporate resilience

Corporate Governance Operational Plan (2017-2019)

The Company's Board of Directors has applied the 8 Principles of CG Code to its business.

- Principle 1** Establish Clear Leadership Role and Responsibilities of the Board
- Principle 2** Define Objectives that Promote Sustainable Value Creation
- Principle 3** Strengthen Board Effectiveness
- Principle 4** Ensure Effective CEO and People Management
- Principle 5** Nurture Innovation and Responsible Business
- Principle 6** Strengthen Effective Risk Management and Internal Control
- Principle 7** Ensure Disclosure and Financial Integrity
- Principle 8** Ensure Engagement and Communication with Shareholders

Of these 8 principles, the Company's Board, as proposed by the Corporate Governance Committee, together agreed that principles number 1, 2, 4 and 5 shall be modified whereas the rest principles have already been applied as provided by the Organization for Economic Co-operation and Development (OECD) which also in compliance with the CG Code.

Corporate Governance Policy

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

Good corporate governance policy prescribing business ethics and work performance guidelines for the Company's Board is concluded as follows:

1. All directors, executives, and employees shall adhere to lawful practices. The principles of good corporate governance and the Company's vision, mission, strategies and long term goals shall be implemented in an integrative manner. They shall also promote trust and confidence of stakeholders e.g. shareholders, investors, etc. on Company's effective management.
2. Respects for shareholder rights and treat them equally and fairly, facilitates the exercise of shareholders' rights on various matters.
3. Promotes and maintains cordial relation and cooperation between the Company and its stakeholders, introduces appropriate channels for mutual communication.
4. Defines policy, business ethics and work performance guidelines and treat all stakeholders accordingly e.g. shareholders, employees, customers and consumers, business partners, competitors, creditors, government agencies, communities, societies, and environment.
5. Defines vision mission; approves strategy, policy, business plan, and budget; oversees and supervises the Management to effectively manage in accordance with the set policy adding economic value to its business and superior returns to shareholders.
6. Provides organizational structure segregating clearly the duties and responsibilities of the Board, committees, directors, and the Management; ensures adequate and appropriate systems are in place and effectively and efficiently implemented i.e. internal audit, risk management, conflict of interests, and the use of internal information.
7. Oversees and ensures the management of financial statement and information are conformed with general accepted financial standards; ensures the sufficiency and reliability of disclosed essential information, and the availability of competent and independent auditor.

8. Oversees and ensures the communication and disclosure of the Company's financial and non-financial information through various channels, are adequate, accurate, complete, reliable, transparent, and timely so as to ensure the information is accessible and understandable.
9. Appoints Corporate Governance Committee under the Company's Board to regularly consider and screen important matters for subsequent reporting at the Board Meeting, and disseminating in an annual report for shareholders to acknowledge.
10. Provides performance assessment as framework for past performance review of directors, members of committees e.g. Audit Committee, Corporate Governance Committee, Nomination and Remuneration Committee, Risk Management Committee, and etc. The assessment outcomes are used as inputs for work improvement and submission to Company's Board of Directors for acknowledgment.
11. Ensures nomination system of all significant management positions is appropriate, transparent and fair.
12. Provides written business ethics and work performance guidelines to bind directors, executives, and employees; ensures all compliance measures are in place.

In addition, the Company has integrated into its business operations, the 3 principles of **Sufficiency**

Economy: the Moderation, Reasonableness and Self-immunity; as well as **knowledge and virtue**. Since 2013, the Board has employed, to the Company's practices, the Industrial Product Standards and the Sufficiency Economy Guidelines for Industrial Sector (TIS 9999 volume 1-2556 B.E.) toward economic, social, environmental development for sustainable growth and happiness. In 2014, the Company was one among the first group of the companies signing the memorandum of agreement with the Ministry of Industry, the Thai Industrial Standards Institute (TISI), and the Management System Certification Institute (MASCI) to join the program on "Promoting the Sufficiency Economy in Industrial Sector (TIS 9999 Vol. 1-2556) for Sustainable Growth". The Company's personnel participating

in the program have gained better knowledge and understanding relating to sufficiency economy guidelines for industrial sector, and have applied to organizational development practices creating equilibrium, sustainability, security, happiness, and highest returns to shareholders. The clear development procedures are in line with the Sufficiency Economy Principles and Integrative Guidelines for Industrial Sector (TIS 9999 Vol. 1-2556). As a result, on 30 March 2015, the Company received certificate from the Ministry of Industry and the MASCI in collaboration with TISI certifying the Company' s application of the Sufficiency Economy in Industrial Sector (TIS 9999 Vol. 1-2556) to its business operations.

Process of Monitoring

The Board has stipulated that it is a responsibility of every director, executive, and employee to acknowledge, study and strictly comply with the policies and practices as determined by the business ethics and work performance guidelines (Code of Conduct). The Company has no desire of any unlawful act or act in contrary to the ethical principles be committed. Director, executive, employee committing such action shall be punished according to the applicable laws and regulations.

In 2017, the Company stipulated the Corporate Compliance Policy of all directors, executives employees , and contractors concerning:

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

The said policy binds the Management to behave as role models, and employees of all levels to fully comply with. Disciplinary action shall be taken against whoever fails to achieve such policy intent and the Company's code of conducts.

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

Compliance Unit

Monitoring process is in place to ensure full compliance with business ethics, anti - corruption, and applicable laws e.g. environment, energy, safety, health, and employment conditions. In this regard, the Legal Department is entrusted with overseeing the Compliance Unit which are responsible for:

1. Compiling, drafting, and revising the Compliance Checklist, law, government rules and regulations, and business agreement for all departments to comply with.
2. Preparing, no later than 15 January each year, the annual assessment plan according to the applicable laws, regulations, Code of Conduct, and anti-corruption measures.
3. Investigating, monitoring and assessing to determine full compliancy.

4. Assessing risk incurred as a result of the amended laws and regulations affecting the operational practices of the Company, seeking alternatives to avoid possible negative impacts.
5. Cooperating with responsible unit for alternatives and preventive measures, and presenting the results to concerned units.
6. Monitoring, reviewing and amending legal information and other related information inducing negative impact, assessing risk and other obstacles affecting the Company.
7. Concluding the aforesaid assessments, presenting the assessment findings at the executive meeting on a quarterly basis for acknowledgement and consideration prior to submitting to the Company's Board.

In conclusion, in 2017, the monitoring and assessment findings has shown that no violation or negligence was found in order to the compliance with policy and/or business ethics, code of conducts, and good corporate governance principles.

However, there are matters pending the implementation as follows:

Pending implementation	Rational
1. In the case where Chairman is not an independent director, the committee shall comprise more than half of the total number of directors.	Chairman shall not be the same person as the President, policy formulation and governance shall be clearly segregated from routine administration so as to create equilibrium.
2. Term of service of independent committee member shall not exceed 9 consecutive years from the date of first appointed as independent director.	No time limit for term of services of the committee member being director, independent director and committee member shall be stipulated, as the Company believes that director of the Board with long
3. The maximum consecutive term of services of director and committee member shall be defined	term of services as director, committee member is knowledgeable, competent with vast experiences contributing great benefits to the Company's business

In addition, the Board ensures the roll out of good corporate governance as well as business ethics and work performance guidelines are well perceived and applied by all personnel. Business Ethics and Work Performance Guidelines Handbook is disseminated through various channels e.g. E-mail, intranet, Company's website. Throughout the year 2017, trainings on introduction to corporate governance were provided for all employees including the new recruits for them to be able to transfer to their actual works in a manner that is responsible, transparent, honest, deliberate, and ethical for their own selves, organization, shareholders, and stakeholders. The Board also supports the events organized in promotion

of work related knowledge and virtues under good corporate governance policy, business ethics, and work performance guidelines.

As results of its business operations conforming with the Principles of Good Corporate Governance, in 2017, the Company received excellent awards, assessment results, and survey findings carried out under good corporate governance related projects as follow:

- Outstanding SET Sustainability Awards 2017 certifying the Company as a listed company with outstanding business operations following development sustainability.

Anti-corruption Process Indicator 2017

- The Anti-corruption Process Indicator of the SEC and the Thaipat Institute certify that the Company has established a good anti-corruption mechanism including policy and measures have them communicated to employees. Training is provided for employees to better understand the anti-corruption policy and guidelines. As such, the Company certified as member of “Private Sector Collective Action Coalition Against Corruption”. The Company’s Board remains firm to do their best for the betterment of corporate governance with the belief that this would lead to firm and sustainable business growth.

AGM Quality Assessment 2017

- Having been assessed under the “Annual General Meeting: AGM’s Quality Assessment Program” jointly carried out by the SEC, the Thai Investors Association, and the Thai Listed Companies Association; the Company received a full score of 100 points or “Excellent and Exemplary” for 7 consecutive years (2011-2017).

Corporate Governance Report of Thai Listed Companies 2017

- The Company was assessed under the survey program “Corporate Governance Report of Thai Listed Companies 2013” jointly carried out by Office of the SEC, the SET, and the Thai Institute of Directors. In 2017, there were 620 listed companies participated in the survey and the average total scores was 80. The Company was rated “Excellent or five stars” (score 90-100) for 2 consecutive years whereas in 2014 and 2015, the Company was rated as “Very Good”. The Company was recognized the Top Quartile company classified by market capitalization between 1,000 - 2,999 million Baht.

Sustainability Investment Assessment 2017

- The Company was assessed under the Thailand Sustainability Investment 2015 to 2017 (3 consecutive years) carried out by the SET showcasing listed companies with outstanding performance on Environmental, Social and Governance (ESG) aspects from its annual sustainability assessment e.g. risk management process, management of supply chain, development of business and social innovations.

- In order to uplift good corporate governance standard of practice and remain in line with the ASEAN CG Scorecard, throughout the year 2017, the Board and the Corporate Governance Committee/Corporate Governance employed the Principles of Corporate Governance for the 2012 SET Listed Companies, and the criteria of the Survey Project on Corporate Governance of the Thai Listed Companies set forth by the Thai Institute of Directors.

The Company also apply, to its business, the new version of Corporate Governance Code for Listed Companies 2017: CG Code issued by the SEC and the SET. The CG Code is regarded as frameworks for development and improvement of the Company's business operations covering:

- 1) Rights of Shareholders
- 2) Fair and Equal Treatment of Shareholders
- 3) Role of Stakeholders
- 4) Disclosure of Information and Transparency
- 5) Accountability of Directors





CORPORATE GOVERNANCE POLICY

Section 1. Rights of Shareholders

Section 1. Rights of Shareholders

1.1) The Company strongly recognizes shareholder rights by safeguarding and encouraging the exercise of shareholder rights:

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

1.2) Apart from the basic or legal rights of shareholders, the Company also realizes the rights of every shareholder. The Company, therefore, promotes the exercise of shareholders' rights and equities.

- The Company sent notice of the meeting enclosing necessary and adequate information, including meeting date and agenda items, to all shareholders in advance by post. The information had been available on the Company's website at www.ssscth.com since 10 March 2017 or 48 days prior to the meeting date (the meeting was held on 27 April 2017).
- The notice of the meeting incorporated agenda items and opinions of the Board concerning matters being proposed on each item, the meeting date and time, venue, rules and procedures as well as supplementary documents for registering meeting attendance.
- To facilitate shareholders' meeting, the Company encouraged shareholders to pose question in advance via e-mail: boonchai@ssscth.com or hiran@ssscth.com or facsimile at 02-754-5747-48 concerning issues being proposed and required clarification from the Company. Shareholders had also been informed of the clear rules and procedures via the SET and the Company's website at www.ssscth.com since 10 March 2017.

