



บริษัท ทีเอ็มที สตีล จำกัด (มหาชน)
TMT STEEL PUBLIC COMPANY LIMITED

56-1 One Report



STRUCTURE OF SUSTAINABILITY

Annual Report 2020



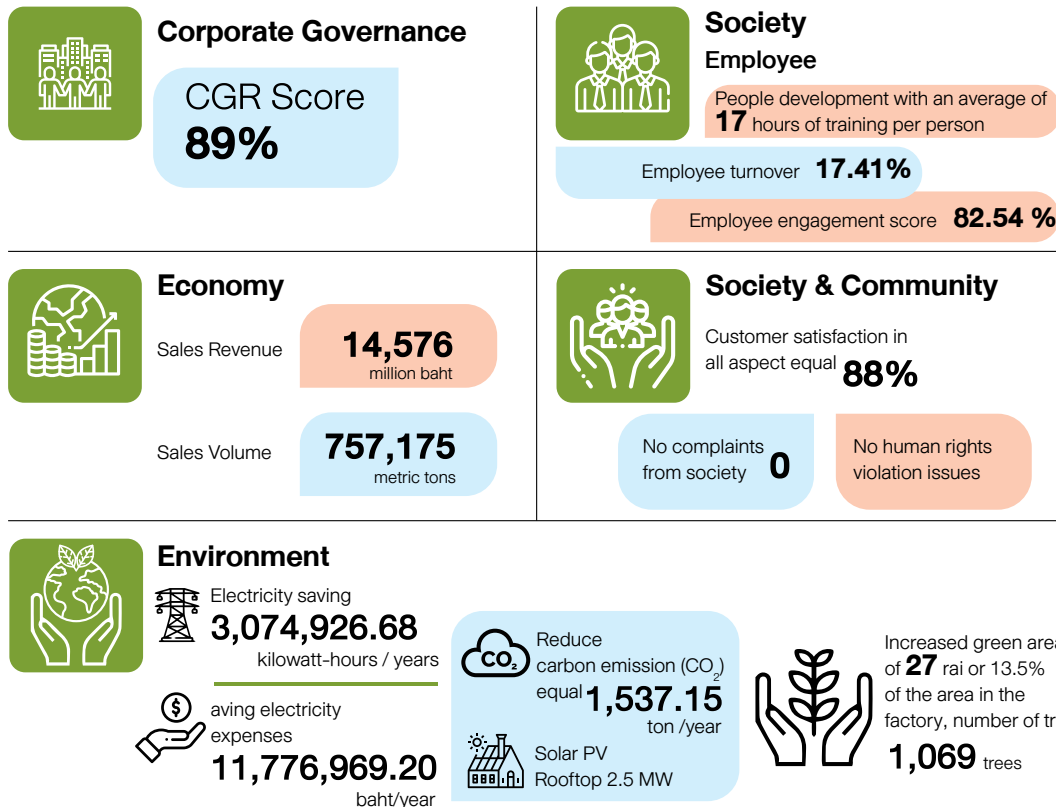
Driving Business for Sustainability

Policy and Sustainability Management Goals

TMT Steel Public Company Limited is committed to conducting business on the basis of sustainable development in order to create value for all stakeholders by carrying out policies and 4 main principles. These include good corporate governance principles, economic principles, social principles that cover respecting human rights, and environmental principles, as well as operating the business in order to create value for every stakeholder, committing to support and be a part of the 17 Sustainable Development Goals (SDGs) of the United Nations by 2027. This ensures that the Company's business operations are in a consistent direction with the international goals and creates benefits for all stakeholders.

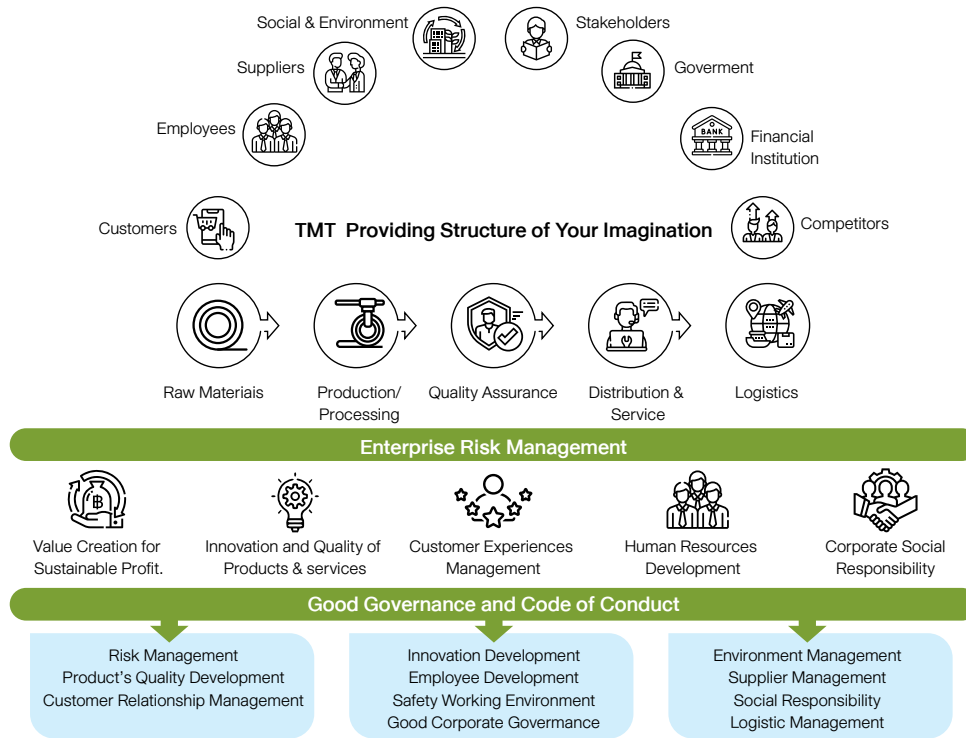
The Company established a Corporate Governance and Sustainability Committee by aiming to be an efficient mechanism for the Board of Directors to supervise sustainable development, review and communicate the policy and practice guidelines through the subcommittee and sustainable development working group of the Company in all 7 aspects. This includes corporate governance, economy, society and community development, the environment and safety, labor and human rights, innovation and technology development, and communication & whistle blowing report so that TMT is an organization that operates its business with responsibility, transparency, and fairness in order to build confidence among stakeholders and develop the Company toward sustainable growth. The details of the "Sustainability Policy" are disclosed on the website at www.tmtsteel.co.th/investorrelations/ other policies /sustainability policy.

Business Results in 2020



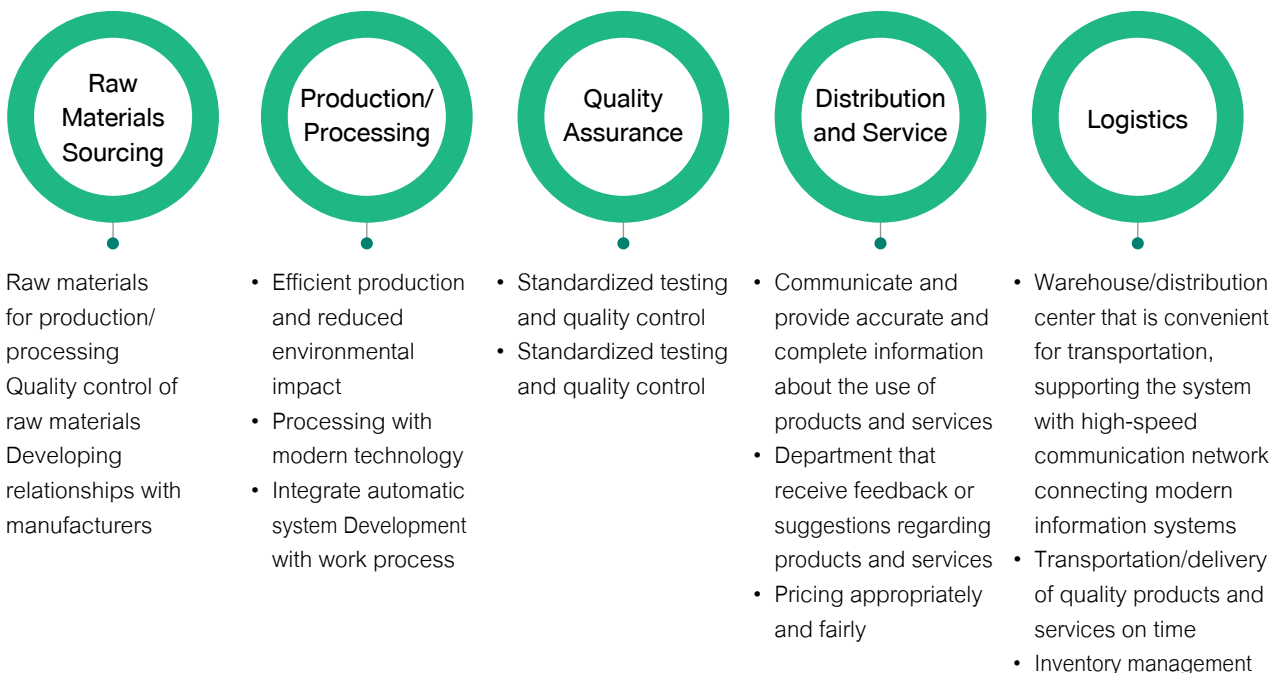
Managing the Impact on Business Value Chain Stakeholders

Business Value Chain



With the vision, “Providing Structure of your Imagination”, TMT is a comprehensive steel service provider that meets every possible expectation of all stakeholders by providing counsel and advice, helping with product sourcing and new services, as well as creating

a wide range of options to add value to the business cooperation process under an integrated management system that serves all needs. This consists of 5 main activities which are linked together in accordance with the overall business operation context. They are as follows:




The Company established 5 aspects of business operation principles to manage risk appropriately and comply with good governance principles and the business code of conduct in order to ensure that the Company's business processes deliver sustainable value to all stakeholders. These include:







This goes together with managing sustainability issues that cover economic, social and environmental dimensions, and take all stakeholders into account in order for the Company to achieve sustainable growth. The Company has described these details in Analysis of Significant Sustainability Issues.




Analysis of Business Value Chain Stakeholders

The Company analyzed and identified the major stakeholders from the Company's business operations beginning with raw material sourcing, production and processing, quality checks, distribution and service, to storage and delivery. All activities are important to the Company's business operations and are relevant to all stakeholders. Therefore, the Company incorporated the interests of stakeholders into its plans and sustainability issues. This included providing communication methods by establishing channels for feedback and suggestions, whether formal or informal, as well as promoting participation with all stakeholders in order to respond to the needs and expectations efficiently, and continue to create value and sustainable returns. This can be summarized as follows.

Stakeholders	Relevance to Business Processes	Engagement/Frequency	Expectations	Responding to Expectations
Customers 	<ul style="list-style-type: none"> Distribution and Service 	<ul style="list-style-type: none"> Customer satisfaction survey once a year Meet regularly with customers through the year to be aware of their needs Provide regular visits to factories and production processes throughout the year Train to consistently educate customers throughout the year Communicate to customers via on-line channel, Website, Facebook, Line 	<ul style="list-style-type: none"> Quality products and services Complete range of products Correct usage of steel products On time delivery Steel knowledge, standards and guideline for application 	<ul style="list-style-type: none"> Develop innovations in products and services Produce quality products that meet customers' needs Logistics management to have on time delivery Provide technical and academic consultations by the Technical Service Team Systematic inventory management in order to have products ready to instantly respond to customers' needs Steel Product Training and seminar by the expert

Stakeholders	Relevance to Business Processes	Engagement/Frequency	Expectations	Responding to Expectations
Employees 	<ul style="list-style-type: none"> • Production/ Processing • Quality Inspection • Logistics • Distribution and Service 	<ul style="list-style-type: none"> • Channels to receive suggestions, comments and complaints through the company's complaint system throughout the year • Survey of corporate values or employee satisfaction once every 2 years • Internal communication channels such as TMT Magazine, email, Line@, Touch Point and public relations board at least once a month • TMT Talk / TMT Day once a year • Meeting of Welfare Committee in the workplace 4 times per year • Training seminars according to the company's training plan • Talk & Share activities 5 times a year 	<ul style="list-style-type: none"> • Career Advancement • Acquiring development of capabilities • Benefits both monetary and non-monetary • Equality without discrimination • Promote and supervise work safety 	<ul style="list-style-type: none"> • Equitable and fair treatment, and respect for human rights • Communicate business Target and policies via TMT Talk/ TMT Day • Performance evaluations 2 times per year • Develop employees to be promoted • Talent Management • Average staff development is 23 hours/person • Join the wage survey with the HR Center each year • 11 Projects for employee benefits whether monetary or non-monetary.
Trade Partners/ Suppliers 	<ul style="list-style-type: none"> • Procurement of Raw Materials 	<ul style="list-style-type: none"> • Evaluate trade partners once a year • Visit trade partner factories once a year • Meet Regularly with partners to have plans for purchase order throughout the year 	<ul style="list-style-type: none"> • Fair competition without discrimination • Efficient procurement system that is transparent and verifiable 	<ul style="list-style-type: none"> • Have policies and practice guidelines regarding procurement • Develop trade partners to have good practice guidelines such as Code of Business Conduct of trade partners and anti-corruption policy

Stakeholders	Relevance to Business Processes	Engagement/Frequency	Expectations	Responding to Expectations
Society, the Community and the Environment 	<ul style="list-style-type: none"> • Production/ Processing • Logistics 	<ul style="list-style-type: none"> • 5 community visits per year • Open factories and production processes for visits and provide regular iron education throughout the year • Install a solar rooftop generation system of 2.5 MW to generate electricity from renewable energy • Cooperate with the education sector in providing bilateral education and internships • Cooperate in standards that prevent and solve drug problems in the workplace. 	<ul style="list-style-type: none"> • Caring for the environment around the community • Conduct business that does not negatively impact the community • Share useful thing to promote a good quality of life for people in the community 	<ul style="list-style-type: none"> • Improve the production process and environmentally friendly work processes by controlling air and noise pollution • Improve the environment inside and outside the factory so it is clean and increase green space • Regularly share and provide knowledge for institutions, departments, and organizations on issues that the company has expertise • Support resources and equipment that is useful such as a community drinking water project, steel project for sustainability, etc. • Signing an MOU with educational institutions in bilateral projects. • Project to stop smoking
Shareholders, Investors, Analysts 	<ul style="list-style-type: none"> • Distribution and Service 	<ul style="list-style-type: none"> • Shareholders' Meeting once a year • Analyst Meeting once a year • Provide channels for inquiries through the investor relations website and telephones throughout the year 	<ul style="list-style-type: none"> • Operating results of the company • Transparency in business operations and good corporate governance 	<ul style="list-style-type: none"> • Annual Report / One Report • Explanation of operating results through the company website and the Stock Exchange of Thailand • Manage the company's operating results under appropriate risk management • Proceed according to the investment plan

Stakeholders	Relevance to Business Processes	Engagement/Frequency	Expectations	Responding to Expectations
				<ul style="list-style-type: none"> • Be selected in the ESG100 group of companies • Listed in SET-THSI • Re-Certified as a member of CAC
Government Sectors 	<ul style="list-style-type: none"> • Product/ Processing • Quality Inspection • Logistics • Distribution and Service 	<ul style="list-style-type: none"> • Report business performance and operating results to relevant government agencies at the specified frequency • Continuous participation in government activities and projects 	<ul style="list-style-type: none"> • Comply with regulations, laws and policies of regulatory agencies 	<ul style="list-style-type: none"> • Report business results and provide information that is true, correct and complete as stipulated • Cooperate and support various projects of government agencies • Comply with the laws related to tax management
Financial Institution 	<ul style="list-style-type: none"> • Product/ Processing • Quality Inspection • Logistics • Distribution and Service 	<ul style="list-style-type: none"> • Business update meeting 1 time / quarter • Negotiation for terms and conditions • Knowledge Sharing 3 times / year 	<ul style="list-style-type: none"> • Operate business as plan and target • Paid back as terms and conditions 	<ul style="list-style-type: none"> • News submit to SET (MD&A, Financial Statement) • Appropriate Risk Management • Operate business as Investment Plan
Competitors 	<ul style="list-style-type: none"> • Distribution and Service 	<ul style="list-style-type: none"> • Joint meetings with associations and organizations that are relevant to the business according to the agenda and appropriate opportunities • Provide channels to regularly receive suggestions, comments and complaints through the company complaint system 	<ul style="list-style-type: none"> • Company business information • Market share • Conduct business transparently and fairly 	<ul style="list-style-type: none"> • Disclose operating results through the company website and the Stock Exchange of Thailand. • Create fair business competition conditions

Analysis of Significant Sustainability Issues

Identification Significant Issues	<p>This was considered from the analysis of external factors, challenges in the steel industry, and sustainability issues that were significant or had an impact on stakeholders and businesses (economy, society, environment). This included analysis of internal factors which were weaknesses, strengths, risk factors, and the business performance of the Company.</p>
Prioritization	<p>The Company considered the priority of issues by measuring the importance from the Company's perspective, external stakeholders, both in terms of opportunities and the impact each issue had on the economy, society and the environment.</p>
Verification Issues	<p>The Sustainability Subcommittee and Working Group proposed issues raised from prioritization and a reporting framework to the Board of Directors for approval after it had been approved by the Corporate Governance and Sustainability Committee in order to be disclosed in the 56-1 One Report and disseminated on the Company's website. In addition, the Company assigned the relevant departments, subcommittees and working groups to review the accuracy and completeness of significant issues in order to cover all aspects, whether in the economic, social, or environmental dimension. The Company's annual significant issues are analyzed through business value chain stakeholders. The results will be used to formulate policies, strategies/operational plans, and goals in order to appropriately manage significant sustainability issues.</p>