The 2017 shareholders' meeting was proceeded according to the agenda items illustrated in the notice of the meeting sent to all shareholders earlier. There was no additional agenda item or change of significant information without notification made known to shareholders in advance. Opportunities were open for shareholders to express opinions and inquire on matters relating to the agenda item being deliberated. All questions were responded by executives and directors presenting at the meeting. Details of the meeting were recorded in the minute of the shareholders' meeting.

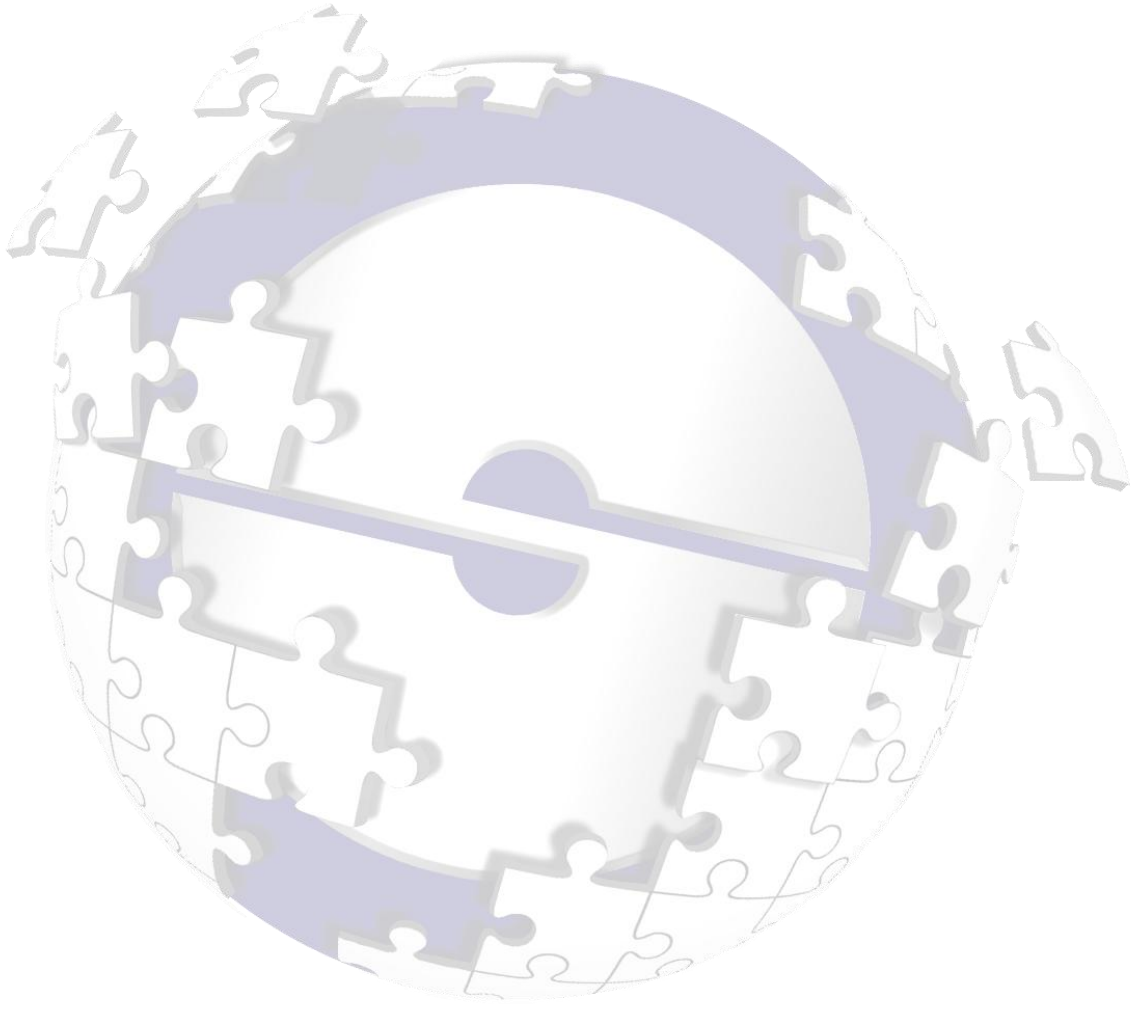
1.3) Prior to the commencement of the meeting, Chairman explained clearly the casting of votes and the rights of shareholders.

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

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

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

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





CORPORATE GOVERNANCE POLICY

Section 2. Equal Treatment of Shareholders

Section 2. Equal Treatment of Shareholders

2.1) The Company firmly attaches to the principles of corporate governance in treating each shareholder equally to assure shareholders investing with the Company that:

- Every shareholder including shareholder being executive and non-executive, or major shareholder and minor shareholder, and foreign shareholder are treated equally and fairly.
- The Company provides supervision to ensure basic rights of shareholders are equally treated and safeguarded whereas minor shareholders being violated shall be compensated.
- There is no connected transaction made with relevant companies that might cause significant conflict of interest. The Board stipulates the policy stating “ **Undertaking any transaction shall be fair and at arms’ length**”

2.2) The Company’s Board provides voting right to shareholders, one share for one vote. Stock in the same category has equal vote that is one share for one vote.

2.3) In connection to the AGM 2017, minority shareholders were invited to propose meeting agenda in advance, from 1 December 2016 to 31 December 2016, as well as the name of qualified nominees to be elected as directors of the Board according to the guidelines set by the Company. Shareholders were informed of such information through the SET and the Company’s website at www.ssscth.com illustrating the clear and transparent procedures and methods of consideration process. There was no proposal concerning the said matters from minority shareholders to the AGM 2017.

With regard to the shareholders’ meeting 2018, the Company invited minority shareholders to propose meeting agenda item and nominate qualified person for director position in advance, from 1 December 2017 to 31 December 2017. Supplementary documents were enclosed for consideration regarding qualifications and consent of the nominee. The invitation had been made available via the SET and the Company’s website at www.ssscth.com since 15 August 2017. The Agenda Proposal Form and Director Nomination Form are available on the Company’s website for download.

2.4) The Company proceeded the AGM following the agenda items in order as indicated in the notice of the meeting without any change or additional agenda. Besides, the notice of the meeting and the supplementary documents is prepared and sent out to shareholders in advance to provide time for shareholders to read and comprehend. For foreign shareholders English documents are provided.

2.5) Proxy forms in conformity with the form set by the Ministry of Commerce are enclosed with the meeting notice to facilitate shareholders in exercising their rights in the case of inability to attend the meeting. Shareholders shall make decision independently with preferred proxy; especially proxy form B allowing shareholder for a directed voting on each agenda.

Name list of independent directors, not involve in matters under the agenda to be considered, is also enclosed as an alternative to represent shareholder in exercising voting right on behalf of the shareholders being unable to attend the meeting. The proxy forms are available on the Company’s website for download.

2.6) The Company provides shareholders an opportunity to elect each individual director to replace the retiring one.

2.7) The Company entrusts the Thailand Securities Depository Co., Ltd. as a registrar of the Company with sending meeting invitation letter and attachment document (English version to foreign shareholders) to

shareholders at least 21 days prior to the meeting date. The invitation letter is also available on the Company's website both in Thai and English more than 30 days prior to the meeting date. In so doing is to provide sufficient time to shareholders to study and apply meeting information to foster decision making.

2.8) The Company's Board of Director provides a policy to eliminate conflict of business interests. A structure and organization of the Board is clearly and transparently defined incorporating a declaration of, in an annual report, the personal securities of directors and management team members.

2.9) The Company's Board defines clear written policy concerning information disclosure prohibiting the use of opportunity or information benefitted from being a director, the Management, and employee for personal advantages; or running business or associated business to compete with the Company. The use of internal information for personal interest for trading Company's shares or giving information to others for trading the Company's shares are also restricted. This has been clearly stipulated in the Business Code of Ethics and Work Performance Guidelines Handbook for employee and the Management to strictly adhere to. Any violation and negligent shall be deemed an unlawful practices and be prosecuted. The policy is also available on the Company's website (www.sssc.th.com) to assure shareholders, investors, general public, and stakeholders that accurate information is disclosed

clearly in a fair manner and in compliance with applicable laws.

2.10) The Board stipulates the policy that directors and executives shall notify the Company at least 1 day in advance, via the Company' Secretary, prior to making any sale/purchase of securities, and report to the Board Meeting on a quarterly basis for acknowledgement.

2.11) Directors and executives must report their security holdings, and the holdings of their spouses and minor child/children of the Company's securities. Any change related to sale, purchase, transfer, or receive of the Company's securities must also be reported to Office of the SEC according to section 59 of the Securities and Exchange Act B.E. 2535 within 3 business days from the date of the change in such holdings.

Entering into Connected Transaction

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

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

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

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

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

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

In 2017, no action of violation or negligence of the SET and SEC regulations was reported neither trading securities using internal information to undertake connected transaction nor trading assets. There was no connected transaction with any related company possibly induce any significant conflict of interests, and no transaction providing financial assistance to any non-subsiary of the Company.



CORPORATE GOVERNANCE POLICY

Section 3. Recognizing Roles of Stakeholders

Section 3. Recognizing Roles of Stakeholders

The Company's Board of Directors fully recognizes stakeholder rights as provided by law or terms of agreement. The Board realizes the relationship and cordial cooperation between the Company and its stakeholders by encouraging cooperation for prosperity and job creation for sustainable growth based on the financial stability of the Company.

The Company, therefore, implements the policy on fair and accountable treatment to all stakeholders including shareholders or investors, employees, customers, business partners, competitors, creditors, communities where the Company's plants are located, society, environment, government sector, and other concerned agencies. The policy is prescribed clearly in the Business Code of Ethics and Work Performance Guidelines Handbook for all personnel of the Company to adhere to.

The Company recognizes an importance of social responsibility in various aspects. Stakeholders are assured that their legitimate rights as provided by laws and agreements are fairly taken care of. The implementation guidance is stipulated based on honesty, integrity, and transparency without any wrongful act against stakeholder rights. Compensatory measures are enforced for stakeholders being violated. The practice of not seeking personal gains leading to conflict of interest to the Company and stakeholders, is defined including keeping and safeguarding the confidentiality of stakeholders concerning business operations, and cooperation to fight against corruption.

Measures relating to the provision of clues to the Board is established for wrongful act, accuracy of financial report, deficient internal control system or misconduct. The mechanism for whistleblower rights protection is stipulated in the Business Code of Ethics and Work Performance Guidelines Handbook and on the Company's website.

3.1) Equality and Respect for Human Rights of Stakeholders

The Company is very well aware of the basic human rights and dignity of every individual regardless of race, color, gender, language,

religious, political will, creed, nationality or social background, property, birth or status. The Company pays great respect for the laws, culture, tradition, and international human rights, especially supports and adheres to the United Nations Global Compact: UNGC, and the International Labor Organization Declaration on Fundamental Principles and Rights at Work including:

- Avoiding or not getting involve in any action that would affect human rights, prompt action is taken to resolve where impact emerged resulted from the Company's business operations.
- Inspecting business operation to ensure the Company is not involved in any human rights abuses by accepting performance principles of social benefit.
- Protecting or reducing impact on human rights caused by the Company's business relations and not by the Company's business itself.
- It is clearly defined as a Company's policy to neither restrict nor give privilege nor discriminate against race, nationality, religion, gender, age, education institute, women, the disabled, or the disadvantaged. Compensation is paid equally in this regard and not infringes human rights. The Board sees the respect

for human rights as a firm foundation for human resources development adding value to its business and production growth.

In 2013, the Company, therefore, declared the Business Ethical Policy on Human Rights as guidance for implementation. Since 2017, the whistle blowing process has been stipulated on human rights frameworks, and the policies were reviewed as follows:

Business Conduct Policy on Human Rights

- (1) The Company treats all employees equally and fairly without discrimination against birth, race, gender, age, color, religion, disability, disadvantage, rich or poor, class, educational background, or any other statuses irrelevant to work performances.
- (2) Every employee has equal opportunity to work; receive wages, compensation, and welfare; be promoted according to the Company's rules, notification, and orders.
- (3) The Company has an intension to foster and promote basic human rights in an applicable manner which has been defined as Company's policy.
- (4) The Company firmly adheres to the human rights principles, trainings are provided for employees to be able to apply the principles to their actual work and not take part in any activity that would violate human rights.
- (5) The Company safeguards personal information of employees as confidential; distributing, revealing, transferring of such information to irrelevant person without permission is prohibited.
- (6) Any sexual harassment either against the Company's employees or others having business with the Company is prohibited, this includes verbal and physical sexual abuse, courtship, obscenity, indecency, acquiring pornography.
- (7) In all cases, the Company will not involve with any office, organization or person that violates human rights or commits human trafficking.
- (8) The Company accepts social, environmental, legal, culture diversities; ability to communicate; experiences; training; educational background; disability; etc.
- (9) The Company ensures the aforesaid rights of stakeholders and clients are guaranteed and protected.

Law Abiding Guidelines and International Human Rights Principles

The Company's Board of Directors stipulates the code of conducts binding all directors, executives, and employees to perform in compliance with applicable laws, policies, rules and regulations as well as the principles of human rights.

- (1) The Company integrates the human rights principles into its business practices and respects for dignity and privacy of directors, executives and employees. Equal opportunities are open for employment without discrimination, violation, or threat due to differences in nationality, race, class, gender, age, religion, creed, and social status.
- (2) Equal opportunities for proper trainings and development are provided for executives and employees as per respective job description.

- (3) It is a must for personnel of the Company to understand completely the laws applicable to his/her duties and responsibilities. If in doubt, they shall consult the Legal Department. Pursuing in this regard without guidance is prohibited.
- (4) Despite legal loopholes of laws, and of the Company's rules, regulations, and orders; directors, executives and employees are required to perform duties with honesty and integrity bearing in mind the legitimate interests of the Company.
- (5) Directors, executives and employees shall treat people politely and equally regardless of nationality, race, class, gender, age, religion, creed, and social status.
- (6) Directors, executives and employees shall respect for culture and good tradition of the Thai and of other countries running business with the Company. They shall also pursue according to laws, culture, tradition, and socio-economic circumstances of the destination countries.
- (7) Directors, executives, and employees shall respect equality of stakeholders' rights and not violate privacy, treat others with dignity regardless of educational background, rank, race, nationality, religious and gender.
- (8) The Company shall follow the principles of international human rights and provide related knowledge for its employees, and to ensure the transfer of knowledge gained to actual works. Any act in violation of such principles is not permitted.
- (9) Whenever an unusual incident occurred that might affect safety in the workplace, executives and employees shall report promptly to the person in charge for action.
- (10) It is stated clearly as a Company's policy that there shall be no illegal child labor, human trafficking, forced labor or slave labor or forced overtime labor, labor under the age of 18, and employment of underage labor unless provided by law and regulation concerning age, work hour, payment, health, and safety. The Company recognizes, respects, and supports children's rights in the workplace, market, and community. In connection to this, the Company applies the 10 "Children's Rights and Business Principles - CRBP, as shown hereinafter. In 2016 and 2017, the Company corresponded to the labor law compliance and anti- human trafficking request. The letter, expressing the Company's cooperation as requested, was sent out to business partners and stakeholders assuring the Company's commitment to the request.
- (11) The Company is member of the Age-Friendly Business Network with the Thaipat Institute and the Department of Elder Affairs, Ministry of Social Development and Human Security so as to prepare for the aging society of the Company and the Country.

Guidelines for Business Operations with Respect and Support for Children's Rights

The Board has set up a clear policy stating that there shall be no illegal child labor, human trafficking, forced labor or slave labor or forced overtime labor, labor under the age of 18, and employment of underage labor unless provided by law and regulation concerning age, working hour, payment, health, and safety.

The Company strongly respects and supports children's rights in various projects to ensure all employees acquires better knowledge and understanding of "Children's Rights and Business Principles." In 2016, the

Company joined the Thaipat Institute, in cooperation with the UNICEF, on the “Business to Respect and Support Children’s Rights” project to assure the commitment of the Company to children’s rights.

In 2015, the Company’s executives announced its intent to promote Children’s Rights and Business Principles. In 2016-2017, The Company applied the following 10 principles to its business operations respecting and supporting children’s rights.

1. Respects for children’s rights and commit to supporting the human rights of children.
2. Supports the elimination of child labor in all business activities and business relationships
3. Provides decent work for young workers, parents and caregivers.
4. Recognizes the protection of children in all business activities and facilities.
5. Ensures the products and services are safe through which awareness for children’s rights are promoted.
6. Uses marketing and advertising that respect and support children’s rights.
7. Respects for and support children’s rights in relation to the environment and land acquisition and use.
8. Respects and support for children’s rights in security arrangement.
9. Help protect children affected by emergencies.
10. Reinforce community and government efforts to protect and fulfill children’s rights.

Age-Friendly Business

In 2016, the Company participated in the Age-Friendly Business Project of the Thaipat Institute and the Department of Elder Affairs, Ministry of Social Development and Human Security in preparation for the aging society of the Company and the country.

As a result of participating in the project, in 2017, the Company set out the policy and business guidance on older persons for implementation as follows:

Preparation

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

Protection

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

Participation

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

3.2) Intellectual Property or Copyright

The Company stipulates policies and guidelines prohibiting wrongful act on breach of intellectual property or copyright of goods. The policies and guidelines are indicated clearly in the revised Code of Ethics and Work Performance Guidelines Handbook 2017 and was approved by the Board of Directors and the Corporate Governance Committee at the Board Meeting on 24 February 2017 and disclosed on the Company's website.

Policy on Non-violation of the Intellectual Property or Copyright

- (1) Directors, executives and employees have duties and responsibilities to safeguard and maintain Company's property and intellectual property. They shall respect for copyright and intellectual property rights of the owners. Also use information and communication technology via telecommunication media in a rightful manner to the best interest of the Company and in accordance with the governing laws.
- (2) It is an obligation of all personnel of the Company to maintain and secure the confidentiality of trade and trade formulas or methods of business operations.
- (3) Personnel of the Company shall use only copyrighted computer programs. They are required to check if the computer is copyrighted. Employees are advised to seek advice from supervisors before operating their respective duties on any computer outside workplaces. Installing and using computer software without license; infringement of copyrights, patent, property rights, and/or trademarks of any other person in any form are strictly prohibited.

3.3) Anti-corruption

The Company articulates in the Code of Ethics and Work Performance Guidelines as approved by the Board, the anti-corruption policy and guidance that bribery for the benefits of the Company is strongly prohibited. The Board is very well aware of the negative impact of corruption on the development of socio-economic system and security of the nation.

The Board has articulated the policy on anti-corruption, and collaborated with the Collective Action Coalition of the Thai Private Sector against Corruption. In connection to this, the Company has ratified the joint declaration coalition agreement in the fight against corruption and put in place the preventive measures. All directors, executives, employees and contracting parties are well informed that all process of operations shall be strictly performed under legal frameworks. Any misdeeds occurred in this regard due to carelessness, benightedness shall face penalty from the public sector. Lobbying in this regard is not accepted. The Company has provided channels for reporting along with protective measures for reporter whenever the violation or corruption is found. Details of the policy and implementation are disclosed on the Company's website www.ssscth.com under the CORPORATE GOVERNANCE.

Guidance for anti-corruption practices is defined and made known to all personnel as follows:

- (1) Directors, executives and employees must not solicit /accept pecuniary, favor or do anything dishonestly or beyond the norm of any party associate in the business with the Company.
- (2) Directors, executives and employees must refrain from soliciting/accepting pecuniary, favor, or other advantage from a person or juristic person running business with the Company neither for themselves

nor others which may induce wrongful acts or lead to the carrying out/omission of their duties, or commit any wrongful act.

- (3) It is prohibited to give/offer anything for the undue advantages of the third parties e.g. government official, broker, dealer, partner, etc. which may induces particular person to illegally carry out or omit from their duties or professional services, or for exchange of undue privileges.
- (4) In the case of the juristic person or contracting party offering any gift or benefit to executive or employee as a reward, such executive or employee shall discreet if the offer is proper and/or bona fide. They shall also take into discretion the public rules and regulations as well as the impact on business relationship. However, the value of the gift shall not exceed the amount prohibiting public official to obtain.
- (5) Receiving gifts or property shall be limited to reasonable and bona fide expenditures. Such gift or property shall not be a contraband.
- (6) In either case, personnel and family members shall not solicit or receive gifts, property, or any other benefits from contractors, sub-contractors, customers, business partners, or contracting parties that might improperly affect the recipient's independence of judgment towards the giver.
- (7) Personnel of the Company shall neither bribe nor give equivalent benefits of any form to other personnel of the Company or the third parties especially public officials. Giving gifts, property or other benefits to public officials either local or international shall not breach any applicable local laws and customs.
- (8) Receiving and giving gifts between authorities and subordinates with value exceeding the norm are prohibited.
- (9) Directors, executives, and employees as well as family members shall neither receive nor offer anything nor other benefits from/to partners or anyone being involved in the business with the Company. Except the offering or receiving is responsible for the advantage of business operations or practices generally accepted as tradition.
- (10) The Company's joint business operations with other organizations e.g. public sector, enterprise, private sector either local or international are transparent, fair, and in compliance with applicable Thai or foreign laws as the case may be.
- (11) Directors, executives, and employees shall provide knowledge and understanding for customers, business partners, contractors, persons or juristic persons concerning the Company's intent to anti all forms of corruption. Those who found such actions shall report the Company promptly.
- (12) The Company articulates that the said policy shall be implemented by the subsidiaries companies, affiliate companies, or the Company's controlled companies including those associated in the business with the Company.
- (13) Directors, executives, and employees not binding to the policy are charged as malfeasance and shall be reported to the authority for legal proceedings.

Declaration of Intent-Collective Action Coalition against Corruption

On 1 July 2013, the Company signed the Collective Action Coalition of the Thai Private Sector against Corruption that the Company is committed to running its business with righteousness, transparency, social responsibility, good corporate governance and anti-corruption, bribery free, regular revision of work process at every procedure, to ensure the effective risk prevention system is constantly in place.

Anti-corruption Action Plan and Targets (2013-2018), from 2014 to 2017 Company provided superintendence and communication campaign as well as training for its personnel at every level concerning the policy guidelines as defined in the Code of Ethics and Work Performance Guidelines Handbook.

The Risk Management Committee conducts the assessment on risk management of corruption taking into account risk factors, impacts, probability, violence, and risk level. The Compliance Unit of the Legal Department has been a responsible unit to monitor and assess the compliancy in this regard. In 2017, neither report nor wrongful act of corruption relating to the Company was found.