In 2020, the significant issues were as follows:



As a result of the preparation of significant issues, the Company categorized the significant issues and established sustainability operation plans to be in accordance with the strategy and business goals for 2020 which covered the aspects of economic, social, environmental and stakeholder dimensions as follows:

Sustainability Management in the Economic Dimension	Sustainability Management in the Social Dimension	Sustainability Management in the Environmental Dimension
<ul style="list-style-type: none"> • Good Corporate Governance for Sustainable Business • Risk Management • Innovation and Quality of Products & services • Value Chain Management • Customer Relationship Management 	<ul style="list-style-type: none"> • Human Resources Management and Human Rights • Human Resources Development • Occupational Health and Safety • Society & Community Development 	<ul style="list-style-type: none"> • Energy and Resources Management • Green Houses Gas Management

Sustainability Management in the Economic Dimension

Corporate Governance for Sustainability

Policy

The Board of Directors realized the importance of the Company’s good corporate governance by adhering to moral and ethical principles as a guideline in conducting business. The Company established various policies in order to perform duties with responsibility, caution, honesty, anti-corruption, and uphold virtues. This included products and service development that focus on value creation and added long-term value to the business and is equally responsible to all stakeholders. This will enable the Company to progress, have sustainable growth and gain trust from shareholders, investors and all stakeholders. The details of “Good Corporate Governance Principles” and “Code of Business Conduct” are disseminated on the website at [www.tmtsteel.co.th /investor relations / corporate governance / Good Corporate Governance](http://www.tmtsteel.co.th/investor-relations/corporate-governance/good-corporate-governance)

Goals

- Achieve 5 stars rating from the evaluation of good corporate governance by the Thai Institute of Directors Association.
- Be consecutively selected to be on the sustainability stocks list or Thailand Sustainability Investment (THSI) by the Stock Exchange of Thailand every year.
- Be consecutively selected to be one of the ESG100 securities groups with outstanding performance in environmental, social and governance by Thaipat Institute every year.

Strategies/Operational Plans

- Comply with the laws governing the Company’s business operations and the entire business chain.
- Improve the internal control processes, regulations and Company’s Articles of Association to be consistent with the situation at all times.
- Apply the good corporate governance principles for listed companies in 2017 (CG Code).

Operations

The Governance and Sustainability Committee was appointed to be an effective mechanism for the Board of Directors to supervise and oversee the Company so that it operates in accordance with the good corporate governance guidelines, builds confidence, trust, and value of stakeholders in order to create sustainability and stability for the business. In 2020 the Corporate Governance and Sustainability Committee assigned a Corporate Governance working group to review and take action on various matters and then report to the Board of Directors and the Audit Committee to acknowledge after it was approved by the Corporate Governance and Sustainability Committee. This is as follows:

- 1 Implemented a corporate governance policy, a code of business conduct, an anti-Corruption policy, a securities trading policy, and other related policies to cover all stakeholders. This included business partners, consultants and business agents.
2. Complied with the laws governing the Company's business operations across the entire business chain. In 2020, the Company was not prosecuted for non-compliance with the law and there were no complaints against the Company.
3. Reviewed the Company's regulations as well as Articles of Association to be up to date. The Company prepared a securities trading policy for directors, executives, and employees for protection and awareness of the code of business conduct and the responsibility toward insider trading.
- 4 Reviewed the internal control system. The Audit Committee appointed EY Corporate Services Company Limited to be responsible for preparing, auditing, or reviewing various plans as assigned by the Audit Committee. In 2020, EY Corporate Services Company Limited was responsible for reviewing the internal control system regarding enterprise risk management. The audit company performed its duties and submitted a review of the internal corporate risk report to the Audit Committee for consideration.
- 5 Renewed the membership of the Thai Private Sector Collective Action Coalition Against Corruption (CAC) membership. The Company renewed the certification in the third quarter and announced the no gift policy for the second consecutive year.
- 6 Appropriately applied the good corporate governance principles for listed companies in 2017 (CG Code) with the business context.

The Company explained the details of the business operations in "Part 2: Corporate Governance".

Performance

- Received 4 stars rating from the good corporate governance evaluation.
- Selected to be on the Sustainability stocks list or Thailand Sustainability Investment (THSI) in 2020.

Risk Management

Policy

TMT Steel Public Company Limited realized the importance of risk management. We believe that risk management is one of the processes that will help the Company develop business strategies to achieve its objectives and goals. A good risk management and control system will help reduce obstacles or any unexpected events that might arise, and prevent damage to corporate resources. It also helps to increase the adaptation ability to the changing business environment effectively, build confidence, and create value for all stakeholders as well as creating business opportunities to drive the organization to sustainable growth. The details of the “Risk Management Policy and Corporate Strategy Development” are published on the www.tmtsteel.co.th / investor relations / Other policies / risk management policy

Goals

- To be a stable and consistent product provider.
- Deliver value of products and services.

Strategies/Operational Plans

The Risk Management and Corporate Strategy Development Committee developed policy and a risk management and corporate strategy development manual which was approved by the Board of Directors in order to be used as a guideline to determine operational procedures, communication, and develop efficient work processes under controlled risk in accordance with the COSO - ERM 2017 international standard. This covers six aspects of risk management which are strategic risk, operational risk, financial risk, regulatory risk, social and environmental risk, and emerging risk in the environment and business landscape.

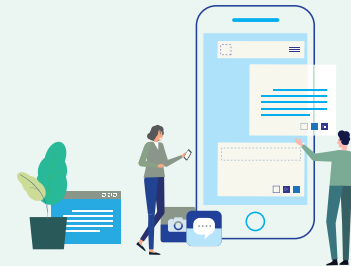
Operations

- Assess risk factors that may affect the business operations, financial position and the Company's performance and appropriately develop efficient working guidelines under controlled risk to be in line with the risk management and corporate strategy development policy. The risk factors and operational guidelines for risk management are summarized in “Part 1, Clause 2, Risk Management”.
- Focus on building corporate culture because it is a critical component of success and achieving corporate goals. This is also an important factor for sustainability and delivering value to all stakeholders. Therefore, the Board of Directors' and senior executives' 'tone at the top' promoted and instilled corporate values, created an awareness of risk management, developed and created practical risk management methods for visible results. The Risk Management and Corporate Strategy Committee approved “The Risk Management and Corporate Strategy Development Manual”. The Company disseminated it on the website at: www.tmtsteel.co.th / investor relations / riskmanagement. This is to be used as a guideline for each department to determine systematic work methods in terms of enterprise risk management. The risk management plan was implemented and assessed to ensure that the business risk factors were correctly identified in accordance with the organizational goals. Over the past year, the Company prepared a Business Continuity Plan and applied it to cope with the impact from the COVID-19 pandemic. The details are in the “TMT's Crisis Management Guidelines for COVID-19”. This was included in the Sustainable Development Showcase 2020 prepared by the Stock Exchange of Thailand. The Company disseminated it on the website at: www.tmtsteel.co.th / investor relations / risk management / crisis management guide COVID-19.

- All departments were required to have an annual risk assessment and a review of the operational risk at least once a year. The assessment was conducted through internal audit activities to ensure that all departments performed their duties in compliance with the related work standards. The Company emphasized communication and continually created understanding among its employees on important and related matters. This included useful information and new technologies through various communication channels within the Company on a regular basis in order to encourage employees to have up to date knowledge, be aware of risk in various fields, and focus on creating a corporate culture that encourages employees to express their opinions and ask questions through participation in activities.

Performance

- Business was not disrupted.
- There were no complaints or disputes that affected the operations and the business performance.
- Delivered value of products and services to customers continually. There was stability and consistency in services, the availability of goods, as well as product quality and standards. The customers were satisfied with the products and services of TMT. The average rate of satisfaction for all aspects was equal to 88%.



Innovation Management and Product Quality Development

Policy

Under rapid technological change, the Company is aware of the importance of bringing innovation to improve the quality of products and create value in the production process and management in order to best meet the different needs of customers and maintain leadership in the service center business and the distribution of steel products to various industries in Thailand. This also fosters the continual development of process innovation from within in order to increase productivity, reduce work time, create a safe work environment for employees, and reduce the environmental impact. This is an important foundation for sustainable growth.

Goals

- Customer satisfaction percentage for products is higher than 80%.
- Production capacity increased to 1 million tons.
- Use technology to increase efficiency in the work process every year.
- There are results due to the improvement and development of employees every year.



Strategies/Operational Plans

- Study and understand customer needs.
- Use technology as a tool to enhance the efficiency of product development and working processes.
- Evaluate, review risks and opportunities to develop the business and the work processes.
- Promote a work culture that encourages continuous learning, improvement and development.
- Review policies and complete the preparation of the relevant practice guidelines by 2021.

Operations

1. Use technology to improve efficiency in work process development

The Company implemented semi-automatic and automatic systems, information technology systems, and installed modern equipment and tools for the work and as part of the production process in order to increase efficiency, productivity, and safety at work as well as reducing hazardous risk, waste, and energy consumption that may affect the environment in order to be prepared for the automatic production line in the future. The following important projects are being implemented:

- Develop an auto feed cutting system for the flat steel cutting machine. This automatic system can be used to replace human labor in order to reduce accidents from moving steel sheets by 100%. The prototype system was researched, designed and installed in Q3/2020. It is currently being renovated and developed to be installed in all of the flat steel cutting machines. It is expected to be completed in 2021.
- Install a semi-automatic auto vacuum device on the flat steel cutting machines. This semi-automatic system can reduce the workload of employees lifting steel sheets onto the machine which also helps reduce accidents.
- Adapt tractors that are used at airports from the USA to be used as tow trucks to move products within the factory in order to increase the efficiency of transporting products from the production department to the warehouse with greater quantities, preparing products faster, delivering to customers at once, saving more fuel than using forklifts, being safer, and reducing carbon dioxide (CO₂) emissions.
- Design and create a Customer Relationship Management (CRM) software system to help maximize work efficiency of the sales department. Data can be gathered to respond to the customers' overall needs and linking to other departments so that customers have good experiences and are satisfied with a full range of services.
- Improve the Warehouse Management System on Mobile (WMS), a system that was further developed from the existing system to increase the work efficiency of the logistics department. Data links are up to date with faster connections so that customers' products can be managed completely, accurately, and on time.

2. Promote a work culture that supports continuous improvement and development.

- The Company promoted creative development activities, whether they were methods, models, sequences, procedures, or devices. This started from work process improvement for the operating staff to the departmental level in order to improve existing procedures, reduce errors, and help increase quality or add value to the work responsibilities. This also instilled an awareness of continuous development which is an important factor for sustainable innovation development. The Company supported different departments to create development projects from the work processes of employees, beginning at the operational level to the supervisor level. Over the past year, employees were able to create and extend the following results:

- Improved and developed employees in the production department, logistics department and human resources department. There were 711 work results. This helps the Company reduce expenses by approximately one million Baht.
- Increased efficiency in arranging products into one place by using technology and accessories such as Warehouse Management on mobiles and tractors to move products within the factory along with a systematic transportation management process. As a result, employees in the warehouse department were able to finish work earlier, from an average time of work in 2019 at 8:30 pm to 8:00 pm.
- Developed to become an agile organization by applying agile work concepts through the teamwork of employees who were involved with customers. Empowered the team to make their own decisions, be flexible to change, quickly correct errors, work faster, be less dependent on the Management, and also encourage collaboration and creativity in new ways of working to create value for customers and at the same time, increase the efficiency of the work processes within the organization.
- Developed to be a Data Driven Organization by developing Data Mart to reduce data redundancy. This enabled data users to access accurate, up-to-date, and consistent data in accordance with the Single Source of Truth principle. Evolved into a Big Data Platform as a channel for future work system development to be convenient and safe.

3. Enhancement of STAY FLAT, the ultimate in steel sheet

As a result of studying and interviewing customers who use STAY FLAT, the ultimate in steel sheet, the Company found that customers' feedback was very helpful in improving productivity, reducing work hours, and reducing the loss to the customers' business. At the same time, it helped minimize waste in the production and processing procedures as much as possible or <5%. The Company initiated an expansion project of STAY FLAT, special flat steel by increasing the production capacity to 15,000 tons per month or 180,000 tons per year and enhancing the efficiency of the STAY FLAT line production to be able to produce thicker products. This is expected to be completed in Q1/2022

The Management team is committed to creating a corporate culture that favors the creation of new creativity by supporting a budget and resources to encourage employees to participate in the innovation and development of working methods within the organization, together with the continuous development of employees' knowledge and expertise. Therefore, the Company received the SET Award for 2020 from the Stock Exchange of Thailand in the category of Outstanding Innovative Company Award from STAY FLAT, the ultimate in steel sheet. This is an award that we, TMT, are proud of.

Performance

- The result of the customer satisfaction in products was 87%, a decrease from 2019 which was 88% because of the demand for various sizes of products. The Company included this in the operational plans for 2021-2022 and began to expand production capacity and increase the amount of machinery that is able to produce a wide variety of products.
- Total capacity utilization was 957,701 tons, a slight decrease from 2019 which was 962,919 tons because the Company managed production to be in line with the lower sales volume due to the impact of the COVID-19 pandemic.
- Used technology to increase efficiency in the work process to solve 5 issues.
- There were 711 work results resulting from the improvement and development of employees

Responsibility for Supply Chain Management

Policy

The Company realized that effective supply chain management helps increase opportunities, reduce risk, enhance business competitiveness and meets the needs of stakeholders. The Company studied and integrated sustainability issues into supply chain management to develop the economy, society and environment.

Goals

- No complaints from business partners.
- Obtain raw materials and factors as agreed upon.

Strategies/Operational Plans

- Define roles, duties and responsibilities within the organization's supply chain management.
- Establish processes/procedures/methods/guidelines that integrate sustainability issues with management.
- Engage with business partners to communicate the Company's expectations and intentions regarding sustainability management and finding ways to increase potential and abilities in business competition and cooperation.
- Review policies and establish relevant guidelines to be completed in 2021.

Operations

- Treated business partners fairly in accordance with the trading terms and agreements. The Company has a channel to receive complaints and feedback on the Company's website. In 2020, the Company did not receive any complaints from business partners.
- Developed and built good relationships with one another by visiting and making study visits to the factories of business partners, having meetings to understand the needs, expectations, and cooperation guidelines. This included training to educate partners' employees on matters related to occupational health and safety such as COVID-19 etiquette and safe driving awareness through a video "SMART TRUCK DRIVER".
- Prepared a code of business conduct for business partners and disseminated on the Company's website for the acknowledgement of business partners. This included the communication of the anti-corruption policy and the no gift policy and inviting business partners to join the Thai Private Sector Collective Action Coalition Against Corruption (CAC).

Performance

- The Company did not receive any complaints from business partners.
- Obtained raw materials and factors as agreed upon.

Customer Relationship Management

Policy

Over the past years, the Company has never stopped committing to modern technology and qualified personnel development in order to be ready to meet all customer needs with a variety of services. This included being a center for all types of steel distribution with a large warehouse, industrial steel processing, a manufacturer of cold-formed structural steel for construction, and adding value to products to meet all customer needs with the service of experienced and professional employees.

Goals

- A customer satisfaction rating higher than 80% or an increase from the previous year.

Strategies/Operational Plans

- Provide suggestions to solve problems, help with product sourcing, create new services, and invent various options for customers. This includes adding value to the product under an integral management system to meet the customer needs in all aspects.
- Visit customers regularly to understand their needs and develop quality products and services that meet the needs of customers.
- Survey customer satisfaction and use the results to improve and develop better services.
- Have regular communication within the organization about customer needs so that every department understands customers and responds to their needs accurately and on time.
- Review policies and establish relevant guidelines to be completed in 2021.

Operations

The Company recognizes and highly appreciates customers for its success and sustainable growth. The Company strives to respond to customer needs in order to create maximum customer satisfaction. In addition to the implementation of the aforementioned strategies and plans, including a channel to receive feedback through the Company's website at www.tmtsteel.co.th, the Company implemented the following activities in 2020:

- Continued to improve and develop customer satisfaction by using the survey results of 2019

to analyze the results in matters that did not meet the criteria set by the Company. This included other suggestions, along with prospective customer interviews. The results obtained from the data analysis and customer interviews allowed the Company to develop a new business model in 1 area. The service was offered to target customers in 2020.

- Conducted a 2020 Customer Satisfaction Survey. The average customer satisfaction rating was 88%, which was an increase from the previous year. Customers were satisfied with employees, services and products, respectively. This result was different from the previous year as employees had a higher average satisfaction score. However, the Company analyzed the satisfaction scores that did not meet the Company's criteria and made suggestions on 7 issues. The Company plans to improve, correct, and develop every related issue by assigning the responsible department to jointly implement the guidelines in order to improve, resolve and meet the specified goals. This will be continually monitored under the Company's Quality Management System.
- Conducted training programs for customers about steel products and related industrial standards in order to create the understanding of the correct use of steel products. A total of 16 company executives and employees participated in the training. The average post-training satisfaction score was 95%. In addition, customers were also invited to visit the factory regularly to ensure customers that the Company has products and services that truly meet all the customers' needs. In the past year, there were 80 companies that visited the factories. The number of customers attending the training and visiting the Company decreased from the previous year due to the COVID-19 pandemic.
- Enabled the Line Official Account communication channel with target customers to increase communication channels with customers to be more convenient and faster.