In 2014, the Company conducted self-assessment on anti-corruption measures using the self-assessment form as provided by the Collective Action Coalition of the Thai Private Sector against Corruption for improvement toward 2015 Certification Process. In this connection, the Chairman of the Internal Audit Unit has been assigned to take charge. The plan for revision and amendment of the anti-corruption information disclosure was in place. The amendment was made according to the Notification of the Office of the SEC. Accordingly, the Company passed the criteria and was certified member of Thailand's Private Sector Collective Action Coalition Against Corruption on 10 July 2015. Since then and despite the Company's low corruption risk, the Company has reviewed its policy and measures on Anti-corruption and the procedures on making complaints or giving clues as well as continuously organizing various activities. This is to raise awareness of employees and to join forces to fight against all forms of corruption. The 3 year membership expires on 10 July 2018. The Company plans to have the membership renewed thereafter.

Guidance on Anti-Corruption Practices 2017

The goal for 2016-2017 gears toward urging business partners in the business chain to implement the anti-corruption policy and practices. In 2017, besides providing training for all employees including the new recruits to better understand the Business Code of Conduct and the Anti-corruption Measures, the Company also urged its business partners in the business chain to implement the Anti-corruption policy and practices, jointly signed the agreement, and conducted training for all suppliers providing 151 service trucks to the Company.

Complaints and Clues

The Company gives high priority to exchanging information from and acknowledging comments and advices with stakeholders. Collective actions are undertaken for mutual prosperity, financial stability, and business sustainability. Communication channels are opened, for customers to lodge complaints concerning corporate governance, via Marketing Department. The Company does not establish the investor relations unit, as there are

not as yet many activities dealing with investment institutes, shareholders, securities analysts, and other organizations. However, the **Senior General Manager for Accounting, Finance and Administration** has been assigned to respond to the matters.

Mr. Boonchai Chiencharoenthanakij, Senior General Manager of the Accounting, Finance and Administration Department is available for contact at **Tel.0-2385-9242** or **E-mail:boonchai@ssscth.com**, should any information be required by investors and stakeholders.

Whistle Blowing Policy

The Company runs its business with transparency under legal framework, good corporate governance and ethical guidance. The Company fosters the fight against all forms of corruption. It has established the whistle blowing policy to facilitate all directors, executives, employees, and stakeholders. Channels are in place for lodging/reporting complaints, comments, and clues of any wrongful acts, corruption, fraud, impartiality, lack of diligence and care, and matters relating to corporate governance and code of ethics of the Company. The policy aims at encouraging all personnel to join hands to strengthen Company's practices to be always good, proper, transparent and fair. Personal details of the whistleblowers and the reported clues are regarded as confidential and shall not be violated.

Channels for Lodging Complaints and Clues

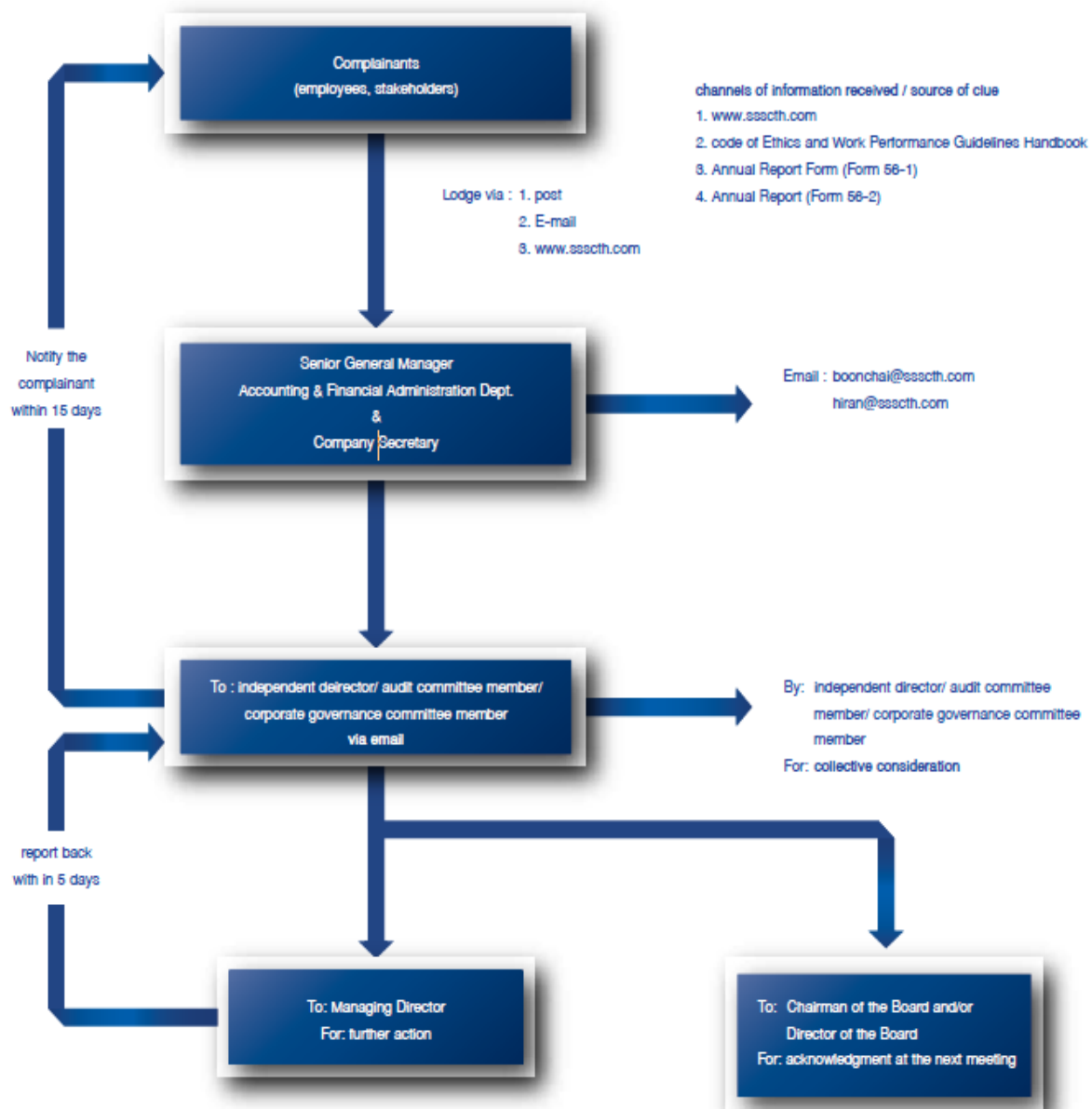
- Mr. Boonchai Chiencharoenthanakij, Senior General Manager, Accounting, Finance and Administration Department, e-mail: boonchai@ssscth.com
- Mr. Hirun Komolhirun, Senior Deputy Manager Legal Department, and the Company Secretary, e-mail: hiran@ssscth.com
- By post to Legal Department, Siam Steel Service Center Plc., 51/3 Moo2, Poochao Road, Bangyaprak District, Amphur Phrapradang, Samutprakarn 10130.

Process after Receiving Complaints

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

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

Process of Giving Clues, Complaints and Suggestions



Measures to Protect Complainants

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

- If the complainants feel unsafe to reveal themselves, in such case the revelation is optional. However, revelation is considered helpful as the Company would be able to inform the complainants of the progress and fact findings.
- The recipient shall keep all information as confidential and safe. The protection measure is set up to safeguard employee lodging complaint and/or providing information and/or cooperating in an investigation process. They are protected from possible unfair treatments including being transferred, rotated, changed of workplace, suspended, intimidated, harassed, and terminated.
- According to the policy, the Company will not impose relegation, penalty, or any threat on employees who dissent over corruption which would affect the Company to lose business opportunity. Dissemination and campaigning are conducted continuously through various activities.

3.4) Shareholders

The Company is committed to the rules and regulations of the SET and Office of the SEC, and other related laws to signify the rights of stakeholders.

- The Company operates its business with transparency, commitment to growth and advancement, and continual and long run good returns of investment to shareholders.
- All duties are performed with honesty, integrity, fairness, with concerns of majority and minority shareholders for the best returns to stakeholders.
- The Company takes care of and maintains all assets to prevent them from lost, damage or waste.
- The Company earnestly and consistently discloses adequate, transparent, reliable, and timely information of financial report and other matters concerning business and performances of the Company.

3.5) Employees

The Company regards every employee as valuable asset and significant factor driving the business to attain its goals. For all employees to be competent and happy at work which adversely effects the continuing development of the Company, the policies and practices in relation to employees are defined accordingly.

(1) Remuneration and Welfare

- Fair recruitment that is lawful and comply with rules and regulations under labor law (e.g. employment, termination of employment), welfare, and equal treatment of employees.
- Provision of opportunity for all employees to maximize their talents with fair and appropriate competency based remuneration.
- Regular performance and career advancement assessment by which the outcomes are used as inputs for development and improvement of work processes. The development and improvement are in line with vision, strategy map, key performance indicators, objective, target, as well as short and long term action plans leading to sustainable growth of the Company and attainable returns for employees.
- Policy for fair compensation to employees is based on short - long term performances of the Company; expertise, knowledge, competence, experiences, position, responsibility, and work performances of individual employee; performances of the Company; and economic and social circumstances.
- Policy on fair compensation and equal opportunity; no privilege or deprivation of rights of employees against race, nationality ,tribe, color, class, religious, social status, gender, age, disability or handicapped, political ideology, marital status; measures on protection from and solution for sexual abuse.
- The payment, however, is based to the KPI as defined by each employee and incorporated in the Action Plan submitted to the irrespective line of command.
- The long term compensation is paid in the form of provident fund.
- Appointing, transferring, rewarding, and giving penalty with fairness and sincerity based on knowledge, competency, and suitability.
- Benchmarking, benefits and welfares given to employees, with other firms in the same or similar industry and in accordance with happlicable laws e.g. medical expenses, monthly/yearly diligent allowance, uniform cloth, shuttle, financial assistance, etc

- It is important that employees at all levels are continuously and consistently develop knowledge and skills beneficial to career advancement.
- Maintaining safe and healthy work environment for life and assets of employees.
- Providing proper equipment and welfare for employees with disabilities.
- Encouraging and fostering employees to live better life qualities and be self reliance following sufficiency economy guidance.
- The Board sets up the clear policy and guidelines to promote learning and training for employees concerning environment, conservation, energy saving, safety and health in the workplace.
- Promoting participation and respecting association rights of employees concerning comments or recommendations in relation to performance guidelines and/or work agreement which are beneficial to all while creating good relationship and collaboration. Channels for receiving complaints and clues are available as well as fact finding guidelines and protective measures for whistleblower.
- Promoting work culture and norm toward good cooperation and unity in the organization.
- Managing business operations with deliberation to avoid any unfair action that may cause negative impact on job security of employees.

Besides the provision of provident fund for work security, the Company set up personnel development policy to encourage employees to attend various training programs. The Code of Ethics or Work Performance Guidelines Handbook is published binding all directors, executives, and employees to comply with. The Handbook is available on the Company's website www.sssc.th.com.

In 2017, the Company continued employing the Management System of Quality of Work Life (MS-QWL 1:2008) introduced by the Institute of Human Capacity Building of the Federation of Thai Industries, and the Thai Health Promotion Foundation. The system being employed serves as an operational framework under the policy on management system of quality work life aiming at promoting and supporting employees to live good life in 4 aspects; body, mind, society, and soul.

(2) Management System of Quality of Work Life

- Appropriately and continuously implements and develops Management System of Quality of Work Life in line with the rules and guidance provided.
- Promotes personnel training and development to ensure employees gain proper knowledge and skills
- Ensures that employees work happily with unity and care.
- Bolsters morality of all personnel.
- Conducts work related threat analysis for mitigation and/or prevention.
- Develops human resources to become valuable assets of the organization.
- Ensures the continuity of performance assessment in accordance with the policy.