Performance

- The average customer satisfaction rating was 88%

Sustainability Management in the Social Dimension

1. Human Resources and Human Rights Management
2. Human Resources Development

Policy

TMT employees are one of the cornerstones of the most important structures. Therefore, the Company develops employees to be professional, knowledgeable, experienced, ready to give advice, and support employees to learn new things. This includes the emphasis on the respect of human rights which is a fundamental right by adhering to human rights principles in accordance with the Thai Labor Standards of Thai businesses social responsibility (TLS 8001-2553) of the Ministry of Labor. The Company emphasizes fair, equitable and non-discriminatory practices and respects human rights, whether in terms of employment, remuneration, promotion, employee training, and development, without discriminating against gender, age, educational institution, race, and religion, as well as supporting employment of disadvantaged groups in order to create career opportunities and stable incomes.

Goals

- An average score of 80% or higher for employee engagement
- A turnover rate of less than 10%.
- TMT employees receive training for an average of 25 hours of training/person/year.
- No labor disputes and no human rights violations.



Strategies/Operational Plans

- Comply with human rights principles in accordance with the Thai labor standards and Thai businesses social responsibility (TLS 8001-2010).
- Study and analyze the needs of employees which includes analyzing the need for employee development.
- Create and promote a good work environment.
- Promote a work culture that encourages learning, continuous improvement and development.
- Promote and develop employees to have career advancement and use their full potential.
- Establish a human rights policy and relevant practice guidelines by 2021.

Operations

The Company adheres to the human rights principles beginning with the employee recruitment process to the systematic and continuous development of employees in order to increase the knowledge and potential of employees thoroughly and comply with the requirements of the Thai labor Standards as follows:

1. Recruit and select employees based on their education, qualifications, skills, knowledge, abilities, and attitudes that are suitable for the job position and corporate values. In addition, the “Friends Recommend Friends” project was organized to recruit employees who have qualifications and attitudes that match the position and corporate values. This provides more channels and opportunities to find suitable candidates for certain positions. The Company rewarded employees who referred friends or acquaintances with suitable qualifications to apply for jobs and passed the probation. The total number of employees resulting from the friends recommend friends project was 36 in the past year. The Company was able to recruit employees to be in line with the corporate growth goals. As of December 31, 2020, the Company had a total of 1,268 employees, an increase of 33 employees, which represented a 2.68% increase from 2019. The details are as follows:

		
Employees	878	389
Employment of disabled	1	-
Total	879	389

2. Conducted employee engagement survey. This was analyzed to develop and improve human resources operations. The evaluation of employee commitment to the organization in 2020 was 82.54%. This was communicated through

internal communication channels. The summary of the important issues was reported to executives, managers, supervisors, and welfare committees in order to jointly lead to the determination of relevant action plans in 2021. In addition, the election of a welfare committee in the workplace in 2020 was held to replace the previous welfare committee that retired by rotation. The meetings were organized once a quarter. This included meeting with employees' activities to provide opportunities for employees to participate in proposing opinions and suggestions that are useful for the improvement and development of the organization in all aspects. This will be forwarded to all relevant parties for consideration. The Company pays attention to every matter that comes from employees at all levels

From the results of the employee satisfaction survey and employee dialogue, the Company analyzed, and prioritized them in order to carry out projects or activities that could be done or planned to continue to proceed as follows:

- Establish short-term and long-term employee remuneration policies. In regards to short-term remuneration, the Company determined a hiring method, remuneration, benefits, and welfare that is fair and appropriate based on the potential and responsibilities for employees in each level as well as the operating results of the Company and comparing it with other companies in the same industry. In regards to long term remuneration, the Company established a provident fund for its employees. Employees are able to choose an investment policy that is suitable for their own savings. This includes improving insurance benefits for health, life and accident insurance for the benefits of employees' health.
- Increase vehicle and motorcycle parking spaces for employees by renovating the parking lot and installing lights to have adequate lighting in order to facilitate convenience for employees when coming to work and makes it safer for employees and people passing by.

- Give scholarships to support TMT employees' children annually by using the performance of the target employees as evaluation criteria to consider scholarships for the children of the employees.
- TMT Market enables employees to purchase good quality products at an affordable price and help promote income distribution to the community by giving opportunities to people with disabilities or people in the community who wish to sell quality products at the Company. The Company does not charge any fees.
- Labor Day activities promote and communicate the awareness of various dimensions related to work and quality of life. This includes providing knowledge and understanding on welfare or government policies that are beneficial to employees.
- Taking care of employees during the COVID-19 pandemic by raising awareness in various fields through education and regularly communicating messages of concern from the Chief Executive Officer. This included the management of a suitable and safe work environment, as well as management.
- Organizing various activities that promote corporate values, both directly and indirectly, such as the TMT Virtual Exercise 2020 which



encourages employees to exercise to have good health, a massage service project from people that are visually impaired to reduce the symptoms of Office Syndrome of target employees. This also helps to promote careers for people with visual impairments. The TMT Day 2020 New Normal was an event organized by the Company to thank all employees for their commitment and working together throughout the year. All employees participated in the new activities.

3. Continue to develop employees' potential. The TMT Knowledge Center is a learning center to develop employees' potential. The Company conducted a training and development survey by interviewing managers in each department as well as analyzing job positions and evaluated the performance in order to use this information to design training programs that are in accordance with the goals and strategies of the organization. This included the creation of an environment and work culture that encourages creativity through activities that promote knowledge for employees such as the TMT Academy Project which is a basic course that helps employees have the necessary knowledge and skills to perform the duties, support learning through E-Learning courses which includes 40 courses, organize Talk & Share activities four times in order to enhance knowledge and modern skills so that employees are equipped for future growth, create quality internal speakers who can convey knowledge, give advice and encourage employees to learn new things at all times. Over the past year, the Company was able to organize training in accordance with the plan. Employees received an average of 17 hours of training per person, a decrease from the previous year due to the COVID-19 pandemic.

4. Encourage career advancement of employees. The Company set a career growth path for each level. There are guidelines to develop the competency of employees in each position. This includes job transfers to meet increased capabilities. Employees that reach the supervisor level need to develop an Individual Development Plan (IDP), follow up, and report the self-development results to the directors for acknowledgement in a systematic manner. The Company has management guidelines for talented employees by considering various dimensions such as performance results, personal capabilities, experience and attributes. This is one aspect of human resource management that helps employees have a clear direction, supports the growth of the organization, and motivates oneself to reach higher goals. Over the past year, the number of employees who were promoted within the Company was 190 people, 9 people were promoted to the management level, 19 were promoted to be supervisors, 49 were employee level, and 113 people for the operational level. This accounted for 15%.
5. The Company does not support the infringement of copyrights or intellectual properties. The Company has a policy regarding intellectual rights infringements to prevent employees and the Company from offending information laws, copyright infringement laws, and regulations concerning the performance of the Company.

Performance

- Employee engagement survey score was 82.54%.
- The turnover rate was 17.41%.
- TMT employees were continually developed with an average of 17 hours/person/year of training.
- There were no cases of labor disputes or human rights violations.



Occupational Health and Safety

Policy

The Company is committed to developing a safety management system to be in compliance with any laws and related regulations in order to prevent and reduce occupational hazards with the cooperation of all our employees. The details of the “Occupational Health and Safety Policy” are disclosed on the website at [www.tmtsteel.co.th /investor relations / corporate governance / other policies / occupational health and safety policy](http://www.tmtsteel.co.th/investor-relations/corporate-governance/other-policies/occupational-health-and-safety-policy).

Goals

- Compliance with laws and related regulations.
- Reduce the Injury Frequency Rate: (IFR) of employees every year.

Strategy/Operational Plans

 <p>Comply with relevant laws, rules and regulations of the safety and environmental management system</p>	 <p>Reduce workplace hazards</p>	 <p>Build and promote safety awareness among employees.</p>
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Operations

1. Comply with any relevant laws, rules, and regulations, including the requirements of the safety and environmental management system.
 - Assess regulatory compliance with any related laws and requirements every 6 months.
 - Control and take corrective actions to improve operations in accordance with the applicable laws or regulations.
2. Reduce Workplace Hazards
 - Review risk assessment whenever there is a new activity or changes to the working methods and annually revise them so they are up to date.
 - Establish plans and methods to eliminate hazards and reduce occupational health and safety risk using a “hierarchy of control”.
 - Provide a process to control and plan changes that occur within the organization, whether temporary or permanent.
 - Regularly review and conduct emergency response plans at least once per year.
 - Install a noise shield to reduce noise from the manufacturing process around the steel pipe cutting machine.
 - Construct a Safety Interlock System and Sensor Systems on the fence and machine guarding to increase safety.
 - Monitor industrial hygiene and the environment.