(3) Policy on Occupational Health Safety and Environment of Workplace

- The Company focuses on system development of occupational health safety and environment of workplace to safeguard employees from injuries and work related diseases according to the laws and regulations applicable to risk and operation in the workplace.
- Every employee has an obligation to participate in the activities conducted with regard to occupational health, safety and environment of workplace.
- Assessment of risk in the workplace for prevention and improvement shall be carried out regularly to ensure the operations meet required standards.
- Campaigning is carried out to promote quality of life and health of employees.
- The Company provides proper and adequate resources to promote working awareness in alliance with required standards and safety procedures concerning occupational health safety and environment of workplace.
- The Company welcomes all delegations paying visit to study occupational health, safety and environment of workplace, and also disseminate information on safety to interested parties and the public.

In 2017, accident statistics, leave rate or sick leave are shown below:

	2017	2016
Injury Frequency Rate (I.F.R.) Time/Million Hours	0.82	1.56
Occupational Related Diseases Rate (ODR)(no./Million Hours)	9	6
Injury Severity Rate (I.S.R.) Day/Million Hours	1.63	25.31
Leave rate from work related injuries (AR)(no./Million Hours)	0.05	3.71
Occupational Fatality Rate (person)	0	0

(4) Policy on Industrial Sufficiency Economy (TIS 9999)

The Company has applied, to its business management and operations, the principles of **Sufficiency Economy: the Moderation,**

Reasonableness and Self-immunity. Personnel shall possess knowledge and virtue for the balanced socio-economic and culture development in all aspects. The Company implements the following guidelines toward sustainable growth and stability, happy workplace, be prepared for changes and uncertainty within and outside the Company.

1. Encourages employees' participation and awareness to retain knowledge and moral integrity in order to live life that is ; moderate, well rounded, discreet, honest, diligent, tolerate, united, and shared.
2. Respects for stakeholders' benefits and legal rights in a proper and fair manner.
3. Develops holistic and systematic management and information system that drives the organization through planning, implementation, monitoring, and improvement toward effective and efficient business outcomes.

4. Promotes learning and understanding the value of natural resources and eco-system including soil, water, forest, and bio-diversity to spiritual upholding, living and interdependence.

(5) Policy on Environmental Management

To express its commitment to future environment, the Company's Management set up the policy on Environmental Conservation and Rehabilitation dedicating to better social and environment. Actions in this regard are within the frameworks of Environmental Management System ISO 14001 to prevent the continuing exploitation of environment, and to cooperate with other organizations. The policy was revised in 2017 as shown.

1. Implements according to the objectives, context, nature, size of the Company's activities, products and services on environment.
2. Commits to protection of environment, prevention and control of pollution.
3. Ensures the practice is in accordance with the mission and regulations in relation to environmental management.
4. Emphasizes and promotes the participation in pollution reduction, resource conservation and environmental protection.
5. Develops and improves environmentally friendly manufacturing process.
6. Continuously assesses, reviews and revises according to the set objectives and goals.

The Company continuously communicates and provides trainings for the Management and employees to acquire knowledge and understanding as well as be aware of and take action for environmental conservation and rehabilitation in the home and workplace. The performance guidelines are clearly prescribed under policy and frameworks of Environmental Management System ISO 14001 for continuous implementation. This is to ensure all employees understand and see the importance of effective management of environment as suggested by the ISO 14001. As a result, the Company has certified ISO 14001 since 2004.

So as to act in consistence with the change affecting the environment e.g. climate change, competitive context, in 2016, the Company has reviewed and revised its operations in alliance with the new version of ISO 14001:2015 and was certified accordingly.

As consequences of providing welfares to employees with excellent labor relations between employees and the Company as well as having in place the safety and drug free workplace, good health during and after work hours, the Company was awarded:

- Outstanding Award on Labor Relations and Welfare for 15 consecutive years (2003-2017).
- Platinum Award on Outstanding National Occupational Safety and Health for 12 consecutive years (2006 - 2017).
- Certificate of honor for being a learning center for workplace drug prevention and resolution from the Office of the Narcotics Control Board, Ministry of Justice.
- Be a prototype organization for its outstanding standard of 100% helmet wearing 2015-2017.
- Be rated a very good workplace as certified by Department of Health, Ministry of Public Health.

- Outstanding National health, Safety and Happy Workplace (gold plaque) 2016-2019 from the Department of Health, Ministry of Public Health
- Certificate of honor for being private organization supporting elder affairs 2017.
- Outstanding Performance for Prevention and Solutions to Drugs Problems 2017.
- Plaque of fame for being member of the first group of entrepreneurs applying Industrial Standard Following Sufficiency Economy in Industrial Sector (TIS 9999 volume 1-2556 B.E.) for corporate sustainable growth.

3.6) Customers

The Company fully realizes in and is committed to competency based development and improvement in various fields by establishing, within the Company, quality systems with reference to the rules governing the Quality Management System ISO 9001: 2015, and the Quality Management System for Automobile Sector IATF16949:2016. The Company spells out its vision in relation to quality as:

“Customer Satisfaction, Quality Orientation, Continuous Human Resource Development”

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

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

Customers’ Satisfaction

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

Attention to manufacturing process ensures the achievement of customers’ requirements for product quality and effectiveness of the process.

During 2017, the Company carried out customers' satisfaction survey using foreign supplier/sub-contractor survey form for its raw materials supply. The survey is carried out twice a year on 4 areas: 1. Product Quality, 2. Delivery, 3. Cooperation and After Sale Service, and 4. Price. The Marketing Unit is entrusted with identifying KPIs for customers' satisfaction survey with the performance of no less than 90% customers' satisfaction in every survey area except the Price as it is known as an uncontrollable marketing mechanism. The survey aims at developing and improving products and services to meet customers' needs especially the quality and services.

Increasing number of survey population making the survey findings more reliable for planning and implementation to further meet customers' needs, therefore, the 2017 survey was carried out using electronic survey form and the Company's customer database. In so doing, the returned survey forms increase from 110 to 317 or 180% of 349 total survey population. The findings has been applied to improve planning and implementation to better serve customers' needs.

Customers' Satisfaction Assessment Results

	All Customers			
	2017	2016	compared	score
Quality	94.95	93.41	increase	4.82
Delivery	89.88	86.82	increase	4.61
Service	91.03	88.42	increase	4.67
Price	84.12	79.15	increase	4.35

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

Remark: customers' satisfaction increase in every assessment area, however, the Company has formulated the delivery development plan and organized activities to promote safety including providing knowledge for truck contractors as mentioned in Corporate Social Responsibility Section

3.7) Business Partners

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

Procedures and methods for selection of business partners or contractors

The clear and transparent selection process is defined according to the procurement regulations and guidelines and disseminated to every executive and employee to firmly adhere to. The selection process of the Company's business partners is summarized as under:

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

3.8) Business Competitors

The Company's competitor treatment policy aims at:

- Supporting and promoting free trade competition that is fair and not violate the confidentiality of trade competitors
- The Company treats competitors according to the rules of practice as provided by the International Trade Law.
- The Company provides controlling system to prevent any act of illegal use or acquire of confidential information of its competitors.
- The Company strongly commits to operating its business fairly and in compliance with business code of conduct. During the past year, there was not any dispute in relation to trade competitor.

3.9) Creditors

The Company's creditor treatment policy stated that:

- Monitoring system shall be in place to ensure actions taken are firmly complied with terms and conditions of contract and agreement made to the creditors i.e. payment, repayment, collateral, or other obligation owed to the creditor.
- The Company shall constantly reports its financial status to the creditors with integrity, accuracy, and timely.

- In the case where the Company fails to fulfill contractual obligations, the creditor shall be informed promptly for mutual resolution and measure to prevent any possible loss, taking into account the Company's reputation.
- Determining capitalization strategies for financial security and strength to ensure its liquidity for timely and full settlement offer to creditors.

3.10) Public Sector

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

3.11) Community and Society

Being part of society and community, the Company is constantly committed to the development and improvement of its Environment

Management System (ISO 14001:2015). Cooperation is given to organizations dealing with environmental issues for development of quality of life and environment. The Company, therefore, defines the environmental policy as detail shown in 3.5 Employee.

Corporate Social Responsibility

The Company is convinced that strong commitment to Corporate Social Responsibility (CSR) brings sustainable development.

Therefore, the Company's CSR Committee and working groups are appointed comprising representatives from various units within the corporation. The CSR Committee and the 7 CSR working groups work collaboratively toward the set policies and objectives. The 7 CSR working groups focus on various aspects.

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

The CSR policy and guidelines incorporating energy conservation was revised in 2016 as follows:

- The Company operates its business applying principles of business ethics and corporate governance; being attentive to stakeholders, society, economy, and environment; being honest, transparent, impartial; and respecting of human rights.
- The Company commits to continuously develop and improve management of quality of work life, environment, health and safety in the workplace through the integrative practices of MS-QWL, ISO 14001, OHSAS 18001, ISO 9001, ISO/TS 16949, ISO 50001, related laws and regulations or guidelines, principles of sufficiency economy in industrial sector (TIS 9999 Vol 1-2556). The practices are applied internal and external of the organization toward successful and sustainable business operations.
- The Company promotes and supports personnel, budget, work hours, and training as well as being attentive to commenting for improvement of its CSR activities.
- The Company reviews and assess the CSR targets and plan at least once a year.

Energy Conservation

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

- Appointing the energy management working group comprising representatives from various units within the corporation
- Preliminary review of energy management
- Defining energy conservation policy
- Assessing potential energy conservation
- Setting targets and action plan for energy conservation, and reviewing and analyzing the implementation accordingly
- Implementing energy conservation plan, reviewing and analyzing operations against the set targets and plans
- Monitoring and assessing energy management
- Reviewing, analyzing and revising energy management plan and targets.

In 2017, the energy conservation policy was revised incorporating energy conservation guidance in line with ISO 50001. Energy conservation related trainings and activities are continuously carried out to raise awareness of the Management and employees to conserve and minimize energy consumption. In this regard, the Company has been awarded under the project on Development of the Thai Energy Management toward International Energy Management Standards ISO 50001. The Company has been certified ISO 50001.

The policy stated that:

- The Company determines energy conservation as part of its operations through development for proper energy management system in line with related laws and regulations.
- Formulates annual energy conservation plan and targets, and made known to every employee for common understanding and actions.
- The Company supports the purchase of energy saving products and services designed for energy capacity improvement.
- The Company continuously improves technology and energy consumption for effective and proper use in the business.
- The Company regards energy conservation as duty and obligation of the Management and employees to cooperate and comply with the stipulated measures.
- The Company promotes and provides resources as needed including personnel, budget, work hours, training, awareness building, idea expression participation for efficient development of energy related activities.
- The energy conservation plan and targets are revised every year by the Management and the Working Group.

All personnel cooperate and act actively according to the policy and mission statement that says: **“Safety First, Satisfaction, Social Care, Continual Improvement”**

As results of good relationship of the Company’s executives and employees with neighboring communities, the Company has received the following certificates.