3. Build and Promote Safety Awareness among Employees.

- The Company has occupational health and safety management in accordance with the requirements of the Occupational Health and Safety Management System Standards (ISO 45001:2018) in order to develop and promote knowledge regarding a safe workplace to employees. Over the past year, the Company organized various activities to promote the following safety behaviors:
- Provided 19 training courses on occupational health, safety and the work environment for employees.
- Safety Day 2020 activity. The Company organized a safety slogan contest for employees to participate in. There were 41 employees that participated in the contest.
- Safety We Can, an innovative contest project. There was a total of 6 teams (18 employees) that participated in this contest. The winning team created an open-ended dump bucket project that reduced hazards when pouring scrap steel.
- Safety Small Group Activity. The target group was employees in the Production 2 department. The activity was conducted during the morning meetings between February and December 2020. 100% of the employees participated in the activity. The Injury Frequency Rate of employees in the Production 2 department decreased from 2019 by 66.85%.

4. Measures to Prevent the Spread of the COVID-19 Pandemic

The Company had strict surveillance measures to prevent and control the spread of COVID-19 by prescribing measures for all employees to comply with. These measures included checking the employee's travel history to prevent the spread from both domestic and international travel, preventing an outbreak within the Company, screening employees regularly, and conducting employee surveys as well as providing useful information to employees regarding the COVID-19 situation

The Company organized daily screenings of all employees and visitors, installed body temperature meters at the entrances of the factories and offices, provided a disinfectant spray booth before entering the factory, a disinfectant sprayer in the office, and provided alcohol hand gel for every building and office. In addition, there was also disinfectant spray for surfaces by requiring regular cleaning of the common areas. Some employees worked from home without having to travel to the Company office in order to reduce congestion in the workplace and reduce the spread of the outbreak.

Performance

- The Company received ISO 45001: 2018 certification from SGS (Thailand) Company Limited in July 2020.
- The Lost Time Injury Frequency Rate (LTIFR) was 1.32 times/working hour which decreased from 2019 by 81.36%.
- Built and promoted safety awareness for employees by creating 4 projects.



Society / Community Engagement and Development



Policy

The Company is aware of its coexistence with the community and society as well as giving importance to all stakeholders. The Company learns to develop and lives in harmony with the community by engaging in activities that build understanding as well as promoting community and society engagement. This ensures that the Company's business activities do not have an impact or cause distress to normal lifestyles and the surrounding community so that the Company can meet the needs and expectations as well as mutually creating sustainable value and returns. Details of the "Corporate Social Responsibility" are disclosed on the website at [www.tmtsteel.co.th / investorrelations / relatedpolicies / corporate social responsibility policy](http://www.tmtsteel.co.th/investorrelations/relatedpolicies/corporate-social-responsibility-policy).

Goals

- Zero external complaints.
- Continue to implement projects that create cooperation between the Company and society every year.

Strategies/Operation Plans

- Engage with all stakeholders by making the best use of TMT's resources, potential, and expertise.
- Create positive experiences for all stakeholders through the collaboration of beneficial activities or projects.

Operations

Comply with the code of business conduct, cooperate with stakeholders to conduct business with social responsibility and give importance to community participation and development, focus on quality living development of the community in regards to economic, social, or environmental aspects. This is done by expressing the needs and necessities of the community, promoting and raising awareness among personnel throughout the organization in order to build good relationships and friendships between the organization and the community, as well as implementing various projects that promote a good quality of living, create knowledge, and develop potential as much as the organization is able. This is as follows:

Promote Community Engagement

Give importance to community engagement at every step by organizing representatives to consult with the community, beginning with discussions and step by step problem analysis in order to appropriately gather information from the community before cooperating activities with the community.

Program / Project Support

The Company considers the nearby communities that are likely to be directly impacted by the organization first. This is done by taking into account the consistency of the nature of business and the organization's capabilities based on the employees' cooperation in the organization and the community in accordance with the operating guidelines that focus on community development to have a good quality of life, help reduce costs to the community, and create value for the Company's products. In addition, the Company attaches great importance in supporting and promoting a good quality living in Thai society without discrimination and providing support as much as the Company is able to, and be a part of development to create career opportunities and stable income. In the past year, the various projects that were carried out were as follows:

1. Steel for Sustainability Project

- Developed a hands-free alcohol gel dispenser which was made by employees of the Rama 3 branch. The Company donated 11 hands-free alcohol gel dispensers to community schools such as Wangnoi School (Banomyong Witthaya), Wichian Klinsukon Uppatham School, and the graduate institution of Rajamangala University of Technology Thanyaburi in order to prevent and reduce the transmission of COVID-19 virus and help reduce expenses at schools and educational institutions. The procurement of such equipment was valued at about 4,500 Baht.
- Installed a steel grid to place containers when using the drinking water dispenser. This was designed and installed by the maintenance department staff of Wang Noi branch to facilitate convenience to people in the communities at the village leader's office, Village No. 5, Lam Sai Sub-district, Wang Noi District, Ayutthaya Province. This included educating people on the maintenance of water filters and other equipment so that people in the community have good hygiene and reduce the cost of drinking water for each family by approximately 100 Baht.
- Supported and donated structural steel pieces as teaching materials to Tha Luang Cementhai Anuson Technical College, for students majoring in welding, in order to practice welding and cutting skills as well as other learning related to steel. This helped reduce costs on steel procurement for the colleges.
- Supported and donated structural steel to fourth year students in the Department of Civil Engineering, Faculty of Engineering at King Mongkut's University of Technology, Thonburi to be used for thesis study on cold-formed steel work and promote the thesis outline to compete in a contest for Structural Steel Improvement (SSI) for Young Engineers 2020 (SSI4YE).



2. From School to the Steel Factory Project

- Accepted internship students and bilateral students. There were 11 undergraduate students that received internships with the Company and 67 high-vocational bilateral students. This has been a continuous collaboration between the Company and 7 technical colleges since 2018. This helps create educational opportunities and foster professional skill training as well as hands-on experience to prepare students before

entering the workforce. Over the past year, the Company was able to recruit a total of 15 employees from the bilateral program.

- Shared knowledge about steel and steel production/steel processing for teachers and students majoring in Materials Engineering in the Faculty of Engineering, Kasetsart University and the Faculty of Engineering, Khon Kaen University.

3. TMT Share for Sustainability Project

- TMT Market promotes income distribution to the community by giving opportunities to people with disabilities or anyone in the community who wish to come and sell quality products in the Company without charging any fees so that they are able to earn income to support themselves and their families.
- Relaxing massage activities in collaboration with the Foundation for the Employment Promotion of the Blind (FEPB) to promote careers for 6 males and females who have visual impairment.
- Donated notebook computers and fetal heart rate monitors to Wang Noi Hospital, Ayutthaya in order to help support the work of doctors and nurses who serve in the area.
- Co-sponsored a pilot project called "You Take Care of the Forest, We Take Care of You" under the cooperation of the Securities and Exchange Commission (SEC), Thai Listed Companies Association, TRBN, Mae Fah Luang Foundation, the Greenhouse Gas Management Organization, and other partnering organizations.

- Provided social assistance to alleviate suffering of those affected by the COVID-19 pandemic by donating 500 bags of rice to Lam Sai Subdistrict Administrative Organization, Wang Noi, in order to be given to surrounding communities. Donated 2,000 sets of personal protective equipment (PPE) for the safety of medical personnel to the Nurse Association of Thailand.
- Continually supported the waste for merit project with 4 other companies in the area by donating money from waste sales to Lam Sai Subdistrict Administrative Organization, Wang Noi, in order to help people with disabilities, elderly, and bed-ridden patients in the area.

Details and pictures of the above activities have been disseminated on the Company's website at [www.tmtsteel.co.th / about / TMTactivities](http://www.tmtsteel.co.th/about/TMTactivities).

Performance


- No external complaints.
- Conducted 3 projects that create cooperation between the Company and society each year. These projects have been carried out continually.

Sustainability Management in Environmental Dimensions

1. Efficient Energy and Resource Management
2. Greenhouse Gas Management

Policy

The Company is committed to environmental management by reducing emissions and energy consumption of natural resources for a sustainable environment. The Company disseminated the policy on the website at www.tmtsteel.co.th / investor relations / corporate governance / other policies / environmental policy.



Goals

- Reduce greenhouse gas emissions per unit of production (ton CO₂eq/ton product) by 20% compared to the base year (2018) by 2027.
- Increase green areas by 20% by 2027.
- Reduce electric energy consumption by 0.9%.

Strategy/Operational Plans

- Assess electricity consumption, water consumption, and fuel consumption.
- Set operational goals.
- Plan to control/reduce electricity consumption, reduce water consumption, and fuel consumption.
- Implement the plans.
- Compare performance and goals.
- Review, analyze and resolve mistakes.