- Standard for Corporate Social Responsibility, Department of Industrial Works (CSR-DIW) and certified “Green Industry” employing systematic environmental management including monitoring, evaluation, and revision for its continuing development from the Ministry of Industry.
- Standard on Prevention and Solution to Drugs Problems in the Workplace from the Department of Labor Protection and Welfare.
- Occupational Health and Safety Assessment Series (OHSAS) 18001:2007.
- Quality Management Standard ISO 9001:2015 and IATF 16949:2016
- Environmental Management Standard ISO 14001:2015.
- Certificate on Prevention and Solution to Drugs Problems



CORPORATE GOVERNANCE POLICY

Section 4 Disclosure of Information and Transparency

Section 4 Disclosure of Information and Transparency

To ensure the important information of the Company including financial status, performances, ownership, and corporate governance process is disclosed as accurate, adequate, timely, and transparent; the Board defined the guidelines for practices as follows:

- The Company discloses clear and updated profiles of shareholders so that users can obtain true information. Details of major shareholders and the Company's shares held by minor shareholders is illustrated in Heading 1 Corporation
- The disclosure of Company's important information including financial and non-financial e.g. market shares, customers' satisfaction, etc., shall be accurate, adequate, timely, transparent, and conformed to the notifications of concerned government offices,
- The Company regularly reports, in Thai and English, important data and information using Form 56-1 and annual report to shareholders and general investors via various channels e.g. electronic media (SET Community Portal - SCP), website of the SET (<http://www.set.or.th>), and the Company's website at www.ssscth.com.
- Not only disseminating the Company's good governance policy on the Company's website, but also the Company's memorandum, certified letter, and company articles of association.

In this connection, the Company has appointed Audit Committee comprising 4 independent directors not being executives, to oversee the quality of financial report and internal control system to ensure:

- The disclosure of roles and duties of the Board and of the Audit Committee, number of meeting held, and number of meeting attended over the past year of each director/committee member as well as opinions on the operation of functions.
- The disclosure of shareholdings of the directors and executives, and the policy binding directors and executives to report the followings:
 1. Sale-purchase of Company's shares/securities held;
 2. Connected transaction and report of stakeholders' involvement.

In order to avoid potential conflict of interest, the directors and executives are required to report to the chairman and present such report at every quarterly meeting of the Board for acknowledgment.

Any sale-purchase of the Company's shares, the directors and chief executives shall report to the Board at least 1 day before the day of selling or purchasing.

Company Shares Held by Directors as of 31 December 2017

Board of Directors		No. of Shares Held		No. of Shares increase (decrease) annual (share)	Remarks
		31 Dec. 2017*	31 Dec. 2016		
1. Mr. Wanchai	Kunanantakul	8,646,400	864,640	-	Father of no. 2, 4, 7 and 8
	Spouse and minor children	-	-	-	
2. Mr. Surasak	Kunanantakul	none	none	-	Child of no.1
	Spouse and minor children	-	-	-	
3. Mr. Akihiko	Tsubouchi	none	none	-	
	Spouse and minor children	-	-	-	
4. Mr. Surapol	Kunanantakul	12,230,400	1,223,040	-	Child of no.1
	Spouse and minor children	-	-	-	
5. Mr. Soichi	Suzuki	none	none	-	
	Spouse and minor children	-	-	-	
6. Mr. Jun	Murase	none	none	-	
	Spouse and minor children	-	-	-	
7. Mrs. Naphaporn	Hoonthanasevee	none	none	-	Child of no.1
	Spouse and minor children	-	-	-	
8. Mr. Sittichai	Kunanantakul	6,137,600	613,760	-	Child of no.1
	Spouse and minor children	-	-	-	
9. Mr. Pongsak	Angsupun	none	none	-	
	Spouse and minor children	-	-	-	
10. Mr. Vichit	Vuthisombut	none	none	-	
	Spouse and minor children	-	-	-	
11. Assoc. Prof.Dr. Sucharit	Koontanakulvong	none	none	-	
	Spouse and minor children	-	-	-	
12. Dr. Damri	Sukhotanang	none	none	-	
	Spouse and minor children	-	-	-	
13. Mr. Boonchai	Chiencharoenthankij	none	none	-	
	Spouse and minor children	-	-	-	
14. Mr. Navarat	Chanamoon	none	none	-	
	Spouse and minor children	-	-	-	

* No sale/purchase of shares during the year

According to the resolution of the AGM 1/2017, the Company has changed par value from 10 Baht/share to 1 Baht/share

- The remuneration criteria for directors and executives are clearly defined and disclosed in an annual report. The compensation rate is specified by the Board by comparing to the rate being practiced in similar industries, and to the Company's performances with approval from the AGM.
- The Board realizes the influences of the financial and non-financial information on the process of decision making of investors and stakeholders. The Company, therefore, strongly insists the Management to constantly and timely disclose adequate, accurate, true, reliable information. The Company's Management places top priority, and constant adherences to the said disclosure practices.
- In 2017, the Board also encourages the Company to prepare the Management Discussion and Analysis (MD&A) to support the quarterly disclosure of financial statements. This is to ensure, the investors understanding not only the numerical data illustrated in the financial statements but also the Company's financial status and quarterly performances.
- There is no item with conditional opinion of the auditor shown in the Company's financial statements. The Company has no record of late submission of quarterly financial report or of any reservation on financial statements as governed by external agency.

Investor Relations

- In the part of investor relations, Mr. Boonchai Chiencharoenthanakij, Senior General Manager of the Accounting, Finance and Administration Department represents the Company to communicate with investors, shareholders, and security analysts, and the general public. Information in this regard can be obtained through press conference, press release concerning interesting investment events, analyst meeting or opportunity day, analyst site visit, events as organized by the SET, etc.
- In 2017, the Company sent out quarterly and annual financial reports within the specified timing and as required by the SET. According to the SET, no reservation was made on the Company's financial statements submitted. The Company communicates, at a quarterly basis, its financial status via press release, SET Community Portal - SCP, and SET website (<http://www.set.or.th>).
- Investors are welcome to contact Mr. Boonchai Chiencharoenthanakij,
Senior General Manager of the Accounting, Finance and Administration Department at Investor Relations
Unit 51/3 Moo 2, Poochaosamingprai Road, Bangyaparak, Phrapradang, Samuthprakarn 10130,
Tel. 0 2385-9242, 0 2754-5845-49, Fax. 0 2754-5747 or www.ssscth.com or e-mail:
boonchai@ssscth.com.



CORPORATE GOVERNANCE POLICY

Section 5. Responsibilities of the Board of Directors

Section 5. Responsibilities of the Board of Directors

The Company's Board of Directors consists of those well-versed and experienced with competent in vision and strategy formulation, be able to devote time and perform duties with full dedication to the Company. The Board is responsible for business operations and management of the Company via the Management and committees recruited and assigned for particular matters. The Board also provides efficient systems to monitor and evaluate the management performances.

5.1) Profile of the Company's Board of Directors

The Company's Board sees the connection of its roles, duties and responsibilities with business operations and that director of the Board shall not be a director or executive of any other firm with possible conflict of interest to the Company. The Board monitors and oversees the management operations to ensure the operations are carried out with knowledge, competency, transparency, and attentiveness. The Board accounts for the benefits of the Company, shareholders, and be independent from the management.

The Company's Board Diversity Policy

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

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

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

The Company also specifies the Board Skill Matrix in 12 areas for recruitment of the directors of the Board: 1) Business and Management, 2) Direct and Indirect Industrial Corporation, 3) Engineering and Civil Engineering, 4) Strategic Planning for Competitive Advantage, 5) Business Related Laws, 6) Accounting and Auditing, 7) Economics, 8) Finance and Investment Management, 9) International Marketing, 10) Information Technology, 11) Risk and Crisis Management, 12) Good Corporate Governance. This is to ensure the qualified and diverse Board beneficial to the formulation of strategies, policies and directives for business operations.

The aforesaid diversifying policy aims at safeguarding the Company's interests while ensuring the transparency of the Board and building trust of employees, customers, shareholders, stakeholders, and society as

a whole also local and foreign general investors. Accordingly, the guidance has been set out for practices as follows:

Composition of the Board

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

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

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

Qualifications of the Company's Board

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

There are 12 members of the current Board of Directors.

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

The 4 Independent Directors/Audit Committee Members possess qualifications, components, powers and duties as specified by the SET and Charter of the Audit Committee which was revised in 2011 and disclosed on the Company's website at www.sssc.th.com

© Chairman of the Board shall not be a member of the executive committee in order to separate policy formulation from routine administration. The segregation of duties are as follows:

Scope of Authority of Chairman of the Board

1. Despite not being an Independent Committee Member, Chairman of the Board shall carries out his duties independently without any conflict of interest, and not take part or interfere the day to day administration considered as duties of the President of the Board as entrusted by the Board
2. Creating overall sustainable business security as determined by the vision, mission of the Company through the promotion of business culture and management according to the principles of good corporate governance.
3. Ensuring proper profile of the Company's Board is in place for business operations generating highest returns to shareholders and stakeholders.
- 4 . Facilitating the Management to transparently, smoothly, and effectively manage the business within the law and governance frameworks. Ensuring the management achieve the policy and strategic goals. Continuously promoting competency development.
5. Promoting trust among employees, shareholders, and stakeholders on ethical and accountable business operations, social, and environment.
6. Be chairman of the meeting of the Board who shall cast the final vote in case of equal vote, call for the meeting, be chairman of the AGM, and perform duties as provided by laws.

Scope of President's Authority

(see heading 8 - Management, section 8.2 - Executive)

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

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

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

Therefore, the Handbook synchronizes with the Good Governance Policy, and successfully transfers the written policy into actual practices.

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

In 2017, the Board and the Management discussed and revised the vision and strategic plan **as mentioned in the heading 10 – Corporate Social Responsibility** through assessment of business operations under various circumstances for possible risks. Accordingly, the Board determined and approved the said revised Company's vision, mission, and strategies for another 5 year (2017-2021) aiming at achieving sustainable development focusing on creating competitive capacity, adding value to stakeholders, responsive to industrial and economic changes.

Terms of Services

- Terms of service of the Board are specified in the Company's articles of association that in an AGM, one-third of the Board's members shall retire from the positions. In the first and second year after the registration of the Company, raffle would be picked who have to leave. The year later, the director holding position for the longest term shall leave; however, the retiring director is re-electable. The remuneration and nomination committee selects and nominate qualified person taking into determination skills being needed by the Board. The outcome is presented to the Board and AGM for approval.
- The Board designates Company's Secretary to give legal advice , oversee the operation of the Board's functions, and ensure actions are taken according to the resolutions of the Board and shareholders' meetings.
- The Board institutes corporate governance policy and Code of Conduct Handbook binding all directors, executives and employees to act with integrity and discretion under legal frameworks and scope of responsibility. They shall omit from any act that might cause damage to the Company and to all.
- In compliance with Good Corporate Governance for Listed Companies 2012, the Board and the Corporate Governance Committee reached the resolution on 27 February 2015 approving the revised Code of Business Ethics and Work Performance Guidelines Handbook containing significant issues of the Company, and posed on the Company's website at www.ssscth.com
 1. Responsibilities of Directors, Executives and Employees to Stakeholders
 2. Responsive to Competitors
 3. Stakeholders' involvement and Conflict of Interest
 4. Respect of Laws and Human Rights

5. Securing of Confidentiality, Internal Store and Use of Information
6. Procurement and Business Partnership
7. Corporate Social Responsibility
8. Employee Relations
9. Political Contributions
10. Internal Control and Auditing
11. Receiving and Offering of Rewards, Property or other Benefits.
12. Preventing and Combating Money Laundering
13. Health Safety and Environment
14. Intellectual Property Rights and Application of Information Technology System and Communication

5.2) Segregation of Duties and Independency of the Board

The Company's Board of Directors defines power and duties of the committees and the management in written to facilitate the supervision, inspection, and performance assessment as under:

- Instituting management structures segregating clearly the roles and duties of the Company's Board of Directors and every managerial functions to ensure the efficiency of business operations. For check and balance, transparency, and fairness to connected parties; consent from the Board is required for deliberation and decision made on any important matters.
- The Board institutes written policy governing its corporate business and policy implementation.
- The Board must have independent power to consider, investigate, express views, vote, and neither be under pressure of any interest nor conflict of interest dealing with matter that would affect independency and impartiality of the said actions. So as to maintain the interest of the Company and of the stakeholders, the Company places high precautions to any potential conflict, and stipulates that director lacking of independency must not involve in any decision making on matter relating to his/her interest.
- The Board establishes systems controlling the operations, financial reporting, and policy implementation. In this regard, an independent unit is established to examine the systems.
- The Board is responsible for the Company's financial statement and financial information illustrated in an annual report. The financial statement shall be made according to the standards generally accepted. Adequate important information shall be disclosed as remarks of the financial statement.
- The Board puts in place the reliable accounting system and financial report as well as the effective and efficient assessment processes of internal control and auditing.