Operations

1. Efficient energy and resource management

The Company appointed an energy management working group to create efficient and sustainable energy management guidelines. In addition, an environment and safety working group was organized to manage business in accordance with the environmental and safety dimensions relevant to sustainable development. The results of the Environmental Aspect assessment helped the Company to be aware of the business activities that significantly affect the environment which is electricity consumption. The Company focused on operating business in an environmentally friendly way by using renewable energy as follows:



1) Solar power generation system

Goal : Reduce electricity consumption by 30%. The saving target is 3,518,000 kilowatt-hours/year or 13,966,460 Baht/year.

Performance : Solar PV Rooftop 2.5 MW, saves 3,074,926.68 kilowatt-hours/year, or 11,776,969.20 Baht/year and is able to reduce CO₂ gas emissions by 1,537.15 tons/year.



2) Changing H.I.D. Lamp High Bay to High Bay LED around Plant A.

Goal : Reduce electricity consumption by 60% (saving target is 121,305.60 kWh/year, or 473,455.76 Baht/year).

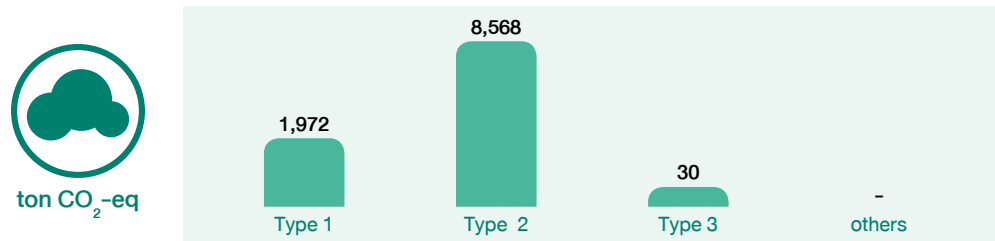
Performance : Switched to 60 180W High Bay LED lamps in the area of Plant A, which is able to reduce electricity consumption by 121,306 kWh/year and save electricity costs approximately 464,585 Baht/year.

2. Greenhouse Gas Management

The corporate carbon footprint project has the following goals:

- Assess the greenhouse gases emitted from the activities of the organization.
- Determine the causes of significant greenhouse gas emissions and find a solution to reduce the amount of greenhouse gas.

Performance : The greenhouse gases emitted by the organization's activities were 10,540 tonCO₂eq. The greenhouse gases emitted from energy activities which included electricity and fuel (Category 2) equaled 8,568 tonCO₂eq which accounted for 81.06% of the total greenhouse gas produced.



3. Use the Life Cycle Assessment and Environmental Labeling Project to create a digital library of building materials for green buildings.

Goal : Prepare LCA/EPD (select 3 impact groups) of 4 product groups: round steel pipe, square steel pipe, rectangle steel pipe, and C-pipe

Performance : In 2020, in collaboration with VGREEN, the Company created a life cycle assessment of 5 product groups. These included round steel pipe, square steel pipe, rectangular steel pipe, C-pipe, and galvanized steel pipe.

4. Water Management

The Company used 0.09 cubic meters per ton of tap water and ground water for production. There is constant maintenance and inspection of the water distribution system within the production process along with efficient wastewater management. Every parameter regarding the wastewater discharged from the factory is in accordance with the quality standards as defined by the law.

5. Increase of Green Areas

Increase green areas inside the factory to filter out air pollution and create a good environment, both within the Company and nearby areas. The Company registered trees in the factory area. In the previous year, there were 1,069 trees which represented 27 rai or 13% of the total area that filter air pollution and create a good environment.

6. Garbage, Waste and Pollution Management

Establish standard procedures for industrial waste and unused material management. The industrial waste and unused materials are classified into two categories which are hazardous and non-hazardous waste. Both types can be classified as waste that can be sold and waste that cannot be sold. In addition, scrap steel from production is classified as a non-hazardous waste in which 100% of it can be recycled or sold. The Company set the KPI of the production department to reduce the amount of scrap steel from the production process. There is a systematic scrap steel management in which there is an area to separate the scrap steel into different types. A scrap metal compactor is used to increase efficiency in recycling scrap steel.

Performance :

- Reduce electricity consumption by 3,074,926.68 kilowatt-hours/year and save electricity costs by approximately 11,776,969.20 Baht/year.
- Reduce CO₂ emissions by 1,537.15 tons/year from the installation of Solar PV Rooftop 2.5 MW.
- The amount of greenhouse gases emitted from corporate activities is 10,540 tonCO₂eq. The GHGs are emitted from energy use activities such as electricity and fuel (Category 2) at 8,568 tonCO₂eq which accounted for 81.06% of all the greenhouse gases.
- There are 1,069 trees, representing 27 rai or 13% of the green area in the factory.
- Manage garbage, waste and pollution to be in accordance with the industrial waste and unused materials management standards.



Sustainable Development Goals (SDGs)

The Company is committed to supporting and taking part in the United Nations Sustainable Development Goals (SDGs) to ensure that the Company conducts business in accordance with international goals and creates benefits for all stakeholders. The Company is striving to succeed with 17 goals and continues to do the same in the future. In 2020, the Company's performance is in accordance with the 16 sustainable development goals. This was an increase of 2 goals from the previous year. These were zero hunger, the second goal, and peace and justice strong institution, the fifteenth goal.



ที่มา: <https://www.un.or.th/globalgoals/th/the-goals/>

The operations can be summarized as follows:

Sustainable Development Goals (SDGs)	The Company's Sustainability Issues	Activities/ Projects that Support the Goal	Benefits to the Company	Benefits to Society and the Environment
1 No Poverty 	<ul style="list-style-type: none"> Human Resource and Human Rights Management Society/ Community Engagement and Development 	<ul style="list-style-type: none"> Friend Recommend Friend Project TMT Market Relaxing massage activities by people with visual impairment 	<ul style="list-style-type: none"> Increase employment channels, reduce time for employee recruitment Build good relationships with the community The staff can relax and relieve office syndrome 	<ul style="list-style-type: none"> Promote employment Increase income for merchants in the community Create income distribution from employees to the community Promote careers for people with visual impairment
2 Zero Hunger 	<ul style="list-style-type: none"> Society/ Community Engagement and Development 	<ul style="list-style-type: none"> Waste to Merit Project TMT Share for Sustainability Project, donated rice to help the community 	<ul style="list-style-type: none"> Build good relationships with the community The community cooperate with the Company 	<ul style="list-style-type: none"> Promote a quality of living for people in the community to have access to adequate food

Sustainable Development Goals (SDGs)	The Company's Sustainability Issues	Activities/ Projects that Support the Goal	Benefits to the Company	Benefits to Society and the Environment
3 Good Health and Well Being 	<ul style="list-style-type: none"> Human Resource and Human Rights Management Occupational health and safety Innovation management and product quality development 	<ul style="list-style-type: none"> TMT Virtual Exercise Care for employees during the COVID-19 pandemic Relaxing massage activities by people with visual impairment. Installation of sensor system, automation systems and equipment to improve safety and reduces work fatigue 	<ul style="list-style-type: none"> Create bonds with employees Reduce the sick leave rate for employees Reduce accidents 	<ul style="list-style-type: none"> Employees are in good health and reduce illness Prevent the spread of COVID-19 Reduce the spread of influenza to people nearby
4 Quality Education 	<ul style="list-style-type: none"> Employee potential Development Society/ Community Engagement and Development 	<ul style="list-style-type: none"> Employee Training Program Dual Vocational Training projects from school to steel factory project 	<ul style="list-style-type: none"> More employees have quality knowledge and skills Increase employment opportunities for students/ project participating students 	<ul style="list-style-type: none"> Support equal and inclusive education and promote lifelong learning for employees, students and teachers
5 Gender Equality 	<ul style="list-style-type: none"> Human Resource and Human Rights Management Employee potential development 	<ul style="list-style-type: none"> Equitable Treatment of Labor Recruit women to work in suitable positions Have women work in the management level 	<ul style="list-style-type: none"> Have employees who are qualified for the job and position. Employees fully utilize their potential at work 	<ul style="list-style-type: none"> Promote gender equality Develop the role of women to be able to work and earn wages
6 Clean Water and Sanitation 	<ul style="list-style-type: none"> Society/ Community Engagement and Development 	<ul style="list-style-type: none"> Install a steel grid to place containers when using a water dispenser. Provide knowledge regarding the maintenance of water filters and equipment 	<ul style="list-style-type: none"> encourage employee engagement Build good relationships with the community 	<ul style="list-style-type: none"> Communities have clean and safe drinking water Reduce costs for the community
7 Affordable and clean energy 	<ul style="list-style-type: none"> Cost-effective of energy and resources management Greenhouse gas management 	<ul style="list-style-type: none"> Solar power generation system Change to 180 W High Bay LED Lamps Renovated buildings to use more natural light 	<ul style="list-style-type: none"> Reduce the consumption of main energy and use more alternative energy Reduce costs for the Company in the long run 	<ul style="list-style-type: none"> Reduce greenhouse gas emissions Increase awareness of alternative energy use