5.3) Roles, Duties and Responsibilities of the Board

(1) Leadership and Vision

- The committees together with the Management define vision, strategies, mission, financial goals, risk management, action plan, and budget; as well as proactive roles, duties, and responsibilities for achievement of business goals of the Company. Important matters concerning the Company's operations are determined with preliminary consideration endorsed by the Management Committee comprising President, Senior General Manager, and Senior Manager from different career paths. The outcomes is

submitted to the Board of Directors for effective and efficient formulation of the business plan in line with the Company's strategies and goals.

- Key Performance Index (KPI) is defined at the beginning of the year for each department to comply with. Each department is required to present its past year performances against the set targets inclusive of the causes of being unable to attain the set targets. Alternatives to resolve such difficulties along with action plans for the following year (KPI + Action Plan) shall also be incorporated in the presentation. Performance monitoring shall be conducted on a monthly, quarterly and yearly basis to ensure the alignment of management with the defined policies for the best returns of the business. Other roles and duties of the Board are shown under the heading “-Power and Duties of the Company's Board of Directors.-”

(2) Business Ethics

The Company is strongly committed to righteous acts; therefore, governance policy is earnestly enforced. Directors, executives and employees must perform their duties with honesty and integrity within legal frameworks and scope of responsibilities including the exercise of discretion. They shall refrain from any act that might cause damage to the Company and to all.

The Board ensures the written business ethics and work performance guidelines handbook is available for directors, executives, the Management, and employees to comprehend and earnestly apply to the business operations.

Revision and Control Mechanism

The Board establishes revision control mechanism to ensure transparency of the business, and to gain confidences of shareholders, investors, and stakeholders.

(3) Conflict of Interest

The Company defines the policy dealing with conflict of interest indicated in the Code of Business Ethics and Work Performance Guidelines Handbook for directors, executives, and employees to adhere to and to perform their duties with honesty, integrity, and impartiality. The policy is recognized as a must for directors, executives, and employees not to seek for personal gains.

The Company stipulates the policy on entering into connected transaction stating “in the case of entering into connected transaction that fails to meet the general trade, consent from Audit Committee concerning rationality and appropriateness is required prior to submitting to the Board for approval.

In the case of connected transaction or other transactions undertaken under the provision of rules and/or criteria of the SET and the Office of the SEC, the Company strictly complies with the provision thereof.

In addition, the preventive mechanism in relation to conflict of interest is stipulated through reporting mechanism.

1. Report on disclosure of potential conflict of interest and connected transaction

The Company stipulates that significant possible conflict of interest and connected transaction shall be disclosed in an annual information form (Form 56-1) and an annual report of the Company as details shown under the heading "Connected Transaction." The disclosure shall contain details of any person with possible/potential interest, relationship, characteristics of transaction, condition, cost policy, and transaction value, rational and comments of the Auditing Committee and/or the Company's Board.

In 2016, the Company had no record of action that violated connected transaction or not conformed with the criteria set by the SET and Office of the SEC.

2. Report on interests of director, executive, and connected person.

The Board imposes that directors and executives shall report their interests or interests of connected persons to the Company for acknowledgment. In so doing is to provide the Company with information for action according to terms of condition of the connected transaction. As the transaction in connection to administration and management of the Company and its subsidiaries may cause conflict of interest that leads to transferring of interests of the Company and its subsidiaries. The report shall be submitted every calendar year and within 30 days as from the end date of December. Resubmitting is required whenever changes incurred which portrayed differences from the report previously submitted.

3. Report on securities holding and change of securities holding of the Company

The Board set up the policy stipulating directors, executive, and the Management (as defined by the SET and Office of the SEC) shall report their securities holding inclusive of the number of securities held by spout or minor child/children and/or connected person as per Section 59 of Securities Exchange Act.

- To report on the first holding of Company's securities (Form 59-1) within 30 days as from the day appointed director or executive.
- To report on the change of holdings of Company's securities (Form 59-2) whenever purchase, sale, transfer or receive of Company securities by submitting the report within 3 days as from the day of purchasing, selling, transferring or receiving such securities. Copy of the securities holding report shall be delivered to the Company the same date as submitting to the SET and Office of the SEC.

Directors shall also report the holdings of the Company's shares to the Board via Secretary of the Company who shall prepares the summary report of the holdings and changes of Company securities of the Company's directors and executives, and present, on a quarterly basis, such report at the Board Meeting for acknowledgement. The report shall also be disclosed in an annual information form (Form 56-1) and an annual report of the Company.

The Board stipulates that director or executive or employee, with interest relating to the business being transacted, is not permitted to involve or take part in the decision-making process of the transaction. Director and

executive are imposed by the Board to declare, on a yearly basis, any transaction that may induce conflict of interest.

5.4) Board Meeting

- The Company Board meetings are scheduled one year in advance to foster directors in managing their meeting attendance. At least 4 meetings are held each year or once every quarter after the Company's auditor has reviewed and certified the Company's financial statement. Additional meeting is held in either necessary or urgent or special case for efficiency and catching up with the Company's business situation. In this regard, the Company Secretary is in charge of preparing meeting documents, venue, and acting as meeting coordinator.
- Each director shall be informed of the meeting date and agenda. The complete and sufficient meeting documents are delivered to the Board's directors at least 7 days ahead of the meeting date so as to provide sufficient time for the directors to study the meeting documents.
- Every director shall attend Board's Meeting at least 75% of the total number of the meeting held.
- The Company's Board of Directors may request for advisory and service documents of the Company's business operations from the chief executives. In this regard, Company Secretary shall perform as coordinator. If independent opinion from an external advisor is needed, the Board is allowed to do so. Expenses in this regard shall be borne by the Company.
- At Board Meeting, every director is welcome to discuss and exchange view openly and to determine his/her decision independently. At each meeting Chairman summarizes views and conclusions made at the meeting, and have them recorded in writing by Company Secretary. An adopted minute of the meeting is kept in the cabinet at the Company's head office, 3rd floor, for review by directors and concerned persons.
- At each meeting, the executive dealing with the matter being discussed is invited to attend the meeting to provide relevant details.
- Chairman of the Company ensures the Board has allocated sufficient time for executives to present, discuss, express views, and ask questions against important issues.
- The Company stipulates that non-executive directors may convene among themselves in absence of the management to discuss challenges concerning interesting managerial matters, and subsequently, inform the President of the meeting outcomes.
- In the case where there is a conflict of interest, director holding stakes relating to the issue being discussed is required to declare relevant details to the Company's Board of Directors promptly. He/she shall not involve in the process of decision making against such issue.
- The Company defines the policy that the minimum number of directors constituting a quorum for voting at the Board's meeting shall be no less than two-third of total number of directors of the Board.

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

The Company conducts, at least once a year, performance assessment for review and improvement, the adequacy of the corporate governance and operations as performed by the President, the Board, and all

committees. The assessment form is modified from the SET's Self-Assessment Form. The assessment results are presented at the Board meeting.

In 2017, the assessment form was modified from the SET's form to suit the Company's business operations and conformed with the charter for performance at work.

The assessment rating scale is shown below.

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

The President's Performance Assessment

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

- 1) Leadership
- 2) Strategy Formulation
- 3) Strategy Implementation
- 4) Financial Planning and Performances
- 5) Relationship with the Board
- 6) Relationship with External Parties
- 7) Administration and Relationship with Employees
- 8) Knowledge of Products and Services
- 9) Personal Characteristics

The performance assessment of the President for accounting periods of 2017 gained average score 4.75 out of full score of 5 or rated as Good performance.

The Board's Performance Assessment

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

Director's Individual Performance Assessment	The Board's Performance Assessment
Assessment Aspects	Assessment Aspects
1) Qualifications of Director	1) Profile and Qualification of the Board
2) Roles and Responsibilities	2) Roles and Responsibilities
3) Operation of Director Functions	3) Board Meeting
4) Relationship with the Management	4) Operation of Director Functions
5) Self- development and Managerial Development	5) Relationship with the Management
	6) Self- development and Managerial Development
Directors received average individual performance	The Board received average performance assessment

assessment score 4.83 out of full score of 5 or rated Good performance

score 4.90 out of full score of 5 or rated Good performance

The performance assessment of 4 committees

The assessments were carried out by mean of self-assessment on the Audit Committee, Nomination and Remuneration Committee, Corporate Governance Committee, and Risk Management Committee on the following aspects.

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

Performance assessment results of the 4 committees for accounting periods of 2017

Committee	Conclusion of Self-assessment
1. Audit Committee	Received average score 4.94 out of full score of 5 or rates as good performance
2. Nomination and Remuneration Committee	Received average score 4.92 out of full score of 5 or rates as good performance
3. Corporate Governance Committee	Received average score 4.96 out of full score of 5 or rates as good performance
4. Risk Management Committee	Received average score 4.83 out of full score of 5 or rates as good performance

5.6) Development of Directors and Executives

The Board recognizes an important of being a knowledgeable director with full understanding of respective duties, responsibilities, and the Company’s business characteristics. Therefore, trainings are provided continuously and constantly to the newly appointed directors and the existing ones, coupled with the dissemination of rules, regulations, and guidelines provided by the SET and Office of the SEC as well as applicable laws and principles to facilitate the operations of director and executive functions.

(1) Orientation of New Directors

The Company’s orientation policy aims at providing training for every new director to be well equipped with knowledge and understanding of business nature and operations of the Company. The training contents are inclusive of business policies and characteristics, business overview, and performances.

The orientation provides essential information as required by the director functions.

1. Matters binding the Company to act according to the applicable laws e.g. sale-purchase of Company's shares, personal securities holding, and the holdings of spouse and next of kin as major shareholders, managing directors of other business, and relationship with the Company.
 2. Memorandum and Articles of Association
 3. Scope of duties and responsibilities of the Board and committees
 4. Minute of the meetings and meeting schedules
 5. Corporate Governance Policy
 6. Use of Internal Information
 7. Risk Policy
 8. Internal Control
 9. Connected Transaction
 10. Code of Business Ethics and Work Performance Guidelines Handbook
 11. Whistle Blowing
 12. Legal Dispute (if any)
 13. Recommendation for Improvement by the Governance Organization
- Secretary of the Company is in charge of compiling related documents.

(2) Knowledge Development

All directors possess qualifications as required by the SET. They are knowledgeable and competent. However, various trainings are provided to promote continuing work performance improvement. The Company facilitates directors, executives, and Company's Secretary to attend various training e.g. training as conducted by the Thai Institute of Directors (IOD), the SET, and Office of the SEC including Director Accreditation Program (DAP),

Director Certification Program (DCP), and Company Secretary Program (CSP). Other trainings include training programs conducted by the Vocational Institute under the Patronage of His Majesty the King, independent agencies, and /or other educational institutes e.g. the Thai Listed Companies Association, the Thai Investors Association.