Sustainable Development Goals (SDGs)	The Company's Sustainability Issues	Activities/ Projects that Support the Goal	Benefits to the Company	Benefits to Society and the Environment
8 Decent work and economics growth 	<ul style="list-style-type: none"> Human Resource and Human Rights Management Employee potential development 	<ul style="list-style-type: none"> Use an automation system in the production process instead of human labor for risk prone processes. Employee promotion Legal Employment 	<ul style="list-style-type: none"> Increase productivity in the production process Create bonds with employees Reduce turnover rate 	<ul style="list-style-type: none"> Promote effective employment and appropriate position for women and men Promote career advancement for employees
9 Industry, innovation and infrastructure 	<ul style="list-style-type: none"> Innovation management and product quality development 	<ul style="list-style-type: none"> Using the semi- automatic /automatic system such as Auto feed and Auto vacuum technology with the production process support work improvement culture 	<ul style="list-style-type: none"> Reduce the occurrence of waste Increase the quality of products and services Increase productivity in work processes Increase customer satisfaction 	<ul style="list-style-type: none"> Investment in technology and innovation High quality steel sheet products Environmentally friendly production and reduce energy consumption
10 Reduce Inequality 	<ul style="list-style-type: none"> Human Resource and Human Rights Management Employee potential development Society/ Community Engagement and Development 	<ul style="list-style-type: none"> Equitable treatment of labor without discrimination Employ people with disabilities Massage for Health Project to promote careers for people with visual impairment. 	<ul style="list-style-type: none"> No prosecution for non-compliance with the law and no labor disputes Create bonds with employees 	<ul style="list-style-type: none"> Promote equality in society People with disabilities are able to earn income and support themselves and their families
11 Sustainable cities and communities 	<ul style="list-style-type: none"> Society/ Community Engagement and Development 	<ul style="list-style-type: none"> Steel for Sustainability Project (Supporting steel for a benefit of public use) Donated steel for education 	<ul style="list-style-type: none"> Build good relationships with the community The Company is known in distant communities. Build good relationships with educational institutions 	<ul style="list-style-type: none"> Support the community to have strong, safe, and suitable steel structure buildings Use steel for the right type of work
12 Responsible Consumption and Production 	<ul style="list-style-type: none"> Innovation management and product quality development Cost-effective of energy and resources management Greenhouse gas management 	<ul style="list-style-type: none"> Operate in accordance with the environmental impact reduction policy 	<ul style="list-style-type: none"> Reduce energy consumption Reduce the occurrence of waste in the production process 100% of scrap steel can be sold and recycled 	<ul style="list-style-type: none"> Use resources efficiently Support circular economy

Sustainable Development Goals (SDGs)	The Company's Sustainability Issues	Activities/ Projects that Support the Goal	Benefits to the Company	Benefits to Society and the Environment
13 Climate Action 	<ul style="list-style-type: none"> • Cost-effective of energy and resources management • Greenhouse gas management 	<ul style="list-style-type: none"> • Carbon Footprint Project • Solar power generation system 	<ul style="list-style-type: none"> • Reduce the consumption of main energy and use more alternative energy • Reduce costs for the Company in the long run 	<ul style="list-style-type: none"> • Reduce greenhouse gas emissions that cause global warming • Increase awareness of alternative energy use
15 Life on Land 	<ul style="list-style-type: none"> • Society/ Community Engagement and Development • Cost-effective of energy and resources management • Greenhouse gas management 	<ul style="list-style-type: none"> • Plant and register trees in the factory • Collaborate in the project "You Take Care of the Forest, We Take Care of You" 	<ul style="list-style-type: none"> • Increase green area inside the factory • Engage with remote communities and increase the Company's knowledge regarding forest care and carbon credit information 	<ul style="list-style-type: none"> • Increase green areas • Promote sustainable forest management and resolve deforestation
16 Peace and justice, strong institutions 	<ul style="list-style-type: none"> • Corporate governance for sustainability • Human Resource and Human Rights Management 	<ul style="list-style-type: none"> • Comply with the Thai Labor Standards (TLS) for human rights • Collaborate with the prevention and solution to drugs in the workplace project • Corporate Anti-Corruption Policy 	<ul style="list-style-type: none"> • no prosecution for non-compliance with the law and no labor disputes • Build credibility and transparency in the Company's business 	<ul style="list-style-type: none"> • Reduce conflicts • Reduce social problems • Prevention and anti-corruption
17 Partnership for the goal 	<ul style="list-style-type: none"> • Innovation management and product quality development 	<ul style="list-style-type: none"> • Extension of expansion of Stretcher Leveling, an advanced manufacturing innovation from the United States for the second Stay Flat machinery. • Use modern technology and machines to develop and expand business opportunities such as Hydro Test machines • Bring tractors that are used in airports from the United States to optimize the internal transportation process. 	<ul style="list-style-type: none"> • Obtain knowledge of new technology from foreign partners (USA, China) • increase productivity in the production process • Increase quality of products and services • Increase customer satisfaction 	<ul style="list-style-type: none"> • Enhance the quality of steel sheet products in Thailand • Help customers' businesses to have more success from using quality products • Save energy from reduced freight cycles

Summary of Sustainability Performance in 2019–2020

Sustainability Management in the Economic Dimension

Significant Issue	Indicator	2 Years Performance			Goals
		Unit	2019	2020	
Corporate Governance toward Sustainability	CGR Score	Percent	88	89	>90
	Continuously selected on the Sustainability Stocks List (THSI)	Yes/No	No	Yes	SET Sustainability Award
Risk Management	To be a stable and consistent product provider	Yes/No	Yes	Yes	consistent/always
	Continuity in delivering the value of products and services	Yes/No	Yes	Yes	consistent/always
Innovation Management and Product Quality Development	The evaluation results of customer satisfaction with the product	Percent	88	87	>80 or more from the previous year
	Increased capacity utilization	Ton	962,919	957,701	1 million tons
	The number of work results/ technologies used to optimize the work process	Subject	4	5	continue to have work results every year
	The number of work results from the improvement and development of employees	Subject	265	711	continue to have work results every year
Responsible Supply Chain Management	Number of complaints from partners	Point	0	0	0
	Adequacy of raw materials and factors in business operations	Yes/No	Yes	Yes	consistent/always
Customer Relationship Management	The evaluation results of the customer satisfaction in all aspects	Percent	86.80	88	>80 or more from the previous year

Sustainability Management in the Social Dimension

Significant Issue	Indicator	2 Years Performance			Goals
		Unit	2019	2020	
Human Resource Management and Human Rights	Evaluation result of employee commitment to the organization or corporate values survey results	Percent	86.55 (Survey of corporate values)	82.54 (Affiliate assessment)	>80 or more from the previous year
Human Resources Development	Employee turnover rate	Percent	24.94	17.41	<10
	Continual training and development of TMT employees	Hours/ Person/ Year	23	17	an average of 25 hours/ person/year
	Number of labor disputes and human rights violations	Number of Complaints/ Disputes	0	0	0
Occupational Health and Safety	Compliance with relevant laws and regulations	Yes/No	Yes	Yes	Yes
	Employee Injury Frequency Rate: (IFR)	Times/ Hours of Operation	7.80	1.32	Continued decline every year
Society/ Community Engagement and Development	Number of complaints from society/ outside community	Number of Complaints	0	0	0
	Number of projects that create cooperation between the Company and society	Number of Projects	7	3	Continued every year

Sustainability Management in the Environmental Dimension

Significant Issue	Indicator	2 Years Performance			Goals
		Unit	2019	2020	
Greenhouse Gas Management	The amount of greenhouse gas emissions decreased per unit of production	(ton CO ₂ eq / ton Product) / year	0.00030 (2.63%)	0.00018 (1.59%)	A 20% decrease compared to the base year (2018) by 2027
Cost-Effective of Energy and Resources Management	Increase green area	percent	13.46	13.50	20% of the total area by 2027
	Reduce Electricity Consumption	Kilowatt-Hour/Year	637,064.70 Kilowatt-Hour/Year	3,074,926.68 Kilowatt-Hour/Year	Decrease every year
	Save on Electric Bill	Baht/Year	2,484,552.31	11,776,969.20	Decrease every year
	Reduce Water Consumption	Cubic Meter/Person	65 Cubic Meter/Person	70 Cubic Meter/Person	< 80 Cubic Meter/Person
	Control the Amount of Waste (Industrial Waste)	Ton	260.95	445.60	Standard handling of industrial waste and waste materials

This report represents the information from January 1, 2020 to December 31, 2020.

Governance and Sustainability Committee

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