In 2017, director, executive and Company's Secretary participated in the training and seminar as follows:

1. Assoc. Prof.Dr. Sucharit Koontanakulvong, Independent Director/ Audit Committee Member/ Chairman of the Nomination and Remuneration Committee/ Chairman of CSR Committee and Committee Member of Risk Management Committee, participated in the Independent Director Forum 2017 on "Updated COSO Enterprise Risk Management: Integrating with Strategy and Performance" organized by the Thai Institute of Directors Association on 8 November 2017.
2. Mr. Hirun Komolhirun Company Secretary participated in the dialogue on "Enhancing Good Corporate Governance based on CGR Scorecard" organized by the Thai Institute of Directors Association.

5.7) Succession Plan

The Board sets up a succession plan for the Management and line positions taking into determination the performances and potential of each individual.

The employee performance assessment applies the Management by Objective model. Employee key performance index (KPI) are cascaded from the Company's KPI to allow employees to realize the importance of self-defined work targets. Such targets serve as criteria in performance and competency assessment. The assessment results are subsequently used to justify the remuneration and career advancement planning.

Pre-promotion programs are in place for development of potential persons to acquire skills and competencies to promptly fill the vacant key positions e.g. President of the Company, Vice President, and executive so as to strengthen the continuity of management and performance of the Company.

Succession Policy

The Company assures the selection of personnel to fill key position is appropriate and transparent to ensure professionalism. The Nomination and Remuneration Committee is entrusted with formulating the succession plan for the positions of President, Vice-president, and executives and submits to the Board for consideration.

The Nomination and Remuneration Committee monitors and evaluates the succession plan on the following positions.

1. President (CEO)/Vice President

In the case of vacancy or person in the President and/or Vice-president positions cannot perform duties, the Company will appoint executive assuming the similar position or second to the vacant position to fill the position as Acting President or Acting Vice - president as the case may be. The Acting person shall be in the position until the Board approves for the nominated person to assume the position. In the meantime, the Nomination and Remuneration Committee undertakes the selection process for qualified person to fill the vacant position. The nominated person shall possess broad vision, competency, and experience suitable to the corporate culture.

Criteria for the recruitment of personnel into vacant positions of President and Vice - president are:

- Being director according to the Company's Articles of Association.
- Possesses knowledge, competencies of business operations with skills, experiences, profession, and other skills crucial and necessary for the business of the Company.
- Possesses direct and indirect experiences in related industrial business and organization management.
- Possesses leadership skills and experience of being organizational leader.
- Be approved by the Board.
- Conflict of interests.

Qualification of the President (CEO) and the Vice-president

1. Possesses knowledge and competencies, experiences and other specification most necessary and beneficial to the business operation of the organization
2. Possesses leadership skills and broad vision
3. Strategic planning and organizational management competent
4. Be recognized by concerned corporations

2. Executive

When the executive position is vacant or person assuming the position cannot perform duties, the Company would nominate the selected successor to the Board. The succession plan for the executive position prescribing the following procedures.

1. Situation analysis of the Company concerning strategy, policy, investment and expansion plan.
2. Manpower availability and compatibility assessment against the Company's short and long term strategies.
3. Manpower plan formulation for development and recruitment of employee to replace the retiring personnel.
4. Recruitment plan formulation and provision of training prior to retirement or early retirement.
5. Competency description illustrating required knowledge, skills, personality, and attitude for certain positions, and individual development plan formulation.
6. Selection, competency based performance evaluation.
7. Personal testing and evaluation tools usage for potential analysis.
8. Successor identification based on potential and performance assessment whom shall be notified in advance so as to prepare for the assignment and job learn, reserved person for the position is also identified just in case.
9. Personnel development and performance appraisal of potential successor to ensure expected performance is fulfilled or else recruit the reserved person into the position.

Committees

The Company's Board of Directors established the Audit Committee to assist the Board in overseeing the business corporation. Details in connection to this is shown under the "Authority of the Audit Committee" and "Report of the Audit Committee".

Shareholders are assured that any decision made by the Board is taken into determination the impacts on the interest of shareholders as a whole. For transparency and independency, the Company appoints Audit Committee in which 4 members and no less than one-third of total committee members are independent directors so as to allow flexibility to the Audit Committee members to perform their management duties and enabling them to express their views straightforwardly against financial report and internal control system. Such independent directors are selected from qualified personnel according to the Public Company Limited Act B.E. 2535, Notifications of the SET and Office of the SEC, and Charter of the Audit Committee.

So as to comply with good corporate governance, the 28 February 2012 Board Meeting resolved that additional 3 sub-committees/committees shall be established to deliberately and effectively consider and scrutinize particular matters. The deliberative outcomes shall be presented to the Board of Directors. Profiles of the sub-committees/committees are illustrated.

- 1) Audit Committee
- 2) Nomination and Remuneration Committee
- 3) Corporate Governance Committee
- 4) Risk Management Committee
- 5) Corporate Social Responsibilities and Environment Committee (CSR Committee)

Recruitment of Directors and Chief Executives

1) Recruitment of Directors

The Company's Board designates the Nomination and Remuneration Committee to set out the criteria and policy for recruitment of directors, committee members, taking into the determination an appropriate number to be recruited, structure and composition of the Board/committees, and qualifications. With respect to the selection process, high priority is given to the competent nominees with knowledge, competent, experiences, board diversity, high work profile, leadership skills, broad vision, integrity, positive attitude to the organization, and be able to dedicate time to act in the Company's best interest and transparency.

The Nomination and Remuneration Committee selects and nominates, qualified person to fill the terminated or vacated or new director position, taking into determination skills being needed by the Board and criteria set by the Company. The nomination is proposed to the Company's Board and/or shareholder meeting as the case may be. In this regard, details suffice to decision making shall be provided for the Board and shareholders.

The Board provides opportunity for minority shareholders to nominate qualified persons to fill director position. Clear and transparent procedures and methods in this regard are illustrated and made known to the shareholders via the SET and the Company's website at www.sssc.th.com

Nomination Policy and Criteria for Director of the Board

The Nomination and Remuneration Committee nominates qualified knowledgeable person as required by the Company, applicable laws, and governing bodies to replace either retiring director or director being retired by termination of terms of office or by other means. The determination takes into account knowledge, diversity of experiences relating to e.g. financial, management, strategic, legal, investment. Qualified person shall also possess skills and expertise relating to business nature of the Company, leadership, ability to express idea, rational decision making, be ethical with clean and high work profile. This is to ensure the strength and diversity of the Board considered as factors accompanied by international accepted good corporate governance driving the Company toward business goals.

Election and Nomination of Directors of the Company's Board

Election and nomination of directors of the Company's Board and directors of the Nomination and Remuneration Committee are operated as under:

- (1) Determining appropriate number, composition, and diversity of Board structure compared to nature and size of the business. Board Skill Matrix is drawn specifying qualifications as required taking into conditions the qualifications being needed by the Board in alliance with business operation strategies.
- (2) Nominee either within or from outside the Company shall be management personnel possessing qualifications as required. Nominated person can be either a person selected from the data base of IOD Chartered Director or qualified person nominated by shareholders at the AGM. Shareholders are informed of the nomination information via the SET and the Company's website in advance.
- (3) The Nomination and Remuneration Committee approaches qualified person, conducts interview, and consults with such person to seek confirmation for director position once approval is granted by the Board or the AGM as the case may be.
- (4) The Nomination and Remuneration Committee nominates individual person passing selection criteria to the Board for appointment or consent prior to submitting to shareholders' meeting for appointment.
- (5) Appointing director according to the Company's articles of association.

Election of the Audit Committee/Independent Directors

The Board of Directors and/or the shareholders' meeting elects Audit Committee/independent committee among persons with qualifications as required by the Notification of the SET. One-third, and no less than 3 persons of the elected Committee shall be independent committee members. The Committee must have at least 3 Audit Committee members all of whom are independent committee members. At least 1 Audit Committee member shall possess knowledge and experiences suffice for reviewing the reliability of financial statements. The Audit Committee shall be in service for 2 year per term as from the date appointed. Once the term of appointment is expired, the Audit Committee member can be re-appointed. The current Audit/ independent committee comprises 4 members.

2) Recruitment of Chief Executives

Recruitment of Executives

The Board of Directors assigns and empowers the Management to determine and appoint competent person as executive of the Company, and report the outcomes to the Board of Directors for acknowledgement.

Holding Director Position in other Listed Company

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

Holding Chief Executive Position

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

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

Corporate Governance of the Subsidiary Company

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

The President of the subsidiary company in Vietnam shall report business performances to the Company's Board of Directors quarterly for acknowledgement. So that, the Company's Board is assured of the Company's best interest and returns.

Internal Use of Information

Policy on Protection and Internal use of Confidential Information

The Company's Board of Directors is committed to run the business with honesty, transparency, integrity, and treat all stakeholders with equal respect. The policy is in place to safeguard confidential information, particularly with negative impact on the Company or stakeholders, not to leak to any irrelevant person. Directors, executives and employees are prohibited from using Company's information for personal gains.

The aforementioned is to comply with the SSSC Disclosure Policy and the 2017 revised Code of Ethics and Work Performance Guidelines Handbook. Which illustrates the conducts concerning protection and internal use of confidential information. The revised handbook was approved by the Company's Board and the Corporate Governance Committee at the meeting held on 24 February 2017, and has been disseminated on the Company's website at www.ssscth.com .

- 1) The Company classifies confidentiality and access to the classified information as well as practices to protect the confidentiality. Personnel of the Company must protect confidential information of their respective responsibilities not to fall into others persons inclusive of personnel of the irrelevant companies.
- 2) It is an obligation of every director, executive, and employee to safeguard and not make any advantage of the internal information even after their terms of services to the Company ended.
- 3) The Company shall keep trading and customers' or business partners' information received as part of its business operations as confidential. Personnel of the Company must not disclose confidential information of the customers or business partners to other person in the Company as well as irrelevant outsiders. Disclose of such information shall be provided by law only for filing case or by approval of the Company's Board.
- 4) Internal business operations information is regarded as confidential information of the Company. The information yet not disclose to the public as the disclosure is deemed affecting the Company especially on the shares being traded on a stock exchange. Personnel of the Company shall maintain the confidentiality and not disclose to any others or use for personal gains or cause the Company to suffer loss.
- 5) Personnel of the Company are notified to cooperate in the campaign to omit from the use of internal information via the Company's communication channels especially when there are major event such as issuance of share capital and debentures.
- 6) Hiring personnel who has been with the trade competitor or government, the Company shall search and study the agreement of confidentiality such person made with the trade competitor or the government agency. The Company shall not commit any act with impact on such person to breach the

agreement in action with trade competitor and government agency that might cause subsequent litigation.

- 7) Confidential information shall be disclosed by the Company's authorized personnel and not by any others. In so doing is to ensure the accuracy and consistency of the disclosed information.
- 8) Directors, executives and employees are required to make copies, facsimile, or keep the information appropriately and securely so as to safeguard the information from access by irrelevant persons.
- 9) Apart from information disclosed to the public, the Company regards its information for internal use only. Director, executive and employee must use such information within their scope of assigned duties and responsibility.
- 10) Director, executive, and employee are prohibited from using undisclosed internal information for sale/purchase of Company's securities unless the information is disclosed to the public. Disclose of significant information to other persons is also prohibited.
- 11) The Company enforces the penalty measures on every director, executive or employee violating Company's policy which causes defamation or damage to the Company, its customer or partner. Such person shall receive legal punishment and the Company will contact concerned governance agency for legal action to be taken.



→ *CG Code* → *SEP for SDGs*



**Sufficiency Economy Philosophy in accordance with TIS 9999
For sustainable development goals.**